## *Consultation name*: **Proposed modifications to Special Conditions 1.1 and 3.18 of the gas transporter licences: statutory consultation**

Issued by: Ofgem Territorial extent: Great Britain Response author: SGN Deadline for responding: 7<sup>th</sup> March 2025



SGN St Lawrence House Station Approach Horley RH6 9HJ

Catherine Warrilow Ofgem 10 South Colonnade Canary Wharf London E14 4PU

By email to: catherine.warrilow@ofgem.gov.uk

7<sup>th</sup> March 2025

Dear Catherine,

## Proposed modifications to Special Conditions 1.1 and 3.18 of the gas transporter licences

Thank you for the opportunity to respond to the above statutory consultation<sup>1</sup>. Following the Final determination of the RIIO-2 Tier 1 Stubs Repex Policy Re-opener, SGN are in agreement with the proposed changes to special conditions 1.1 and 3.18 of the gas transporter licence which suggests the introduction of a price control deliverable (PCD) funding mechanism to deliver the Tier 1 Stubs programme.

SGN finds that the approved cost allowances for the workload described will enable continued delivery under this mechanism and would suggest that with this deliverability across the remainder of GD2, a price control deliverable may be a suitable approach to a Tier 1 stubs workload for GD3.

Should you have any questions or wish to discuss further, please do not hesitate to contact me on <u>alexandria.graham@sgn.co.uk</u>

Yours sincerely,

Alexandria Warren Regulatory Reporting Manager SGN

<sup>1</sup> <u>Proposed modifications to Special Conditions 1.1 and 3.18 of the gas transporter licences: statutory</u> <u>consultation</u>