

Extract from UNC General Terms Section D

1.2.2 The DSC Objectives are:

(a) compliance with the requirements of the CDSP Licence Condition, including (without limitation):

(i) that the CDSP should provide services effectively to help facilitate the efficient and integrated operation of the gas industry; and

(ii) so far as concerns CDSP Charges, compliance with the requirements (including the Charging Methodology Objectives (as defined in the CDSP Licence Condition)) in paragraph 8(d)(ii) of the CDSP Licence Condition; and

(b) the objectives in paragraph 1 of Standard Special Condition A11 of Gas Transporter's Licences;

(c) (without duplication of the objectives in paragraph (b)) facilitating effective competition between Parties or Parties of any class.

Extract from GT Licence

Condition 11: (Agency)

1. This Standard Condition 11 (Agency) applies to all relevant licensees.
2. The relevant licensee shall, together with the other relevant gas transporters, by the 1 October 2015 (unless the Authority consents otherwise in writing), have entered into an agency services agreement (“AS agreement”) with the other relevant gas transporters providing for the common provision of services and systems by the agency (as defined in paragraph 4 below) of such services and systems, the scope of which are set out within the uniform network code.
3. The relevant licensee shall, together with other relevant gas transporters procure, or cause to be procured:
 - (a) that the Authority is provided with a copy of the AS agreement and each amendment thereof; and
 - (b) the publication of the AS agreement as modified from time to time, with the exception of any information agreed in writing as being confidential by the Authority.
4. Where services and systems are sub-contracted to a common service provider (the “agency”) by all relevant gas transporters including the relevant licensee (unless the Authority has otherwise consented pursuant to paragraph 6), the scope of such sub-contracting arrangements (except in respect of the methodology) shall be set out in the uniform network code, and the agency and the agreement referenced in paragraph 2 shall, without limitation, be based on the following principles:
 - (a) such services and systems shall be established, operated and developed on an economic and efficient basis;
 - (b) the costs of the agency shall be determined on an activity cost basis such that the services and systems costs associated with each activity, as set out within the uniform network code as being within the scope of the agency, are separately assessed and reported; and
 - (c) the costs of the agency shall be allocated on a transparent basis.
5. Where services and systems are to be provided pursuant to the uniform network code by the agency, the relevant licensee shall, together with other relevant gas transporters, ensure that all such services and systems are provided or otherwise procured (including without limitation on a sub contracted basis) on a common basis pursuant to the AS agreement.
6. In respect of the services and systems to be provided by the agency under paragraphs 4 and 5 of this condition, the relevant licensee shall be under an obligation to use or procure the use of such services and systems from the agency and shall not elect either expressly or by its conduct not to use nor to procure the use of the agency as the provider of such services and systems without the prior written consent of the Authority, as may be provided under Standard Condition 9 (Network Code and Uniform Network Code).

Agency Services Funding

7. For each relevant year, the relevant licensee will contribute no more than the amount determined to have been allowed under Special Condition 1 (Charging of Gas Shippers – Relative Price Control) for the activities to be carried out by the agency as may be set out in the methodology. Such contribution will be made for each supply point connected to the relevant licensee’s pipe-line

system regardless of whether the supply point is subject to charging arrangements under Special Condition 1 (Charging of Gas Shippers – Relative Price Control) or otherwise.

8. Notwithstanding the provisions of paragraph 7, the relevant licensee’s contribution for each connected supply point shall be the lesser of;

a) the amount determined by the methodology; and

b) the relevant charge set out in a charging statement produced by the agency, as may be revised from time to time.

9. In this condition:

“methodology”

means, for the purposes of this condition, the methodology, titled “iGT Agency Services: iGT contribution methodology”, as may be published from time to time by the Authority, for the purposes of determining the relevant licensee’s contribution for agency services.

“relevant licensee”

means, for the purposes of this condition, a licensee to whom Standard Condition 9 (Network Code and Uniform Network Code) is in effect.

“relevant year”

means, for the purposes of this condition, a year beginning on 1 April of each calendar year and ending on 31 March of the following calendar year.