

Mary O'Kane  
SGN Natural Gas Limited  
14 Silverwood Industrial Estate  
Lurgan  
BT66 6LN

19<sup>th</sup> September 2018

**Ref: NET/G/TH/04**

Dear Mary,

**Conveyance Charge Statement for the period 1<sup>st</sup> January 2019 to 31<sup>st</sup> December 2019**

Thank you for submitting the conveyance charge statement in your email of 17<sup>th</sup> August 2018, as required under licence condition 2.2.3 of the SGN natural gas conveyance licence.

I acknowledge that the proposed charges for 2019 have been presented in nominal 2019 prices using appropriate RPI assumptions.

I also note your intention to price up to the cap in 2019 in order to ensure significant 'Z' is not created, at this point this is seen as appropriate in the circumstances faced by SGN.

We recommend that you continue engagement with PNGL and FE on the cost apportionment across individual conveyance categories to ensure a consistent basis throughout Northern Ireland. We will be in touch in order to progress this area in the future to ensure conveyance charges reflect this work fully.

Please accept this letter as approval of the conveyance charges submitted on 17<sup>th</sup> August 2018 and ensure that this conveyance charge statement is published on your website on or before the 1<sup>st</sup> October 2018.

Yours sincerely,



Tanya Hedley  
Director of Networks