

UNIFORM NETWORK CODE – GENERAL TERMS

SECTION B - GENERAL

1 UNIFORM NETWORK CODE

1.1 Uniform Network Code

1.1.1 The Uniform Network Code comprises:

- (a) the Introduction,
- (b) the Transportation Principal Document,
- (c) the Offtake Arrangements Document,
- (d) the Modification Rules,
- (e) the Transition Document, and
- (f) these General Terms

(each for the purposes of this paragraph 1 a "**part**" of the Uniform Network Code).

1.1.2 References to the Transportation Principal Document, the Offtake Arrangements Document and the Modification Rules are to such parts of the Uniform Network Code as and to the extent from time to time modified or given effect by the Transition Document.

1.2 Code

1.2.1 A reference to the "**Code**" is a reference to:

- (a) this Uniform Network Code as, and to the extent, incorporated into the network code of a Transporter; and
- (b) subject to any contrary provision in the Transporter's network code, such additional terms as are contained in the Transporter's network code

each as from time to time modified in accordance with the Modification Rules or any Transporter's Licence; and references to the Code include such Code as given contractual effect by a Framework Agreement, and references to a part of the Code shall be construed accordingly.

1.2.2 References to a Transporter's Code or a particular Transporter's Code shall be construed in accordance with paragraph 1.2.1.

1.2.3 It is acknowledged that (with the consent of the Authority under Special Standard Condition []) Transco has a single network code in its capacity as Transco NTS and DN Operator.

1.3 Framework Agreement

1.3.1 For the purposes of the Code:

- (a) "**Shippers Framework Agreement**" is the agreement pursuant to which the network code of a Transporter is made binding between the Transporter and each Shipper User; and
- (b) "**Transporters Framework Agreement**" is the agreement pursuant to which Transco's network code is made binding between the Transporters;
- (c) "**Framework Agreement**" means a Shippers Framework Agreement or the Transporters Framework Agreement.

2 PARTIES

2.1 Transporters

2.1.1 For the purposes of the Code:

- (a) "**Transco NTS**" means Transco in its capacity as the owner and operator of the NTS and licensee under the Transporter's Licence authorising the conveyance of gas through the NTS;
- (b) "**DN Operator**" or "**DNO**" means a person (including Transco) which is, and in its capacity as, the owner or operator of one or more LDZ(s) and licensee under a Transporter's Licence authorising the conveyance of gas through such LDZ(s);
- (c) "**Transporter**" means Transco NTS or a DN Operator;
- (d) "**Transco**" means Transco plc.

2.1.2 For the purposes of the Code:

- (a) a reference to 'the Transporters' is to the Transporters collectively;
- (b) unless the context otherwise requires, and except as expressly otherwise provided, Transco NTS and Transco in its capacity as DN Operator shall be considered to be separate Transporters.

2.1.3 For the purposes of the Transportation Principal Document a reference to 'the Transporter' in the context of a System or a System Point is a reference to the Transporter which is the owner or operator of that System or the System on which that System Point is located.

2.2 Users

2.2.1 For the purposes of the Code:

- (a) "**Shipper User**" means a person other than a Transporter (but subject to TPD Section V7) who is for the time being bound by the Code pursuant to a Shippers' Framework Agreement;
- (b) "**DNO User**" means a DN Operator (as operator of an LDZ) in the capacity of

user (in accordance with the Transportation Principal Document) of another System (not being an LDZ in the same network

(c) **"User"** means a Shipper User or (subject as otherwise provided) a DNO User.

2.2.2 References in the Code to a Transporter in that capacity do not include a Transporter in the capacity of DNO User.

2.2.3 For the purposes of the Transportation Principal Document, a reference to 'the DNO User' or the 'relevant DNO User' is:

(a) in the context of an LDZ, to the DNO User who is the owner or operator of that LDZ;

(b) in the context of an Inter-System Offtake, to the DNO User who is the owner or operator of downstream System at that Inter-System Offtake.

2.3 Parties

2.3.1 For the purposes of the Code **"Party"** means a Transporter or a User.

2.3.2 References to a Party:

(a) in the Code other than the Offtake Arrangements Document, are to any Party;

(b) in the Offtake Arrangements Document, are to a Transporter.

2.3.3 References to a Party:

(a) in the context of a Transporter's Code, are to:

(i) the Transporter or any User who is party to the relevant Shippers Framework Agreement; or (as the case may be)

(ii) the Transporters as parties to the Transporters Framework Agreement

(b) in the context of any Ancillary Agreement, are to the Transporter or a Shipper User who is party to that agreement;

(c) in the context of any Supplemental Agreement, are to a Transporter who is party to that agreement.

2.4 Effect of Code

2.4.1 Nothing in the Code or a Framework Agreement or any Ancillary Agreement creates contractual rights or liabilities:

(a) between Shipper Users inter se;

(b) between DNO Users inter se;

(c) between any Shipper User and any DNO User

except where the Code expressly provides otherwise or disapplies this paragraph 1.5.1

or as may be provided for in an Ancillary Agreement.

2.4.2 Paragraph 2.4.1 shall not apply in respect of paragraphs 11 and 14 (except for paragraph 14.1 and 14.3).

2.4.3 Nothing in the Transportation Principal Document or any Ancillary Agreement creates contractual rights or liabilities between Transporters inter se (other than rights and liabilities between a Transporter and another Transporter in its capacity as DNO User).

2.4.4 Nothing in the Offtake Arrangements Document or any Supplemental Agreement creates contractual rights or liabilities:

(a) between any Transporter and any User; or

(b) between Users inter se;

and save as expressly provided in relation to DNO Users, the rights and liabilities of the Parties under the Transportation Principal Document shall not be affected by or construed with reference to any provision of the Offtake Arrangements Document.

2.4.5 A System Operation Manager Service Agreement (SOMSA) (as referred to in OAD Sections [E and M]) is not a part of nor incorporated by reference into the Code, and (subject to the express provisions of the SOMSA) nothing in the Code shall affect a SOMSA in any way.

3 Not Used

4 Not Used

5 Not Used

6 Not Used

7 Not Used

8 Not Used

9 FORCE MAJEURE

9.1 Meaning of Force Majeure

9.1.1 For the purposes of the Code, subject to paragraph 9.1.2, "**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 or any Ancillary Agreement or any Supplemental Agreement, 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 installation 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 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.

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

9.1.3 The act or omission of:

- (a) any agent or contractor of a Party, or
- (b) (for the purposes of the Transportation Principal Document) in relation to a User, any person selling or supplying gas to such User, or any Delivery Facility Operator or Connected System Operator (other than in either case Transco LNG Storage (for the purposes only of TPD Section Z)), or any supplier or consumer;
- (c) (for the purposes of the Offtake Arrangements Document) [],

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 paragraph 9.1.1 if such person were the Affected Party.

9.1.4 In this paragraph 9 references to Users include DNO Users.

9.2 Effect of Force Majeure

9.2.1 Subject to paragraph 9.2.2, the Affected Party shall be relieved from liability (including any requirement under the Code to make payment of any sum or to take any other action) for any delay or failure in the performance of any obligation under the Code or any Ancillary Agreement which is caused by or results from Force Majeure.

9.2.2 The Affected Party shall be relieved from liability under paragraph 9.2.1 only for so long as and to the extent that the occurrence of Force Majeure and/or the effects of such occurrence could not be overcome by measures which the Affected Party might reasonably be expected to take with a view to resuming performance of its obligations.

9.3 Information

Following any occurrence of Force Majeure the Affected Party shall:

- (a) as soon as reasonably practicable notify each Other Party of the occurrence and nature of the Force Majeure, the expected duration thereof (insofar as the same can reasonably be assessed) and the obligations of the Affected Party

performance of which is affected thereby; and

- (b) from time to time thereafter provide to each Other Party reasonable details of:
 - (i) developments in the matters notified under paragraph (a), and
 - (ii) the steps being taken by the Affected Party to overcome the Force Majeure occurrence or its effects and to resume performance of its relevant obligations.

10 UNIFORM NETWORK CODE COMMITTEE AND SUB-COMMITTEES

10.1 Uniform Network Code Committee

10.1.1 There is hereby established a committee (the "**Uniform Network Code Committee**") constituted of all of the persons who are for the time being members of the Modification Panel established pursuant to the Modification Rules.

10.1.2 Paragraphs 3.2, 3.5 and 5 (excluding paragraphs 5.1 and 5.2) of the Modification Rules shall apply, mutatis mutandis, and disregarding references therein to other provisions of the Modification Rules, in respect of the Uniform Network Code Committee.

10.1.3 The persons who are for the time being Chairman and Secretary of the Modification Panel shall be Chairman and Secretary of the Uniform Network Code Committee.

10.1.4 The Uniform Network Code Committee shall be distinct from the Modification Panel and accordingly:

- (a) the agenda of each meeting of the Uniform Network Code Committee and of the Modification Panel shall be separate;
- (b) no business of the Uniform Network Code Committee shall be conducted at a meeting of the Modification Panel and vice versa;
- (c) at the commencement of each such meeting the chairman thereof shall confirm the capacity in which the persons present are meeting.

10.1.5 Subject to the requirements of paragraph 10.1.4, meetings of the Uniform Network Code Committee and the Modification Panel may take place on the same Day and consecutively.

10.1.6 In this paragraph 10 references to Users include DNO Users.

10.2 Functions of Uniform Network Code Committee

10.2.1 The function of the Uniform Network Code Committee shall (subject to paragraph 10.4) be to review such matters concerned with the implementation of the Code and to do such other things, as are provided for by the Code.

10.2.2 To the extent that any procedure of the Uniform Network Code Committee is not provided for under this paragraph 10 or pursuant to paragraph 10.1.2, the Uniform Network Code Committee may by panel majority decide upon the procedures to be adopted by it.

10.3 Network Code Sub-committees

- 10.3.1 The Uniform Network Code Committee may by panel majority establish sub-committees (each a "**Network Code Sub-committee**" or for the purposes of this paragraph 10 a "**Sub-committee**") for the purposes of doing or assisting in doing anything to be done by the Uniform Network Code Committee; and the Uniform Network Code Committee may by panel majority decide that a Sub-committee shall cease to be established.
- 10.3.2 Where the Code provides for anything to be done by the Uniform Network Code Committee or a relevant Sub-committee, the reference to a relevant Sub-committee is to a Sub-committee established pursuant to this paragraph 10.3 for the purposes of (or including) doing that thing.
- 10.3.3 A Sub-committee may be established for a fixed period (or for such period as shall be required for a fixed purpose) or on a standing basis.
- 10.3.4 When establishing a Sub-committee the Uniform Network Code Committee shall determine by panel majority:
- (a) the members of the Sub-committee, or the manner of appointment of such members;
 - (b) the basis on which the Sub-committee is to report to the Uniform Network Code Committee and/or to Transporters and Users; and
 - (c) the procedures by which the Sub-committee shall conduct its business, provided that (except where the Code expressly provides for such a vote) such procedures shall not require or permit a vote to be taken on any matter.
- 10.3.5 Each Sub-committee shall be comprised of persons representing the Transporters (one of whom shall unless otherwise agreed be the chairman of such Sub-committee), persons representing Users, a person representing the Authority (if the Authority shall nominate such a person) and any other persons whom the Uniform Network Code Committee shall determine shall be members thereof.
- 10.3.6 Members of a Sub-committee appointed to represent Users shall be appointed having regard to the contribution which they may as individuals make to the business of the Sub-committee and not to the Users by whom they are employed or engaged.
- 10.3.7 The provisions of this paragraph 10.3 are subject to any express provisions of the Code in relation to any Sub-committee.

10.4 No powers to bind

- 10.4.1 Except as expressly provided in the Code, neither the Uniform Network Code Committee nor any Sub-committee shall have any power to bind any Party and no decision of the Uniform Network Code Committee or any Sub-committee shall be effective to modify any provision of the Code or the application thereof.
- 10.4.2 Without prejudice to any requirement under the Code for a Transporter to consult with the Uniform Network Code Committee or any Sub-committee in respect of any matter, no Party may be required to provide to the Uniform Network Code Committee or any

Sub-committee any information which such person is not willing so to provide.

11 NOTICES AND COMMUNICATIONS

11.1 General

11.1.1 The Code contemplates that Code Communications and Offtake Communications (collectively "**Communications**") may be given by the following means:

- (a) (in the case of Code Communications) by UK Link Communication, in accordance with TPD Section U;
- (b) (in the case of Offtake Communications) by the relevant means specified in the Offtake Communications Document, by the
- (c) by delivery or by post or facsimile or (in certain cases) by telephone in accordance with paragraphs 11.2 and 11.3; or
- (d) for the purposes of TPD Section G1.9.12 only, by such methods as set out in the Supply Point Information Service Guidelines;

subject to and in accordance with the provisions of the Code.

11.1.2 Subject to TPD Section U6.2, and except where the means by which a Communication is to be given is specified in the Code, the particular means (in accordance with paragraph 11.1.1) by which:

- (a) each Code Communication is to be given, is set out in the UK Link Manual;
- (b) each Offtake Communication is to be given, is set out in the Offtake Communication Document;

provided that where in any case such means is not so specified, such Communication shall be given as a Conventional Notice.

11.1.3 For the purposes of the Code a "**Conventional Notice**" is a notice or communication which is or may be given by any of the means in paragraph 11.2.

11.1.4 Any reference in the Code to the time or date of any Communication, or the giving or making of a Communication, is a reference to the time or date when (in accordance with this paragraph or TPD Section U or the Offtake Communication Document) the Communication is deemed to have been received by the Party to which it was sent.

11.1.5 Subject to paragraph 11.1.6, a Communication which is given after 24:00 hours, or such other time as may be specified in the UK Link Manual or (as the case may be) Offtake Communication Document in respect of such Code Communication, on a Day may be deemed to have been received on the following Day.

11.1.6 Paragraph 11.1.5 does not apply in respect of:

- (a) the following Code Communications:
 - (i) a Nomination, Interruption Notice, or notice of a System Capacity Trade, Trade Nomination or Storage Trade;

- (ii) a communication to be made (in accordance with TPD Section Q) during an Emergency; or
- (iii) any other communication to be made by UK Link Communication or by telephone or by facsimile where the context requires that such communication be treated as received within the Day on which it is given;

(b) the following Offtake Communications: [/].

11.1.7 Where any provision of the Code or the Contingency Procedures or the Offtake Communication Document specify any requirement to be complied with by any Party in respect of any specific Communication, such requirement shall be in addition to and (to the extent inconsistent) in substitution for the provisions of this paragraph 11.

11.1.8 Where under any provision of the Code a Code Communication may be given in the form of a computer disk (including an optical disk), it shall be given by delivering or sending by post such disk in accordance with paragraph 11.2 (and shall be treated for the purposes of paragraph 11.2.3 as being in writing), but without prejudice to any procedures which the relevant Parties may agree for the purposes of ensuring that it is received in appropriately readable form.

11.1.9 In this paragraph 11 references to Users include DNO Users.

11.2 Notices by delivery, post or facsimile

11.2.1 References in this paragraph 11.2 to a notice are to any Communication or other notice or communication to be given by one Party to another under a Framework Agreement or an Ancillary Agreement or a Supplemental Agreement, other than one which is given as a UK Link Communication or by telephone or (as the case may be) by other means provided for in the Offtake Communication Document, or in respect of which separate provision is made in Network Exit Provisions.

11.2.2 Any notice shall be in writing and shall be addressed to the recipient Party at the recipient Party's address or facsimile number referred to in paragraph 11.2.3, and marked for the attention of the representative (identified by name or title) referred to in that paragraph, or to such other address or facsimile number and/or marked for such other attention as the recipient Party may from time to time specify by notice given in accordance with this paragraph 11.2 to the Party giving the notice.

11.2.3 The initial address or facsimile number of a Party, and representative for whose attention notices are to be marked, shall be as specified by a User pursuant to TPD Section V2.1.2(a)(iii) or by the Transporter pursuant to TPD Section V2.2.2(a)(i).

11.2.4 Any notice given by delivery shall be given by letter delivered by hand, and any notice given by post shall be sent by first class prepaid post (airmail if overseas).

11.2.5 Any notice shall be deemed to have been received:

- (a) in the case of delivery by hand, when delivered; or
- (b) in the case of first class prepaid post, on the second Day following the Day of posting or (if sent airmail overseas or from overseas) on the fifth Day following

the Day of posting; or

- (c) in the case of facsimile, on acknowledgement by the recipient Party's facsimile receiving equipment.

11.2.6 Where a notice is sent by facsimile:

- (a) the Party giving the notice shall (but without prejudice to paragraph 11.2.5(c)) if requested by the recipient Party, resend as soon as reasonably practicable the notice by facsimile; and
- (b) in the case of a Termination Notice, the Transporter will in any event, within 2 Days following the sending of such facsimile, send to the recipient Party a copy of the notice by first class prepaid post (airmail if overseas).

11.2.7 A Party may specify different addresses or facsimile numbers and representatives pursuant to paragraph 11.2.2 for the purposes of notices of different kinds or relating to different matters.

11.3 Communication by telephone

11.3.1 For the purposes of enabling Communications to be given (where required or permitted to be so given) by telephone:

- (a) each Party shall provide to the other Party not more than 3 telephone numbers (or such other number as they may agree) and details (by name or title) of the representative to whom the Party giving such a communication should speak;
- (b) each Party shall use reasonable endeavours to ensure that a Party seeking to give such communication will at any time be able to contact a representative (of the first Party) by means of one of such telephone numbers;
- (c) the Parties shall, if either of them shall so request, establish such further procedures as may be reasonable and appropriate for the purposes of ensuring:
 - (i) that a Communication being given by telephone may be identified by the recipient as such; and/or
 - (ii) that such communications may be given securely, without delay and effectively.

11.3.2 Where a Party seeking to give a Communication by telephone is unable to contact a representative of the receiving Party, such Party must give the communication by facsimile and the communication will not be deemed to have been given except in accordance with paragraph 11.2.5(c).

11.3.3 Unless otherwise agreed between the relevant Parties a telephone notice may not be given as a message recorded on a telephone answering device.

11.3.4 Where a Communication is given by telephone:

- (a) the Transporter (or relevant Transporter) will promptly after the telephone communication is completed make and keep a record in which the time and content of the telephone notice is logged, but may do so by recording the

telephone communication where it has notified the User (or other Transporter), on the occasion or on a standing basis, of its intention to do so;

- (b) the Communication shall be treated as given at the time at which the telephone communication is completed.

11.3.5 A Party may specify different telephone numbers and representatives pursuant to paragraph 11.3.1 for the purposes of receiving by telephone Communications of different kinds or relating to different matters.

11.3.6 For the purposes of this paragraph 11.3:

- (a) in relation to Code Communications, references to Parties shall be construed as the Transporter and the User by or to whom such Code Communications are to be given;
- (b) in relation to Offtake Communications, references to Parties are to the Transporters, and the relevant Transporter is the upstream Transporter.

12 Not Used

13 Not Used

14 GENERAL

14.1 Not Used

14.2 Not Used

14.3 Not Used

14.4 Waiver

14.4.1 No delay by or omission of any Party in exercising any right, power, privilege or remedy under the Code or a Framework Agreement or any Ancillary Agreement or Supplemental Agreement shall operate to impair such right, power, privilege or remedy or be construed as a waiver thereof.

14.4.2 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.

14.5 Language

Every Code Communication, Offtake Communication, and every notice or other communication to be given by one Party to another under a Framework Agreement or any Ancillary Agreement or Supplemental Agreement, shall be in the English language.

14.6 Severance

If any provision of the Code, a Framework Agreement or any Ancillary Agreement or Supplemental 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, a Framework Agreement or Ancillary Agreement or Supplemental Agreement, which shall continue in full force and effect notwithstanding the same.

14.7 Rights of Third Parties

14.7.1 Unless expressly otherwise provided, the Parties do not intend that any third party shall have any rights, benefits, entitlements or privileges under the Code or a Framework Agreement or any Ancillary Agreement or Supplemental Agreement, and nothing in the Code or a Framework Agreement or any Ancillary Agreement or Supplemental Agreement shall be construed as conferring or purporting to confer any such right, benefit, entitlement or privilege on any such person.

14.7.2 Unless expressly otherwise provided, the Parties do not intend that any term of the Code or a Framework Agreement or any Ancillary Agreement or Supplemental Agreement shall be enforceable solely by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a Party.

14.8 Entire Agreement

14.8.1 A Transporter's Code, the relevant Framework Agreement and (as respects the Parties thereto) each Ancillary Agreement or (as the case may be) each Supplemental 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.

14.8.2 Each Party acknowledges that in entering into a Framework Agreement and any Ancillary Agreement or Supplemental Agreement it does not rely on any representation, warranty or other understanding not expressly contained in the Code, a Framework Agreement or such Ancillary Agreement or Supplemental Agreement.

14.8.3 Nothing contained in a document (other than a Framework Agreement or an Ancillary Agreement or Supplemental 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.

14.9 Jurisdiction

14.9.1 Subject and without prejudice to the provisions of Section [A] as to Expert Determination, all the Parties irrevocably agree that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Code, a Framework Agreement and any Ancillary Agreement or Supplemental Agreement and that accordingly any suit, action or proceeding (collectively "**proceedings**") arising out of or in connection with the Code, a Framework Agreement and any Ancillary Agreement or Supplemental Agreement may be brought in such courts.

14.9.2 Party irrevocably waives any objection which it may have now or hereafter to the laying

of the venue of any proceedings in any such court as is referred to in paragraph 14.9.1 and any claim that any such proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any proceedings brought in the English courts shall be conclusive and binding upon such Party and may be enforced in the courts of any other jurisdiction.

- 14.9.3 Any User which is not a company incorporated under the Companies Act 1985 shall provide to the Transporter an address in England or Wales for service of process on its behalf in any proceedings.

14.10 Governing law

The Code, each Framework Agreement and every Ancillary Agreement and Supplemental Agreement shall be governed by, and construed in all respects in accordance with, English law.