

GAS TRANSPORTER OVERALL STANDARDS OF PERFORMANCE

The Gas and Electricity Markets Authority (“the Authority”), in accordance with the powers contained in section 33BA of the Gas Act 1986 (“the Act”) and after the consultation and research required by section 33BAA of the Act, hereby determines the standards of overall performance in connection with the provision of gas transportation services to be achieved by Blackwater 2, a company registered in England and Wales with company number 5046791, (“the Company”) as follows:

1. (1) Unless the context otherwise requires, words and expressions used in this determination shall bear the same meaning as in Part I of the Act.
- (2) The following words and expressions shall have the meaning attributed to them in the conditions of the gas transporter licence (“the licence”) granted to the Company under section 7 of the Act:

customer

primary sub-deduct premises

secondary sub-deduct premises

transportation business

In this determination:

“Distribution Network” (“DN”) means the relevant gas distribution network defined with reference to its constituent Local Distribution Zone, as defined in special condition E2A (‘Revenue Restriction definitions in respect of the Distribution Network’) of the licence;

“premises” shall include primary sub-deduct premises and secondary sub-deduct premises; and

“relevant period” means the period 1 May 2005 – 31 March 2006 and thereafter each succeeding period of 12 months starting on 1 April.

2. For the purpose of this determination:

- (a) where more than one person is a customer in respect of a particular premises, a notice given by the Company to one person who is a customer in respect of those premises shall be a sufficient notice to any other person who is a customer in respect of those premises at the time the notice is given;
 - (b) where a person is a customer in respect of more than one premises, a reference in this determination to "customer" is a reference to that person in respect of each of the premises of which that person is a customer to which the determination applies;
 - (c) any reference to a customer shall include any person having apparent authority to represent the customer; and
 - (d) "customer" includes any person whom the Company reasonably believes to be the customer of the premises in relation to which the service relates.
3. The overall standard of performance to be achieved by the Company in respect of Services 1-5 (inclusive) described in column 1 is that, of the occasions during each relevant period upon which he is requested or required to perform the service, he shall provide the service in no less than the percentage of such occasions specified in column 2 opposite that service.

Column 1

Column 2

Service 1

In respect of telephone calls to:

- (a) the telephone service which the Company operates or procures the operation of pursuant to standard special condition A8 of the licence, each telephone call will be answered by an individual; and
- (b) the dedicated enquiry line and meter point reference number helpline, to the extent, and during such hours that, the Company operates or procures the operation of such lines, each telephone call will be answered,

in each case within 30 seconds.

90 per cent

For the purpose of Service 1, where the Company operates or procures the operation of the services in (a) and (b) in a manner which is shared with other gas transporters, performance shall be measured by aggregating all calls relating to those services.

Service 2

Where the Company proposes to carry out maintenance or replacement work to the pipe-line system to which the licence relates which will require it to interrupt the conveyance of gas to customers, the Company will provide a written notification of the need for the interruption to each customer likely to be affected not less than 5 working days before the expected interruption.

95 per cent

Service 3

Where:

- a) the conveyance of gas to customers' premises is interrupted as a result of an emergency or other unplanned cause; and

- b) the Company expects that the interruption will continue for more than 24 hours,

the Company shall:

- (i) where 250 premises or less are affected, inform each customer (either orally or by means of an appropriate written notification delivered to the customer's premises) of the expected programme for (including the expected date of) restoration of supply and the means by which the Company will comply with paragraph (iii) within 12 hours of the time at which the Company is made aware that an interruption has or could reasonably be expected to have occurred; 97 per cent
- (ii) where more than 250 premises are affected, provide public announcements (including by means of local public address announcements, local radio or other equivalent means) throughout the area affected describing the expected programme for (including the expected date of) restoration of supply and the means by which the Company will comply with paragraph (iii) within 12 hours of the time at which the Company is made aware that an interruption has or could reasonably be expected to have occurred; and 97 per cent
- (iii) Upon the expiry of each succeeding period of 24 hours from the notification or announcement under (i) or (ii) above, provide, (including, where appropriate, but not limited to, by means of the telephone enquiry service provided under standard special condition A8 of the licence) a progress report and revised information on the expected date of restoration of supply unless the customer or customers have already been made aware of the current progress and current expected date of restoration by such means. 97 per cent

Service 4

Where the Company receives an oral or written complaint relating to its

transportation business to which it would reasonably expect that the customer would anticipate a response, the Company shall in respect of a written complaint provide an oral response or despatch a written response to the customer within 5 working days of receipt of the complaint (including an indication of any further action that the Company considers to be required, including but not limited to the date by which the substantive response is to be despatched). Where a response to a written or oral complaint is not a substantive reply then the Company shall (other than in exceptional circumstances) provide the substantive response within 10 working days of receipt of the complaint.

90 per cent

Service 5

Where a report of a gas emergency including a gas escape, a significant escape of carbon monoxide, fumes or other hazardous situation relating to the Company's DN is received on the telephone service operated by Transco plc under standard special licence condition A8 of the licence, or by any other means, the Company shall attend or procure the attendance of an emergency service provider at the site of the incident as quickly as possibly and in any event:

- (a) in respect of an uncontrolled gas escape or other uncontrolled gas emergency, within 1 hour of the full emergency details being received on the telephone service operated by Transco plc, or by any other means; and
- (b) in respect of a controlled gas escape or other controlled gas emergency, within 2 hours of the full emergency details being received on the telephone service operated by Transco plc, or by any other means.

97 per cent

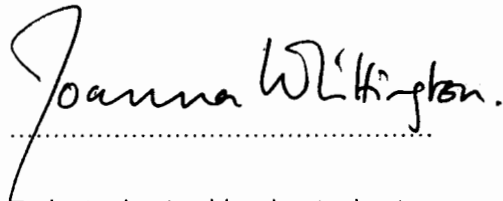
97 per cent

For the purpose of Service 5:

"emergency service provider" shall have the same meaning as in the Gas Safety (Management) Regulations 1996; and

"controlled gas escape or other controlled gas emergency" means a gas escape or other gas emergency where the person reporting the escape or other emergency, after carrying out (or causing to be carried out) the actions required by the telephone operator, advises the operator that the escape of gas or other emergency appears to have ceased.

4. Upon commencement of the relevant period, this determination shall replace the overall standards of performance which were introduced on 1 April 2002 following a previous determination by the Authority under section 33BA of the Act.

A handwritten signature in black ink that reads "Joanna Wilkinson." The signature is written in a cursive style and is positioned above a horizontal dotted line.

Duly Authorised by the Authority
1 May 2005