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7th September 2026

Wales & West Utilities (WWU) response to Ofgem Consultation Modifications to Special Condition 3.21 of the Gas Transporter Licence – Biomethane Distributed Entry Reinforcement (BDERt)

Thank you for the opportunity to respond to this consultation. WWU is a gas transporter and a regional gas distribution network ("GDN"), serving 2.6 million supply points in Wales and south-west England. This response is not confidential and may be published.

We acknowledge that the modification in respect of Cadent and SGN allowance is required given the decision on the recent consultation on the Biomethane UIOLI governance document. We maintain our view that this gives preferential treatment to corporate entities that operate more than one network. We note that there is the potential for reallocation of up to £60M of allowances to one network and as Ofgem appears not to have considered the impact on customer bills we conclude that it is not considered material.

We acknowledge that the amendment to write yearly allowances into the licence reflects the policy intent; however, we note that Ofgem has not announced a date for a consultation on the issues raised by the networks in SGN's letter on behalf of all GDNs to Stephanie Cameron by email on 29th June 2026, a copy of which is attached. We urge Ofgem to do so to provide clarity on the functioning this arrangement.

Yours sincerely



Richard Pomroy
Regulation Manager
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