

Rt. Hon. Jacob Rees-Mogg M.P. Secretary of State for Business, Energy and Industrial Strategy 1 Victoria Street London SW1H 0ET

October 2022

As you will be aware, under the Gas Transporters Standard Licence Conditions ("GTSLC"), gas transporters are obliged to establish, amend and review a list of priority customers, who would be the last to be told to cease taking gas where this is necessary for safety reasons (paragraph 15 in combination with paragraph 13 of condition 6).

Via the Energy Emergencies Executive Committee and following work conducted as part of the Review of the Impact of a Gas Supply Shortage on Electricity between January 2021 and March 2022, BEIS has worked with industry partners to assess and amend the classes of customers to be prioritised in the event of a local or network gas supply emergency. These updated classes of customer will replace the existing categories, which have been in use since the 1990s.

As a result, in accordance with condition 6, paragraphs 16 and 17 of the GTSLC, the BEIS Secretary of State is directing gas transporters to base their priority lists on the following classes of relevant customers:

- Category A: Relevant customers where a failure in the supply to their premises could put lives at risk. •
- Category B: Relevant customers for which the sudden loss of gas causes or threatens to cause serious • damage, for an unacceptably prolonged period, to human welfare, the environment or the security of the United Kingdom that cannot be reasonably mitigated.
- Category C: Relevant customers taking over 2 million therms per annum for which the sudden loss of gas would result in repair or replacement costs amounting to 10% or more of the Site Fixed Tangible Asset Value.

The assessment of whether a site satisfies the criteria contained in Categories A and C rests with the gas transporter.

In recognition of the complexity of identifying sites that satisfy the criteria, the gas transporters may apply to BEIS for an assessment of which relevant customers meet those criteria. This route is recommended primarily when determining whether the criteria for Category B are met, and BEIS will regularly conduct such an assessment for Category B in consultation with relevant Lead Government Departments. The extent of the prioritisation given to these customers should be as far as is reasonable in accordance with

the approved Safety Cases of the gas transporters and Network Emergency Coordinator.

This letter of direction is issued in accordance with the Secretary of States power under Section 7B(5) of the Gas Act 1986 to give directions to gas licence holders and the responsibility of licence holders to comply with such a direction.

Yours Sincerely,

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