

## UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

### SECTION U – UK LINK

#### 1 GENERAL

##### 1.1 Introduction

- 1.1.1 The Transporters will secure the establishment and operation of UK Link, and will afford to Users access to and use of UK Link, and each Transporter and each User will communicate with each other by means of UK Link, subject to and in accordance with this Section U.
- 1.1.2 UK Link Users are required to comply with the relevant requirements of this Section U in respect of access to and use of UK Link.
- 1.1.3 For the purposes of the Code:
- (a) the "**UK Link Network**" is an information exchange system (described in the UK Link Manual), as from time to time modified in accordance with paragraph 8, which runs on a wide area network, allowing the electronic transfer of information between a Transporter and UK Link Users and certain access (as described in the UK Link Manual) by UK Link Users to the UK Link System;
  - (b) the "**UK Link System**" means the computer systems (described in the UK Link Manual), as from time to time modified in accordance with paragraph 8, operated by Transporters to support implementation of certain provisions of the Code and the giving of certain communications by a Transporter and UK Link Users;
  - (c) "**UK Link**" means the UK Link Network and, to the extent to which (as described in the UK Link Manual) Users have access to and use of it, the UK Link System.
- 1.1.4 A "**UK Link User**" is:
- (a) any User, provided that a Discontinuing User shall cease to be a UK Link User upon the User Discontinuance Date; and
  - (b) any other person permitted to have access to and use of UK Link under paragraph 1.3.
- 1.1.5 For the purposes of the Code a "**UK Link Communication**" is a message transmitted by a Transporter or by a UK Link User by means of UK Link (which shall be deemed for this purpose to include the Active Notification System) in accordance with the requirements of paragraph 4; and for these purposes a "**message**" is a discrete transmission electronically sent or electronically posted by a Transporter or by a UK Link User.
- 1.1.6 Without prejudice to any contractual obligation binding on a Transporter other than under the Code, a Transporter accepts no responsibility for the accuracy of any communication which is not a Code Communication and is made as a UK Link

Communication.

- 1.1.7 In this Section U "**UK Link Committee**" means the Uniform Network Code Committee or any relevant Sub-committee.

## **1.2 Code Communications**

- 1.2.1 A UK Link Communication given in accordance with this Section U shall be treated as an effective and valid Code Communication, and the Transporter and each User confirms that it intends and agrees that UK Link Communications shall have legal effect for the purposes of the Code.
- 1.2.2 The UK Link Manual specifies in respect of each Code Communication therein listed whether it is to be given as a UK Link Communication, by Conventional Notice, by facsimile or by telephone, and in some cases alternative such means by which it may be given; and (subject to paragraph 1.2.4 and GT Section B5.1.2) a Code Communication may only be given by the means so specified or (where alternative such means are specified) by one of such alternative means.
- 1.2.3 Where the Code or the UK Link Manual specifies the form and/or format of UK Link Communication by which a particular Code Communication is required to be given, that Code Communication may be given only in that form and/or that format.
- 1.2.4 In the event of certain failures (referred to in paragraph 6) of UK Link, Code Communications shall be (and are permitted to be) given in accordance with paragraph 6.
- 1.2.5 Where a Code Communication which is required to be given as a UK Link Communication (and is not permitted to be given by another means except pursuant to paragraph 1.2.4) is not given in accordance with the requirements of this Section U and the UK Link Manual, and as a result is not properly received by the intended recipient, it shall be deemed not to have been given and shall be of no effect.
- 1.2.6 The failure of a UK Link User or the Transporter to comply with a requirement that a Code Communication be given as a UK Link Communication, or as to the form or format in which such UK Link Communication is to be given, shall not of itself be a breach of the Code (but without prejudice to paragraph 1.2.5 or to any breach which may result from the failure to give the Code Communication).

## **1.3 External UK Link Users**

- 1.3.1 Users acknowledge that the Transporters may permit persons (other than Users), within any of the categories set out in paragraph 1.3.2, to have access to and use of UK Link.
- 1.3.2 The categories of persons referred to in paragraph 1.3.1 are as follows:
- (a) the Authority;
  - (b) Meter Readers;
  - (c) User Agents;
  - (d) Delivery Facility Operators and Connected System Operators; and

(e) the Transporter Agency.

- 1.3.3 No such person will be permitted to have access to or use of UK Link unless such person has executed an agreement substantially in the form set out (for the purposes of this paragraph 1.3.3) in the UK Link Manual; provided that in the case of the Authority the Transporters may waive or modify this requirement and such agreement shall not be required to contain a provision limiting the ability of the Authority to disclose information.
- 1.3.4 Insofar as differing from those under this Section U, the procedure by and terms upon which such a person may become a UK Link User are set out in the UK Link Manual.
- 1.3.5 Such a person will cease to be a UK Link User in accordance with the provisions (as to such cessation) of the agreement referred to in paragraph 1.3.3.
- 1.3.6 The extent to which any such person may have access to and use of UK Link will be as set out in the UK Link Manual.

#### **1.4 UK Link Manual**

- 1.4.1 The "**UK Link Manual**" means the document so entitled and issued by the Transporters, as from time to time revised in accordance with paragraph 8.
- 1.4.2 It shall be an obligation of the Transporter or a UK Link User to comply with a provision of the UK Link Manual where such provision is expressly identified in the UK Link Manual as one which is made binding on the Transporter or such UK Link User by this Section U, and not otherwise; but it is acknowledged that as respects all provisions of the UK Link Manual (whether or not made binding by this Section U) a User may be unable to make a UK Link Communication (and so may be unable to exercise an entitlement to make a Code Communication required to be made as such) where the User does not comply with such provisions.
- 1.4.3 The UK Link Manual does not form a part of the Code (subject to paragraph 8.5.1); and in case of any conflict between the Code and the UK Link Manual, the Code shall prevail.
- 1.4.4 The Transporters reserve the right to charge any UK Link User for any copy of the UK Link Manual or any revision or update thereto (including on a serviced basis which includes the provision of all revisions and updates up to a specified date), other than such number of copies as may be provided (as described in the UK Link Manual) free of charge to UK Link Users, and other than any copies the provision (without charge) of which is covered by the terms of any charge within paragraph 1.6.1(a).

#### **1.5 Help desk**

- 1.5.1 The Transporters will provide a help desk, with reasonable resources to meet reasonable requests made by UK Link Users, as described in the UK Link Manual, which will assist UK Link Users in identifying the nature and cause of any operational problems experienced in accessing or using UK Link.
- 1.5.2 Without prejudice to paragraph 7.3 or to the terms on which the Transporters may supply or maintain any Transporter Available Equipment or Licensed Software pursuant to paragraph 2.3, where (following any assistance from such help desk or the

identification of any such operational problem or otherwise) the Transporters agree to provide any further assistance to a UK Link User in the remedying of such an operational problem as is referred to in paragraph 1.5.1 (other than one resulting from any default of the Transporters), the Transporters reserve the right to make a charge therefor in accordance with the UK Link Manual.

- 1.5.3 Except where the Code or the UK Link Manual expressly provides otherwise, no communication by or to the help desk shall take effect as a Code Communication.

## **1.6 UK Link User Charges**

- 1.6.1 The Transporters reserve the right to require any UK Link User to pay:
- (a) an initial and/or periodic subscription charge or charges for access to and use of UK Link or any class of such access and use;
  - (b) charges in respect of the provision by the Transporters of training in the use of UK Link to personnel of the UK Link Users.
- 1.6.2 Any charge payable under paragraph 1.6.1 shall be in addition to any amounts payable pursuant to paragraphs 1.4.4, 1.5.2 and 2.3.4.
- 1.6.3 In any case where the amount or rate of any charge payable by a User under this Section U does not fall to be included in the Transportation Statement, the amount or rate of such charge shall be as set out in the UK Link Manual; provided that a charge payable by a UK Link User who is not a User may either be as specified in the Transportation Statement or as specified in the UK Link Manual.
- 1.6.4 Amounts payable by Users pursuant to this Section U will be invoiced and are payable in accordance with Section S.
- 1.6.5 The terms of invoicing and payment of any amount payable pursuant to this Section U by a UK Link User who is not a User shall be as set out in the UK Link Manual.

## **1.7 Additional Access to UK Link System**

- 1.7.1 UK Link incorporates (in addition to facilities for making Code Communications referred to elsewhere in this Section U) certain facilities, as described in the UK Link Manual, enabling Users:
- (a) to obtain certain information concerning the User's entitlements and obligations under the Code or other information relating to the User and maintained by the Transporter under the Code; and
  - (b) to verify the accuracy of or otherwise to validate UK Link Communications made by that User.
- 1.7.2 A User may, by using the UK Link Network, access the facilities within the UK Link System referred to in paragraph 1.7.1, subject to and in accordance with the UK Link Manual, for the purposes set out in paragraphs 1.7.1(a) and (b).
- 1.7.3 Notwithstanding paragraph 1.7.2, each User shall be responsible (without relying on the facilities referred to in paragraph 1.7.1) for maintaining appropriate records of its

entitlements and obligations under the Code and other information relating to that User, and for the accuracy and validity (and for maintaining such information as will ensure the accuracy and validity) of Code Communications made by it.

- 1.7.4 Accordingly a User shall not be relieved of any obligation or liability under the Code by reason of any failure (including defective operation) of any such facility as is referred to in paragraph 1.7.1, and the Transporter will not be responsible for the consequences of any such failure, provided that the Transporter will notify Users as soon as reasonably practicable upon becoming aware of any such failure.
- 1.7.5 No message transmitted by or to a User in the course of accessing the facilities referred to in paragraph 1.7.1 shall be a Code Communication.
- 1.7.6 Paragraphs 1.7.3 and 1.7.4 are without prejudice to any express obligation of a Transporter under the Code to provide information to Users, or as to the accuracy of information subject to any such obligation.

## **1.8 Operational Security**

- 1.8.1 Each UK Link User and each Transporter undertakes to implement and maintain all security procedures and measures required under 'UK Link Security Policy' by the UK Link Manual to prevent unauthorised access to or use of UK Link and to ensure the protection of UK Link Communications against the risk of resulting alteration, delay, disruption or loss.
- 1.8.2 If a UK Link User becomes aware that (notwithstanding paragraph 1.8.1) any unauthorised access to or use of UK Link has or may have occurred, it shall promptly by telephone or facsimile so notify the Transporters and take such other steps as may be required under the UK Link Manual.
- 1.8.3 If a Transporter becomes aware that (notwithstanding paragraph 1.8.1) any unauthorised access to or use of UK Link has or may have occurred, it shall promptly by telephone or facsimile so notify any UK Link User who may be affected thereby (a User being so affected where a UK Link Communication given by or to such UK Link User may have been affected thereby, or where there may have been unauthorised access to information relating to such UK Link User), and take such other steps as may be required under the UK Link Manual.
- 1.8.4 Upon any notification under paragraph 1.8.2 or 1.8.3, the Transporters and the relevant User(s) shall discuss what steps if any (in addition to those required under the UK Link Manual) may be appropriate to reduce the risk of any further unauthorised access to or use of UK Link, and the extent to which any modification under paragraph 8 may be appropriate in the light thereof.
- 1.8.5 If through UK Link a UK Link User obtains or receives unauthorised access to information concerning another UK Link User, or receives a Code Communication sent to another UK Link User, the first UK Link User will promptly so inform the Transporters and will close the screen on which such information or communication appears or delete the same from its UK Link User Equipment and any other equipment without making any copy thereof (and destroying any copy accidentally made) and make no further use thereof.

## **1.9 Virus protection**

Each Transporter and each UK Link User shall:

- (a) implement and maintain policies and procedures, in accordance with the requirements of the UK Link Manual, designed to prevent harmful code or programming instruction(s):
  - (i) from being transmitted to the other or incorporated into UK Link or into any computer program material or medium delivered to the other by reason of anything done by such party pursuant to this Section U; or
  - (ii) if received by it from the other, from being incorporated into its own computer hardware or software; and
- (b) promptly notify the other (in accordance with the relevant procedures set out in the UK Link Manual) if it knows or has any reason to believe that (notwithstanding paragraph (a)) any such code or instruction has been so transmitted or incorporated or received.

#### **1.10 Liability**

- 1.10.1 For the purposes of Section V8.1.1, damage or loss to or corruption of any software or data or information contained in a computer system, resulting from a wilful breach of paragraph 1.8 or 1.9(a), shall be deemed to be physical damage.
- 1.10.2 GT Section B2.4.1 shall not apply in respect of paragraph 1.10.1.
- 1.10.3 The Transporter or (as the case may be) a UK Link User shall not be liable in respect of any such damage or loss as is referred to in paragraph 1.10.1 to the extent the breach giving rise thereto occurred as a result of the breach by another UK Link User or (as the case may be) another Transporter of a provision of this Section U.

#### **1.11 Planned UK Link downtime**

- 1.11.1 To enable the Transporters to operate and maintain UK Link, on each Day and/or particular Days UK Link, or (where so specified in the UK Link Manual) particular parts of UK Link, will not be operational at certain times and for certain periods ("**planned UK Link downtime**") specified in or determined in accordance with the UK Link Manual.
- 1.11.2 During planned UK Link downtime, UK Link Users and Transporters will not be able to have access to or use UK Link or the relevant part thereof, and accordingly will not be able to make UK Link Communications, except to the extent, if any, provided for in the UK Link Manual.
- 1.11.3 During planned UK Link downtime, notwithstanding any other provision of the Code, Users and the Transporter will not be entitled to make any Code Communication which is required to be made as a UK Link Communication, except to the extent (if any) provided for in the UK Link Manual or (where part only of UK Link is subject to such downtime) where such part is not required to enable such communication to be made, and their respective rights under the Code shall be construed accordingly.
- 1.11.4 Except as provided in paragraph 6.1.3(b), the unavailability of UK Link during planned UK Link downtime will not be a Code Contingency for the purposes of paragraph 6; but

any such unavailability which extends or the Transporters reasonably anticipate will extend beyond the period of planned UK Link downtime will (subject to and in accordance with the Contingency Procedures) be a Code Contingency.

### **1.12 DNO Users**

In this Section U references to Users include DNO Users.

## **2 EQUIPMENT AND OPERATIONAL REQUIREMENTS**

### **2.1 Introduction**

2.1.1 This paragraph 2 sets out requirements (in respect of the provision of computer hardware, telecommunications facilities and equipment and computer software, and operational requirements) applicable to UK Link Users in relation to access to and use of UK Link.

2.1.2 UK Link has been designed to function:

- (a) on and with certain hardware and software configurations;
- (b) in accordance with the address strategy; and
- (c) in accordance with defined standards and protocols

all as described in the UK Link Manual.

### **2.2 User Equipment and User Software**

2.2.1 It is the responsibility of each UK Link User, at its expense (but subject to paragraph 2.2.13), to secure that there are provided at its premises (except that the Active Notification Device referred to in paragraph 4.6.4 need not be held on the premises) and maintained and from time to time (as required by any UK Link Modification in accordance with paragraph 8) modified, upgraded or replaced, the computer hardware and other equipment, software and telecommunication facilities, and the other facilities and resources, necessary to enable the UK Link User to access and use UK Link and transmit, receive, translate, record and store UK Link Communications, as described in the UK Link Manual.

2.2.2 The Transporters and each UK Link User shall take all reasonable steps:

- (a) to secure that the equipment, software and facilities to be installed by it in connection with UK Link are adequately protected against damage and security risks; and
- (b) to implement and maintain at its premises the operational environment required for the operation of the UK Link Network.

2.2.3 In accordance with the UK Link Manual, UK Link Users will be classified according to indicators of expected use of and access to UK Link; and the minimum scope and configuration of the equipment, software, facilities and resources from time to time to be provided by a UK Link User in accordance with paragraph 2.2.1 will be determined (as described in the UK Link Manual) by reference to such classification.

- 2.2.4 For the purposes of this Section U:
- (a) **"UK Link User Equipment"** is the computer hardware and other equipment from time to time provided by a UK Link User in accordance with paragraph 2.2.1;
  - (b) **"UK Link User Software"** is the software from time to time installed on the UK Link User Equipment in accordance with paragraph 2.2.1.
- 2.2.5 A UK Link User shall not access or use UK Link other than by means of the UK Link User Equipment and UK Link User Software and in accordance with the protocols and standards and other requirements set out in the UK Link Manual.
- 2.2.6 Except in so far as provided by the Transporters in accordance with paragraph 2.3, it is the responsibility of each UK Link User to ensure that the UK Link User Equipment and UK Link User Software comply with the specifications and satisfy the configurations described in the UK Link Manual.
- 2.2.7 In accordance with the UK Link Manual, a UK Link User must obtain and the Transporters will provide under licence certain of the software required to be installed pursuant to paragraph 2.2.1.
- 2.2.8 Except as provided in paragraph 2.2.7 and as otherwise provided in the UK Link Manual, and without prejudice to the requirements of this paragraph 2.2, UK Link Users may procure from any source any of the equipment, facilities and software required under paragraph 2.2.1.
- 2.2.9 Where the UK Link Manual specifies (in addition to what is specified for the purposes of paragraph 2.2.1) any benchmark (**"Benchmark UK Link Configuration"**) for the specification, standard or configuration of equipment, software or other facilities to be installed pursuant to paragraph 2.2.1:
- (a) a UK Link User shall not be required to secure that its UK Link User Equipment and UK Link User Software comply with the Benchmark UK Link Configuration (but without prejudice to paragraph 2.2.1); but
  - (b) a UK Link User who does not secure compliance with the Benchmark UK Link Configuration shall be responsible for satisfying himself and securing that the equipment, software and facilities installed by him are capable of operating in accordance with the requirements of this Section U and allowing UK Link to function thereon.
- 2.2.10 The Benchmark UK Link Configuration expressly excludes any computer hardware or software whose functions are beyond the scope of what is required (in accordance with paragraph 2.2.1) for the use of and access to UK Link.
- 2.2.11 The Transporters agree that they will, in consultation with the UK Link Committee, from time to time review the Benchmark UK Link Configuration in the light of technological developments in the computer hardware and software generally available to Users with a view to determining whether it would be appropriate (as a UK Link Modification) to modify such configuration.



- 2.2.12 Where the UK Link Manual so requires in respect of any UK Link User Equipment (not including an Active Notification Device), a UK Link User shall inform the Transporters of the premises at which such UK Link User Equipment is installed and shall not relocate such equipment from such premises except in accordance with the requirements of the UK Link Manual.
- 2.2.13 Paragraph 2.2.1 is without prejudice to any term referred to in paragraph 2.3.4 pursuant to which the cost of maintenance of any Transporter Available Equipment is to be borne by the Transporters.

### **2.3 Transporter Available Equipment and Software**

- 2.3.1 For the purposes of this Section U "**Transporter Available Equipment**" and "**Transporter Available Software**" are respectively those items of computer hardware and other equipment, and computer software (excluding that referred to in paragraph 2.2.7), which are available to be provided by the Transporters as described in the UK Link Manual.
- 2.3.2 Upon request by a UK Link User (by notice to the Transporters and otherwise subject to and in accordance with the UK Link Manual), the Transporters will provide on hire any Transporter Available Equipment and/or supply Transporter Available Software.
- 2.3.3 The Transporters will not provide (and shall not be deemed to have provided) to a UK Link User any Transporter Available Software except on terms that the Transporters do not license and is not a party to any licence of such software to the UK Link User and that the existence and terms of the licence between the UK Link User and the person entitled to grant such a licence will be as prescribed by such person or as otherwise agreed between such person and the UK Link User.
- 2.3.4 The terms (including without limitation terms as to hire and other charges or fees) upon which the Transporters provide any Transporter Available Equipment or Transporter Available Software, or maintain any Transporter Available Equipment, shall be those set out in the UK Link Manual or otherwise agreed between the Transporters and the UK Link User, and do not form part of the Code and are not an Ancillary Agreement; provided that where a UK Link User has not entered into an agreement with the Transporters in respect thereof, it shall be deemed to have agreed to the applicable terms in the UK Link Manual.
- 2.3.5 UK Link User Equipment (including replacement parts) which is provided by the Transporters shall be deemed to comply with the Benchmark UK Link Configuration.

### **2.4 Means of Telecommunication**

The means of telecommunication to be used for the purposes of the UK Link Network, including the telecommunication protocols and requirements as to third party service provider(s) will be as set out in the UK Link Manual.

### **2.5 Authorised Representative**

- 2.5.1 Where so specified in the UK Link Manual, a UK Link User may only have access to and use of certain parts ("**individual access parts**") of UK Link by an Authorised Representative.
- 2.5.2 An "**Authorised Representative**" is a representative of a UK Link User who has been designated by the UK Link User in accordance with paragraph 2.5.3 and for whom a UK Link Identity under paragraph 2.6.1(b) has been issued.
- 2.5.3 Each UK Link User shall designate one or more representatives of that UK Link User as having authority to access and use, on behalf of that UK Link User, individual access parts of UK Link.
- 2.5.4 A designation, and any withdrawal of the designation, of a representative under paragraph 2.5.3 shall be made by the nominating UK Link User by Conventional Notice to the Transporters specifying:
- (a) the name of the representative;
  - (b) the date (not, unless the Transporters shall agree otherwise, being less than 5 Business Days after such notification is given) with effect from which such designation or withdrawal is to take effect.
- 2.5.5 A representative designated under paragraph 2.5.3 shall become an Authorised Representative with effect from the date when a UK Link Identity is issued for his use in accordance with paragraph 2.6.2(b).
- 2.5.6 Each UK Link User shall comply, and secure that its Authorised Representatives shall comply, with the provisions of the UK Link Manual in respect of the designation and actions of Authorised Representatives.
- 2.5.7 Subject to paragraph 2.5.8, a UK Link User shall not be entitled to have access to or use of individual access parts of UK Link other than by its Authorised Representatives.
- 2.5.8 Where, in accordance with any relevant requirements under the UK Link Manual, any access to or use of any individual access part of UK Link by a UK Link User is initiated by a computer system of the UK Link User on an automated basis pursuant to an arrangement made by an Authorised Representative, such access or use shall be treated as being by such Authorised Representative.

## **2.6 User Identification and Passcode**

- 2.6.1 A "**UK Link Identity**" is the user identification(s) and passcode(s) (as described in the UK Link Manual) by means of which:
- (a) a UK Link User; or
  - (b) as respects individual access parts of UK Link, a representative of a UK Link User
- may have access to UK Link.

- 2.6.2 The Transporters shall issue to each UK Link User in accordance with the UK Link Manual:
- (a) a UK Link Identity under paragraph 2.6.1(a); and
  - (b) upon receipt of notice from a UK Link User under paragraph 2.5.4, a UK Link Identity under paragraph 2.6.1(b) for the use of the representative designated in such notice.
- 2.6.3 A UK Link User shall be responsible for the actions of persons to whom it may make known its UK Link Identity under paragraph 2.6.1(a), and of its Authorised Representatives, and for the security of its and of each of its Authorised Representatives' UK Link Identities, which shall not be assigned or transferred or made known to any third party, nor (in the case of a UK Link Identity under paragraph 2.6.1(b)) to any representative of the UK Link User other than the Authorised Representative for whose use it was issued.
- 2.6.4 The passcode(s) comprised in each UK Link Identity are subject to requirements for periodic change in accordance with the UK Link Manual.
- 2.6.5 For security reasons, in the circumstances described in and otherwise in accordance with the UK Link Manual, a new UK Link Identity may be issued to a UK Link User or an Authorised Representative.
- 2.6.6 The Transporter shall be entitled to assume that any person using a UK Link User's UK Link Identity under paragraph 2.6.1(a), and any Authorised Representative of a UK Link User, is fully authorised to access and use UK Link (and in particular to initiate, authorise and transmit, and to receive or access for the purposes of receiving, UK Link Communications); and any UK Link Communication transmitted by such a person or (as the case may be) an Authorised Representative shall be treated as given by the UK Link User.

## **2.7 Temporary inhibition of access**

- 2.7.1 Where at any time:
- (a) a UK Link User is not complying with any requirement of this Section U or the UK Link Manual in respect of access to or use of UK Link;
  - (b) such non-compliance does not result from:
    - (i) any action by a Transporter, other than an action which it is required to take or might reasonably be expected to take to comply with a requirement of this Section U or the UK Link Manual; or
    - (ii) a failure by a Transporter to comply with a requirement of this Section U or the UK Link Manual; and
  - (c) in the reasonable opinion of the Transporters such non-compliance is resulting in or will result in material disruption to the access to or use of UK Link by other UK Link Users and/or the Transporter and/or other Transporters

the Transporters may take any reasonable steps to inhibit or (but only where

appropriate) discontinue access to UK Link by the defaulting UK Link User.

- 2.7.2 The Transporters will notify a UK Link User by telephone (followed by facsimile) of any steps under paragraph 2.7.1 wherever practicable before and in any event as soon as practicable after taking such steps; and will restore the UK Link User's access to UK Link promptly upon the UK Link User demonstrating to the Transporters' reasonable satisfaction that the non-compliance referred to in paragraph 2.7.1(c) will not recur.

## **2.8 Termination**

Upon ceasing to be a UK Link User under National Grid NTS's Network Code for any reason, a former UK Link User shall:

- (a) return all Transporter Available Equipment which has been supplied (other than by way of sale) by the Transporters to the former UK Link User forthwith and in accordance with the terms on which that Equipment was supplied as set out in the UK Link Manual;
- (b) return the Licensed Software and all copies of the Licensed Software and documents relating to the Licensed Software or supply to the Transporters a certificate signed by an authorised officer of the former UK Link User confirming that the Licensed Software, related documentation and all copies thereof have been destroyed;
- (c) return all copies of the UK Link Manual forthwith to the Transporter or supply a certificate to the Transporters signed by an authorised officer of the former UK Link User confirming that all copies of the UK Link Manual have been destroyed;
- (d) ensure that its Authorised Representatives discontinue access to and use of UK Link.

## **3 LICENCE**

### **3.1 Introduction**

- 3.1.1 Subject to the restrictions in paragraph 3.1.2, a UK Link User may for the purposes contemplated by the Code or the UK Link Manual (including such purposes under an Ancillary Agreement, Network Entry Agreement or Network Exit Provisions), but not otherwise:

- (a) have access to and use UK Link;
- (b) use the Licensed Software; and
- (c) make use of the UK Link Manual.

- 3.1.2 The licence granted in paragraph 3.1.1 to each UK Link User is royalty-free (but without prejudice to paragraph 1.6) and non-exclusive and non-transferable and shall terminate automatically upon that UK Link User ceasing to be a UK Link User for any reason.

- 3.1.3 In respect of each UK Link User, the "**Licensed Software**" means the software referred

to in paragraph 2.2.6 (as described in the UK Link Manual) and provided to the UK Link User (in object code or other form), and new releases of that software.

- 3.1.4 UK Link, the Licensed Software, any accompanying documentation, the UK Link Manual and all copyright and other intellectual property rights of whatever nature therein are and shall at all times remain as between the Transporters and each UK Link User the property of the Transporters.

### **3.2 Restrictions on the Use of Licensed Software and the UK Link Manual**

- 3.2.1 A UK Link User may use the Licensed Software only on the UK Link User Equipment.

- 3.2.2 A UK Link User may not:

- (a) copy the Licensed Software, any documentation including any manual accompanying the Licensed Software, or the UK Link Manual, except for the purpose of making 2 back-up copies of these materials;
- (b) sub-license use of the Licensed Software to a third party;
- (c) except as may be permitted by law, decompile, disassemble or modify the whole or any part of the Licensed Software;
- (d) charge or otherwise deal in or encumber the Licensed Software or any accompanying documentation;
- (e) delete, remove or in any way obscure any proprietary notices of a Transporter or a third party on any copy of the Licensed Software, accompanying documentation or the UK Link Manual.

- 3.2.3 Without prejudice to the provisions as to confidentiality of Section V5 or (as the case may be) the agreement referred to in paragraph 1.3.3, each UK Link User shall:

- (a) reproduce a Transporter's copyright notices on any copy made by it of the Licensed Software, accompanying documentation or the UK Link Manual;
- (b) keep records of the making of each copy of the Licensed Software, accompanying documentation or the UK Link Manual and location of such copies, and upon request forthwith produce such records to a Transporter; and
- (c) without prejudice to the foregoing, subject to paragraph 3.2.4, take all such other reasonable steps which shall from time to time be necessary in the reasonable opinion of the Transporters to protect the confidential information and intellectual property rights of the Transporters in the Licensed Software, accompanying documentation and the UK Link Manual.

- 3.2.4 Except where the UK Link User is in breach of this paragraph 3.2, paragraph 3.2.3(c) shall not require a UK Link User to take or join in taking any legal proceedings:

- (a) where the UK Link User is (in its reasonable opinion) justified in declining to do so on the grounds that it does not wish to be involved in legal proceedings against the particular third party(ies) involved; and
- (b) except on terms that the Transporters indemnify the UK Link User in respect of

all costs and liabilities incurred in so doing and on such other terms as the UK Link User may reasonably require.

- 3.2.5 A UK Link User shall not, and shall not attempt to, download, delete, modify or knowingly damage or access for any purpose other than as authorised under this Section U, any software program comprised in the UK Link System or installed on any equipment (other than the UK Link User Equipment) forming part of UK Link.

### **3.3 Interoperability of Licensed Software**

- 3.3.1 To the extent permitted by the Transporters under the terms of any head licence the Transporters may have with a third party in respect of any of the Licensed Software, the Transporters will provide on request from a UK Link User to that UK Link User information regarding interfaces and standard protocols relating to the Licensed Software, to enable the Licensed Software to be used in conjunction with other software which is not provided by the Transporters.
- 3.3.2 The Transporters give no warranty regarding the interoperability of the Licensed Software with other software (other than any other software comprised in the Benchmark UK Link Configuration).

### **3.4 Releases**

- 3.4.1 The Transporters may issue from time to time new versions of any of the Licensed Software by way of UK Link Modification subject to and in accordance with paragraph 8.
- 3.4.2 Each UK Link User shall be obliged to install new releases of the Licensed Software on the UK Link User Equipment by the date and time specified (so as to provide reasonable notice to the UK Link User) by the Transporters.
- 3.4.3 Within a reasonable time after installation of a new release, a UK Link User shall destroy all copies or any part of the superseded version of the Licensed Software, as required by the Transporters.

### **3.5 Copyright**

- 3.5.1 The Transporters warrant to each UK Link User that the licence granted to such UK Link User in respect of the Licensed Software under paragraph 3.1, and the use by such UK Link User of the Licensed Software in compliance with the requirements of this Section U, does not and will not infringe the intellectual property rights of any third party.
- 3.5.2 In the event that any of the Licensed Software or any part of UK Link becomes, or in the Transporters' reasonable opinion is likely to become, the subject of a claim for infringement of copyright or any other intellectual property rights owned by a third party, the Transporters may (without prejudice to any other action it may take in respect of such claimed infringement) in accordance with paragraph 8 but without prejudice to paragraph 7 replace or modify that Licensed Software or part of UK Link so as to make it non-infringing (but notwithstanding paragraph 8.1.3(b) the Transporters will reimburse the reasonable costs incurred by UK Link Users in implementing such replacement or modification).

### 3.6 Indemnities

- 3.6.1 Each UK Link User shall indemnify and hold harmless the Transporter from and against any and all loss, liability, damage, claim, action, proceeding, cost and expense resulting from any breach by such UK Link User of paragraph 3.2.
- 3.6.2 The Transporters shall indemnify and hold harmless each UK Link User from and against any and all loss, liability, damage, claim, action, proceeding, cost and expense resulting from any breach by the Transporters of paragraph 3.5.
- 3.6.3 Where any claim has been made against the Transporters or (as the case may be) a UK Link User (the "**indemnified party**") on the basis of facts, events or circumstances which are or may be the subject of the indemnity given under paragraph 3.6.1 or 3.6.2 by a UK Link User or (as the case may be) the Transporter (the "**indemnifying party**"), and the indemnified party would intend to enforce such indemnity in respect of such claim, the indemnifying party:
- (a) if so requested by the indemnified party, agrees to provide reasonable assistance, not being financial assistance (but without prejudice to the indemnity itself), to the indemnified party in defending the claim;
  - (b) agrees that where it may reasonably be concluded, having regard to the extent to which the indemnified party has defended the claim, from a finding of a court of competent jurisdiction against the indemnified party that the indemnifying party was in breach of paragraph 3.2 or (as the case may be) paragraph 3.5, such breach will be taken to be established by such finding of such court;
  - (c) acknowledges that there will be circumstances in which it is commercially appropriate that the indemnified party should settle or cease to defend such claim, and agrees (if requested) to discuss in good faith with the indemnified party such settlement or ceasing to defend, or any other arrangements by which the financial and other burden of continued defence would be borne by the indemnifying party.

## 4 UK LINK COMMUNICATION

### 4.1 Introduction

- 4.1.1 The forms of UK Link Communication comprise the following:
- (a) T-U On-Line Communication (given by a Transporter) in accordance with paragraph 4.3;
  - (b) U-T On-Line Communication (given by a UK Link User) in accordance with paragraph 4.4;
  - (c) Batch Transfer Communication (given by a Transporter or a UK Link User) in accordance with paragraph 4.5;
  - (d) Active Notification Communication (given by a Transporter) in accordance with paragraph 4.6.

- 4.1.2 The form in which particular Code Communications are to be given as a UK Link Communication is described in the UK Link Manual.

#### **4.2 Particular communication facilities**

- 4.2.1 For the purposes of UK Link Communications, UK Link includes Gateways and certain Automatic Audit Trail Facilities.

- 4.2.2 In respect of certain forms of UK Link Communication, an "**Automatic Audit Trail Facility**" is a facility (described in the UK Link Manual) forming part of the UK Link System installed at premises designated by the Transporters, which will automatically record the sending or the receipt by the Transporter of the message comprised in such UK Link Communication and log the date and time of such sending or receipt.

- 4.2.3 A "**Gateway**" is a computer server (as described in the UK Link Manual), forming part of the UK Link Network, installed at premises designated by the Transporters and of each UK Link User (and in the case of a UK Link User forming part of the UK Link User Equipment and including Licensed Software).

#### **4.3 T-U On-Line Communication**

- 4.3.1 A "**T-U On-Line Communication**" is a message transmitted by a Transporter to a UK Link User or UK Link Users by means of UK Link, as described in the UK Link Manual.
- 4.3.2 A message transmitted as a T-U On-Line Communication will reside in the UK Link System at premises designated by the Transporters, and can be accessed by the UK Link User on-line by means of the UK Link Network as described in the UK Link Manual.
- 4.3.3 Any T-U On-Line Communication is (as described in the UK Link Manual) either:
- (a) a message posted by a Transporter to a particular UK Link User or group of UK Link Users; or
  - (b) a message posted on a public electronic notice board accessible by all UK Link Users or (if so specified in the UK Link Manual) all Users.
- 4.3.4 A T-U On-Line Communication will remain accessible by a UK Link User or Users for the period specified (in respect of the relevant communication) in the UK Link Manual, following which it will no longer be accessible.
- 4.3.5 UK Link Users shall be responsible for accessing (in accordance with paragraph 4.3.2) T-U On-Line Communications at such intervals as shall be appropriate and prudent (having regard without limitation to paragraph 4.3.4).
- 4.3.6 A Code Communication given as a T-U On-Line Communication shall be deemed to have been received by a UK Link User to whom it is transmitted at the time the message is logged 'as sent' by the Automatic Audit Trail Facility, irrespective of whether or when accessed in accordance with paragraph 4.3.5 by that UK Link User.

#### **4.4 U-T On-Line Communication**

- 4.4.1 A "**U-T On-Line Communication**" is a message transmitted on-line by a UK Link



User to a Transporter by UK Link, as described in the UK Link Manual.

- 4.4.2 A Code Communication given as a U-T On-Line Communication shall be deemed to have been received by the Transporter at the time the message is logged 'as received' by the Automatic Audit Trail Facility.

#### **4.5 Batch Transfer Communication**

- 4.5.1 A "**Batch Transfer Communication**" is a data file containing one or more messages transmitted by a Transporter or by a UK Link User by means of the UK Link Network, as described in the UK Link Manual.
- 4.5.2 Where the UK Link Manual specifies (in respect of particular Code Communications or in particular circumstances) times at or periods within which Batch Transfer Communications may be given, Code Communications may be given as Batch Transfer Communications only at the times or within the periods so specified.
- 4.5.3 A message transmitted as a Batch Transfer Communication will reside at the recipient's Gateway, and can be accessed by the recipient as described in the UK Link Manual.
- 4.5.4 A Batch Transfer Communication will remain accessible by a UK Link User or the Transporter at its Gateway until deleted by it or deleted automatically (after the period and/or in the circumstances described in the UK Link Manual).
- 4.5.5 Each UK Link User and the Transporter shall be responsible for accessing (from its Gateway) Batch Transfer Communications transmitted to it at such intervals as shall be appropriate and prudent (having regard without limitation to paragraph 4.5.4).
- 4.5.6 Each Gateway incorporates facilities (as described in the UK Link Manual) by which:
- (a) where a Batch Transfer Communication is transmitted, a message is automatically transmitted from the recipient's Gateway to the sender's Gateway acknowledging receipt thereof;
  - (b) if a Batch Transfer Communication is transmitted and no acknowledging message (in accordance with paragraph (a)) is received at the sender's Gateway, the Batch Transfer Communication will be re-transmitted as described in the UK Link Manual.
- 4.5.7 Subject to paragraph 4.5.9(e), a Batch Transfer Communication shall be deemed to have been received by the recipient at the time the message referred to in paragraph 4.5.6(a) acknowledging receipt thereof is received at the sender's Gateway.
- 4.5.8 Where the Transporter or a UK Link User has transmitted a Batch Transfer Communication and has not received an acknowledging message (in accordance with paragraph 4.5.6(a)), paragraph 4.5.9 shall apply.
- 4.5.9 In the circumstances in paragraph 4.5.8:
- (a) the sender of the Batch Transfer Communication shall, as soon as it becomes aware that no acknowledging message was received, endeavour to contact (by telephone or facsimile) and so notify the intended recipient of that Batch Transfer Communication;

- (b) following such notification the sender and the intended recipient shall immediately take all reasonable steps (other than steps involving the investigation of equipment installed at the other's premises) to identify the cause of the recipient's non-receipt of an acknowledging message, and if either of them shall so identify such cause it shall promptly so inform the other (by telephone or facsimile);
- (c) upon the identification of such cause the party responsible for such cause shall promptly remedy any non-compliance with any operational requirement for the proper functioning of the UK Link Network and take any other reasonable steps available to it to restore proper communication between their respective Gateways;
- (d) as soon as such communication has been restored, the sender shall retransmit the Batch Transfer Communication;
- (e) unless the sender informed the intended recipient under paragraph (b), or the intended recipient is able to demonstrate, that the sender had failed to comply with any operational requirement for the proper functioning of the UK Link Network, the Batch Transfer Communication when retransmitted under paragraph (d) shall be deemed to have been received by the recipient at the time (as logged by the sender's Gateway) of the sender's first transmission referred to in paragraph 4.5.8.

4.5.10 Where the Transporter Agent transmits a Batch Transfer Communication it may contain messages from more than one Transporter in respect of more than one System.

4.5.11 Where a UK Link User transmits a Batch Transfer Communication it may contain messages in respect of more than one System.

#### **4.6 Active Notification**

4.6.1 An "**Active Notification Communication**" is a message transmitted by a Transporter by means of the Active Notification System, as described in the UK Link Manual.

4.6.2 The "**Active Notification System**" is the system (as described in the UK Link Manual) for transmitting messages to a warning device ("**Active Notification Device**") forming part of the UK Link User Equipment.

4.6.3 An Active Notification Communication shall be deemed to have been received by the UK Link User to whom it is transmitted at the time it is logged 'as sent' by the Active Notification System.

4.6.4 Each UK Link User shall ensure that at all times a representative of the UK Link User has an Active Notification Device in his continuous possession and control.

4.6.5 An Active Notification Communication may (where so provided in the UK Link Manual) be notice to the effect that a Code Communication has been given by some other permitted means (in which case the Active Notification Communication will not contain the Code Communication itself).

#### **4.7 Audit Trail**

- 4.7.1 The Transporter will retain a complete and chronological record of all UK Link Communications it transmits and receives, for the minimum period applicable in respect of the relevant communication, as specified in the UK Link Manual, following transmission or receipt.
- 4.7.2 The Transporter and each UK Link User shall ensure that electronic or computer records containing UK Link Communications are readily accessible and are capable of being reproduced in a human readable form and of being printed, if required.
- 4.7.3 Records made by the Automatic Audit Trail Facility of the transmission or receipt of UK Link Communications, and (as respects UK Link Communications the transmission or receipt of which is not so recorded) other records retained by the Transporter and/or UK Link Users in accordance with this paragraph 4.7, shall be prima facie evidence of the transmission or receipt of such UK Link Communications.
- 4.7.4 In the event of a dispute between a Transporter and the UK Link User as to any Code Communication the sending of which was (as a UK Link Communication) recorded by the Automatic Audit Trail Facility, the Transporter will, as soon as reasonably practicable after a request to do so, provide to the UK Link User a copy of what is recorded (in respect of such communication) in such facility.

## **5 TRADING BETWEEN USERS**

### **5.1 General**

- 5.1.1 Users may use the UK Link Network (in addition to use for communicating with the Transporter) for the purposes of making User Trade Communications, in accordance with and subject to the relevant provisions of the UK Link Manual.
- 5.1.2 A "User Trade Communication" is:
  - (a) an invitation by a User to other Users to make such an offer as is referred to in paragraph (b);
  - (b) an offer by a User to another User to make:
    - (i) a System Capacity Transfer, as Transferee User;
    - (ii) a Storage Transfer, as transferee;
  - (c) an acceptance by a User of such an offer (made by another User) as is referred to in paragraph (b) (such Users, the "**Trading Users**").
- 5.1.3 A User Trade Communication shall be a UK Link Communication but (without prejudice to paragraph 5.4.1) is not a Code Communication.
- 5.1.4 Without prejudice to any other provision of the Code, nothing in this paragraph 5 prevents any User agreeing with another User a Capacity Transfer, Trade Nomination or Storage Transfer other than pursuant to a User Trade Communication.

### **5.2 Basis of User Trade Communications**

- 5.2.1 A User Trade Communication shall be made as a U-T On-line Communication (by the sending User) and received as a T-U On-line Communication (by the receiving User); and for these purposes the UK Link System includes a facility (as described in the UK Link Manual) by which on receipt of the U-T On-line Communication (designated by the sending User as a User Trade Communication) the related T-U On-line Communication is automatically transmitted (and without prejudice to paragraph 5.4.1 there is no instrumentality of the Transporter in such transmission nor will the Transporters be concerned with such User Trade Communication).
- 5.2.2 The sending and receiving of a User Trade Communication will be logged by the Automatic Audit Trail Facility in accordance with paragraphs 4.3.6 and 4.4.2.
- 5.2.3 The UK Link Manual sets out:
- (a) the basis on which a User Trade Communication may be made, and restrictions applying thereto;
  - (b) details of the information concerning the User making the User Trade Communication, or comprised in that communication, which will be available to or accessible by other Users by or on the UK Link Network.

### **5.3 Effect of User Trade Communications: Users**

- 5.3.1 Each User agrees with each other User that:
- (a) a User Trade Communication shall be treated as a valid and effective communication as between Users;
  - (b) a User Trade Communication under paragraph 5.1.2(b) shall be an offer capable of acceptance by the User to whom it is addressed;
  - (c) a User Trade Communication under paragraph 5.1.2(c) shall be an acceptance of an offer giving rise to a contract between the relevant Users.
- 5.3.2 The terms of the contract referred to in paragraph 5.3.1(c) shall be those terms contained in the relevant User Trade Communication(s) and such other terms as shall have been agreed by the Trading Users or in default of such agreement the terms in Annex U-1.
- 5.3.3 GT Section B2.4.1 shall not apply in respect of paragraphs 5.3.1 and 5.3.2.

### **5.4 Effect of User Trade Communication: Transporter**

- 5.4.1 Upon a User making a User Trade Communication under paragraph 5.1.2(c), the Trade Notices will (as described in the UK Link Manual) automatically be given, and shall be treated as having been given for all purposes of the Code, by that User and the User who made the corresponding User Trade Communication under paragraph 5.1.2(b).
- 5.4.2 For the purposes of paragraph 5.4.1, the "**Trade Notices**" are:
- (a) in the case of a System Capacity Transfer, the notices required under Section

B5.2.1;

- (b) in case of a Storage Gas Transfer, the notices required by the relevant Storage Terms.

5.4.3 Except as provided in paragraph 5.4.1 or where the Transporter is acting as User, the Transporter shall not be concerned with a User Trade Communication or any contract referred to in paragraph 5.3.2 (and in particular shall not be a party to such a contract).

## 6 CONTINGENCY ARRANGEMENTS

### 6.1 General

6.1.1 For the purposes of the Code:

- (a) the "**Contingency Procedures**" are procedures contained in the Code Contingency Guidelines Document forming part of the UK Link Manual for the Transporter and Users to communicate with each other in the event of a Code Contingency;
- (b) a "**Code Contingency**" is an event or circumstance affecting UK Link, of a kind specified in the Contingency Procedures, which affects the ability of the Transporters or Users (or where so specified in the Contingency Procedures, of a particular Transporter or User or particular Transporters or Users) to give or receive UK Link Communications, or to generate information to be contained in a Code Communication;
- (c) The "Code Contingency Guidelines Document" is the document so titled forming part of the UK Link Manual and containing consolidated guidelines in respect of Code Contingencies.

6.1.2 The Transporter and UK Link Users agree to adopt and (in the event of a Code Contingency) to implement the relevant Contingency Procedures.

6.1.3 A Code Contingency may (where so specified in the Contingency Procedures) include:

- (a) a degradation in performance of UK Link which falls short of a failure thereof (where the Contingency Procedures are likely, having regard to such degradation, to provide a superior method of communicating);
- (b) planned UK Link downtime which occurs other than between 04:00 hours and 06:00 hours on any Day.

6.1.4 The Transporters will provide a copy of Code Contingency Guidelines Document as set out in the Code Contingency Guidelines Document may be revised by a Manual Modification (in accordance with paragraph 8).

### 6.2 Code Communications

6.2.1 In the event of a Code Contingency, where so provided in the Contingency Procedures, a Code Communication which would normally be required to be given as a UK Link Communication may (notwithstanding any other provision of the Code or the UK Link Manual) be given by any means provided for in the Contingency Procedures.

- 6.2.2 Except as provided in the Code or the Contingency Procedures, the provisions of the Code will apply in and will not be affected by a Code Contingency; and in particular any requirements under the Code or the UK Link Manual as to the timing and content of any Code Communication, and the giving of communications by means other than UK Link, will continue to apply.
- 6.2.3 Where the Contingency Procedures specify intervals or other requirements for the giving in a Code Contingency of any Code Communication which would normally be given as a T-U On-Line Communication under paragraph 4.3.3(b), the giving of such communication at such intervals will be treated as complying with the relevant requirements of the Code.
- 6.2.4 Under the Contingency Procedures communication resources of the Transporters and Users will be used for the purposes of facilitating the continued giving (in accordance with the Contingency Procedures) of certain kinds of Code Communications in a Code Contingency, and so may not be available for other kinds of Code Communications; and accordingly in any case where the Contingency Procedures do not make provision for the giving of a particular kind of Code Communication (which is required to be given as a UK Link Communication), it may not be possible for Code Communications of that kind to be given.

### **6.3 Class A Contingencies**

- 6.3.1 It is agreed that where certain Code Contingencies occur or continue for particular periods or at particular times:
- (a) the application of certain provisions of the Code (in particular, the requirement for Users to pay certain charges, or the basis on which such charges are determined), will be modified); and/or
  - (b) the timetable provided for in the Code for the giving of certain Code Communications may be extended

as provided in the relevant Section of the Code.

- 6.3.2 A Code Contingency of the kind referred to in paragraph 6.3.1 is a "**Class A Contingency**".
- 6.3.3 Code Contingencies which are Class A Contingencies are specified, for the purposes of the relevant provisions of the Code, in the Contingency Procedures and referenced where appropriate in the relevant Sections of the Transportation Principal Document.

### **6.4 Short-term suspension of access**

Where at any time a failure in or degradation in the performance of any part of UK Link is likely to occur, or such a degradation has occurred, and in the Transporters' judgement it will be possible to prevent such failure or degradation, or remedy such degradation, by suspending access to and use of UK Link or a part thereof at a time and for a period which will not result in significant inconvenience to Users in the use of UK Link for making Code Communications:

- (a) the Transporters shall be entitled, without initiating any Contingency Procedures (but subject to paragraph (b)) which otherwise would be applicable,

to suspend access to and use of UK Link (in accordance with such procedures as to notification of UK Link Users and otherwise as may be provided in the UK Link Manual);

- (b) if at any time subsequently it becomes apparent to the Transporters that such suspension will continue for a period or at a time at which it will result in such inconvenience to Users, any applicable Contingency Procedures will be initiated.

## 7 FAILURE OF UK LINK

### 7.1 Performance levels

7.1.1 The Transporters and UK Link Users agree and acknowledge:

- (a) that it would not be economical for UK Link to be designed, built or operated so as to reduce the probability of its failure below a certain level, and accordingly that such failures may occur; and
- (b) that the Contingency Procedures referred to in paragraph 6 for giving Code Communications in circumstances of such a failure have been established in recognition of what is stated in paragraph (a), and are reasonable and adequate for the purposes of implementation of the Code in such circumstances.

7.1.2 UK Link is designed and built and will be operated with a view to achieving over particular periods ("**Performance Periods**") the performance levels ("**Performance Levels**") set out in the UK Link Manual for the purposes of this paragraph 7, subject to paragraph 7.1.3 and otherwise subject as provided in the UK Link Manual.

7.1.3 In respect of any Performance Level in relation to which the UK Link Manual specifies a design maximum volume of access to and use of UK Link, UK Link is not designed and will not be operated to achieve the Performance Levels if the volume ("**Usage Volume**") of access to and use of UK Link (defined and determined as provided in the UK Link Manual) exceeds such design maximum volume.

7.1.4 The Transporters will each month prepare and provide to UK Link Users a statement of:

- (a) the achievement during the Performance Periods (excluding any period during an Emergency) up to the end of the preceding month of UK Link in respect of the parameters ("**Performance Parameters**") by which the Performance Levels are defined, and whether the Performance Levels were achieved;
- (b) Usage Volumes during those Performance Periods, and whether any design maximum volume was exceeded.

7.1.5 To the extent that Usage Volume(s) exceed design maximum volume(s), the Transporters will not be required to undertake any works in respect of UK Link to enable any Performance Level to be achieved at such higher Usage Volume(s) except as a UK Link Modification within paragraph 8.2.4(a); provided that if any User so requests, the Transporters will propose such a UK Link Modification.

### 7.2 UK Link operational performance

- 7.2.1 The software programming within UK Link is intended to operate:
- (a) in a manner which is consistent with the functions of UK Link described in this Section U and the UK Link Manual; and
  - (b) as respects any Code Communication to be given by UK Link Communication, in a manner which is consistent with the requirements of the Code as to the form and content of such communication.
- 7.2.2 For the purposes of this paragraph 7:
- (a) subject to paragraphs (b) and (c), the software programming within UK Link contains a software error if and only if such software programming operates in a way which is inconsistent with the functions referred to in paragraph 7.2.1(a) or the requirements referred to in paragraph 7.2.1(b);
  - (b) references to software programming do not include Transporter Available Software;
  - (c) software programming comprised in the Licensed Software shall be deemed not to contain a software error if such software programming when installed in the Benchmark UK Link Configuration operates in a manner which is consistent with the functions referred to in paragraph 7.2.1(a) and the requirements referred to in paragraph 7.2.1(b), irrespective of any such inconsistency in operation when installed by any UK Link User other than in the Benchmark UK Link Configuration.
- 7.2.3 Where:
- (a) a software error has been identified; but
  - (b) there are means, not involving significant expense or inconvenience to UK Link Users with the Benchmark UK Link Configuration or to the Transporters, by which the impact or incidence of the software error can be avoided or corrected so that UK Link Users can continue to have access to and use of UK Link without the software error itself being corrected
- the software error is a "**minor**" software error.
- 7.2.4 The Transporters will each month prepare and provide to each UK Link User a report of all software errors identified during the preceding month as being contained within UK Link, specifying those software errors which are minor software errors, describing (in relation to each such minor software error) the means referred to in paragraph 7.2.3(b) and stating whether the error is to be corrected in accordance with paragraph 7.2.5.
- 7.2.5 Implementation of the means referred to in paragraph 7.2.3(b) shall not be a breach by a UK Link User or the Transporter of any conflicting requirement of the Code or the UK Link Manual nor shall a UK Link Communication given in accordance with such means be invalidly given for the purposes of paragraph 1.2.
- 7.2.6 Where the existence of a minor software error would otherwise result in a UK Link User or the Transporter being in breach of this Section U or would invalidate a particular UK Link Communication, such party shall not be in such breach and such UK Link Communication shall not be so invalidated.



- 7.2.7 The Transporters may elect to correct (as a Class 1 or Class 2 Modification in accordance with paragraph 8) a minor software error by way of issuing an updated version of the Licensed Software (and not pursuant to paragraph 7.3), provided that the Transporters will not normally so correct minor software errors at intervals of less than 3 months, nor (where it elects to correct such errors) of more than 12 months.

### 7.3 Performance liability

- 7.3.1 Subject to paragraph 7.4, where:

- (a) either:
  - (i) any statement published by the Transporters under paragraph 7.1.4 shows or it is otherwise established:
    - (1) that UK Link failed to achieve any Performance Level; and
    - (2) that such failure did not arise by reason of Usage Volumes during the relevant Performance Period(s) exceeding the design maximum volume; or
  - (ii) it is established that the software programming within UK Link contains any error (other than a minor software error which the Transporters have elected to correct under paragraph 7.2.7, unless the Transporters elected to but failed to correct a minor software error); and
- (b) such failure of or error in UK Link affects the ability of any User or any Transporter to give or receive Code Communications in such a way as adversely to affect the conduct by or cost to such User or Users of operations under the Code

then, except where such adverse effect on the conduct or cost of operations is not material and the cost to the Transporters of remedying the matter would be material, paragraph 7.3.2 shall apply.

- 7.3.2 In the circumstances in paragraph 7.3.1, the Transporters will at their cost:

- (a) prepare and propose as a Class 2 Modification:
  - (i) a programme of works for (as the case may be):
    - (1) the improvement of the performance of UK Link (in respect of the Performance Parameter(s) in respect of which the failure occurred) to such a level as, on the assumption that Usage Volume(s) will not exceed the relevant design maximum volume(s), will allow the Performance Levels to be achieved; or
    - (2) the correction of the relevant error in software programming; and
  - (ii) a timetable for the carrying out of such works as soon as shall be reasonably practicable in the circumstances;

- (b) subject to paragraph 8.4, implement such programme of works in accordance (so far as is reasonably practicable) with such timetable.

7.3.3 Except as provided in paragraph 7.3.2, and without prejudice to any other provision of the Code, the Transporter will not be liable to any User or other UK Link User for or for the consequences (including as respects Users under the Code generally) of any failure, error or defect in or in the operation or performance of UK Link or any other part of the UK Link System (whether in respect of the Performance Parameters, the software programming or otherwise).

#### **7.4 Defects not attributable to a Transporter**

7.4.1 For the purposes of this paragraph 7:

- (a) references to UK Link:
  - (i) will be considered as including a reference to any Licensed Software and any requirement contained in the UK Link Manual as to the specification for equipment, other software and any facility to be provided (in accordance with paragraph 2) by a UK Link User;
  - (ii) except as provided in paragraph (i), will not be considered as extending to or including any UK Link User Equipment or UK Link User Software;
- (b) in determining the performance of UK Link or whether there is an error in software programming within UK Link, there shall be excluded all occurrences, errors, delays or failures which:
  - (i) result from or are attributable to any defect in, or in the installation, performance, operation or use of, any UK Link User Equipment or UK Link User Software other than Licensed Software, or any other equipment, facility or software provided by a UK Link User;
  - (ii) result from or are attributable to any failure (not being the failure of UK Link or software error in question itself) by any UK Link User, in its use of or access to UK Link, to comply with the requirements of this Section U and the UK Link Manual, except as respects any error (in accordance with paragraph 8.2.8 where applicable) in the UK Link Manual;
  - (iii) would not have arisen but for the election of a UK Link User not to provide the Benchmark UK Link Configuration; or
  - (iv) are attributable to the provider(s) of telecommunication services (as referred to in paragraph 2.4).

7.4.2 Paragraph 7.4.1 shall apply irrespective of whether the Transporters provided to a particular UK Link User any UK Link User Equipment or UK Link User Software, but without prejudice to the terms of provision or maintenance by the Transporters of any UK Link User Equipment pursuant to paragraph 2.3.

- 7.4.3 Without prejudice to paragraph 7.4.1(b)(iv), where a provider of telecommunications services (for the purposes of UK Link) is failing to perform its obligations in respect of the provision of such services, the Transporters agree to take reasonable steps to secure that such person resumes such performance.

## **7.5 UK Link Performance Monitoring Procedures and Review**

- 7.5.1 The Transporters will establish and implement procedures (such procedures, as from time to time revised by the Transporters the **"UK Link Performance Monitoring Procedures"**) for the collection and monitoring of data samples relating to the achievement of UK Link in respect of the Performance Parameters (to enable the Transporters to prepare the statements required under paragraph 7.1.4).
- 7.5.2 The Transporters will appoint in relation to each relevant period in accordance with paragraph 7.5.4 an independent and appropriately qualified person (the **"UK Link Performance Auditor"**):
- (a) to conduct a review, following any material revision of the UK Link Performance Monitoring Procedures, of whether in the opinion of such person the UK Link Performance Monitoring Procedures are in all material respects adequate (having regard to the technical feasibility, cost and administrative burden of implementing such procedures) to ensure on a continuing basis the collection and monitoring of such data samples as are necessary to ascertain with reasonable certainty Usage Volumes and the level of achievement over Performance Periods of UK Link in respect of the Performance Parameters against the Performance Levels;
  - (b) to conduct a review, after each relevant period, of whether in the opinion of such person, in each relevant period, the Transporters have:
    - (i) in all material respects implemented the UK Link Performance Monitoring Procedures in accordance with their terms; and
    - (ii) made any material revision in the relevant period to the UK Link Performance Monitoring Procedures without subsequently initiating a review pursuant to paragraph (a)).
- 7.5.3 For the purposes of this paragraph 7.5 **"relevant period"** means each Gas Year or any other period (whether shorter or longer than a Gas Year) proposed by the Transporters after consultation with the UK Link Committee where the Authority (upon the Transporters' application) gives Condition A11(18) Approval to the Transporters implementing this paragraph 7.5 on the basis of such other period.
- 7.5.4 The person appointed as UK Link Performance Auditor for each relevant period, and the period and (subject to the further provisions of this paragraph 7.5) the terms of his appointment, including the scope and objectives of the reviews under paragraph 7.5.2, shall be the person, period and terms from time to time agreed by the UK Link Committee, unless (upon the application of the Transporters or any User made within 10 Business Days after the Transporters have notified to Users the decision of the UK Link Committee) the Authority in any case shall give Condition A11(18) Disapproval to the Transporters making an appointment of the UK Link Performance Auditor on such basis (in which case the Transporters will arrange for an alternative proposal to be considered by the UK Link Committee).

7.5.5 The terms of appointment will require that:

- (a) the UK Link Performance Auditor shall present to and discuss with the Transporters its draft findings before reporting under paragraph (b);
- (b) the UK Link Performance Auditor shall report his findings to the Transporters and the UK Link Committee;
- (c) without prejudice to paragraph (b), the UK Link Performance Auditor shall agree to permit a representative of each User to attend a meeting of the UK Link Committee at which the UK Link Performance Auditor's report is presented;
- (d) where he finds that the UK Link Performance Monitoring Procedures are not in all material respects adequate (as described in paragraph 7.5.2(a)), the UK Link Performance Auditor shall make recommendations as to how such procedures should be revised so as to be adequate (as so described);
- (e) the UK Link Performance Auditor shall undertake, in reasonable terms, to keep confidential the information disclosed to the UK Link Performance Auditor in the course of his review.

7.5.6 A copy of the UK Link Performance Auditor's full report will be provided by the Transporters to each User and to the Authority.

7.5.7 The fees and costs of the UK Link Performance Auditor (in connection with the reviews under paragraphs 7.5.2(a) and (b)) will be paid by National Grid NTS and (subject to paragraph 7.5.8) recovered from Users as follows:

- (a) before each relevant period the fees and costs of the UK Link Performance Auditor will be estimated by the Transporters and the amount of such estimate, divided by the number of months in the relevant period will be an additional Monthly Adjustment Neutrality Cost under Section F4.5.3(a)(iv) for each month in the relevant period;
- (b) when the UK Link Performance Auditor's final account for the relevant period is rendered, the amount of the difference between the amount thereof and the estimate under paragraph (a) will be an additional Monthly Adjustment Neutrality Cost under Section F4.5.3(a)(iv) or (as the case may be) an additional Monthly Adjustment Neutrality Revenue under Section F4.5.3(b)(iv) for the month following that in which the final account is rendered.

7.5.8 Where a report of the UK Link Performance Auditor in respect of a review under paragraph 7.5.2(b) contains a finding that the Transporters:

- (a) failed in a material respect to implement the UK Link Performance Monitoring Procedures; or
- (b) made any material revision in the relevant period to the UK Link Performance Monitoring Procedures without subsequently initiating a review pursuant to paragraph 7.5.2(a),

the fees and costs of the UK Link Performance Auditor in connection with such review, or such proportion of such fees and costs as he shall specify as being appropriate for the

purposes of this paragraph 7.5.8, shall be borne by the Transporters and not recovered from Users pursuant to paragraph 7.5.7.

- 7.5.9 Where a report of the UK Link Performance Auditor in respect of a review under paragraph 7.5.2(a) contains a finding that the UK Link Performance Monitoring Procedures are not in all material respects adequate (as described in that paragraph) and a recommendation as to how such procedures should be revised so as to be so adequate, the Transporters will revise such procedures in accordance with such recommendations unless the Authority shall upon the application of the Transporters give Condition A11(18) Approval to the Transporters not doing so.

## 7.6 Failure Liability

- 7.6.1 For the purposes of this Section:

- (a) a **"UK Link Failure"** is a system failure as defined within priority level P1 of the UK Link Manual;
- (b) an **"Affected UK Link User"** is a UK Link User who was using UK Link at the time of a system failure and reported that they were unable to access the failed system in accordance with the Problem Management process within the UK Link Manual;
- (c) **"Problem Management Process"** shall mean the problem management process set out within the UK Link Manual;
- (d) **"recover"** shall mean the successful return of service for the affected element within UK Link and **"recovery"** shall be construed accordingly;
- (e) **"recovery period"** be the period commencing on the earlier of:
  - (i) where the Transporter becomes aware of a UK Link Failure by way of a User communication, the time that the problem is defined as priority level P1; else
  - (ii) the time that a Transporter becomes aware of the UK Link Failure until the completion of recovery;
- (f) a **"Repeated Failure of UK Link"** is a reoccurrence within 24 hours of a UK Link Failure, recorded by a Transporter in accordance with the Problem Management Process;
- (g) an **"Inappropriate User Action"** is a failure by a UK Link User as set out in paragraph 7.4.1(b)(ii) that results in or contributes to a UK Link Failure.

- 7.6.2 In the event of a UK Link Failure, the Transporters will endeavour to recover UK Link within a 5 hour recovery period.

- 7.6.3 Subject to paragraphs 7.6.4 and 7.6.7, if the recovery period for a UK Link Failure exceeds 5 hours then the Transporters will pay each Affected UK Link User £50.

- 7.6.4 In the event of a Repeated Failure or series of Repeated Failures of UK Link, paragraphs 7.6.2 and 7.6.3 shall apply save that in the event that a User is an Affected UK Link User for both the original UK Link Failure and subsequent Repeated Failure(s) of UK Link, paragraph 7.6.3 shall apply in respect of the subsequent Repeated UK Link Failure as though the amount set out were 200% of the payment due in respect of the immediately preceding UK Link Failure or Repeated Failure (as the case may be).
- 7.6.5 In the event of a UK Link Failure where the recovery period is greater than 24 hours, the Transporters will (subject to paragraph 7.6.7) pay to each Affected UK Link User an amount of £1,000.
- 7.6.6 For Batch Transfer Communications, where the Transporters fail to make the UK Link Network available (as defined in the UK Link Manual) for a period greater than 24 hours over and above the timescales permitted for processing Batch Transfer Communications as specified in the Network Code, the Transporters will (subject to paragraph 7.6.7) pay to each Affected UK Link User an amount of £1,000.
- 7.6.7 The Transporters shall not be liable to pay:
- (a) the amounts set out in paragraphs 7.6.3 and 7.6.4 where a UK Link Failure has been caused by the performance levels (as set out in the UK Link Manual) being exceeded;
  - (b) the amounts set out in paragraphs 7.6.3, 7.6.4, 7.6.5 and/or 7.6.6 in the event that the UK Link Failure was in whole or part the result of an Inappropriate User Action;
  - (c) the amounts set out in this paragraph 7.6 to the extent that the UK Link Committee (if the Transporters so request) agrees by majority decision to suspend any obligation to make payment (or reduce the amount of such payment) under this paragraph 7.6 for the period of such suspension (or reduction).
- 7.6.8 The performance standards set out in this paragraph 7.6 shall be in addition to and not replacement of the performance standards set out in paragraphs 7.2 and 7.
- 7.6.9 For the purposes of Section V10 (Compensation Rules), the rules in paragraphs 7.6.3, 7.6.4, 7.6.5 and 7.6.6 are Compensation Rules within Compensation Group K; and the relevant '**payment month**' will be the second month following the month in which the relevant failure occurred.

## **8 UK LINK MODIFICATIONS**

### **8.1 Introduction**

- 8.1.1 The Transporters may not make UK Link Modifications other than in accordance with this paragraph 8.
- 8.1.2 For the purposes of this Section U:
- (a) "**UK Link Modification**" means a Transporter System Modification, a User System Modification or a Manual Modification;

- (b) **"Transporter System Modification"** means a modification to the specification of the UK Link System or the UK Link Network or any modification to any equipment or software comprised therein and installed at premises designated by the Transporters;
- (c) **"User System Modification"** means a modification to the specification required under the UK Link Manual of the equipment, software and other facilities required to be provided by a UK Link User under paragraph 2;
- (d) **"Manual Modification"** means any amendment to the UK Link Manual.

8.1.3 Except in the case of a Class 3 Modification, or as otherwise provided in this Section U, where any UK Link Modification is to be made:

- (a) the Transporters will bear the costs of developing any required change in the Licensed Software;
- (b) each UK Link User will bear the costs of any modification to the UK Link User Equipment or (except as provided in paragraph (a)) UK Link User Software required to implement the UK Link Modification (or to enable the UK Link User to continue to comply with this Section U following such modification), and all other costs incurred by the UK Link User in consequence of the UK Link Modification;
- (c) the Transporters will bear all other costs incurred for the purposes of making the UK Link Modification.

8.1.4 A User will not be in breach of any provision of the Code by reason of any inability of the User to comply with such provision which results from disruption to the User's use of or access to UK Link during and occasioned by the making of a UK Link Modification, provided that the UK Link User shall have complied with any reasonable requirements proposed by the Transporters for implementing the modification and for making UK Link Communications during the making of such modification.

## 8.2 Modification Classes

8.2.1 UK Link Modifications are classified for the purposes of this paragraph 8 as Class 1, Class 2 and Class 3 Modifications in accordance with this paragraph 8.2.

8.2.2 A **"Class 1 Modification"** is:

- (a) a Transporter System Modification which will have no adverse operational or other adverse impact on any UK Link User and will not require any UK Link User to incur any cost to be borne by it in accordance with paragraph 8.1.3(b), or which has been consented to by all UK Link Users on whom such modification will have such an impact; or
- (b) a Manual Modification (other than one within paragraph 8.2.4(b)) required:
  - (i) as a consequence of any Transporter System Modification or User System Modification made in accordance with this paragraph 8; or
  - (ii) to correct any inaccuracy in the UK Link Manual so that it correctly

describes any aspect of UK Link which is not itself the subject of a Transporter System Modification or User System Modification.

8.2.3 A "**Class 2 Modification**" is:

- (a) a UK Link Modification which is required under paragraph 7.3.2;
- (b) a User System Modification which is required to enable a Transporter System Modification which is a Class 2 Modification or a Class 3 Modification to be implemented;
- (c) any other UK Link Modification (other than a Manual Modification within paragraph 8.2.4(b)) proposed by the Transporters in any of the following circumstances:
  - (i) where:
    - (1) the Transporters reasonably determine that the functionality or performance of UK Link is insufficient to support the implementation of relevant provisions of the Code, notwithstanding that such modification may not be required under paragraph 7.3.2, and such modification is required to make the required improvement to such performance; and
    - (2) the Transporters do not intend that the costs incurred by the Transporters in making such modification should be recovered from UK Link Users; and
    - (3) the costs (of revising or replacing any computer hardware or software) for UK Link Users entailed by the making of the modification are reasonable in the circumstances; or
  - (ii) where each of the conditions in paragraph 8.2.5 is satisfied in respect of such modification; or
  - (iii) where the modification is required by or in connection with a modification to the Code which is made pursuant to the Modification Rules; or
  - (iv) where the modification is to be made pursuant to paragraph 3.5.2; or
  - (v) where the modification is made to correct a minor software error in accordance with and subject to paragraph 7.2.4.

8.2.4 A "**Class 3 Modification**" is:

- (a) any Transporter System Modification where the Transporters do not intend to make such modification unless the costs of making the modification are to be recovered from UK Link Users;
- (b) any of the following Manual Modifications:
  - (i) a change in the Contingency Procedures which would materially worsen the ability of the Transporters and UK Link Users to



communicate pursuant to the Contingency Procedures;

- (ii) a modification of any provision of the UK Link Manual which is (pursuant to paragraph 1.4.2) expressly identified as binding on the Transporters or UK Link Users;
  - (iii) a modification in respect of the means (as described in paragraph 1.2.2) of giving a Code Communication, or the form (as described in paragraph 4.1.2), other than the inclusion of an additional such form, of giving any UK Link Communication; or
  - (c) any other UK Link Modification which is not a Class 1 or Class 2 Modification or is one which the Transporters elect to treat as a Class 3 Modification.
- 8.2.5 The conditions referred to in paragraph 8.2.3(c)(ii) are that, in respect of a proposed UK Link Modification:
- (a) such modification would not materially increase the scope of information concerning a User to which other UK Link Users have access by virtue of UK Link;
  - (b) such modification would not adversely affect the functions or facilities of UK Link which are available to UK Link Users, nor reduce the scope of the information which the Transporters make available to Users by means of UK Link;
  - (c) such modification would not result in a UK Link User with the Benchmark UK Link Configuration incurring material cost, after taking account of any quantifiable savings in cost which such a User acting reasonably efficiently and prudently would reasonably be expected to enjoy as a result of making the modification; and
  - (d) where such modification is a Manual Modification, the modification would not result in any of the following provisions of this Section U applying or taking effect in a way which is (as respects the interests of UK Link Users) materially and adversely different from that in which it applies or takes effect in the absence of such modification: paragraphs 1.2.2, 1.6, 1.8, 1.9, 2.2.9, 2.3.4, 6.3.7 and this paragraph 8.
- 8.2.6 The condition in paragraph 8.2.5(b) shall not be regarded as infringed by reason only of a reasonable level of disruption for the purposes of implementation of a UK Link Modification.
- 8.2.7 Where there is any bona fide doubt as to whether an inconsistency between the operation of the software programming within UK Link and the relevant functions described in the UK Link Manual is a software error (in accordance with paragraph 7.2) or an inaccuracy in the UK Link Manual (in accordance with paragraph 8.2.2(b)(i)):
- (a) subject to paragraph (b), the Transporters will resolve such doubt in the manner which is most consistent with the proper implementation of the Code or (failing that) in such manner as the Transporters shall reasonably determine after consultation with the UK Link Committee;

- (b) if upon the application (within 5 Business Days after the Transporters have notified Users of their proposed resolution) of any User, the Authority shall give Condition A11(18) Disapproval to the Transporters resolving the matter in the proposed manner under paragraph (a), the Transporters will resolve the matter in such other manner to which the Authority shall upon the Transporters' application give Condition A11(18) Approval.

### 8.3 Class 1 Modifications

- 8.3.1 The Transporters shall be entitled to make a Class 1 Modification at any time.
- 8.3.2 Where possible before or (failing that) as soon as reasonably practicable after making a Class 1 Modification the Transporters will:
  - (a) inform UK Link Users of that modification if it is a Manual Modification or if UK Link Users are likely (in having access to and use of UK Link) to become aware of it or if (in the Transporters' opinion) it is likely to be of interest operationally to UK Link Users; and
  - (b) if it is a Manual Modification, provide an updated version of the relevant part of the UK Link Manual to UK Link Users without charge.

### 8.4 Class 2 Modifications

- 8.4.1 The Transporters shall be entitled to make a Class 2 Modification subject to and in accordance with this paragraph 8.4.
- 8.4.2 Where the Transporters propose to make any Transporter System Modification or User System Modification (other than one required to implement a Class 3 Modification) as a Class 2 Modification:
  - (a) the Transporters will notify UK Link Users of its proposal, setting out in outline the nature and purpose of the modification and an indicative timetable for implementing the modification;
  - (b) UK Link Users may, within a period of 10 Business Days after the Transporters' notification, submit to the Transporters any comments on the proposal (including its implications for UK Link Users);
  - (c) the Transporters may revise their proposal in the light of any comments made by UK Link Users (and will not be required to notify under paragraph (a) any such revision);
  - (d) after the period referred to in paragraph (b), and after considering any comments made by UK Link Users, the Transporters will (unless they have withdrawn their proposal) prepare a plan (such plan, as from time to time revised pursuant to the further provisions of this paragraph 8.4, being the "**implementation plan**") for the implementation of its proposal or revised proposal, setting out in reasonable detail the nature of the proposal and the steps and timetable proposed for its implementation;
  - (e) the Transporters will submit the implementation plan to the UK Link Committee, for consultation as to whether the steps and timetable planned by

the Transporter for the implementation of the modification are appropriate having regard to the nature of the modification and the implications for UK Link Users of making the modification.

- 8.4.3 The implementation plan will be discussed at one or (if the Transporters so request) more than one meeting of the UK Link Committee, and the Transporters may on one or more occasions revise the implementation plan on the basis of any such discussion and resubmit such revised plan to the committee.
- 8.4.4 If by consensus of the members of the UK Link Committee the implementation plan (with or without any revisions proposed by the Transporters pursuant to paragraph 8.4.3) is approved, the Transporters will proceed to implement the proposed modification in accordance with the implementation plan, provided that:
  - (a) unless otherwise agreed by the UK Link Committee in each calendar year the Transporters shall only be entitled to make three implementations, (which may comprise of one or more UK Link Modifications) and each implementation shall be made on a date to be specified by the UK Link Committee, falling in the month of February, June or November; and
  - (b) unless otherwise agreed by the UK Link Committee no proposed UK Link Modification shall be implemented earlier than:
    - (i) four months after such approval in the case of UK Link Modifications that in the opinion of the UK Link Committee involve operational changes only; or
    - (ii) six months after such approval in all other cases.
- 8.4.5 If such a consensus of the UK Link Committee is not reached:
  - (a) the Transporters may, where they consider that the making of the modification in accordance with its implementation plan is necessary to enable the Transporters or Users to comply with the Code (disregarding for this purpose paragraph 8.4.9) or any Legal Requirement, notify Users that they intend to proceed with the modification;
  - (b) where the Transporters have given a notification under paragraph (a), the Transporters shall be entitled to make the modification unless upon the application (within 5 Business Days after the Transporters' notification) of any User the Authority shall give Condition A11(18) Disapproval to the Transporters doing so;
  - (c) except where the Transporters give notice under paragraph (a), or if the Authority gives Condition A11(18) Disapproval under paragraph (b), the Transporters will (unless they decide to withdraw their proposal) refer the implementation plan to the Uniform Network Code Committee.
- 8.4.6 Where by Panel Majority (upon a referral under paragraph 8.4.5(c)) the Uniform Network Code Committee approves the implementation plan, with or without any revisions which the Transporters may propose to the committee, the Transporters will proceed to implement the proposed modification in accordance with the implementation plan provided that:

- (a) unless otherwise agreed by the Uniform Network Code Committee in each calendar year the Transporters shall only be entitled to make three implementations, (which may comprise of one or more UK Link Modifications) and each implementation shall be made on a date to be specified by the Uniform Network Code Committee, falling in the month of February, June or November; and
  - (b) unless otherwise agreed by the Uniform Network Code Committee no proposed UK Link Modification shall be implemented earlier than:
    - (i) four months after such approval in the case of UK Link Modifications that in the opinion of the Uniform Network Code Committee involve operational changes only; or
    - (ii) six months after such approval in all other cases.
- 8.4.7 Where (upon a referral under paragraph 8.4.5(c)) the Uniform Network Code Committee does not approve the implementation plan, the Transporters will not proceed with the proposed modification.
- 8.4.8 The Transporters will provide to each UK Link User a copy of each implementation plan approved pursuant to paragraph 8.4.4 or 8.4.6.
- 8.4.9 Where a UK Link Modification is proposed by the Transporters for the purposes of enabling the Transporters or Users to comply with any provision of the Code (including without limitation paragraph 7), it is agreed that the Transporter and Users will be deemed not to be in breach of such provision of the Code as a result of such modification not being made:
- (a) where its implementation plan is not approved by the UK Link Committee pursuant to paragraph 8.4.4 or the Uniform Network Code Committee pursuant to paragraph 8.4.6;
  - (b) to the extent that the Transporters are delayed in implementing such proposal by reason of anything done pursuant to this paragraph 8.4.
- 8.4.10 Where the Transporters have notified a UK Link User of a proposal under paragraph 8.4.2(a), unless the UK Link User notifies the Transporters otherwise by way of comment pursuant to paragraph 8.4.2(b), the UK Link User shall be deemed to have accepted the proposed modification as being a Class 2 Modification.
- 8.4.11 UK Link Users may propose to the Transporters modifications which would be made as Class 2 Modifications, and where the Transporters do not decide to adopt and propose such a proposed modification the Transporters will so notify the UK Link User; and the Transporters will at reasonable intervals notify all UK Link Users of those proposed modifications which the Transporters have not adopted and proposed, with brief explanations of their decisions.
- 8.4.12 Where the UK Link Modification is one within paragraph 8.2.3(c)(iii), the requirements of this paragraph 8.4 will be deemed satisfied to the extent that equivalent steps have been taken by the Transporters pursuant to the Modification Rules.

## 8.5 Class 3 Modifications

- 8.5.1 For the purposes only of this paragraph 8.5, that part of the UK Link Manual which describes or specifies any aspect of UK Link which is the subject of a proposed Class 3 Modification shall be deemed to be incorporated into and to form a part of the Code.
- 8.5.2 Before a Class 3 Modification may be made by the Transporters, a Modification Proposal in respect thereof must be made in accordance with the Modification Rules and the Transporters or any User shall be entitled to make such a Modification Proposal.
- 8.5.3 The Transporters may make a Class 3 Modification where (in accordance with the Transporter's Licence and the Modification Rules) the Authority directs or consents to the modification the subject of the Modification Proposal referred to in paragraph 8.5.2.
- 8.5.4 If the terms of the modification do not themselves provide for such matters, and subject to the nature of the modification, paragraph 8.4 shall apply in respect of a Class 3 Modification unless (save for paragraph 8.4.4 which shall always apply to a Class 3 Modification) the terms of the modification themselves provide for such matters.

## **8.6 Notifying Class 2 and Class 3 Modifications**

- 8.6.1 Subject to paragraph 8.6.2, where the Transporters propose to make a Class 2 Modification or a Class 3 Modification (other than a Manual Modification except where the UK Link Manual anticipates the making of such Manual Modification) when notifying UK Link Users of its proposals in the event that Transporters fail to inform UK Link Users that they have not less than 10 Business Days to submit any comments to the Transporters in respect of the proposal, the Transporters will pay to each UK Link User £500.
- 8.6.2 Paragraph 8.6.1 shall not apply in respect of a Class 2 Modification or a Class 3 Modification in respect of which alternate timescales to those referred to in paragraph 8.6.1 are agreed to by the Transporters and the UK Link Committee or pursuant to the Modification Rules or where the modification is one in respect of which paragraph 8.4.12 applies.
- 8.6.3 Where the Transporters fail to notify UK Link Users by the Business Day following the Day in respect of which a Class 2 Modification or a Class 3 Modification was to be implemented but was not so implemented, the Transporters will pay each UK Link User £1,000.
- 8.6.4 For the purposes of Section V10, the rule in paragraphs 8.6.1 and 8.6.3 are Compensation Rules within Compensation Group I; and in relation thereto the 'payment month' is the second month following the month in which the relevant failure occurred.

## Annex U-1

- 1 Application of this Annex
  - 1.1 This Annex does not form part of the Uniform Network Code.
  - 1.2 This Annex sets out certain terms which, subject to paragraph 1.3, are incorporated into every contract arising as a result of a User Trade Communication made under Section U5.1.2(c) of the Code (a "**User Trade Contract**").
  - 1.3 In accordance with Section U5.3.2 of the Code, a term set out in this Annex is not incorporated into a User Trade Contract:
    - (a) if the Trading Users have expressly agreed another term; or
    - (b) to the extent that such term is inconsistent with any term expressly agreed by the Trading Users.
- 2 Interpretation
  - 2.1 Terms used in this Annex have the same meanings as in the Code.
  - 2.2 For the purposes of this Annex:
    - (a) "**applicable daily rate**" means:
      - (i) in respect of System Capacity, the Applicable Daily Rate (in pence per kWh/Day) of the relevant Capacity Charge; and
      - (ii) in respect of Storage Space, the Applicable Storage Space Charge Rate (in pence per kWh of Storage Space for a Storage Year) divided by 365; and
      - (iii) in respect of Storage Deliverability, the Applicable Storage Deliverability Charge Rate (in pence per kWh/Day of Storage Deliverability for a Storage Year) divided by 365; and
      - (iv) in respect of Storage Injectability, the Applicable Storage Injectability Charge Rate (in pence per kWh/Day of Storage Injectability for a Storage Year) divided by 365;
    - (b) "**Capacity Transfer**" means a System Capacity Transfer or a Storage Capacity Transfer;
    - (c) "**Capacity Transfer Day**" means a Day in the Relevant Transfer Period in respect of which the Trade Transferee is treated as holding the Transferred Capacity in accordance with the Code;
    - (d) "**Relevant Transfer Period**" means:
      - (i) in respect of a System Capacity Transfer the Transfer Period;
      - (ii) in respect of a Storage Capacity Transfer the Storage Transfer Period;

- (e) **"Trade Transferor"** means:
  - (i) in respect of a System Capacity Transfer the Transferor User; and
  - (ii) in respect of a Storage Transfer the Transferor Storage User;
- (f) **"Trade Transferee"** means:
  - (i) in respect of a System Capacity Transfer the Transferee User; and
  - (ii) in respect of a Storage Transfer the Transferee Storage User;
- (g) **"Transferred Capacity"** means Transferred System Capacity or Transferred Storage Capacity.

### 3 Price

#### 3.1 Capacity Transfer

- 3.2 In respect of a Capacity Transfer the Trade Transferee shall, subject to paragraph 3.3, pay to the Trade Transferor in respect of each month some or all of the Days of which are Capacity Transfer Days a sum determined in accordance with the following formula:

$$A = B * C * D$$

where

A = the sum payable by the Trade Transferee in respect of the month;

B = the applicable daily rate in respect of the Capacity Transfer;

C = the amount of the Transferred Capacity; and

D = the number of Capacity Transfer Days in that month.

- 3.3 If in respect of any Capacity Transfer Day in a month the Trade Transferor ceases to be liable to pay to National Grid NTS or National Grid LNG Storage the relevant Capacity Charges or Storage Capacity Charges in respect of an amount of Transferred Capacity in accordance with the Code, the sum which would but for this paragraph 3.3 be payable by the Trade Transferee pursuant to paragraph 3.2 in respect of that month shall be reduced by a sum equal to the aggregate of the sums for each such Capacity Transfer Day, each such sum being calculated in accordance with the following formula:

$$E = F * G$$

where:

E = is the sum by which the Trade Transferee's liability is reduced in respect of such Day;

F = is the applicable daily rate; and

G = is the amount of Transferred Capacity in respect of which the Trade Transferor

ceased to be liable to pay Capacity Charges or Storage Capacity Charges in respect of such Day.

#### 3.4 Storage Gas Transfer

3.5 In respect of a Storage Gas Transfer the Trade Transferee shall pay to the Trade Transferor a sum determined in accordance with the following formula:

$$H = I * J$$

where:

H = is the sum payable by the Trade Transferee in respect of the Storage Gas Transfer;

I = the Operating Margins WACOG (in pence per kWh) for the Transfer Storage Facility on the date the Operating Margins WACOG was last calculated before the transfer date; and

J = is the Transferred Gas-in-Storage (in kWh).

#### 4 VAT

4.1 The sums payable pursuant to a User Trade Contract are exclusive of Value Added Tax.

#### 5 Payment

5.1 Sums payable by the Trade Transferee to the Trade Transferor under a User Trade Contract shall be paid on or before whichever is the later of:

- (a) the 5th Day after the Day on which the Trade Transferee receives an invoice in respect of such sum from the Trade Transferor; and
- (b) the 15th Day of the month following the relevant month (in accordance with paragraph 5.2)

5.2 For the purposes of paragraph 5.1 the relevant month is:

- (a) for a Capacity Transfer, the month to which the invoice relates; and
- (b) for a Storage Gas Transfer, the month in which the User Trade Communication under Section U5.1.2(c) of the Code was made.

#### 6 Interest

6.1 Where any sum payable pursuant to a User Trade Contract is not paid on or before the due date for payment in accordance with paragraph 5.1 (the "**Due Date**"), the paying User shall pay interest, after as well as before judgment, at the rate for the time being of Barclays Bank plc plus 3 percentage points per annum on the unpaid amount from the Due Date until the day on which payment is made.

6.2 Interest payable pursuant to paragraph 6.1 shall accrue on a daily basis and on the basis of a 365 day year.



- 6.3 Governing law and jurisdiction
- 6.4 Each User Trade Contract shall be governed by, and construed in all respects in accordance with, English law.
- 6.5 The parties to a User Trade Contract irrevocably agree that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with that User Trade Contract.

