

UNIFORM NETWORK CODE

Binder 3 of 5

OFFTAKE ARRANGEMENTS DOCUMENT

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

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UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT**SECTION A****SCOPE AND CLASSIFICATION****1 Introduction and Participation****1.1 Offtake Arrangements Document**

- 1.1.1 This Offtake Arrangements Document sets out rights and obligations as between the Transporters in relation to the connections between, and the planning, maintenance and operation of, their respective Systems, and the implementation of certain provisions of the Transportation Principal Document.
- 1.1.2 The obligations of any Party to make gas available for offtake by another Party from its System are contained in the Transportation Principal Document, and nothing in this Document establishes or constitutes such an obligation.
- 1.1.3 This Section A sets out:
- (a) provisions (in addition to those of TPD Section A) relating to the classification of Systems and System Points for the purposes of this Document;
 - (b) the basis on which specific details relating to particular such System Points are to be recorded;
 - (c) the basis on which gas flows between Systems are to be treated for certain purposes under this Document.

2 Offtake Definition**2.1 Offtake**

- 2.1.1 An "**Individual Offtake Point**" is an Individual System Point which is the point of connection between:
- (a) the NTS and an LDZ; or
 - (b) two LDZs which are not comprised in the same Distribution Network;
- comprising a single pipe at which gas can flow from the NTS into the LDZ or (as the case may be) from one of such LDZs to the other.
- 2.1.2 An "**Offtake**" is one or more Individual Offtake Points, located on the same site, at each of which gas can flow into the same LDZ.
- 2.1.3 The Individual Offtake Point(s) comprised in an Offtake are specified in the relevant Supplemental Agreement.
- 2.1.4 An "**NTS/LDZ Offtake**" is an Offtake at which gas can flow from the NTS into an LDZ.

2.2 LDZ/LDZ Offtakes

- 2.2.1 An "**LDZ/LDZ Offtake**" is an Offtake at which gas can flow from one LDZ into another LDZ.
- 2.2.2 A "**Bi-directional LDZ Offtake**" is an LDZ/LDZ Offtake at which gas may (at different times) flow both to and from each LDZ.

2.2.3 A "**Closed Offtake**" is:

- (a) an "**LDZ/LDZ Closed Offtake**" at which the connection between LDZs is closed (such that gas does not flow between the LDZs)
- (b) an "**NTS/LDZ Closed Offtake**" at which the connection between the NTS and an LDZ is closed (such that gas does not flow from the NTS to the LDZ)

except in special circumstances as further provided in this Document.

2.3 Upstream and downstream Party

2.3.1 In relation to any Offtake, subject to paragraph 2.3.2:

- (a) the "**upstream**" System is the NTS or (as the case may) the LDZ from which gas flows at such Offtake;
- (b) the "**downstream**" System is the LDZ to which gas flows at such Offtake;
- (c) the "**upstream**" Party is the Party which operates the upstream System;
- (d) the "**downstream**" Party (or DNO) is the Party which operates the downstream System.

2.3.2 In relation to a Bi-directional LDZ Offtake, for the purposes of this Document (except as provided in Section J) one of the DNOs will be treated as being the upstream Party and the other of them as the downstream Party, as provided in the relevant Supplemental Agreement.

2.4 LDZ System Entry Points

2.4.1 In accordance with the Transportation Principal Document, an LDZ System Entry Point is a System Point other than an Offtake at which gas may flow into an LDZ.

3 Supplemental Agreements

3.1 General

3.1.1 In relation to each Offtake, a Supplemental Agreement (in the form in the OAD Template Agreements Document or in such other form as the Parties may agree) shall be in force between the Parties, setting out such details of the Offtake as are required pursuant to this Document.

3.1.2 In accordance with the further provisions of this Document, the nature and extent of the details of an Offtake which are required to be set out in a Supplemental Agreement may vary according to the nature of the Offtake.

3.1.3 The downstream Party shall not cause or permit gas to flow at an Offtake unless there is in force a Supplemental Agreement in respect of that Offtake, subject to paragraph 3.1.5.

3.1.4 For each Offtake in existence at the date of this Document, a Supplemental Agreement has been entered into and is effective with effect from the date of this Document, subject to paragraph 3.1.5.

3.1.5 The Parties acknowledge that there may be LDZ/LDZ Offtakes in existence of which they are not aware (and for which accordingly no Supplemental Agreement has been entered into); and where any Party identifies such an Offtake:

- (a) it shall promptly notify the other Party, and the Parties shall discuss the matter and seek to agree and enter into a Supplemental Agreement;
- (b) the requirement in paragraph 3.1.1 shall not apply:

- (i) until and unless the upstream Party has reasonably determined and given notice to the downstream Party that the absence of a Supplemental Agreement has material adverse consequences for the upstream Party, or
 - (ii) if (upon the application of the downstream Party) the Authority gives Condition A11(18) Disapproval to such requirement applying; and
 - (c) for the purposes of TPD Section J, there shall be deemed to be Network Exit Provisions in force in respect of such Offtake, unless the requirement in paragraph 3.1.1 applies (pursuant to paragraph (b)) and is not satisfied.
- 3.1.6 The Supplemental Agreement in relation to the deemed NTS/LDZ Offtake at the NTS Exit Point referred to in TPD Section A1.7.4(b) may refer to the relevant Network Exit Provisions and need not contain the details in Part 1 or 2 of the OAD Template Agreements Document.
- 3.1.7 Further provisions in relation to Supplemental Agreements are contained in Section N3.

3.2 New and changed Offtakes

- 3.2.1 Where a new Offtake is to be established, or any change is to be made in relation to an existing Offtake, the Parties shall enter into a new Supplemental Agreement or (as the case may be) amend the existing Supplemental Agreement in accordance with Sections B1.5.2 and N3.2.
- 3.2.2 In particular, before an LDZ/LDZ Closed Offtake or NTS/LDZ Closed Offtake may cease to be a Closed Offtake, the Parties shall amend the Supplemental Agreement so as to comply (or, as the case may be, enter into a new Supplemental Agreement complying) with the requirements of this Document applicable to LDZ/LDZ Offtakes or NTS/LDZ Offtakes which are not Closed Offtakes.
- 3.2.3 In the event an Offtake ceases to be an Offtake (including a Closed Offtake) and the Offtake Site becomes a Shared Site the Parties shall enter into a Shared Site Agreement so as to comply with the requirements of this Document applicable to Shared Sites.

4 Gas flows at Offtakes

4.1 Users responsible for flows

- 4.1.1 Where gas flows from the upstream System to the downstream System at an Offtake, that gas is offtaken from the upstream System and delivered to the downstream System by Shipper Users pursuant to and as provided in TPD Section J.
- 4.1.2 A reference in this Document to a Party offtaking gas from the upstream System at an Offtake is to be construed in accordance with TPD Section J1.3.4, that is as a reference to the Party causing or permitting the flow, or a change in the flow, of gas from the upstream System to the downstream System; and references to the offtake of gas at an Offtake shall be construed accordingly.

4.2 Point of Offtake

- 4.2.1 The applicable Supplemental Agreement will identify by description or a diagram or both (in which case in the event of a conflict the description shall prevail) a point of offtake (“**Point of Offtake**”) at each Individual Offtake Point comprised in an Offtake.
- 4.2.2 The point at which risk and title in gas pass from the upstream Party to Shipper Users, and from Shipper Users to the downstream Party, at an Offtake shall be the Point of Offtake.

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT**SECTION B****CONNECTION FACILITIES****1 General****1.1 Introduction**

1.1.1 This Section B sets out:

- (a) the basis on which land comprising the Offtake Site for each Offtake is or is to be owned or occupied by the Parties;
- (b) requirements relating to the installation, retention, modification, relocation, compatibility and decommissioning of Connection Facilities at each Offtake Site;
- (c) the basis on which one Party may have access to land at the Offtake Site owned or occupied by another Party.

1.1.2 Nothing in this Document imposes on any Party any obligation to make or permit a new connection between its System and another System or otherwise to establish an Offtake which at the relevant time does not exist, or to establish a new Individual Offtake Point at an existing Offtake (such matters, for the avoidance of doubt, being the subject of duties on the relevant Party under the Act and its Transporter's Licence).

1.1.3 In relation to an LDZ/LDZ Offtake the Parties may agree to waive or limit any requirement in this Section B as to the installation, maintenance or operation of Connection Facilities or the inclusion of any details in the Supplemental Agreement.

1.1.4 The provisions of this Section B are without prejudice to and in addition to any agreement, lease, easement, wayleave or other right granted (by an instrument other than this Document) by one Party to another at or in connection with an Offtake Site; provided that any express condition, exception or other qualification or limitation upon or under which any such right may be granted shall prevail over (to the extent in conflict with) the provisions of this Section B.

1.2 Offtake Site

1.2.1 An "**Offtake Site**" is the site at which an Offtake is located.

1.2.2 At certain Offtake Sites more than one Offtake is located (each such Offtake being a connection between the NTS and a different LDZ (including where the different LDZs are owned and operated by different Parties) or between an LDZ and a different LDZ); and in the context of such an Offtake Site a reference in this Section B is to a Party or Parties in relation to any such Offtake Site.

1.2.3 The Offtake Site may be owned or occupied in whole by one of the Parties or in part by each or any of them; provided that if different parts of the Offtake Site are owned by different Parties there shall be a secure boundary around each such part of the Offtake Site.

1.2.4 In relation to any part (or the whole) of an Offtake Site which is owned or occupied by one Party:

- (a) such Party is referred to as the "**Site Owner**";
- (b) in relation to such Party, such part (or the whole) of the Offtake Site is the "**Site Owner's Land**"; and
- (c) where any Connection Facilities installed or to be installed by another Party are or are to be situated on such part (or the whole) of the Offtake Site:
 - (i) such other Party is the "**Site User**"; and
 - (ii) such Connection Facilities are the "**Site User's Facilities**".

1.2.5 Where any new Offtake is established at a new Offtake Site, unless the Parties otherwise agree (and subject to Section E):

- (a) the downstream Party shall be the Site Owner in respect of the whole of the Offtake Site; and
- (b) accordingly, the upstream Party shall be Site User in relation to the Connection Facilities which it installs or is to install.

1.2.6 For each Offtake, the Offtake Site and (in relation to each part or the whole of such Offtake Site) the identity of the Site Owner, details of the Site Owner's Land and (where applicable) the Site User, are set out or described in Appendix A of the Supplemental Agreement.

1.2.7 References in this Section B to a Party owning or occupying land at an Offtake Site are to that Party owning, leasing or otherwise having appropriate rights to occupy such land, excluding for the avoidance of doubt rights of occupation granted by another Party (pursuant to the further provisions of this Section B itself or otherwise).

1.3 Connection Facilities

1.3.1 For the purposes of this Document, in relation to an Offtake and each Party:

- (a) subject to paragraph (b), the "**Connection Facilities**" are all the plant, equipment and buildings installed or to be installed by such Party (as provided in paragraph 2) at the Offtake Site, including (where relevant) Measurement Equipment, NTS Telemetry Facilities, Telemetry Connection Facilities and Daily Read Facilities;
- (b) Connection Facilities include any other plant, equipment and buildings as may from time to time be specified in the Supplemental Agreement as being (or may pursuant to this Section B become) Connection Facilities.

1.4 Right to be Connected

1.4.1 Subject to the provisions of this Document, with effect from the Supplemental Agreement Date, the downstream Party at any Offtake shall have the right for its System to be and remain connected to the upstream System at that Offtake.

1.4.2 At a Bi-directional LDZ Offtake both Parties shall have the right provided in paragraph 1.4.1 to have their Systems connected.

1.5 Supplemental Agreement

1.5.1 The Supplemental Agreement in relation to each Offtake shall contain (in Appendices A, B, C and D) details of the Offtake Site and Connection Facilities as provided in paragraphs 1.2.6

and 2.1.2 respectively (provided that such details may be specified or described generically or by reference to a diagram).

1.5.2 The Parties shall ensure that:

- (a) where a new Offtake is established (or a new Individual Offtake Point is created at an existing Offtake), the Supplemental Agreement includes (or is amended to include) in Appendices A, B, D and E appropriate details (as applicable in accordance with this Section B and Sections D and E, and otherwise as required in the Appendices to the applicable form of Supplemental Agreement in the OAD Template Agreements Document) of the Offtake Site, Connection Facilities, Measurement Equipment and points of telemetry;
- (b) where any Connection Facilities are altered, replaced or relocated pursuant to paragraphs 2.2 or 3.3 below, appropriate amendments to Appendices B and D of the Supplemental Agreement are made in respect of such alteration, replacement or relocation; and
- (c) where any Offtake (or Individual Offtake Point) is decommissioned, the Supplemental Agreement is brought to an end or amended by an appropriate amendment relating to such decommissioning.

1.5.3 The Supplemental Agreement or amendments thereto required pursuant to paragraph 1.5.2 shall be entered into or (as the case may be) made:

- (a) in relation to a new Offtake (or Individual Offtake Point), no later than (and so as to take effect from) the commissioning of such new Offtake or Individual Offtake Point;
- (b) in relation to any alteration, replacement or relocation of the Connection Facilities, no later than (and so as to take effect from) the date when such Connection Facilities are first operational as altered, replaced or relocated; and
- (c) in relation to the decommissioning of any Offtake, no later than (and so as to take effect from) the final cessation of gas flows through that Offtake.

1.5.4 References in this Document to the "**Supplemental Agreement Date**" in relation to an Offtake are references:

- (a) to the date from which the Supplemental Agreement takes effect; or
- (b) in the context of any alteration, replacement or relocation of the Connection Facilities, to the date with effect from which the appropriate amendment of the Supplemental Agreement takes effect.

1.6 Party's responsibilities

1.6.1 For the avoidance of doubt, at each Offtake Site, subject to the provisions of this Section B:

- (a) each Party shall be responsible for its own Connection Facilities, including the operation and maintenance of such Connection Facilities, compliance with any Legal Requirement in relation to such Connection Facilities, and the preparation of all such plans, diagrams, reports, and other documents as may be required by any Legal Requirement in relation to such Connection Facilities;
- (b) subject to paragraph (a), each Party shall be responsible for the whole or any part of the Offtake Site for which it is Site Owner, including:

- (i) the maintenance of land and buildings;
 - (ii) compliance with any Legal Requirement in relation to such land and buildings; and
 - (iii) in particular, the preparation of any whole site diagrams required for compliance with any such Legal Requirement, including Hazardous Area diagrams and COMAH diagrams, and in accordance with the Process for the Update and Retention of Shared Site Drawings document.
- (c) each Party shall be responsible for performing its obligations in accordance with the Process for the Update and Retention of Shared Site Drawings.

1.7 Generic Diagram

1.7.1 Annex B-1 contains for illustrative purposes a generic diagram of an NTS/LDZ Offtake including the Offtake Site and Connection Facilities.

1.8 Availability of Offtake Site

1.8.1 Without prejudice to the specific provisions of paragraph 3, if a Party wishes to relocate or install any plant or equipment (including existing Connection Facilities) which form or will form part of its System on land forming part of an Offtake Site for which it is not Site Owner, that Party may request the Site Owner to grant such rights in relation to the Site Owner's Land (including appropriate rights of occupation and access) as may be necessary for the requesting Party to relocate or install and maintain and operate such plant and equipment.

1.8.2 Where a request is made pursuant to paragraph 1.8.1:

- (a) the Site Owner shall not unreasonably withhold agreement to such request; and
- (b) if the Site Owner agrees to the request, such plant and equipment shall be Connection Facilities and Site User's Facilities for the purposes of this Section B.

1.8.3 It shall be reasonable for the Site Owner to withhold agreement to a request under paragraph 1.8.1 if (inter alia):

- (a) the relocation, installation, maintenance or operation of the other Party's Connection Facilities or other plant or equipment would conflict or interfere with the installation, maintenance or operation of any of plant or equipment (including Connection Facilities) forming part of the Site Owner's System;
- (b) the requesting Party does not agree to pay a reasonable fee, rent or charge (reflecting the market value of the rights requested) to the Site Owner in respect of the rights requested; or
- (c) the Site Owner can show that (at the time of the request) it has already planned to sell or dispose of or put to a conflicting use any part of the Offtake Site in respect of which the rights are requested.

2 Connection Facilities

2.1 Required Connection Facilities

- 2.1.1 In relation to each Offtake, each Party shall ensure that there are installed and maintained at the Offtake Site:
- (a) unless otherwise agreed by the other Party (and so provided in the relevant Supplemental Agreement):
 - (i) plant, equipment and buildings as required by the applicable terms of the upstream Party's Condition 4B Statement as in force at the Supplemental Agreement Date (provided that this paragraph (i) does not apply in relation to any Individual Offtake Point which exists at the date of this Document); and
 - (ii) such further facilities as are required to be installed by such Party pursuant to any provision of this Document; and
 - (b) such further facilities as may be specified in the Supplemental Agreement as to be installed by such Party.
- 2.1.2 The Connection Facilities installed or to be installed by each Party at an Offtake are specified in Appendices B and D of the Supplemental Agreement.
- 2.1.3 This Section B does not contain provisions governing the rights and obligations of the Parties relating to the initial construction of an Offtake (or additional Individual Offtake Point) and each Party's Connection Facilities at an Offtake (such matters to be the subject of a separate Construction Agreement entered or to be entered into between the Parties).

2.2 Right to Alter, Replace or Relocate

- 2.2.1 Subject to the further provisions of this paragraph 2.2 and to paragraphs 3 and 4, a Party shall be entitled, at its own expense, to alter, replace, relocate or add to any of its own Connection Facilities.
- 2.2.2 A Party shall not be entitled to relocate its Connection Facilities (including existing Site User's Facilities) to a location on land for which another Party is the Site Owner without the consent of such other Party, but subject to paragraph 1.8.
- 2.2.3 Where:
- (a) a Party (the "**Modifying Party**") proposes to alter, replace, relocate or add to any of its Connection Facilities; and
 - (b) such alteration, replacement, relocation or addition, and/or any works carried out therefor, will or are reasonably likely to affect any other Party (an "**affected Party**"), including without limitation:
 - (i) interfering with, affecting the compatibility of or otherwise affecting such other Party's Connection Facilities or their operation or maintenance;
 - (ii) affecting or causing an interruption in the supply of electricity to the other Party's Connection Facilities or the operation of any electricity equipment comprised in the other Party's Connection Facilities;
 - (iii) interfering with or causing an interruption in the operation of NTS Telemetry Facilities or Telemetry Connection Facilities or any shared facilities required for the operation of either such facilities;

- (iv) restricting or preventing the other Party's access to all or part of the Offtake;
or
- (v) affecting such other Party's rights as Site Owner or Site User or otherwise in relation to the Offtake Site;

then the further provisions of this paragraph 2.2 (and where applicable paragraph 3.4) shall apply (for the purposes of which such Connection Facilities as or as proposed to be altered, replaced, relocated or added to are the "**Modified Connection Facilities**").

2.2.4 The Modifying Party shall give each affected Party prior written notice, not less than twelve months (or such shorter period as the affected Party may agree, such agreement not to be unreasonably withheld) before commencing the alteration, replacement or relocation of its Connection Facilities, specifying:

- (a) the Connection Facilities to be altered, replaced or relocated;
- (b) details of the proposed alteration, replacement or relocation;
- (c) the reasons for the proposed alteration, replacement or relocation;
- (d) the anticipated duration of the works; and
- (e) where the Modified Connection Facilities are Site User's Facilities, the details required by paragraph 3.4.1(c).

2.2.5 Any works carried out by a Party in connection with the alteration or replacement of any Connection Facilities shall be planned and carried out as Relevant Maintenance in accordance with Section G.

2.3 Offtake Decommissioning

2.3.1 In this Section B references to the "**decommissioning**" of an Offtake or Individual Offtake Point are to the permanent cessation of gas flows at that Offtake or Individual Offtake Point, and references to a "**decommissioned**" Offtake or Individual Offtake Point shall be construed accordingly.

2.3.2 The downstream Party ("**decommissioning**" Party) shall be entitled to decommission an Offtake or Individual Offtake Point subject to and in accordance with the following:

- (a) the decommissioning Party shall give not less than 6 months' notice to the upstream Party (and, where it is Site Owner, to each Site User) of its proposal to decommission such Offtake or Individual Offtake Point;
- (b) each other Party at the Offtake Site may:
 - (i) carry out itself; or
 - (ii) require the decommissioning Party (at its expense) to carry out;

the works necessary to give effect to such decommissioning and make safe each System and each Party's Connection Facilities;
- (c) such works shall be planned and carried out as Planned Maintenance in accordance with Section G;

- (d) the decommissioning Party shall bear or reimburse to each other Party the costs of any works carried out by such other Party under paragraph (b)(i);
- (e) where the decommissioning Party is Site Owner, paragraph 3.5 shall apply in relation to any of the Site User's Facilities.

2.4 Non-Interference

2.4.1 Subject to paragraphs 2.4.2 and 4.3.1, and save as otherwise expressly permitted in this Document, no Party shall interfere, nor knowingly allow any other person to interfere, in any way with the another Party's Connection Facilities without the consent of such other Party.

2.4.2 Notwithstanding paragraph 2.4.1 above, where a Party reasonably believes that there is an emergency which requires it to take any action in relation to the Connection Facilities of another Party in order to protect the health and safety of persons or to prevent damage to property, that Party shall be entitled to take such action in good faith and to the extent reasonably required, and the other Party shall be deemed to have consented to any interference entailed by such action, subject to paragraph 2.4.3 below.

2.4.3 The Party ("**first**" Party) taking emergency action pursuant to paragraph 2.4.2 above shall:

- (a) where any property of the other Party ("**second**" Party) is damaged as a result of the emergency, only take such action as is required to make such property safe;
- (b) inform the second Party of such action and the interference entailed thereby, wherever practicable in advance and in any event as soon as practicable following the taking of such action;
- (c) exercise all reasonable care to prevent or minimise any damage to or interference with the operation of the second Party's Connection Facilities when dealing with the emergency;
- (d) when the emergency has ended:
 - (i) the first Party shall notify the second Party as soon as reasonably practicable of any damage to the second Party's Connection Facilities (together with reasonable details of such damage and of the affected Connection Facilities);
 - (ii) where the second Party so requests, the first Party shall reinstate (at its cost) any of the second Party's Connection Facilities that have been damaged as a result of the emergency action, save that no reinstatement shall be required where the emergency was caused by any breach or default on the part of the second Party; and
 - (iii) the first Party shall reimburse the second Party where following any action under paragraph (a) or re-instatement under paragraph (d)(ii) the second Party (following its own assessment of the damage) determines further work is required to re-instate, repair or replace its Connection Facilities and the second Party undertakes such works, unless following such an assessment any such further work, where the second Party so requests, is carried out by the first Party.

2.4.4 For the purposes of this paragraph 2, "**interfere**" shall include (without limitation):

- (a) disconnecting or altering the connection of any of the Connection Facilities to (or preventing or interfering with any supply made through) any pipes, system of cables,

foundations, drains or other media to which such Connection Facilities may be connected from time to time;

- (b) affixing or removing any item or substance of any nature whatsoever to or from any of the Connection Facilities;
- (c) damaging any of the Connection Facilities;
- (d) altering any part of the Measurement Equipment (including sample lines and test equipment) or settings on any of the Connection Facilities;
- (e) obstructing access to any of the Connection Facilities;
- (f) opening or closing any by-pass valves comprised in the Connection Facilities; or
- (g) removing, relocating or modifying any building, shelter or support in or of the Connection Facilities.

2.5 Modifications to comply with Legal Requirement

2.5.1 Where in relation to an Offtake Site:

- (a) a Legal Requirement (or changed Legal Requirement) applies to one Party (the "**first**" Party), compliance with which will (or but for the action of another Party as contemplated in paragraph (b) would) require the first Party to alter, replace or relocate any of its Connection Facilities or take any other action; and
- (b) the first Party would comply with such Legal Requirement if another Party (the "**other**" Party) at the Offtake Site were to alter, replace or relocate any of its Connection Facilities;

the other Party will not unreasonably withhold or delay its agreement to a request by the first Party to make such alteration, replacement or relocation if the first Party agrees to bear or reimburse the costs incurred by the other Party in so doing.

2.6 Site Services

2.6.1 At an Offtake Site one of the Parties (the "**Services Party**") shall be responsible for providing certain services to the other Party(ies) in accordance with this paragraph 2.6.

2.6.2 The Services Party in relation to an Offtake Site shall be:

- (a) if one Party is the Site Owner of the whole or substantially the whole of the Offtake Site, that Party;
- (b) if paragraph (a) does not apply, and there are only two Parties at the Offtake Site, the downstream Party, unless otherwise agreed between the Parties and specified in the relevant Supplemental Agreement(s);
- (c) otherwise, the Party agreed between the Parties and specified in the relevant Supplemental Agreement(s).

2.6.3 The Services Party shall provide and continue to provide (as reasonably required by each other Party) such services ("**Site Services**") for the operation and maintenance of the other Party's (or Parties') Connection Facilities as are provided in Appendix C of the Supplemental Agreement.

- 2.6.4 Unless the Parties otherwise agree, the Site Services at an NTS/LDZ Of take shall include the services specified in Part 1 of Annex B-2, and may include any of the services specified in Part 2 of Annex B-2.
- 2.6.5 The Services Party may recover from the other Party(ies) the capital costs (if any) incurred on or after the Supplemental Agreement Date in supplying or laying any pipes, wires, trenches or other equipment for the purposes of the provision of the Site Services (so far as such costs are in addition to any such costs which the Services Party would incur for its own purposes).
- 2.6.6 Except as provided in paragraph 2.6.5, the Site Services shall be provided by the Services Party to the other Party(ies) free of any charge or payment of any kind.
- 2.6.7 The Services Party shall have a right of access to any part of the Offtake Site for which it is not the Site Owner for the purposes of (and so far as required for) the provision of the Site Services; and each Party other than the Services Party shall have a right of access to the Offtake Site or part thereof for which the Services Party is Site Owner for the purposes of inspecting the Site Services and/or the arrangements made for their provision.
- 2.6.8 For the avoidance of doubt, the provision of Telemetry Connection Facilities and Daily Read Facilities is not a Site Service for the purposes of this Document.

3 Site User's Facilities

3.1 Right to Install and Retain Connection Facilities

- 3.1.1 In relation to any Site User's Facilities, the Site Owner hereby grants to the Site User the right for the Site User to retain such Connection Facilities on the Site Owner's Land, in such places as those Connection Facilities:
- (a) were or are located at the Supplemental Agreement Date; or
 - (b) are subsequently relocated pursuant to paragraph 3.3.
- 3.1.2 The Site Owner shall not without the consent of each Site User (including pursuant to paragraph 3.3):
- (a) sell or otherwise dispose of any part of the Offtake Site on which the Site User's Facilities are located; or
 - (b) sell or dispose of any other part of the Offtake Site, or grant to any third party any rights in relation to any part of the Offtake Site, if such sale, disposal or grant would conflict with the rights of such Site User under this Section B in relation to the Offtake Site.

3.2 Shelter and Support

- 3.2.1 In relation to any of the Site User's Facilities, the Site Owner shall maintain (for the benefit of the Site User) such shelter and/or support as was or is provided in respect of such Connection Facilities:
- (a) at the Supplemental Agreement Date; or
 - (b) at the date of any subsequent relocation (pursuant to paragraph 3.3) on the Site Owner's Land of such Connection Facilities.

3.3 Relocation of Site User's Facilities

- 3.3.1 In relation to any of the Site User's Facilities the Site Owner may propose to the other Party (as Site User) that such Connection Facilities should be relocated either:
- (a) to another part of the Site Owner's Land; or
 - (b) to land for which another Party is Site Owner.
- 3.3.2 The Site Owner shall not be entitled to require such relocation of the Site User's Facilities without the consent of the Site User, nor unless the Site Owner agrees to reimburse to the Site User the costs incurred by the Site User in connection with such relocation.
- 3.3.3 In a case within paragraph 3.3.1(a) the Site User shall not unreasonably withhold or delay its consent to the proposed relocation.

3.4 Modification of Site User's Facilities

- 3.4.1 Where (in accordance with paragraph 2.2.3) the Site User proposes to alter, replace or add to any of the Site User's Facilities:
- (a) this paragraph 3.4 shall apply in addition to paragraph 2.2;
 - (b) the Site User shall not be entitled to carry out such alteration, relocation or addition without the consent of the Site Owner;
 - (c) the notice given by the Site User (as Modifying Party) under paragraph 2.2.4 shall operate as a request to the Site Owner for such consent, and shall include such details of the proposal as are reasonably necessary for the Site Owner to determine whether the requirements in paragraph 3.4.2 will be satisfied, and what alterations or works (if any) will be required under paragraph 3.4.3);
 - (d) if either Party requires, the Parties shall meet to discuss the Site User's proposal;
 - (e) the Site Owner shall reply to the Site User within 60 Days (or such shorter period as the Site User may agree, such agreement not to be unreasonably withheld) after such notice was given stating whether it consents to such alteration, relocation or addition.
- 3.4.2 The Site Owner shall not refuse consent under paragraph 3.4.1(b) if the Modified Connection Facilities:
- (a) are to be placed in the same or approximately the same position as the Connection Facilities they alter, replace or are added to;
 - (b) can, where relevant, be accommodated in or on existing buildings or structures;
 - (c) do not require additional or improved facilities or services from the Site Owner;
 - (d) do not require the Site Owner to carry out any works or alterations to any Connection Facilities other than minor works or alterations to the existing buildings or structures housing or supporting the Site User's Facilities as are reasonably required to accommodate the Modified Connection Facilities;
 - (e) do not restrict the use by the Site Owner of the Site Owner's Land and any equipment thereon to a materially greater extent than the Connection Facilities they alter, replace or are added to; and

- (f) either are of the same or a similar or smaller size as compared to the Connection Facilities they alter or replace, or occupy substantially the same space as the Connection Facilities they alter, replace or are added to.

3.4.3 Where the Site Owner consents to the alteration, relocation or addition of or to Site User's Facilities, the Site Owner shall perform or procure any such minor alterations or works to existing buildings or structures as are referred to in paragraph 3.4.2(d), and the Site User shall reimburse to the Site Owner the costs incurred by the Site Owner in doing so.

3.4.4 Notwithstanding paragraph 2.2 and the foregoing provisions of this paragraph 3.4, where the Site User wishes to alter or replace any of the Site User's Facilities, it shall, prior to altering or replacing such Connection Facilities, consider the feasibility of relocating the Connection Facilities in question onto the Site User's own land.

3.4.5 Where the requirements in paragraph 3.4.2 are not satisfied, the Site User's request shall be treated as a request under paragraph 1.8.1 and paragraph 1.8 shall apply accordingly.

3.5 Decommissioning of Site User's Facilities

3.5.1 Where an Offtake, or an Individual Offtake Point is to be decommissioned and there are Site User's Facilities at any part of the Offtake Site for which the decommissioning Party is Site Owner:

- (a) the decommissioning Party (as Site Owner) shall be entitled, if it wishes to dispose of or put to any other use such part of the Offtake Site, by giving notice to the Site User, to require the Site User to remove from the Site Owner's Land the Site User's Facilities (so far, in the case of decommissioning of an Individual Offtake Point, that such Connection Facilities relate solely to that Individual Offtake Point), subject to the further provisions of this paragraph 3.5;
- (b) the Site User (acting as a Reasonable and Prudent Operator) shall remove the Site User's Facilities as soon as is reasonably practicable (having regard to the nature of such facilities, whether it is necessary for the Site User to relocate such facilities and if so the availability of land for such relocation, and the works necessary to remove and where necessary relocate such facilities) following the Site Owner's notice;
- (c) the Site Owner shall provide reasonable cooperation and assistance to the Site User in connection with the removal of the Site User's Facilities;
- (d) the Site Owner shall bear or reimburse to the Site User the costs incurred by the Site User in removing the Site User's Facilities from the Site Owner's Land and where necessary of relocating the Site User's Facilities (and related parts of the Site User's System), including costs of acquiring alternative or additional land reasonably required for the purposes of such relocation, except to the extent that the Site User does not comply with paragraph (b); and
- (e) if the Site User fails to remove any Site User's Facilities as required by paragraph (b), the Site Owner shall be entitled to remove such Site User's Facilities (other than facilities forming part of any pipeline) from the Site Owner's Land (including, where relevant, detaching such facilities from the Site Owner's own Connection Facilities) and dispose of such facilities as the Site Owner deems fit, and the Site User shall reimburse to the Site Owner the costs incurred by the Site Owner in so doing.

3.5.2 If and for so long as the Site Owner does not give notice under paragraph 3.5.1(a), the provisions of this paragraph 3 shall continue to apply in respect of the Site User's Facilities (and paragraphs 2 and 6 shall continue to apply to that extent).

3.6 Removal of Site User's Facilities

3.6.1 The Site User shall be entitled to remove (and/or relocate to land for which it is Site Owner) any of the Site User's Connection Facilities, subject to and in accordance with paragraph 2.2 (for the purposes of which "relocation" shall include removal).

3.6.2 The Site Owner shall provide reasonable cooperation and assistance to the Site User in connection with the removal of the Site User's Facilities pursuant to paragraph 3.6.1.

3.6.3 Where the Site User's Facilities are removed pursuant to paragraph 3.6.1:

- (a) the Site User shall (at its cost) carry out such reinstatement or other works as are reasonably necessary to leave the Site Owner's Connection Facilities in a safe and reasonable condition following the removal of the Site User's Facilities;
- (b) the Site User's rights (in relation to such facilities) under paragraphs 3.1 and 3.2 shall lapse.

3.7 Right of Access

3.7.1 The Site Owner hereby grants to the Site User a right of access over the Site Owner's Land for the purposes of enabling the Site User (subject to and in accordance with the provisions of this Document) to install, operate, maintain, inspect, test, modify, replace, repair or remove the Site User's Facilities.

3.8 Site Security

3.8.1 Subject to paragraph 3.8.2, the Site Owner shall at all times provide (as a Site Service in accordance with paragraph 2.6) such security in relation to the Site User's Facilities (and the Site Owner's Land on which they are situated) as it provides in relation to its own Connection Facilities.

3.8.2 The Site Owner and the Site User may agree that security for all the Connection Facilities located at a relevant Offtake Site shall be the responsibility of the Site User, in which case the Site User will provide the same security in relation to all Connection Facilities.

3.8.3 The Party responsible for security shall notify each other Party which owns or occupies the Offtake Site of any breach of security in relation to the Connection Facilities as soon as reasonably practicable after becoming aware of such breach.

3.8.4 For the purposes of paragraph 3.8.2 a “**relevant**” Offtake Site is a site at which an ‘Enhanced Integrated Security Solution’ is required by the Department for Business, Energy and Industrial Strategy (BEIS) pursuant to its ‘Physical Security Upgrade Programme’.

3.9 Site Schedule of Responsibilities

3.9.1 For an NTS/LDZ Offtake, in relation to the Offtake Site or part thereof, the "**Site Schedule of Responsibilities**" is a schedule to be prepared by the Site Owner specifying in detail the responsibilities of the Site Owner and each Site User in connection with:

- (a) the installation, maintenance and operation of Connection Facilities;

- (b) the provision of Site Services;
- (c) the maintenance of land and buildings;
- (d) the provision of security; and
- (e) the discharge of any other functions and duties;

on, at and in relation to the Site Owner's Land.

3.9.2 The Site Owner shall:

- (a) in consultation with each Site User, prepare, keep under review and from time to time revise, a Site Schedule of Responsibilities; and
- (b) provide to each Site User, and place in a prominent position on the Site Owner's Land, an up-to-date copy of the Site Schedule of Responsibilities.

3.9.3 Subject to paragraph 3.9.4, the Site Schedule of Responsibilities (and any revision thereof) shall be consistent with the provisions of this Section B, the relevant Supplemental Agreement(s) and the General Site Safety and Environmental Requirements, and (in particular) may not assign or allocate any responsibility to a Party other than the Site Owner unless:

- (a) such other Party has that responsibility by virtue of a Legal Requirement; or
- (b) such other Party has that responsibility by virtue of a provision of this Document or a Supplemental Agreement; or
- (c) such other Party has otherwise agreed to accept that responsibility.

3.9.4 Each Party shall be deemed to have accepted the responsibilities assigned or allocated to it in any Site Schedule of Responsibilities which is in force at the date of this Document.

3.9.5 The Site Owner and each Site User shall observe and comply with the Site Schedule of Responsibilities.

4 Compatibility of Connection Facilities

4.1 Undertaking as to compatibility

4.1.1 Subject to the further provisions of this paragraph 4, in relation to an Offtake a Party shall not (without the consent of the other Party) alter, replace, relocate or add to any of its Connection Facilities in any way which would result in its Connection Facilities not being compatible with the other Party's Connection Facilities.

4.1.2 For the purposes of this paragraph 4 "**modification**" means an alteration, replacement or relocation of or addition to a Party's Connection Facilities.

4.1.3 For the purposes of this paragraph 4, the Modifying Party's Connection Facilities are not compatible with the other Party's Connection Facilities if it would be necessary, as a result of the modification of the Modifying Party's Connection Facilities, for the other Party (acting as a Reasonable and Prudent Operator):

- (a) to alter, replace or modify, to any material extent, any of its own Connection Facilities; or
- (b) to make any change in, and thereby incur any material increase in the cost of, the operation or maintenance of its own Connection Facilities;

in order to allow the continued safe connection of the upstream and downstream Systems at the Offtake, or the safe operation of its System or the Offtake, in accordance with the Code and applicable Legal Requirements (or for the purposes specified in Section E2.4.2 where applicable).

4.1.4 If a Party modifies its Connection Facilities in breach of the requirement in paragraph 4.1.1:

- (a) the other Party may either:
 - (i) give notice to the Modifying Party requiring it to undo such modification or otherwise take such steps as may be appropriate to restore the compatibility of the Connection Facilities; or
 - (ii) after giving notice to the Modifying Party of its intention to do so (and unless the modifying Party has demonstrated, to the reasonable satisfaction of the other Party, that it is taking steps sufficient to restore compatibility as quickly as is reasonably practicable) make such modifications of its own Connection Facilities as are appropriate to restore the compatibility of the Connection Facilities;
- (b) the Modifying Party shall reimburse to the other Party the costs incurred by the other Party in modifying (where it elects to do so) its own Connection Facilities in accordance with paragraph (a)(ii);
- (c) the other Party may in any event disconnect the Connection Facilities of the Modifying Party, upon such period of notice as is practicable in the circumstances, if the modification materially and adversely affects the safe operation by the other Party of its Connection Facilities or its System.

4.1.5 The Parties shall consult together and use reasonable endeavours to co-operate with each other to ensure the prompt reconnection of the Connection Facilities which have been disconnected pursuant to paragraph 4.1.4(c), following remedy by the Modifying Party of its breach of the requirement in paragraph 4.1.1.

4.2 Modification procedure

4.2.1 Where a Party wishes to modify any of its Connection Facilities such that they will or may not be compatible with the other Party's Connection Facilities:

- (a) the notice given by the Modifying Party under paragraph 2.2.4 shall operate as a request to the other Party for its consent to the modification;
- (b) the other Party shall not unreasonably withhold or delay its consent to the modification; and
- (c) if the other Party consents to the modification, the modifying Party shall reimburse to the other Party the costs incurred by the other Party of modifying, or changing the operation or maintenance of, its Connection Facilities in order to maintain the compatibility between the Parties' Connection Facilities.

- 4.2.2 Where either Party is required to modify any of the Connection Facilities at an Offtake in order to ensure compliance with any Legal Requirement which did not exist at the time at which the Connection Facilities were installed:
- (a) the Parties shall consult in respect of the modification to be made and any other modification necessary to ensure the continued compatibility of the Connection Facilities;
 - (b) the Party required to make such modification shall not require the consent of the other Party for such modification (but without prejudice to any other provision of this Document governing the carrying of the works required for such modification);
 - (c) (subject to paragraph 2.5.1) each Party shall bear its own costs of modifying its own Connection Facilities;
 - (d) the Parties shall co-operate with each other to ensure that the required modifications are made in a timely manner.

4.3 Further provisions

- 4.3.1 Each Party shall be entitled to inspect the other Party's Connection Facilities for the purposes of verifying that such Connection Facilities remain compatible in accordance with paragraph 4.1.
- 4.3.2 Nothing in this paragraph 4 applies in respect of any incompatibility between the Parties' Connection Facilities existing before the date of this Document or (if later) the date of commissioning of such Connection Facilities (but without prejudice to any rights or remedies of either Party pursuant to any agreement between them relating to the construction, testing or commissioning of their respective Connection Facilities).

5 Telemetry Facilities

5.1 Right to Install and Retain Telemetry Facilities

- 5.1.1 At each Offtake Site, any Party shall be entitled, without charge (except as provided in paragraph 5.2.4), to install, retain and use, upon a part of the Offtake Site owned or occupied by another Party, telemetry facilities (and accordingly such telemetry facilities shall be the Site User's Facilities, in relation to which the Party seeking to install the telemetry facilities shall be a Site User for the purposes of this Document).
- 5.1.2 In this paragraph 5, telemetry facilities include (in the case of National Gas Transmission as Site User) National Gas Transmission's Telemetry Facilities as provided in Section E, and facilities for control telemetry by National Gas Transmission.
- 5.1.3 The Site User shall bear its own costs in connection with the installation, retention, maintenance and use of its telemetry facilities, but (except as provided in paragraph 5.2.4) shall not be required to make any payment to or bear any costs incurred by the Site Owner in connection therewith.
- 5.1.4 Nothing in this paragraph 5 requires any Party to provide telemetry signals or connections to another Party.

5.2 Provision of Land for Telemetry Facilities

5.2.1 The Site Owner shall make available (without charge, except as provided in paragraph 5.2.4) to the Site User, for the purposes of housing the Site User's telemetry facilities, an area within the Site Owner's Land which:

- (a) shall be situated outwith the hazardous area of the Offtake Site (as identified in the General Site Safety and Environmental Requirements);
- (b) shall be vacant and otherwise suitable for the installation of the Site User's telemetry facilities;
- (c) shall be of such dimensions as will accommodate the Site User's telemetry facilities;
- (d) shall be equipped with such cabling routes and connection points as are required:
 - (i) (in relation to the NTS Telemetry Facilities) for the connection of the telemetry facilities to the Telemetry Connection Facilities as described in Section E; and
 - (ii) to enable the provision of Site Services to the Site User's telemetry facilities; and
- (e) is accessible as provided in paragraph 5.2.2(a).

5.2.2 The Site Owner shall:

- (a) provide vehicular access to (or to a point as close as reasonably practicable to) the area made available pursuant to paragraph 5.2.1; and
- (b) cooperate with the Site User to facilitate the installation and maintenance of the Site User's telemetry facilities.

5.2.3 The Site User shall occupy the area made available pursuant to paragraph 5.2.1 as bare licensee.

5.2.4 The Site User shall reimburse to the Site Owner the costs of a capital nature incurred by the Site Owner in meeting the requirements of paragraph 5.2.1(d)(ii) above (but for the avoidance of doubt, Site Services shall thereafter be provided by the Site Owner to the Site User free of any charge or payment of any kind, in accordance with paragraph 2.6.6).

5.3 Sharing of Telemetry Facilities

5.3.1 The Parties at an Offtake may agree to share the use of, and/or jointly to operate and maintain, any telemetry facilities, in which case the terms of such use, operation and/or maintenance shall be recorded in the Supplemental Agreement.

6 Access

6.1 General

6.1.1 Each Party (the "**Access Party**") shall be entitled to have access to any part of the Offtake Site which is owned or occupied by another Party:

- (a) where such access is expressly provided for in this Document; or

- (b) to the extent reasonably necessary to enable the Access Party to comply with the requirements of, or to exercise or enjoy its rights under, or to satisfy itself (to such extent as is reasonable) as to the other Party's compliance with its obligations under, this Document.

6.1.2 The further provisions of this paragraph 6 apply wherever an Access Party is entitled to have (or is otherwise permitted to have) access to a part of the Offtake Site which is owned or occupied by the other Party (the "**Site Party**").

6.1.3 The requirements of this paragraph apply in addition to any requirements pursuant to any Legal Requirement, the Site Party's Safety Case or the SCO Interface Procedure.

6.2 Rights and Duties of Access Party

6.2.1 The Access Party's right of access:

- (a) shall be free of any charge or payment of any kind; and
- (b) includes the right to bring onto the Site Party's Land such vehicles, plant, machinery and maintenance or construction materials as are reasonably required for the purposes for which the right of access is granted;
- (c) shall be exercisable on behalf of the Access Party by any officer, employee, agent or contractor of the Access Party.

6.2.2 The Access Party shall, subject to any other express provisions of this Document, and so far as consistent with the purpose for which the right of access is granted and the circumstances in which it is exercised:

- (a) give such notice to the Site Party as is reasonably practicable before exercising the relevant right of access, specifying where practicable the identity of the individuals having such access;
- (b) exercise its right of access at reasonable times of day;
- (c) ensure that the individuals having such access are familiar with, and ensure that such individuals comply with, the Site Party's General Site Safety and Environmental Requirements; and
- (d) ensure that the right of access is exercised safely, in accordance with the General Site Safety and Environmental Requirements, and with the minimum of disruption, disturbance or inconvenience to the Site Party (including, but without limitation, in accordance with paragraph 2.4);
- (e) remove or make good at its cost any works carried out in relation to the Site Party's Connection Facilities for the purposes of the exercise of the right of access.

6.3 Duties of Site Party

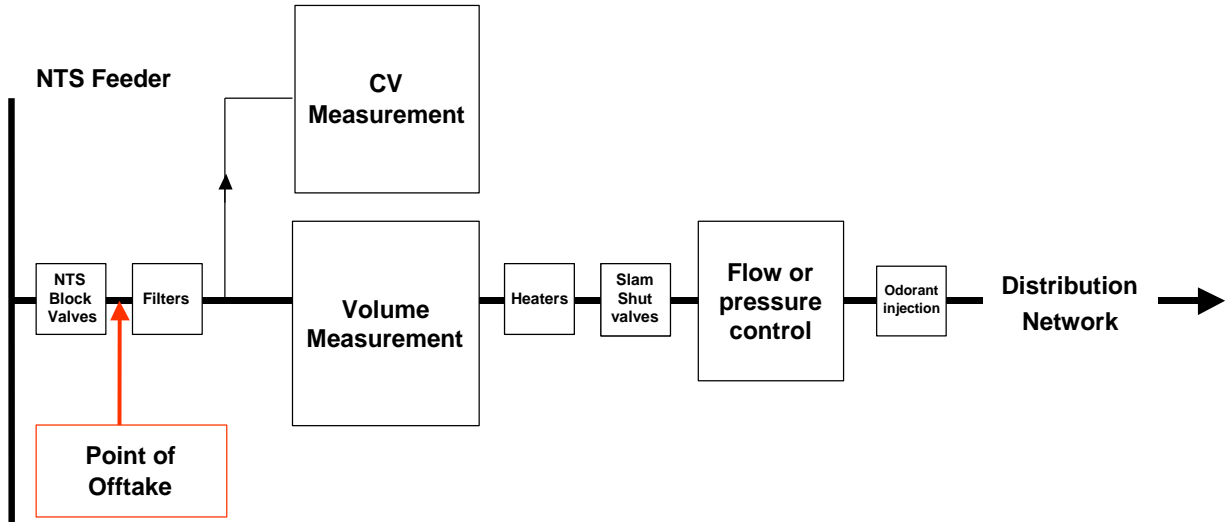
6.3.1 The Site Party shall:

- (a) facilitate, and cooperate with the Access Party in, the exercise of the right of access (for the purposes for which such right is granted); and

- (b) ensure that its officers, employees and agents present at any time on the Offtake Site (or relevant part thereof) are familiar with, and ensure that such individuals comply with, the General Site Safety and Environmental Requirements.

Annex B-1

Generic Diagram of Offtake
(Paragraph 1.7.1)



Annex B-2

Site Services (Paragraph 2.6.4)

Part 1 – Mandatory Site Services

Site Service

- (a) Cathodic protection, including:
 - (i) maintaining and testing such cathodic protection systems (and planning for such maintenance in accordance with the provisions for Relevant Maintenance in Section G); and
 - (ii) providing each Site User a report certifying compliance of the cathodic protection systems no later than 14 days after any maintenance or testing in accordance with sub-paragraph (i);
- (b) Electricity Supply Services;
- (c) Standby Power;
- (d) Site security; and
- (e) Retention of Site records, including maintenance reports for Site Services.

Further details relating to the Site Services listed in this Part 1 shall be recorded in the relevant Supplemental Agreement.

Part 2 – Other Site Services

- (a) Water Services;
- (b) Telecommunication Services;
- (c) Site Drainage;
- (d) Welfare Facilities

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION C

SAFETY AND EMERGENCY

1 Introduction

1.1 General

1.1.1 This Section C sets out requirements in relation to:

- (a) gas supply emergencies;
- (b) the adoption, review and revision of the SCO Interface Procedure;
- (c) Site Emergency Procedures established by each Party at each Offtake Site;
- (d) General Site Safety and Environmental Requirements to be established by each Party at each Offtake Site.

2 Gas Supply Emergencies

2.1 Introduction

2.1.1 This paragraph 2 sets out or refers to procedures and arrangements to be made by each Party relating to gas supply emergencies (which procedures and arrangements may be referred to in each Party's Safety Case).

2.1.2 The arrangements in this paragraph 2 apply as between the Parties and are without prejudice to the provisions of TPD Section Q as respects Users.

2.1.3 In this paragraph 2:

- (a) "**Regulations**" means the Gas Safety (Management) Regulations 1996, and references to a particular Regulation shall be construed accordingly;
- (b) "**supply emergency**" has the meaning given to that term in the Regulations;
- (c) "**Safety Case**" means a Party's safety case (in accordance with Regulations 2(5) and 3(1)(a));
- (d) "**NEC**" means the person who is for the time being the network emergency co-ordinator in accordance with the Regulations (and references to National Gas Transmission do not include National Gas Transmission in its capacity as NEC where it acts as such);
- (e) "**NEC Safety Case**" means the safety case (in accordance with Regulations 2(5) and 3(2)) of the NEC.

2.1.4 The Parties acknowledge that the conveyance of gas by pipelines involves the risk of a gas supply emergency, in the context of which (and of their respective duties in relation to gas supply emergencies pursuant to the Regulations and any other Legal Requirement) the provisions of this paragraph 2 are appropriate and reasonable; and accordingly each of the Parties agrees to commit (in the implementation of this paragraph 2) personnel and other resources adequate to ensure that the objectives of this paragraph 2 are achieved.

2.1.5 Nothing in this Section C shall be construed as precluding any Party from giving any direction to any person pursuant to Regulation 6(4).

2.2 Gas Supply Emergency

For the purposes of this Document "**gas supply emergency**" has the meaning given to that term in the NEC Safety Case, namely the occurrence of an event or existence of circumstances which have resulted in, or which give rise to a significant risk of, a loss of pressure in a System which itself has resulted in or might result in a supply emergency;

- 2.2.1 A "**Network Gas Supply Emergency**" is a network gas supply emergency (as referred to in the NEC Safety Case), namely a gas supply emergency which involves or may involve a loss of pressure in the NTS (which is the Primary System as defined in the NEC Safety Case).
- 2.2.2 A "**Local Gas Supply Emergency**" is a local gas supply emergency (as referred to in the NEC Safety Case), namely any gas supply emergency other than a Network Gas Supply Emergency.

2.3 Emergency Procedures

2.3.1 For the purposes of this paragraph 2:

- (a) "**Emergency Procedures**" are procedures relating to gas supply emergencies, including:
- (i) planning for gas supply emergencies;
 - (ii) averting or limiting gas supply emergencies;
 - (iii) the occurrence of a gas supply emergency; and
 - (iv) the recovery from, and restoration of operations following, a gas supply emergency;
- (b) Emergency Procedures comprise Emergency Procedures E1, E2 and E3;
- (c) Emergency Procedures "**E1**" are Emergency Procedures (known at the date of this Document as T/PME/1), to be complied with by each Party and by Users and others, relating to Network Gas Supply Emergencies (and are the Network Gas Supply Emergency Procedures referred to in the Transportation Principal Document);
- (d) Emergency Procedures "**E2**" are Emergency Procedures (known at the date of this Document as T/PME/2), to be complied with by DNOs and by Users and others, relating to Local Gas Supply Emergencies (and are the Local Gas Supply Emergency Procedures referred to in the Transportation Principal Document);
- (e) Emergency Procedures "**E3**" are internal Emergency Procedures (known at the date of this Document as T/PME/3) of a Party setting out in operational detail how it will comply with Emergency Procedures E1 and E2 in the event of a gas supply emergency.

2.3.2 National Gas Transmission shall:

- (a) establish, maintain and from time to time modify Emergency Procedures E1; and
- (b) ensure that each other Party at all times has an up-to-date version of such Emergency Procedures E1.

2.3.3 The DNOs collectively (or the Offtake Committee on behalf of the DNOs), consistently with the requirements of Emergency Procedures E1, shall:

- (a) establish, maintain and from time to time modify:
- (i) Emergency Procedures E2, and
 - (ii) the format of Emergency Procedures E3; and

- (b) ensure that each DNO and National Gas Transmission has an up-to-date version of such Emergency Procedures E2 and format of Emergency Procedures E3.

2.3.4 Each Party shall:

- (a) establish, maintain and from time to time modify Emergency Procedures E3 in relation to its System(s), in the format from time to time established pursuant to paragraph 2.3.3(a)(ii); and
- (b) ensure that each other Party at all times has an up-to-date version of such Emergency Procedures E3.

2.3.5 Subject to paragraph 2.3.7, the Parties shall ensure that:

- (a) their respective Emergency Procedures are consistent and coordinated with each other; and
- (b) in particular, the Parties consult with each other before any change is made in any Emergency Procedures.

2.3.6 For the purposes of paragraph 2.3.5:

- (a) National Gas Transmission shall from time to time determine and notify to each Party a process, comprising periodic meetings and other steps, for the review of the Emergency Procedures; and
- (b) each Party shall participate in such review process.

2.3.7 In the establishment, maintenance and modification of the Emergency Procedures, the following priority shall apply:

- (a) the Emergency Procedures E2 are to be consistent with Emergency Procedures E1; and
- (b) each Party's Emergency Procedures E3 are to be consistent with (and each Party shall ensure the compliance of its Emergency Procedures E3 with):
 - (i) Emergency Procedures E1; and
 - (ii) subject thereto, Emergency Procedures E2;

and accordingly, subject to the requirements for consultation and review under paragraphs 2.3.5 and 2.3.6 (and without prejudice to any requirement of the NEC or other Legal Requirement), nothing in this paragraph 2 shall restrict National Gas Transmission from modifying Emergency Procedures E1 from time to time as it thinks fit.

2.4 Compliance with Emergency Procedures

2.4.1 The Parties acknowledge that, pursuant to procedures and arrangements described in their respective Safety Cases, and (where relevant) as the NEC may from time to time require:

- (a) each Party will comply with Emergency Procedures E1;
- (b) each DNO will comply with Emergency Procedures E2; and
- (c) each Party shall comply with its own Emergency Procedures E3.

2.4.2 The requirements of this Document shall not apply to the extent they are inconsistent with the procedures and arrangements referred to in paragraph 2.4.1; and a Party shall not be considered as failing to comply with any provision of this Document by reason of anything done by a Party as described in (and in compliance with the procedures and arrangements referred to in) paragraph 2.4.1.

2.5 Testing

2.5.1 The Parties acknowledge that the procedures and arrangements referred to in paragraph 2.4 include procedures and arrangements under which:

- (a) National Gas Transmission will from time to time plan, determine and notify to each other Party, exercises, tests and other measures (in accordance with the Emergency Procedures) to be taken by the Parties (with or without the participation of Users or other persons) for the purposes of:
 - (i) testing the consistency and coordination of the Emergency Procedures;
 - (ii) testing the application and implementation of the Emergency Procedures or any part thereof;
- (b) each Party will participate in, and comply with the instructions of National Gas Transmission in relation to, the exercises, tests and other measures from time to time planned by National Gas Transmission under paragraph (a)

and paragraph 2.4.2 shall apply accordingly.

2.6 Potential Gas Supply Emergencies

2.6.1 Without prejudice to any Emergency Procedures, if in relation to any Day a Party (the "**emergency Party**") considers that:

- (a) there is a material risk of the occurrence of a relevant emergency on that Day; and
- (b) its rights (having regard to its obligations) in relation to flows of gas into and out of its System under Section I and under the Transportation Principal Document are not adequate to enable it to prevent the occurrence of such relevant emergency;

then paragraph 2.6.2 shall apply.

2.6.2 In the circumstances provided in paragraph 2.6.1:

- (a) the emergency Party may give notice of the relevant circumstances:
 - (i) to National Gas Transmission, where the emergency Party is a DNO; or
 - (ii) to each DNO whose cooperation it may require (as provided in paragraph (c)), where the emergency Party is National Gas Transmission;
- (b) where the emergency Party is a DNO, National Gas Transmission will give notice of the relevant circumstances to each other DNO whose cooperation it may require to enable its cooperation with the emergency Party; and
- (c) the emergency Party and each cooperation Party shall cooperate with a view to ensuring that the flows of gas at relevant NTS/LDZ Offtakes and LDZ/LDZ Offtakes are controlled with a view to seeking to avert the occurrence of the relevant emergency.

2.6.3 Nothing in this paragraph 2.6 shall:

- (a) impose on a cooperation Party any liability to the emergency Party in relation to the occurrence of a relevant emergency; or
- (b) require a cooperation Party to do anything which may compromise the safe operation of its System or give rise to a material risk of its incurring any liability to another Party under this Document or to any Shipper User or DNO User under the Transportation Principal Document.

2.6.4 For the purposes of this paragraph 2.6:

- (a) a "**relevant emergency**" is:
 - (i) where the emergency Party is a DNO, a Local Gas Supply Emergency; and
 - (ii) where the emergency Party is National Gas Transmission, a Network Gas Supply Emergency which is at Stage 1 (but not higher); and
- (b) a "**cooperation Party**" is a Party which is given notice by the emergency Party (under paragraph 2.6.2(a)) or by National Gas Transmission (under paragraph 2.6.2(b)).

2.7 Network Gas Supply Emergency

2.7.1 The Parties acknowledge that (as provided in, and without prejudice to the generality of, paragraph 2.4.1) upon the declaration of, and from time to time during the continuance of, a Network Gas Supply Emergency, DNOs will secure that gas flows at NTS/LDZ Offtakes are in accordance with the instructions of National Gas Transmission (as directed by the NEC).

2.7.2 DNOs will submit and revise Offtake Profile Notices in relation to NTS/LDZ Offtakes consistent with the instructions referred to in paragraph 2.7.1 (and for the avoidance of doubt, in accordance with paragraph 2.4.2, the Parties shall not be bound by the provisions of Section I2 to the extent to which any such instruction conflicts with such provisions).

2.7.3 Without prejudice to the generality of paragraph 2.4.2, TPD Sections Q1.5.4 and Q1.5.5 shall apply as if references in those Sections to a System Exit Point, the Total System and a User respectively included an Offtake, any System and a DNO User.

2.7.4 Where (in a Network Gas Supply Emergency) the NEC directs National Gas Transmission to operate the block valves (forming part of its Connection Facilities) at any NTS/LDZ Offtake:

- (a) without prejudice to any other directions of the NEC, National Gas Transmission will notify the DNO of such operation wherever practicable in advance of and in any event as soon as practicable following such operation;
- (b) the DNO shall not do anything (including without limitation installing, operating or modifying any telemetry facilities) which may interfere with or prevent such operation by National Gas Transmission of block valves.

2.7.5 In the event of Emergency Curtailment occurring in respect of a Day, each DNO shall provide National Gas Transmission as soon as reasonably practicable with the DNO's best estimate of the aggregate quantity of gas (in kWh) that each User would have offtaken during that Day from each LDZ at System Exit Points in respect of which Emergency Curtailment has occurred but for the fact that Emergency Curtailment had occurred at those System Exit Points.

2.7.6 In the event that further Emergency Curtailment is required in respect of a Day, or Emergency Curtailment that had previously occurred in respect of that Day is removed, then the relevant DNO shall provide National Gas Transmission as soon as reasonably practicable with the DNO's best revised estimate of the aggregate quantity of gas (in kWh) that each User would have offtaken in that Day from each LDZ at System Exit Points in respect of which Emergency Curtailment has occurred but for the fact that Emergency Curtailment had occurred at those System Exit Points.

2.8 Closed LDZ/LDZ Offtakes

2.8.1 Emergency Procedures E2 (or subsidiary procedures established in accordance therewith) will specify the basis on which a Closed LDZ/LDZ Offtake may be opened during or in anticipation of a Local Gas Supply Emergency.

3 Procedures for controlling work at Offtakes

3.1 Introduction

3.1.1 The "**SCO Interface Procedures**" (or Safe Control of Operations – Interface Procedures) are procedures established by the Parties for the safe conduct of works or operations by one Party at an Offtake Site or in relation to its System in cases where such works or operations may affect another Party at that Offtake Site or in relation to its System.

3.2 Adoption and implementation of SCO Interface Procedure

3.2.1 Each Party agrees to adopt and implement the SCO Interface Procedures as from time to time revised by the Parties in accordance with paragraph 3.3.1.

3.2.2 In particular, each Party shall ensure that its own working procedures (including safe control of operations procedures) are consistent with the SCO Interface Procedure.

3.3 Review and revision of SCO Interface Procedure

3.3.1 The SCO Interface Procedure shall be subject to review and revision by the Offtake Committee pursuant to Section N1.2.

4 Site Emergency Procedures

4.1 Introduction

4.1.1 Site Emergency Procedures are on-site and off-site plans and procedures, relating to emergencies or other incidents at an Offtake Site, which a Party may be required to establish and implement pursuant to any Legal Requirement, including:

- (a) the Control of Major Accident Hazards Regulations 1999;
- (b) the Pipelines Safety Regulations 1996;
- (c) the Environmental Protection Act 1990; and
- (d) the Pollution Prevention and Control Act 1999.

4.1.2 In establishing, and revising from time to time, its Site Emergency Procedures for any Offtake Site, each Party shall:

- (a) consult with each other Party at that Offtake Site, including providing drafts of such procedures or revisions to the other Party for comment before adopting them; and
- (b) ensure that each other Party has an up-to-date copy of the Site Emergency Procedures from time to time adopted by the first Party.

4.2 Cooperation between Parties

4.2.1 Without prejudice to any applicable Legal Requirement, each Party (the "**first**" Party) at an Offtake Site shall extend reasonable cooperation to each other Party (the "**other**" Party) at that Offtake Site in connection with the Site Emergency Procedures established by such other Party.

4.2.2 In particular, the first Party shall:

- (a) cooperate in the testing of such procedures (and in the testing of both Parties' procedures together);

- (b) provide to the other Party from time to time such information as may reasonably be required by the other Party's procedures; and
- (c) refrain from doing anything which (if the other Party acts and has acted as a Reasonable and Prudent Operator in establishing and implementing its procedures) would prevent the other Party from complying with its procedures.

5 General Site Safety and Environmental Requirements

5.1 Establishment of General Site Safety and Environmental Requirements

5.1.1 In relation to each Offtake, each Party (as Site Party, as provided in Section B6.1.2) shall prepare and implement, and keep under review and from time to time revise, rules and procedures ("**General Site Safety and Environmental Requirements**" or "**GSSERs**") for the safety and environmental controls to be applied and observed, by its own personnel and the personnel of the Parties, to and at that part of the Offtake Site owned or occupied by such Party.

5.1.2 The GSSERs established by a Site Party:

- (a) shall be no more onerous as respects the personnel of the other Party(ies) (as Access Party(ies)) than in respect of the Site Party's own personnel; and
- (b) shall take account of the Site Party's Safety Case, the Access Party(ies)'s Safety Case(s), the SCO Interface Procedure and the Site Party's Site Emergency Procedures.

5.1.3 The Site Party shall make the GSSERs available to each Access Party.

5.2 Consultation, etc

5.2.1 In preparing and from time to time reviewing and revising its GSSERs in relation to its Offtakes, each Party shall consult:

- (a) with the other Party(ies) (as Access Party(ies)) at that Site, in respect of matters specifically relating to that Site; and
- (b) with all other Parties generally, having regard to the desirability of maintaining as far as practicable uniformity in the GSSERs established by each of the Parties.

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION D

MEASUREMENTS

1 General

1.1 Introduction

1.1.1 This Section D sets out requirements for the installation, operation and maintenance of Measurement Equipment for the purposes of measuring gas flows from the upstream System to the downstream System at an Offtake, and certain related issues.

1.1.2 The requirements of this Section D differ as between Offtakes of the following classes:

- (a) CV-Directed Offtakes;
- (b) NTS/LDZ Offtakes which are not CV-Directed Offtakes;
- (c) LDZ/LDZ Offtakes which are not CV-Directed Offtakes and are not Unmetered Offtakes;
- (d) Unmetered LDZ/LDZ Offtakes.

1.1.3 For the purposes of this Document:

- (a) a "**CV-Directed**" Offtake is an NTS/LDZ Offtake or LDZ/LDZ Offtake which is a place in relation to which the Authority has given directions pursuant to regulations 6(a) and (b) of the Gas (Calculation of Thermal Energy) Regulations; and
- (b) an "**Unmetered**" LDZ/LDZ Offtake is an LDZ/LDZ Offtake in relation to which (pursuant to paragraph 1.5) Measurement Equipment is not required to be installed and at which Measurement Equipment is not actually installed.

1.1.4 The quantity of gas flowing on (or in any period within) a Day at an Offtake shall be determined:

- (a) where the Offtake is a CV-Directed Offtake, on the basis of the measurements at that Offtake under this Section D, for the purposes of determining the daily CV for the LDZ served by that Offtake as described in Section F;
- (b) for all other purposes of the Code, on the basis of the daily CV determined (as described in Section F) for the LDZ.

1.2 Measurement Equipment

1.2.1 In this Section D:

- (a) "**Measurement Equipment**" means:
 - (i) any gas flow volume or energy measurement device; and
 - (ii) (where the context admits) any other instrumentation required for the monitoring at points of telemetry (as provided in Section E);

and includes any associated equipment and installations (including associated sensors, pipework, regulator, filters, valves, sample lines, seals, housings and mountings) installed or to be installed at an Offtake; any other instrumentation required for the measurement of calorific value; and any system (forming part of or connected to any of the foregoing) for converting or

otherwise processing data or signals obtained from any such device or instrumentation so as to derive the quantities which are to be provided in accordance with this Section D;

- (b) the "**Permitted Range**" of any Measurement Equipment comprises:
 - (i) the permitted uncertainty level in the Measurement Equipment, for all steady-state flow conditions, determined (in the case of an NTS/LDZ Offtake, consistent with paragraph 1.2.3) at the telemetry boundary as provided in Section E; and
 - (ii) the specified range (of values of the measured property or characteristic) within which the permitted uncertainty levels apply;
- (c) a requirement that Measurement Equipment read within the Permitted Range is a requirement that it read within the permitted uncertainty levels for all values (of the relevant measured property or characteristic) within the specified range comprised in the Permitted Range, and references to reading within the Permitted Range shall be construed accordingly; and
- (d) "**measured data**" means data which is or has been or (as the context may require) is required to be measured by Measurement Equipment and provided to the upstream Party pursuant to this Section D, and includes data calculated or otherwise derived by the operation of any component of the Measurement Equipment.
- (e) "**Measurement Error**" means any failure or defect in the Measurement Equipment or its operation or other circumstance in or as a result of which the Measurement Equipment is reading with systematic bias.
- (f) "**Measurement Error Report**" means a report identified as such and prepared pursuant to the Guidelines.
- (g) "**Measurement Report**" means a Measurement Error Report or a Significant Measurement Error Report.
- (h) "**Significant Measurement Error Report**" means a report identified as such and prepared pursuant to the Guidelines.
- (i) the "**Guidelines**" are the guidelines set out in the document entitled "Measurement Error Notification Guidelines for NTS to LDZ and LDZ to LDZ Measurement Installations".

1.2.2 The Measurement Equipment and (for each item thereof) the Permitted Range at each Offtake are specified in Appendix D to the Supplemental Agreement relating to that Offtake.

1.2.3 The Measurement Equipment shall be treated as including Telemetry Connection Facilities or Daily Read Facilities to be provided pursuant to Section E.

1.3 Units

1.3.1 Measured data shall be recorded in or (before being provided) converted to metric standard temperature and pressure conditions as set out in BS ISO 13443:1996 "Natural Gas Standard Reference Conditions".

1.3.2 Measured data shall be provided pursuant to this Section D in the units specified in Annex D-1.

1.4 Permitted Range

1.4.1 Annex D-1 sets out Permitted Ranges for Measurement Equipment as applicable for different classes (as provided in paragraph 1.1.2) of Offtakes.

1.4.2 The applicable Permitted Range (as set out in Annex D-1) shall apply in respect of all Measurement Equipment, unless otherwise provided in the Supplemental Agreement but subject to paragraph 1.4.3.

1.4.3 In relation to any Offtake, where:

- (a) the Supplemental Agreement permits or provides for a Permitted Range (in relation to any Measurement Equipment) less stringent than is required in Annex D-1; and
- (b) any existing Measurement Equipment at the Offtake is at any time substantially modified or replaced;

the modified or replaced Measurement Equipment shall (notwithstanding the Supplemental Agreement, but subject to paragraph 1.4.4) comply with the applicable Permitted Range specified in Annex D-1, and the Supplemental Agreement shall be amended to reflect such requirement.

- 1.4.4 Where the Measurement Equipment or component thereof (being modified or replaced as described in paragraph 1.4.3) measures or records certain gas properties or characteristics only, the requirement in paragraph 1.4.3 shall apply only to that extent; and accordingly such requirement in paragraph 1.4.3 shall not apply as to any Measurement Equipment or any component thereof which measures or records other gas properties or characteristics and is not being modified or replaced.

1.5 Unmetered Offtakes

- 1.5.1 In the case of an LDZ/LDZ Offtake which is not a CV-Directed Offtake, Measurement Equipment is required to be installed only:

- (a) where Measurement Equipment was installed at the LDZ/LDZ Offtake as at the date of this Document; or
- (b) where all of the following conditions are satisfied:
 - (i) the LDZ/LDZ Offtake (or Individual Offtake Point) is a new Offtake or Individual Offtake Point, or is substantially modified after the date of this Document; and
 - (ii) the quantities to be measured by such Measurement Equipment cannot in the reasonable opinion of the upstream Party be derived with reasonable accuracy from measurement equipment located at another point on the upstream System or downstream System; and
 - (iii) the normal operating pressure at the LDZ/LDZ Offtake is greater than 75 mbar.

- 1.5.2 No Measurement Equipment is required to be installed at a Closed Offtake.

- 1.5.3 The Supplemental Agreement will record what Measurement Equipment (if any) is or is to be installed at an LDZ/LDZ Offtake (but without prejudice to paragraphs 1.4.3 and 2.2.2).

- 1.5.4 Where (pursuant to paragraph 1.5.1 or 1.5.2, or otherwise as agreed between the Parties and provided in the Supplemental Agreement) Measurement Equipment is not required to be installed at an LDZ/LDZ Offtake:

- (a) the requirements (as to the installation, maintenance, operation, validation and rectification of Measurement Equipment) of this Section D shall not apply (but subject to any provision of the Supplemental Agreement pursuant to which the disapplication of such requirements may lapse or be withdrawn); and
- (b) the Parties shall establish a methodology for determining or estimating and providing the data which would be otherwise measured by such equipment; and the Parties will comply with such methodology; and for the purposes of this Document the data determined and provided according to such alternative basis shall be treated as the relevant measured data.

2 Measurement Equipment

2.1 Installation, Operation and Maintenance

- 2.1.1 The downstream Party shall ensure that at each of its Offtakes (save as otherwise agreed and provided in the relevant Supplemental Agreement), in respect of each Individual Offtake Point, there is installed, operated and maintained in proper working order Measurement Equipment for the purposes of registering or determining and recording:
- (a) the properties or characteristics specified in the applicable provisions of Annex D-1; and
 - (b) in the case of an NTS/LDZ Offtake, the further matters specified as points of telemetry in Annex E-1; and
 - (c) such further properties of gas (if any) as are set out in the Supplemental Agreement.
- 2.1.2 The downstream Party shall ensure that the Measurement Equipment is:
- (a) installed, operated and maintained to the standard of a Reasonable and Prudent Operator and in accordance with the requirements of paragraph 2.2;
 - (b) installed so as to measure the relevant property or characteristic of gas flowing at, or as nearly as practicable at, the Point of Offtake;
 - (c) capable of reading and set to read without systematic bias and within the Permitted Range; and
 - (d) operated so as to enable the downstream Party to provide measured data in accordance with paragraph 2.3.
- 2.1.3 The downstream Party shall notify the upstream Party of any planned maintenance in relation to Measurement Equipment, in accordance with the provisions on Measurement Equipment Maintenance in Section G.

2.2 Technical Specifications

- 2.2.1 The Measurement Equipment shall be of a type, standard of design and accuracy which complies with, and shall be operated and maintained in accordance with applicable provisions of:
- (a) the Gas Act 1986, the Gas (Calculation of Thermal Energy) Regulations 1996 and any other applicable Act of Parliament, regulation, or licence;
 - (b) any other relevant Directive of a Competent Authority; and
 - (c) unless otherwise provided in the relevant Supplemental Agreement, the applicable industry standards and best practice recommendations set out in Annex D-2.
- 2.2.2 Where (at any time or from time to time) there is any revised, updated or new version of any of the standards or recommendations referred to in paragraph 2.2.1(c), then (subject to any contrary Legal Requirement):
- (a) (save as otherwise agreed) such revised, updated or new version shall apply for the purposes of this Document prospectively (in accordance with paragraph 2.2.2(c) where applicable) with effect from the date such version is stated to be effective;
 - (b) the version of such requirement, standard or recommendation applicable in relation to particular Measurement Equipment shall be the version in force for the purposes of this Document (pursuant to paragraph 2.2.2(a)) at the Supplemental Agreement Date; and
 - (c) where any existing Measurement Equipment (or component thereof) at an Offtake is substantially modified or replaced, the modified or replaced Measurement Equipment (or component thereof) shall comply (in accordance with paragraph 2.2.1(c)) with the version of the applicable requirement, standard or recommendation which is in force for the purposes of this Document (pursuant to paragraph 2.2.2(a)) at the time of such modification or replacement.

2.3 Provision of Measured Data

- 2.3.1 In relation to a NTS/LDZ Offtake, the downstream DNO shall transmit measured data to National Gas Transmission by means of the Telemetry Connection Facilities in accordance with Section E.
- 2.3.2 In relation to a LDZ/LDZ Offtake, the downstream Party shall transmit measured data to the upstream Party by means of Daily Read Equipment (unless otherwise provided in the Supplemental Agreement) in accordance with Section E.

2.4 Access and Inspection Rights

- 2.4.1 The upstream Party shall be entitled at any time, upon giving not less than five Business Days' prior notice to the downstream Party, to inspect the Measurement Equipment (or any component thereof) and for that purpose to have access (in accordance with Section B6) to the Offtake Site.
- 2.4.2 Nothing in this paragraph 2.4 shall prejudice the upstream Party's right to request the Exceptional Validation of Measurement Equipment in accordance with paragraph 3.3 below.

3 Validation

3.1 General

- 3.1.1 In this paragraph 3:
- (a) "**validation**" means validation that Measurement Equipment is reading within the Permitted Range and without systematic bias; and "**validate**" and "**validated**" shall be construed accordingly; and
 - (b) the "**Validation Procedures**" are the procedures established by the Parties for validation of Measurement Equipment, comprising (as applicable) the documents known as T/PR/ME2 Parts 1, 2 and 3 and T/PR/GQ/3.
- 3.1.2 The Validation Procedures shall be subject to review and revision by the Offtake Committee pursuant to Section N1.2.
- 3.1.3 Any validation of Measurement Equipment pursuant to this Section D:
- (a) shall be carried out:
 - (i) by the downstream Party;
 - (ii) in accordance with the provisions of this paragraph 3 and the Validation Procedures;
 - (b) shall be planned and carried out as Measurement Equipment Maintenance (and in the case of Exceptional Validation, as Urgent Maintenance) in accordance with applicable provisions of Section G.
- 3.1.4 The upstream Party shall be entitled, but shall not be obliged, at its own cost to attend and witness any validation carried out by the downstream Party in accordance with this paragraph 3.
- 3.1.5 The Parties shall use reasonable endeavours to follow the Guidelines in respect of Measurement Errors.

3.2 Routine Validation

- 3.2.1 The downstream Party shall carry out validation:
- (a) of the Measurement Equipment installed at an Offtake, no less frequently than once every 12 months; and

- (b) of any new Measurement Equipment or new or modified component of the Measurement Equipment, prior to such Measurement Equipment or component (as appropriate) being used to register or determine and record any measured data in paragraph 2.1.1 above.

3.2.2 Validation pursuant to this paragraph 3.2 is "**Routine Validation**".

3.2.3 The downstream Party shall bear the costs of any Routine Validation.

3.3 Exceptional Validation

3.3.1 The upstream Party shall be entitled to request that a validation of Measurement Equipment (or any component thereof) be carried out at any time, by notice to the downstream Party specifying the Offtake and the Measurement Equipment or component thereof to be validated and the upstream Party's reason(s) for requesting such validation.

3.3.2 Validation pursuant to this paragraph 3.3 is "**Exceptional Validation**".

3.3.3 The downstream Party shall:

- (a) acknowledge receipt of a request for Exceptional Validation pursuant to paragraph 3.3.1 above not later than the required time after receipt of such request;
- (b) as soon as reasonably practicable following receipt of such request and in any event within the required time after the day on which such request is received, carry out the Exceptional Validation; and
- (c) notify the upstream Party of the date, time and place of the Exceptional Validation as much in advance thereof as is practicable.

3.3.4 With the approval (not to be unreasonably withheld) of the upstream Party, the downstream Party may limit the scope or level of the Exceptional Validation.

3.3.5 Notwithstanding paragraph 3.3.3(b) above, if as soon as reasonably practicable following receipt of a request for Exceptional Validation, and in any event within the required time after the day on which such request is received, the downstream Party:

- (a) ceases or, where such cessation is not possible for safety reasons, minimises the flow of gas at the relevant Offtake or Individual Offtake Point, until the Exceptional Validation has been carried out; and
- (b) gives notice to the upstream Party undertaking that the flow of gas has been and will be ceased or minimised in accordance with paragraph 3.3.5(a);

the downstream Party shall be entitled to defer the carrying out of the Exceptional Validation up to the permitted period after the date of receipt of the upstream Party's request.

3.3.6 For the purposes of paragraphs 3.3.3 and 3.3.5 the required times and permitted periods applicable to different Offtakes are as follows:

<i>Relevant provision</i>	<i>NTS/LDZ Offtake</i>	<i>LDZ/LDZ Offtake</i>
3.3.3(a)	4 hours	2 Business Days
3.3.3(b)	3 Business Days	5 Business Days
3.3.5 (required time)	3 Business Days	5 Business Days
3.3.5 (permitted time)	10 Business Days	10 Business Days

3.3.7 The costs of an Exceptional Validation shall be borne:

- (a) by the upstream Party, where the Measurement Equipment (or relevant component thereof, as the case may be) is found to read without bias and accurately within the Permitted Range; and
- (b) by the downstream Party, in all other circumstances.

3.4 Validation Report

3.4.1 The downstream Party shall prepare a report (the "**Validation Report**") of each validation carried out pursuant to this paragraph 3, setting out:

- (a) the methodology used for the validation;
- (b) the results of the validation;
- (c) the steps taken or which are to be taken in accordance with paragraph 3.5 for adjustment or replacement of Measurement Equipment as a result of such validation; and
- (d) any other matter required pursuant to the Validation Procedures.

3.4.2 The downstream Party shall provide the Validation Report to the upstream Party:

- (a) in the case of an NTS/LDZ Offtake:
 - (i) no later than 14 days after the completion of any Routine Validation; and
 - (ii) no later than 12 hours after the completion of any Exceptional Validation; and
- (b) in the case of an LDZ/LDZ Offtake:
 - (i) if requested by the upstream Party, no later than 14 days after the later of such request and the completion of any Routine Validation; and
 - (ii) no later than five days after the completion of any Exceptional Validation.

3.4.3 Unless disputed by the upstream Party in accordance with paragraph 6, the results of the Validation Report shall be binding on both Parties (including for the purposes of paragraph 3.3.7).

3.5 Post-Validation Adjustments to Measurement Equipment

3.5.1 Upon or immediately following validation pursuant to paragraphs 3.2 or 3.3 above, the downstream Party shall at its own cost ensure that the Measurement Equipment (or the relevant component thereof) is adjusted or replaced as necessary so that the Measurement Equipment (or such component) reads without bias and accurately within the Permitted Range, in accordance with paragraph 2.1.2(c) above.

3.5.2 Where the downstream Party is unable to ensure the adjustment or replacement of the Measurement Equipment (or any component thereof) upon or immediately following validation pursuant to paragraph 3.5.1 above, the downstream Party shall rectify such Measurement Equipment (or such component) in accordance with paragraph 4 below.

4 Rectification of Measurement Equipment

4.1 Fault

- 4.1.1 For the purposes of this paragraph 4, a "**fault**" in Measurement Equipment is any failure or defect in the Measurement Equipment or its operation or other circumstance in or as a result of which the Measurement Equipment is not reading within the Permitted Range or without systematic bias.
- 4.1.2 The downstream Party shall take measures to enable it to identify faults in Measurement Equipment in accordance with the standard of a Reasonable and Prudent Operator.
- 4.1.3 Where a fault is found in any Measurement Equipment, except where:
- (a) such finding is made in the course of validation pursuant to paragraph 3; and
 - (b) the adjustment or replacement required under paragraph 3.5 is made upon or immediately following such validation;

paragraph 4.2 shall apply.

4.2 Steps to be taken upon occurrence of a fault

- 4.2.1 In the circumstances referred to in paragraph 4.1.3, the downstream Party shall:
- (a) (except in the case where the fault has been reported pursuant to validation under paragraph 3) notify the upstream Party of the fault no later than one hour (or, in the case of an LDZ/LDZ Offtake where Daily Read Equipment is installed, 24 hours) after having identified or been informed of the fault; and
 - (b) rectify the fault as soon as reasonably practicable in accordance with the standard of a Reasonable and Prudent Operator (and in accordance with paragraph 4.2.2 where applicable).
- 4.2.2 In relation to a CV-Directed Offtake, the downstream Party shall:
- (a) where it is practicable for the downstream Party (acting as a Reasonable and Prudent Operator) to do so, rectify the fault within eight hours of the fault having been identified; and
 - (b) where it is not practicable for the downstream Party so to rectify the fault:
 - (i) submit to the upstream Party proposals for initiating and carrying out the rectification of such failure or error;
 - (ii) ensure such rectification as soon as reasonably practicable and in accordance with the downstream Party's proposals; and
 - (iii) cease or, where such cessation is not possible for safety reasons, minimise the flow of gas through the relevant Offtake or Individual Offtake Point until the fault has been rectified.

5 Correction and Estimation of Readings

5.1 General

- 5.1.1 Following validation pursuant to paragraph 3 or (as the case may be) the identification of a fault as provided in paragraph 4, readings (of the relevant Measurement Equipment) shall be corrected or estimated subject to and in accordance with paragraph 5.2 or 5.3 respectively.
- 5.1.2 The downstream Party shall be responsible for correcting or estimating readings pursuant to paragraphs 5.2 and 5.3.
- 5.1.3 Readings are to be corrected or estimated for each hour of each Day of the relevant period in accordance with paragraph 5.2 or 5.3.

5.1.4 Unless disputed by the upstream Party in accordance with paragraph 6, the corrected or estimated readings (as the case may be) shall be binding on both Parties.

5.1.5 Only measured data relating to volume or energy shall be corrected or estimated pursuant to this paragraph 5.

5.2 Correction of Readings

5.2.1 Where, on validation pursuant to paragraph 3, the Measurement Equipment (or, as the case may be, any component thereof) is found:

- (a) to read with systematic bias, whether within or outside the Permitted Range, the relevant readings shall be adjusted in accordance with this paragraph 5.2;
- (b) to read outside the Permitted Range but without systematic bias, no adjustment of the relevant readings shall be made and such readings shall be deemed to be correct.

5.2.2 Where the period over which the Measurement Equipment (or the relevant component thereof) was reading with systematic bias can be determined with reasonable accuracy, then:

- (a) if the amount of the bias at all times during such period can be determined with reasonable accuracy, all readings over that period shall be adjusted accordingly to account for the bias within that period;
- (b) if the amount of the bias at all times during such period cannot be determined with reasonable accuracy, then the Measurement Equipment (or the relevant component) shall be deemed to have read (over such period) with half the amount of the bias determined at the time of the relevant validation, and the readings over the period shall be adjusted accordingly to account for such deemed bias within that period.

5.2.3 Where the period over which the Measurement Equipment (or the relevant component thereof) was reading with bias cannot be determined with reasonable accuracy, then:

- (a) the Measurement Equipment (or such component) shall be deemed to have read, over the period since the last time at which (pursuant to validation or rectification or otherwise) it was adjusted to read without bias and accurately within the Permitted Range, with half the amount of the bias determined at the time of the relevant validation; and
- (b) all readings over such period shall be adjusted accordingly to account for such deemed bias.

5.2.4 The downstream Party shall, after the carrying out of the relevant validation, provide to the upstream Party the corrected readings by way of a Measurement Report together with an explanation of the basis on which the readings were corrected and supporting information.

5.3 Estimation of Readings

5.3.1 Where, as a result of a fault in respect of any Measurement Equipment (or any component thereof), readings are not available for any period, the required readings for such period shall be estimated in accordance with this paragraph 5.3.

5.3.2 Where the other components of the Measurement Equipment are functioning and reading without bias and accurately within their respective Permitted Ranges, the required readings shall be estimated, so far as is feasible, using data from such other components.

5.3.3 Where an estimated reading pursuant to paragraph 5.3.2 is not feasible, the required readings relating to any Day (or period within a Day) shall be estimated using data derived from gas flows through the relevant Offtake on all Days (when the Measurement Equipment or relevant component thereof was functioning and reading without bias and within the Permitted Range) of comparable demand and operating conditions over the preceding 12 months.

- 5.3.4 Any estimation by downstream Party shall be made to the standard of a Reasonable and Prudent Operator, and as accurately as is practicable in the circumstances.
- 5.3.5 The downstream Party shall, not later than 5 Days after the identification of the relevant fault, provide to the upstream Party the estimated readings together with an explanation of the basis on which the readings were estimated and supporting information.

6 Disputes

- 6.1.1 Subject to paragraph 6.1.4, the upstream Party shall be entitled to dispute the accuracy of any Validation Report or estimated reading received pursuant to paragraphs 3.4, 5.2 and 5.3 respectively by giving notice to the downstream Party not later than 14 days after receipt of the same.
- 6.1.2 The Parties shall, as soon as reasonably practicable after the date of the upstream Party's notice in accordance with paragraph 6.1.1 and in any event within 30 days from the date of such notice, consult together in good faith and use their reasonable endeavours to settle the dispute.
- 6.1.3 Where the Parties are unable to resolve the dispute within 30 days from the date of the notice in accordance with paragraph 6.1.2 above, either of them shall be entitled to refer the dispute to an Expert for determination, in accordance with GT Section A2.
- 6.1.4 The results of a Significant Measurement Error Report shall be binding on the Parties as provided in the Guidelines and shall not be disputed pursuant to this paragraph 6 or otherwise.

7 Records and Inspection Rights

7.1 Records

- 7.1.1 The downstream Party shall record all measured data (including corrected and estimated data) at the intervals and in the format and otherwise as provided in Section M.
- 7.1.2 The downstream Party shall in addition maintain auditable records relating to the installation, maintenance, testing, operation, calibration, setting and validation of Measurement Equipment, including (without limitation):
 - (a) the configuration of flow computers and programmable devices forming part of the Measurement Equipment; and
 - (b) the results of all tests and validations carried out in relation to the Measurement Equipment.
- 7.1.3 The downstream Party shall retain all records of measured data for a period of no less than three years after the Day or last Day to which such measured data relates.
- 7.1.4 The records required to be maintained and retained under this paragraph 7.1 may be stored either:
 - (a) as hard copy written documents or charts; or
 - (b) in electronic format.
- 7.1.5 Records stored in electronic format shall be stored so as:
 - (a) to be capable of immediate access or retrieval within a period of not less than 12 months after the Day (or last Day) to which such records relate;
 - (b) thereafter, to be retrievable from archive within five Business Days after a request to retrieve such data.

7.2 Access to Records and Inspection Rights

- 7.2.1 The downstream Party shall, as soon as reasonably practicable and without charge, provide to the upstream Party on request a copy of such records maintained in accordance with paragraph 7.1 above (provided that if the upstream Party requires more than one copy, or a copy on more than one occasion, of records relating to the same matter, the downstream Party may charge the upstream Party the costs incurred in providing such additional or further copies).
- 7.2.2 The upstream Party shall in addition be entitled at any time, upon giving five Business Days' prior notice to the downstream Party, to inspect the records of the measured data for any Day or Days within the preceding 12 months.

Annex D-1

Measured Data and Permitted Ranges
(Paragraphs 1.3.2, 1.4 and 2.1.1(a))

Part 1 – NTS/LDZ Offtakes

Property	Unit	Specified Range	Permitted Uncertainty Level
Instantaneous Volume Flow Rate (Note 1)	MCM/day	Per relevant Supplemental Agreement	± 1.0%
CV (for CV-Directed NTS/LDZ Offtakes)	MJ/m ³	35 – 44	± 0.1 MJ/m ³
CV (other NTS/LDZ Offtakes)	MJ/m ³	35 – 44	± 0.3 MJ/m ³
Instantaneous Energy Flow Rate (Note 1)	TJ/day	Per relevant Supplemental Agreement	± 1.1%
Pressure	barg	0 – 85	± 0.5 barg
Temperature	°C	0 – 40	± 1.0 °C
Carbon Dioxide (where applicable – Note 2)	Mole %	0 – 5	± 0.01 mole %.
Nitrogen (where applicable – Note 2)	Mole %	0 – 10	± 0.01 mole %.
Relative Density (where applicable – Note 2)		0.5 – 0.8	± 0.001
Wobbe Number (where applicable – Note 2)	MJ/m ³	45 – 55	± 0.1 MJ/m ³

Note 1: Measurement Equipment must also be capable of integrating Instantaneous Volume Flow Rate and Instantaneous Energy Flow Rate to give volume and energy flows over any period.

Note 2: These properties are applicable where they are required in relation to a CV-Directed Offtake pursuant to the arrangements made (in relation to that Offtake) for the purposes of regulation 4A of the Gas (Calculation of Thermal Energy) Regulations 1996, as amended.

Part 2 – LDZ/LDZ Offtakes

Property	Unit	Specified Range	Permitted Uncertainty Level
Instantaneous Volume Flow Rate	MCM/day	Per relevant Supplemental Agreement	Sufficient to demonstrate ‘requisite metering’ as defined in the Gas (Calculation of Thermal Energy) Regulations 1997 (as amended).
CV (for CV-Directed LDZ /LDZ Offtakes)	MJ/m ³	35 – 44	As determined by Ofgem in letters of approval and letter of direction
Pressure	barg	Per relevant Supplemental Agreement	±0.5 barg
Temperature	°C	0 – 40	±1 °C
Relative Density		0.5 – 0.8	±0.02

Annex D-2

Best Practice Recommendations and Standards

(Paragraph 2.2.1(c))

1. General

- IGE Meter Recommendations (IGE/GM/1 and IGE/GM/4)
- BS EN 1776 "Gas supply. Natural gas measuring stations. Functional requirement"
- ISO 5168 "Measurement of fluid flow. Evaluation of uncertainties"
- BS 1042 "Measurement of Fluid Flow in Closed Conduits"
- ISO 6976 (1995) "Natural gas. Calculation of calorific values, density, relative density and Wobbe index from composition"

2. Specific Metering Systems

- For orifice plate metering systems:

BS EN ISO 5167 "Measurement of fluid flow by means of pressure differential devices inserted in circular cross section conduits running full"

- For turbine metering systems:

BS 7834 (ISO 9951) "Specification for turbine meters used for the measurement of gas flow in closed conduits"

- For ultrasonic metering systems:

BS 7965 "The selection, installation, operation and calibration of diagonal path transit time flowmeters for industrial gas applications"

BS ISO/TR 12765 "Measurement of fluid flow in closed circuits. Methods using transit time ultrasonic flowmeters"

AGA 9 "Measurement of Gas by Multipath Ultrasonic Meters"

- For process gas chromatographs:

ISO 10723 (1995) "Natural gas. Performance evaluation for on-line analytical systems"

- For any other measurement system, such standards/guidelines as may be set out in Appendix D to the relevant Supplemental Agreement.

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SECTION E

TELEMETRY, ETC

1 General

1.1 Introduction

1.1.1 This Section E sets out:

- (a) National Gas Transmission's requirements for telemetry in relation to NTS/LDZ Offtakes;
- (b) the upstream DNO's requirements for provision of daily reads in relation to LDZ/LDZ Offtakes.

1.1.2 In relation to a Bi-directional LDZ/LDZ Offtake, references in this Section E to the downstream Party and upstream DNO shall be construed in accordance with the relevant Supplemental Agreement.

1.2 Telemetry Facilities

1.2.1 In this Section E:

- (a) "**NTS Telemetry Facilities**" means
 - (i) in relation to an Offtake, telecommunications and other equipment to be installed at the Offtake for the purposes of receiving (as telemetry signals) measured data from Measurement Equipment and sending such data to National Gas Transmission and for the purpose of National Gas Transmission sending and receiving signals to and/or from equipment forming part of the National Gas Transmission Connection Facilities ("**NTS Physical Telemetry Facilities**"); and/or
 - (ii) an electronic link, such as a SCADA (Supervisory Control and Data Acquisition) link, between the DNO's gas control system and National Gas Transmission's gas control system for the purposes of sending measured data from the Measurement Equipment to National Gas Transmission (via the DNO's gas control system) and for the purposes of National Gas Transmission sending and receiving (via the DNO's gas control system) signals to and/or from equipment forming part of the National Gas Transmission Connection Facilities ("**NTS Electronic Telemetry Facilities**").
- (b) "**Telemetry Connection Facilities**" means the telemetry connection facilities to be provided by the DNO pursuant to paragraph 2.1; and where the DNO has installed telemetry facilities as provided in paragraph 2.2.2, includes such telemetry facilities;
- (c) "**telemetry boundary**" means the point up to which the DNO is responsible for providing telemetry signals, being (subject to any contrary provision of the Supplemental Agreement) the boundary of the area on which (as provided in Section B5.2) the NTS Telemetry Facilities are located, as further described in Annex E-1 and specified in the Supplemental Agreement;
- (d) "**point of telemetry**" means the particular feature or characteristic of an Individual Offtake Point, the Connection Facilities at an Offtake and the state, configuration or operation of such Connection Facilities, or the gas flowing or of flow of gas at an Offtake, which is to be subject to telemetry pursuant to this Section E; and
- (e) references to an Offtake are to a NTS/LDZ Offtake, except in paragraph 4 where such references are to an LDZ/LDZ Offtake at which Measurement Equipment is installed.

- 1.2.2 Subject to any contrary provision of the Supplemental Agreement, at each Offtake, the points of telemetry shall be as specified in Annex E-1 (as applicable to such Offtake).
- 1.2.3 Any variations (from what is provided in Annex E-1) in the points of telemetry in relation to an Offtake are set out in Appendix E to the relevant Supplemental Agreement.

2 Telemetry Facilities

2.1 DNO obligation to connect to NTS Telemetry Facilities

- 2.1.1 The Measurement Equipment installed or to be installed by the DNO pursuant to Section D shall be designed, installed, operated and maintained so as to provide telemetry signals in respect of the points of telemetry in accordance with this paragraph 2.
- 2.1.2 The DNO shall provide (and operate and maintain) such connection facilities (including cables, lines, ducts and other equipment) from the Measurement Equipment to the NTS Telemetry Facilities as are required to connect such facilities so as to enable the continuous and uninterrupted transmission of telemetry signals between them.
- 2.1.3 The DNO shall be responsible for providing such Telemetry Connection Facilities up to the telemetry boundary; and National Gas Transmission shall be responsible for making the final connection to the NTS Telemetry Facilities.
- 2.1.4 The Telemetry Connection Facilities shall comply with the resilience requirements specified in Annex E-2.
- 2.1.5 The DNO shall provide (by means of the Measurement Equipment and the connection facilities referred to in paragraph 2.1.2 to National Gas Transmission (at the telemetry boundary) telemetry signals on a continuous and uninterrupted basis in respect of the points of telemetry referred to in paragraph 1.2.2.
- 2.1.6 The Measurement Equipment and the Telemetry Connection Facilities shall be installed, maintained and operated in compliance with (and shall provide telemetry signals conforming to) the protocols, standards and other requirements set out in Annex E-3.

2.2 DNO entitlement to use telemetry facilities

- 2.2.1 Without prejudice to the requirements in Section B where the DNO is not the Site Owner, nothing in this Section E shall prevent the DNO from:
- (a) installing measurement equipment at an Offtake for points of telemetry in addition to those required pursuant to this Section E; and
 - (b) arranging and installing telemetry facilities for the transmission or other availability to itself (at its control room or otherwise) or any other person of telemetry signals from the Measurement Equipment;

provided that this does not interfere with the operation (as contemplated by this Section E) of the Measurement Equipment and NTS Telemetry Facilities or the transmission of telemetry signals between such equipment and facilities.

- 2.2.2 In particular (subject to the proviso in paragraph 2.2.1) the connection (to be provided by the DNO pursuant to paragraph 2.1.2) from the Measurement Equipment to the NTS Telemetry Facilities may be provided via telemetry facilities installed by the DNO.

2.3 Installation of NTS Telemetry Facilities

- 2.3.1 National Gas Transmission shall be entitled, at its expense, to install, operate and maintain at the Offtake the NTS Telemetry Facilities and to connect such facilities (via the Telemetry Connection Facilities) to the Measurement Equipment.
- 2.3.2 The DNO shall cooperate with National Gas Transmission in the commissioning and testing of the NTS Telemetry Facilities and the connection to the Telemetry Connection Facilities, and shall meet and discuss in good faith with National Gas Transmission and use all reasonable endeavours to agree matters pertaining to such installation and commissioning as National Gas Transmission may reasonably request.
- 2.3.3 National Gas Transmission shall be entitled to operate and use the NTS Telemetry Facilities for the purposes of transmitting telemetry signals between the Measurement Equipment and National Gas Transmission (at its control room or otherwise) or for such other purposes as it may decide.
- 2.3.4 It is the responsibility of National Gas Transmission (at its cost) to arrange satellite or other telecommunications services to enable the transmission of telemetry signals from the NTS Telemetry Facilities.
- 2.3.5 Where the NTS Telemetry Facilities in respect of an Offtake are NTS Electronic Telemetry Facilities, and the equipment (other than Telemetry Connection Facilities) provided by the DNO and utilised by such NTS Electronic Telemetry Facilities for the sending and receiving of signals to and from the Measurement Equipment and/or the National Gas Transmission Connection Facilities (“**Equipment**”) reaches the end of its service life, then National Gas Transmission may install NTS Physical Telemetry Facilities at the Offtake and connect such facilities (via the Telemetry Connection Facilities) to the Measurement Equipment. For the avoidance of doubt, the provisions of paragraph 2.3 shall apply to such NTS Physical Telemetry Facilities.

The equipment referred to above (the “**Equipment**”) will be deemed to have reached the end of its service life on the earliest of the following:

- (a) the date on which a Reasonable and Prudent Operator would choose to routinely replace the Equipment having regard to its age and condition; or
- (b) the date on which the Equipment fails and is beyond economic repair; or
- (c) on such date as otherwise agreed between National Gas Transmission and the DNO, such agreement not being unreasonably withheld.

2.4 Modifications of Telemetry Facilities

- 2.4.1 For the avoidance of doubt, Telemetry Connection Facilities and NTS Telemetry Facilities are Connection Facilities for the purposes of Section B.
- 2.4.2 The purposes referred to in Section B4.1.3 are the continued operation of the Telemetry Connection Facilities and NTS Telemetry Facilities in compliance with paragraphs 2.1.4, 2.1.5 and 2.1.6 above.

2.5 Failure of Telemetry Facilities

- 2.5.1 Where the DNO or National Gas Transmission believes or becomes aware that any of the Telemetry Connection Facilities or NTS Telemetry Facilities has failed or is failing to function properly, that Party shall immediately notify the other Party, and the further provisions of this paragraph 2.5 shall apply.
- 2.5.2 The DNO shall:
- (a) promptly on (and in any event within 10 minutes of) despatch by the DNO or receipt from National Gas Transmission (as the case may be) of the notice in paragraph 2.5.1 above, inspect (by means of remote interrogation or testing from its control centre or by such other method as the Parties shall agree) the Telemetry Connection Facilities to ascertain whether these are functioning properly;

- (b) promptly following such inspection, inform National Gas Transmission whether the Telemetry Connection Facilities are functioning properly; and
- (c) where a failure or error in the functioning of the Telemetry Connection Facilities has been identified pursuant to paragraph (a) above, within 24 hours of such failure or error having been identified:
 - (i) rectify such failure or error; or
 - (ii) where rectification pursuant to paragraph (i) above is not practicable by the DNO, acting as a Reasonable and Prudent Operator, submit to National Gas Transmission proposals for initiating the rectification of such failure or error, and ensure that such rectification is effected as soon as reasonably practicable.

2.5.3 Notwithstanding paragraph 2.5.2(c), for so long as any failure or error continues in the functioning of the Telemetry Connection Facilities or the NTS Telemetry Facilities:

- (a) the Parties shall consult as to and keep under review the situation; and
- (b) subject to paragraph 2.5.4, the DNO shall take such steps as are reasonably practicable and as National Gas Transmission may reasonably require for the purposes of the provision (in operational timescales, and without prejudice to paragraph 2.6) of the relevant measured data to National Gas Transmission.

2.5.4 In the case of a failure or error in the functioning of the NTS Telemetry Facilities, the DNO shall not be required to continue to take steps under paragraph 2.5.3(b) if National Gas Transmission does not (and after notice from the DNO continues not to) act as a Reasonable and Prudent Operator to rectify the failure or error.

2.6 Arrangements for data provision in case of failure

2.6.1 In the case of any failure of the Telemetry Connection Facilities, measured data will be provided to National Gas Transmission by the means and at the times provided in or pursuant to Section M.

3 Not used

4 Daily Read Requirement

4.1 General

4.1.1 "**Daily Read Facilities**" means facilities by means of which measured data from Measurement Equipment can be captured and recorded and periodically transmitted to or retrieved by a Party.

4.1.2 At a LDZ/LDZ Offtake at which Measurement Equipment is installed, the downstream Party shall:

- (a) provide, install (in connection with its Measurement Equipment), maintain and operate Daily Read Facilities, complying with the requirements in Annex E-4, for the purposes of sending to the upstream Party measured data as provided in Annex E-4; and
- (b) obtain by means of the Daily Read Facilities measured data at the times and intervals specified in Annex E-4.

4.1.3 The upstream Party shall be entitled at its cost to install and maintain (as Connection Facilities) separate Daily Read Facilities enabling it directly to obtain measured data from the Measurement Equipment, provided that the installation and operation of such Daily Read Facilities does not interfere with the operation of the Measurement Equipment or the downstream Party's Daily Read Facilities.

- 4.1.4 The Parties shall cooperate to the extent necessary in the installation, maintenance and operation of the Daily Read Facilities to be installed under this paragraph 4.1.
- 4.1.5 In relation to any LDZ/LDZ Offtake, where the Supplemental Agreement provides for telemetry facilities to be installed at an LDZ/LDZ Offtake, and such telemetry facilities are installed:
- (a) the requirements of this paragraph 4 shall not apply;
 - (b) instead, paragraph 2 (and paragraph 1, mutatis mutandis, but not Annex E-1) shall apply as if references to National Gas Transmission were to the upstream Party, the DNO were to the downstream Party, and an NTS/LDZ Offtake were to the LDZ/LDZ Offtake; and
 - (c) the downstream Party shall be entitled, after giving notice to and consulting with the upstream Party, to replace such telemetry facilities with Daily Read Facilities (in which case paragraphs (a) and (b) shall cease to apply).

4.2 Sending measured data

- 4.2.1 The downstream Party shall provide to the upstream Party measured data at the times and intervals specified in Annex E-4 by the means provided in or pursuant to Section M.

4.3 Failure of Daily Read Facilities

- 4.3.1 If the downstream Party believes or becomes aware that any part of the Daily Read Facilities has failed or is failing to function properly:
- (a) the downstream Party shall inspect the Daily Read Facilities to ascertain whether they are functioning properly;
 - (b) where it identifies any failure or error in the functioning of the Daily Read Facilities, the downstream Party shall:
 - (i) rectify such failure or error as soon as reasonably practicable, and
 - (ii) if the failure or error prevents or is likely to prevent the downstream Party from providing measured data to the upstream Party at times and otherwise in accordance with paragraph 4.2, inform the upstream Party of such failure or error and keep the upstream Party informed as to the progress in rectifying such failure or error.
- 4.3.2 In the case of any failure of the Daily Read Facilities, measured data will be provided to the upstream Party as provided in or pursuant to Section M.

ANNEX E-1

Points of Telemetry
(Paragraph 1.2.2)

In this Annex E-1:

- (a) a Minimum Requirement is a requirement applicable in relation to any Offtake;
- (b) a Site-Specific Option is a requirement applicable (in accordance with paragraph (c) below) in relation to certain Offtakes;
- (c) Site-Specific Options are applicable where so provided under 'Comments' or where agreed between the Parties.
- (d) Information may be provided under 'Comments' in relation to Minimum Requirements and/or Site-Specific Options.

Part 1 – Analogues

Point Name	Minimum Requirement	Site Specific Option	Comments
Feeder/Inlet pressure	Yes		
Outlet Pressure	Yes		
Instantaneous Volume Flow	Yes		
Instantaneous Energy Flow	Yes		
Outlet Gas Temperature		Yes	Where fitted
Calorific Value	Yes		
Relative Density	Yes		
Nitrogen	Yes		Except Tracker-only sites
Carbon Dioxide	Yes		Except Tracker-only sites
Wobbe	Yes		Except Tracker-only sites
24 Hour Average CV	Yes		
24 Hour Average RD	Yes		
Orifice Standby Differential Pressure		Yes	OPDn (Orifice differential pressure x, where x is a numerical identity) only where fitted
Orifice Meter 'In Use' Differential Pressure		Yes	METER_DPn (meter differential pressure x, where x is a numerical identity) only where fitted

Flow Meter Temperature		Yes	Where fitted
Compressibility		Yes	Where fitted
Filter Differential Pressure		Yes	Where fitted

Part 2 – Digitals

Point Name	Minimum Requirement	Site Specific Option	Comments
Power	Yes		Mains/Phase Fail
Charger	Yes		
Site UPS		Yes	Where fitted
Gas Quality System UPS	Yes		
Gas Quality System Alarm	Yes		SYSTEMn (system x, where x is a numerical identity)
Generator Alarm		Yes	Where fitted
Generator Available		Yes	Where fitted
Generator Bypass		Yes	Where fitted
Generator Trip		Yes	Where fitted
Generator Running		Yes	Where fitted
Generator Status		Yes	Where fitted
Barrier		Yes	Where fitted
Local Comms Link Status		Yes	Where fitted
RTU Fault		Yes	Where fitted
Watchdog		Yes	Where fitted; Includes Computer alarm
Filter		Yes	Where fitted
Maintenance Key		Yes	Where fitted
Intruder		Yes	Where fitted
Metering Alarm	Yes		MTR_SUSP (meter suspect)
Meter Stream Change		Yes	Where fitted
Meter Valve Position		Yes	Where fitted

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Status Local/Remote		Yes	Where fitted
Pressure Override Alarm		Yes	Where fitted
CV Not Valid		Yes	Where fitted
CV Not Attributable		Yes	Where fitted
Outstation Comms Status		Yes	Scada Link Telemetry only
Comms Routing Status		Yes	Scada Link Telemetry only
Valve position of all remotely operable valves		Yes	Valves operated by National Gas Transmission and Distribution Networks for inlet isolation to be provided where control facilities are necessary but no NTS Physical Telemetry Facilities exist

Part 3 – Valve Monitoring/Control

Point Name	Minimum Requirement	Site Specific Option	Comments
Control function for remotely operable valves operated by National Gas Transmission		Yes	To be provided where control facilities are necessary but no NTS Physical Telemetry Facilities exist

Part 4 – Integrators

Point Name	Minimum Requirement	Site Specific Option	Comments
Offtake Volume Integrator	Yes		
Offtake Energy Integrator		Yes	Where fitted
Fuel Gas for Pre-heater Volume Integrator		Yes	Where fitted
Fuel Gas for Pre-heater Energy Integrator		Yes	Where fitted

ANNEX E-2

Resilience of Telemetry Connection Facilities

(Paragraph 2.1.4)

1. Telemetry Connection Facilities are to comply with the resilience requirements specified in the statement (prevailing at the time of installation of such facilities) issued by National Gas Transmission under paragraph 2.
2. National Gas Transmission will, after consultation with each DNO, prepare and from time to time review and update a statement of the resilience requirements for Telemetry Connection Facilities consistent with paragraph 3.
3. The statement will provide for the design, operation and maintenance of Telemetry Connection Facilities as described in BS IEC 61511 and with:
 - (a) availability between 99.5% and 99.95%;
 - (b) reliability in excess of 13,000 hours in respect of Mean Time Between Failures;
 - (c) capability of detecting and communicating certain failures; and
 - (d) battery back-up for at least 8 hours.

ANNEX E-3

Compatibility Requirements

(Paragraph 2.1.6)

1. Telemetry Connection Facilities are to comply with the protocols, standards and other requirements specified in the statement (prevailing at the time of installation of such facilities) issued by National Gas Transmission under paragraph 2.
2. National Gas Transmission will, after consultation with each DNO, prepare and from time to time review and update a statement of the protocols, standards and other requirements for Telemetry Connection Facilities consistent with paragraph 3.
3. The statement will provide for the Telemetry Connection Facilities to be capable of supporting the 'Modbus Variant' protocol to allow communications with the Front End Processor devices of National Gas Transmission's control systems (as described in the Offtake Communications Document).

Annex E-4

Daily Read Facilities

(Paragraphs 4.1.2 and 4.2.1)

Part 1 - Specifications

The Daily Read Facilities shall:

- (a) be compatible with the Measurement Equipment installed at the Offtake;
- (b) capture the prescribed information; and
- (c) capture the information on Site at least every 4 minutes for transmission every 24 hours in an electronic format with at least 1-month's information archived on Site.

Part 2A – Data Transfer from Metered Connections with Daily Read Equipment Installed

Point	Minimum Requirement?	Comments
Daily Calorific Value	Yes	Where measured.
	No	Where DCV from alternative place is used.
24 hour relative density	Yes	
24 hr integrated volume	Yes	

Part 2B – Data to be provided every 24 hours by the Downstream Party

Point	Minimum Requirement?	Comments
Daily Calorific Value	Yes	From measurement equipment of alternative place.
24 hour integrated volume	Yes	From measurement equipment.

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SECTION F

DETERMINATION OF CALORIFIC VALUE

1 General

1.1 Introduction

1.1.1 This Section F sets out:

- (a) provisions for the avoidance or minimisation of CV shrinkage;
- (b) terms for the provision by one Party to another of data for the purposes of determining daily CVs;
- (c) the basis on which DNOs will determine daily CVs for their respective charging areas.

1.2 Daily CVs

1.2.1 The Parties acknowledge that:

- (a) each DNO is required, pursuant to the Regulations, to determine daily CVs for its charging area(s);
- (b) for each DNO, daily CVs for each charging area are to be determined pursuant to regulation 4A of the Regulations or on declaration; and
- (c) as at the date of this Document, each LDZ represents a single charging area.

1.3 Information

1.3.1 All information and other data to be provided by any Party to another pursuant to this Section F shall be provided at the times, in the formats and by the means provided in or pursuant to Section M.

1.4 CDSP Functions

1.4.1 The Agency Functions of the CDSP to support implementation of this Section F are to:

- (a) determine daily CVs on behalf of each DNO for each charging area within the area of the DNO's System.

2 CV Shrinkage

2.1 General

2.1.1 The Parties acknowledge that:

- (a) CV shrinkage arises in circumstances where the daily CV is determined under paragraph 4A(1)(b) of the Regulations (that is, where the average calorific values referred to in that paragraph diverge to such an extent that area calorific value exceeds the lowest of such average calorific values by more than 1MJ/m³); and

- (b) this may, inter alia, occur where apparatus at an input point or output point fails to determine calorific values for a period exceeding 8 hours as provided in paragraph 4A(7) of the Regulations.

2.1.2 By virtue of Section D1.1.4(b), CV shrinkage is treated as arising in the NTS and accordingly is part of NTS Shrinkage for which (pursuant to the TPD Section N) National Gas Transmission is responsible as Shrinkage Provider.

2.2 Minimisation of CV Shrinkage

2.2.1 The Parties acknowledge that (in relation to each LDZ) National Gas Transmission and each DNO have a common interest in avoiding or minimising the amount of CV shrinkage, and the Parties agree to cooperate with a view to avoiding or minimising the amount of CV shrinkage each Day.

2.2.2 In particular, if National Gas Transmission provides guidance to the DNO as to the pattern of gas flows as between NTS/LDZ Offtakes serving an LDZ which may avoid or minimise the amount of CV Shrinkage, the DNO will endeavour subject to commercial and operational considerations to take account of such guidance in its Offtake Profile Notices and revisions thereof.

2.2.3 Nothing in this paragraph 2.2 shall give rise to any liability of any Party to any other Party, but without prejudice to paragraph 2.3.

2.3 Rights in relation to measurement equipment

2.3.1 This paragraph 2.3 applies in order to provide assurance to National Gas Transmission as to the correctness and accuracy of the measured data from time to time used by DNOs in deriving average calorific values (for its input points and output points) for the purposes of determining daily CVs.

2.3.2 In relation to each input point and output point (other than an NTS/LDZ Offtake) on each System, the provisions of Section D (excluding the provisions referred to in paragraph 2.3.4 below) shall apply as between the relevant DNO and National Gas Transmission as if:

- (a) all such input points and output points were NTS/LDZ Offtakes; and
- (b) references to the upstream Party were to National Gas Transmission.

2.3.3 For the purposes of paragraph 2.3.2:

- (a) the DNO has furnished to National Gas Transmission at the date of this Document a statement of the Measurement Equipment installed at each such input point and output point, in the form and containing the details which would be required to be contained in Appendices B and D of the Supplemental Agreement relating to an NTS/LDZ Offtake; and
- (b) such statement shall be deemed to be a Supplemental Agreement for the purposes of the application of Section D.

2.3.4 The provisions of Section D which are excluded for the purposes of paragraph 2.3.2 are provisions:

- (a) relating to measurement of matters (or points of telemetry) other than volume, energy and calorific value; or
- (b) as to the provision of measured data by telemetry.

3 Provision of CV data between Parties

3.1 Application

- 3.1.1 This paragraph 3 applies where at any time the DNO (the "**first**" Party) provides to National Gas Transmission (the "**second**" Party), any data ("**CV data**") (except as per 3.1.2 where National Gas Transmission (the "**second**" Party) provide data to the DNO (the "**first**" Party)) relating to its System or any point on its System (including without limitation daily calorific values adopted by the second Party, average calorific values determined at an alternative place, or other data derived from samples of gas taken at any place or premises).
- 3.1.2 The second Party shall inform the first Party of any changes to the configurations of the NTS, including commissioning and decommissioning of assets, that may impact the list of measured offtakes and the first, second and third alternative sites thereto to be used in the determination of the Calorific Value "**Attribution Map**".
- 3.1.3 If necessary, the second Party shall collaborate with the first Party to ensure suitable changes to the Attribution Map are derived.

3.2 Continuation of data provision

- 3.2.1 Subject to paragraph 3.2.2, and subject to any contrary agreement between such Parties:
- (a) the first Party shall continue to provide the CV data to the second Party and shall keep installed, maintain and operate any apparatus and other facilities for the time being installed for the purposes of the determination and provision of such CV data (but this shall not prevent the first Party from modifying or replacing any such apparatus or facilities, provided that the modification or replacement does not adversely affect the quantity or nature of the CV data provided by the first Party);
 - (b) the second Party shall be permitted to use the CV data for the purposes of discharging relevant obligations under the UNC or its Gas Transporter's Licence.
 - (c) the first Party shall not make any charge to the second Party for the provision of such CV data; and
 - (d) the first Party will determine and provide the CV data as a Reasonable and Prudent Operator, but (provided that it has acted in good faith, and without prejudice to paragraph 2) the first Party shall have no liability to the second Party (or any other Party) for any loss, liability, damage or claim which the second Party may suffer or incur as a result of any act, omission or failure of the first Party in the determination or provision of the CV data.
- 3.2.2 The first Party shall be entitled, upon giving notice of not less than 6 months to the second Party:
- (a) to discontinue the provision of such CV data;
 - (b) to impose on the second party a change to any charge made (or introduce a charge where none is otherwise made) for the provision of CV data to the second party (and in such case the charge imposed shall be reasonable); and
 - (c) to modify or replace the apparatus or other facilities installed by it, irrespective of the effect of such modification or replacement on the CV data provided by it.

4 Arrangements for Determination of Daily CVs

4.1 Processes

- 4.1.1 To enable determinations of daily CVs, each DNO shall:
- (a) provide a full description of the basis on which daily CVs in respect of its LDZ are (from time to time, and in any applicable circumstances, including without limitation pursuant to paragraphs (5)(b) or (c), (6) or (7) of regulation 4A, where applicable) to be determined and the arrangements made by the DNO for such determination; and

- (b) provide each Day the information necessary for the determination (on the applicable basis specified by the DNO under paragraph (a)) of daily CVs, including average calorific value and volume (for the Day) for each input point and output point, and notice of any failure of apparatus as referred to in paragraph 4A(7) of the Regulations.

4.1.2 National Gas Transmission shall provide each Day the relevant information necessary for the determination of daily CV's, to include those points on the NTS impacting the CV such determination as agreed between National Gas Transmission and DNOs.

4.1.3 For the avoidance of doubt, the CDSP shall have no responsibility under this paragraph 4 for the obtaining or determination of average calorific value or volume (or other data) relating to particular input points and output point, or as to the correctness or accuracy of such data.

4.2 Changes

4.2.1 If a DNO proposes to make any change ("**relevant change**") to the basis (as referred to in paragraph 4.1.1(a) on which its daily CVs are determined or arrangements for such determination, including any such change as described in paragraph 4.2.2, the DNO shall give notice (of not less than 6 months, or such other period as the CDSP and the DNO may agree) to allow the CDSP to take such steps as are necessary to implement such change.

4.2.2 A relevant change includes:

- (a) electing under the Regulations to change the definition of a charging area;
- (b) adding or removing any input points or output points for its charging area(s);
- (c) changing any of the processes or arrangements made for the application of paragraphs (5)(b) or (c), (6) or (7) of regulation 4A, where applicable; or
- (d) changing the configuration of any calorific value measurement equipment at any input point or output point.

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION G

MAINTENANCE

1 Introduction

1.1 General

1.1.1 This Section G sets out the basis on which, and the extent to which, the maintenance of the NTS and each LDZ will (as between the Parties) be planned and coordinated and certain related issues.

1.1.2 References in this Document to maintenance (of the NTS or an LDZ or any part thereof) shall include:

- (a) maintenance, inspection, repair, replacement, reinstatement and recommissioning thereof;
- (b) works for the expansion, reinforcement or extension thereof;
- (c) any inspection, testing and commissioning of works within paragraphs (a) and (b);
- (d) any other works which are maintenance for the purposes of TPD Section L.

1.2 Relevant Maintenance

1.2.1 For the purposes of this Document, maintenance (of the NTS or an LDZ) to be carried out by any Party is "**Relevant Maintenance**" in relation to another Party (the "**affected**" Party) where such maintenance:

- (a) is maintenance ("**Safety Relevant Maintenance**") which can be carried out safely only if the affected Party is aware of the carrying out of such maintenance (whether such maintenance is of a routine or non-routine nature); or
- (b) is maintenance ("**Flow Relevant Maintenance**") of the NTS the carrying out of which (by National Gas Transmission) of which has or is likely to have a significant effect upon the ability of a DNO (as affected Party) to cause or permit flows of gas (within its entitlements as DNO User under the Transportation Principal Document) at an NTS/LDZ Offtake; or
- (c) is maintenance the carrying out of which by the downstream Party has or is likely to have a significant effect on the flows of gas at an Offtake which the affected Party (as the upstream Party) has specified under paragraph 1.2.3;
- (d) is maintenance ("**Measurement Equipment Maintenance**") to be carried out by the downstream Party of Measurement Equipment at an Offtake for which the affected Party is the upstream Party; or
- (e) is maintenance of the NTS or a LDZ the carrying out of which requires or is proposed on the basis of the opening of a NTS/LDZ Closed Offtake;
- (f) is maintenance of an LDZ the carrying out of which requires or is proposed on the basis of:
 - (i) the flow of gas at an LDZ/LDZ Offtake outside the Offtake Parameter Values; or
 - (ii) the opening of a LDZ/LDZ Closed Offtake;

for which the affected Party is the other Party.

1.2.2 For the avoidance of doubt, maintenance may be Relevant Maintenance within more than one of the categories in paragraph 1.2.1.

- 1.2.3 The upstream Party may (by notice to the downstream Party) specify an Offtake for the purposes of paragraph 1.2.1(c) where the upstream Party considers that, if flows of gas at the Offtake are significantly affected by maintenance carried out by the downstream Party on the downstream System, its ability to operate other parts of the upstream System may be materially affected (provided that this shall impose no obligations on the downstream Party other than as to the inclusion of such planned maintenance in its Maintenance Programme).

1.3 SCO Interface Procedures

- 1.3.1 Relevant Maintenance must be planned and carried out in accordance with applicable requirements of the SCO Interface Procedures (as provided in paragraph 3.2 below).

1.4 Obligations to Users

- 1.4.1 For the avoidance of doubt, it is the responsibility of each Party:
- (a) to determine the effects of any maintenance (whether carried out by itself on its System, or by another Party on another System) on the availability of gas for offtake at any System Exit Point on that Party's System; and
 - (b) to give any notices to Users which are required to be given (or which such Party is entitled to give) under the Transportation Principal Document in relation to such effect, and otherwise to keep Users or other persons informed (to the extent required by the Transportation Principal Document or any Legal Requirement) as to such effect;

and a Party carrying out maintenance in relation to its System shall have no responsibility for any such determination, notice or information relating to any other Party's System.

1.5 Actions required for safety

- 1.5.1 Without prejudice to:
- (a) any duty pursuant to the Act, the Gas Safety Management Regulations, any Transporter's Licence or any Safety Case; or
 - (b) the provisions of the Transportation Principal Document;

nothing in this Section G shall prevent a Party from taking any action in relation to its System necessary in order to avoid an imminent and significant risk to the safe operation of its System; provided that such Party shall give as much notice as possible to affected Parties of such action and shall so far as practicable in the circumstances endeavour to plan and take such action in accordance with the provisions of this Section G.

2 Maintenance Programming

2.1 Maintenance Programme

- 2.1.1 For the purposes of this Document:
- (a) a "**Maintenance Programme**" is a programme to be prepared by a Party (the "**planning**" Party) in relation to another Party (as affected Party) for the carrying out, over a 24 month period, of planned maintenance of the planning Party's System which is Relevant Maintenance in relation to that other Party; and
 - (b) "**Planned Maintenance**" is maintenance which is planned in a final (or updated final) Maintenance Programme;

- (c) a reference (in the context of any Relevant Maintenance) to the Parties is a reference to the planning Party and the affected Party.

2.1.2 A Maintenance Programme shall contain at least the information set out in Annex G-1.

2.2 Planning cycle

2.2.1 Each Party (as planning Party) shall:

- (a) prepare, and provide to and consult with the affected Party in relation to, a draft Maintenance Programme, setting out the Relevant Maintenance which such Party proposes to carry out in the relevant period;
- (b) prepare (consistent with paragraph 2.2.6) and provide to the affected Party a final Maintenance Programme; and
- (c) update such Maintenance Programme to take account of all planned changes to such maintenance, and provide such updated Maintenance Programme to the affected Party;

periodically in accordance with (and in relation to the periods, and by the times specified in) the applicable part of Annex G-2.

2.2.2 A DNO (as planning Party) may provide indicative maintenance information to National Gas Transmission (in advance of the preparation of the first draft Maintenance Programme) as provided in Annex G-2.

2.2.3 The planning Party shall indicate in the draft Maintenance Programme what maintenance (planned in the programme):

- (a) it considers should be treated as Safety Relevant Maintenance; and
- (b) is Flow Relevant Maintenance (in the case of National Gas Transmission), Measurement Equipment Maintenance; and maintenance within each other category in paragraph 1.2.1.

2.2.4 Following receipt of the draft Maintenance Programme, and at any time until 2 weeks before the next date on which the planning Party is to provide a further draft or final Maintenance Programme:

- (a) the affected Party may submit comments on the draft Maintenance Programme to the planning Party, and the planning Party may itself comment on such comments;
- (b) in particular, the affected Party may notify the planning Party that it considers that particular maintenance (in addition to what was identified under paragraph 2.2.3(a)) should be treated as Safety Relevant Maintenance; and
- (c) if either the affected Party or the planning Party so requests, the Parties will meet for the purposes of discussing the draft Maintenance Programme and their respective comments.

2.2.5 Maintenance shall be treated as Safety Relevant Maintenance if either the planning Party or an affected Party considers that it should be so treated and so notifies the other Party pursuant to paragraph 2.2.3(a) or 2.2.4(b); and the planning Party shall ensure that the final Maintenance Programme (and each update thereof) is prepared accordingly.

2.2.6 The final Maintenance Programme (and each update thereof):

- (a) shall contain only maintenance which is Relevant Maintenance in relation to the affected Parties; and
- (b) shall specify what maintenance (planned in the programme) is Safety Relevant Maintenance, Flow Relevant Maintenance, Measurement Equipment Maintenance and maintenance falling

within any other category in paragraph 1.2.1, and which Party(ies) is or are the affected Party(ies) in respect of each such item of maintenance.

2.2.7 The planning Party may, but shall not be required to, prepare and provide to other Parties a consolidated Maintenance Programme containing maintenance which is Relevant Maintenance for all such Parties.

2.3 Maintenance Planning

2.3.1 The Parties shall endeavour in good faith to cooperate with a view to accommodating their respective comments in relation to a draft Maintenance Programme, but (subject to paragraph 2.2.5) the planning Party shall not be obliged to modify its draft Maintenance Programme, prepare a final Maintenance Programme or update a Maintenance Programme to reflect the comments or requests of the affected Party.

2.3.2 The planning Party will (and shall be entitled to) prepare its draft, final or updated Maintenance Programme for each affected Party consistent with the equivalent Maintenance Programme for each other affected Party, and (in the case of National Gas Transmission) consistent with the 'Maintenance Programme' prepared (in relation to the NTS) pursuant to TPD Section L.

2.4 Revision of Maintenance Programmes

2.4.1 Each Party shall be entitled to revise its final (or updated) Maintenance Programme (as to the parts of the System on which Planned Maintenance is to be carried out, the nature or extent of the Planned Maintenance to be carried out, and/or the dates on which any Planned Maintenance is to be carried out) by giving notice of such revision to the affected Party in accordance with paragraph 2.4.2.

2.4.2 Notice of a revision to the Maintenance Programme:

- (a) shall (subject to paragraph 2.4.3) be given not less than thirty (30) Business Days (or such shorter period as the Parties may agree in accordance with paragraph 2.4.4) before:
 - (i) the commencement of the relevant Planned Maintenance as so revised; or
 - (ii) where such revision defers the commencement of Planned Maintenance, its commencement according to the Maintenance Programme before such revision; and
- (b) shall specify the Planned Maintenance subject to such revision and the revised dates on which such Planned Maintenance will be carried out.

2.4.3 For the purposes of paragraph 2.4.2(a), where a Party agrees, at the request of the affected Party (including without limitation upon a request under paragraph 3.3), to modify its plans for maintenance of its System, notice of the revision of its Maintenance Programme to reflect such modification shall be give as soon as reasonably practicable after such modification was agreed.

2.4.4 The affected Party will use reasonable endeavours to accept notice of less than thirty (30) Days of a revision to the Maintenance Programme, having regard (inter alia) to whether the affected Party has (on the basis of the prevailing Maintenance Programme) given, or (on the basis of the revision to the Maintenance Programme) would expect to give, notification to any User under TPD Section L4.2.1(b) or (c).

2.4.5 The final (or updated) Maintenance Programme as revised shall take effect from the date of such notice.

2.5 Flow Relevant Maintenance

2.5.1 National Gas Transmission shall (subject to and in accordance with this paragraph 2.5) specify, in the final and each updated Maintenance Programme for the NTS, in relation to each item of Flow Relevant Maintenance, for each NTS/LDZ Offtake at which the flow of gas is (or is likely to be) affected by such maintenance:

- (a) the Day or Days on which such LDZ Offtake will be (or is likely to be) affected by such maintenance; and
 - (b) the anticipated effect of such maintenance on the ability of the DNO to cause or permit the flow of gas at such Offtake.
- 2.5.2 For the purposes of this Document a "**Flow Relevant Maintenance Day**" in relation to an NTS/LDZ Offtake is a Day specified in the Maintenance Programme for the NTS (prevailing on such Day) pursuant to paragraph 2.5.1(a).
- 2.5.3 For the avoidance of doubt in paragraph 2.2.6 the Maintenance Programme is the final or revised Maintenance Programme as from time to time revised pursuant to paragraph 2.4, but (without prejudice to the provisions of the Code as to Force Majeure) disregarding any revision made, on less notice than otherwise required under paragraph 2.4, to reflect Urgent Maintenance carried out by National Gas Transmission under paragraph 3.4.
- 2.5.4 For the purposes of TPD Section L4.3.2:
- (a) subject to paragraph (b), the maximum permitted number of Flow Relevant Maintenance Days in relation to any NTS/LDZ Offtake is eight (8);
 - (b) the maximum permitted number of Flow Relevant Maintenance Days in relation to any one or more NTS/LDZ Offtakes may be increased (above the limit in paragraph (a)) by a maximum aggregate (for all NTS/LDZ Offtakes serving one LDZ) of ten (10) Days, provided that there is a commensurate reduction in the maximum permitted number of Flow Relevant Maintenance Days for one or more other NTS/LDZ Offtakes serving the same LDZ;
 - (c) increases and corresponding decreases (in accordance with paragraph (b)) in the maximum permitted number of Flow Relevant Maintenance Days in relation to NTS/LDZ Offtakes will be specified in National Gas Transmission's draft, final and updated Maintenance Programmes.

2.6 Maintenance reporting

- 2.6.1 In relation to each Offtake, the downstream Party shall, no later than the last Day of each month, provide to the upstream Party a report, prepared in accordance with paragraph 2.6.2, in respect of Measurement Equipment Maintenance (if any) carried out in the preceding month.
- 2.6.2 The report referred to in paragraph 2.6.1 shall specify, in relation to each Offtake at which Measurement Equipment Maintenance was carried out in the relevant month:
- (a) the identity of the Offtake;
 - (b) the date(s) on which the Measurement Equipment Maintenance was performed; and
 - (c) the works undertaken as part of such Measurement Equipment Maintenance.

3 Carrying out maintenance

3.1 Compliance with Maintenance Programme

- 3.1.1 A Party shall not carry out Relevant Maintenance other than as provided in its Maintenance Programme, except pursuant to paragraph 3.3 or 3.4.

3.2 Compliance with SCO Interface Procedures

- 3.2.1 Each Party shall ensure that it carries out all Relevant Maintenance in accordance with applicable requirements of the SCO Interface Procedures.

3.2.2 Each Party shall at its cost comply with the SCO Interface Procedures so far as they require such compliance) in relation to Relevant Maintenance carried out by (and included in the Maintenance Programme of) another Party.

3.2.3 Without prejudice to the generality of paragraph 3.2.1, each Party shall ensure that appropriate notice is given to all affected Parties prior to the commencement of any Relevant Maintenance, in accordance with applicable requirements of the SCO Interface Procedures.

3.3 Postponement of maintenance

3.3.1 An affected Party may request another Party (the "**maintenance**" Party) to postpone any Relevant Maintenance to be carried out by the maintenance Party where, in the reasonable opinion of the affected Party, the carrying out of such Relevant Maintenance in accordance with the maintenance Party's Maintenance Programme would compromise the safe operation by the affected Party of its System.

3.3.2 The affected Party shall give notice to the maintenance Party:

- (a) specifying the Relevant Maintenance which is to be postponed;
- (b) specifying the minimum period by which (in the affected Party's reasonable opinion) such Relevant Maintenance should be postponed in order to avoid such compromise to safety; and
- (c) providing an explanation of the affected Party's reasons for requiring such postponement.

3.3.3 Following such notice:

- (a) the Parties shall discuss the matter;
- (b) the maintenance Party shall not withhold its agreement to the other Party's request, unless in its reasonable opinion the postponement of the Relevant Maintenance would compromise the safe operation of its System; and
- (c) (unless the maintenance Party withholds its agreement under paragraph (b), or the Parties otherwise agree) the maintenance Party shall revise its Maintenance Programme so as to postpone the carrying out of the Relevant Maintenance by no less than the period specified by the affected Party pursuant to paragraph 3.3.2(b).

3.4 Urgent Maintenance

3.4.1 Paragraph 3.4.2 shall apply where, in the reasonable opinion of any Party (the "**maintenance**" Party):

- (a) it is necessary as a matter of urgency to carry out any Relevant Maintenance on its System, which is not planned (or other than as planned) in the prevailing Maintenance Programme, in order to ensure the continued safe operation of its System; and
- (b) the urgency of the requirement precludes a revision of the Maintenance Programme in accordance with paragraph 2.4;

(and such Relevant Maintenance is "**Urgent Maintenance**").

3.4.2 In the circumstances in paragraph 3.4.1:

- (a) the maintenance Party shall give as much notice as possible to the affected Party(ies) of the requirement for Urgent Maintenance, specifying the nature, extent and proposed timing of the Urgent Maintenance; and
- (b) the Parties shall thereupon consult with a view to agreeing upon the carrying out and timing of such Urgent Maintenance.

3.4.3 The maintenance Party shall be entitled to carry out such Urgent Maintenance on the basis agreed pursuant to paragraph 3.4.2(b) or (failing such agreement) taking into account as far as practicable the concerns and interests of other affected Parties made known in the course of discussions pursuant to that paragraph.

3.5 Section J Requirements

3.5.1 Where (as referred to in paragraph 1.2.1(f)) any Relevant Maintenance is to be carried out on the basis of:

- (a) the flow of gas at an LDZ/LDZ Offtake outside the Offtake Parameter Values; or
- (b) the opening of a LDZ/LDZ Closed Offtake;

the Parties shall comply with the applicable requirements of Section J.

3.5.2 Where Relevant Maintenance within paragraph 3.5.1 is Urgent Maintenance, the Parties shall take all reasonable steps as soon as practicable to agree on Offtake Parameter Values (and otherwise to cooperate as provided in paragraph 3.6 and implement the applicable provisions of Section J) as requested by the planning Party having regard to the urgency of the situation.

3.6 Maintenance Co-Operation

3.6.1 It is acknowledged that the carrying out of certain Relevant Maintenance by a Party may require:

- (a) particular rates of flow in the relevant part of the NTS or (as the case may be) LDZ which can only be achieved with the cooperation of one or more affected Parties to ensure corresponding rates of flow at relevant Offtake(s);
- (b) a temporary connection between the NTS and an LDZ to facilitate the requirement referred to in paragraph (a);
- (c) cooperation of an affected Party for the purposes referred to in paragraph 3.5;
- (d) other cooperation of an affected Party as to the flows or pressures of gas in its System; and
- (e) the opening and subsequent re-closing of a Closed Offtake.

3.6.2 The planning Party shall include in the draft Maintenance Programme, and the final (and updated) Maintenance Programme, details of the cooperation which is required from an affected Party in relation to any Relevant Maintenance as described in paragraph 3.6.1.

3.6.3 The affected Party shall:

- (a) at the request of the planning Party, discuss and seek to agree upon the steps to be taken by way of such cooperation; and
- (b) in any event, for the purposes of paragraph 3.6.1(a), use all reasonable endeavours to cooperate with the planning Party in relation to the carrying out of such Relevant Maintenance with a view to ensuring the required rates of flow at the relevant Offtake(s).

3.6.4 Where:

- (a) such cooperation requires the affected Party to operate, adjust or control any part of its System in a particular way; and
- (b) such operation, adjustment or control cannot be effected remotely from the affected Party's control centre;

the affected Party may, provided it indicated its intention of doing so when was first requested (in the draft Maintenance Programme or otherwise) to provide such cooperation, recover its costs incurred in sending send any personnel to such part of its System to effect such operation, adjustment or control.

- 3.6.5 The planning Party shall not carry out any Relevant Maintenance as described in paragraph 3.6.1(a) (in relation to an Offtake at which gas may (at different times) flow both to and from an LDZ), 3.6.1(b) or 3.6.1(e) unless and until the planning Party and the affected Party have agreed to the steps to be taken by each of them in relation to such Relevant Maintenance (including in relation to liabilities and the treatment and valuation of any gas flows arising, including in connection with opening and re-closing of a Closed Offtake).

Annex G-1

Maintenance Programme

(Paragraph 2.1.2)

Minimum details for Maintenance Programme:

- (a) location of works;
- (b) affected Offtakes;
- (c) dates of works;
- (d) type of maintenance (whether Safety Relevant Maintenance, Flow Relevant Maintenance and/or Measurement Equipment Maintenance); and
- (e) reasonable details of the works.

Annex G-2

Timetable for Maintenance Programming
(Paragraph 2.2.1)

Part 1 – NTS/LDZ Offakes

Date due	Programme type	Period covered	Party providing	Party receiving
31 October	Indicative maintenance information	24 months from next 1 April	DNOs	National Gas Transmission
30 November	Draft	24 months from next 1 April	National Gas Transmission	DNOs
31 December	Draft	24 months from next 1 April	DNOs	National Gas Transmission
1 February	Draft	24 months from next 1 April	National Gas Transmission	DNOs
15 March	Final	24 months from next 1 April	National Gas Transmission	DNOs
			DNOs	National Gas Transmission
30 June	Draft update	6 months from next 1 October	National Gas Transmission	DNOs
			DNOs	National Gas Transmission
15 September	Final update	6 months from next 1 October	National Gas Transmission	DNOs
			DNOs	National Gas Transmission

Part 2 – LDZ/LDZ Offakes

Date due	Programme type	Period covered	Party providing	Party receiving
1 January	Draft	12 months from next 1 April	DNOs	DNOs
1 March	Final Update	6 months from next 1 April	DNOs	DNOs
1 September	Final Update	6 months from next 1 October	DNOs	DNOs

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION H

NTS LONG TERM DEMAND FORECASTING

1 General

1.1 Introduction

1.1.1 This Section H sets out requirements for National Gas Transmission and each DNO to exchange information relating to historic and forecast development of demand in relation to the DNO's LDZ(s).

1.2 Interpretation

1.2.1 For the purposes of this Section H:

- (a) in accordance with paragraph 2.1.1, the planning year is the Gas Year in which information is to be provided;
- (b) in relation to the planning year:
 - (i) Gas Year 0 is the planning year;
 - (ii) calendar year 0 is the calendar year commencing 1 January in the planning year; and
 - (iii) Formula Year 0 is the Formula Year commencing 1 April in the planning year;
 and references to Gas Year(s), calendar year(s) or Formula Year(s) –1, and 1 to 9, shall be construed accordingly.

1.2.2 For the purposes of this Section H (including the information specification in Annex H-1 or any revised information specification provided by National Gas Transmission under paragraph 2.2):

- (a) references to a load are to the load at any Supply Point or CSEP (including a Storage Connection Point) on an LDZ;
- (b) consumption excludes LDZ shrinkage, and demand includes LDZ shrinkage;
- (c) information as to:
 - (i) annual demand is to be provided for a calendar year and (where so provided) a Formula Year; and
 - (ii) peak-day demand is to be provided in relation to a Gas Year;
- (d) peak-day and daily demand is to be stated in MWh/day, and annual demand is to be stated in GWh/year;
- (e) "**weather-correction**" means adjustment to given weather conditions, and weather-corrected shall be construed accordingly;

- (f) references to interruptible demand (or loads) are to be construed in accordance with TPD Section O2.1.3(a), and references to firm demand (or loads) are to be construed accordingly;
- (g) load bands are bands (of annual consumption, in MWh/year) in which loads (or loads within categories) are to be segregated for purposes of information provision; and
- (h) categories are categories of load, comprising:
 - (i) daily metered (DM) or non-daily metered (NDM);
 - (ii) firm or interruptible (which category is also referred to as 'supply type'); and
 - (iii) any other category under a revised information specification provided by National Gas Transmission under paragraph 2.2.

1.3 Peak day demand

- 1.3.1 Forecasts of peak day load shall be calculated in a manner consistent with the principles laid down by the British Gas document TD76, Report of the Steering Group on Temperature/Demand Relationships (or any modification of such document approved by the Offtake Committee under Section N1.2) (being the methodology referred to in GT Section C2.6.6).
- 1.3.2 National Gas Transmission shall publish on its website an outline of its application of these principles in the form of a gas demand forecasting methodology document.

1.4 Nature of information

- 1.4.1 The Parties acknowledge that information provided by National Gas Transmission to a DNO concerning an LDZ will be prepared (inter alia) on the basis of information provided by that DNO (as well as by Users and others), and National Gas Transmission has no direct knowledge of the loads on that LDZ.
- 1.4.2 Without prejudice to any Legal Requirement, neither Party shall be bound nor entitled to rely for any purposes by or on information provided by the other under this Section H, but either Party may require the other to meet for the purposes of discussing any discrepancy between the information provided by each of them.

1.5 Consistency with Transportation Principal Document

- 1.5.1 The Parties intend that the preparation and provision of information under this Section H should be consistent with and should facilitate the preparation and publication by National Gas Transmission of planning and other information under TPD Section O.

1.6 Further provisions

- 1.6.1 The DNO shall, at National Gas Transmission's request:
 - (a) provide National Gas Transmission with any additional information or forecasts relating to demand on its LDZ(s) reasonably required by National Gas Transmission, and
 - (b) in particular, shall allow National Gas Transmission access to consumption data (by load-band and for individual daily-metered loads) of end-users connected to the relevant LDZ(s)

for the purposes of enabling National Gas Transmission to comply with any provision of its Transporter's Licence which requires or necessitates long-term demand forecasting.

- 1.6.2 National Gas Transmission shall be entitled to publish the forecast information provided to it by the DNO, provided that such information is published on an aggregated basis which does not disclose demand information relating to individual loads.

2 Provision of information

2.1 Calendar

2.1.1 In each Gas Year (the "**planning year**"), by the relevant date in accordance with paragraph 2.1.2:

- (a) National Gas Transmission shall provide the specification (subject to and in accordance with paragraph 2.2) of, and the specific dates (in accordance with paragraph 2.1.2) for the provision of, pre-forecast and forecast information;
- (b) the DNO shall provide pre-forecast information relating to the preceding calendar year (year –1) and calendar years 0 to 9 in accordance with paragraph 2.3;
- (c) National Gas Transmission and the DNO shall meet to discuss the pre-forecast information provided under paragraph (b);
- (d) the DNO shall provide forecast information relating to calendar years and Gas Years 0 to 9 in accordance with paragraph 2.4;
- (e) if either Party requests, National Gas Transmission and the DNO shall meet to discuss the forecast information provided under paragraph (d);
- (f) National Gas Transmission shall provide forecast information relating to calendar years, Gas Years and (as appropriate) Formula Years 0 to 9 in accordance with paragraph 2.5;
- (g) National Gas Transmission shall provide CV and Wobbe Index forecast information relating to Gas Years 0 to 9;
- (h) the DNO shall provide forecast offtake information relating to Gas Years 1 to 5 in accordance with paragraph 2.7; and
- (i) following receipt of the information provided by the DNO in accordance with paragraph (h), National Gas Transmission shall provide forecast NTS Exit Capacity amounts and Assured Offtake Pressures relating to Gas Years 1 to 5 in accordance with paragraph 2.8.

2.1.2 The calendar for the provision of information and meetings under paragraph 2.1.1 is as follows:

Paragraph	Step	Relevant date in Gas Year 0
2.1.1(a)	National Gas Transmission provides dates and specification	The end of November
2.1.1(b)	DNO provides pre-forecast information	The end of the second full

		week of February
2.1.1(c)	Parties meet to discuss pre-forecast information	The end of the fourth week after the DNO pre-forecast information was provided
2.1.1(d)	DNO provides forecast information	The end of the second full week of March
2.1.1(e)	On request, Parties meet to discuss DNO forecast information	As soon as possible after request
2.1.1(f)	National Gas Transmission provides forecast information	The end of the first full week of May
2.1.1(g)	National Gas Transmission provides CV and Wobbe forecast	Two months after the National Gas Transmission forecast information was provided
2.1.1(h)	DNO provides forecast offtake information	The end of July
2.1.1(i)	National Gas Transmission provides forecast NTS Exit Capacity and pressure information	The end of September

2.2 Specification

- 2.2.1 Subject to paragraph 2.2.2, National Gas Transmission will, in each planning year, provide the specification (as to timetable, demand, load bands, categories, weather-correction and other information) of information to be provided by either Party under this Section H, in accordance with paragraph 2.1.1(a).
- 2.2.2 The specification in paragraph 2.2.1 and Annex H-1 shall apply until and unless National Gas Transmission provides a different specification (and any specification may be provided in the form of a variation from paragraph 2.2.1 or Annex H-1).

2.3 Pre-forecast information

- 2.3.1 Subject to paragraph 2.2.1, the pre-forecast information to be provided by the DNO is the following information:
- (a) actual consumption and LDZ shrinkage in the LDZ in the preceding calendar year (year –1):
 - (i) weather-corrected in accordance with the specification pursuant to paragraph 2.2;
 - (ii) segregated in each of the load bands and categories in which (for the purposes of paragraph 2.4) forecast information (for years 0 to 9) is required to be provided by the DNO in year 0; and
 - (iii) including adjustments in respect of Individual Reconciliation and Offtake Reconciliation, including where appropriate re-phasing of such adjustments into calendar years prior to calendar year –1;

- (b) the number of new loads connected to the LDZ in calendar year –1, and the number of loads in aggregate at the end of calendar year –1, each segregated into domestic and non-domestic loads;
- (c) details (as provided in paragraph 2.3.2) of each load greater than 58.6 GWh/year:
 - (i) connected to the LDZ in calendar year –1; or
 - (ii) expected to be connected to the LDZ in any of calendar years 0 to 9; and
- (d) information concerning any known or expected changes in the details referred to in paragraph 2.3.2 relating to any existing loads greater than 58.6 GWh/year.

2.3.2 The details referred to in paragraph 2.3.1(c) and (d) are expected 1-in-20 peak day demand, annual demand, category of load, date of first gas flow and any associated phasing or build-up of demand.

2.4 DNO forecast information

2.4.1 Subject to paragraph 2.2.1, the forecast information to be provided by the DNO is forecast information as to consumption and demand (in load bands and categories) as specified by National Gas Transmission in relation to calendar years and Gas Years 0 to 9.

2.5 National Gas Transmission forecast information

2.5.1 Subject to paragraph 2.2.1, the forecast information to be provided by National Gas Transmission is forecast information as to:

- (a) annual and 1 in 20 peak day consumption and shrinkage;
- (b) daily and monthly demand profiles;
- (c) load duration curves;

(in load bands and categories) as specified in Part 2 of Annex H-1; and

- (d) storage simulation model input data as so specified;

and in relation to any new load(s) (ie. loads first connected in any of calendar years 0 to 9, and included in the forecast information) greater than 58.6 GWh/year, an overview of the contribution of those load(s) to overall annual and 1-in-20 peak day demand.

2.6 CV assumption

2.6.1 All forecast information provided by the DNO or National Gas Transmission shall be accompanied by a statement of the assumption(s) made as to calorific values in the preparation of such information.

2.7 Forecast Offtake Information

2.7.1 The information to be provided by the DNO is the forecast rate of volume flow (MCM per day), peak rate (MCM per hour) and Offtake Flexibility Quantity (MCM per day) in respect of each of its NTS/LDZ Offtakes at various levels of demand as specified in Part 3 of Annex H-1.

2.8 NTS Offtake Capacity and Pressure Information

- 2.8.1 The information to be provided by National Gas Transmission to the DNO is the forecast of the availability of NTS Exit (Flat) Capacity, NTS Exit (Flexibility) Capacity and Assured Offtake Pressures in respect of each of its NTS/LDZ Offtakes, where such information is not contained in the Offtake Capacity Statement or Offtake Pressure Statement provided to such DNO in accordance with TPD Section B3.7.1 or J2.5.2 or in any revisions thereto in accordance with TPD Section B3.7.5 to B3.7.11 (inclusive) or TPD Section J2.5.4 to 2.5.10 (inclusive).

Annex H-1

Information Specification
(Paragraphs 1.2.2 and 2.5.1)

Part 1 - Forecast information to be provided by DNO

Forecast Item	Data Elements	Basis of Weather Correction to be Applied
Peak Day Demand	NDM Firm consumption DM Firm consumption Total Firm consumption Total Interruptible consumption Total LDZ demand	1 in 20
Annual Demand	NDM Firm 0 to 73.2MWh p.a. NDM Firm 73.2 to 732MWh p.a. NDM Firm >732MWh p.a. Total NDM Firm consumption Total DM Firm consumption Total Interruptible consumption Total LDZ demand	Average (Seasonal Normal Composite Weather Variable)

Part 2 - Forecast information to be provided by National Gas Transmission

Forecast Item	Data Elements	Basis of Weather Correction to be Applied
Peak Day Demand	NDM Firm 0 to 73.2 MWh p.a. NDM Firm 73.2 to 732 MWh p.a. NDM Firm 732MWh to 5860 MWh p.a. NDM Firm >5860 MWh p.a. Total NDM Firm consumption DM Firm consumption Total Firm demand Interruptible consumption Total Interruptible demand Total LDZ demand	1 in 20
Annual Demand	NDM Firm 0 to 73.2 MWh p.a. NDM Firm 73.2 to 732 MWh p.a. NDM Firm 732MWh to 5860 MWh p.a. NDM Firm >5860 MWh p.a. Total NDM Firm consumption DM Firm <1465 GWh p.a. DM Firm >1465 GWh p.a. Total DM Firm consumption Total Firm demand Interruptible <1465 GWh p.a. Interruptible >1465 GWh p.a. Total Interruptible consumption Total Interruptible demand Total LDZ demand	Average (Seasonal Normal Composite Weather Variable)
Monthly Demand Profile (Current calendar year plus two subsequent years)	NDM Firm 0 to 73.2 MWh p.a. NDM Firm 73.2 to 732 MWh p.a. NDM Firm 732MWh to 5860 MWh p.a. Firm 5860MWh to 1465 GWh p.a. Interruptible <1465 GWh p.a. Very Large User (>1465 GWh p.a.) Total LDZ consumption Total LDZ demand	Average (Seasonal Normal Composite Weather Variable)
Daily Demand Profile	NDM Firm consumption DM Firm consumption Total Firm demand Total Interruptible demand LDZ Demand	Average (Seasonal Normal Composite Weather Variable) 1 in 20 cold 1 in 20 warm
Load Duration Curves	NDM Firm consumption Total Firm demand Total Interruptible demand LDZ Demand	Average (Seasonal Normal Composite Weather Variable) 1 in 50 severe

Forecast Item	Data Elements	Basis of Weather Correction to be Applied
Storage Simulation Model Input Data	<ul style="list-style-type: none"> • Historical Composite Weather Variable data in gas year format from 1928/29 to the immediately preceding year; and • Weather demand model covering the period beginning 1st October of the gas supply year immediately preceding the current year 	

Part 3 - Forecast Flow Information to be provided by DNO

NTS/LDZ Offtake	Gas Year	Assumed calorific Value	Level of demand for gas	Data elements required per demand level
			(ref. Note 1)	
			1 in 20 peak day demand	Forecast rate of volume flow (MCM/day)
			Day 13 of 1 in 50 load duration curve	
			Day 46 of average load duration curve	peak rate (MCM/hour)
			Day 150 of average load duration curve	Offtake Flexibility Quantity (MCM/day)
			Day 300 of average load duration curve	

Note 1 – 1 in 20 peak day demand and Day 13 assume all interruptible load is not supplied. Day 46, Day 150 and Day 300 assume all interruptible is supplied.

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION I

NTS OPERATIONAL FLOWS

1 General

1.1 Introduction

1.1.1 This Section I sets out:

- (a) requirements (for the purposes of TPD Section J4) as to the submission of Offtake Profile Notices in relation to NTS/LDZ Offtakes;
- (b) certain other details required in relation to NTS/LDZ Offtakes for the purposes of TPD Section J4;
- (c) provisions as to pressure at NTS/LDZ Offtakes;
- (d) other operational provisions relating LDZs and NTS/LDZ Offtakes.

1.2 Interpretation

1.2.1 In this Section I:

- (a) references to Offtakes are to NTS/LDZ Offtakes;
- (b) a reference (in relation to an LDZ or NTS/LDZ Offtake(s) serving an LDZ) to the aggregate offtake or rate of offtake is a reference to the aggregate, for all NTS/LDZ Offtakes serving the LDZ, of the offtakes or rates of offtake;
- (c) references to a “**Designated Offtake**” are to a NTS/LDZ Offtake as agreed and referenced in the Offtake’s Supplemental Agreement;
- (d) references to a “**Non-Designated Offtake**” are to a NTS/LDZ Offtake not referenced as a Designated Offtake in the Offtake’s Supplemental Agreement.

2 Offtake Profile Notices

2.1 General requirements

2.1.1 Offtake Profile Notices are to be submitted (in accordance with TPD Section J4.5) by the downstream DNO each Day in respect of each Offtake.

2.1.2 Offtake Profile Notices are to be submitted in the format and units and by the means provided in or pursuant to Section M.

2.1.3 Where so provided pursuant to Section M, Offtake Profile Notices:

- (a) may specify rates of volume flow (in MCM/day), together with a calorific value, in which case the applicable rates of offtake shall (for all purposes of the Code) be determined by multiplying such volume flow rate by the specified calorific value;
- (b) may specify quantities (in GWh) or volumes (in MCM) for an hour of the clock, in which case the rate of volume flow or rates of offtake (applicable as at all times within the relevant hour of the clock) shall be determined by dividing the specified quantity or volume by one hour;

- (c) may be provided in a single notice for all Offtakes serving one LDZ, specifying (in addition to rates of offtake for each Offtake) the aggregate rate of offtake.

2.1.4 The rate of offtake set out in an Offtake Profile Notice shall be constant within each hour of the clock.

2.1.5 The rates of offtake set out in Offtake Profile Notices (including any revisions thereof) shall:

- (a) reflect as accurately as reasonably practicable (but without prejudice to the further provisions of this paragraph 2) the quantities in which and rates and times at which the DNO intends or expects (at the time it submits the Offtake Profile Notice) to cause or permit gas to flow at each Offtake;
- (b) without prejudice to paragraph (a), on an aggregate basis for an LDZ, be consistent (after taking account of planned LDZ stock changes and flows at LDZ/LDZ Offtakes) with the forecast LDZ demand in the prevailing demand forecast issued by the downstream DNO pursuant to TPD Section H5 or paragraph 6.1; and
- (c) be consistent with the requirement in paragraph 6.3.1.

2.2 Initial Offtake Profile Notice

2.2.1 For the purposes of TPD Section J4.5.1, the time by which the Offtake Profile Notice for a Day is to be submitted to National Gas Transmission is 18:00 hours on the Preceding Day.

2.2.2 If the DNO fails to submit an Offtake Profile Notice for a Day by the time required under paragraph 2.2.1, it shall be deemed to have submitted an Offtake Profile Notice which is the same as the Offtake Profile Notice for the Preceding Day prevailing at that time.

2.3 Revisions to Offtake Profile Notices

2.3.1 Subject to the provisions of this paragraph 2, a DNO may revise the prevailing Offtake Profile Notice (in relation to an Offtake) for any Day, as to the rate of offtake as at any time (T_{RO}), by submitting a revised Offtake Profile Notice at a time (T_{OPN}):

- (a) in the case of an increase in rate of offtake:
 - (i) if the applicable flow rate change is not less than 50% of the Maximum Flat Offtake Rate, not later than 4 hours before time T_{RO} ;
 - (ii) if the applicable flow rate change is less than 50% but not less than 25% of the Maximum Flat Offtake Rate, not later than 2 hours before time T_{RO} ;
 - (iii) if the applicable flow rate change is less than 25% of the Maximum Flat Offtake Rate, not later than 1 hour before time T_{RO} ; and
- (b) in the case of a decrease in rate of offtake, not later than 1 hour before time T_{RO} .

2.3.2 For the purposes of this paragraph 2.3:

- (a) the "**Maximum Flat Offtake Rate**" in respect of an Offtake is a rate calculated as 1/24th of the DNO's NTS Offtake (Flat) Capacity;
- (b) in relation to any revised Offtake Profile Notice(s), in relation to any time (T_{RO}) on the Gas Flow Day, the applicable flow rate change is the magnitude of the difference between:
 - (i) the rate of offtake (as at time T_{RO}) under the relevant Offtake Profile Notice; and
 - (ii) the rate of offtake (as at time T_{RO}) under the revised Offtake Profile Notice;

expressed as a percentage of the Maximum Flat Offtake Rate;

- (c) for the purposes of paragraph (b), the "**relevant**" Offtake Profile Notice is:
- (i) the prevailing Offtake Profile Notice(s); or
 - (ii) in relation to any Offtake in relation to which there are two or more connected Offtake Profile Notices, the earliest-submitted of such connected Offtake Profile Notices;

where two Offtake Profile Notices are connected if under the earlier-submitted notice any change in rate of offtake occurs at a time T_{RO} which is later than the latest time T_{OPN} at which the later-submitted notice was required (in accordance with paragraph 2.3.1) to be submitted.

2.3.3 Where, pursuant to one or more revised Offtake Profile Notice(s) submitted by a DNO in relation to the Offtake(s) serving one LDZ, there is at any time (T_{RO}) a change in the aggregate rate of offtake:

- (a) the time (T_{OPN}) at which such revised Offtake Profile Notice(s) are submitted shall not be less than two hours before time T_{RO} ; and
- (b) the aggregate flow rate change, for any time (T_{RO}) of the Day, pursuant to revised Offtake Profile Notices submitted within any one hour (H_{OPN}) of the clock, shall not exceed 5%.

2.3.4 For the purposes of paragraph 2.3.3(b), in relation to any hour (H_{OPN}), the aggregate flow rate change at any time (T_{RO}) is the magnitude of difference between:

- (a) the aggregate rate of offtake at time T_{RO} pursuant to the Offtake Profile Notices prevailing at the start of hour H_{OPN} ; and
- (b) the aggregate rate of offtake at time T_{RO} pursuant to the Offtake Profile Notices prevailing (pursuant to any revisions thereof within hour H_{OPN}) at the end of hour H_{OPN} ;

expressed as a percentage of the aggregate rate of offtake at time T_{RO} pursuant to the Offtake Profile Notices prevailing at the start of hour H_{OPN} .

2.3.5 The DNO may not submit a revised Offtake Profile Notice in relation to any Offtake so as to change the rate of offtake other than with effect from an exact hour of the clock.

2.4 Revisions requested by National Gas Transmission

2.4.1 National Gas Transmission may at any time request a DNO to submit revised Offtake Profile Notices for two or more Offtakes for an LDZ, subject to and in accordance with this paragraph 2.4.

2.4.2 National Gas Transmission's request shall specify:

- (a) the Offtakes in respect of which such revision is requested;
- (b) the times with effect from which the DNO is requested to revise the relevant rates of offtake; and
- (c) the revised rates of offtake requested.

2.4.3 Any request by National Gas Transmission for the revision of any Offtake Profile Notices shall satisfy the requirement that, for all times in the Day, the aggregate, in respect of all Offtakes (serving the same LDZ) for which such request is made, of the revised rates of offtake requested is the same as the aggregate rates of offtake under the prevailing Offtake Profile Notices at the time the request is made.

2.4.4 To the extent to which the revision by the DNO of any Offtake Profile Notice(s) in compliance with National Gas Transmission's request would infringe any of the requirements of this paragraph 2 or TPD Section J4.5.2, National Gas Transmission shall be deemed to have waived such other requirements (on

the assumption that the DNO submits such revised Offtake Profile Notice(s) within 30 minutes after National Gas Transmission's request is made).

- 2.4.5 The DNO shall comply with National Gas Transmission's request unless in the DNO's reasonable opinion the safe and efficient operation of the LDZ (consistent with the DNO's obligations to Users under the Transportation Principal Document) would be materially prejudiced by the flow of gas at the relevant Offtakes on the basis of the requested revisions, in which case the DNO shall:
- (a) contact and inform National Gas Transmission of the position as soon as possible following receipt of National Gas Transmission's request; and
 - (b) cooperate with National Gas Transmission and use all reasonable endeavours to agree upon alternative revisions to Offtake Profile Notices.

2.5 Revisions requested by DNOs

- 2.5.1 A DNO may request, where it believes it necessary for the purposes of ensuring the safe and efficient operation of its System, that it be permitted to submit revised Offtake Profile Notices for two or more Offtakes for an LDZ, subject to and in accordance with this paragraph 2.5.
- 2.5.2 A DNO's request shall specify:
- (a) the Offtakes and LDZ in respect of which such revision is requested;
 - (b) the times with effect from which the DNO wishes to revise the relevant rates of offtake; and
 - (c) the revised rates of offtake requested.
- 2.5.3 Any request by a DNO for the revision of any Offtake Profile Notices shall satisfy the requirement that, for all times in the Day, the aggregate, in respect of all Offtakes (serving the same LDZ) for which such request is made, of the revised rates of offtake requested is the same as the aggregate rates of offtake under the prevailing Offtake Profile Notices at the time the request is made.
- 2.5.4 To the extent to which the revision requested by the DNO of any Offtake Profile Notice(s) would infringe any of the requirements of this paragraph 2 or TPD Section J4.5.2, National Gas Transmission shall be deemed to have waived such other requirements (on the assumption that the DNO submits such revised Offtake Profile Notice(s) within 15 minutes after the DNO's request is made).
- 2.5.5 National Gas Transmission shall comply with the DNO's request unless in National Gas Transmission's reasonable opinion the safe and efficient operation of the NTS (consistent with National Gas Transmission's obligations to Users under the Transportation Principal Document) would be materially prejudiced by the flow of gas at the relevant Offtakes on the basis of the requested revisions, in which case National Gas Transmission shall:
- (a) contact and inform the DNO of the position as soon as possible following receipt of the DNO's request; and
 - (b) cooperate with the DNO and use all reasonable endeavours to agree upon alternative revisions to Offtake Profile Notices.

2.6 Low Demand Days

- 2.6.1 Where, in relation to any LDZ, LDZ demand for any Day is forecast (in the first LDZ demand forecast on the Preceding Day pursuant to TPD Section H5) to be less than 50% of 1-in-20 peak day demand, National Gas Transmission may, by giving notice to the DNO not later than 17:00 hours on the Preceding Day, require that paragraph 2.6.2 shall apply, subject to paragraph 2.6.3.
- 2.6.2 Where this paragraph applies, irrespective of the amount (if any) of NTS Exit (Flexibility) Capacity held by the DNO at any Offtake:

- (a) the DNO shall operate the LDZ and each Offtake such that, subject to the restrictions in paragraph 2.3 on revisions of Offtake Profile Notices, for any given level of LDZ demand, the EFQ (determined in accordance with TPD Section B3.13.5) for such Day in respect of all the Offtakes for that LDZ in aggregate is not greater than zero;
- (b) in accordance with paragraph (a):
 - (i) after the DNO has submitted its initial Offtake Profile Notices, a revision of such Offtake Profile Notices under which the aggregate (for all Offtakes serving the LDZ) of the rates of offtake is revised, shall only be made to reflect changes in forecast LDZ demand; and
 - (ii) subject to the requirements of paragraph 4, the Offtake Profile Notice(s) for all Offtakes serving the LDZ, or revision of such Offtake Profile Notice(s), submitted by the DNO shall, specify a single aggregate rate of offtake:
 - (1) in the case of the initial Offtake Profile Notice(s), for the whole of the Day; and
 - (2) in the case of any revised Offtake Profile Notice(s), with effect from the time from which the rate of offtake is revised, for the remainder of the Day.

2.6.3 Where, in relation to any Day for which National Gas Transmission gives a notice under paragraph 2.6.1, compliance with paragraph 2.6.2 would (in the reasonable opinion of the DNO) significantly prejudice security of supply or the safe operation of the LDZ:

- (a) the DNO shall so notify National Gas Transmission promptly upon receipt of National Gas Transmission's notice;
- (b) paragraph 2.6.2 shall not apply, but the DNO and National Gas Transmission will cooperate with a view to agreeing on limits on the variation of rates of offtake within the Day, and the DNO's Offtake Profile Notices shall comply with the limits so agreed.

2.7 Variation of restrictions

2.7.1 The requirements and restrictions in this paragraph 2 in relation to Offtake Profile Notices (and revisions thereof) shall not apply to the extent that (subject to and in accordance with TPD Section J4.5.5, where applicable) National Gas Transmission waives or agrees to vary any such requirement or restriction in a particular case.

2.7.2 Where, upon submission of a revised Offtake Profile Notice(s) by a DNO, National Gas Transmission determines that it is feasible, consistent (so far as National Gas Transmission can judge in the circumstances) with the expectation in paragraph 2.7.3 to make gas available for offtake at the relevant Offtake(s) serving one LDZ at a changed aggregate rate of offtake (specified in such revised Offtake Profile Notice(s)) upon a lesser period of notice than that referred to in paragraph 2.3.3(a) and/or at a greater rate of change than that referred to in paragraph 2.3.3(b), the Offtake Profile Notice(s) will be accepted.

2.7.3 The expectation referred to in paragraph 2.7.2 is that the offtake of gas at the rates of offtake in the revised Offtake Profile Notice(s) on such lesser period of notice and/or greater rate of change should not, of itself and at the time, give rise to an Operational Balancing Requirement (but it is recognised that such change in rates of offtake may contribute to any such requirement at any later time).

3 Further provisions of TPD Section J

3.1 Offtake tolerances

3.1.1 This paragraph 3.1 sets out the tolerances referred to in TPD Section J4.6.2, and any offtake designations referenced in the relevant Offtake Supplemental Agreement.

- 3.1.2 For the purposes of TPD Section J4.6.2(a), the tolerance, in respect of the offtake of gas at:
- (a) a Designated Offtake, is set out in the relevant Offtake Supplemental Agreement; and
 - (b) a Non-Designated Offtake is 1mcmd.
- 3.1.3 For the purposes of TPD Section J4.6.2(b), the tolerance, in respect of the offtake of gas in aggregate at all of the Offtakes (served by two or more Offtakes) which serve an LDZ is 3% of the aggregate of the Prevailing Offtake Rates.
- 3.1.4 Amending the categorisation of an Offtake from a Designated to a Non-Designated Offtake (or vice versa) or amending the tolerance of a Designated Offtake can only be done with the agreement of National Gas Transmission. Any change should have a maximum 3 months' lead time from confirmation by National Gas Transmission prior to the new designation and/or tolerance being effective.
- 3.1.5 Any newly operational NTS/LDZ Offtake must have its designation and any tolerance level agreed by both Networks.

3.2 Maximum rate of change

- 3.2.1 For the purposes of TPD Section J4.7.1, the maximum rate of change in respect of an Offtake is the rate (if any) set out in the applicable Supplemental Agreement.

4 Pressure

4.1 General

- 4.1.1 For the purposes of this Section I, in relation to an Offtake:
- (a) "**Assured 0600 Pressure**" and "**Assured 2200 Pressure**" mean the 0600 pressure and the 2200 pressure respectively comprised in the Assured Offtake Pressure in accordance with TPD Section J2.5;
 - (b) a reference to the 0600 pressure in relation to a Day is to pressure (at the Point of Offtake) at 0600 hours at the end of the Day;
 - (c) at any time, in relation to any Day, the "**Agreed 0600 Pressure**" means the agreed 0600 pressure for that Day prevailing in accordance with paragraph 4.2.7 at that time;
 - (d) "**Significant Offtake**" means an Offtake which is capable of being the subject of a pressure request in accordance with paragraph 4.2 and being an Offtake which is either:
 - (i) identified as having Significant Offtake status in an Offtake Pressure Statement in accordance with TPD Sections J2.5.2 and J2.5.15; or
 - (ii) granted Significant Offtake status in accordance with paragraph 4.2.9.
- 4.1.2 For the purposes of paragraphs 4.2.9 and 4.2.10 below and TPD Section J2.1.4, pursuant to TPD Section J2.1.1(b)(iii), the Applicable Offtake Pressure in relation to:
- (a) a Significant Offtake on any Day (so far as relating to 0600 pressure) shall be the Agreed 0600 Pressure; and
 - (b) all other Offtakes serving an LDZ shall be (so far as relating to 0600 pressure) the lesser of the Assured 0600 Pressure or 38 barg and (so far as relating to the 2200 pressure) the lesser of the Assured 2200 Pressure or 38 barg.

4.1.3 Without prejudice to the rights and obligations of the Parties under this Document (or to the specific provisions of this paragraph 4), in relation to any or all of the Offtakes serving an LDZ, National Gas Transmission and the DNO agree to cooperate with a view to establishing operating pressures at such Offtake(s) which optimise the safe and efficient operation of the NTS and such LDZ.

4.2 Agreed pressures

4.2.1 For the purposes of this paragraph 4.2, in relation to an Offtake:

- (a) a "**pressure request**" is a request (including a revised request) to be submitted by the DNO specifying a requested 0600 pressure, being the DNO's preferred 0600 pressure for the purposes of operating that Significant Offtake and the LDZ on that Day;
- (b) the requested 0600 pressure in a pressure request may be lower than, equal to or (subject to paragraph 4.2.4) higher than:
 - (i) in the case of the initial pressure request (under paragraph 4.2.2(a)), the Assured 0600 Pressure; and
 - (ii) in the case of a revised pressure request, the Agreed 0600 Pressure.

4.2.2 Save where paragraph 4.2.10 applies, in relation to each Significant Offtake, for each Day:

- (a) the DNO shall, at the same time as submitting (in accordance with paragraph 2.2.1) an initial Offtake Profile Notice for the Day, submit to National Gas Transmission an initial pressure request, specifying the requested 0600 pressure for Day D; and
- (b) the DNO may from time to time thereafter, up to but not (unless National Gas Transmission otherwise agrees) after 2400 hours on the Day, submit a revised pressure request for the Day.

4.2.3 If (in relation to a pressure request) the requested 0600 pressure is no higher than:

- (a) (in the case of the initial pressure request) the Assured 0600 Pressure; or
- (b) (in the case of a revised pressure request) the prevailing Agreed 0600 Pressure;

National Gas Transmission will agree the requested 0600 pressure, subject to paragraph 4.2.5.

4.2.4 If the requested 0600 pressure is higher than the Assured 0600 Pressure or (as the case may be) the prevailing Agreed 0600 Pressure, National Gas Transmission will agree the requested 0600 pressure if it considers that the safe and efficient operation of the NTS (consistent with its obligations under the Code) would not be materially prejudiced if it were to make or seek to make gas available for offtake (at the Significant Offtake) on the basis of the requested 0600 pressure, and not otherwise.

4.2.5 National Gas Transmission may request the DNO to reduce the requested pressure in an initial pressure request or (as the case may be) the prevailing Agreed 0600 Pressure, where National Gas Transmission would prefer to operate the NTS on the basis of that reduced 0600 pressure at the relevant Significant Offtake.

4.2.6 The DNO will agree to a request by National Gas Transmission to reduce the requested 0600 pressure or prevailing Agreed 0600 Pressure if the DNO considers that the safe and efficient operation of the LDZ (consistent with its obligations under the Transportation Principal Document) would not be materially prejudiced if gas were made available for offtake (at the Significant Offtake) on the basis of such reduced pressure, and not otherwise.

4.2.7 For the purposes of this Section I, in relation to a Significant Offtake and any Day, the Agreed 0600 Pressure at any time shall be the prevailing 0600 pressure agreed pursuant to paragraph 4.2.3, 4.2.4 or 4.2.6 (as the case may be).

4.2.8 National Gas Transmission (for the purposes of paragraph 4.2.4, in relation to a pressure request by a DNO) or the DNO (for the purposes of paragraph 4.2.6, in relation to a request by National Gas Transmission under paragraph 4.2.5) shall be entitled, in considering whether the operation of the NTS or (as the case may be) LDZ would be prejudiced as provided in paragraph 4.2.4 or 4.2.6, to make allowance for the risk of error in prevailing demand forecasts and for other possible changes in circumstances over the remainder of the Day (in particular, having regard to the effect of paragraph 4.2.6 or as the case may be 4.2.4 in the case where it accepts the relevant request).

4.2.9 Where in relation to any Offtake that is not specified as having Significant Offtake status in the Offtake Capacity Statement either National Gas Transmission or the DNO requires an 0600 pressure that is higher or lower than the Applicable Offtake Pressure for 0600 hours (the “**nominating party**”), the nominating party shall notify the other as soon as reasonably practicable and in any case by no later than 2400 hours on Day D that such Offtake shall be granted Significant Offtake status. Such notification shall specify:

- (a) the Offtake;
- (b) the period during which the Significant Offtake status shall apply (which shall commence no earlier than Day D).

any Offtake in relation to which a notification has been made under this paragraph 4.2.9 shall be deemed to be a Significant Offtake for the purposes of this paragraph 4.2 and TPD Section J during the period referred to in (b) above.

4.2.10 Where the notification referred to in paragraph 4.2.9 is given after the time by which the initial pressure request in respect of the Significant Offtake is required to be submitted under paragraph 4.2.2(a), the DNO shall submit an initial pressure request specifying the requested 0600 pressure on Day D in respect of such Significant Offtake:

- (a) in the case of a notification given by the DNO, at the same time as giving the notification; and
- (b) in the case of a notification given by National Gas Transmission, as soon as reasonably practicable following receipt and specifying a requested 0600 pressure that is equal to the Applicable Offtake Pressure for 0600 hours,

and paragraph 4.2.3 to 4.2.6 (inclusive) shall apply in relation thereto. National Gas Transmission shall agree to extend the period within which the DNO may revise an initial pressure request submitted pursuant to this paragraph 4.2.10 by such amount as is reasonable in the circumstances.

4.3 Pressures between 0600 hours and 2200 hours

4.3.1 The Parties acknowledge that pursuant to the Transportation Principal Document the Applicable Offtake Pressure comprises a 0600 pressure and a 2200 pressure, and applies on the basis in TPD Section J2.5.1(c).

4.3.2 At times other than 0600 hours at the end of a Day, National Gas Transmission will use reasonable endeavours to make gas available for offtake at an Offtake at the pressure determined in accordance with paragraph 4.3.4.

4.3.3 For the avoidance of doubt the pressures determined under paragraph 4.3.4 are not part of the Assured Offtake Pressure nor the Applicable Offtake Pressure for the purposes of TPD Section J2.

4.3.4 Subject to paragraph 4.3.5, for each Day (D), the pressure referred to in paragraph 4.3.2 is:

- (a) at any time (t) during the period between 0600 hours at the start of Day D and 2200 hours:

$$AP^{D-1}_{0600} - \{1.1 * (AP^{D-1}_{0600} - AOP_{2200}) * H / 16\}$$

where:

AP^{D-1}_{0600} is the Agreed 0600 pressure for Day D-1 (being the Agreed 0600 Pressure prevailing at the start of Day D);

AOP_{2200} is the Assured 2200 Pressure;

H is the period in hours from 0600 hours to time t, rounded up to the nearest hour; and

(b) at any time during the period between 2200 hours and 0600 hours at the end of Day D:

$$AOP_{2200} + \{0.9 * (AP^D_{0600} - AOP_{2200}) * H/8\}$$

where:

AP^D_{0600} is the Agreed 0600 Pressure for Day D prevailing at time t;

AOP_{2200} is the Assured 2200 Pressure;

H is the period in hours since 2200 hours, rounded down to the nearest hour; or

(c) at any time within Day D, such other pressure as National Gas Transmission may agree upon the request of the DNO.

4.3.5 For the avoidance of doubt, at any time where the pressure determined under paragraph 4.3.4 would be less than the Assured 2200 Pressure, this paragraph 4.3 is of no effect (being superseded by the obligations of National Gas Transmission pursuant to TPD Section J in relation to the Assured 2200 Pressure as the Applicable Offtake Pressure).

5 Interruption – Not Used

6 Further provisions

6.1 Demand forecasts

6.1.1 In addition to providing Offtake Profile Notices under (and without prejudice to) paragraph 2, each DNO will undertake and provide to National Gas Transmission an updated demand forecast (as provided in TPD Section H5) for its LDZ:

(a) at any time at which its estimate of Forecast LDZ Demand changes by more than 5% from the prevailing demand forecast; and

(b) at any other time at which National Gas Transmission may reasonably require such forecast.

6.2 Nomination information

6.2.1 National Gas Transmission shall each Day notify the DNO of the Nominations made by a User (or made by National Gas Transmission on the User's behalf) in relation to each LDZ as necessary for the purposes of enabling such DNO to carry out the operation of its LDZ(s).

6.3 Restrictions on gas flows

6.3.1 The DNO shall not cause or permit the flow of gas at an Offtake at any time at a rate which is outside the range (of rates of flow) comprised in the Permitted Range for the Measurement Equipment at that Offtake.

6.4 Responsibility for controlling flows

6.4.1 (Subject to any contrary provision in a Supplemental Agreement and subject to Section C2.7.4) the downstream DNO is responsible for controlling the flow of gas at each Inter-System Offtake by means of the flow control equipment comprised in the Offtake Facilities.

6.4.2 Without prejudice to Section C2.7.4, the upstream Transporter has no responsibility for controlling the flow of gas at any Inter-System Offtake or for the operation or control of the flow control equipment.

6.5 Long Term Flow Swap Agreements

6.5.1 For the purposes of this Section I, a Long Term Flow Swap Agreement means an agreement which a DNO and National Gas Transmission enter into to facilitate the safe and efficient operation of the network in instances where it would otherwise be prejudiced without the movement of gas flows between Offtakes.

6.5.2 National Gas Transmission and a DNO may enter into a Long Term Flow Swap Agreement at any time prior to the first date a flow swap is required under such an agreement.

6.5.3 National Gas Transmission may request that a DNO enter into a Long Term Flow Swap Agreement for one or more Offtakes in an LDZ.

6.5.4 The DNO shall comply with National Gas Transmission’s request unless in the DNO’s reasonable opinion the safe and efficient operation of the LDZ (consistent with the DNO’s obligations to Users under the Transportation Principal Document) would be materially prejudiced by the flow of gas at the relevant Offtakes, in which case the DNO shall:

- (a) inform National Gas Transmission of the position as soon as possible following receipt of National Gas Transmission’ request; and
- (b) cooperate with National Gas Transmission and use all reasonable endeavours to agree an alternative

6.5.5 A DNO may request that National Gas Transmission enter into a Long Term Flow Swap Agreement for one or more Offtakes in an LDZ.

6.5.6 National Gas Transmission shall comply with the DNO’s request unless in National Gas Transmission’s reasonable opinion the safe and efficient operation of the NTS (consistent with National Gas Transmission’ obligations to User’s under the Transportation Principal Document) would be materially prejudiced by the flow of gas at the relevant Offtakes, in which case National Gas Transmission shall:

- (a) inform the DNO of the position as soon as possible following receipt of the DNO’s request; and
- (b) cooperate with the DNO and use all reasonable endeavours to agree an alternative.

6.5.7 A Long Term Flow Swap Agreement can be terminated in accordance with its terms.

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION J

LDZ/LDZ OFFTAKES – PLANNING AND OPERATIONAL FLOWS

1 General

1.1 Introduction

1.1.1 This Section J sets of the basis on which, in relation to an LDZ/LDZ Offtake:

- (a) the Parties will exchange planning information;
- (b) Offtake Parameter Values will be established;
- (c) Offtake Profile Notices are to be submitted.

1.2 Interpretation

1.2.1 In this Section J:

- (a) references to Offtakes are to LDZ/LDZ Offtakes;
- (b) the planning submission dates are 1st October, 1st January, 1st April and 1st July in a Gas Year;
- (c) in relation to an LDZ, a 1-in-20 peak day is a day of 1-in-20 peak day demand in that LDZ;
- (d) the rate of offtake at an Offtake is:
 - (i) in the case of an Offtake at which the normal operating pressure (at the Point of Offtake) is not greater than 7 barg, the quantity of gas offtaken or to be offtaken in a 6 minute period; and
 - (ii) in the case of an Offtake at which the normal operating pressure (at the Point of Offtake) is greater than 7 barg, the quantity of gas offtaken or to be offtaken in a 60 minute period;

in each case expressed as an hourly rate of offtake (and references to rates of offtake in the TPD Section J in relation to an Offtake shall be construed accordingly);

- (e) the daily quantity at an Offtake is the quantity of gas offtaken or to be offtaken on a Day.

1.2.2 In relation to an Offtake:

- (a) the "**low pressure**" is the pressure (of gas made available for offtake at the Offtake) which the downstream DNO considers to be the lowest pressure, at the low pressure time on any Day, at which the safe and efficient operation of the downstream LDZ (consistent with the downstream DNO's obligations under the Transportation Principal Document) would not be prejudiced; and
- (b) the low pressure time is the time on a Day at which the extremity point of the downstream LDZ is at its lowest pressure.

1.3 Offtake Parameter Values

- 1.3.1 For the purposes of this Section J, for each Offtake, in relation to a Gas Year the "**Offtake Parameter Values**", are the respective values of daily quantity ("**Maximum Daily Quantity**"), offtake rate ("**Maximum Offtake Rate**") and pressure ("**Minimum Offtake Pressure**") established in accordance with the provisions of this Section J.
- 1.3.2 The upstream DNO shall periodically (in accordance with paragraph 2) prepare and issue a statement ("**Offtake Parameter Statement**") in the format specified in Annex J-2 setting out the prevailing Offtake Parameter Values in relation to an Offtake for the Gas Year in which the statement is issued and each of the following 5 Gas Years.
- 1.3.3 For each Offtake that is not a LDZ/LDZ Closed Offtake, an Offtake Parameter Statement as at the date of this Document has been issued by the upstream DNO and agreed by the downstream DNO.

1.4 Bi-directional LDZ Offtakes

- 1.4.1 In relation to a Bi-directional LDZ Offtake:
- (a) each Party shall be considered to be both upstream Party and downstream Party for the purposes of this Section J; and
 - (b) each Party as upstream Party shall make determinations under paragraph 2.2.3 on the assumption of flows of gas (at the Offtake) only out of its LDZ.
- 1.4.2 If both Parties submit an Offtake Profile Notice for the same Day in relation to a Bi-directional LDZ Offtake, the Parties shall discuss and seek to agree upon a single Offtake Profile Notice to be submitted by one of such Parties who shall be treated as the downstream Party in relation to that Day.
- 1.4.3 In the absence of agreement under paragraph 1.4.2, each Party shall be deemed to have submitted an Offtake Profile Notice showing a daily quantity of zero.

2 Planning and Offtake Parameter Values

2.1 Introduction

- 2.1.1 In this Section J, in relation to an Offtake and a Gas Year, "**planning data**" means the following forecast or indicative data:
- (a) the quantity of gas to be offtaken on a 1-in-20 peak day;
 - (b) the maximum rate of offtake on a 1-in-20 peak day;
 - (c) the low pressure;
- and, for information purposes only, the quantity of gas to be offtaken at the Offtake in the Gas Year as a whole.
- 2.1.2 In relation to each Offtake:
- (a) the downstream DNO shall submit planning data in accordance with this paragraph 2; and

- (b) the Parties shall exchange such other forecasts or information, concerning demand and flows of gas in the upstream or (as the case may be) downstream LDZs (or parts of those LDZs) which are likely to affect the flows of gas at the Offtake, as the Parties may from time to time agree;

for the purposes of establishing Offtake Parameter Values and in order to facilitate the preparation by each DNO of its Ten Year Statement.

2.2 Planning

2.2.1 In relation to each Offtake, in each Gas Year (year 0), by each planning submission date, the downstream DNO shall, unless there is no change in the planning data since the previous submission, submit to the upstream DNO, in the format specified in Annex J-1:

- (a) in relation to the remaining part of Gas Year 0, and each of Gas Years 1 to 5, forecast values; and
- (b) in relation to each of Gas Years 6 to 10, indicative values;

of the planning data.

2.2.2 The submission of planning data shall operate as a request by the downstream DNO for revised Offtake Parameter Values as follows:

- (a) Maximum Daily Quantity equal to the maximum daily quantity;
- (b) Maximum Offtake Rate equal to the maximum offtake rate;
- (c) Agreed Pressure equal to the low pressure;

submitted as planning data.

2.2.3 Following each submission of planning data:

- (a) the upstream DNO shall review the data submitted and determine, for each of Gas Years 0 to 5:
 - (i) whether it can make gas available for offtake at the Offtake on the basis of Offtake Parameter Values equivalent to the values of planning data submitted; and
 - (ii) if not, alternative values on the basis of which it can so make gas available;

without prejudicing the safe and efficient operation (consistent with its obligations under the Act, its Transporter's Licence and the Transportation Principal Document) and without further investment in its LDZ;

- (b) where the upstream DNO considers that it cannot so agree Offtake Parameter Values, it shall so inform the downstream DNO and the Parties shall discuss the matter with a view to establishing Offtake Parameter Values which can (and/or a basis on which such values can) be agreed by the upstream DNO; and
- (c) the upstream DNO shall, no later than 12 weeks after the planning submission date, provide to the downstream DNO a revised Offtake Parameter Statement consistent with paragraph 2.3.

2.2.4 The upstream DNO will include in its Ten Year Statement the information contained in the Offtake Parameter Statement.

2.2.5 The Offtake Parameter Statement will include the upstream DNO's estimate of the normal operating pressure (or range of pressures) at the Offtake; but this is included for information only, does not bind the upstream DNO and has no effect for the purposes of the Transportation Principal Document.

2.3 Offtake Parameter Values

2.3.1 For each Gas Year, the Offtake Parameter Values set out in an Offtake Parameter Statement:

- (a) if the Parties agreed values pursuant to paragraph 2.2.3(b), shall be those values; and
- (b) if the Parties did not so agree values:
 - (i) subject to paragraph (ii), shall be the values which the upstream DNO determined it can accept pursuant to paragraph 2.2.3(b);
 - (ii) shall not be lower than the lower of:
 - (aa) the minimum values in accordance with paragraph 2.3.2; and
 - (bb) the values of the corresponding planning data submitted by the downstream DNO.

2.3.2 For the purposes of paragraph 2.3.1(b)(ii)(aa), the minimum values for a Gas Year are:

- (a) subject to paragraph (b), the corresponding values for that Gas Year in the preceding Offtake Parameter Statement; or
- (b) in the case of the first Offtake Parameter Statement issued in any Gas Year (year 0), in relation to Gas Year 5, the Offtake Parameter Values for the preceding Gas Year (year 4) in the last Offtake Parameter Statement issued in Gas Year -1.

2.4 Variation of Offtake Parameter Values

2.4.1 Either DNO may request the other to agree a temporary variation of the prevailing Offtake Parameter Values in relation to an Offtake, including in connection with the planning or carrying out of maintenance (as provided in Section G3.5) in connection with its LDZ or (but without prejudice to the provisions of Section C2 generally) a gas supply emergency.

2.4.2 The other DNO shall consider any request under paragraph 2.4.1 and shall agree to the requested variation if it determines that (for the period for which such variation is requested) it can make gas or (as the case may be) accept gas made available for offtake at the Offtake on the basis of the requested variations of the Offtake Parameter Values without prejudicing the safe and efficient operation (consistent with its obligations under the Act, its Transporter's Licence and the Transportation Principal Document).

2.4.3 Where the other DNO considers that it cannot so agree variations to the Offtake Parameter Values, it shall so inform the requesting DNO and the Parties shall discuss the matter with a view to establishing variations Offtake Parameter Values which can (and/or a basis on which such values can) be agreed by the other DNO.

2.5 TPD Section J Parameters

- 2.5.1 For the purposes of TPD Section J2.1.1(b)(iii), the pressure of gas (to be made available at any time on the Day) in relation to an Offtake is the Minimum Offtake Pressure.
- 2.5.2 For the purposes of TPD Section J3.10.3, the maximum permitted rate in relation to an Offtake is the Maximum Offtake Rate.
- 2.5.3 For the purposes of TPD Section J3.10.3, the maximum permitted quantity in relation to an Offtake is the Maximum Daily Quantity.

3 Offtake Profile Notices

3.1 Submission of Offtake Profile Notices

- 3.1.1 Offtake Profile Notices are to be submitted by the downstream DNO to the upstream DNO each Day in respect of each Offtake at which Measurement Equipment is installed.
- 3.1.2 An Offtake Profile Notice shall (notwithstanding the provisions of TPD Section J) specify only a daily quantity.
- 3.1.3 Offtake Profile Notices are to be submitted in the format and by the means provided in or pursuant to Section M.
- 3.1.4 The daily quantity set out in an Offtake Profile Notice (including any revision thereof):
- (a) shall not exceed the Maximum Daily Quantity; and
 - (b) subject to paragraph (a), shall reflect as accurately as possible the quantities in which the downstream DNO expects to cause or permit gas to flow at the Offtake.

3.2 Initial Offtake Profile Notice

- 3.2.1 For the purpose of TPD Section J4.5.1, the time by which the initial Offtake Profile Notice is to be submitted is 1800 hours on the Preceding Day.

3.3 Revisions to Offtake Profile Notice

- 3.3.1 The downstream DNO shall (and shall be entitled to) revise an Offtake Profile Notice at any time where it becomes aware that the quantity of gas which it expects to cause or permit gas to flow at the Offtake differs materially from the quantity stated in the Offtake Profile Notice.

4 LDZ/LDZ Closed Offtakes

4.1 Application of this Section J

- 4.1.1 In relation to a LDZ/LDZ Closed Offtake, this Section J shall apply on the basis that (without prejudice to Section C2 in the case of a gas supply emergency):
- (a) submissions of planning data are made and the Offtake Parameter Statements issued only:
 - (i) on occasions on which; and
 - (ii) in relation to periods in which;

relevant maintenance of the upstream or downstream LDZ is to be carried out (and accordingly not more than 2 years in advance);

- (b) the submission of planning data shall be a request by the downstream DNO for the temporary opening of the LDZ/LDZ Closed Offtake, and shall include the date(s) on which the LDZ/LDZ Closed Offtake is requested to be opened;
- (c) the Offtake Parameter Values so established shall apply only for the period in which the LDZ/LDZ Closed Offtake is to be opened (and for the avoidance of doubt such values shall be zero at all other times); and
- (d) paragraphs 2.3.1(b)(ii) and 2.3.2 shall not apply.

ANNEX J-1

Form of Submission for Planning Data
(Paragraph J2.2.1)

From: [Downstream DNO] [Date of submission]
To: [Upstream DNO]

Offtake Planning Data

Period Covered: [Date] to [Date]

Name of Offtake:
Ordinance Survey Location of Offtake:

Flow Direction: [Name of delivering LDZ]
[Name of offtaking LDZ]

Type of Offtake: [Eg. closed or pressure controlled]
Other features of Offtake: [Eg. bi-directional flow or flow includes use of bypass etc.]

Parameter	Period starting 1 October										
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Low Pressure (barg)											
Maximum Offtake Rate (mcm)											
Maximum Daily Quantity (mcm)											
Annual Offtake Quantity (mcm)											
Assumed CV											

Note:
In the case of Bi-directional LDZ Offtakes, this submission only relates to flows in one direction. The Annual Offtake Quantity is based on an average Gas Year.

ANNEX J-2

Form of Offtake Parameter Statement
(Paragraph J1.3.2)

From: [Upstream DNO] [Date statement issued]
To: [Downstream DNO]

Offtake Parameter Statement

Period Covered: [Date] to [Date]

Name of Offtake:
Ordinance Survey Location of Offtake:

Flow Direction: [Name of delivering LDZ]
[Name of offtaking LDZ]

Type of Offtake: [Eg. closed or pressure controlled]
Other features of Offtake: [Eg. bi-directional flow or flow includes use of bypass etc.]

Parameter	Period starting 1 October					
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Normal Operating Pressure (barg)						
Low Pressure (barg)						
Maximum Offtake Rate (mcm)						
Maximum Daily Quantity (mcm)						
Assumed CV						

Note:
In the case of Bi-directional LDZ Offtakes, this statement only relates to flows in one direction.
The Annual Offtake Quantity is based on an average Gas Year.

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION K

LDZ SYSTEM ENTRY POINTS

1 Introduction

1.1 General

1.1.1 This Section sets out terms agreed by the Parties to apply in relation to LDZ System Entry Points in consequence of the matters set out in paragraph 1.1.2.

1.1.2 In this Section K, references to LDZ System Entry Points:

- (a) are to such points in existence at the date of this Document; and (subject to any future modification of National Gas Transmission's Transporter's Licence or the Code) nothing in this Section K applies to any new LDZ System Entry Point; and
- (b) do not include any LDZ System Entry Point which is comprised in an Aggregate System Entry Point which also comprises any NTS System Entry Point.

1.1.3 The Parties acknowledge, in relation to LDZ System Entry Points:

- (a) that (notwithstanding that gas flows are into the LDZ at such points), pursuant to the provisions of the Transportation Principal Document and its Transporter's Licence, National Gas Transmission (and not the DNO):
 - (i) has allocated, and will invite applications for and allocate, NTS Entry Capacity of classes and in timescales and quantities which (except as mentioned below) are prescribed by the UNC and its Transporter's Licence;
 - (ii) may require the curtailment of Interruptible NTS Entry Capacity;
 - (iii) may accept the surrender of Available NTS Entry Capacity;
 - (iv) will receive amounts payable by Users by way of NTS Entry Capacity Charges and System Entry Overrun Charges; and
 - (v) will be liable to make payments (in respect of Aggregate Constraint Amounts) to Users pursuant to TPD Section I3.7; and
- (b) that the quantities in and rates at which it is feasible to accept to take delivery of gas at any time and in relation to any Day are controlled by, and known to, the DNO and not National Gas Transmission.

1.1.4 The DNO undertakes that it will not offer or agree to allocate to any person NTS Entry Capacity at any LDZ System Entry Point, or confer on any person any rights (analogous to the holding of System Capacity) in relation to the delivery of gas to the LDZ at any LDZ System Entry Point.

1.2 Entitlement to Charges

1.2.1 It is agreed that National Gas Transmission shall be entitled to retain, and shall be under no obligation to account for or hold for the benefit of the DNO, amounts from time to time received by it as described in paragraph 1.1.3(a)(iv).

1.3 Access to Information

- 1.3.1 Where at any time a DNO has reasonable grounds for considering that it may (in relation to a Day within the following 7 Days) need to give an instruction to National Gas Transmission in relation to an LDZ System Entry Point pursuant to paragraph 3, the DNO may request National Gas Transmission to inform the DNO of the amount in aggregate of NTS Entry Capacity allocated at the LDZ System Entry Point as at such Day, and National Gas Transmission will provide the information requested as soon as reasonably practicable after receiving such request.
- 1.3.2 National Gas Transmission shall have no obligation to inform or keep informed the DNO as to the amount of NTS Entry Capacity from time to time allocated at an LDZ System Entry Point other than pursuant to a request under paragraph 1.3.1.

1.4 Liability of National Gas Transmission

- 1.4.1 Without prejudice to the generality of Section N7, National Gas Transmission shall have no liability to a DNO for any failure to comply with the requirements of this Section K, or other act or omission on the part of National Gas Transmission in the course of implementing this Section K, but without prejudice to paragraph 4.1.

1.5 Incremental Obligated NTS Entry Capacity

- 1.5.1 For the purposes of this Section K "**Obligated**" means Incremental NTS Entry Capacity which National Gas Transmission may be required, pursuant to Special Condition 5F of its Transporter's Licence, to accept an application for or otherwise allocate.
- 1.5.2 If at any time National Gas Transmission is required pursuant to its Transporter's Licence to accept any application for (or otherwise allocate) Incremental Obligated NTS Entry Capacity:
- (a) National Gas Transmission will so inform the DNO, and together with the DNO shall consult with the Authority as to the position (and possible modifications of the conditions of their respective Transporter's Licences which may be appropriate in the circumstances); but
 - (b) National Gas Transmission shall not be required (by paragraph (a) or any other provision of this Document) not to comply or to delay in complying with the requirement under its Transporter's Licence.

1.6 Licence obligations of National Gas Transmission

- 1.6.1 To the extent to which, pursuant to paragraph 2 or 3, the DNO may authorise or instruct National Gas Transmission to do anything in doing which National Gas Transmission is required to comply with any requirement under the Transportation Principal Document or its Transporter's Licence (including without limitation the System Management Principles:
- (a) the DNO shall ensure that its authority or instruction is consistent with National Gas Transmission's compliance with such requirement; and
 - (b) National Gas Transmission shall be entitled to disregard the DNO's authority or instruction if (in National Gas Transmission's reasonable opinion) it is not so consistent.

2 Incremental NTS Entry Capacity

2.1 General

- 2.1.1 In this paragraph 2 references to Incremental NTS Entry Capacity do not include Obligated Incremental NTS Entry Capacity.

- 2.1.2 National Gas Transmission will not (and shall not be required to) invite applications for or allocate Incremental NTS Entry Capacity unless authorised to do so by the DNO in accordance with the further provisions of this paragraph 2.1.
- 2.1.3 A DNO may authorise National Gas Transmission to invite applications for and allocate Incremental NTS Entry Capacity in relation to any relevant period by giving notice to National Gas Transmission in accordance with the following provisions:
- (a) such notice shall be given as early as practicable before the start of the relevant period (and in any event no less than 7 days before National Gas Transmission is required to act under the TPD Section B2);
 - (b) such notice shall be unconditional (and any condition shall be of no effect);
 - (c) such notice shall specify:
 - (i) the relevant LDZ System Entry Point;
 - (ii) the period for which applications for Incremental NTS Entry Capacity are to be invited;
 - (iii) the amount of Incremental NTS Entry Capacity for which applications are to be invited;
 - (d) the details specified pursuant to paragraph (c) shall be consistent with the applicable requirements of TPD Section B2.
- 2.1.4 For the avoidance of doubt, the DNO may not withdraw, cancel or amend an authority under paragraph 2.1.3.
- 2.1.5 National Gas Transmission will (subject to and in accordance with applicable provisions of TPD Section B2) invite applications for and allocate Incremental NTS Entry Capacity in accordance with the DNO's authority pursuant to paragraph 2.1.3.

3 Surrender and Curtailment

3.1 General

- 3.1.1 National Gas Transmission will not (and shall not be required to) give any interruptible curtailment notice or accept any surrender of Available NTS Entry Capacity in relation to an LDZ System Entry Point unless instructed to do so by the DNO in accordance with the further provisions of this paragraph 3.
- 3.1.2 National Gas Transmission will not (and may not be required by a DNO to) enter into any Capacity Management Agreement in relation to an LDZ System Entry Point.
- 3.1.3 For the avoidance of doubt, the DNO shall be responsible for determining System Entry Capability at a LDZ System Entry Point.

3.2 Interruptible curtailment notice

- 3.2.1 Where a DNO has determined that (at the relevant time) there is or will be an Entry Capability Shortfall in relation to an LDZ System Entry Point, the DNO may instruct National Gas Transmission to give an interruptible curtailment notice in respect of the LDZ System Entry Point at any time on any Day by giving notice to National Gas Transmission in accordance with the following provisions:
- (a) such notice shall be given as early as practicable (and in any event no less than 2 hours) before the curtailment effective time;

- (b) such notice shall be unconditional (and any condition shall be of no effect);
- (c) such notice shall specify:
 - (i) the relevant LDZ System Entry Point;
 - (ii) the relevant Day, and the curtailment effective time;
 - (iii) the interruptible curtailment factor;
- (d) the details specified pursuant to paragraph (c) shall be consistent with the applicable requirements of TPD Section B2.

3.2.2 For the avoidance of doubt, the DNO may not withdraw, cancel or amend an instruction under paragraph 3.2.1, but without prejudice to its right to instruct National Gas Transmission (subject to and in accordance with paragraph 3.2.1) to give a further interruptible curtailment notice.

3.2.3 National Gas Transmission will give an interruptible curtailment notice (subject to and in accordance with applicable provisions of TPD Section B2) in respect of an LDZ System Entry Point in accordance with the DNO's instruction pursuant to paragraph 3.2.1.

3.3 Daily capacity offers

3.3.1 Where a DNO has determined that (at the relevant time) there is or will be a Firm Capacity Shortfall in relation to an LDZ System Entry Point, the DNO may instruct National Gas Transmission to accept available daily capacity offers in respect of the LDZ System Entry Point at any time on any Day by giving notice to National Gas Transmission in accordance with the following provisions:

- (a) such notice shall be given as early as practicable (and in any event no less than 1 hour) before the capacity selection period;
- (b) such notice shall be unconditional (and any condition shall be of no effect);
- (c) such notice shall specify:
 - (i) the relevant LDZ System Entry Point;
 - (ii) the relevant Day;
 - (iii) the amount of NTS Entry Capacity subject to daily capacity offers to be accepted;
- (d) the details specified pursuant to paragraph (c) shall be consistent with the applicable requirements of TPD Section B2.

3.3.2 For the avoidance of doubt, the DNO may not withdraw, cancel or amend an instruction under paragraph 3.3.1.

3.3.3 National Gas Transmission will accept (in accordance with applicable provisions of TPD Section B2) available daily capacity offers in respect of a LDZ System Entry Point in accordance with the DNO's instruction pursuant to paragraph 3.3.1.

4 Financial aspects

4.1 Payments

4.1.1 Where, in relation to an LDZ System Entry Point, National Gas Transmission:

- (a) accepts any daily capacity offer pursuant to an instruction under paragraph 3; or

- (b) incurs any liability to any User to make a payment in respect of an Aggregate Constraint Amount pursuant to TPD Section I3.7;

the DNO shall pay to National Gas Transmission an amount equal to the amount for which National Gas Transmission was liable in respect of the acceptance of such daily capacity offer(s) or (as the case may be) under TPD Section I3.7.

- 4.1.2 The DNO shall not be liable to pay an amount (or part of any amount) under paragraph 4.1.1 to the extent to which National Gas Transmission would not have been liable for such amount (or part thereof) but for a failure by National Gas Transmission to comply with its obligations under paragraph 3.

4.2 Invoicing

- 4.2.1 Amounts for which the DNO is liable under this paragraph 4:

- (a) shall accrue at the time at which the corresponding payment obligation of National Gas Transmission accrues; and
- (b) shall be invoiced and payable in accordance with Section L.

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SECTION L

COST RECOVERY AND INVOICING

1 General

1.1 Introduction

1.1.1 This Section L sets out:

- (a) the basis on which the costs incurred by a Party are to be determined for the purposes of any provision of this Document obliging another Party to bear or reimburse such costs; and
- (b) the arrangements by which any amounts payable by a Party under this Document are to be invoiced and paid.

2 Costs

2.1 Introduction

2.1.1 This paragraph 2 applies for the purposes of any provision of this Document under which any one Party is entitled to recover from another Party, or that other Party is required to bear or reimburse to the first Party, costs incurred by the first Party.

2.1.2 For the purposes of this Clause:

- (a) a "**relevant provision**" is such a provision of this Document as is referred to in paragraph 2.1.1;
- (b) the "**Recovering Party**" is the Party which incurs the relevant costs;
- (c) the "**Reimbursing Party**" is the Party which is obliged to bear, pay or reimburse, or from which the Recovering Party is entitled to recover, the costs incurred by the Recovering Party;
- (d) "**recoverable costs**" means the costs which (pursuant to a relevant provision) the Recovering Party is entitled to recover from the Reimbursing Party or the Reimbursing Party is required to bear or reimburse to the Recovering Party;
- (e) "**costs**" includes expenses.

2.2 Costs

2.2.1 Subject to any other provision of this Document, the recoverable costs shall be determined in accordance with the following provisions.

2.2.2 The recoverable costs shall not exceed the costs which would have been incurred by a Reasonable and Prudent Operator in the circumstances (pursuant to the relevant provision).

- 2.2.3 (Without prejudice to any provision of the Transportation Principal Document) recoverable costs shall not include any amount which would fall within Section N7.1.4(b), (c) or (d) (including without limitation any liability or loss of revenue under the Transportation Principal Document).
- 2.2.4 Where the activities of the Recovering Party in respect of which recoverable costs and expenses arise are activities within the scope of its Condition 4B Statement, the amount of the recoverable costs shall be determined in accordance with that statement.
- 2.2.5 Subject to paragraph 2.2.2, the amount of the recoverable costs in respect of any external cost shall be the actual amount thereof, provided that where any recoverable costs were incurred under a contract or arrangement with a 33⅓% Affiliate of the Recovering Party which is not on arms length terms, the amount recoverable shall be the amount which would be recoverable by such Affiliate if it were a Party in the capacity of the Recovering Party.
- 2.2.6 Recoverable costs shall include a reasonable and appropriate amount in respect of internal costs, including cost of capital, personnel and reasonable overhead costs (determined consistent with any relevant determinations made by the Authority in connection with the most recent determination of the principal price control in the Recovering Party's Transporter's Licence, failing which on the basis of cost allocation methodologies recognised as appropriate for determining the fully absorbed costs of a rechargeable activity).
- 2.2.7 For the avoidance of doubt (unless otherwise provided in this Document) the amount of recoverable costs shall be determined on the basis of actual costs (incurred by the Recovering Party in carrying out the relevant activities), and not on the basis of costs which it would not have incurred but for the relevant act or omission on the part of the Reimbursing Party.

2.3 Process

- 2.3.1 Where the Recovering Party anticipates an entitlement to recover recoverable costs will arise, the Recovering Party shall give notice to the Reimbursing Party specifying:
- (a) the relevant provision;
 - (b) the act or omission of the Reimbursing Party or other event (“**relevant circumstances**”) which the Recovering Party anticipates will give rise to the application of the relevant provision;
 - (c) the Recovering Party's intention to recover the recoverable costs in the event the relevant circumstances occur.
- 2.3.2 The Recovering Party shall give the notice referred to in paragraph 2.3.1 where the Recovering Party anticipates an entitlement to recover recoverable costs:
- (a) under a relevant provision in Section B, Section D and Section F, as soon as reasonably practicable following submission or receipt of the relevant notice or communication under or relating to the relevant provision;
 - (b) as a consequence of the receipt or provision of a final (or updated) Maintenance Programme under Section G, as soon as reasonably practicable following receipt or provision of the final (or updated) Maintenance Programme.
- 2.3.3 The Recovering Party shall at the same time as giving notice under paragraph 2.3.1 (or as soon as reasonably practicable after such notice) give notice to the Reimbursing Party specifying:

- (a) the amount which it anticipates it will claim as recoverable costs (“**costs estimate**”), which shall be in accordance with the requirements of paragraph 2.2; and
 - (b) an explanation of the basis on which the costs estimate has been prepared.
- 2.3.4 Where the Recovering Party subsequently identifies a requirement to increase its costs estimate it will give notice to the Reimbursing Party specifying:
- (a) the revised amount which it will claim as recoverable costs (“**revised costs estimate**”); and
 - (b) an explanation of the basis on which the revised costs estimate has been prepared.
- 2.3.5 The Recovering Party and the Reimbursing Party shall consult on the costs estimate (or any revised costs estimate), and the Reimbursing Party may, with seven (7) Business Days of receipt of a notice under paragraph 2.3.3 or 2.3.4 request a meeting to discuss and agree the costs estimate (or revised costs estimate), in which case the Parties shall meet as soon as reasonably practicable for that purpose.
- 2.3.6 In the absence of agreement between the Recovering Party and the Reimbursing Party to the costs estimate (or revised costs estimate) the Recovering Party shall not be required to take any steps or do or agree anything in accordance with this Document under or relating to the relevant provision.
- 2.3.7 Unless the Recovering Party and the Reimbursing Party have agreed a costs estimate (or revised costs estimate) the Recovering Party shall not be entitled to recover recoverable costs, provided nothing in this paragraph 2.3 shall prevent the Recovering Party from recovering recoverable costs from the Reimbursing Party not identified in a costs estimate (or revised costs estimate) where the relevant circumstances:
- (a) resulted from an emergency;
 - (b) in the case of relevant circumstances under Section G, related to:
 - (i) routine maintenance the extent of which was not known at the time of the receipt or provision of the final (or updated) Maintenance Programme; or
 - (ii) non-routine maintenance not included in a Maintenance Programme;
 - (c) could not have been reasonably anticipated by the Recovering Party prior to the relevant circumstances arising
- provided in each case that the Recovering Party gives notice to the Reimbursing Party no later than sixty (60) Business Days after occurrence of the relevant circumstances.
- 2.3.8 Where the Recovering Party proposes to recover any recoverable costs under paragraph 2.3.7 it shall provide reasonable evidence to the Reimbursing Party of the specific amount of recoverable costs incurred by it in any particular case in which recoverable amounts are recoverable under a relevant provision.
- 2.3.9 This paragraph 2.3 shall not:
- (a) entitle the Reimbursing Party to delay in paying the amount of any recoverable costs (but without prejudice to its right to require a subsequent adjustment where relevant);

- (b) require the Recovering Party to provide evidence supporting rates or unit amounts of costs which are provided for in the statement referred to in paragraph 2.2.4.

3 Invoicing and payment

3.1 Invoicing

3.1.1 Where any amount is payable by one Party (the "**payor**") to another Party (the "**payee**") pursuant to this Document, the payee shall prepare and send to the payor, as soon as practicable following the month in which such amount became payable, an invoice ("**Invoice**") setting out:

- (a) the identity of the payor and the payee;
- (b) the Day, month or other period to which the invoice relates;
- (c) the item(s) to which the invoice relates;
- (d) in respect of each such item, the amount payable;
- (e) a unique number by which the invoice may be identified; and
- (f) the amount of Value Added Tax (if any) payable in respect of each item and the further details required under Regulation 14 of the Value Added Tax Regulations 1995.

3.1.2 In the absence of fraud, after the expiry of 18 months (or any other period agreed between the payor and payee) after the Invoice Due Date in respect of any Invoice, the Invoice shall be deemed to be final and conclusive as to the amounts shown as payable thereunder, except for any adjustments already made and any matters of which either Party had given notice to the other before the expiry of such period.

3.2 Invoice Due Date

3.2.1 In relation to an Invoice, the "**Invoice Due Date**" shall be whichever is the later of:

- (a) the 12th Day after the Day on which the Invoice was deemed to be received in accordance with GT Section B5.2.5; and
- (b) the 20th Day after the Day or last Day of the other period to which (in accordance with paragraph 3.1.1(b)) the Invoice relates.

3.2.2 The amount payable under each Invoice shall be paid by the payor on or before the Invoice Due Date.

3.3 Payment Details

3.3.1 Payment of any amount payable under this Document shall be made in pounds sterling in same day funds to the account of the payee at a bank in the United Kingdom notified to the payor in accordance with paragraph 3.3.2.

3.3.2 Each Party shall notify each other Party of:

- (a) the account name and number; and

- (b) the name, address and sort code of the account bank;

to which payments are to be made, before or within five Business Days after the date on which any Party becomes a Party, and of any change in such details not less than 30 Days before such change shall become effective.

3.4 Deductions, Withholdings and Tax

3.4.1 All amounts payable under this Document shall be paid:

- (a) free and clear of any restriction, reservation or condition; and
- (b) except to the extent (if any) required by law, without deduction or withholding in respect of tax or on account of any amount due or to become due to the payor, whether by way of set-off, counterclaim or otherwise.

3.4.2 If, in respect of a payment to be made by one Party to another, any deduction or withholding is required to be made by the law of any country other than a country of the United Kingdom, the payor shall:

- (a) ensure that the amount of such withholding or deduction does not exceed the minimum so required;
- (b) forthwith pay the payee such additional amounts as will ensure that the net amount received by the payee is equal to that which would have been received by the payee had no deduction or withholding been made; and
- (c) pay the amount withheld or deducted to the relevant authority in accordance with the relevant requirement of law, and provide to the payee a receipt issued by such authority or, if such receipt is not available, a certificate in respect of such payment.

3.5 Late Payment

3.5.1 Where any amount payable under an Invoice is not paid on or before the Invoice Due Date, the payor shall pay interest, after as well as before judgment, at the Applicable Interest Rate, on the unpaid amount from the Invoice Due Date until the Day on which payment is made in full.

3.5.2 For the avoidance of doubt, paragraph 3.5.1 shall not be construed as permitting late payment of any Invoice Amount.

3.6 Interest

3.6.1 Where pursuant to any provision of this Section L interest is payable by a Party, such interest shall accrue on a daily basis and on the basis of a 365-day year.

3.6.2 The "**Applicable Interest Rate**" is the rate of interest, expressed as a percentage rate per annum, payable in respect of amounts overdue for payment, or subject to repayment, under this Document, and shall be the base rate for the time being of Barclays Bank plc plus:

- (a) for the purposes only of paragraph 3.7 or where otherwise expressly provided in this Document, one (1) percentage point per annum; and
- (b) in all other instances, three (3) percentage points per annum.

3.7 Disputed Payments

- 3.7.1 Where the payor disputes any amount under an Invoice, it shall (as promptly as reasonably practicable after identifying the matter in dispute) give notice to the payee specifying in reasonable detail:
- (a) the error or inaccuracy which it considers to have been made in the Invoice, and its reasons for so considering; and
 - (b) the amount which it considers should properly be payable in respect of the Invoice.
- 3.7.2 Subject to paragraph 3.7.3, and except in the case of a manifest clerical error in the preparation of an Invoice (or where a dispute is resolved before the Invoice Due Date), the payor shall pay in full the amount shown in the Invoice on or before the Invoice Due Date, notwithstanding the existence of any dispute.
- 3.7.3 Where the payor has given notice of a bona fide dispute in accordance with paragraph 3.7.1 before the Invoice Due Date, only the amount which is not the subject of the dispute shall be payable on or before the Invoice Due Date.
- 3.7.4 The Parties shall discuss and endeavour to resolve the dispute, and if they agree upon such resolution the payee shall promptly issue an Invoice in respect of any agreed adjustment.
- 3.7.5 If the Parties are unable to resolve the dispute within 30 Days after the disputing Party gave notice of the dispute, subject to the provisions of GT Section A (where applicable) either Party may commence proceedings for the resolution of such dispute.
- 3.7.6 Upon resolution (by agreement or determination) of an Invoice Dispute, an adjustment payment shall be made:
- (a) by the payee, in respect of any amount established to have been over-paid; or
 - (b) by the payor, in respect of any amount established to have been under-paid;
- together with interest in accordance with paragraph 3.6.2(a).

3.8 Value Added Tax

- 3.8.1 All amounts expressed as payable by a Party pursuant to this Document are exclusive (unless expressly otherwise stated) of any applicable Value Added Tax, and accordingly Value Added Tax shall be paid by the payor where payable in respect of any such amount.

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION M

INFORMATION FLOWS

1 Offtake Communications Document

1.1 Introduction

1.1.1 For the purposes hereof, the "**Offtake Communications Document**" is the document of that title established and from time to time modified by the Offtake Committee in accordance with Section N1.2.

1.1.2 The Offtake Communications Document:

- (a) sets out or summarises or otherwise refers to the requirements for certain flows of information between Parties:
 - (i) for the purposes of this Document (being Offtake Communications); and
 - (ii) (as provided in paragraph 1.2.1(a)) for the purposes of the Transportation Principal Document; and
- (b) specifies the means by which such information flows are to take place.

1.1.3 In some cases the Offtake Communications Document repeats or summarises (for completeness) requirements for information flows which are provided elsewhere in the Code; in other cases the requirement for a given information flow originates in the Offtake Communications Document.

1.2 Requirements for information flows

1.2.1 The Parties acknowledge that:

- (a) the Transportation Principal Document contemplates, and/or the implementation of the Transportation Principal Document requires, certain operational information flows (in addition to information flows provided for in the JGAA) between the Parties (as 'Transporters' under the Transportation Principal Document); and
- (b) except as provided in paragraph 1.2.2, the provisions of the Transportation Principal Document are not made binding between the Parties in relation to such information flows;

and accordingly the Offtake Communications Document provides for such information flows.

1.2.2 For the avoidance of doubt, information flows referred to in paragraph 1.2.1 do not include any Code Communications to be given (under the Transportation Principal Document) between a Transporter and a DNO in its capacity as DNO User.

1.2.3 A requirement pursuant to any other provision of the Transportation Principal Document or this Document for a Party to provide information to another Party shall not be affected or prejudiced by the omission to include a reference to such requirement in the Offtake Communications Document.

1.3 Information

1.3.1 In this Section M "**information**" includes any operational notice, data, report, information or other communication to be made or provided by one Party to another pursuant to or for the purposes of this Document or (as provided in paragraph 1.2.1) the Transportation Principal Document.

2 Content of Offtake Communications Document

2.1 Information flows

- 2.1.1 The Offtake Communications Document will specify (in relation to each information flow):
- (a) the information to be provided;
 - (b) the requirement (as provided in or otherwise arising under this Document or the Transportation Principal Document) for the information to be provided;
 - (c) the Party by which the information is to be provided;
 - (d) the Party(ies) to which the information is to be provided;
 - (e) the means by which (and in some cases, standby means by which) the information is to be provided, as further detailed in paragraph 2.2;
 - (f) in some cases, the format in which the information is to be provided;
 - (g) the period to which the information relates;
 - (h) the time by and/or frequency with which the information is to be provided;
 - (i) in some cases, whether the information is required en-ante for operational purposes, or is provided by way of ex-post reporting.
- 2.1.2 The Offtake Communications Document may (without limitation) specify any of the matters in paragraph 2.1.1:
- (a) in relation to any category of information, generically by reference to a part of this Document or the Transportation Principal Document, or function or activity pursuant to this Document or the Transportation Principal Document, or specification (provided such specification is available to all Parties) of a system provided by a Party or Parties in connection with the implementation of this Document or the Transportation Principal Document; and/or
 - (b) by reference to any provision of any agreement to which the Parties are party, including without limitation the DSC; and/or
 - (c) in the form of a process diagram or other procedure.
- 2.1.3 The omission to specify (in the Offtake Communications Document) any particular matter in paragraph 2.1.1 shall not invalidate the requirement to provide the relevant information to the extent such requirement can be determined in the absence of such matter.

2.2 Means of providing information

- 2.2.1 (Unless otherwise provided elsewhere in the Transportation Principal Document or this Document) the means by which information may be provided by a Party are as follows:
- (a) by telemetry as provided in Section E;
 - (b) by or through the CDSP, or by means of systems provided by the CDSP, pursuant to the DSC;
 - (c) by fax in accordance with GT Section B5.2;
 - (d) by telephone in accordance with GT Section B5.3;

- (e) by any other specific medium and/or communications system described in the Offtake Communications Document; and/or
- (f) any combination of the above.

2.2.2 The specific means by which particular information is to be provided is specified in the Offtake Communications Document.

2.2.3 The Offtake Communications Document may provide:

- (a) requirements as to the logging of sending or receipt, and/or the acknowledgment of receipt, of information;
- (b) in relation to any such means of communication as is referred to in paragraph 2.2.1(f):
 - (i) requirements for Parties to procure, install, maintain and operate equipment for the purposes of giving and receiving information by such means;
 - (ii) security and other requirements which Parties are to comply with in order to have access to and use of such means of communication; and
 - (iii) rules as to whether, and the time by which, information provided by such means is to be treated as received.

2.3 Data retention

2.3.1 The Offtake Communications Document may contain requirements (in addition to those contained in this Document) for Parties:

- (a) to record and retain (for a specified period and in a given format) information received or provided by them pursuant to the Offtake Communications Document; and
- (b) to make available such retained information to another Party.

3 Information requirements

3.1 Provision of information

Each Party shall provide information to the other Parties in accordance with (and at the times and by the means provided in) the Offtake Communications Document.

3.2 Compliance with the Offtake Communications Document

3.2.1 Each Party agrees to comply with the requirements of the Offtake Communications Document, and in particular to comply with any requirements contained in the Offtake Communications Document pursuant to paragraph 2.2.3(a) and (b)(i) or paragraph 2.3.1.

3.2.2 Each Party acknowledges that, where it does not comply with applicable requirements of the Offtake Communications Document:

- (a) it may not be able to; and
- (b) in such a case it will not be entitled to and may be in breach of an obligation to;

provide and receive information to and from other Parties.

3.2.3 The Parties agree that where (in relation to a particular means of communication) the Offtake Communications Document provides such rules as are referred to in paragraph 2.2.3(b)(iii), any

question as to whether and/or the time at which any information provided (by such means of communication) by one Party is treated as received by another Party shall be determined in accordance with such rules.

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION N

GENERAL

1 General

1.1 Introduction

1.1.1 This Section N sets out provisions (applicable for the purposes of this Document, in addition to the General Terms) as to:

- (a) the interpretation of references to a Party in this Document;
- (b) the basis on which a person may become or cease to be a Party;
- (c) confidentiality as between Parties;
- (d) the liability of Parties;
- (e) dispute resolution;
- (f) other matters of a general nature.

1.1.2 In this Offtake Arrangements Document, references to:

- (a) this "**Document**" are to this Offtake Arrangements Document;
- (b) the date of this Document are to the UNC Implementation Date.

1.2 Subsidiary Documents

1.2.1 In this Document, "**Offtake Subsidiary Document**" means each of the following documents:

- (a) the SCO Interface Procedures (referred to in Section C3);
- (b) the Offtake Communications Document (referred to in Section M);
- (c) the Validation Procedures (referred to in Section D3);
- (d) the Emergency Procedures E2 (referred to in Section C2.3);
- (e) the document TD76 (referred to in Section H1.3.1);
- (f) the Transmission System Operator to Distribution System Operator Agreement Guidelines (referred to in Section N9);
- (g) the OAD Template Agreements Document (referred to in Section A3.1.1 and paragraph 3.1.2);
- (h) the Process for the Update and Retention of Shared Site Drawings (referred to in Section B1.6.1);
- (i) the Supplemental Agreement Amendment Process (referred to in paragraphs 3 and 10); and
- (j) any other document which may be specified or may be agreed by the Parties to be a Offtake Subsidiary Document.

- 1.2.2 The version of each the Offtake Subsidiary Documents prevailing at the date of this Document is the version issued by National Gas Transmission on or before the date of this Document.
- 1.2.3 The Offtake Committee shall keep each Offtake Subsidiary Document under review.
- 1.2.4 Any Party may propose a modification to an Offtake Subsidiary Document.
- 1.2.5 The Offtake Committee shall establish and implement the procedure to be adopted in relation to a proposal to modify an Offtake Subsidiary Document.
- 1.2.6 A modification of an Offtake Subsidiary Document shall be made by the decision (in accordance with paragraph 8.5) of the Offtake Committee and not otherwise.
- 1.2.7 The Parties shall comply with the Offtake Subsidiary Documents.

2 Parties

2.1 Parties

- 2.1.1 In accordance with GT Section B2.3.2(b), references in this Offtake Arrangements Document to a Party are to a Transporter.
- 2.1.2 A reference in this Document to a Party shall be construed as a reference:
- (a) in the context of any Supplemental Agreement, to a Party which is party to that agreement;
 - (b) in the context of any Offtake, to a Party whose System is connected to another System at that Offtake; and
 - (c) in the context of an Offtake Site, to a Party whose System is connected to another System at an Offtake located at that Offtake Site.

2.2 Participation capacities

- 2.2.1 In this paragraph 2.2, "**participation capacity**" means the capacity of a Party as a DNO in relation to a particular Distribution Network, or as National Gas Transmission, under this Document.
- 2.2.2 Where for the time being a person which is a Party has more than one participation capacity under this Document, such person shall:
- (a) account for any payments to be made by it in each participation capacity (including payments to itself in another participation capacity);
 - (b) secure that accounting records are maintained sufficient to allow separate identification of the payments referred to in paragraph (a) and the calculation of the amounts of such payments;
 - (c) record, in relation to any Offtake in relation to which it is upstream Party in one participation capacity and downstream Party in another:
 - (i) the details (and changes in the details) from time to time required to be contained in a Supplemental Agreement; and
 - (ii) such other matters as may be or are required to be agreed between the Parties by any provision of this Document; and
 - (d) conduct operations under this Document separately (and in particular nominate separate personnel to give and receive Offtake Communications pursuant to Sections G, H, I, J and K) in respect of each participation capacity.

3 Supplemental Agreements

3.1 General

- 3.1.1 For the purposes of this Document a "**Supplemental Agreement**" is an agreement between the Parties whose Systems are connected at an Offtake, setting out details of that Offtake (as required by this Document).
- 3.1.2 Each Supplemental Agreement shall be in the form in the Part 1 or 2 (for an NTS/LDZ Offtake) or Part 3 (for an LDZ/LDZ Offtake) of the OAD Template Agreements Document or in such other form as the Parties may agree.
- 3.1.3 Subject as provided in this Section N, a Supplemental Agreement shall be treated as forming, as between the Parties to the Agreement, a part of the contractual relationship between the Parties existing pursuant to this Document and the Transporters Framework Agreement.
- 3.1.4 In any Supplemental Agreement (unless it otherwise provides) terms defined in or for the purposes of this Document and not otherwise defined in such Supplemental Agreement shall have the meanings given to such terms in or for the purposes of this Document.

3.2 Amendment of Supplemental Agreements

- 3.2.1 A Supplemental Agreement may be amended by agreement of the Parties and in accordance with the Supplemental Agreement Amendment Process and not otherwise (save for a Designated Offtake or Non-Designated Offtake which may be amended (limited to amendments to Designated or Non-Designated components) by National Gas Transmission if both Parties cannot agree); and accordingly, a Supplemental Agreement shall not be subject to modification pursuant to the Modification Rules (but without prejudice to any modification of any provisions of this Document which apply to or are incorporated into such Supplemental Agreement).
- 3.2.2 The Parties to a Supplemental Agreement are required (by certain provision of this Document) to amend the Supplemental Agreement to reflect and record changes in relation to the Offtake; and undertake to make such amendments promptly and in accordance with this Document.
- 3.2.3 Where any amendment of a Supplemental Agreement is required (pursuant to this Document) to be made with effect from any date, this Document shall take effect in relation to the relevant Offtake as if such amendment had been made notwithstanding any failure or delay in amending such Supplemental Agreement.

3.3 Execution and Amendment of Supplemental Agreements

- 3.3.1 Whenever any Parties are required pursuant to this Document to enter into a new Supplemental Agreement, or to amend an existing Supplemental Agreement, unless the Parties otherwise agree the Parties shall in each case follow and comply with the Supplemental Agreement Amendment Process provided that if Parties are unable to agree on the terms of a new or amended Supplemental Agreement the Parties shall promptly meet with a view to resolving the matter (failing which the matter may be resolved by a determination of either Party with Condition A11(18) Approval.
- 3.3.2 Following approval by each Party of the draft or revised draft Supplemental Agreement (or resolution of any dispute relating thereto) the agreed form of the Supplemental Agreement shall be prepared and executed in accordance with the requirements of the Supplemental Agreement Amendment Process.
- 3.3.3 Where a new Supplemental Agreement is entered into (and such agreement is to replace and supersede an existing Supplemental Agreement) such new Supplemental Agreement shall take effect in accordance with its terms, following which the existing Supplemental Agreement shall cease to have any further legal effect and shall cease to be binding on the parties to it.

3.4 Modification of form of Supplemental Agreements

- 3.4.1 For the avoidance of doubt:

- (a) a Supplemental Agreement is not a part of the Code and may not be modified pursuant to a Code Modification; and
- (b) the forms (in the OAD Template Agreements Document) of the Supplemental Agreement may be modified (or further alternative such forms may be included) pursuant to a decision of the Offtake Committee, but such modification shall have no effect as respects any Supplemental Agreement entered into before such modification.

4 Admission

4.1 Conditions for admission

4.1.1 A person ("**New DNO**") may become a Party in the capacity of a DNO, if the conditions in paragraph 4.1.2 are satisfied in relation to such person, subject to and in accordance with paragraph 4.2.

4.1.2 The conditions are that, with effect from the date from which the New DNO is to become a Party:

- (a) the New DNO will be the operator of an LDZ;
- (b) the New DNO will be licensee under a Transporter's Licence;
- (c) the New DNO will have prepared a Network Code;
- (d) the New DNO's Network Code will be made binding between the New DNO and Users pursuant to a Shippers Framework Agreement (whether by assignment or novation or the entry into a new Shippers Framework Agreement); and
- (e) such modifications (if any) of the Code as are necessary to reflect the participation of the New DNO as a Party have been made and taken effect.

4.2 Requirements for admission

4.2.1 In order to become a Party, the New DNO shall:

- (a) satisfy or secure the satisfaction of the requirements in paragraph 4.2.2; and
- (b) accede to the Transporters Framework Agreement by executing and delivering to National Gas Transmission an Accession Agreement and thereby agree to be bound by this Document.

4.2.2 The requirements referred to in paragraph 4.2.1(a) are as follows:

- (a) the New DNO shall have applied to National Gas Transmission, in such form as the Offtake Committee may from time to time prescribe, giving the following details:
 - (i) the name of the New DNO;
 - (ii) the legal nature of the New DNO and, where the New DNO is not a company incorporated under the Companies Act 1985 (as amended), such further information concerning the constitution of the New DNO as National Gas Transmission may reasonably require;
 - (iii) the address, telephone and facsimile numbers of the New DNO, and the individual for whose attention notice is to be marked, for the purposes of notice under GT Section B5.2.3; and
 - (iv) where the New DNO is not a company incorporated under the Companies Act 1985 (as amended), an address for service in accordance with GT Section B6.7.3;

- (b) the New DNO shall have obtained from the Offtake Committee one or more copies of the Subsidiary Documents and such other documents referred to in this Document or the Transporters Framework Agreement as the Committee shall from time to time prescribe for the purposes of this paragraph 4.2.2(b);
- (c) the New DNO has entered into or has had assigned or novated to it Supplemental Agreements with the relevant Party in respect of each Offtake relating to the LDZ of which it is operator as required by this Document;
- (d) the New DNO has satisfied any requirements which may apply under the Offtake Communications Document; and
- (e) the New DNO shall have signed the Accession Agreement and shall have satisfied the Accession Requirements (each as defined in the DSC).

4.3 Effectiveness of accession

- 4.3.1 Where any New DNO is to be admitted pursuant to this paragraph 4, each Party hereby irrevocably and unconditionally authorises National Gas Transmission to execute and deliver on behalf of such Party an Accession Agreement (in the form set out in the Transporters Framework Agreement) and to admit such New DNO as a Party.
- 4.3.2 The New DNO will become a Party with effect from the day which is three Business Days after the last of the requirements in paragraphs 4.2.1 and 4.2.2 above are satisfied.
- 4.3.3 Upon the New DNO becoming a Party to this Document pursuant to paragraph 4.3.2 above, the Offtake Committee shall so notify:
 - (a) the New DNO, specifying the names of all existing Parties and their prevailing notice details in accordance with GT Section B5.2.3; and
 - (b) all other Parties, specifying the name of the New DNO, its notice details provided under paragraph 4.2.2(a)(iii) above and the effective date of its becoming a Party in accordance with paragraph 4.3.2.

5 Cessation, withdrawal and termination

5.1 Withdrawal

- 5.1.1 A DNO ("**withdrawing DNO**") may cease to be a Party where the following conditions are, or will (with effect from its ceasing to be a Party) be, satisfied:
 - (a) the withdrawing DNO has ceased to be the operator of any LDZ;
 - (b) the withdrawing DNO is not bound to be a Party by the conditions of a Transporter's Licence;
 - (c) the withdrawing DNO is not bound by the Code pursuant to any Shippers Framework Agreement;
 - (d) all Supplemental Agreements to which the withdrawing DNO is party have been assigned or novated to another Party or have been terminated;
 - (e) there are no financial or other liabilities or obligations (whether accrued, outstanding or contingent) of the withdrawing DNO to any other Party under this Document; and
 - (f) the withdrawing DNO has satisfied the Withdrawal Requirements (as defined in the DSC).
- 5.1.2 Where a DNO wishes to cease to be a Party:

- (a) it shall give notice to the Offtake Committee specifying the date with effect from which it wishes to cease to be Party;
- (b) with effect from the specified date, provided the conditions in paragraph 5.1.1 are satisfied, the withdrawing DNO shall cease to be a Party;
- (c) if the conditions in paragraph 5.1.1 are not satisfied at the specified date, the withdrawing DNO's notice under paragraph 5.1.2(a) shall lapse and be of no effect.

5.2 Termination

- 5.2.1 The Parties acknowledge that this Document currently contains no provision under which a Party may be required to cease to be a Party in any circumstances.

5.3 Effect of cessation

Any rights and obligations of any Party which are accrued and outstanding at the date of a Party's ceasing to be a Party (pursuant to any provision of this Document) shall survive and continue to be enforceable notwithstanding such cessation.

6 Information and Confidentiality

6.1 Protected Information

- 6.1.1 In this paragraph 6, **Protected Information** means:

- (a) any information relating to the affairs of a Party (the "**Protected Party**") which is obtained by another Party (the "**Receiving Party**") pursuant to or in course of the implementation or performance of this Document, the Transporters Framework Agreement or any Supplemental Agreement to which that Party is party; and
- (b) the terms of any Supplemental Agreement to which the Protected Party and the Receiving Party are party.

- 6.1.2 The terms of the Code and the Transporters Framework Agreement are not Protected Information.

- 6.1.3 For the avoidance of doubt, the provisions of this Document are without prejudice to the requirements of the Data Protection Act 1984.

6.2 Obligations

- 6.2.1 The Receiving Party shall secure that Protected Information is not:

- (a) disclosed to any person other than:
 - (i) an officer or employee of the Receiving Party whose province it is to know the same; or
 - (ii) a professional adviser of or consultant to the Receiving Party; or
 - (iii) without prejudice to any requirement under the Receiving Party's Licence, any 10% Affiliate (other than an Affiliate which is the holder of a gas shipper's licence or a gas supplier's licence) of the Receiving Party;

in any such case in accordance with the requirements of paragraph 6.3 below; or

- (b) used by the Receiving Party for any purpose other than carrying on the Permitted Activities.

6.2.2 In relation to the Receiving Party, "**Permitted Activities**" means the carrying on of transportation business (as defined in the Receiving Party's Transporter's Licence(s)), the operation, administration, maintenance and development of the Receiving Party's System, and the implementation and performance of the Code, any Framework Agreement and any Supplemental Agreement.

6.3 Terms of Permitted Disclosure

6.3.1 Where Protected Information is disclosed by the Receiving Party as permitted under paragraph 6.2.1(a), the Receiving Party shall (without prejudice to its obligations under paragraph 6.2) take all reasonable steps to secure that the person to whom the information is disclosed:

- (a) is aware of the Receiving Party's obligations under this paragraph 6 in relation thereto; and
- (b) does not use or disclose the information other than as is permitted of such Party in accordance with paragraph 6.2.1(b) and 6.7.3.

6.4 Exceptions

6.4.1 Nothing in paragraph 6.2 or 6.3 shall apply:

- (a) to the disclosure or use by the Receiving Party of Protected Information to which the Protected Party has consented in writing;
- (b) to any Protected Information which:
 - (i) before it is obtained by the Receiving Party is in the public domain; or
 - (ii) after it is obtained by the Receiving Party enters the public domain;

in either case otherwise than as a result of a breach by the Receiving Party of its obligations under paragraph 6.2 or 6.3;
- (c) to the disclosure of any Protected Information to any person if and to the extent that the Receiving Party is required to make such disclosure to such person:
 - (i) in compliance with the duties of the Receiving Party under the Act or any other requirement of a Competent Authority; or
 - (ii) in compliance with the conditions of the Transporter's Licence(s) held by the Receiving Party or any document referred to in such licence with which the Receiving Party is required by virtue of the Act or such licence to comply; or
 - (iii) in compliance with any other Legal Requirement; or
 - (iv) in response to a requirement of any stock exchange or regulatory authority or the Panel on Take-overs and Mergers; or
 - (v) pursuant to any provision of GT Section A or pursuant to any judicial or other arbitral process or tribunal having jurisdiction in relation to the Receiving Party;
- (d) to any Protected Information to the extent that the Receiving Party is expressly permitted or required to disclose that information under the terms of any agreement or arrangement made with the Protected Party or to which it is party (including this Document, the Transporters Framework Agreement and any Supplemental Agreement to which the Protected Party is a party);
- (e) to the disclosure of Protected Information to any lending or other financial institution proposing to provide or arrange the provision of finance to the Receiving Party, where and to the extent the disclosure of such information is reasonably required for the purposes of the provision or arrangement of such finance, and provided that the person to whom the

information is disclosed undertakes in writing to and in terms reasonably satisfactory to the Protected Party to maintain the confidentiality of such information;

- (f) to the disclosure of any Protected Information to the Authority, where the Receiving Party considers in good faith that the Protected Party may be in breach of a condition of the Protected Party's Licence, to the extent reasonably necessary to draw such possible breach to the attention of the Authority or
- (g) to the disclosure of any Protected Information to an agent or contractor of the Receiving Party where the contractor has entered into a confidentiality agreement with the Receiving Party on terms no less onerous than those of paragraphs 6.1 to 6.6.

6.5 Survival

6.5.1 The provisions of this paragraph 6 above shall continue to bind a Party (and in relation to such Party, each other Party) for a period of three years after the Party ceases to be a Party pursuant to paragraph 5.

6.6 No Disclosure in Breach of Licence

6.6.1 Nothing in this Document, the Transporters Framework Agreement or any Supplemental Agreement shall be construed as requiring a Party to disclose or use any information in breach of any requirement of the Party's Transporter's Licence(s).

6.7 Data ownership

6.7.1 For the purposes of this paragraph 6.7, "**data**":

- (a) includes measured data, demand forecasts, OPNs, and includes any data comprised in any Offtake Communication; and
- (b) relates to a System where it relates to or is derived from that System, or Measurement Equipment or Connection Facilities installed by the Party which operates that System, or a User of that System.

6.7.2 As between the Parties, data which:

- (a) relates to a System; and
- (b) is provided pursuant to this Document by the Party which operates that System to another Party;

shall belong to the Party which operates that System.

6.7.3 Where pursuant to this Document a Party (the "**data Party**") provides data to another Party (the "**receiving Party**"):

- (a) the data Party grants to the receiving Party a perpetual, non-exclusive, royalty-free licence (which shall survive the data Party ceasing to be a Party) in respect of such data and all intellectual property rights therein to use, copy, adapt and deal with such data for the purposes of the Permitted Activities but not otherwise; and
- (b) data (including any compilation of data) which is derived by the receiving Party from the data provided by the data Party, pursuant to any process carried out by the receiving Party pursuant to the licence under paragraph (a)), shall belong to the receiving Party.

7 Liability

7.1 Responsibility for Loss and Liability

- 7.1.1 For the purposes of this paragraph 7, in relation to a Party, "**Loss and Liability**" means all and any of the following:
- (a) any loss or damage to:
 - (i) that Party's property (including any part of its System); or
 - (ii) the property of that Party's officers, employees, agents and Affiliates;

(whether or not such loss or damage occurs when such property is located on or has been brought onto part of an Offtake Site or other land which is owned or occupied by another Party);
 - (b) liability in connection with any injury to or death of any of that Party's officers, employees or agents (whether or not such injury or death occurs when such any such office, employee or agent is on part of an Offtake Site or other land which is owned or occupied by another Party);
 - (c) subject to paragraphs (a)(ii) and (b), any liability to or claim by any third party:
 - (i) which arises from or in connection with (or with the operation of or failure to operate) that Party's System, including any Connection Facilities installed by that Party; or
 - (ii) which arises under any contract or pursuant to any other commitment made by that Party to a third party (including pursuant to the Transportation Principal Document);
 - (d) all claims, damages, awards, costs, expenses and other liability in connection with any of the foregoing.
- 7.1.2 Subject to paragraph 7.2, each Party shall be responsible for its own Loss and Liability, irrespective of whether any such Loss and Liability results from:
- (a) the breach by any other Party of any provision of this Document; or
 - (b) any act or omission (negligent or otherwise) by any other Party, or any officer, employee, agent or Affiliate of another Party, in the course of the performance of or otherwise in connection with the subject matter of this Document.
- 7.1.3 In accordance with paragraph 7.1.2 (but subject to paragraph 7.2), each Party (the "**first**" Party):
- (a) waives any rights and remedies against any other Party (or any officer, employee, agent or Affiliate of another Party), and releases each other Party (and its officers, employees, agents and Affiliates) from any duties or liabilities, in contract, tort (including negligence), misrepresentation or otherwise, in respect of the first Party's Loss and Liability; and
 - (b) undertakes to indemnify and hold harmless each other Party (and its officers, employees, agents and Affiliates) from and against any Loss and Liability of the first Party, and all liability, loss, damages, claims, costs and expenses in connection with any Loss and Liability of the first Party.
- 7.1.4 Without prejudice to the generality of paragraph 7.1.2, but subject to paragraph 7.2, no Party shall in any circumstances be liable in respect of any breach of this Document, the Framework Agreement or any Supplemental Agreement to any other Party for:
- (a) any increased cost of working; or
 - (b) any loss of profit, loss of revenue, loss of use, loss of contract, loss of goodwill;
 - (c) any indirect or consequential loss; or

- (d) loss resulting from the liability in damages of the other Party to any other person howsoever and whensoever arising.
- 7.1.5 Each Party (the "**first**" Party) shall be responsible for determining whether to insure, and (if so) in respect of what risks and for what amounts to insure, its System and the risk of its Loss and Liability; provided that each Party shall obtain (from its insurers) an effective waiver of rights of subrogation against any other Party in respect of the first Party's Loss and Liability, and shall at all times provide such evidence as any other Party may require that such waiver of subrogation has been obtained and is in force.
- 7.1.6 In the event of any conflict between this paragraph 7.1 and any provision of the Data Services Contract or the Joint Governance Arrangements Agreement, the relevant provision of the Data Services Contract or the Joint Governance Arrangements Agreement shall prevail.
- 7.1.7 In this paragraph 7.1:
- (a) references to a Party's agent do not include the Transporters' Agent;
- (b) "**third party**" means any person other than a Party, or any officer, employee or agent of a Party (and for the avoidance of doubt includes any User).
- 7.1.8 GT Section B6.5.1 shall not apply in relation to the terms in paragraph 7.1.3(a) which may accordingly be enforced by a Party's officers, employees, agents and Affiliates, but without prejudice to GT Section B6.5.2.

7.2 Qualifications

- 7.2.1 Without prejudice to the provisions of paragraphs 7.1.2 and 7.1.3, nothing in this Document or any Supplemental Agreement shall exclude or limit the liability of any Party to any person for death of or personal injury to that person resulting from the negligence of such Party.
- 7.2.2 Paragraph 7.1 is without prejudice to any provision of the Code which provides for any Party to make a payment to another Party (including a requirement to pay or reimburse another Party's costs), or which provides for an indemnity.
- 7.2.3 Nothing in this paragraph 7 shall prevent a Party from or restrict it in enforcing any obligation (including suing for a debt) owed to it under or pursuant to this Document, any Supplemental Agreement or the Framework Agreement.
- 7.2.4 Nothing in paragraph 7.1 shall constitute a waiver by any Party of any right or remedy it may have:
- (a) (other than pursuant to the Code, or any condition of a Transporter's Licence requiring compliance with the Code) in respect of a breach by another Party of any Legal Requirement; or
- (b) in respect of the fraud of another Party.

7.3 Further provisions

- 7.3.1 Where this Document provides for any amount to be payable by a Party upon or in respect of that Party's breach of any provision of this Document:
- (a) each Party agrees and acknowledges that such provision has been the subject of discussion and negotiation, and that the amount provided to be payable represents no more than a genuine pre-estimate of the loss of the Party to which such amount is payable;
- (b) without prejudice to the generality of paragraph 7.1, each Party agrees and acknowledges that the remedy conferred by such provision is exclusive of and in substitution for any remedy in damages in respect of such breach or the event or circumstance giving rise thereto.

7.3.2 Each Party agrees that the provisions of this paragraph 7 have been the subject of discussion and negotiation and are appropriate, fair and reasonable having regard to the circumstances as at the date of this Document.

8 Offtake Committee

8.1 Establishment

8.1.1 There shall be and is hereby established a Sub-committee of the UNC Committee to be known as the Offtake Committee.

8.1.2 The Offtake Committee shall be composed of the members of the UNC Committee from time to time appointed by the Transporters, or their nominees in accordance with paragraph 8.1.3 (and references in this paragraph 8.1.2 to members of the Offtake Committee shall be construed accordingly).

8.1.3 Each member appointed by a Transporter may from time to time designate a nominee to be a member of the Offtake Committee in their place.

8.1.4 It is expected that each member of the Offtake Committee shall represent, and inform the Offtake Committee of, the views of its appointing Party in relation to matters the subject of the Offtake Committee's functions.

8.2 Chairperson

8.2.1 The Transporters shall appoint a person (who may but need not be a member appointed under paragraph 8.1.2) from time to time to be Chairperson of the Committee.

8.2.2 The Chairperson shall not have a second or casting vote at Offtake Committee meetings.

8.2.3 The Chairperson shall chair meetings of the Offtake Committee and shall have such other functions if any as the Offtake Committee shall decide.

8.3 Functions of the Offtake Committee

8.3.1 The Offtake Committee shall have the powers, duties and functions assigned to it by or under this Document.

8.3.2 The functions of the Offtake Committee shall include:

- (a) decisions in relation to the admission of new Parties under paragraph 4 or the withdrawal of a Party under paragraph 5.1; and
- (b) the review and modification of the Offtake Subsidiary Documents in accordance with paragraph 1.2.

8.3.3 Except as otherwise provided in this Agreement, the Offtake Committee shall have no ability to determine any matter and no competence to discharge any function or to exercise any power.

8.3.4 The Offtake Committee shall not, and no member (by virtue only of being a member) of the Offtake Committee shall, have the power or authority to bind any Party, other than by virtue of the effect, for the purposes of this Document, of the Offtake Committee's decisions in relation to matters within the scope of its functions.

8.4 Proceedings of the Offtake Committee

8.4.1 The Offtake Committee shall determine the rules and procedures which govern its proceedings and the convening and conduct of its meetings (including the frequency of its regular meetings).

- 8.4.2 Any meeting of the Offtake Committee may be attended by a representative of the Authority, who for the avoidance of doubt shall not have a vote at such meeting.
- 8.4.3 In respect of any matter to be decided by the Offtake Committee at any meeting of the Offtake Committee, each member shall have one vote, subject to paragraph 8.4.4.
- 8.4.4 In respect of any matter which (pursuant to an express provision of this Document) is to be decided by the Offtake Committee on behalf of the DNOs, the member appointed by National Gas Transmission shall not have a vote.

8.5 Decisions of the Offtake Committee

- 8.5.1 Decisions of the Offtake Committee shall be made by the affirmative vote of all members present at a validly called meeting of the Offtake Committee at which at least two (2) members are present, of whom at least one is a member appointed by a Party other than National Gas Transmission (and references to the unanimous decision of the Offtake Committee shall be construed accordingly).
- 8.5.2 In respect of any matter in relation to which a unanimous decision is not reached by the Offtake Committee at a meeting at which such matter is considered, unless the Offtake Committee decides to defer further consideration of such matter to a later meeting:
- (a) any member may (by notice to each Party) require that the matter shall be referred to a director of each of the Parties for determination, in which case the Parties shall ensure that their nominated directors meet to consider the matter;
 - (b) if the Parties do not reach a unanimous decision in relation to the matter within 10 Business Days after such notice, any Party may determine the matter with Condition A11(18) Approval.
- 8.5.3 The Parties shall ensure that minutes of the Committee's meetings and records of its proceedings are kept and made available to each Representative and each Party.

8.6 Offtake Sub-committees

- 8.6.1 The Offtake Committee may establish sub-committees, and may set the terms of reference and procedural rules for and delegate any matter to such a sub-committee.

9 Transmission System Operator to Distribution System Operator Agreement Guidelines

9.1 Introduction

- 9.1.1 The “Transmission System Operator to Distribution System Operator Agreement Guidelines” detail the arrangements established by the Parties for the purposes of the co ordination and management of changes, faults and outages on the information systems and communications network infrastructure used by each Party for the purposes of monitoring and controlling their respective Systems.

9.2 Adoption and implementation of the Transmission System Operator to Distribution System Operator Agreement Guidelines

- 9.2.1 Each Party agrees to adopt and implement the Transmission System Operator to Distribution System Operator Agreement Guidelines as from time to time revised by the Parties in accordance with paragraph 9.3.1.
- 9.2.2 In particular each Party shall ensure that its own procedures are consistent with the Transmission System Operator to Distribution System Operator Agreement Guidelines.

9.3 Review and revision of Transmission System Operator to Distribution System Operator Agreement Guidelines

9.3.1 The Transmission System Operator to Distribution System Operator Agreement Guidelines shall be subject to review and revision by the Offtake Committee pursuant to paragraph 1.2 of this Section.

10 Shared Sites

10.1.1 For the purposes of this paragraph 10:

- (a) a **“Shared Site”** is a site (which is not an Offtake Site) at which Shared Site Facilities belonging to different Parties are located;
- (b) **“Shared Site Facilities”** are all plant, equipment and buildings installed or to be installed at a Shared Site by a Party as may be from time to time specified in a Shared Site Agreement;
- (c) a **“Shared Site Agreement”** is an agreement between the Parties whose Shared Site Facilities are located at a Shared Site;
- (d) the **“Shared Site Agreement Date”** is:
 - (i) to the date from which the Shared Site Agreement takes effect; or
 - (ii) in the context of any alteration, replacement or relocation of the Shared Site Facilities, to the date with effect from which the appropriate amendment of the Shared Site Agreement takes effect.

10.1.2 Each Shared Site Agreement shall be in the form in the Part 4 of the Supplemental Agreement and Shared Site Agreement Template Document or in such other form as the Parties may agree.

10.1.3 A Shared Site Agreement may be amended by the agreement of the Parties and in accordance with the Supplemental Agreement Amendment Process and not otherwise; and accordingly a Shared Site Agreement shall not be subject to a modification pursuant to the Modification Rules.

10.1.4 In relation to each Shared Site, a Shared Site Agreement (substantially in the form set out in the OAD Template Agreements Document) shall be in force between the Parties setting out details of the Shared Site.

10.1.5 Where a new Shared Site is established, or any change is made to an existing Shared Site, the Parties will enter into a new Shared Site Agreement or (as the case may be) amend the existing Shared Site Agreement, in each case in accordance with the Supplemental Agreement Amendment Process; and where an Offtake (including a Closed Offtake) is to be established at a Shared Site the Parties shall enter into a Supplemental Agreement.

10.1.6 In respect of a Shared Site the provisions of this Document referred to in paragraph 10.1.7 shall apply as if references to an Offtake Site, Connection Facilities, a Supplemental Agreement and the Supplemental Agreement Date were to a Shared Site, Shared Site Facilities, a Shared Site Agreement and the Shared Site Agreement Date.

10.1.7 For the purposes of paragraph 10.1.6 the relevant provisions are as follows:

- (a) Section B1.2.3, 1.2.4, 1.2.5, 1.2.6, 1.2.7, 1.6, 1.8, 2.2, 2.4, 2.5, 2.6, 3 and 6;
- (b) Section C1.1, 3.1, 4.1, 4.2 and 5.1; and
- (c) paragraphs 3.1.3, 3.1.4, 3.3 and 3.4.

11 Provision of Gas Composition Data by DNOs to National Gas Transmission

11.1 General

- 11.1.1 National Gas Transmission is required to provide information relating to the composition of emissions of gas from its compressors for the purposes of meeting its environmental obligations. The composition of these emissions depends, in part, on the composition of the gas consumed by the compressors.
- 11.1.2 Each DNO determines the composition of gas flowing at certain of its NTS/LDZ Offtakes, including the percentage of each component set out in Annex N-1, which can be used by National Gas Transmission when it determines the composition of the emissions from its compressors because of the close proximity of those offtakes to National Gas Transmission’s compressors.

11.2 Gas Composition Data

- 11.2.1 Each DNO shall provide National Gas Transmission with an average percentage of each component set out in Annex N-1, either as 24 hourly values representing the percentage of each component for each hour in each Day, or a single value which is the average of those 24 hourly values for each Day, whichever each DNO shall choose (the “**Gas Composition Data**”) in accordance with this paragraph 11.
- 11.2.2 Each DNO listed in column 4 of the table set out in Annex N-2 shall provide National Gas Transmission with the Gas Composition Data at the locations set opposite its name in columns 2 and (if applicable) 3 of the table for the purposes of the compressor listed in column 1 of the table.
- 11.2.3 The Gas Composition Data will be provided to National Gas Transmission by each DNO for each Day by 08:00 hours on the following day.
- 11.2.4 Each DNO shall provide the Gas Composition Data by the means described in the Offtake Communications Document.

11.3 Costs

- 11.3.1 Each DNO shall be entitled to be reimbursed the incremental costs incurred by it providing the Gas Composition Data to National Gas Transmission in accordance with Section L.

11.4 Other requirements

- 11.4.1 National Gas Transmission will only utilise the Gas Composition Data for the purposes described in paragraph 11.1.1.
- 11.4.2 Each DNO shall notify National Gas Transmission as soon as practicable:
 - (a) if it proposes to make any change to configuration of the equipment or systems which is used to provide the Gas Composition Data including any change of the site number, analyser serial number or type;
 - (b) if it proposes any planned outage of equipment or system which may affect its ability to provide the Gas Composition Data in accordance with this paragraph 11 and will minimise these outages to the extent practical; or
 - (c) if, on occasion, the Gas Composition Data is invalid at one of its locations on any Day and cannot therefore be provided to National Gas Transmission in accordance with this paragraph 11.

Annex N-1
Gas Composition Data

(paragraph 11.1.2)

The following are the components of gas details of which are to be provided:

- Methane mol(%)
- Ethane mol(%)
- Propane mol(%)
- i-butane mol(%)
- n-butane mol(%)
- i-pentane mol(%)
- n-pentane mol(%)
- neo-pentane mol(%)
- C6+ mol(%)
- Carbon dioxide mol(%)
- Nitrogen mol(%)

Annex N-2

Gas Composition Data locations table

(paragraph 11.2.1)

Column 1	Column 2	Column 3	Column 4
National Gas Transmission compressor site	Gas Composition Data location	Gas Composition Data location	DNO
Aberdeen	Aberdeen	Balgray	Scotland Gas Networks PLC
Alrewas	Alrewas C	Austry	Cadent Gas Limited
Avonbridge	Armadale	Drum	Scotland Gas Networks PLC
Aylesbury	Ipsden	Hardwick	Southern Gas Networks PLC
Bishop Auckland	Bishop Auckland	Elton	Northern Gas Networks Limited
Cambridge	Great Wilbraham	Royston	Cadent Gas Limited
Carnforth and Nether Kellet	Lupton	<i>Not applicable</i>	Cadent Gas Limited
Carnforth and Nether Kellet	Wetheral	<i>Not applicable</i>	Northern Gas Networks Limited
Chelmsford	Yelverton	Roudham Heath	Cadent Gas Limited
Churchover	Rugby	Market Harborough	Cadent Gas Limited
Diss	Yelverton	Roudham Heath	Cadent Gas Limited
Felindre	Ross	<i>Not applicable</i>	Cadent Gas Limited
Felindre	Fiddington	<i>Not applicable</i>	Wales & West Utilities Limited
Hatton	Gosberton	<i>Not applicable</i>	Cadent Gas Limited
Huntingdon	Peterborough Eye	<i>Not applicable</i>	Cadent Gas Limited
Huntingdon	Hardwick	<i>Not applicable</i>	Southern Gas Networks PLC
Kings Lynn	West Winch	<i>Not applicable</i>	Cadent Gas Limited
Kirriemuir	Balgray	Aberdeen	Scotland Gas Networks PLC
Lockerley	Ipsden	Winkfield	Southern Gas Networks PLC
Peterborough	Peterborough Eye	Caldecott	Cadent Gas Limited
St Fergus	Aberdeen	<i>Not applicable</i>	Scotland Gas Networks PLC
Wisbech	Gosberton	West Winch	Cadent Gas Limited
Wooler	Saltwick	<i>Not applicable</i>	Northern Gas Networks Limited
Wooler	Armadale	<i>Not applicable</i>	Scotland Gas Networks PLC
Wormington	Fiddington	Evesham	Wales & West Utilities Limited

