

UNIFORM NETWORK CODE - TRANSITION DOCUMENT

PART I - GENERAL

1. Introduction

- 1.1 This is the Transition Document which forms part of the Uniform Network Code.
- 1.2 This Transition Document contains provisions:
- (a) relating to the Transportation Principal Document (and where relevant the General Terms), which provisions are in Part II of this Transition Document;
 - (b) relating to the Offtake Arrangements Document, which provisions are in Part III of this Transition Document;
 - (c) relating to the Modification Rules, which provisions are in Part IV of this Transition Document.

2. Interpretation and effect

- 2.1 In this Transition Document the following words and expressions shall have the following meanings:

"First Day": is the UNC Implementation Date; and where the context admits a reference to the First Day is to 0600 hours at the start of such Day;

"Last Day": is the Day preceding the UNC Implementation Date; and where the context admits a reference to the Last Day is to 0600 hours at the end of such Day;

"Relevant System": is a System owned or operated by a Relevant Transporter;

"Relevant Transporter": is a Transporter other than Transco;

"Transco Framework Agreement": is the Framework Agreement between Transco and Users dated 26 February 1996.

PART II – TRANSPORTATION PRINCIPAL DOCUMENT

PART IIA - GENERAL

1. Introduction

1.1 This Part II contains provisions:

- (a) for the commencement in relation to Relevant Systems of the arrangements provided for in the Transportation Principal Document (and where relevant the General Terms), which provisions are in Part IIB;
- (b) pursuant to which the arrangements provided for in the Transportation Principal Document are modified for certain specified periods, which provisions are in Part IIC; and
- (c) for a Contingency Balancing Arrangement as provided for in the Transportation Principal Document, which provisions are in Part IID.

1.2 For the purposes of this Part II:

- (a) **"relating to a Relevant System"** means relating to or applicable in relation to that System, or any System Point, or the conveyance of gas in or delivery or offtake of gas to or from that Relevant System, and 'relate to a Relevant System' shall be construed accordingly;
- (b) a reference to a 'parameter' includes any quantity, term, designation, feature, characteristic, condition, specification, registration or other matter provided for in the Code; and a reference to a parameter 'value' is to the value, amount, description, quality or other state (as appropriate) of any such parameter.

2. Transco

2.1 For the avoidance of doubt, Transco's Network Code (as modified with effect from the First Day by the Code Modification referred to in the definition of UNC Modification Date) shall continue in force in accordance with its terms in relation to Systems other than Relevant Systems, and Part IIB shall not apply in respect of Transco's Network Code.

2.2 With effect from the First Day, Transco and Users hereby release each other from all rights, obligations and liabilities under Transco's Network Code, the Transco Framework Agreement and any Ancillary Agreement which:

- (a) relate to a Relevant System; and
- (b) by virtue of the operation of Part IIB become rights, obligations and liabilities between, and enforceable by, the Relevant Transporter and Users.

3. Collective actions and parameters

3.1 Anything done by Transco pursuant to Transco's Network Code on or before the Last Day which (if it were done on or after the First Day) would be required (by the provisions of the Transportation Principal Document) to be done by the Transporters collectively, shall (unless and until actually done by the Transporters collectively) be deemed to have been done by the Transporters collectively pursuant to the Code for the purposes of its application on and with effect from the First Day.

- 3.2 Where on and after the First Day any parameter under the Transportation Principal Document is to apply to or in relation to the Transporters collectively, the value of the equivalent parameter (applying to or in relation to Transco under Transco's Network Code) as at the Last Day shall be deemed to apply to or in relation to the Transporters collectively on and with effect from the First Day for the purposes of the Code.
- 3.3 Anything decided or otherwise done by the Network Code Committee on or before the Last Day shall be deemed, for the purposes of the application of the Transportation Principal Document or General Terms on and with effect from the First Day, to have been decided or done by the Uniform Network Code Committee.
- 3.4 In accordance with paragraph 3.1, for the purposes of TPD Section V10.2, amounts payable by Transco pursuant to Compensation Rules in respect of months (in the Compensation Year in which the Last Day falls) up to the month in which the Last Day falls shall be treated as having been payable by the Transporters.

4. Existing Transportation Charges

4.1 In this Transition Document:

(a) subject to paragraph (b)(ii), "**Existing Transportation Charges**" means:

(i) amounts relating to a Relevant System which:

(1) are payable by a User or Transco pursuant to Transco's Network Code by way of Transportation Charge, or otherwise pursuant to any provision of Transco's Network Code which provides for an amount to be payable (but for the avoidance of doubt not including Energy Balancing Charges); and

(2) accrue in respect of any period ending on or before the Last Day;

(ii) amounts payable by Transco or a User by way of Invoice Credit, rebate or other adjustment in respect of an amount in paragraph (i);

(iii) amounts payable by Transco or a User by way of interest in respect of an amount in paragraph (i) or (ii); and

(iv) any amount payable by Transco or a User upon the resolution of any Invoice Query or dispute in respect of an amount in paragraph (i), (ii) or (iii)

whether or not an Invoice has been issued on or before the Last Day in respect of such amount;

(b) Existing Transportation Charges include amounts relating to a Relevant System:

(i) which are payable by Transco or a User pursuant to Transco's Network Code by way of Reconciliation Transportation Charge Adjustments in respect of LDZ Commodity Charges or Commodity Variable Components (if any) of Customer Charges pursuant to Individual Reconciliation or Aggregate NDM Reconciliation carried out on or before the Last Day; and

(ii) in respect of which an Invoice has been issued by Transco on or before the last Day of the month in which the First Day falls.

- 4.2 Existing Transportation Charges shall continue to be payable by or to Transco under Transco's Network Code (and shall not become payable by or to the Relevant Transporter), and Transco shall continue to issue Invoices after the Last Day in respect of Existing Transportation Charges.
- 4.3 Any dispute, whether existing as at the Last Day or arising on or after the First Day, as to (or so far as relating to) any Existing Transportation Charges shall be a dispute under Transco's Network Code between Transco and the relevant User(s).

Part IIB – Relevant Transporters

1 Introduction

1.1 Anything done by a User or Transco pursuant to, and any circumstance existing under, Transco's Network Code on or before the Last Day, so far as relating to a Relevant System, shall be deemed to have been done (by the User or the Relevant Transporter) pursuant to or exist under the Relevant Transporter's Network Code for the purposes of its application on and with effect from the First Day, except as provided in paragraph 4 of Part IIA or expressly provided in this Part IIB.

2. General

2.1 In accordance with paragraph 1.1, for the purposes of giving effect to a Relevant Transporter's Network Code on the First Day, all parameter values established and prevailing pursuant to the terms of Transco's Network Code as at the Last Day and relating to a Relevant System shall be deemed to have been established and be prevailing on and with effect from the First Day in accordance with the equivalent terms of the Relevant Transporter's Network Code.

2.2 In accordance with paragraph 1.1, subject to paragraph 3 of Part IIA, any determination made, discretion exercised or step taken by Transco pursuant to Transco's Network Code on or before the Last Day and relating to a Relevant System shall be deemed with effect from the First Day to be a determination made, discretion exercised or step taken by the Relevant Transporter in accordance with the equivalent terms of the Relevant Transporter's Network Code.

3. Values and parameters

3.1 The parameters values referred to in paragraph 2.1 shall include, but not be limited to, the following:

TPD Section	Value and parameter
TPD Section B: System Use and Capacity	A User's Registered and Available System Capacity in respect of relevant System Points
	Overrun amounts and Supply Point Ratchet amounts at respect of relevant System Points
TPD Section C: Nominations	Input Nominations, Output Nominations and Renominations
TPD Section G: Supply Points	Registered Users and Registered Supply Points.
	Annual Quantities, Supply Point Offtake Rates, maximum offtake rates, Maximum Supply Point Offtake Rates and Aggregate Bottom-stop Capacity in respect of relevant System Points
	Designation of relevant Supply Points as Firm, Interruptible or TNI Supply Points and remaining available Interruption Allowances for the Gas Year at relevant Supply Points

TPD Section H: Demand Models and Demand Forecasting	End User Categories, Demand Models, Composite Weather Variables, Weather Variable Coefficients and seasonal normal values
TPD Section L: Maintenance and Operational Planning	Programmed Maintenance in respect of relevant System Points
TPD Section N: Shrinkage	Shrinkage Factors applying in respect of relevant System(s)
TPD Section Q: Emergencies	Designation of Priority Consumers in respect of relevant System Points
TPD Section U: UK Link	Planned UK Link downtime
TPD Section Z: Transco LNG Storage Facilities	Gas-in-storage for the purposes of TPD Section B1.9.2(a)

4. Code Communications

In accordance with paragraph 1.1, but subject to paragraphs 3 and 4 of Part IIA, a Code Communication made or received for the purposes of Transco's Network Code on or before the Last Day shall to the extent relating to a Relevant System be deemed to have been made or received and be effective in accordance with the equivalent terms of the Relevant Transporter's Network Code.

5. Invoices

For the avoidance of doubt, in accordance with paragraph 1.1, amounts relating to a Relevant System and payable by way of Transportation Charge, other than Existing Transportation Charges, shall be payable by or to the Relevant Transporter pursuant to the Relevant Transporter's Network Code.

6. Accrued rights, obligations and liabilities

In accordance with paragraph 1.1, but subject to paragraph 4 of Part IIA, the rights, obligations and liabilities of Transco and a User under Transco's Network Code, the Transco Framework Agreement and any Ancillary Agreement as outstanding on the Last Day and so far as relating to a Relevant System, shall be deemed with effect from the First Day to be rights, obligations and liabilities between, and enforceable by, the Relevant Transporter and the User.

7. Ancillary Agreements and NEAs/NExA

7.1 In accordance with paragraph 1.1, where (as at the Last Day) Transco and a User or Users are party to an Ancillary Agreement relating to a Relevant System, subject to paragraph (b), the Ancillary Agreement shall be deemed with effect from the First Day to be an agreement between the Relevant Transporter and the relevant User(s) and in respect of which Transco is no longer a party.

7.2 In accordance with paragraph 1.1, where (as at the Last Day) there is a Network Exit Agreement or there are Network Entry Provisions in force relating to a Relevant System, parameter values contained or provided for in or determined under such Network Exit

Agreement or Network Entry Provisions shall be deemed on and with effect from the First Day to apply for the purposes of the Relevant Transporter's Network Code (unless and until the Relevant Transporter enters into an equivalent Network Exit Agreement or Network Entry Provisions).

- 7.3 For the purposes of the Ancillary Agreement which applies in relation to the Connected System Exit Point referred to in TPD Section A1.7.5, in relation to the provisions of such Ancillary Agreement which:
- (a) relate to the offtake of gas from the NTS for conveyance to the Scottish Independent Network at Stranraer, and
 - (b) apply (as at the Last Day) to Transco in the capacity of owner and operator of such Scottish Independent Network

the DN Operator which operates the Scottish Independent Network at Stranraer shall be deemed with effect from the First Day to be a party to such Ancillary Agreement in the place of Transco, and references to Transco shall be construed accordingly.

8. Publications and procedures etc

- 8.1 In accordance with paragraph 1.1, subject to paragraph 3 of Part IIA, any document or publication made available by Transco and relating to a Relevant System shall be deemed to have been made available or published by the Relevant Transporter in accordance with the equivalent terms of the Relevant Transporter's Network Code.
- 8.2 In accordance with paragraph 1.1, where pursuant to Transco's Network Code any procedures, conditions, methodologies or standards relating to a Relevant System apply, the same procedures, conditions, methodologies or standards shall be deemed to be the procedures, conditions, methodologies or standards applying with effect from the First Day for the purposes of the Relevant Transporter's Network Code.

9. Disputes

Subject to paragraph 4 of Part IIA, any dispute existing and outstanding on the Last Day between Transco and a User and relating to a Relevant System shall be deemed with effect from the First Day to be a dispute existing and outstanding under the Relevant Transporter's Network Code between the Relevant Transporter and the relevant User.

10. External UK Link Users

Each person permitted to have access to and use of UK Link pursuant to Transco's Network Code shall be deemed with effect from the First Day to have been permitted access to and use of UK Link pursuant to each Relevant Transporter's Network Code.

11. User Agents

Each person appointed by a User as a User Agent pursuant to Transco's Network Code shall be deemed with effect from the First Day to have been appointed as a User Agent by the same User for the same period and in respect of the same category of UK Link Code Communications pursuant to each Relevant Transporter's Network Code.

12. Credit cover

- 12.1 For each Relevant Transporter, as at the First Day the Code Credit Rules and (in relation to each User) the Code Credit Limit are the rules and limit established by Transco (in

anticipation of the UNC Implementation Date) separately for each Relevant Transporter on or before the Last Day, and a User may (in anticipation of the UNC Implementation Date) have provided surety or security (taking effect from the First Day) separately for such Relevant Transporter.

- 12.2 Nothing in this Part IIB affects (or operates to transfer to a Relevant Transporter) any surety or security provided by any User to Transco as at the Last Day pursuant to the Transco Network Code.

PART III – OFFTAKE ARRANGEMENTS DOCUMENT

1. Introduction and Commencement

- 1.1 In this Part III defined terms shall have the meanings given to them in or for the purposes of the Offtake Arrangements Document.
- 1.2 The arrangements provided for in the Offtake Arrangements Document:
- (a) shall be effective with respect to the operation of the Parties' Systems and flows of gas at Offtakes with effect on and from the First Day; but
 - (b) shall come into force (for the purposes, inter alia, of enabling the doing of any thing which may be required to be done in relation to but in advance of the First Day) upon the (earlier) date of the Transporter's Framework Agreement.

2. OAD Section B

- 2.1 For the purposes of OAD Section B3.9, as at the First Day, the prevailing Site Schedule of Responsibilities relating to each Offtake Site is the site schedule of responsibilities established by Transco and prevailing as at the Last Day for each Offtake Site.

3. OAD Section C

- 3.1 For the purposes of OAD Section C2, as at the First Day, the prevailing versions of Emergency Procedures E1, E2 and E3 are the prevailing emergency procedures (referred to as T/PME/1, T/PME/2 and T/PME/3 prepared by Transco and prevailing as at the Last Day.
- 3.2 For the purposes of OAD Section C3, as at the First Day, the prevailing version of SCO-IP is the version prepared by Transco and known as 'Process for controlling work on sites containing both NTS and Network operational equipment' and dated as of the First Day.
- 3.3 For the purposes of OAD Section C4, as at the First Day, the prevailing Site Emergency Procedures relating to each Offtake Site are the site emergency procedures established by Transco and prevailing as at the Last Day for each Offtake Site.
- 3.4 For the purposes of OAD Section C5, as at the First Day, the prevailing GSSERs relating to each Offtake Site are the general site safety and environmental requirements established by Transco and prevailing as at the Last Day for each Offtake Site.

4. OAD Section D

- 4.1 For the purposes of OAD Section D3.1.1, as at the First Day, the prevailing Validation Procedures are the documents known as T/PR/ME2 Parts 1, 2 and 3 and T/PR/GQ/3 established by Transco and prevailing as at the Last Day.
- 4.2 For the purposes of OAD Section D3.2.5, as at the First Day, Routine Validation of any Measurement Equipment shall be treated as last carried out upon the date on which Transco last carried out routine validation thereof before the date of this Document.

5. OAD Section G

- 5.1 For the purposes of OAD Section G, the draft, final and updated maintenance programmes (relating to maintenance of one System which may affect another) established by Transco and

prevailing at the Last Day shall be treated on and with effect from the First Day as draft, final and updated Maintenance Programmes prepared (as appropriate) by each Party and provided to each affected Party.

6. OAD Section H

6.1 For the purposes of OAD Section H, each Party shall be treated, as at the First Day, as having provided the information (relating to historic and forecast development of demand) prepared by Transco (in relation to the relevant LDZ) and prevailing as at the Last Day.

7. OAD Section I

7.1 Offtake Profile Notices, pressure requests and requests for reduced pressure in relation to the First Day shall be established by the Parties as provided in paragraph 1.2 above.

7.2 For the purposes of the application (in relation to the Formula Year in which the First Day falls) of OAD Section I5.3.2, Interruption (pursuant to the Transco Network Code) of an Interruptible LDZ Supply Point on Days in that Formula Year up to the Last Day:

- (a) shall be counted in the term 'AI';
- (b) shall be treated as Interruption pursuant to an Interruption Instruction given by Transco NTS (and counted in the term 'NI') if such Interruption was required:
 - (i) pursuant to Section G6.7.3(a) of the Transco Network Code, in respect of a Transportation Constraint affecting the NTS; or
 - (ii) pursuant to Section G6.7.3(c) of the Transco Network Code.

8. OAD Section J

8.1 For the purposes of OAD Section J, the statements (setting out planning data in relation to LDZ/LDZ Offtakes) prepared by Transco and prevailing at the Last Day shall be treated on and with effect from the First Day as Offtake Parameter Statements prepared by the upstream Party in relation to such LDZ/LDZ Offtakes and provided to the downstream Party.

9. OAD Section M

9.1 For the purposes of OAD Section M, as at the First Day, the prevailing Offtake Communications Document is the document of that title prepared by Transco and dated as of the First Day.

10 OAD Section N

10.1 For the purposes of OAD Section N8, as at the First Day, the prevailing members and chairman of the Offtake Committee are the persons nominated as such by Transco on or before the Last Day.

PART IV – MODIFICATION RULES

1. Modification Panel

1.1 Prior to the First Day:

- (a) the Transporters have nominated (by notice to Transco) not more than five (5) individuals to be Transporters' Representatives; and
- (b) the Designated Person has nominated (by notice to Transco) not more than five (5) individuals to be Users' Representatives.

1.2 With effect from the First Day, the Voting Members of the Modification Panel shall be:

- (a) the individuals so nominated by the Transporters, as Transporters' Representatives; and
- (b) the individuals so nominated by the Designated Person, as Users' Representatives.

1.3 All individuals appointed to the modification panel as non-voting members as at the Last Day shall be deemed with effect from the First Day to continue in that appointment as non-voting Members of the Modification Panel.

1.4 Prior to the First Day the Transporters have nominated (by notice to Transco) an individual to be the Panel Chairman and an individual to be his deputy and with effect from the First Day the Panel Chairman and his deputy shall be the individuals who have been so nominated by the Transporters.

1.5 The individuals appointed as secretary (and deputy secretary) to the modification panel as at the Last Day shall be deemed with effect from the First Day to continue in that appointment as Secretary (and deputy Secretary) to the Modification Panel.

2. Modification Proposals

2.1 Where, as at the Last Day:

- (a) a modification proposal or a third party modification proposal has been made pursuant to Transco's Network Code; and
- (b) Transco has not submitted a modification report to the Authority, or (as the case may be) the Authority has not decided whether to direct that the relevant modification be made or (as the case may be) to consent to the relevant modification

the modification proposal or third party modification proposal shall be deemed with effect from the First Day to be a Modification Proposal or Third Party Modification Proposal as the case may be (identical in its purpose and effect to the modification proposal or third party modification proposal) made in respect of the Uniform Network Code in accordance with the Modification Rules.

2.2 Where, as at the Last Day:

- (a) the Authority has directed Transco to make (or consented to Transco making) a modification to Transco's Network Code with effect from an implementation date after the Last Day; and

- (b) Transco has not modified Transco's Network Code in accordance with such direction or consent

the Transporters shall as soon as practicable on or after the First Day apply to the Authority for consent (pursuant to Standard Special Condition A11(13)(b) of their Transporter's Licences) to modify the Uniform Network Code in accordance (mutatis mutandis) with such direction or consent, and (if the Authority so consents) shall modify the Uniform Network Code in accordance with such consent.

3. Application of Modification Rules

- 3.1 Subject to paragraphs 1 and 2, all steps, acts, circumstances and other things taken, done or existing as at the Last Day under or for the purposes of any provision of Section Y of Transco's Network Code (as applying generally and in relation to any modification proposal) shall be deemed to be or have been taken, done or existing under or for the purposes of the equivalent provision of the Modification Rules.
- 3.2 Without limitation, the things referred to in paragraph 3.1 include the business conducted by the modification panel, the establishment of and business conducted by any development work group, workstream, or review group, and the preparation and sending to or receipt from any person or body of any agenda, guidelines, draft or final paper, report, representation or other document.
- 3.3 If any question arises as to the stage (under the Modification Rules) which a Modification Proposal or Third Party Modification Proposal is treated (pursuant to paragraphs 2.1 and 3.1) as having reached on the First Day, the Modification Panel shall decide such question after consulting the Authority.

4. Interpretation

In this Part IV 'non-voting member', 'secretary', 'modification proposal', 'third party modification proposal', 'modification report', 'implementation date', 'modification panel', 'development work group', 'workstream', 'review group' or 'review proposal' mean non-voting Member, Secretary, Modification Proposal, Third Party Modification Proposal, Modification Report, Implementation Date, Modification Panel, Development Work Group, Workstream, Review Group or Review Proposal as defined in Transco's Network Code as in force as at the Last Day.

5. Review of Modification Rules

The Transporters agree, prior to the coming into force of Sections 173 to 176 of the Energy Act 2004, to procure that a review proposal is made for the review of the Modification Rules in the light of the provisions of those Sections.