

**UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT**

**SECTION G – SUPPLY POINTS<sup>123</sup>**

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**2.3 Annual Quantity**

2.3.1 The “**Annual Quantity**” in respect of a Supply Meter Point or Supply Point is an estimate (determined by the CDSF in accordance with the further provisions of the Code) of the quantity of gas which would (on a seasonal normal basis, in the case of a Class 3 or 4 Supply Meter Point) be offtaken from the Total System at that Supply Meter Point in a period of 12 months.

2.3.2 The Annual Quantity of a Supply Meter Point and the Supply Point(s) in which it is comprised shall be determined in accordance with the further provisions of this paragraph 2.3.

2.3.3 For the purposes of this Section G:

- (a) “**AQ Close-Out**” in any month is the 10th Day of that month;
- (b) the “**AQ Read Submission Period**” in relation to a month (M) is the period from (but not including) AQ Close-Out for month M-1 to (and including) AQ Close-Out for month M;
- (c) in relation to a Supply Meter Point, a month is an “**AQ Calculation Month**” where a Qualifying Meter Reading in respect of such Supply Meter Point is submitted in the AQ Read Submission Period in relation to that month;
- (d) a “**Qualifying Meter Reading**” is any Valid Meter Reading (other than a Meter Reading which is replaced pursuant to Section M5.16), provided that in the case of a Class 1 or 2 Supply Meter Point the Exit Close-out Date in respect of the Read Date is not later than AQ Close-Out.

2.3.4 The Annual Quantity in respect of each Supply Meter Point shall be calculated in each AQ Calculation Month.

2.3.5 The Annual Quantity calculated in respect of the Supply Meter Point in an AQ Calculation Month (month M) shall apply:

- (a) with effect from and including the first Day of the month (month M+1) following the AQ Calculation Month; and

<sup>1</sup> Implementation of modification 0710S effective 05:00hrs on 01/04/2023 will amend this list in whole or in part.

<sup>2</sup> Implementation of modification 0770FT effective 05:00hrs on a date to be confirmed will amend this list in whole or in part.

<sup>3</sup> Implementation of modification 0701 effective 05:00hrs on a date to be confirmed will amend this list in whole or in part.

- (b) until and including the last Day of the next AQ Calculation Month (which for the avoidance of doubt may be month M+1).
- 2.3.6 The CDSP will notify the Annual Quantity, and if relevant that the Annual Quantity has crossed a threshold requirement for the purposes of paragraph 2.3.15, to the Registered User not later than 5 Business Days before the end of the AQ Calculation Month.
- 2.3.7 For the purposes of calculating the Annual Quantity in respect of a Supply Meter Point in an AQ Calculation Month:
- (a) the **“AQ Closing Reading”** is the Qualifying Meter Reading which was submitted in the AQ Read Submission Period, or if more than one Valid Meter Reading was so submitted, the Qualifying Meter Reading with the latest Read Date;
  - (b) the **“AQ Opening Reading”** is:
    - (i) in relation to a Class 1 or 2 Supply Meter Point, the Valid Daily Meter Reading or (in the circumstances in Section M5.6.2 or M5.7.2) estimated Meter Reading for which the Read Date is the target date, subject to paragraph 2.3.14(c);
    - (ii) in relation to a Class 3 or 4 Supply Meter Point:
      - (1) the Valid Meter Reading for which the Read Date is nearest to the target date; or
      - (2) in the case where the Read Dates of two Valid Meter Readings are an equal number of Days respectively before and after the target date, the Valid Meter Reading with the later Read Date;
      - (3) but excluding any Meter Reading for which the Read Date is less than 9 months or more than 36 months before the Read Date of the AQ Closing Read;
  - (c) the **“target date”** for the purposes of paragraph (b) is the date which is 365 Days before the Read Date of the AQ Closing Reading;
  - (d) the **“AQ Metered Period”** is the period from the Read Date of the AQ Opening Reading to the Read Date of the AQ Closing Reading;
  - (e) in relation to a Class 3 or 4 Supply Meter Point, the **“AQ Metered Quantity”** is the Metered Quantity (as provided in Section M1.5.3(e)) for the AQ Metered Period.
- 2.3.8 If, in relation to a Supply Meter Point and an AQ Closing Read in a month, there is no Valid Meter Reading which qualifies as an AQ Opening Reading under the requirements in paragraph 2.3.7(b)), an Annual Quantity shall not be calculated and that month shall not be an AQ Calculation Month and the prevailing Annual Quantity of the Supply Meter Point shall be unchanged.
- 2.3.9 Subject to the further provisions of this paragraph 2.3, the Annual Quantity of a Supply Meter Point shall be determined:

- (a) in the case of a Class 1 or 2 Supply Meter Point, as the sum of the Supply Meter Point Daily Quantities for all Days in the AQ Metered Period;
  - (b) in the case of a Class 3 or 4 Supply Meter Point, by reference to the AQ Metered Quantity and AQ Metered Period, in accordance with Section H3.2.
- 2.3.10 Where a Class 3 or 4 Supply Meter Point becomes a Class 1 or 2 Supply Meter Point, the Annual Quantity shall continue to be calculated pursuant to paragraphs 2.3.7(b)(ii) and 2.3.9(b) until the first AQ Calculation Month in which there is an AQ Closing Read for which the target date is not earlier than the date of the change in Class of the Supply Meter Point.
- 2.3.11 Where, following an AQ Calculation Month a Supply Meter Point changes Class, and as a result the method (under the applicable provisions of this paragraph 2.3) of calculating the Annual Quantity changes, the Annual Quantity shall not be revised by reason of such change until the next following AQ Calculation Month.
- 2.3.12 Where a Supply Meter Point is Isolated the value of the Annual Quantity for that Supply Meter Point shall continue to be the value as determined at the date of Isolation, until and unless the Supply Meter Point is Re-established.
- 2.3.13 Where an Isolated Supply Meter Point is Re-established, for the purposes of calculating the Annual Quantity in each subsequent AQ Calculation Month, Days on which the Supply Meter Point was Isolated:
- (a) shall be disregarded in determining the target date under paragraph 2.3.7(b);
  - (b) shall be excluded from the AQ Metered Period for the purposes of the calculation under Section H3.2.
- 2.3.14 In the case of a New Supply Meter Point:
- (a) until the first AQ Calculation Month in accordance with paragraph (b), the Annual Quantity shall be the quantity notified to the CDSP as provided in paragraph 3.4.2(c);
  - (b) the first AQ Calculation Month shall be the first month in relation to which a Qualifying Meter Reading, with a Read Date not less than 9 months after the Supply Point Registration Date of the first Supply Point which includes such new Supply Meter Point, is submitted in the AQ Read Submission Period;
  - (c) subject to paragraph (b), in the case of a Class 1 or 2 Supply Meter Point, in each AQ Calculation Month until the first such month for which the Read Date of the AQ Closing Reading is not less than 365 Days after such Supply Point Registration Date:
    - (i) the AQ Opening Reading shall be the Daily Meter Reading for the Supply Point Registration Date;
    - (ii) the Annual Quantity (AQ) shall be calculated as follows:

$$AQ = AQ' * 365 / D$$

where:

AQ' is the quantity calculated under paragraph 2.3.9(a);

D is the number of Days in the AQ Metered Period;

(d) in the case of a Class 3 or 4 Supply Meter Point, in each AQ Calculation Month where the Read Date of the AQ Closing Read is less than 365 Days after such Supply Point Registration Date:

(i) the AQ Opening Read shall be in accordance with paragraph (c)(i);

(ii) the Annual Quantity (AQ) shall be calculated as follows:

$$AQ = AQ' / D * 365$$

where AQ and D have the meaning in paragraph (c).

2.3.15 Where it is a condition of a change in classification (under any provision of the Code) of a Supply Point or Supply Meter Point that the Annual Quantity of such System Exit Point is or has become greater than, not less than, less than or not greater than a specified quantity (the “**threshold requirement**”), the condition shall be treated as satisfied, with effect from the first Day of the month following a relevant month ('M'), if and only if:

(a) except where paragraph (b) applies:

(i) each AQ Calculation Month in the preceding period of 6 months is a qualifying AQ Calculation Month; and

(ii) there are at least 3 consecutive qualifying AQ Calculation Months (including month M), or if there are fewer than 3 AQ Calculation Months in the preceding period of 18 months, each AQ Calculation Month in that 18 month period is a qualifying AQ Calculation Month;

(b) in the case of a requirement for a change in classification to Class 1 by reason of the Annual Quantity of the Supply Meter Point being not less than the threshold requirement, if:

(i) the last 3 AQ Calculation Months were qualifying AQ Calculation Months (including Month M); or

(ii) the last AQ Calculation Month prior to the commencement of the preceding period of 12 months was a qualifying AQ Calculation Month, and any AQ Calculation Month in that period is a qualifying AQ Calculation Month.

2.3.16 For the purposes of paragraph 2.3:

(a) an AQ Calculation Month is a qualifying AQ Calculation Month if the Annual Quantity calculated in such month satisfies the relevant threshold requirement;

(b) a preceding period is a period ending with and including month M.

(c) a relevant month is:

(i) in relation to paragraph 2.3.15(a) and (b)(i), an AQ calculation month;

- (ii) in relation to paragraph 2.3.15(b)(ii), the last month in the preceding period.

2.3.17 For the purposes of the Code, subject to paragraph 2.3.18, the “**Formula Year Annual Quantity**” for a Class 3 or 4 Supply Meter Point and the Supply Point(s) in which it is comprised for a Formula Year is the Annual Quantity determined in the most recent AQ Calculation Month falling not later than the December prior to that Formula Year, notwithstanding any subsequent change in the basis of determination of such Annual Quantity as a result of a change in Class of the Supply Meter Point.

2.3.18 Where the Annual Quantity of a Supply Meter Point is revised pursuant to paragraph 2.3.20 with effect from any month in a Formula Year (FY), the Formula Year Annual Quantity:

- (a) for Formula Year FY; and
- (b) (where such revision is made after the Formula Year Annual Quantity for Formula Year FY+1 has been determined) for Formula Year FY+1

shall be revised, with effect from that month or (if later) the start of the relevant Formula Year, so as to be equal to such revised Annual Quantity.

2.3.19 For the purposes of determining the rate of any Transportation Charge, references in the Transportation Statement to the Annual Quantity of a Supply Point are to the Formula Year Annual Quantity for the Formula Year in question.

2.3.20 The Registered User may request a change in the Annual Quantity of a Supply Meter Point on the grounds that the most recently calculated Annual Quantity does not reflect the expected (seasonally adjusted where relevant) consumption of gas over the 12 months following the date of the request due to an eligible cause which occurred after the Read Date of the AQ Opening Reading used in the most recent calculation of the Annual Quantity (or, in the case of the eligible cause set out in paragraph 2.3.21(e), on or after such Read Date).

2.3.21 For the purpose of paragraph 2.3.20, and subject where applicable to paragraph 2.3.22, “**eligible cause**” means:

- (a) the confirmed theft of gas (which resulted in the metered consumption in the AQ Metered Period at the Supply Meter Point being less than the actual consumption);
- (b) the installation, replacement or removal of Consumer's Plant which results in a material change in the basis on which gas is consumed; ~~or~~
- (c) the commencement of a new business activity or discontinuance of an existing business activity at the consumer's premises;
- (d) a change having occurred in respect of the use made of gas offtaken from the Total System at the Supply Meter Point (“Erroneous AQ (Change in Operation and/or Use)”); or
- (e) the Annual Quantity attributed to the Supply Meter Point not being representative of the quantity of gas (seasonally adjusted where relevant) which would be offtaken from the Total System at that Supply Meter Point in a period

of 12 months due to read history outside the User's ownership ("Erroneous AQ (Read History)").

2.3.22 -When evaluating whether an eligible cause exists, the following shall apply:

- (a) a change in the Annual Quantity of a Supply Meter Point based on an eligible cause shall only be permitted where the estimated quantity of gas proposed as the replacement value is either less than 95% (ninety five percent) or more than 105% (one hundred and five percent) of the prevailing Annual Quantity;
- (b) a change in the Annual Quantity of a Supply Meter Point based on the eligible cause under paragraph 2.3.21(c) shall only be permitted where:
  - (i) the notice is submitted no later than three (3) months after the Supply Point Registration Date;
  - (ii) the User has submitted a notification under paragraph 2.3.30;
  - (iii) prior to the Supply Point Registration Date the Existing Registered User of the Supply Point in which the Supply Meter Point is comprised is neither:
    - (1) the User submitting the request for a change in the Annual Quantity; or
    - (2) a 25% Affiliate of such User.
- (c) a change in the Annual Quantity of a Supply Meter Point on the basis of Erroneous AQ (Change in Operation and/or Use) shall only be permitted where:
  - (i) the User has confirmed the site is not vacant;
  - (ii) the User has taken reasonable steps to ensure there has been no physical change of equipment at the consumer's premises;
  - (iii) the User has taken reasonable steps to ensure there has been no commencement of a new business activity or discontinuance of an existing business activity at the consumer's premises; and
  - (iv) the User has taken reasonable steps to confirm there has been a material change in business operation at the consumer's premises the consequence of which is that the most recently calculated Annual Quantity of the Supply Meter Point does not reflect the User's expected (seasonally adjusted where relevant) consumption of gas over the 12 months following the date of the User's request to change the Annual Quantity in respect of the Supply Meter Point.
- (d) a change in the Annual Quantity of a Supply Meter Point on the basis of Erroneous AQ (Read History) shall only be permitted where:
  - (i) the User reasonably believes, in its sole discretion, that circumstances falling within the definition of Erroneous AQ (Read History) exist in respect of the period prior to the Supply Point Registration Date of such User;

- ~~(ii) the date of the request pursuant to paragraph 2.3.20 has been made before the date being 12 months after the Supply Point Registration Date of the User; and~~
- ~~(iii) the User has confirmed that the site's Annual Quantity has increased by greater than 100% since the Supply Point Registration Date of the User.~~
- ~~(i) —~~

~~2.3.22~~2.3.23 A Registered User may also request a change to the Annual Quantity of a Supply Meter Point where the Uniform Network Code Validation Rules prescribe the wider tolerance band referred to in Section M5.3.4(b) by reference to the Annual Quantity of the Supply Meter Point and;

- (a) the User submits a Meter Reading (“**Rejected Meter Reading**”) for such Supply Meter Point which fails validation because it falls outside the wider tolerance band, but which all other respects is Valid; and
- (b) the User is satisfied that the Meter Reading is valid (and would not fail validation if the Annual Quantity were so changed).

~~2.3.23~~2.3.24 Where a Registered User requests a change in the Annual Quantity:

- (a) it shall give notice to the CDSP specifying:
  - (i) the Supply Meter Point in respect of which the request is made;
  - (ii) in the case of a request under:
    - (1) paragraph 2.3.20, which eligible cause applies and evidence of its application in relation to the Supply Meter Point;
    - (2) paragraph 2.3.~~2223~~, the Rejected Meter Reading and evidence that it is valid;
  - (iii) the User's estimate of the Annual Quantity which shall be made in good faith and after all appropriate enquiries of the consumer and on the basis of reasonable skill and care and where applicable taking into account (in a case within paragraph 2.3.20, where applicable) the metered consumption between the Read Dates of the Valid Meter Reads referred to in paragraph (b), or (in a case within paragraph 2.3.~~2223~~) the Rejected Meter Reading;
- (b) in the case of a request under paragraph 2.3.20:
  - (i) it shall submit a Valid Meter Reading with a Read Date which is no earlier than the date on which the eligible cause occurred; and
  - (ii) it may in addition submit a Valid Meter Reading with a Read Date later than the Read Date of the Meter Reading under paragraph (i).

~~2.3.24 A User may only give notice requesting a change in the Annual Quantity of a Supply Meter Point under paragraph 2.3.20 for an eligible cause under paragraph 2.3.21(e) where the following conditions are satisfied:~~

- ~~(a) — the notice is submitted no later than three (3) months after the Supply Point Registration Date;~~
- ~~(b) — the User has submitted a notification under paragraph 2.3.30;~~
- ~~(c) — prior to the Supply Point Registration Date the Existing Registered User of the Supply Point in which the Supply Meter Point is comprised is neither
  - ~~(i) — the User submitting the request for a change in the Annual Quantity; or~~
  - ~~(ii) — a 25% Affiliate of such User.~~~~

2.3.25 The CDSP will reject a request for a change in the Annual Quantity where:

- (a) either:
  - (i) the eligible cause specified in the Registered User's notice has not occurred or (as the case may be) the Rejected Meter Reading was not Valid;
  - (ii) the Registered User's estimate of the Annual Quantity is not made in good faith and after all appropriate enquiries of the consumer and on the basis of reasonable skill and care;
- ~~(b) — in a case within paragraph 2.3.22, any of the conditions are not satisfied;~~
- ~~(b)(c)~~ (c) in a case within paragraph 2.3.223, the User does not submit a Rejected Meter Reading.
- ~~(e) — in a case within paragraph 2.3.24, any of the conditions are not satisfied.~~

2.3.26 Within 2 Business Days of receipt of a request under paragraph 2.3.20 or 2.3.22-23 the CDSP will notify the User if the request is accepted or rejected (in which case the CDSP will notify the User of the reasons for the rejection).

2.3.27 Subject to paragraphs 2.3.28 and 2.3.31, where the CDSP accepts a request for a change in Annual Quantity of a Supply Meter Point:

- (a) with effect from and including the first Day of the first month which begins at least 15 Supply Point Systems Business Days after the date on which the User gave notice pursuant to paragraph 2.3.2324(a), and until the next AQ Calculation Month under paragraph (c) the Annual Quantity for the Supply Meter Point shall be the estimate specified in the User's notice under paragraph 2.3.2324(a);
- (b) in a case within paragraph 2.3.223, the Rejected Meter Reading (as resubmitted at the User's request) will be accepted;
- (c) the next AQ Calculation Month shall be the first month in relation to which a Qualifying Meter Reading, with a Read Date not less than 9 months after the Read Date of the Meter Reading referred to in paragraph 2.3.223(b) or (as the case may be) the Rejected Meter Reading, is submitted in the AQ Read Submission Period; and
- (d) the CDSP shall notify the User five (5) Supply Point Systems Business Days



prior to the date the change in Annual Quantity is given effect in accordance with paragraph (a) of the new Annual Quantity for the Supply Meter Point.

2.3.28 A User may cancel a request for a change in the Annual Quantity of a Supply Meter Point by giving the CDSP at least 8 Supply Point Systems Business Days' notice prior to the date the change would be given effect in accordance with paragraph 2.3.27(a) and if the CDSP receives such notice, the previously accepted request shall not take effect, and the Annual Quantity of the Supply Meter Point shall be unchanged.

2.3.29 Where at any time prior to the Supply Point Registration Date the User considers that any Annual Quantity of a Supply Point comprising a New Supply Meter Point which has been recorded on the Supply Point Register does not reflect the User's estimate of the correct quantity then the User shall promptly (and in any event before the Supply Point Registration Date) notify the CDSP of the same together with its estimate of the correct Annual Quantity.

2.3.30 For the purposes of paragraph 2.3.22(b)4 a User may submit to the CDSP a notification to confirm in respect of the User:

- (a) that no other Shipper User qualifies as a 25% Affiliate; or
- (b) the identity of each other Shipper User who qualifies as a 25% Affiliate

and the User shall promptly submit a further notification to the CDSP in the event the details in an earlier notification cease to be correct.

2.3.31 Where following the acceptance of a request for a change in the Annual Quantity under paragraph 2.3.24 it is determined the condition in paragraph 2.3.22(b)(iii)(2) ~~2.3.24(e)(ii)~~ was not satisfied paragraph 2.3.27 shall be deemed not to have applied in respect of the request (notwithstanding the CDSP's acceptance of the request at the time it was submitted).

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