



Making a positive difference
for energy consumers

To:

National Gas Transmission plc
Cadent Gas Limited
Northern Gas Networks Limited
Scotland Gas Networks plc
Southern Gas Networks plc
Wales & West Utilities Limited
Other interested stakeholders

Notice of statutory consultation on a proposal to modify Special Condition 3.21 of the Gas Transporter licence held by licensees listed above

The Gas and Electricity Markets Authority ('the Authority') proposes to modify Special Condition 3.21 of the Gas Transporter licence held by each of the above licensees ('the licensees') granted or treated as granted under section 7 of the Gas Act 1986.

We are proposing to amend Special Condition 3.21 to replace the current network-level Biomethane Connections Use It Or Lose It funding allocations with corporate-level allocations for Cadent Gas Limited and for SGN. This proposal is intended to give effect to the changes we approved to the UIOLI mechanism through our decision to modify the Biomethane Connection UIOLI Governance Document.

The reasons for these proposed modifications can be found in a separate consultation document, and the full text of the proposed modifications in a marked up version of Special Condition 3.21 of the Gas Transporter Licence, are published on our website alongside this notice.

Any representations with respect to the proposed modifications must be made on or before 7 September 2026 to RIIO3@ofgem.gov.uk.

We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.

If we decide to make the proposed modifications, they will take effect no less than 56 days after our decision is published.

Donald Lam

Head of Gas Distribution Policy, Network Price Controls

For and behalf of the Authority

The Office of Gas and Electricity Markets

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