Modification Report
Primary and Sub-deduct meters and 'Unique' sites - Transitional Metering Arrangements post RGMA
Modification Reference Number 0678

Version 2.0

This Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 8.9.3.

1. The Modification Proposal

Modification of the Network Code is required to retain relevant provisions with respect to Transco providing, installing and maintaining Supply Meters within the Network Code on a transitional basis. Within scope of these are Transco owned Supply Meters installed within a Sub-deduct Arrangement and those installed at Supply Points which subjected to procedures commonly termed by Transco as being 'Unique Sites'.

Such provisions would be no longer effective following the expiry of an eight month period following the RGMA 'cutover' date.

2. Transco's Opinion

This Modification Proposal is one of a suite of, and is complimentary to, seven relating to the Review of Gas Metering Arrangements (RGMA) programme and numbered 0672 - 0678.

It is Transco's opinion that this Modification Proposal should be implemented.

At a meeting of the Industry Metering Separation Implementation Forum (IMSIF) held on 30 September 2002, it was identified that the contractual arrangements for Transco owned Supply Meters installed within a Primary and Sub-deduct (P&S) network were "out of scope" for the purposes of RGMA 'cutover'. At a further IMSIF meeting held on 28 April 2003, it was identified that similar arrangements for Transco owned Supply Meters installed at Supply Points identified by Transco as being subject to 'Unique Sites' procedures should also be "out of scope" for RGMA 'cutover'.

To facilitate the IMSIF decisions, it is necessary to modify the Network Code to ensure relevant provisions are transitionally retained. This would permit the industry to identify and consider robust non-Network Code contractual arrangements which could be implemented following a period of time after RGMA 'cutover'.

Transco's contractual obligations for providing, installing and maintaining Supply Meters are currently contained within Principal Document Section M2.2 'Provision by Transco'. It is proposed that these would be removed from the Network Code at RGMA 'cutover' by separate Modification (reference no 0672).

This Modification Proposal is therefore required to ensure transitional retention of the above provisions with respect to Primary and Sub-deduct meters and 'Unique Sites'.

The Meter Asset/Work Unbundling sub-group of the Supply Point & Billing Workstream has identified the above requirements.

The transitional 'end date' identified within this Modification Proposal has been the subject of contention during recent discussions within the Supply Point & Billing Workstream, with the main focus of concern being where a Supply Meter is installed on a Sub-deduct network. The majority of Users in attendance have expressed a strong opinion that the proposed eight month transitional timescale represents insufficient time for the industry to identify and develop a suitable replacement contractual regime which would need to be accompanied by appropriate processes and procedures. Users in particular cite the following concerns:

- The need to identify a robust means of identifying the configuration of a primary/sub-deduct arrangement and the interrelationship of meters installed on such a network such that Users are aware of relevant information prior to requesting works to be undertaken.

- The need for measures to be established to ensure that the integrity of the Sub-deduct network is safely maintained while meter works are undertaken.

Transco is sympathetic to shippers concerns regarding the need for safe and sustainable measures to be identified as a pre-requisite to expiry of the relevant transitional provisions. Transco does not, however, share the view of Users that an eight month transitional period represents insufficient time to establish these.

Transco believes that the period within which the Network Code transitional period applies must be reasonable and sufficient to identify and resolve issues. Transco's view is that the measures required to facilitate 'unbundling' of metering arrangements at P&S networks are not unduly onerous and may be readily implemented. Transco acknowledges, however, that there should be a period of industry debate to ensure that relevant processes and procedures are developed and understood. It is equally important to ensure that Transco's GT Licence obligations for providing, installing and maintaining Supply Meters are properly discharged within the relevant new metering contract.

It is Transco's view that any unreasonable transitional period (i.e. a period exceeding eight months in duration) would not faciliate its GT Licence 'Relevant Objective' of securing effective competition between relevant shippers and between relevant suppliers. Transco believes that any excessive extension of the existing P&S 'bundled' metering contractual regime would potentially place it in breach of its GT Licence obligations as established in Amended Standard Condition 9.

Transco is also concerned that an unduly lengthy transitional period would not be consistent with its GT Licence obligations reflected within Amended Standard Condition 4D 'Conduct of Transportation Business'.

Transco believes that the transitional timescales identified within this Modification Report are sustainable but in the unlikely event of difficulty being experienced in establishing a post RGMA regime, it would be

prepared to seek an extension to the transitional provisions by proposing further Modification of the Network Code. This would have the advantage of requiring separate consultation in light of greater operational experience of the RGMA regime. In addition, Transco intends to convene an appropriate sub-group of the Supply Point & Billing Workstream shortly following RGMA 'cutover' to initiate relevant industry discussion to prepare for expiry of the transitional Network Code provisions.

If this Modification Proposal is not implemented, the Network Code would not reflect Transco's obligations to provide, install and maintain Supply Meters installed within a Sub-deduct Arrangement and at Supply Points subjected to Transco's 'Unique Sites' procedures in the period following RGMA 'cutover'.

3. Extent to which the proposed modification would better facilitate the relevant objectives

The purpose of this Modification Proposal is to ensure that the contractual integrity of the RGMA regime is maintained with respect to Transco owned meters installed within Primary & Sub-deduct networks and at 'Unique Sites' during RGMA 'cutover'. The measures described within this Proposal do not conflict with Transco's GT Licence Relevant Objective of securing effective competition between relevant shippers and between relevant suppliers.

4. The implications for Transco of implementing the Modification Proposal , including

a) implications for the operation of the System:

No implications for the operation of the system have been identified.

b) development and capital cost and operating cost implications:

Transco would incur significant costs in amending its UK-Link system.

c) extent to which it is appropriate for Transco to recover the costs, and proposal for the most appropriate way for Transco to recover the costs:

Transco does not propose any additional cost recovery.

d) analysis of the consequences (if any) this proposal would have on price regulation:

No such consequences have been identified.

5. The consequence of implementing the Modification Proposal on the level of contractual risk to Transco under the Network Code as modified by the Modification Proposal

Implementation of this Modification Proposal would not increase the level of Transco's contractual risk. However it should be noted that prior to expiry of the transitional provisions, it is essential that a replacement regime be developed and incorporated within the relevant new metering contract/s.

6. The development implications and other implications for computer systems of Transco and related computer systems of Users

Transco would be required to make changes to its UK Link system to facilitate implementation of this Modification Proposal. These are associated with retaining 'legacy' functionality for the relevant transitional period. Transco is unaware of the impact on Users' systems, but anticipates that functionality which may otherwise be redundant would need to be retained.

7. The implications of implementing the Modification Proposal for Users

Users would need to retain relevant processes and procedures particularly where interaction with Transco is required.

8. The implications of implementing the Modification Proposal for Terminal Operators,Consumers, Connected System Operators, Suppliers, producers and, any Non-Network Code Party

No such implications have been identified.

9. Consequences on the legislative and regulatory obligations and contractual relationships of Transco and each User and Non-Network Code Party of implementing the Modification Proposal

The measures identified within this Modification Proposal do not impede in any way the ability for third party owned meters to be installed and maintained within a sub-deduct arrangement or at a 'Unique site'.

10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal

Advantages:

- Enables industry focus to be maintained on the vast majority of 'freestanding' meters for the purposes of timely delivery of RGMA 'cutover'.

Disadvantages:

- Requires transitional retention of systems functionality, processes and procedures which would otherwise be rendered redundant following RGMA 'cutover'.
- Would require post 'cutover' negotiations to be initiated to ensure non-Network Code regime is identified prior to expiry of transitional provisions.

11. Summary of the Representations (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)

Seven representations were received with respect to this Modification Proposal. Six respondents express support in principle, or offer qualified support to the transitional nature of the Proposal.

One respondent does not articulate a clear view of support or otherwise. All respondents, however, take issue with the eight month transitional timescale proposed by Transco. British Gas, Total Gas & Power, Statoil and Corona Energy all cite concerns associated with the limited time permitted to resolve the relevant issues. Transco's response relating to transitional timescales is provided below.

BP Gas Marketing comments that "It should also be noted that at no time do such discussions preclude a consumer choosing to move into the competitive market through making their own arrangements". Transco concurs with this view.

Statoil UK comments that "One of the major drawbacks with this approach however is what has been referred to as the 'time bomb' effect. Under the current format of the legal text, irrespective of the timescale included, the modification creates the risk that the current provisions expire without the resolution of the risks and issues identified". Transco acknowledges and is sympathetic to this concern but would draw attention to its comments in 'Transco's opinion' that "in the unlikely event of difficulty being experienced in establishing a post RGMA regime, it would be prepared to seek an extension to the transitional provisions by proposing further Modification of the Network Code. This would have the advantage of requiring separate consultation in light of greater operational experience of the RGMA regime" Transco appreciates, however, that an extension of transitional provisions would be subject to Ofgem direction.

BP "advocates the Transitional arrangements being set at [24] months to allow suitable consideration to be given on the matters arising" and believes that "the original workgroup should be given the task of taking this matter forward". Transco's response is that as described elsewhere within this Modification Report, it intends to "convene an appropriate sub-group of the Supply Point & Billing Workstream shortly following RGMA 'cutover' to initiate relevant industry discussion to prepare for expiry of the transitional Network Code provisions subject to an appropriate timetable being agreed". Transco concurs with the respondent that the original workgroup being the Meter Asset/Work sub-group would be ideal for this purpose.

Statoil UK believes that "a more prudent approach to the drafting of the modification would not involve the inclusion of a timescale at all. Instead a set of criteria could be included which would trigger the removal of the Transitional Arrangements. STUK believe these criteria could be based on a timeframe (12 months for example) from the inclusion of Primary, Sub-deduct meters and 'Unique' meterpoints in the RGMA baseline". Transco does not support this suggestion given the lack of precedent and unconventional nature of such an approach. Transco belives that there must be specific 'end dated' drafting, a view supported by Corona Energy which states "We support the defining of a period of transition. We believe that this acts as an incentive to shippers and Transco to resolve this issue speedily, as when it falls away there will be no special provisions for prime and sub-deduct meters in the Network Code".

Corona Energy comments that "We are also concerned that there isn't a governance model under which the discussion would occur properly in place. The TMS contracts and the RGMA material will both require amendments and it is not clear how these are to be governed at this stage" Transco's response is that to the extent that any further Code change may be required, a suitable forum exists for regime development, this being the Meter Asset/Work sub-group. Transco has proposed a mechanism for the development and implementation of changes to the new metering

contracts and with regard to the RGMA baseline, it is anticipated that this will be subject to SPAA governance as described below.

British Gas, Statoil UK, Total Gas & Power, BP Gas Marketing, and Corona Energy all recommend a transitional period of twenty four months. Scottish & Southern Energy suggests a twelve - eighteen month period as being more realistic.

Transco has considered the comments and concerns raised in representation to this Modification Proposal and in the light of industry opinion, noting Corus's comments that "these majority views should have overriding weight in any final decision-making", Transco has amended the legal drafting to reflect a proposed twelve month transitional timescale. This would provide an additional four months to permit resolution of the matter. Transco remains concerned with regard to ensuring its compliance with relevant provisions of the GT Licence and believes that any timescale in excess of this period would be unreasonable. All of Transco's committments described within this Modification Report remain current, including its willingness to request extension of the transitional provisions should this prove necessary and its intention to convene relevant industry negotiations.

British Gas comments that it "remains committed to ensuring that there is no further slippage to the timescale for the delivery of RGMA" but notes "that there are some interdependancies with the implementation of SPAA". Transco's response is that it notes the potential relationship between RGMA and the 'Supply Point Administration Agreement' (SPAA) and the intent that SPAA governs the RGMA baseline post cutover. However, Transco does not believe the need for this arrangement to be in place is an absolute requirement as to date the baseline has been managed and developed in the absence of SPAA.

BP Gas Marketing raises a number of points with respect the the proposed legal drafting. These are detailed below with Transco's response:

Provision	Comment
8.4	*I am not clear where this text is being added. What is the intention?* This constitutes transitional text to be read in conjunction with the existing Network Code.
8.4.20(1)(a)	In (a), add after “other person” the words “in connection with the System”. Transco agrees – drafting has been changed. Why do parts (b) and (d) differ? (b) is pertinent to P&S meters, (d) is pertinent to ‘Unique’ sites. “Special Metering Supply point” – *is this definition agreed?* The definition needs some context – at the moment it simply follows on

	from the definition of "Siteworks" and it is unclear what is intended. This definition has been identified by Transco in the course of producing the legal text. The revised format for transitional text contained within this Modification Report better clarifies the context.
8.10.4(2)	"(" missing after "manufacture". Transco agrees – drafting has been changed.
8.10.4(3)	Add "Section" before "8.10.4". Transco agrees – drafting has been changed.
8.10.4(4)	This provision is missing the reference to the Supply Meter Point where Transco was not previously providing this or a new Supply Meter Point. Transco agrees – drafting has been revised.
Business Rule (14)	*Where is this implemented?* The main body of the transitional text addresses 'Special Metering Supply Points' to which this business rule is pertinent.

12. The extent to which the implementation is required to enable Transco to facilitate compliance with safety or other legislation

Implementation is not required to facilitate such compliance.

13. The extent to which the implementation is required having regard to any proposed change in the methodology established under Standard Condition 4(5) or the statement furnished by Transco under Standard Condition 4(1) of the Licence

This Modification Proposal is not required to facilitate any such change.

14. Programme of works required as a consequence of implementing the ModificationProposal

Transco would be required to be make changes to its UK Link system to facilitate implementation of this Modification Proposal.

15. Proposed implementation timetable (including timetable for any necessary information systems changes)

This Modification Proposal should be implemented effective from 12 July 2004, being the RGMA 'cutover' date.

16. Recommendation concerning the implementation of the Modification Proposal

Transco recommends that this Modification Proposal be implemented.

17. Restrictive Trade Practices Act

If implemented this proposal will constitute an amendment to the Network Code. Accordingly the proposal is subject to the Suspense Clause set out in the attached Annex.

18. Transco's Proposal

This Modification Report contains Transco's proposal to modify the Network Code and Transco now seeks direction from the Gas & Electricity Markets Authority in accordance with this report.

19. Text

8.4 TRANSITION DOCUMENT II

"8.4.20 G7.1

(a) Notwithstanding Section G, paragraphs 7.1.1(b)(iii) and (c)(i) and (ii) (which specifically does not include work relating to the Supply Meter Installation) until July 12th, 2005 but not thereafter, for the purposes of Section G7, "**Siteworks**" includes works undertaken by Transco:

(i) at the request of a Registered User or other person in connection with the System for the purposes of installing, modifying, removing or replacing a Sub deduct Supply Meter Installation at a Supply Meter Point;

(ii) at the request of the Registered User for the purposes of ceasing or enabling the flow of gas at a Sub-deduct Supply Meter Point in which a relevant meter (as defined by Section G, paragraph 1.8.1(e)(i)) is comprised;

(iii) at the request of a Registered User or other person in connection with the System for the purposes of installing, modifying, removing, or replacing a Supply Meter Installation at a Special Metering Supply Point;

(iv) at the request of the Registered User for the purposes of ceasing or enabling the flow of gas at a Special Metering Supply Point;

(b) Transco shall not be obliged to undertake work requested in accordance with:

(i) paragraphs (a)(i) or (a)(ii), unless by no later than the date of such request the Registered User has notified Transco that it has obtained from those Users at the dependant meters (as defined by Section G, paragraph 1.8.1(e)(ii)) their agreement to undertake such work;

(ii) paragraphs (a)(iii) or (a)(iv), unless by no later than the date of such request the Registered User has notified Transco that it has obtained from those Users at a Shared Supply Meter Point their agreement to undertake such work."

"8.4.21 G7.1

"**Special Metering Supply Point**" is any Supply Point:

(a) comprising a Supply Meter Point in respect of which a Supply Meter Installation is provided and installed by Transco; and

(b) such Supply Meter Point:

(i) is a Shared Supply Meter Point; or

(ii) is comprised within a System Exit Point which is subject to a Special Offtake Arrangement; or

(iii) which is comprised in an LDZ Specified Exit Point identified within a Supply Point Nomination in respect of which a Supply Point Registration has occured; or

(iv) which is comprised in a Notional NTS Connection Point identified within a Supply Point Offer in respect of which a Supply Point Registration has occured; or

(c) such Supply Meter Installation comprises a Supply Meter to which telemetered equipment has been installed in accordance with M4.9.1; or

(d) which Transco and the User at such Supply Point have agreed shall be an Special Metering Supply Point."

Insert the following to read:

"8.10.4 M2

Where Transco is providing the Supply Meter Installation or any part of it and which is comprised within a:

(a) a Special Metering Supply Point (a " **Special Metering Supply Meter Installation**"); or

(b) a Sub-deduct Arrangement ("**Sub-deduct Supply Meter Installation**");

then until July 12th, 2005 but not thereafter, the provisions of paragraph 8.10.5 will continue to apply:"

Insert the following to read:

"8.10.5 M2

(a) Except as Transco may otherwise agree in an Ancillary Agreement with the Registered User:

(i) subject to sub paragraph (a)(iii) and (iv) and to paragraphs (c) and (d), Transco will be responsible for securing (on behalf of the Registered User) the provision, installation (in accordance with Section M, paragraph 2.1.2), maintenance, repair, exchange and replacement of the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation or relevant part of it provided by Transco within a reasonable time after a request to do so and subject to payment of appropriate charges in accordance with the Metering Charges Statement;

(ii) the Registered User shall secure that there are made available (without charge to Transco) at the Supply Point Premises:

(1) a suitable site (at a location complying with Section M, paragraph 2.1.3) at the Supply Point Premises, and suitable support, protection and security, for the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation;

(2) supplies of power, water and drainage as appropriate for the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation;

(3) such access, at all reasonable times and in any event between 08:00 and 17:00 hours on any Business Day, to the Supply Point Premises as shall be required to enable Transco to carry out all Meter Installation Works required pursuant to sub paragraph (a)(i);

(iii) the Registered User shall take all reasonable steps to secure that the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation is not damaged or otherwise mistreated;

(iv) ownership of the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation shall remain with Transco (or any person to whom Transco may transfer ownership); and the Registered User shall take all reasonable steps to secure that any notice to that effect affixed thereto by Transco shall not be removed or defaced;

(b) nothing in paragraph (a) requires Transco:

(i) to replace any part of a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation other than where such replacement is necessary as a result of the failure (including by reason of damage, normal wear or tear or defective design or manufacture) thereof;

(ii) to carry out any Meter Installation Works other than for the purposes of maintaining or repairing or (where required under sub paragraph (b)(i)) replacing a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation or part thereof provided by Transco;

(iii) except in the case of routine maintenance, to carry out any Meter Installation Works until reasonable notice has been given to Transco of the requirement for such works;

(c) Meter Installation Works carried out by Transco for the purposes of maintaining repairing or (where required having regard to sub paragraph (b)(i)) replacing any part of a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation to which this Section 8.10.5 applies will not be Siteworks for the purposes of Transition Document II Section 8.4.20;

(d) any Meter Installation Works which any person may request Transco to carry out in respect of a Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation other than as required under sub paragraph (a), including:

(i) the provision of a Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation at a New Supply Meter Point;

(ii) the provision of a Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation at a Supply Meter Point where by reason of a change in the nature or extent of the consumer's requirements for the supply of gas the existing Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation no longer complies with the requirements of Section M, paragraph 2.1.2 and 2.1.3;

will be Siteworks subject to and in accordance with Transition Document II Section 8.4.20;

(e) nothing in this Section 8.10.5 prevents Transco from providing at the request of the consumer or supplier a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation which conforms to higher standards than are (or provides any function in addition to what is) required pursuant to Section M, paragraph 2.1.2, provided that (unless the Registered User has otherwise agreed) the amount of the relevant charge payable by the Registered User will not thereby be increased;

(f) where as a result of any failure or defect in any Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation provided by Transco gas cannot be offtaken from the System at the relevant Supply Meter Point and except where Section J4.4.5 (b) applies, Transco will not be in breach (by reason thereof) of its obligation to make gas available for offtake from the System until:

(i) written notice of such failure, defect or requirement has been given to Transco; and

(ii) the expiry after such notice of a reasonable period for Transco to carry out the required Meter Installation Works;

(g) for the purposes of this Section M "**Meter Installation Works**" means the installation testing, maintenance, repair, exchange or replacement of a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation or any part thereof;

(h) any Code Communication in respect of any activities performed in relation to a Special Metering Supply Meter Installation shall only be made by Conventional Notice;

(i) where as a result of any Meter Installation Works undertaken by Transco in relation to Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation, the relevant Meter Information recorded in the Supply Point Register ceases to be accurate, Transco will after completing such Meter Installation Works:

(i) amend the Supply Point Register so as to record the change in relevant Meter Information required as a result of such works; and

(ii) provide to the Registered User(s) details of the amendment made pursuant to the above."

Insert the following to read:

"8.10.6 M5

For the purposes of Section M5, until July 12th, 2005 but not thereafter, where:

(a) Transco was unable to provide a Valid Meter Reading solely by reason of failure or unavailability of the Supply Meter Installation which is a Special Metering Supply Meter Installation or a Sub-deduct Supply Meter Installation then the Performance Relevant Supply Meter comprised in such Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation will be treated as one in relation to which Transco did not provide a Valid Meter Reading;

(b) Transco finds that there is a failure or unavailability of a Supply Meter Installation which is a Special Meter Supply Meter Installation or a Sub-deduct Supply Meter Installation and this is the cause of the Daily Read Equipment not functioning correctly then the provisions of Section M5.1.3 (c) will not apply and Transco will perform the activities in paragraphs 5.1.3(c)(i) and (ii) and 5.1.3(d)."

Signed for and on behalf of Transco.

Signature:

Chris Train
Director
Support Services

Date:

Gas and Electricity Markets Authority Response:

In accordance with Condition 9 of the Standard Conditions of the Gas Transporters' Licences dated 21st February 1996 I hereby direct Transco that the above proposal (as contained in Modification Report Reference **0678**, version **2.0** dated **23/03/2004**) be made as a modification to the Network Code.

Signed for and on Behalf of the Gas and Electricity Markets Authority.

Signature:

The Network Code is hereby modified with effect from, in accordance with the proposal as set out in this Modification Report, version **2.0**.

Signature:

Process Manager - Network Code

Transco

Date:

Annex

1. Any provision contained in this Agreement or in any arrangement of which this Agreement forms part by virtue of which The Restrictive Trade Practices Act 1976 ("the RTPA"), had it not been repealed, would apply to this Agreement or such arrangement shall not come into effect:

   (i) if a copy of the Agreement is not provided to the Gas and Electricity Markets Authority ("the Authority") within 28 days of the date on which the Agreement is made; or

   (ii) if, within 28 days of the provision of the copy, the Authority gives notice in writing, to the party providing it, that he does not approve the Agreement because it does not satisfy the criterion specified in paragraphs 1(6) or 2(3) of the Schedule to The Restrictive Trade Practices (Gas Conveyance and Storage) Order 1996 ("the Order") as appropriate

   provided that if the Authority does not so approve the Agreement then Clause 3 shall apply.

2. If the Authority does so approve this Agreement in accordance with the terms of the Order (whether such approval is actual or deemed by effluxion of time) any provision contained in this Agreement or in any arrangement of which this Agreement forms part by virtue of which the RTPA, had it not been repealed, would apply this Agreement or such arrangement shall come into full force and effect on the date of such approval.

3. If the Authority does not approve this Agreement in accordance with the terms of the Order the parties agree to use their best endeavours to discuss with Ofgem any provision (or provisions) contained in this Agreement by virtue of which the RTPA, had it not been repealed, would apply to this Agreement or any arrangement of which this Agreement forms part with a view to modifying such provision (or provisions) as may be necessary to ensure that the Authority would not exercise his right to give notice pursuant to paragraph 1(5)(d)(ii) or 2(2)(b)(ii) of the Order in respect of the Agreement as amended. Such modification having been made, the parties shall provide a copy of the Agreement as modified to the Authority pursuant to Clause 1(i) above for approval in accordance with the terms of the Order.

4. For the purposes of this Clause, "Agreement" includes a variation of or an amendment to an agreement to which any provision of paragraphs 1(1) to (4) in the Schedule to the Order applies.