



Independent Gas Transporters'

UNIFORM NETWORK CODE

Working Draft mod 172 legal text

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PART A - INTRODUCTION AND INTERPRETATION

1 Introduction

- 1.1 This document (including the Transition Document) is the Independent Gas Transporters Uniform Network Code (the "**IGT UNC**") and is prepared pursuant to Condition 9 of the Pipeline Operator's Gas Transporters' Licence.
- 1.2 Subject to any contrary provision of the Pipeline Operator's Network Code, the IGT UNC is to be incorporated into the Pipeline Operator's Network Code.
- 1.3 The Pipeline Operator's Network Code is made binding between the Pipeline Operator and Pipeline Users by the Framework Agreement.

2 Interpretation

- 2.1 The "**Network Code**" in respect of the Pipeline Operator is a reference to the network code prepared by the Pipeline Operator pursuant to Condition 9 of the Pipeline Operator's Licence and in respect of a person other than the Pipeline Operator, is a reference to the network code prepared by that person pursuant to the relevant provisions of its Gas Transporters' Licence.
- 2.2 Reference to the IGT UNC (or any part thereof) or to a Network Code are to the IGT UNC (or such part thereof) or Network Code as from time to time modified in accordance with the Modification Rules or any Pipeline Operator's Licence.

- 2.3 A reference to the "**Code**" is a reference to:

the IGT UNC as and to the extent incorporated into the Pipeline Operator's Network Code;

subject to any contrary provision in the Pipeline Operator's Network Code, such additional terms as are contained in the Pipeline Operator's Network Code;

and references to the Code (or to a Network Code) include such (or such Network Code) as given contractual effect by the Framework Agreement; and references to a part of the Code shall be construed accordingly.

- 2.4 "**Pipeline Operator**" means a person which is (and in its capacity as) the owner or operator of one or more Pipelines and licensee under the Pipeline Operator's Licence authorising the conveyance of gas through such Pipeline(s).
- 2.5 For the purposes of the IGT UNC, a reference to "**a Pipeline Operator**" or "**the Pipeline Operator**" in the context of a Pipeline or a point on a Pipeline is a reference to the Pipeline Operator which is the owner or operator of that Pipeline or that Pipeline on which that point is located.
- 2.6 For the purposes of the Code, a reference to "**a Pipeline**", "**the Pipeline**" or the "**relevant Pipeline**" is a reference:

in the context of a point on a Pipeline, to the Pipeline on which that point is or is to be located;

in the context of a Pipeline Operator, to a Pipeline owned or operated by that Pipeline Operator;

in the context of a particular transportation activity, to the Pipeline in relation to which that activity occurs or is to occur or is to be undertaken,

and otherwise is a reference to any Pipeline.

2.7 For the avoidance of doubt the Pipeline Operator may be the Pipeline Operator of (and licensee under the Pipeline Operator's Licence in relation to) more than one Pipeline and the Code shall be construed accordingly.

2.8 A reference in the Code to "**a Pipeline User**" as a Pipeline User of (or in relation to) a Pipeline is a reference to a Pipeline User in its capacity as a person bound (or to be bound) by the Code pursuant to the Framework Agreement to which the Pipeline Operator which owns or operates that Pipeline is party.

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PART B - CAPACITY

1 Unmetered CSEP

- 1.1 Where the Pipeline is connected to the Large Transporter System, in accordance with the UNC the Pipeline is a Connected Offtake System at an Unmetered CSEP.

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2 Downstream Systems

- 2.1 The basis on which a Pipeline User may apply for or may be treated as having applied for and may be registered as holding Capacity at a Downstream System Exit Point will be as agreed between the Pipeline Operator and the Downstream System Operator and/or in accordance with the Pipeline Operator's Network Code.

PART C - SUPPLY POINT ADMINISTRATION

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PART D - SUPPLY METER INSTALLATION

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PART E - METER READING

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PART F - DAILY AND ANNUAL QUANTITIES AND SHRINKAGE

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PART G - PIPELINE TRANSPORTATION CHARGES, INVOICING, PAYMENT AND CODE CREDIT

1 Transportation Charges

1.1 For the purposes of the Code:

- (a) "**Transportation Charges**" are charges payable by a Pipeline User in respect of a transportation arrangement under the Code, and (subject to Clause 1.3) are those charges identifiable as such in the Transportation Statement; and
- (b) the "**Transportation Statement**" is the prevailing statement furnished by the Pipeline Operator to the Authority pursuant to the terms of the Pipeline Operator's Licence.

1.2 Where any element of a Transportation Charge is payable by a Pipeline User pursuant to a contract other than one made upon the terms of the Code, such element shall not in addition be payable under the Code.

1.3 The further provisions of the Code set out the basis on which Transportation Charges are payable by Pipeline Users; provided that (subject to Clause 2.2) where:

- (a) the prevailing Transportation Statement provides for any charge which is not provided for in the Code; and
- (b) the amount payable by way of such charge in any case is capable of being determined by reference to the provisions of the Code prevailing at the time

such charge shall be a Transportation Charge and shall be payable by Pipeline Users or Pipeline Users of such class in accordance with the relevant provisions of the Transportation Statement and further provided that for the avoidance of doubt, Transportation Charges are determined by

- (a) reference to the methodologies referred to in; or
- (b) as otherwise determined by

the Pipeline Operator's Licence.

1.4 For the avoidance of doubt Clause 1.3(b) shall not be taken as requiring that the Code should provide for the determination or (other than by virtue of Clause 7.8) payment of any such charge as is therein referred to.

1.5 The basis on which the Pipeline Operator will reduce any Transportation Charges pursuant to paragraph 5 of Standard Condition 7 of the Pipeline Operator's Licence is not contained in the Code; and nothing contained in the Code shall be taken to prevent the Pipeline Operator from reducing such charges in accordance with that Standard Condition.

2 Rates and amount of Transportation Charges

2.1 Subject to Clause 2.2 to 2.4, the amount or rate of any Transportation Charge payable at any time by a Pipeline User shall be determined in accordance with the Transportation Statement in force at the time such Transportation Charge accrues (irrespective of when it is due for payment); and accordingly the rate of the Transportation Charges payable by a Pipeline User may vary during the period for which the Pipeline User holds any Capacity or is the Registered User of any Supply Point.

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PART H - SYSTEM MAINTENANCE AND PLANNING

1 Programmed maintenance

1.1 For the purposes of this Part H:

- (a) **"Maintenance Programme"**: is a programme (or updated programme) of planned maintenance of the Pipeline;
- (b) references to maintenance of any part of the Pipeline include any inspection, repair, replacement, reinstatement and recommissioning thereof, and works preparatory to such maintenance and testing of the same and any works required for the return to service of such part of the Pipeline after such maintenance.

1.2 The Pipeline Operator may require Pipeline Users to provide information to the Pipeline Operator in accordance with this Part H for the purposes of enabling the Pipeline Operator:

- (a) to plan (on a weekly basis) the operation of the Pipeline;
- (b) to comply with its obligations pursuant to applicable Legal Requirements in relation to the maintenance of the Pipeline;
- (c) to prepare Maintenance Programmes.

2 Maintenance Programme

2.1 Each year the Pipeline Operator will establish and update a Maintenance Programme as it considers necessary.

2.2 The Pipeline Operator will use reasonable endeavours to co-ordinate its Maintenance Programme with the maintenance of the Large Transporter System in accordance with Section L4 of the UNC.

2.3 For the avoidance of doubt Force Majeure affecting the Pipeline Operator will include maintenance by the Upstream System Operators of the Upstream Systems affecting the Connection Point and/or the Pipeline Delivery Facility Operator of the Pipeline Delivery Facility affecting the Pipeline Entry Point.

2.4 The Pipeline Operator will notify the Pipeline Users as soon as reasonably practicable of any maintenance affecting the Connection Point and/or Pipeline Entry Point notified to it by any Upstream System Operator and/or Pipeline Delivery Facility Operator.

2.5 The Pipeline Operator will use reasonable endeavours to co-ordinate its Maintenance Programme with the maintenance of a Pipeline Delivery Facility in accordance with the relevant Pipeline Entry Agreement.

3 Programmed Maintenance

3.1 Subject to Clause 3.3 maintenance of any part of the Pipeline carried out by the Pipeline Operator on any Day is **"Programmed Maintenance"** as respects any Pipeline User in relation to a Supply Point where:

- (a) such Day was a Day on which maintenance was planned under the Maintenance Programme; or
- (b) in the case of a Day on which maintenance was not planned under the Maintenance Programme:

- (i) in the case of a Supply Point whose Annual Quantity does not exceed 73,200 kWh (2,500 therms) the Pipeline Operator gives to the Consumer not less than seven Days notice (or with the Consumer's consent less notice) of the carrying out of such maintenance on such Day and the Pipeline Operator is not required to give any notice thereof to the Registered User but shall endeavour to inform the Registered User of what has been agreed with the Consumer;
- (ii) in the case of a Supply Point whose Annual Quantity exceeds 732,000 kWh (25,000 therms), the Pipeline Operator gives to the Pipeline User the notification required under Clause 3.2 not less than 30 Days before the Day on which maintenance is carried out ("**maintenance day**"); or
- (iii) in the case of a Supply Point whose Annual Quantity exceeds 73,200 kWh (2,500 therms) but does not exceed 732,000 kWh (25,000 therms), the Pipeline Operator gives to the Pipeline User the notification required under Clause 3.2 not less than 7 Days before the maintenance day.
- (iv) in the case of the Connection Point and/or Pipeline Entry Point the Pipeline Operator gives to the Pipeline User the notification required under Clause 3.2 not less than 30 Days before the maintenance day.

3.2 For the purposes of Clause 3.1(b):

- (a) the notification required is a notification that the availability of gas for offtake, or (in the case of the Connection Point and/or Pipeline Entry Point) ability of the Pipeline Operator to accept delivery of gas will be affected by the carrying out of such maintenance;
- (b) in respect of a Supply Point, the notification is required to be given only where at the time the notification is required to be given, the Pipeline User is the Registered User of such Supply Point.

3.3 Where in respect of a Day maintenance by the Upstream System Operators of the Upstream Systems affects the Connection Point, or maintenance by the Pipeline Delivery Facility Operator of a Pipeline Delivery Facility affects a Pipeline Entry Point, Pipeline Users acknowledge that the Pipeline Operator may not be able to give the period of notice required pursuant to Clause 3.2. Accordingly, in such circumstances, the Pipeline Users agree that the Pipeline Operator shall be entitled to give such lesser period of notice in respect of maintenance on such Day as it is practicable for the Pipeline Operator to give and that maintenance in respect of such Day shall, notwithstanding such lesser period of notice, be Programmed Maintenance.

4 Offtake of gas during Programmed Maintenance

4.1 To the extent that on any Day by reason of Programmed Maintenance it is not feasible for the Pipeline Operator to make available gas for offtake from the Pipeline by a Pipeline User at a Supply Meter Point or to accept into the Pipeline at the Connection Point and/or a Pipeline Entry Point gas tendered for delivery by a Pipeline User or, in either case, its ability to do so is restricted:

- (a) such Supply Meter Point, Pipeline Entry Point or Connection Point is a "**Maintenance Affected Point**"; and
- (b) subject to Clause 4.2, the Pipeline Operator will be relieved of its obligations to make gas available for offtake from the Pipeline at such Supply Meter Point.

- 4.2 Subject to Clause 4.3 and Part K, the Pipeline Operator will not be relieved by virtue of Clause 4.1(b) of its obligations therein referred to in respect of a Maintenance Affected Point:
- (a) in the case of the Connection Point (where the maintenance is on the Pipeline and not on the Upstream System) or a Pipeline Entry Point (where the maintenance is on the Pipeline and not on the Pipeline Delivery Facility) on more than the number of Days identified in the Maintenance Programme
 - (b) in the case of a Supply Point whose Annual Quantity exceeds 732,000 kWh (25,000 therms), on more than 8 Days in any Gas Year or on more than 20 Days in any three consecutive Gas Years;
 - (c) in the case of a Supply Point whose Annual Quantity exceeds 73,200 kWh (2,500 therms) but does not exceed 732,000 kWh (25,000 therms) on more than 5 Days in any Gas Year or on more than 10 Days in any 5 consecutive Gas Years; or
 - (d) in the case of a Supply Point whose Annual Quantity does not exceed 73,200 (2,500 therms) for a period exceeding twenty-four (24) hours (or any longer period requested by the Consumer) on any one occasion.
- 4.3 Where for reasons of Force Majeure, including any failure of a Consumer after being so requested to provide any required access to Supply Point Premises, the Pipeline Operator is unable to commence or to complete any Programmed Maintenance in respect of any Supply Meter Point:
- (a) the relevant number of Days or period specified in or pursuant to Clause 4.2 shall be increased by such period for which the completion of the Programmed Maintenance was delayed by reasons of Force Majeure;
 - (b) if the Pipeline Operator has commenced such Programmed Maintenance, for so long as the Pipeline Operator is unable to carry out or to continue to carry out the Programmed Maintenance, such point shall nevertheless continue to be a Maintenance Affected Point.
- 4.4 For the avoidance of doubt a Pipeline User will remain liable to pay Transportation Charges in respect of Capacity notwithstanding that the Pipeline Operator is unable to accept delivery of gas or make gas available for offtake at such point by reason of the carrying out of maintenance of the Pipeline.
- 4.5 If requested by the Pipeline Operator the Registered User will co-operate with the Pipeline Operator with a view to ensuring that the offtake of gas is discontinued at any Supply Point which is (and for so long as it continues to be) a Maintenance Affected Point.

5 Co-operation

- 5.1 Where the operation of any Pipeline inspection or maintenance equipment in either any Upstream System or the Pipeline requires for a period a specific even rate of offtake of gas from the Upstream System at the Connection Point, or any Pipeline Delivery Facility or the Pipeline requires for a period a specific even rate of delivery of gas from the Pipeline Delivery Facility at the Pipeline Entry Point, the Pipeline User will (and will procure that any Upstream System User from whom it acquires gas at the Connection Point and/or any Delivering Pipeline User from whom it acquires gas at a Pipeline Entry Point will) co-operate as far as reasonably practicable with the Upstream System Operator, the Pipeline Delivery Facility Operator, and/or the Pipeline Operator with a view to ensuring that such rate of offtake or delivery is maintained for such period.

6 System Planning

- 6.1 Each year the Pipeline Operator will make assumptions in respect of the demand for gas (including shrinkage) and in respect of the Pipeline and its use.
- 6.2 Each Pipeline User will co-operate with the Pipeline Operator in the provision of information reasonably available to such Pipeline User to enable the Pipeline Operator to comply with its obligations pursuant to the Act and the Pipeline Operator's Licence in relation to the development of the Pipeline and to make assumptions pursuant to Clause 6.1.

PART I - EMERGENCIES

1 Emergency

- 1.1 The provisions of this Part I shall apply for the purposes of a Local Emergency and/or an Emergency.
- 1.2 A "**Local Emergency**" is a local gas supply emergency as referred to in the NEC Safety Case affecting the Pipeline which is not an Emergency for the purposes of the UNC.
- 1.3 A "**Large Firm Supply Point**" is a Firm Supply Point whose Annual Quantity is greater than 732,000 kWh (25,000 therms)
- 1.4 The "**NEC**" means the person from time to time who is the network emergency co-ordinator in accordance with the Regulations.
- 1.5 The "**NEC Safety Case**" means the safety case (in accordance with Regulation 2(5)) of the NEC.
- 1.6 "**Regulations**" means the Gas Safety (Management) Regulations 1996 and reference to particular Regulations shall be construed accordingly.
- 1.7 Reference to an "**Emergency**" shall mean a "Gas Supply Emergency" as defined in the UNC.
- 1.8 "**Network Gas Supply Emergency**" shall have the same meaning as in the UNC.
- 1.9 The Pipeline Operator confirms that in its opinion any Local Emergency will constitute a pipeline system emergency (in accordance with paragraph 1(b) of standard condition 5 of the Shipper's Licence) affecting the Pipeline.
- 1.10 Pipeline Users acknowledge that in respect of any Emergency for the purposes of the UNC instructions from the Large Transporter will be complied with pursuant to the UNC.
- 1.11 Pipeline Users agree that in the circumstances of an Emergency which also affects the Pipeline, the Large Transporter may give instructions to Consumers in relation to the reduction or discontinuance of offtake at Supply Points. Pipeline Users shall secure in contract with Consumers at Larger Supply Points that the Consumer shall use best endeavours to reduce or discontinue from using gas immediately upon being instructed to do so by the Large Transporter.
- 1.12 In the circumstances described in Clause 1.11, Registered Users of Large Firm Supply Points further agree that the Pipeline Operator may provide to the Large Transporter such details in respect of such Large Firm Supply Points as the Large Transporter may require to enable them to secure reduction or discontinuance of offtake at such Large Firm Supply Points.
- 1.13 The Pipeline Operator may agree pursuant to the IGTAD or otherwise with an Upstream System Operator, a Pipeline Delivery Facility Operator, or a Downstream System Operator upon a procedure or steps to be taken in a Local Emergency and/or an Emergency and may give effect to such procedure or steps in addition to or in lieu of any Emergency Steps pursuant to this Part I.
- 1.14 The provisions of the Manual (if any) as to the giving of Code Communications are without prejudice to the provisions of the Local Emergency Procedures and such other requirements as the Pipeline Operator may specify for communicating in an Emergency, Network Gas Supply Emergency or Local Emergency.
- 1.15 Agency Functions of the CDSP to support implementation of this Part I are:
 - (a) Maintaining a record of Pipeline User emergency contact details.

2 Local Emergency Procedures

- 2.1 "**Local Emergency Procedures**" are procedures issued to Pipeline Users by the Pipeline Operator from time to time relating to information flows and steps to be taken in the event of a Local Emergency.
- 2.2 Nothing in the Local Emergency Procedures or the Code shall limit the ability of the Pipeline Operator to take any action or step necessary in its judgement in the interests of safety to the public or property in the event of a Local Emergency.
- 2.3 The existence of a Local Emergency shall be determined by the Pipeline Operator in its sole judgment and irrespective of the cause of and of whether the Pipeline Operator or any other person may have caused or contributed to the Local Emergency.
- 2.4 A Local Emergency will continue until such time as the Pipeline Operator determines that the circumstances which resulted in or might result in a supply emergency (as defined in the Regulations) no longer apply, that no further Emergency Steps are required and that normal operation of the Pipeline and implementation of the Code may be resumed.

3 Emergency Steps

- 3.1 For the purposes of the Code "**Emergency Steps**" are steps to be taken by the Pipeline Operator or a Pipeline User:
 - (a) to avert and/or to reduce the probability of or the probable scale of a Local Emergency and/or an Emergency and/or to prepare for the occurrence of a Local Emergency and/or an Emergency; or
 - (b) to overcome or contain a Local Emergency and/or an Emergency and/or to avert or reduce the hazard presented by it and/or restore gas supply and normal operation of the Pipeline and facilitate appropriate reinstatement of the provisions of the Code following the taking of any such steps.
- 3.2 No Emergency Step taken or other thing done or not done by the Pipeline Operator or any Pipeline User pursuant to (and in compliance with any requirements under) this Part I or paragraph 2 of Condition 5 of the Shipper's Licence shall be a breach of any provision of the Code; and in particular the Pipeline Operator will not be required to accept gas tendered for delivery to the Pipeline or to make gas available for offtake from the Pipeline to the extent that (as a result of any such step taken or thing done or not done) gas tendered for delivery is not accepted or gas is not made available for offtake and in accordance with the applicable specification requirements referred to in Part J.

4 Priority Consumers

- 4.1 For the purposes of this Part I:
 - (a) a "**Priority Consumer**" is a Consumer whose name appears on the list established (and from time to time amended) by the Pipeline Operator in accordance with the Pipeline Operator's Licence; and the relevant Supply Point is a "**Priority Supply Point**".
 - (b) "**Priority Criteria**" means the criteria designated by the Secretary of State and, if the Secretary of State has not designated criteria, or to the extent that such designated criteria are not expressed to be exhaustive, any other criteria which the Pipeline Operator may from time to time notify to Pipeline Users for the purposes of assisting the Pipeline Operator to determine which Consumers should be given priority in accordance with the Pipeline Operator's Licence.

5 Pipeline User emergency contacts

- 5.1 Each Pipeline User shall provide to the Pipeline Operator:
- (a) a single telephone number and a single facsimile number by means of each of which the Pipeline Operator may contact, 24 hours a Day, a representative of the Pipeline User in an Emergency or Local Emergency for any purpose pursuant to this Part I;
 - (b) the name(s) or title(s) of the Pipeline User's representatives who may be contacted at such numbers.
- 5.2 Each such representative shall be a person having appropriate authority and responsibilities within the Pipeline User's organisation to act as the primary contact for the Pipeline Operator in the event of a Local Emergency.
- 5.3 The details required under Clause 5.1 shall be provided by an Applicant User before becoming a Pipeline User and shall at all times be maintained up to date; and for these purposes the Pipeline User shall notify to the Pipeline Operator any change to such details promptly and where possible in advance.
- 5.4 Pipeline Users are required to comply with the requirements in Clauses 5 to 10 with a view to ensuring an adequate level of preparedness for the occurrence of a Local Emergency.

6 User compliance with Local Emergency Procedures

- 6.1 Each Pipeline User shall secure that all of its relevant personnel are familiar with the Local Emergency Procedures.
- 6.2 For the purposes of Clause 6.1 a Pipeline User's relevant personnel are personnel employed or engaged by the Pipeline User whose functions or areas of responsibility are such that (in order to enable the Pipeline User to comply with any requirement of this Part I) they are likely to be required to take any decision or action in a Local Emergency.

7 User procedures

- 7.1 Each Pipeline User shall establish and maintain such procedures as may be necessary:
- (a) to facilitate compliance by the Pipeline User with the requirements of this Part I;
 - (b) to enable the Pipeline User to comply with the requirements of the Pipeline Operator in the event of a Local Emergency.
- 7.2 Each Pipeline User shall take all reasonable steps within its power to ensure that, in so far as may be necessary to give effect to the requirements of this Part I and the Local Emergency Procedures, the procedures established by it under Clause 7.1 are co-ordinated:
- (a) with the Local Emergency Procedures; and
 - (b) with any procedures established by the Large Transporter relating to Emergencies pursuant to the UNC; and
 - (c) with any procedures established by the NEC in relation to a Network Gas Supply Emergency;
 - (d) if the Pipeline Operator shall so notify the Pipeline User identifying the other person(s) and specifying the co-ordination required, with the procedures established by other Pipeline Users, Pipeline Delivery Facility Operators,

Upstream System Operators and Downstream System Operators under this Clause 7; and shall consult with such other parties accordingly.

- 7.3 The Pipeline User shall if requested by the Pipeline Operator provide to the Pipeline Operator a copy of the procedures from time to time established by it under Clause 7.1; and the Pipeline Operator shall be at liberty to disclose to and discuss with any Competent Authority any such procedures provided to it.
- 7.4 Each Pipeline User shall ensure that Suppliers supplying gas at Supply Points of which the Pipeline User is the Registered User are aware of the terms of this Part I in so far as they may be affected thereby.

8 Large Firm Supply Points

- 8.1 A Pipeline User shall in respect of each Large Firm Supply Point of which it is the Registered User provide to the Pipeline Operator:
- (a) the name and (in the case of a corporation) registered office of the Consumer;
 - (b) in accordance with Clause 8.2, the names and job titles of representatives of the Consumer ("**emergency contacts**") each of which has the power and authority to comply with any direction given pursuant to Regulation 6(4);
 - (c) at least one (but not more than four) telephone numbers for each emergency contact by means of which the Pipeline Operator may contact, 24 hours a day, at least one emergency contact; and
 - (d) in the case of a Large Firm Supply Point, the Annual Quantity of which is greater than 1,464,000 kWh (*50,000 therms*), one facsimile number, for the purposes of receiving communications pursuant to this Part I which is able to receive transmissions 24 hours a day.
- 8.2 For the purposes of Clause 8.1(b):
- (a) in the case of a Large Firm Supply Point in respect of any site which is manned 24 hours a day, the Registered User will provide to the Pipeline Operator the name(s) and job title(s) of at least 1 but not more than 5 emergency contacts; and
 - (b) in the case of a Large Firm Supply Point in respect of any site which is not manned 24 hours a day, the Registered User will provide to the Pipeline Operator the name(s) and job title(s) of at least 3 but not more than 5 emergency contacts.
- 8.3 A Pipeline User shall comply with the requirements of Clause 8.1:
- (a) where the Pipeline User becomes the Registered User in respect of a Large Firm Supply Point, when submitting the Registration Nomination;
 - (b) where for any Gas Year a Supply Point of which a Pipeline User is Registered User becomes (by virtue of a change in its Annual Quantity or being designated as Firm) a Large Firm Supply Point, as soon as reasonably practicable and in any event not later than 30th September in that Gas Year.
- 8.4 The details required under Clause 8.1 shall at all times be maintained up to date; and for these purposes the Pipeline User shall notify to the Pipeline Operator any change in such details as soon as reasonably practicable and where possible in advance of such change.

9 Interruptible Supply Points

- 9.1 A Pipeline User shall in respect of each Interruptible Supply Point of which it is the Registered User provide to the Pipeline Operator:

- (a) the name and (in the case of a corporation) registered office of the Consumer;
- (b) in accordance with Clause 9.2, the names and job titles of representatives of the Consumer (“**emergency contacts**”) each of which has the power and authority to comply with any direction given pursuant to Regulation 6(4);
- (a) at least one (but not more than four) telephone numbers for each emergency contact by means of which the Pipeline Operator may contact, 24 hours a day, at least one emergency contact; and
- (b) one facsimile number, for the purposes of receiving communications pursuant to Parts C and I, which is able to receive transmissions 24 hours a day.

9.2 For the purposes of Clause 9.1(b):

- (a) in the case of any Interruptible Supply Point in respect of any site which is manned 24 hours a day Registered User will provide to the Pipeline Operator the name(s) and/or job title(s) of at least 1 but not more than 4 emergency contacts; and
- (b) in the case of any Interruptible Supply Point in respect of any site which is not manned 24 hours a day the Registered User will provide to the Pipeline Operator the name(s) and/or job title(s) of at least 3 but not more than 4 emergency contacts.

9.3 A Pipeline User shall comply with the requirements of Clause 9.1 where the Pipeline User becomes the Registered User in respect of a Interruptible Supply Point, when submitting the Registration Nomination.

9.4 The details required under Clause 9.1 shall at all times be maintained up to date; and for these purposes the Pipeline User shall notify to the Pipeline Operator any change in such details as soon as reasonably practicable and where possible in advance of such change.

10 Priority Supply Points

10.1 Each Pipeline User shall:

- (a) take all reasonable steps to ascertain, in relation to any Supply Point in respect of which the Pipeline User submits a Base Registration Nomination, or of which it is the Registered User, whether the Consumer satisfies or (as the case may be) has come to satisfy the Priority Criteria;
- (b) where it believes that the Consumer does satisfy the Priority Criteria, (where it is the Registered User, promptly upon forming that belief) so notify the Pipeline Operator stating the identity of the Consumer and the basis for its belief; and
- (c) where:
 - (i) a Pipeline User becomes the Registered User at a Supply Point in relation to which the Consumer is a Priority Consumer; or
 - (ii) the Pipeline Operator confirms pursuant to Clause 10.2 that a Consumer in relation to which that Pipeline User is Registered User is a Priority Consumer;

notify that Consumer (in terms reasonably specified by the Pipeline Operator having regard to the terms of the Pipeline Operator’s Licence) of the circumstances in which it need not comply with instructions to reduce or cease, or in which it may resume or increase, the consumption of gas in a Local Emergency.

- 10.2 Where the Pipeline Operator adds the name of a Consumer to the list described in Clause 4.1(a), it shall inform the Registered User in relation to that Consumer of such addition.
- 10.3 The Registered User shall promptly inform the Pipeline Operator if it becomes aware (and shall take reasonable steps to ensure that it does become aware) that the Consumer at a Priority Supply Point ceases to satisfy the Priority Criteria.
- 10.4 Where the Pipeline Operator removes the name of a Consumer from the list described in Clause 4.1(a), it shall inform the Pipeline User that is the Registered User in relation to that Consumer of such removal.
- 10.5 Where the Pipeline Operator informs a Pipeline User that a Consumer in relation to which that Pipeline User is the Registered User has been removed from the list described in Clause 4.1(a), that Pipeline User shall notify the Consumer of the change to the circumstances in which it may reduce, cease, resume or increase the consumption of gas in a Local Emergency.
- 10.6 Each Pipeline User shall (subject to the other requirements of this Part I), in respect of each Priority Supply Point of which it is the Registered User, provide to the Pipeline Operator the name and/or title of one representative of the Consumer, together with a telephone number by means of which the Pipeline Operator may contact such representative during normal working hours on a Business Day.
- 10.7 A Pipeline User may not designate a Priority Supply Point as Interruptible except as otherwise set out in the Priority Criteria.

11 Obligations in a Local Emergency

- 11.1 Where a Local Emergency arises the Pipeline Operator will:
 - (a) inform Pipeline Users, in accordance with the Local Emergency Procedures as soon as reasonably practicable, of the commencement of the Local Emergency and (in so far as reasonably practicable) of the nature, extent and expected duration thereof;
 - (b) thereafter keep Pipeline Users reasonably informed as to material changes to the information provided under paragraph (a) and material developments in respect of the Local Emergency;
 - (c) inform Pipeline Users as soon as reasonably practicable when the Pipeline Operator has determined that the Local Emergency is no longer continuing.
- 11.2 Upon being informed of a Local Emergency, a Pipeline User shall brief all relevant personnel (as defined in Clause 6.2) as to the existence and nature of the Local Emergency.
- 11.3 During a Local Emergency each Pipeline User is required:
 - (a) to comply with the Local Emergency Procedures in so far as applicable to the Pipeline User in the circumstances;
 - (b) to comply (in so far as applicable) with the requirement to take Emergency Steps in relation to the delivery and offtake of gas to and from the Pipeline;
 - (c) to cooperate with the Pipeline Operator, to the extent within the Pipeline User's power (and without thereby rendering the Pipeline User unable to comply with any requirement to take Emergency Steps itself) so as to enable the Pipeline Operator to take Emergency Steps in accordance with the Local Emergency Procedures; and

- (d) in so doing to comply with the Pipeline Operator's instructions and requests (made for the purposes of paragraphs (a) (b) and (c)) as soon as reasonably practicable.
- 11.4 Where there is any conflict between any requirements under this Part I or the Local Emergency Procedures as to anything to be done by a Pipeline User, the Pipeline Operator may decide which requirement is to prevail and will inform the relevant Pipeline User of its decision, which decision will relieve the Pipeline User of any obligation under the Code to comply with the conflicting requirement.
- 11.5 Where Emergency Steps include the reduction or discontinuance of offtake of gas at Firm as well as Interruptible Supply Points such steps will (in so far as is practicable and as may be required by the Pipeline Operator's Licence) be applied in the following order:
 - (a) first, at Interruptible Supply Points (in so far as offtake has not already been interrupted at such points);
 - (b) secondly, at Large Firm Supply Points other than Priority Supply Points;
 - (c) thirdly, at all other Supply Points including Priority Supply Points.
- 11.6 In a Local Emergency, unless the Pipeline Operator instructs a Pipeline User otherwise, instructions to Consumers in relation to the reduction or discontinuance of offtake at Supply Points will be given by the Pipeline Operator except in the case of Interruptible Supply Points where instructions will be given by Pipeline Users.
- 11.7 Without prejudice to the Pipeline Operator's ability to take any Emergency Step, the Pipeline Operator may take steps physically to isolate any Large Firm Supply Point where the Consumer does not comply with any instruction given under Clause 11.6.
- 11.8 Pipeline Users acknowledge that in a Local Emergency their business interests will be subordinate to the need to take appropriate steps in accordance with this Part I.

12 Return to normal operation

- 12.1 The order in which during a Local Emergency offtake of gas at Supply Points is restored will (so far as is practicable and subject to any requirements in relation to Priority Supply Points) be the inverse of that under Clause 11.5.

13 Consequences of an Emergency or a Local Emergency

- 13.1 In respect of each Day or part of a Day during a Local Emergency or an Emergency the Pipeline Operator may by notice to Pipeline Users suspend the implementation (as respects all Pipeline Users) of:
 - (a) any provision of Parts C, D, E, F, G, ~~and~~ J and Q; and
 - (b) any other provision of the Code which the Pipeline Operator considers (in its reasonable opinion) it appropriate to suspend in the circumstances of an Emergency or Local Emergency.
- 13.2 The Pipeline Operator and Pipeline Users acknowledge that during a Local Emergency or Emergency it may be necessary for each of them to divert resources from other activities which may potentially result in a temporary impairment of their abilities subsequently to perform their respective obligations pursuant to the Code; and acknowledge that any such impairment resulting from such diversion of resources may be Force Majeure for the purposes of Part K.

PART J - DELIVERY AND OFFTAKE OF GAS

1 Delivery of gas into Pipeline at Connection Points

- 1.1 Title and risk in gas delivered to the Pipeline at the Connection Point shall pass to the Pipeline Operator at the Connection Point.
- 1.2 Each Pipeline User warrants to the Pipeline Operator:
 - (a) that such Pipeline User will have title (at the point of delivery) to all gas delivered or tendered for delivery to the Pipeline at the Connection Point by that Pipeline User; and
 - (b) that all such gas will (at such point) be free of any lien, charge, encumbrance or adverse claim (as to title or otherwise), including any claim for any tax, royalty or other charge in respect of the production, gathering, processing and tendering of gas arising on or before delivery thereof to the Pipeline.

Each Pipeline User shall indemnify the Pipeline Operator and hold it harmless against any loss, liability, damage, claim, action, proceeding, cost and expense suffered or incurred by or made or brought against the Pipeline Operator in consequence of any breach of the warranties in Clause 1.2.

2 Offtake from Pipeline

- 2.1 The point of offtake in respect of each Supply Meter Point shall be the outlet of the customer control valve on the service pipe and in respect of a Downstream System Exit Point shall be the point agreed as such by the Pipeline Operator and the Downstream System Operator.
- 2.2 Title and (without prejudice to Clause 2.3) risk in gas offtaken from the Pipeline shall pass to the Pipeline User at the relevant point of offtake in accordance with Clause 2.1.
- 2.3 The Pipeline Operator warrants to each Pipeline User that the Pipeline Operator will have title (at the point of offtake) to all gas made available for offtake from the Pipeline by that Pipeline User, and that all such gas will (at such point) be free of any lien, charge, encumbrance or adverse claim (as to title or otherwise), including any claim for any tax, royalty or other charge in respect of the production, gathering, processing and tendering of gas arising on or before offtake thereof from the Pipeline.
- 2.4 The Pipeline Operator shall indemnify each Pipeline User and hold it harmless against any loss, liability, damage, claim, action, proceeding, cost and expense suffered or incurred by or made or brought against such Pipeline User in consequence of any breach of the warranty in Clause 2.3.

3 Obligation of Pipeline Operator in relation to the availability of gas for offtake

- 3.1 Subject to the provisions of the Code, the Pipeline Operator will make gas available for offtake by Pipeline Users from the Pipeline at the point of offtake (in accordance with Clause 2) in accordance with the requirements of Clause 4.1.
- 3.2 The Pipeline Operator shall not be in breach of its obligations pursuant to Clause 3.1 in the circumstances set out in Clause 3.3.
- 3.3 The circumstances referred to in Clause 3.2 are:
 - (a) Force Majeure as defined in Part K;
 - (b) where the Pipeline is affected by maintenance in accordance with Part H;
 - (c) in the event, of any steps taken in the context of an Emergency or Local Emergency, in accordance with Part I;

- (d) in the event of failure of or defect in the Supply Meter Installation;
- (c) where the Pipeline Operator is acting under any entitlement or obligation pursuant to the Act (including the Gas Code) or other Legal Requirement;
- (d) in the event of a Registered User's Registered DM Capacity or DM Offtake Rate being exceeded or the occurrence of a threshold rate increase as referred to in Part CII;
- (g) in the event of Siteworks pursuant to Part CV; and
- (h) any other case provided in the Code in respect of which the Pipeline Operator is relieved from its obligations.

4 Off-spec gas

- 4.1 The gas made available for offtake will (subject to Clause 4.2) conform to the specification requirements set out in the UNC.
- 4.2 Where gas delivered to the Pipeline at the Connection Point and/or Pipeline Entry Point does not comply with such specification requirements ("**off-spec gas**") the Pipeline Operator shall not be liable to Pipeline Users for any such lack of compliance.
- 4.3 Pipeline Users acknowledge that the Pipeline Operator does not operate a compensation scheme in respect of off-spec gas, and that any compensation is to be sought from the Large Transporter pursuant to the UNC or from CSEP Users.

5 Delivery of off-spec gas

- 5.1 The UNC provides for certain payments to be made by the Large Transporter to CSEP Users where off-spec gas offtaken by CSEP Users at the CSEP causes the incurring of expenses, including by the Pipeline Operator in cleaning up the Pipeline.
- 5.2 Pipeline Users agree that they shall procure that such compensation shall (as provided in Clause 6) be passed on to the Pipeline Operator to the extent required to hold harmless the Pipeline Operator against any expenses incurred by the Pipeline Operator in cleaning up the Pipeline.

6 Compensation for delivery of off-spec gas

- 6.1 This Clause 6 applies where off-spec gas is offtaken from the Large Transporter System by the Pipeline User or by a CSEP User which is passed to the Pipeline User at the CSEP and delivered into the Pipeline.
- 6.2 The Pipeline User will (or will procure that the CSEP User(s) from whom it is acquiring gas at the CSEP will):
 - (a) comply with the provisions of Section J3.4.5 of the UNC;
 - (b) pay over to the Pipeline Operator forthwith such proportion of all amounts payable by the Large Transporter to the Pipeline User (or to the relevant CSEP User) under Section J3.3.4 of the UNC as relates to the Pipeline.
- 6.3 The Pipeline User agrees to indemnify the Pipeline Operator for all reasonable costs and expenses incurred by the Pipeline Operator:
 - (a) in clearing or cleaning any part of the Pipeline;
 - (b) in taking reasonable measures to secure that the Pipeline can be operated in accordance with applicable Legal Requirements notwithstanding the offtake or continued offtake of such off-spec gas.

7 Failure to make gas available for offtake

- 7.1 Clauses 7 and 8 apply where the Pipeline Operator is or has been in breach of its obligation to make gas available for off-take from the Pipeline at a Supply Point.
- 7.2 For the avoidance of doubt, in accordance with Part K 31.4, the Pipeline Operator shall not be in breach of its obligation to make gas available for off-take from the Pipeline where gas is not delivered to the Connection Point and/or Pipeline Entry Point for any reason beyond the Pipeline Operator's reasonable control.

8 Compensation for failure to make gas available

- 8.1 Pipeline Users acknowledge that the Pipeline Operator is required to make payments to certain Consumers (which payments may be made to the relevant Pipeline User for onward transmission to Consumers via the relevant Supplier) as set out in the Gas (Standards of Performance) Regulations 2001 (as amended) and that accordingly such payments are not set out in this Code.

9 Pipeline User offtake obligations: DM Supply Point

- 9.1 A Pipeline User is not entitled to offtake gas from the Pipeline at a DM Supply Point at a rate which exceeds the DM Offtake Rate, and shall take all reasonable steps to ensure that gas is not offtaken at such a rate.
- 9.2 Where:
- (a) the Pipeline Operator believes on reasonable grounds that gas is being or will be offtaken from the Pipeline at a DM Supply Point at a rate which exceeds the DM Offtake Rate; and
 - (b) in the Pipeline Operator's reasonable judgment the security of the Pipeline may be prejudiced as a result,
- the Pipeline Operator may take any steps available to it to secure the required reduction in the rate of or the discontinuance of the offtake of gas from the Pipeline at the Supply Point.
- 9.3 The steps referred to in Clause 9.2 include the disconnection of the relevant premises; but (without prejudice to any provisions of the Gas Code) the Pipeline Operator will endeavour not to take this step where alternative steps are available and adequate in the circumstances.
- 9.4 The Pipeline Operator will not be obliged under any provision of the Code to make gas available for offtake from the Pipeline by a Pipeline User at a DM Supply Point:
- (a) at any time, at a rate which exceeds the DM Offtake Rate for that Supply Point;
 - (b) on any Day, in a quantity which exceeds the Pipeline User's Registered DM Capacity.

10 Antifluctuators, etc

- 10.1 Each Pipeline User shall as soon as reasonably practicable notify the Pipeline Operator if such Pipeline User becomes aware in relation to any Supply Meter Point of which it is the Registered User:
- (a) that any requirement applying to the relevant Consumer under paragraph 17 of the Gas Code has not been or is not being complied with, or

- (b) of circumstances in which the Pipeline Operator would be entitled to exercise its rights under paragraph 18 of the Gas Code.
- 10.2 Where pursuant to paragraph 17 of the Gas Code the Pipeline Operator seeks to give any notice to or exercise any other entitlement in relation to any Consumer the Registered User in respect of the relevant Supply Point agrees to extend reasonable co-operation to the Pipeline Operator so as to facilitate the exercise of such entitlements (and in particular but without limitation agrees if so requested to secure that there is conveyed on behalf of the Pipeline Operator to the relevant Consumer any communication to be given by the Pipeline Operator pursuant to such paragraph 17).
 - 10.3 The Pipeline Operator will inform the Registered User before or as soon as reasonably practicable after giving any notice to or exercising any other entitlement in relation to any Consumer pursuant to paragraph 17 or 18 of the Gas Code.
 - 10.4 Pipeline Users acknowledge that where there is an agreement in force between the Pipeline Operator and the Consumer or the Pipeline Operator and the Registered User in respect of a Supply Point that such agreement may provide for additional terms in respect of the matters subject to paragraphs 17 and 18 of the Gas Code.
 - 10.5 If so requested on reasonable grounds by the Pipeline Operator, the Registered User in respect of any Supply Point shall (within a reasonable period specified by the Pipeline Operator) make reasonable enquiries of the Consumer or Supplier with a view to ascertaining and obtaining reasonable evidence as to whether the requirements of paragraph 17 of the Gas Code are applicable or (where applicable) are being complied with, and inform the Pipeline Operator of the outcome of such enquiries; and where the Registered User fails so to make reasonable enquiries or inform the Pipeline Operator of such outcome within such period the Pipeline User shall reimburse to the Pipeline Operator any expenses reasonably incurred by the Pipeline Operator in ascertaining any such matter itself (including without limitation any expenses paid by the Pipeline Operator pursuant to paragraph 17(6) of the Gas Code).

PART K - GENERAL

1 Pipeline User Admission requirements

- 1.1 In order to become a Pipeline User a person (the "**Applicant User**") must:
- (a) satisfy or secure satisfaction of the requirements in Clause 1.2; and
 - (b) accede to the Framework Agreement and thereby agree to be bound by the Code.
- 1.2 The requirements referred to in Clause 1.1(a) are as follows:
- (a) the Applicant User shall have applied to the Pipeline Operator in such form as the Pipeline Operator may from time to time prescribe, giving the following details:
 - (i) the name of the Applicant User;
 - (ii) the legal nature of the Applicant User, and where the Applicant User is not a company incorporated under the Companies Act 1985 (as amended), such further information concerning the constitution of the Applicant User as the Pipeline Operator may reasonably require;
 - (iii) the address and telephone and facsimile numbers of the Applicant User, and the individual for whose attention notice is to be marked, for the purposes of notices under Part K;
 - (iv) where the Applicant User is not a company incorporated under the Companies Act 1985 (as amended), an address for service in accordance with Part K39;
 - (b) either:
 - (i) a Shipper's Licence shall have been granted to the Applicant User which is in force and in respect of which no notice of revocation has been given, and the Applicant User shall have provided a copy of such licence to the Pipeline Operator; or
 - (ii) a Shipper's Licence shall be treated as having been granted to the Applicant User pursuant to a scheme made under paragraph 15 or 16 of Schedule 5 to the Gas Act 1995;
 - (c) the Applicant User shall have provided the emergency contact details required under Part I.
 - (d) the Applicant User shall have obtained from the Pipeline Operator one or more copies of the Code and such other documents referred to in the Code or the Framework Agreement as the Pipeline Operator shall from time to time prescribe for the purposes of this paragraph (d);
 - (e) the Applicant User shall have warranted to the Pipeline Operator that there is in force a transportation arrangement between it and the Upstream System Operator pursuant to the Upstream System Operator's Network Code;
 - (e)(f) the Applicant User shall have warranted to the Pipeline Operator that there is in force a transportation arrangement between it and the Upstream System Operator or a Pipeline Delivery Facility Operator that is a gas transporter that is not a party to UNC IGTAD as set out in Part Q 1.2.1 (c).

2 Admission of User

- 2.1 The Applicant User will become a Pipeline User with effect from the Day ("**User Accession Date**") which is 3 Business Days after satisfaction of the last of the requirements under Clauses 1.1 and 1.2 to be satisfied.

- 2.2 Upon the Applicant User's becoming a Pipeline User pursuant to Clause 2.1 the Pipeline Operator will so notify:
- (a) the Applicant User, specifying:
 - (i) the Pipeline Operator's notice details for the purposes of Part K; and
 - (ii) the names of all other Pipeline Users and their prevailing notice details in accordance with Part K;
 - (b) all other Pipeline Users as soon as reasonably practicable thereafter, specifying the name of the Applicant User, its notice details provided under Clause 1.2(a)(iii) and the User Accession Date.

3 Restricted authorisation of Pipeline User

- 3.1 Where the Shipper's Licence held by a Pipeline User limits or restricts the premises to which the Pipeline User may arrange for the conveyance of gas by the Pipeline or in any other way limits or restricts the activities which the Pipeline User is authorised to carry on:
- (a) the Pipeline User shall be solely responsible for compliance with such limit or restrictions and (subject to paragraph (b)) the Pipeline Operator shall not in the implementation of the Code as respects such Pipeline User be concerned with such limit or restriction; but
 - (b) the Pipeline Operator shall be at liberty in its discretion to (but shall not be required to) withhold from the Pipeline User any right or entitlement pursuant to the Code so as to give effect to such limit or restriction.

4 Single User admission

- 4.1 Unless expressly otherwise provided in the Code or agreed by the Pipeline Operator, a person may only be one Pipeline User, and accordingly a person who is for the time being a Pipeline User may not make a further application to be admitted as a Pipeline User.

5 Discontinuing Users

- 5.1 A Pipeline User may cease to be a Pipeline User pursuant to Clauses 6 or 7; and for the purposes of the Code a "**Discontinuing User**" is a Pipeline User who so ceases to be a Pipeline User and the "**User Discontinuance Date**" is the date with effect from which (in accordance with Clause 6 or 7) a Discontinuing User ceases to be a Pipeline User.
- 5.2 Upon a Pipeline User's ceasing to be a Pipeline User (save as provided in the Code), the Framework Agreement shall cease to bind the Discontinuing User and (as respects the Discontinuing User) the Pipeline Operator.
- 5.3 The Pipeline Operator will as soon as reasonably practicable after the User Discontinuance Date notify all other Pipeline Users of a Pipeline User's ceasing to be a Pipeline User.

6 Voluntary discontinuance

- 6.1 A Pipeline User may at any time by giving notice ("**Discontinuance Notice**") to the Pipeline Operator apply to cease to be a Pipeline User.
- 6.2 A Pipeline User may not cease to be a Pipeline User under this Clause 6 until such time as:
- (a) all amounts payable or (other than in respect of any recurrent charge becoming payable by reason only of the lapse of time after the date on which the last of the other requirements of this Clause 6.2 is satisfied) which may

- become payable by the Pipeline User to the Pipeline Operator pursuant to any provision of the Code or the Framework Agreement have been paid in full;
- (b) the Pipeline User is not the Registered User in respect of any Supply Point;
 - (c) any outstanding breach, capable of remedy and of which the Pipeline Operator has given notice to the Pipeline User, by the Pipeline User of any provision of the Code or the Framework Agreement shall have been remedied.
- 6.3 Where a Pipeline User has given notice under Clause 6.1:
- (a) the Pipeline User and the Pipeline Operator shall remain bound by the Code and the Framework Agreement to which the Pipeline User is party until the requirements of Clause 6.2 are satisfied;
 - (b) the Capacity which the Pipeline User is registered as holding shall not be reduced or cancelled other than in accordance with the relevant provisions of the Code (and the Pipeline User will remain liable for payment of Transportation Charges in respect thereof but may elect to make prepayment thereof).
- 6.4 Where a Pipeline User has given notice under Clause 6.1, after the satisfaction of the last of the requirements of Clause 6.2 to be satisfied:
- (a) with effect from the 5th Business Day following such satisfaction, the Pipeline User will cease to be a Pipeline User;
 - (b) without prejudice to Clause 6.5, the Pipeline Operator will as soon as reasonably practicable (and where possible before such date) inform the Pipeline User of the date on which it ceases to be a Pipeline User under paragraph (a).
- 6.5 Notwithstanding Clause 6.4, without prejudice to Clause 6.3(a), the Pipeline Operator or (as the case may be) the Discontinuing User shall remain liable, subject to and in accordance with the Code, to the other and (in the case of the Discontinuing User, subject to Clause 26.1) to each other Pipeline User, after the User Discontinuance Date:
- (a) for any amount which was or becomes payable under the Code in respect of any period before the User Discontinuance Date; and
 - (b) in respect of any outstanding breach of any provision of the Code, or the Framework Agreement where such breach was not (for the purposes of Clause 6.2(c)) capable of remedy or (notwithstanding that Clause) was capable of remedy but was not remedied.

7 Termination

- 7.1 For the purposes of this Clause 7 there shall have occurred a "**User Default**" in relation to a User (the "**Defaulting User**") in any of the following events or circumstances:
- (a) where in relation to any payment which has become due for payment by the Defaulting User under the Code (excluding for the avoidance of doubt amounts the subject of an Invoice Query which have not become due for payment) the Defaulting User has not paid the amount in full by the fifteenth (15th) Business Day after the due date for payment; or
 - (b) where the Defaulting User is in material breach of a material provision of the Code which (if capable of remedy) has not been remedied within 14 Days of notice from the Pipeline Operator to do so;

- (c) save if and to the extent the provisions of section 233B of the Insolvency Act 1986 apply, where:
- (i) the Defaulting User is unable to pay its debts (within the meaning of Section 123(1) or (2) of the Insolvency Act 1986, but subject to Clause 7.2), or any voluntary arrangement is proposed in relation to it under Section 1 of that Act or it enters into any composition or scheme of arrangement (other than for the purpose of a bona fide solvency reconstruction or amalgamation); or
 - (ii) the Defaulting User has a receiver (which expression shall include an administrative receiver within the meaning of Section 29 of the Insolvency Act 1986) of the whole or any material part of its assets or undertaking appointed; or
 - (iii) the Defaulting User has an administration order under Section 8 of the Insolvency Act 1986 made in relation to it; or
 - (iv) the Defaulting User passes any resolution for winding-up (other than for the purpose of a bona fide solvent reconstruction or amalgamation); or
 - (v) the Defaulting User becomes subject to an order by the High Court for winding-up; or
 - (vi) the Defaulting User becomes subject to a bankruptcy order; or
 - (vii) the Defaulting User becomes subject to an event made in a jurisdiction outside of England and Wales equivalent or analogous to any one or more of those events listed in paragraphs (i) to (vi) above;
- (d) where the Shipper's Licence granted to the Defaulting User is determined or revoked or otherwise ceases to be in force for any reason whatsoever, or such licence is assigned unless such assignment is contemporaneous with an assignment by the Pipeline User of all its rights and obligations under the Code and the Framework Agreement in accordance with Clause 19;
- (e) where the Pipeline Operator becomes aware that there is not in force in respect of the Pipeline User either a transportation arrangement with the Upstream System Operator pursuant to the Upstream System Operator's Network Code or an arrangement with an Upstream System User for the delivery of gas at the Connection Point;
- (f) where the Pipeline Operator becomes aware that there is not in force in respect of the Pipeline User either a transportation arrangement with a Pipeline Delivery Facility Operator pursuant to the Pipeline Delivery Facility Operator's Network Code (where such Pipeline Delivery Facility Operator has a Gas Transporter Licence) or an arrangement with a Pipeline Delivery Facility User for the delivery of gas at the Pipeline Entry Point.

7.2 For the purposes of Clause 7.1(c)(i), the Defaulting User shall not be deemed to be unable to pay its debts for the purposes of that paragraph if any such demand as is mentioned in Section 123(1)(a) of the Insolvency Act 1986 is being contested in good faith by the Defaulting User with recourse to all appropriate measures and procedures.

- 7.3 Upon the occurrence of a User Default, and at any time after such occurrence at which the User Default is continuing, the Pipeline Operator may (subject to the provisions of section 233B of the Insolvency Act 1986) give notice ("**Termination Notice**") to the Defaulting User to the effect that the Pipeline User shall cease to be a Pipeline User with effect from the date (which may be any date on or after the date on which the notice is given) specified in the notice.
- 7.4 Where the Pipeline Operator gives Termination Notice to a Defaulting User, with effect from the date specified in the notice, the Pipeline User will cease to be a Pipeline User and Clause 5.2 shall apply.
- 7.5 The giving of a Termination Notice and the application of Clause 7.4 shall not affect the rights and obligations of the Pipeline Operator and the Defaulting User under the Code, the Framework Agreement and any Ancillary Agreement (including rights and obligations in respect of the User Default, and in respect of amounts including interest payable by either Party, and rights and obligations arising pursuant to any provision of the Code in respect of the Pipeline User's ceasing to be a Pipeline User) accrued up to the date referred to in Clause 7.4, which shall continue to be enforceable notwithstanding that Clause.
- 7.6 Where the Pipeline Operator has given a Termination Notice it shall be entitled to inform such persons as it thinks fit that it has done so, including the Upstream System Operator, a Pipeline Delivery Facility Operator, and the Supplier and Consumer in relation to any Supply Point of which the Defaulting User was Registered User.

8 Expert determination

- 8.1 A dispute which is to be referred to or resolved by an expert ("**Expert Determination**") shall be determined by a person appointed as expert in accordance with Clauses 8 to 17.
- 8.2 No person shall be nominated as a proposed expert under Clauses 9.2 or 9.3 unless that person has the requisite qualifications to resolve a dispute referable under the Code to Expert Determination by virtue of their education, experience and training.
- 8.3 For the purposes of this Part K:
- (a) a "**dispute**" is any dispute or difference arising between the Pipeline Operator and any Pipeline User or Pipeline Users under or in connection with the Code or the Framework Agreement or any Ancillary Agreement;
 - (b) in respect of any dispute "**parties**" means the Pipeline Operator and the Pipeline User or Pipeline Users party to such dispute, and "party" shall be construed accordingly.
- 8.4 Where the Code or any Ancillary Agreement provides or the parties have agreed that a dispute is to be referred to or resolved by Expert Determination subject to Clause 8.5 no party shall commence proceedings in any court in respect of or otherwise in connection with such dispute.
- 8.5 Nothing in this Clause shall prevent any party from seeking interim or interlocutory relief in any court.

9 Initial notice and selection of expert

- 9.1 Any party to a dispute which is to be resolved by or referred to Expert Determination may give notice of the dispute in accordance with Clause 9.2.
- 9.2 The notice shall be given to each other party and shall:
- (a) provide brief details of the issues to be resolved; and

- (b) nominate four persons as proposed experts.
- 9.3 Within 5 Business Days after any notice under Clause 9.2 was given, each party (other than the party giving such notice) shall by notice to each other party nominate four persons as proposed experts.
- 9.4 The parties shall endeavour within 10 Business Days after the notice under Clause 9.1 was given to agree upon the selection of an expert, and may meet for this purpose.
- 9.5 If within 10 Business Days after the notice under Clause 9.1 was given the parties shall not have agreed upon the selection of an expert, any of the parties may request the President for the time being of the Law Society to select an expert.

10 Appointment of the Expert

- 10.1 Upon the selection under Clause 9 or 10 of an expert, the parties shall forthwith notify the expert selected of their selection and request they confirm within 5 Business Days whether or not they are willing and able to accept the appointment.
- 10.2 The notification to the expert shall include the following:
 - (a) the names of the parties and a summary of the dispute;
 - (b) a request that the expert provide the confirmation required under Clause 13;
 - (c) a request for confirmation of the expert's scale of fees;
 - (d) a statement that the expert's fee and expenses will be paid as provided in Clause 15;
 - (e) a statement that the information disclosed in the notification is confidential and that it should not be disclosed, copied or revealed whether the appointment is accepted or not;
 - (f) a copy of Clauses 8 to 17, and
 - (g) a request for confirmation that the expert is able and willing to act in accordance with the procedure set out herein.
- 10.3 If the selected expert is unwilling or unable to accept the appointment, or shall not have confirmed their willingness and ability to accept such appointment within the period required under Clause 10.1, or the amount of their remuneration or terms of their appointment are not agreed within the period required under Clause 10.4, the parties shall endeavour to agree upon the selection of another expert within 3 Business Days, failing which another expert shall be selected in accordance with Clause 9.5.
- 10.4 The parties shall use their best endeavours to ensure that the terms of the contract of appointment of the expert are agreed with them within 10 Business Days following their confirmation of ability and willingness to act, and agree that if the parties are unable to agree with the expert the amount of their remuneration or any other terms of their appointment then:
 - (a) if one or more of the parties is willing to agree what the expert proposes, such amount or terms shall be determined by the President for the time being of the Law Society whose decision shall be final and binding on the parties to the dispute and whose costs of such reference shall be borne by the parties to the dispute equally;

- (b) if none of the parties is willing to agree what the expert proposes, or the expert is not willing to agree what is determined pursuant to paragraph (a), another expert shall be selected in accordance with Clause 10.3.
- 10.5 The expert shall be an independent contractor and the relationship of the parties and the expert shall in no event be construed to be that of principal and agent or master and servant.
- 10.6 The expert shall not act as an arbitrator (and accordingly the provisions of the Arbitration Act 1996 shall not apply) nor as mediator.

11 Timetable and Procedure

- 11.1 No later than 5 Business Days following their appointment, the expert shall by giving reasonable notice to each party convene a meeting with the parties at which the expert shall raise any matters upon which they require clarification and discuss with the parties any additional procedural requirements they or the parties may have.
- 11.2 The parties shall, not later than 10 Business Days after the appointment of the expert, submit to the expert and to each other party written submissions of not more than 10 pages in length together with all supporting documentation, information and data which they wish to submit in respect of the dispute; and the parties may also submit a statement of facts which they have agreed between themselves to the expert.
- 11.3 Each party may, not later than 20 Business Days after the appointment of the expert, submit to the expert and each other party written submissions of not more than 10 pages in length, together with any additional supporting documentation, information and data, in reply to the submissions made under Clause 11.2.
- 11.4 The expert shall disregard any documentation, information, data or submissions supplied or made (other than pursuant to Clause 11.9) by any party later than 20 Business Days after their appointment unless the same are provided in response to a request from the expert.
- 11.5 If the expert shall wish to obtain independent professional and/or technical advice in connection with the dispute:
 - (a) they shall first provide the parties with details of the name, organisation and estimated fees of the professional or technical adviser; and
 - (b) they may engage such adviser with the consent of the parties which consent shall not be unreasonably withheld for the purposes of obtaining such professional and/or technical advice as they as the expert may reasonably require.
- 11.6 The expert may at their discretion and at any time request information from any of the parties orally but shall only do so in the presence of the other parties.
- 11.7 At any time after the period referred to in Clause 11.3 expires, with the written consent of the parties, the expert may (but shall not be required to) convene a hearing upon giving the parties reasonable notice.
- 11.8 The expert shall provide a draft of their determination, which shall be a report in writing giving reasons for the determination, to the parties not later than 35 Business Days following their appointment.
- 11.9 Each party may, within 10 Business Days following delivery of the draft determination, submit to the expert any documentation, information, data, submissions or comments on or in respect of the draft determination.

- 11.10 The expert shall submit their final determination, which shall be a report in writing giving reasons for their determination of the dispute, to the parties not later than 50 Business Days following their appointment.
- 11.11 If the expert fails to submit the final determination by the time required under Clause 11.10, at the request of any party another expert may be appointed in accordance with the provisions of Clauses 8 to 17 and the appointment of the previous expert shall cease unless before the appointment of the new expert, the previous expert shall have submitted their final determination hereunder, in which case the new expert shall be forthwith informed that their services will not be required.

12 Effect of determination

- 12.1 The expert's final determination shall (unless given after the appointment of another expert under Clause 11.11) be final and binding on the parties except in the event of fraud or where it is so clearly erroneous on its face that it would be unconscionable for it to stand, in which case another expert may be appointed in accordance with the provisions of Clauses 8 to 17.
- 12.2 Except as provided in Clause 12.1, no party shall commence proceedings in respect of or refer to any court any finding by the expert, whether made at any time after their appointment or in their determination, as to the dispute or the construction of or otherwise in respect of the Code or any Ancillary Agreement.

13 Conflict of interest

- 13.1 The expert shall confirm to the parties before their appointment that they do not hold any interest or duty which would or potentially would conflict with the performance of their duties under their contract with the parties.
- 13.2 If after their appointment the expert becomes aware of any interest or duty which conflicts or potentially conflicts with the performance of their duties under their contract with the parties, the expert shall inform the parties forthwith of such conflict giving full details thereof.
- 13.3 Any party may within 5 Business Days of the disclosure of any such conflict or potential conflict object to the appointment or continued appointment of an expert, in which case the expert shall not be or shall cease to be appointed and a new expert shall be selected and appointed in accordance with Clauses 8 to 17 (and the rejected expert shall not be nominated for such selection).

14 Confidentiality

- 14.1 The parties and the expert shall keep the fact that the Expert Determination is taking place and its outcome confidential.
- 14.2 All documentation, information, data, submissions and comments disclosed or delivered whether in writing or otherwise by any party to the expert or to any other party either in connection with or in consequence of the appointment of the expert shall be regarded and treated as confidential; and the expert and the parties shall not disclose any or all of the documentation, information, data, submissions and comments including the contents and copies thereof in any form except in connection with any proceedings in any court which a party is not prohibited under this Part K from commencing.

15 Costs

- 15.1 Each party shall bear its own costs including costs of providing documentation, information, data, submissions or comments under Clauses 8 to 17 and all costs and expenses of all witnesses and other persons retained by it.

- 15.2 The expert shall provide the parties with a breakdown of:
- (a) their fees;
 - (b) their reasonable expenses, including the fees of and reasonable expenses incurred by any technical or professional advisers.
- 15.3 The expert's fees and expenses under Clause 15.2 shall be payable by the parties in equal amounts, unless the expert (having regard to the conduct of the parties with respect to the dispute in question) shall direct in their final determination that such costs and expenses should be borne by one or some only of the parties, in which case the parties shall pay such fees and expenses in accordance with such direction.
- 15.4 If the terms of the expert's appointment provide for the payment of their fees and expenses before the delivery of the final determination, the parties shall pay such fees and expenses in equal amounts, and shall make adjustment payments inter se following any such direction as is referred to in Clause 15.3.

16 Miscellaneous

- 16.1 The expert shall not be held liable for any act or omission unless it shall be shown that the expert has acted fraudulently or in bad faith.

17 Communications

- 17.1 Except where otherwise provided in Clauses 8 to 17 any notice, submission, statement or other communication relating to any dispute to be given pursuant to Clauses 8 to 17 by or to any party an expert or a Pipeline User shall be in writing and may not be given as a System Communication.
- 17.2 Where two or more Pipeline Users are parties to a dispute any such notice, submission, statement or communication to be given by them may be given by them jointly (and any reference to the party or parties by whom and to whom it is to be given shall be construed accordingly).
- 17.3 For the purposes of any limit under Clauses 8 to 17 on the length of any submission or statement or any attachments thereto a "**page**" is a single-sided A4 sheet which may contain single spaced type in a normal font size.

18 Suppliers and Consumers

- 18.1 Where:
- (a) the Code provides for the Pipeline Operator to do anything at or affecting any Supply Point Premises or the offtake of gas from the Pipeline at any Supply Point;
 - (b) in doing that thing the Pipeline Operator complies with the requirements of the Code and any other agreement with the Pipeline User, Supplier or Consumer in relation thereto, does not act unlawfully and is not negligent; and
 - (c) by reason of the Pipeline Operator's doing that thing the Consumer or Supplier suffers loss or damage or claims to have done so or otherwise makes any claim or complaint or brings any action or proceeding against the Pipeline Operator (other than pursuant to a contract between the Pipeline Operator and such Consumer or Supplier)

the Pipeline User or each Pipeline User which is (at the time at which the Pipeline Operator does such thing) the Registered User in respect of the relevant Supply Point shall indemnify the Pipeline Operator and hold it harmless against any liability to such Consumer or Supplier in respect of any such loss damage, claim, complaint, action or proceeding, and all costs and expenses incurred in connection therewith.

- 18.2 Nothing in the Code or the Framework Agreement or (except as may be expressly provided therein) an Ancillary Agreement shall be construed as imposing upon the Pipeline Operator any obligation or duty to or enforceable by a Consumer or a Supplier; and no Pipeline User shall make any commitment to any Supplier or Consumer binding on or purporting to bind the Pipeline Operator.
- 18.3 Nothing in the Code the Framework Agreement or any Ancillary Agreement shall prevent the Pipeline Operator from exercising any right or remedy which it may have against a Consumer or Supplier at law or pursuant to the Act or otherwise.
- 18.4 Where a Pipeline User receives a distributed payment for consumer compensation it will relay the distributed payment to the Supplier, or in the absence of any Supplier direct to the end consumer, within 10 working days of receipt of the distributed payment

19 Assignment

- 19.1 Subject to Clause 19.4 a Party may assign its rights under the Code, the Framework Agreement and any Ancillary Agreement:
- (a) to a 33 $\frac{1}{3}$ % Affiliate of such Party, provided that the assigning Party shall continue to be bound by and liable under the Code, the Framework Agreement and any such Ancillary Agreement;
 - (b) subject to Clause 19.5, with the prior agreement in writing of each relevant other Party, which shall not unreasonably be withheld, to any person.
- 19.2 For the purpose of this Clause 19.2 a relevant other Party is:
- (a) where the assigning Party is the Pipeline Operator, each other Pipeline User
 - (b) where the assigning Party is a Pipeline User, the Pipeline Operator.
- 19.3 Except as provided in Clause 19.1, a Party shall not assign or transfer and shall not purport to assign or transfer any of its rights or obligations under the Code the Framework Agreement or (except as may be expressly permitted thereby) any Ancillary Agreement.
- 19.4 No assignment shall be made to a person unless:
- (a) where the assigning Party is the Pipeline Operator, that person holds a Gas Transporter's Licence;
 - (b) where the assigning Party is a Pipeline User, that person holds a Shipper's Licence and has complied with the other requirements with which (if the person were an Applicant User) it would be required under Clause 1 to comply.
- 19.5 Where a Party assigns its rights under the Code the Framework Agreement and any Ancillary Agreement to a person (including a 33 $\frac{1}{3}$ % Affiliate) pursuant to Clause 19.1(b);
- (a) it shall be a condition precedent to such assignment that such person shall enter into an agreement with each relevant other Party consenting to be bound by the Code, the Framework Agreement and any such Ancillary Agreement;
 - (b) the assigning Party shall be released from obligations under the Code, the Framework Agreement and any such Ancillary Agreement arising after the time at which the assignment is effective, but shall remain liable for any obligations accruing up to such time.
- 19.6 A reference in the Code the Framework Agreement or any Ancillary Agreement to any Party shall include a reference to that Party's successors and assigns.

20 Waiver

- 20.1 No delay by or omission of any Party in exercising any right, power, privilege or remedy under the Code, the Framework Agreement or any Ancillary Agreement shall operate to impair such right, power, privilege or remedy or be construed as a waiver thereof.
- 20.2 Any single or partial exercise of any such right, privilege or remedy shall not preclude any other or future exercise thereof or the exercise of any other right, power, privilege or remedy.

21 Severance

- 21.1 If any provision of the Code, the Framework Agreement or any Ancillary Agreement is or becomes invalid, unenforceable or illegal, or is declared to be invalid, unenforceable or illegal by any court of competent jurisdiction or by order of any other Competent Authority, such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of the Code the Framework Agreement or any Ancillary Agreement, which shall continue in full force and effect notwithstanding the same.

22 Entire agreement

- 22.1 The Code, the Framework Agreement and (as respects the Parties thereto) each Ancillary Agreement contain or expressly refer to the entire agreement between the Parties with respect to the subject matter thereof, and supersede all previous agreements or understandings between the Parties with respect thereto; and any warranty, condition or other term implied at law or by custom is (to the fullest extent permitted by law) expressly excluded therefrom.
- 22.2 Each Party acknowledges that in entering into the Framework Agreement and any Ancillary Agreement it does not rely on any representation, warranty, or other understanding not expressly contained in the Code, the Framework Agreement or such Ancillary Agreement.
- 22.3 Nothing contained in a document (other than the Framework Agreement or an Ancillary Agreement) referred to in the Code, beyond what is expressly contemplated by the Code as being contained in such document or is necessary for the purposes of giving effect to a provision of the Code, shall modify or have any effect for the purposes of the Code or be construed as relevant to the interpretation of the Code.

23 Information and confidentiality

- 23.1 Each party shall secure that Protected Information is:
- (a) not disclosed to any person other than (strictly in accordance with Clause 24) the Permitted Categories;
 - (b) not used by it for any purpose other than the Permitted Purpose.
 - (c) sent using password protection as detailed in the IGT UNC Ancillary Document "Password Protection Protocols" when the Pipeline Operator or Pipeline User sends such data by email.
- 23.2 For the purposes of the Pipeline Operator's obligations under Clause 23.1 and with reference to Clause 23.5:
- (a) "**Protected Information**" means
 - i. any information relating to the affairs of a Pipeline User which is obtained by the Pipeline Operator pursuant to or in the course of the negotiation, implementation or performance of the Code, the

Framework Agreement or any Ancillary Agreement to which that Pipeline User is party. For the sake of clarity this includes IGT Transportation Charges Invoices and Portfolio Extracts sent by email between the Pipeline User and Pipeline Operator; or

ii. any information relating to a Consumer or a Supply Meter Point Reference Number defined as personal in the Data Protection Act 2018;

(b) **"Permitted Categories"** means an officer or employee of the Pipeline Operator or any Party on whose behalf the Pipeline Operator acts as an agent who is engaged in the Permitted Purposes or a professional adviser of or consultant to the Pipeline Operator or (but without prejudice to any requirement under the Pipeline Operator's Licence) any Affiliate (other than an Affiliate which is the holder of a Shipper's Licence or a gas Suppliers licence) of the Pipeline Operator;

(c) **"Permitted Purposes"** means the carrying on of the transportation business (as defined in the Pipeline Operator 's Licence) the operation administration, maintenance and development of the Pipeline facilitation of connections to the Pipeline and the implementation and performance of the Code, the Framework Agreement, any Ancillary Agreement and any Siteworks Contract;

23.3 For the purposes of the Pipeline User's obligations under Clause 23.1 and with reference to Clause 23.5:

(a) **"Protected Information"** means

i. any information relating to the affairs of the Pipeline Operator or of another Pipeline User which is obtained by the Pipeline User pursuant to or in the course of the negotiation, implementation or performance of the Code, the Framework Agreement or any Ancillary Agreement to which that Pipeline User is party; or

ii. any information relating to a Consumer or a Supply Meter Point Reference Number defined as personal in the Data Protection Act 2018;

(b) **"Permitted Categories"** means an officer or employee of the Pipeline User whose province it is to know the same in the proper execution of their duties and responsibilities, or a professional adviser of or consultant to or any Affiliate of that Pipeline User (provided that such persons are not the holder of a Gas Transporter's Licence) or (subject to Clause 23.4) a Consumer or a Supplier;

(c) **"Permitted Purposes"** means any purpose expressly contemplated by the Code or any Ancillary Agreement or Siteworks Contract to which such Pipeline User is party

23.4 Protected Information to a consumer or an appropriate person to the extent designated by the authority within Standard Special Condition A31 of the Gas Transporter's Licence and a supplier shall be an appropriate person pursuant to Standard Special Condition A31((2)(d)(ii) where its application is for the receipt of data for change of supplier purposes.

23.5 For the purposes of Clause 23.2 and 23.3:

(a) information obtained by a Party in the course of the negotiation of the Code or the Framework Agreement shall be Protected Information only insofar as such information was obtained in writing;

- (b) the following information shall be treated as information relating to the affairs of a Pipeline User:
 - (i) the identity, address and any other details of a Supplier or Consumer, or any representative thereof, insofar as disclosed by the Pipeline User to the Pipeline Operator pursuant to or for the purposes of the Code;
 - (ii) information provided by the Pipeline User to the Pipeline Operator pursuant to Parts C and H, the Pipeline User's Code Credit Limit (if any) and record of payment of charges under the Code;
 - (c) the terms of the Code and the Framework Agreement are not Protected Information.
- 23.6 The CDSP are authorised to disclose such data as is set out within Annex V-10 of the UNC to the holder of the "smart meter communications licence" as defined by the Statutory Instrument 2012 No.2400: The Electricity and Gas (Smart Meters Licensable Activity) Order 2012. Such data may relate to all Supply Meter Points regardless of status. The CDSP are authorised to appoint a third-party agent (i.e. Xoserve) to manage the collation and transmission of the data set out within Annex V-10 of the UNC on to the holder of the "smart meter communications licence".
- 23.7 Where in respect of any access to Supply Point data by the holder of the "smart meter communications licence" the CDSP will disclose such data in accordance with paragraph 5.17 of Section V of the UNC.
- 23.8 Confidentiality as between a Party or Parties and the CDSP is governed by the DSC and not the Code.
- 23.9 The Pipeline Operators are authorised to disclose such data as is required for the reports as are specified in the Performance Assurance Report Registers Schedules 1A, 1B, 2A and 2B in accordance with paragraph 16.5 of Section V of the UNC.

23.10 Disclosure of Historic Meter Point Read Information

Where in respect of any Supply Point, the CDSP is requested by the Registered User to disclose Historic Supply Meter Point Asset and Read Information such disclosure will be in accordance with paragraph 5.15 of Section V of the UNC.

24 Terms of permitted disclosure

- 24.1 For the purposes of this Clause 24 "**Disclosing Party**" and "**Protected Party**" shall be construed as follows;
- (a) for the purposes of the Pipeline Operator's obligations under Clause 23.1, the Disclosing Party is the Pipeline Operator and the Protected Party is the Pipeline User to whose affairs any Protected Information directly relates;
 - (b) for the purposes of a Pipeline User's obligations under Clauses 23 to 25 the Disclosing Party is such Pipeline User and the Protected Party is the Party (either the Pipeline Operator or another Pipeline User) to whose affairs any Protected Information directly relates.
- 24.2 Where Protected Information is disclosed as permitted under Clause 23.1 the Disclosing Party shall (without prejudice to its obligations under Clause 23.1) take all reasonable steps to secure that the person to whom the information is disclosed:

- (a) is aware of the Disclosing Party's obligations under Clause 23.1 in relation thereto, and
- (b) does not use or disclose the information other than as is permitted of such party in accordance with Clause 23.1.

24.3 Nothing in Clause 23.1 shall apply:

- (a) to the disclosure or use by the Disclosing Party of Protected Information to which the Protected Party has consented in writing;
- (b) to any Protected Information which;
 - (i) before it is obtained by the Disclosing Party is in the public domain; or
 - (ii) after it is obtained by the Disclosing Party enters the public domain, in either case otherwise than as a result of a breach by the Disclosing Party of its obligations under Clause 23.1;
- (c) to the disclosure of any Protected Information to any person if and to the extent that the Disclosing Party is required to make such disclosure to such person;
 - (i) in compliance with the duties of the Disclosing Party under the Act or any other requirement of a Competent Authority; or
 - (ii) in compliance with the conditions of the Pipeline Operator 's Licence or (as the case may be) Shipper's Licence held by the Disclosing Party or any document referred to in such licence with which the Disclosing Party is required by virtue of the Act or such licence to comply; or
 - (iii) in compliance with any other Legal Requirement; or
 - (iv) in response to a requirement of any stock exchange or regulatory authority or the Panel on Take-overs and Mergers; or
 - (v) pursuant to any provision of Clauses 8 to 17 or pursuant to any judicial or other arbitral process or tribunal having jurisdiction in relation to the Disclosing Party; or
- (d) to any Protected Information to the extent that the Disclosing Party is expressly permitted or required to disclose that information under the terms of any agreement or arrangement made with the Protected Party or to which it is party (including the Code, the Framework Agreement and any Ancillary Agreement to which the Protected Party is party);
- (e) to the disclosure of Protected Information to any lending or other financial institution proposing to provide or arrange the provision of finance to the Disclosing Party, where and to the extent that the disclosure of such information is reasonably required for the purposes of the provision or arrangement of such finance, and provided that the person to whom the information is disclosed undertakes in writing to and in terms reasonably satisfactory to the Protected Party to maintain the confidentiality of such information;
- (f) to the disclosure of any Protected Information to the Authority, where the Disclosing Party considers in good faith that the Protected Party may be in breach of a condition of the Pipeline Operator's Licence or (as the case may be) the Shipper's Licence, to the extent reasonably necessary to draw such possible breach to the attention of the Authority;
- (g) to any person pursuant to the Modification Rules;

- (h) to the disclosure of any Protected Information to any person proposing to make a connection directly or indirectly to the Pipeline where and to the extent that the disclosure of such information is reasonably required for the purposes of supporting the Pipeline Operator's charges or requirement to allow such proposed connection to the Pipeline to be made and provided that the person to whom the information is to be disclosed is informed in writing of the confidentiality of such information and that prior to disclosure such person has entered into a confidentiality agreement with the Pipeline Operator which prohibits use or disclosure of such Protected Information in terms no less onerous than those contained in Clauses 23 and 24;
- (i) to an Upstream System Operator, a Pipeline Delivery Facility Operator that has a Gas Transporter Licence, or Downstream System Operator to the extent required to enable such Operator to fulfil its Gas Transporter Licence requirements, the requirements of its Network Code or its duties under any Legal Requirement.

- 24.4 The provisions of Clauses 23 to 24.3 shall continue, for a period of 3 years after the User Discontinuance Date, to bind a Discontinuing User and (as respects the Discontinuing User) the Pipeline Operator and each other Pipeline User, notwithstanding that the Discontinuing User has ceased to be a Pipeline User and irrespective of the reason for such cessation.
- 24.5 Nothing in the Code, the Framework Agreement or any Ancillary Agreement shall be construed as requiring the Pipeline Operator to disclose or use any information in breach of any requirement of the Pipeline Operator Licence.

24.6 Data Permissions Matrix

- 24.6.1 Nothing in Clause 23.1 shall apply to the disclosure of Protected Information by the CDSP in accordance with the provisions of the Data Permissions Matrix.
- 24.6.2 For the avoidance of doubt, a Modification is required to add a new User type to the Data Permissions Matrix.
- 24.6.3 The CDSP may only disclose information to DPM User types who are not also signatories to the DSC if they have entered into Third-Party Services agreements which comply with the Third-Party and Additional Services Policy.
- 24.6.4 The CDSP shall, no later than 31 March in each year, publish a report identifying those DPM User which have a Third-Party Services agreement in place with the CDSP for the disclosure of information as contemplated pursuant to clause 24.6.3.

25 Data ownership

- 25.1 Subject to Clause 25.2(a) the data, including metering data, which is
- (a) processed by or recorded or maintained on the Computer System or any other computer system of the Pipeline Operator; and
 - (b) processed by, or recorded or maintained on any computer system of, a third party on behalf of the Pipeline Operator
- (including all intellectual property rights in such data) shall belong to the Pipeline Operator; and subject to Clause 25.2(b) the Pipeline Operator may, but without prejudice to Clause 23 or any other requirement of the Code, use and deal with such data as it thinks fit.

- 25.2 Where pursuant to the Code a Pipeline User provides or arranges for the provision of data to the Pipeline Operator:
- (a) such data (as provided to the Pipeline Operator by the Pipeline User) shall belong to the Pipeline User;
 - (b) the Pipeline User hereby grants to the Pipeline Operator a perpetual, non-exclusive, royalty-free licence (which shall survive the User Discontinuance Date) in respect of such data and all intellectual rights therein to use, copy, adapt and deal with such data for the purposes of performance and implementation of the Code and for other purposes contemplated by the Code, but not otherwise;
 - (c) Clause 25.1 shall apply in respect of data derived (pursuant to any process) by the Pipeline Operator from such data and in all compilations created by or on behalf of the Pipeline Operator of such data.
- 25.3 Where pursuant to the Code the Pipeline Operator provides data to a Pipeline User or data which is recorded or maintained on the Computer System is available to a Pipeline User, the Pipeline User shall (but without prejudice to Clause 25.2) be entitled without charge to use such data for the purposes of performance and implementation of the Code, and for other purposes contemplated by the Code, but not otherwise.

26 Liability

- 26.1 Except where the Code expressly provides otherwise or disapplies this Clause 26.1 or as may be provided in an Ancillary Agreement, neither the Code nor the Framework Agreement nor any Ancillary Agreement creates contractual rights or liabilities between Pipeline Users inter se.
- 26.2 Subject to the further provisions of Clauses 26 to 30, each Party agrees and acknowledges that:
- (a) no Party shall be liable to any other Party for loss arising from any breach of the Code the Framework Agreement or an Ancillary Agreement other than (but without prejudice to any other provision of the Code or an Ancillary Agreement which excludes or limits liability in respect of any breach) for loss directly resulting from such breach and which at the relevant date was reasonably foreseeable as not unlikely to occur in the ordinary course of events from such breach in respect of:
 - (i) physical damage to the property of any other Party, and/or
 - (ii) the liability (in law) of any other such Party to any other person for loss in respect of physical damage to the property of such person;
 - (b) no Party shall in any circumstances be liable in respect of any breach of the Code the Framework Agreement or any Ancillary Agreement to any other Party for:
 - (i) any loss of profit, loss of revenue, loss of use, loss of contract, loss of goodwill, loss arising from business interruption of any person or increased cost of working;
 - (ii) any indirect or consequential loss; or
 - (iii) except as provided in Clauses 26.2(a)(ii) and 26.6, loss resulting from the liability of any other Party to any other person howsoever and whenever arising.

- 26.3 For the purpose of Clause 26.2(a) the "**relevant date**" is the date of accession by the Pipeline User except that where the breach in question would not have been a breach of the Code but for a modification (pursuant to the Modification Rules or the Pipeline Operator's Licence) of the Code, the relevant date shall be the date of such modification.
- 26.4 The amount or amounts for which a Party may be liable to any other Party or Parties pursuant to Clause 26.2(a) in respect of any one event or circumstance constituting or resulting in the first Party's breach of a provision of the Code, the Framework Agreement and/or any Ancillary Agreement shall not exceed:
- (a) as respect the liability of the Pipeline Operator to any one Pipeline User or of any one Pipeline User to the Pipeline Operator £250,000;
 - (b) as respects the liability in aggregate of the Pipeline Operator to Pipeline Users collectively or of Pipeline Users collectively to the Pipeline Operator £1,000,000.
- 26.5 Clause 26.2 is without prejudice to any provision of the Code or any Ancillary Agreement which provides for any indemnity or which provides for any Party to make a payment to another.
- 26.6 Nothing in the Code or any Ancillary Agreement shall exclude or limit the liability of any Party for death or personal injury resulting from the negligence or such Party.

27 Exclusion of Certain Rights and Remedies

- 27.1 The rights and remedies of the Parties pursuant to the Code, the Framework Agreement and any Ancillary Agreement exclude and are in place of any rights or remedies of any Party in tort (including negligence and nuisance) or misrepresentation (save for those made fraudulently) in respect of the subject matter of the Code, the Framework Agreement and Ancillary Agreement and accordingly but without prejudice to Clauses 26.6 and 27.4 each Party (to the fullest extent permitted by law)
- (a) waives any rights or remedies; and
 - (b) releases each other Party from any duties or liabilities
- arising in tort or misrepresentation in respect of the subject matter of the Code, the Framework Agreement or such Ancillary Agreement.
- 27.2 Without prejudice to Clause 26.2 where any provision of the Code or any Ancillary Agreement provides for any amount to be payable by a Party upon or in respect of that Party's breach of any provision of the Code, each Party agrees and acknowledges that the remedy conferred by such provision is exclusive of and is in substitution for any remedy in damages in respect of such breach or the event or circumstance giving rise thereto.
- 27.3 For the avoidance of doubt, nothing in Clauses 26 to 30 shall prevent any Party from or restrict it in enforcing any obligation (including suing for a debt) owed to it under or pursuant to the Code, the Framework Agreement or any Ancillary Agreement.
- 27.4 Nothing in Clauses 26 to 30 shall constitute a waiver by any Party of any right or remedy it may have (other than pursuant to the Code) in respect of a breach by any other Party of any Legal Requirement.

28 Effect of Clauses 26 to 30

- 28.1 Each provision of Clauses 26 to 30 shall be construed as a separate and severable contract term and shall as respects any Discontinuing User survive that Pipeline User's ceasing to be a Pipeline User.
- 28.2 Each Party acknowledges and agrees that the provisions of Clauses 26 to 30 have been the subject of discussion and negotiation and are fair and reasonable having regard to the circumstances as at the date of the Framework Agreement.

29 Liquidated damages

- 29.1 Where any provision of the Code provides for any amount to be payable by a Party upon or in respect of that Party's breach of any provision of the Code, each Party agrees and acknowledges that such provision has been the subject of discussion and negotiation, and that the amount provided to be payable represents no more than a genuine pre-estimate of the loss of the Party to which such amount is payable.

30 Indemnities

- 30.1 The amount or amounts for which a Party may be liable to any other Party or Parties pursuant to any indemnity provided for in the Code in respect of any one event or circumstance giving rise to liability under such indemnity shall not exceed:
- (a) as respects the liability of the Pipeline Operator to any one Pipeline User or of any one Pipeline User to the Pipeline Operator £250,000;
 - (b) as respects the liability in aggregate of the Pipeline Operator to Pipeline Users collectively or of Pipeline Users collectively to the Pipeline Operator £1,000,000.
- 30.2 For the avoidance of doubt nothing in this Code shall make or be construed as making the Pipeline Operator liable for any loss of any nature (including any indirect or consequential loss) which occurs downstream of the Connection Point and/or Pipeline Entry Point but which arises as a result of or is caused by the act or omission of any person in relation to any obligation owed by or to that person upstream of the Connection Point and/or Pipeline Entry Point and which loss would but for that act or omission not have also been caused by a breach of the Code by the Pipeline Operator .

31 Meaning of Force Majeure

- 31.1 For the purposes of the Code, subject to Clause 31.2, "**Force Majeure**" means any event or circumstance or any combination of events and/or circumstances, the occurrence of which is beyond the reasonable control of and could not have been avoided by steps which might reasonably be expected to have been taken by a Party (the "**Affected Party**") and which causes or results in the failure of the Affected Party to perform or its delay in performing any of its obligations owed to any other Party or Parties (each an "**Other Party**") under the Code, including:
- (a) war declared or undeclared, threat of war, act of public enemy, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage, act of vandalism;
 - (b) act of God;
 - (c) strike, lockout or other industrial disturbance;
 - (d) explosion, fault or failure of plant, equipment or other installations which the Affected Party could not prevent or overcome by the exercise of the degree of skill, diligence, prudence and foresight which would reasonably and ordinarily

be expected from a skilled and experienced Pipeline Operator engaged in the same kind of undertaking under the same or similar circumstances;

(e) governmental restraint or the coming into force of any Legal Requirement.

31.2 Inability (however caused) of a Party to pay shall not be Force Majeure.

31.3 The act or omission of:

(a) any agent or contractor of a Party; or

(b) in relation to a Pipeline User, the Upstream System Operator, Pipeline Delivery Facility Operator, or any Supplier or Consumer

shall not be Force Majeure unless such act or omission is caused by or results from events and/or circumstances which would be Force Majeure within the meaning of Clause 31.1 if such person were the Affected Party.

31.4 For the avoidance of doubt, in respect of the Pipeline Operator, "**Force Majeure**" shall include the failure of delivery of gas to the Connection Point and/or Pipeline Entry Point for any reason beyond the Pipeline Operator 's control (including any Excluded Offtake Circumstances).

...

PART L - MODIFICATION RULES

...

PART M - DEFINITIONS

The following definitions shall apply:

...

“Applicable Liability Gas Price” shall have the meaning ascribed thereto in the UNC;

...

“Connected System Exit Point” shall have the meaning ascribed thereto in the UNC;

"Connection Point": the CSEP or the US Connection Point;

...

"Downstream System" is a pipeline or pipeline system operated by a person other than the Pipeline Operator which is or is to be connected downstream of the Pipeline whether connected directly or indirectly to it via another pipeline or pipeline system and where gas flow from the Pipeline into that pipeline or pipeline system is not metered;

"Downstream System Operator" is in respect of a Downstream System, the person which owns or operates that Downstream System;

“Downstream System Exit Point” is a point or points (which are not Supply Meter Points) on the Pipeline at which gas leaves the Pipeline for onward conveyance in a Downstream System;

...

"Large Transporter" National Grid Gas plc and/or as the context permits the DN Operator which operates the pipeline system immediately upstream of the CSEP;

"Large Transporter CDSP Licence Condition" shall have the meaning in Part N 1.2.1(b);

“Large Transporter Representative” shall have the meaning in Part L 2.1;

"Large Transporter System" the main pipeline systems operated by National Grid Gas plc and the DN Operators the conveyance of gas through which is authorised by one or more gas Transporter Licences;

...

"Pipeline" the gas pipeline or pipeline system which is not owned or operated by a Large Transporter and which is connected to:

an Upstream System, the conveyance of gas through which is authorised by the Pipeline Operator's Licence and the flow of gas into which is not metered; and/or

a Pipeline Delivery Facility, the flow of gas into which is metered;

“Pipeline Delivery Facility” shall have the meaning in Part Q 1.2.1

“Pipeline Delivery Facility Operator” shall have the meaning in Part Q 1.2.3

“Pipeline Entry Agreement” shall have the meaning in Part Q 1.3.1

“Pipeline Entry Point” a point on a Pipeline which is designed to permit gas from a facility other than a Large Transporter or another Pipeline to flow through a single pipe into the Pipeline and at which the flow of gas is metered.

“Pipeline Entry Provisions” shall have the meaning in Part Q 1.3.2

“Pipeline Design Maximum Volume” shall have the meaning in Part CV4.1;

...

“Transportation Charges” shall have the meaning in Part G1.1(a);

“Transportation Constraint” shall have the meaning in Part Q 3.12;

“Transportation Statement” shall have the meaning in Part G1.1(b);

...

"Upstream System" is a pipeline or pipeline system operated by a person other than the Pipeline Operator which is located upstream of the Pipeline whether connected directly or indirectly to it via another pipeline or pipeline system;

"Upstream System Operator" is in respect of an Upstream System the person which owns or operates that Upstream System;

"Upstream System Users" in respect of an Upstream System, the persons who are holders of licences granted or treated as granted under Section 7A(1) of the Act and who make arrangements for the conveyance of gas in that Upstream System;

...

"US Connection Point" the points(s) at which the Pipeline connects to an Upstream System which is not operated by the Large Transporter;

...

PART N – CDSP AND UK LINK

...

PART O – DEROGATION RULES

...

PART P – PERFORMANCE ASSURANCE

...

|

PART Q – PIPELINE ENTRY POINT REQUIREMENTS

1 General

1.1 Introduction

- 1.1.1 The provisions of this Part Q shall apply in respect of the delivery of gas to the Pipeline at Pipeline Entry Points.
- 1.1.2 Pipeline Users delivering gas to the Pipeline at a Pipeline Entry Point shall comply with the relevant requirements of this Part Q.
- 1.1.3 Nothing in the Code confers on any person any entitlement to have any pipeline, plant or other installation connected to the Pipeline for the purposes of delivering gas to the Pipeline.
- 1.1.4 The provisions of this Part Q shall not apply in respect of gas flows at Connection Points or to any Upstream System or Pipeline as defined in Part M.

1.2 Pipeline Delivery Facility

- 1.2.1 For the purposes of this Part Q a "Pipeline Delivery Facility" is a single facility or system (comprising pipeline(s), plant and/or other installations), operated by one person (or jointly operated by several persons), and connected to the Pipeline at a Pipeline Entry Point.
- 1.2.2 Without prejudice to paragraph 1.1.3, a Pipeline Delivery Facility may be:
- (a) a facility for processing gas produced (and transported to such facility) from offshore or onshore oil or gas fields;
 - (b) a facility for the storage of gas;
 - (c) subject to paragraph 1.1.4, the pipeline system that is not a Pipeline as defined in Part M operated by another gas transporter;
 - (d) a pipeline interconnector by which gas is transported from another country;
 - (e) any other pipeline or pipeline system that is not a Pipeline as defined in Part M;
 - (f) a facility for the commingling of gas, at which gas is offtaken from the Pipeline and commingled with other gas prior to the commingled gas being delivered to the Pipeline; or
 - (g) NOT USED
 - (h) a facility for processing gas produced (and transported to such facility) from biomethane and/or bio-synthetic natural gas from renewable gas sources.
- 1.2.3 A "Pipeline Delivery Facility Operator" is the operator of a Pipeline Delivery Facility.
- 1.2.4 A Pipeline Delivery Facility may also be a Downstream System.
- #### 1.3 Pipeline Entry Agreement
- 1.3.1 A Pipeline User may not deliver gas to the Pipeline at any Pipeline Entry Point unless there is in force an Agreement ("Pipeline Entry Agreement") to which the parties include both the Pipeline Operator and the Pipeline Delivery Facility Operator, containing Pipeline Entry Provisions and (if not incorporated into the

Pipeline Entry Provisions) Local Operating Procedures applicable in respect of the Pipeline Entry Point.

1.3.2 For the purposes of the Code "Pipeline Entry Provisions" are terms and conditions or other provisions which specify requirements (for the purposes of the Code) in respect of the delivery of gas to the Pipeline.

1.3.3 NOT USED

1.3.4 A Pipeline Entry Agreement may contain provisions other than Pipeline Entry Provisions.

1.3.5 The existence of a Pipeline Entry Agreement shall not relieve Pipeline Users of any obligation under the Code, and the Transporter shall not be required (for itself or for the benefit of the Pipeline Operator or any Pipeline User) to secure in a Pipeline Entry Agreement any remedy against the Pipeline Delivery Facility Operator nor to take steps to enforce any provision of a Pipeline Entry Agreement.

1.3.6 There may be other persons (in addition to the Pipeline Operator and the Pipeline Delivery Facility Operator) party to a Pipeline Entry Agreement; but a Pipeline User shall not (in its capacity as Pipeline User) be required or entitled to be a party to a Pipeline Entry Agreement.

1.3.7 NOT USED

1.4 Pipeline Entry Point

1.4.1 A Pipeline Entry Point is the Pipeline Entry Point at which a Pipeline Delivery Facility is connected to the Pipeline.

1.4.2 NOT USED

1.4.3 The Pipeline Entry Point will be specified in the applicable Pipeline Entry Provisions.

1.4.4 NOT USED

1.5 Aggregate System Entry Point

NOT USED

1.6 No Network Entry Agreement

NOT USED

1.7 DNO Users

NOT USED

1.8 Trader User

NOT USED

2 Pipeline Entry Provisions

2.1 Availability of Pipeline Entry Provisions

2.1.1 Subject to paragraph 2.1.3, the Pipeline Operator will procure that the Pipeline Delivery Facility Operator will make available to any Pipeline User wishing to deliver gas at a Pipeline Entry Point on request a copy of the Pipeline Entry Provisions and Local Operating Procedures applicable to any Pipeline Entry Point, but shall not be required to provide to any Pipeline User any other details of a Pipeline Entry Agreement.

2.1.2 A Pipeline User who delivers gas to the Pipeline at a Pipeline Entry Point, shall be responsible for obtaining and shall be deemed to have obtained and to be fully

informed of the applicable Pipeline Entry Provisions and Local Operating Procedures.

2.1.3 Paragraph 2.1.1 shall not apply in respect of any particular provision of the Pipeline Entry Provisions applicable pursuant to paragraph 2.3.3 or Local Operating Procedures where the disclosure of such provision would be materially prejudicial to the commercial interests of the Pipeline Delivery Facility Operator or where the provision contains personal or confidential information relating to individuals or refers to any other agreement to which the Pipeline Delivery Facility Operator is party.

2.2 Amendment of Pipeline Entry Provisions

2.2.1 Subject to paragraphs 2.2.3 and 2.3.3(a), the Pipeline Entry Provisions applicable pursuant to paragraph 2.3.1 in respect of any Pipeline Entry Point will not be modified other than by agreement between the Pipeline Operator, the Large Transporter and the relevant Pipeline Delivery Facility Operator.

2.2.2 The Pipeline Operator will not agree (for the purposes of paragraph 2.2.1) to a modification of the Pipeline Entry Provisions applicable pursuant to paragraph 2.3.1 except:

(a) NOT USED

(i) NOT USED

(ii) in accordance with paragraph 2.2.3;

(b) NOT USED

2.2.3 Where

(a) the Pipeline Operator, the Large Transporter, and the relevant Pipeline Facility Operator have agreed (subject to a Code Modification) upon an amendment to any such Pipeline Entry Provisions, such Pipeline Entry Provisions may be amended for the purposes of the Code by way of Code Modification pursuant to the Modification Rules;

(b) NOT USED

and for which purposes only the Pipeline Entry Provisions shall be deemed to form part of Code.

2.2.4 Such Pipeline Entry Provisions may (in accordance with the provisions of the relevant Pipeline Entry Agreement) be amended without the consent of any Pipeline User insofar as may be required to enable:

(a) the Pipeline Operator;

(b) the Large Transporter; and/or

(c) the relevant Pipeline Delivery Facility Operator to comply with any Legal Requirement.

2.2.5 Nothing in paragraph 2.2.1, 2.2.2, 2.2.3 or 2.2.4 applies to any Pipeline Entry Provisions other than those applying pursuant to paragraph 2.3.1 nor to Local Operating Procedures or any other provision of a Pipeline Entry Agreement; and such Pipeline Entry Provisions or other provisions may be amended without the consent of any Pipeline User.

2.2.6 The Pipeline Operator will notify to all Pipeline Users:

(a) any modification to the Pipeline Entry Provisions (other than any such provisions to which paragraph 2.1.3 applies) applicable to any Pipeline

Entry Point, not later than the date upon which such modification becomes effective; and

- (b) except to the extent prevented from doing so by any duty of confidence, any requirement for modification of Pipeline Entry Provisions under paragraph 2.2.4(a) as soon as reasonably practicable after the Pipeline Operator becomes aware of such requirement.

2.2.7 NOT USED

2.3 Pipeline Entry Provisions

2.3.1 Pipeline Entry Provisions will:

- (a) identify the Pipeline Delivery Facility (by name, location or otherwise);
- (b) specify the relevant Pipeline Entry Point; and
- (c) specify for such Pipeline Entry Point:
 - (i) Gas Entry Conditions in accordance with paragraph 2.4;
 - (ii) Measurement Provisions in accordance with paragraph 2.5; and
 - (iii) the point of delivery in accordance with paragraph 3.6.1.

2.3.2 Pipeline Entry Provisions may specify (unless separately specified) Local Operating Procedures in accordance with paragraph 2.6.

2.3.3 Pipeline Entry Provisions may include:

- (a) procedures by and standards to which the Pipeline Delivery Facility is to be maintained, repaired and operated, but only insofar as material to the ability of the Pipeline Operator and/or Large Transporter safely, efficiently and economically to operate the relevant Pipeline and/or System or to comply with any Legal Requirement;
- (b) terms entitling the Pipeline Operator, the Large Transporter and the Pipeline Delivery Facility Operator to have access to each other's facilities for the purposes of verification of compliance with the requirements of the Pipeline Entry Provisions, or requiring them to procure and facilitate audit of such compliance;
- (c) terms according to which, and circumstances in which, it is permitted to deviate or depart from any other Pipeline Entry Provision;
- (d) any other terms or conditions which may be appropriate for the purposes of the Code in respect of the delivery of gas to the Pipeline and Total System or (in relation to such delivery) the Pipeline Delivery Facility; and
- (e) procedures applicable to gas flows applicable in the event of any emergency circumstances affecting the Pipeline Operator, the Large Transporter, or the Pipeline Delivery Facility Operator (including any Emergency in accordance with Part I).

2.3.4 Where and for so long as:

- (a) any requirement (other than a requirement which is to be performed by the Pipeline Operator and/or Large Transporter, and save as regards Gas Entry Conditions where paragraph 3.3 shall apply) of the Pipeline Entry Provisions is not for the time being complied with or is incapable of being complied with (other than as a result of a failure by the Pipeline Operator and/or the Large Transporter to perform any requirement under the Pipeline Entry Agreement); and

(b) either:

- (i) such non-compliance or inability to comply materially and adversely affects the ability of the Pipeline Operator and/or the Large Transporter to operate the relevant System or to comply with any Legal Requirement or any provision (other than a provision the failure to comply with which has no significant consequences for the Pipeline Operator, the Large Transporter or any Pipeline User) of the Code; or
- (ii) upon the Pipeline Operator and/or the Large Transporter's application, on the basis that in its opinion non-compliance or inability to comply adversely affects the interests pursuant to the Code of Pipeline Users,

the Pipeline Operator and/or the Large Transporter shall be entitled to refuse (until such time as the Pipeline Operator and/or the Large Transporter is reasonably satisfied that such non-compliance has been remedied) to accept delivery by Pipeline Users to the Pipeline of gas at the relevant System Entry Point, in which case the Pipeline Operator will notify all affected Pipeline Users of such refusal and (subject to any duties of confidence) the relevant circumstances (under paragraph (a)).

2.3.5 Any requirement of the Pipeline Entry Provisions may be specified by reference to any published standard of a recognised body or other Recognised Standard, or standards or requirements from time to time published by the Pipeline Operator and/or the Large Transporter, and/or may be specified in terms of an objective or requirement to be achieved without specifying the manner by means of which such objective or requirement is to be achieved.

2.3.6 Nothing contained in a Pipeline Entry Agreement shall be taken to constrain the basis upon which the Transportation Statement may provide for the determination of any Transportation Charges.

2.3.7 Pipeline Entry Provisions may differ as between different Pipeline Entry Points.

2.3.8 Where:

(a) NOT USED

(b) at the relevant Pipeline Entry Point only gas which has first been offtaken from the relevant Pipeline can be delivered to the relevant Pipeline

certain Pipeline Entry Provisions may not be required.

2.4 Gas Entry Conditions

2.4.1 The "Gas Entry Conditions" in respect of a Pipeline Entry Point are limits or other requirements as to the composition, pressure, temperature and other characteristics of gas delivered or tendered for delivery to the Pipeline at the point of delivery (in accordance with paragraph 2.3.1(c)(iii)).

2.4.2 Gas Entry Conditions may include limits, prohibitions or requirements in respect of the following:

(a) composition limits:

- Gross calorific value (maximum and minimum, MJ/m³);
- Wobbe number (maximum and minimum, MJ/m³);
- Hydrogen Sulphide (maximum, ppm);

- Hydrocarbon Dewpoint (maximum °C for specified maximum pressure);
- Water Dewpoint (maximum °C for specified maximum pressure);
- Total Sulphur (maximum volume, ppm expressed as H₂S);
- Oxygen (maximum volume, ppm);
- Inert gases (maximum mol%), including:
 - Carbon Dioxide (maximum mol%); and
 - Nitrogen (maximum mol%);

- (b) delivery temperature (minimum and maximum °C);
- (c) contaminants - materials, dust or other solid or liquid matter;
- (d) odour; and
- (e) the pressure (maximum and minimum, bar g) at which and against which gas may be required to be delivered to the Pipeline.

2.4.3 Pipeline Entry Provisions will include any tolerances within which (for any person or in any circumstances) deviations from any of the Gas Entry Conditions are permitted.

2.4.4 For the purposes of this Part Q "delivery characteristics" are the characteristics of gas delivered or tendered for delivery to the Pipeline in respect of which Gas Entry Conditions apply in respect of any Pipeline Entry Point.

2.4.5 Where under any new or changed Legal Requirement there is any requirement, applicable to the characteristics (other than odour) of gas conveyed by means of or tendered for delivery to the Pipeline, which either does not apply or is more stringent than any which does apply under the prevailing Gas Entry Conditions, such requirement shall (unless expressly provided otherwise under any Special Delivery Arrangement) at the time at which it comes into force be deemed to be incorporated in the Gas Entry Conditions (which will be amended accordingly as soon as reasonably practicable thereafter).

2.5 Measurement Provisions

2.5.1 The "Measurement Provisions" in respect of a Pipeline Entry Point are the procedures, methods and standards by which:

- (a) gas delivered or tendered for delivery to the Pipeline at that point will be measured, sampled and analysed;
- (b) the volume, calorific value, quantity, and delivery characteristics of such gas will be determined; and
- (c) the Pipeline Operator, the Large Transporter and the Pipeline Delivery Facility Operator will inform each other of the determinations made under paragraph (b).

2.5.2 "Measurement Equipment" is the metering, sampling, analysis and other equipment required by the Measurement Provisions to be installed (whether at the Pipeline Delivery Facility or on the Pipeline).

2.5.3 The Measurement Provisions:

- (a) provide in respect of each Pipeline Entry Point, for the ascertainment of the aggregate quantity of gas delivered to the Pipeline on a Day at that

Pipeline Entry Point (the “ **Pipeline Entry Point Daily Quantity Delivered** ”):

- (b) and will provide for the such Entry Point Daily Quantity Delivered to be determined and (if not determined by the Pipeline Operator and/or Large Transporter) communicated to the Pipeline Operator and/or the Large Transporter.

2.5.4 Measurement Provisions may include:

- (a) standards of accuracy and procedures for testing and calibration of Measurement Equipment;
- (b) terms by which volume, calorific value, quantity or any delivery characteristic of gas delivered or tendered for delivery may be estimated in the case of failure or defect of any Measurement Equipment, non-compliance with any of the Measurement Provisions or otherwise; and
- (c) terms upon which any difference or dispute between the Pipeline Delivery Facility Operator and the Pipeline Operator and/or the Large Transporter as to the volume, calorific value, quantity or delivery characteristic of gas delivered or tendered for delivery will be resolved (which may include resolution by agreement between them).

2.5.5 Each Pipeline User acknowledges that the volume, calorific value, quantity and delivery characteristics of gas delivered or tendered for delivery (by Pipeline Users in aggregate) to the Pipeline at a Pipeline Entry Point, and the compliance or non-compliance with the applicable Gas Entry Conditions in respect thereof, will be established (by the Pipeline Operator, the Large Transporter and the Pipeline Delivery Facility Operator pursuant to the Pipeline Entry Provisions) in accordance with the applicable Measurement Provisions and by means of the Measurement Equipment, and agrees to be bound (for the purposes of the Code) by what is so established.

2.6 Local Operating Procedures

2.6.1 The "Local Operating Procedures" in respect of a Pipeline Entry Point or Pipeline Entry Points are procedures for coordination between the Pipeline Operator, the Large Transporter and the Pipeline Delivery Facility Operator in connection with the operation of the Pipeline Delivery Facility and the part of the Pipeline at which it is connected, including the exchange of information between the Pipeline Operator, the Large Transporter and the Pipeline Delivery Facility Operator.

2.6.2 Local Operating Procedures will provide for the Pipeline Delivery Facility Operator to provide information ("Local Operating Information") to the Pipeline Operator and/or the Large Transporter as to the rates at and quantities in which gas is expected to be delivered to the Pipeline at the Pipeline Entry Point at intervals during and at the end of the Gas Flow Day.

2.6.3 Except with the prior written consent of the Pipeline Delivery Facility Operator the Pipeline Operator will not and will not be required to provide to any Pipeline User any information provided by the Pipeline Delivery Facility Operator under the Local Operating Procedures.

2.6.4 Local Operating Information (including any such information which is or appears to be inconsistent with the requirements in paragraph 3.10.2) may be relied on:

- (a) NOT USED
- (b) by a Large Transporter in the operating and planning the operation of its System(s);

(c) by a Pipeline Operator in the operating and planning the operation of its Pipeline.

2.6.5 Local Operating Procedures may provide for the Pipeline Delivery Facility Operator and the Pipeline Operator and/or the Large Transporter to agree at any time:

(a) for the purposes of enabling any inspection, repair or maintenance to be carried out in respect of the Pipeline Delivery Facility or any related part of a relevant Pipeline and/or Large Transporter System;

(b) for the purposes of avoiding a Transportation Constraint, or enabling the delivery of gas notwithstanding a Transportation Constraint; or

(c) in any other circumstances (affecting facilities upstream of the Pipeline Entry Point) provided for in such procedures.

that the Pipeline Delivery Facility Operator will arrange for the quantity of gas to be delivered to the Pipeline to be delivered at a rate which will vary during the Day, and/or during a part only of the Day.

2.6.6 Local Operating Procedures may contain procedures pursuant to which the Pipeline Operator and the Large Transporter may permit for limited periods the delivery of gas which does not comply with the applicable Gas Entry Conditions.

2.6.7 The Pipeline Operator and the Large Transporter will be entitled to act in accordance with any such provision as is referred to in paragraph 2.6.5 or 2.6.6 or any agreement made with the Pipeline Delivery Facility Operator pursuant thereto, and to assume that the terms on which any Pipeline User may have purchased gas for delivery to the Pipeline or otherwise procured such delivery take account thereof.

3 Delivery Of Gas To The Pipeline At Pipeline Entry Points

3.1 Delivering Pipeline Users

3.1.1 All gas delivered or tendered for delivery to the Pipeline at a Pipeline Entry Point on a Day shall be deemed to be delivered or tendered for delivery by the Delivering Pipeline User(s), irrespective of any act or omission of the Pipeline Delivery Facility Operator or any other person.

3.1.2 For the purposes of this Part Q:

(a) The amount determined to be the Pipeline Entry Point Daily Quantity Delivered in respect of any Pipeline Entry Point for the Gas Flow Day may be revised at any time up to and including the 5th following Day, but no revision will be made to such quantity after the 5th Day after the Gas Flow Day;

(b) in relation to a Pipeline Entry Point, a “Delivering Pipeline User” is a Pipeline User treated as delivering gas to the Total System at that point on that Day.

3.2 Delivered gas

3.2.1 The gas delivered or tendered for delivery to the Pipeline at a Pipeline Entry Point shall for all purposes of the Code be assumed to be a single homogenous gas stream.

3.2.2 NOT USED

3.2.3 NOT USED

3.3 Compliance with Gas Entry Conditions

3.3.1 Subject to paragraphs 2.6.6 and 3.5, a Pipeline User shall not deliver gas or tender gas for delivery to the Pipeline at a Pipeline Entry Point unless the applicable Gas Entry Conditions are complied with in respect of such gas.

3.3.2 Where non-compliant gas is tendered for delivery to the Pipeline at a Pipeline Entry Point (whether or not resulting from any procedures referred to in paragraph 2.6.6) the Pipeline Operator may, from time to time until such time as the relevant Gas Entry Conditions are complied with in respect of gas tendered for delivery at such point, in its discretion either:

(a) refuse to accept delivery or continued delivery of such gas; or

(b) (subject to any Legal Requirement) accept such delivery or accept such delivery as to part only of what is tendered for delivery.

3.3.3 The Pipeline Operator's rights under paragraph 3.3.5 shall not be prejudiced by its election to accept delivery of non-compliant gas (whether or not it is aware that the gas is non-compliant).

3.3.4 The Pipeline Operator shall be entitled pursuant to paragraph 3.3.2 to take any steps available to it (including any steps pursuant to Local Operating Procedures) to limit the rate at which non-compliant gas is delivered to the Pipeline or to secure that such gas is not so delivered.

3.3.5 Subject to paragraph 3.4.6, where non-compliant gas has been delivered on any Day to the Pipeline, each Delivering Pipeline User shall be liable to pay to the Pipeline Operator an amount determined in accordance with paragraph 3.4.

3.3.6 Where the Pipeline Operator first becomes aware (pursuant to the applicable Measurement Provisions or otherwise) that non-compliant gas is being or has been delivered to the Pipeline at a Pipeline Entry Point on any Day, the delivery of which is likely in the Pipeline Operator's opinion to entitle the Pipeline Operator to claim any material sum under paragraph 3.4, the Pipeline Operator will as soon as reasonably practicable inform Pipeline Users of that fact; provided that no failure by the Pipeline Operator so to inform any Pipeline User shall affect the Pipeline Operator's rights under paragraphs 3.3.5 and 3.4.

3.3.7 For the purposes of this paragraph 3, subject to paragraphs 3.3.8 and 3.4.6, "non-compliant gas" is gas delivered or tendered for delivery at a Pipeline Entry Point, in respect of which or the delivery or tendered delivery of which (after taking account of any tolerance referred to in paragraph 2.4.3) any of the relevant Gas Entry Conditions is not or was not complied with.

3.3.8 NOT USED

3.3.9 NOT USED

3.4 Payment in respect of non-compliant gas

3.4.1 Subject to paragraphs 3.4.2 and 3.4.3, the amount payable by a Delivering Pipeline User to the Pipeline Operator under paragraph 3.3.5 shall be its Delivery Proportion of all reasonable costs and expenses reasonably incurred by the Pipeline Operator in consequence of the delivery of the non-compliant gas, including (without limitation) costs and expenses incurred:

(a) in cleaning or clearing any part of the relevant Pipeline; and/or

(b) in taking reasonable measures (excluding any Operational Balancing Steps) to secure that the relevant Pipeline can be operated in accordance with applicable Legal Requirements notwithstanding the delivery or continued delivery of such non-compliant gas.

3.4.2 The amount payable by a Delivering Pipeline User pursuant to paragraph 3.4.1 shall not exceed 10% of its Delivery Proportion of the amount calculated as the total quantity of non-compliant gas delivered to the Pipeline at the relevant Pipeline Entry Point on the relevant Day multiplied by the Applicable Liability Gas Price.

3.4.3 Where costs and expenses referred to in paragraph 3.4.1 are incurred in consequence of the delivery of non-compliant gas to the Pipeline at a Pipeline Entry Point on more than one Day:

(a) NOT USED

(b) the reference in paragraph 3.4.2 to the total quantity of non-compliant gas delivered on the relevant Day shall be to the total quantity of non-compliant gas delivered on all such Days.

3.4.4 Where any amount has become payable to the Pipeline Operator pursuant to paragraph 3.3.5:

(a) the Pipeline Operator shall as soon as reasonably practicable after the Entry Close-out Date so notify each Delivering Pipeline User specifying:

(i) the relevant Pipeline Entry Point and the Day or Days on which non-compliant gas was delivered to the Pipeline;

(ii) the total quantity of non-compliant gas referred to in paragraph 3.4.2, and reasonable details of the respect(s) in which the non-compliant gas did not comply with the applicable Gas Entry Conditions;

(iii) reasonable details of the costs and expenses referred to in paragraph 3.4.1 and the purposes for which they were incurred;

(iv) NOT USED; and

(b) the amounts payable by each Delivering Pipeline User shall be invoiced and are payable in accordance with Part G.

3.4.5 Any dispute (other than one resolved pursuant to Pipeline Entry Provisions under paragraph 2.5.4) as to anything specified by the Pipeline Operator under paragraph 3.4.4(a) shall be referred to Expert Determination.

3.4.6 Paragraph 3.3.5 and this paragraph 3.4 do not apply and Delivering Pipeline Users shall not be liable thereunder to the extent that the failure (of gas delivered or tendered for delivery) to comply with Gas Entry Conditions was a failure to comply with a requirement as to pressure or odour; and references in those paragraphs to non-compliant gas shall be construed accordingly.

3.4.7 NOT USED

3.4.8 NOT USED

3.4.9 NOT USED

3.5 Special Delivery Arrangement

NOT USED

3.6 Delivery of gas

3.6.1 The applicable Pipeline Entry Provisions will identify (by description or a diagram or both) a point of delivery at each Pipeline Entry Point.

3.6.2 Title and (without prejudice to any other provision of this Part Q) risk in gas delivered to the Pipeline at a Pipeline Entry Point shall pass to the Pipeline

Operator at the relevant point of delivery established in accordance with paragraph 3.6.1.

3.6.3 Each Pipeline User warrants to the Pipeline Operator:

- (a) that such Pipeline User will have title (at the point of delivery) to all gas delivered or tendered for delivery to the Pipeline at any Pipeline Entry Point by that Pipeline User; and
- (b) that all such gas will (at such point) be free of any lien, charge, encumbrance or adverse claim (as to title or otherwise), including any claim for any tax, royalty or other charge in respect of the production, gathering, processing and tendering of gas arising on or before delivery thereof to the Pipeline.

3.6.4 Each Pipeline User shall indemnify the Pipeline Operator and hold it harmless against any loss, liability, damage, claim, action, proceeding, cost and expense suffered or incurred by or made or brought against the Pipeline Operator in consequence of any breach of the warranties in paragraph 3.6.3.

3.6.5 The warranty in paragraph 3.6.3(a) shall be treated as satisfied where the Pipeline User has arranged for delivery or tender for delivery of gas to the Pipeline by a person or persons who has or jointly have title (at the point of delivery) to such gas and such person passes or persons jointly pass title to such gas to the Pipeline Operator.

3.7 Acceptance of gas delivered to the Total System

NOT USED

3.8 ISEP capability

NOT USED

3.9 Restricted delivery of gas

3.9.1 Where the Pipeline Operator determines that a Transportation Constraint is imminent or has arisen at a Pipeline Entry Point the Pipeline Operator may take any available steps to curtail (or by so informing the Pipeline Delivery Facility Operator or Pipeline Users to secure the curtailment of) gas flow rates at the relevant Pipeline Entry Point.

3.9.2 Where a Transportation Constraint affects more than one Pipeline Entry Point and the Pipeline Operator takes any steps under paragraph 3.9.1, it will do so with a view so far as is practicable to apportioning the curtailment of gas flow rates in such manner as appears equitable to the Pipeline Operator.

3.9.3 Without prejudice to the applicable Local Operating Procedures and any applicable Legal Requirement, to the extent that the Pipeline Operator is not obliged (pursuant to paragraph 3.11.5) to accept delivery of gas at a Pipeline Entry Point, nothing in the Code shall be taken to require the Pipeline Operator to take any steps to prevent the increase of pressure within the Pipeline adjacent to a Pipeline Entry Point to a level at which gas will not flow from the Pipeline Delivery Facility into the Pipeline.

3.10 Rates of delivery

NOT USED

3.11 Further provisions in respect of Pipeline Entry Points

3.11.1 NOT USED

3.11.2 NOT USED

3.11.3 In respect of a Pipeline Entry Point:

(a) NOT USED

(b) a Delivering Pipeline User will pay the relevant transportation charge (if any) as set out in the Transportation Statement.

3.11.4 A Delivering Pipeline User wishing to deliver gas at a Pipeline Entry Point acknowledges and shall be subject to the terms of the Pipeline Entry Provisions.

3.11.5 Subject to the provisions of the Code and the Pipeline Entry Provisions, the Pipeline Operator will accept at a Pipeline Entry Point at any time gas entered for delivery by a Delivering Pipeline User at a rate (in kWh/Day) not exceeding the maximum permitted flow in accordance with the Pipeline Entry Provisions.

3.11.6 NOT USED

3.11.7 NOT USED

3.11.8 NOT USED

3.11.9 For the avoidance of doubt, the Pipeline Operator will not be in breach of its obligations under paragraph 3.11.5 in circumstances which render it unable to accept delivery of gas at a Pipeline Entry Point, including compliance with the Pipeline Entry Provisions or the taking steps for the curtailment of gas flow rates where a Transportation Constraint is imminent or has arisen.

3.12 Transportation Constraint

3.12.1 A “Transportation Constraint” is a constraint in or affecting any part of the Pipeline at any time, as a result of which (having regard to operational requirements as to pressures in any part of the Pipeline) gas flows in any part of the Pipeline are or (but for anything done by a Pipeline Operator) would be restricted, whether such constraint results from the size of any part of the Pipeline, the operation or failure to operate any part of the Pipeline, or the extent or distribution of supply or demand in any part of the Pipeline

3.12.2 A Pipeline Entry Point is “affected” by a Transportation Constraint where the Pipeline Operator is or (but for anything done by that Pipeline Operator or any other Pipeline Operator) would be unable to accept delivery of gas or make available gas for offtake at that System Point, or its ability to do so is impaired, by reason of a Transportation Constraint.

3.12.3 A Transportation Constraint includes a constraint which arises by reason of Programmed Maintenance or other maintenance (but without prejudice to the provisions of Part H).

3.12.4 In determining whether there is at any time a Transportation Constraint all gas flows planned by any Pipeline Operator shall be taken into account.