

Version 1.0 (30th November 2006)

Independent Gas Transporters'

UNIFORM NETWORK CODE

MODIFICATIONS APPROVED BUT NOT YET IMPLEMENTED

The following Modifications do not form part of the Code because they have yet to be implemented:

Modification Number	Title	Ofgem Signature date	Implementation Date

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[note the iGT UNC will need to be reviewed in the light of any licence changes]

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 Transporter's Licence [to be reviewed in light of licence changes]
- 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 Transporter's 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:
 - (a) the iGT UNC as and to the extent incorporated into the Pipeline Operator's Network Code;
 - (b) 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:
 - (a) in the context of a point on a Pipeline, to the Pipeline on which that point is or is to be located;

- (b) in the context of a Pipeline Operator, to a Pipeline owned or operated by that Pipeline Operator;
- (c) 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.
- 2.9 A Supply Meter Point may only be classified pursuant to Part C as a DM Supply Meter Point and provisions in respect of DM Supply Meter Points shall only apply and DM Capacity may only exist, in relation to a Pipeline which is connected to the Large Transporter System at the LT Connection Point.
- 2.10 Where the Code refers to the Manual, the Computer System or a System Communication, such references shall only take effect where the Pipeline Operator's Network Code has specifically provided for such references to take effect and has provided (inter alia) for the terms on which the Computer System may be accessed and System Communications may be given and received. Where the Pipeline Operator's Network Code does not so provide, the Code shall be construed as though it did not contain any such references.
- 2.11 "**Transition Document**" the document so entitled which sets out transitional provisions relating to the arrangements in Parts A to M of the Code.
- 2.12 In addition to terms defined elsewhere in the Code, the terms set out in Part L have the meanings set out therein.
- 2.12 Capitalised terms used but not defined in the Code have the meaning set out in the UNC.
- 2.13 A reference in the Code to a "**Standard Condition**" is a reference to a standard licence condition determined by the Secretary of State pursuant to Section 8 of the Gas Act 1995 as from time to time modified in accordance with the Act:
- (a) In the context of the Pipeline Operator or the Pipeline Operator's Licence, as incorporated into the Pipeline Operator's Licence; or
 - (b) In the context of a Pipeline User or its Shipper's Licence, as incorporated into such Shipper's Licence;
 - (c) In the context of a Gas Transporter's Licence as incorporated into such Gas Transporter's Licence.
- 2.14 A reference in the Code to the quantities in which or rate or pressure at which it is "**feasible**" for the Pipeline Operator to make gas available for offtake from the Pipeline at an exit point from the Pipeline is a reference to what is in the Pipeline Operator's reasonable judgment operationally and technically feasible without prejudicing the security of the Pipeline, without reinforcement and without prejudicing the Pipeline Operator's ability

to perform its obligations under the Code any Ancillary Agreement or any other contract for the conveyance of gas, or to comply with any Legal Requirement.

- 2.15 A reference in the Code to any Legal Requirement shall be construed at any particular time, as including a reference to any modification, extension or reenactment (before or after the date of the Code) of that Legal Requirement in force at that time.
- 2.16 A reference to the Act includes where the context permits a reference to Regulations made pursuant to the Act.
- 2.17 Part and Clause headings in the Code and clause headings in the Framework Agreement and any Ancillary Agreement shall not affect the interpretation of any provision thereof.
- 2.18 In the Code, unless the context otherwise requires:
- (a) words in the singular may be interpreted as including the plural;
 - (b) the word “including” is to be construed without limitation;
 - (c) a derivative term of any defined or interpreted term shall be construed in accordance with the relevant definition or interpretation.

3 References in the Code

- 3.1 References to paragraphs Clauses and to Parts are to paragraphs, Clauses and Parts of the Code and references to Clauses and paragraphs are (unless otherwise stated) to Clauses and paragraphs in the Part in which they appear.
- 3.2 References to Sections are to Sections of the UNC.

4 Large Transporter Network Exit Agreement

- 4.1 Where the Pipeline Operator and the Large Transporter have entered into a NExA the Pipeline Operator has disclosed to the Pipeline User certain terms of that NExA.
- 4.2 Where the Code provides that the Large Transporter will fulfil any given obligation, this is to be taken to mean that the Large Transporter is required to fulfil such obligation pursuant to the NExA, and the Pipeline Operator is not responsible (unless otherwise provided in the Code) for procuring or ensuring that the Large Transporter fulfils such obligation.

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.
- 1.2 The Code makes provision for certain provisions of the UNC to apply to enable the Large Transporter to allocate LDZ Capacity at the LT Connection Point, and to determine the quantity of gas offtaken from the Large Transporter System by CSEP Users in respect of the LT Connection Point, in both cases for the purposes of establishing Transportation Charges (as defined in the UNC) payable to the Large Transporter for use of the Large Transporter System. Pipeline Users acknowledge however that the Pipeline Operator shall not be obliged to apply such provisions to the extent that the Large Transporter does not apply any of the same or does not require any of the same to be applied in respect of the LT Connection Point.

2 Pipeline Capacity

- 2.1 Pipeline Users will be allocated capacity ("**Capacity**") in respect of and at certain points on the Pipeline.
- 2.2 Capacity allocated pursuant to Clause 2.1 may be divided into different classes and where it is so divided, unless the Pipeline Operator's Network Code provides otherwise, the different classes are Pipeline Capacity, Offtake Capacity and DM Capacity.
- 2.3 For the purposes of the Code:
 - (a) "**Pipeline Capacity**" is capacity in the Pipeline which a Pipeline User is treated as utilising in transporting gas from the Connection Point to the point of offtake at each Supply Meter Point (in accordance with Part J);
 - (b) "**Offtake Capacity**" is capacity in the Pipeline which a Pipeline User is treated as utilising in offtaking gas from the Pipeline; and
 - (c) Where a Pipeline has DM Supply Points "**DM Capacity**" at a DM Supply Point Component is capacity at that point which the Pipeline User is treated as utilising in offtaking gas from the Pipeline at that Supply Point Component;

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

- 2.4 The DM Capacity which a Pipeline User may be registered as holding at a DM Supply Point Component will in accordance with Part CII be limited by reference to the rate at and quantities in which it is feasible for the Pipeline Operator to make gas available for offtake from the Pipeline at that Supply Point Component; and no entitlement to offtake gas at a greater rate or in greater quantities shall be conferred on a Pipeline User by the holding of any amount of Capacity.
- 2.5 Capacity is expressed in kWh/Day, except that where (for the purposes of any provision of the Code) it is to be determined what quantity of gas delivered to or offtaken from the Pipeline on a Day is equal to an amount of Capacity held by a Pipeline User, or whether such a quantity of gas exceeds or is less than such an amount of capacity, such amount of Capacity shall be treated as expressed in kWh.

- 2.6 Where (in the Transportation Statement or elsewhere) the units in which Capacity is expressed are 'peak day kWh', such units are the same as those under Clause 2.5, and references to charges for Capacity in 'pence per peak day kWh' (or similar references) shall be construed accordingly.

3 Capacity Allocation for the purposes of the UNC

- 3.1 The Pipeline Operator will calculate and communicate to the Large Transporter the LDZ Capacity for each Pipeline User, so that (pursuant to the UNC) the Large Transporter will allocate to relevant CSEP Users LDZ Capacity at the LT Connection Point on any Day in the amount referred to in Clause 3.2.
- 3.2. The amount referred to in Clause 3.1 is the sum for each Pipeline User of:
- (a) for each EUC, the amounts determined as "SPC" in accordance with Section H4 for all Registered NDM Supply Meter Points belonging to that End User Category on the basis that the value of the Aggregate EUC CSAQ (adjusted to exclude Pipeline Shrinkage) is substituted for the value of AQ in the formula in Section H4.1; and
 - (b) the sum for all Registered DM Supply Points of the Registered DM Capacity for each such DM Supply Point.
- 3.3 No Pipeline User may apply for or hold LDZ Capacity at the LT Connection Point other than pursuant to Clause 3.1 and each Pipeline User will procure that any CSEP User from whom it is acquiring gas at the LT Connection Point will not apply for or hold LDZ Capacity at the LT Connection Point other than as provided in Clause 3.1.

4 Minimum Aggregate Capacity

- 4.1 The Pipeline User acknowledges that the Large Transporter and the Pipeline Operator may agree from time to time on a minimum aggregate amount of LDZ Capacity at the LT Connection Point ("**Minimum Aggregate Capacity**").
- 4.2 Where there is a Minimum Aggregate Capacity then Clause 4.3 shall apply.
- 4.3 If in respect of any Day the Aggregate CSEP Capacity is less than the Minimum Aggregate Capacity, the amount of the LDZ Capacity determined as held at the LT Connection Point by each CSEP User on that Day pursuant to Clause 2 shall be increased by the proportion by which the Minimum Aggregate Capacity exceeds the Aggregate CSEP Capacity.
- 4.4 For the purposes of this Code the "**Aggregate CSEP Capacity**" is the sum of the amounts of the LDZ Capacity determined as held by all CSEP Users at the LT Connection Point pursuant to Clause 2.
- 4.5 The Pipeline Operator will use all reasonable endeavours to negotiate with the Large Transporter to ensure that there is no Minimum Aggregate Capacity or to attain the lowest possible value for the Minimum Aggregate Capacity.

5 DM Capacity

- 5.1 Subject to Part A2.9, a Pipeline User who submits a Supply Point Confirmation in respect of a Proposed Supply Point which includes a DM Supply Point Component shall thereby apply for DM Capacity in accordance with Part CII.

- 5.2 The Pipeline User will if its Supply Point Confirmation becomes effective be registered as holding DM Capacity (“**Registered DM Capacity**”) at the DM Supply Point Component with effect from the Supply Point Registration Date (and accordingly Pipeline Capacity), subject to Clause 5.3 and until the Pipeline User ceases in accordance with the LDZ CSEP Ancillary Agreement or the Code to be the Registered User in respect of the relevant Supply Point.
- 5.3 A Pipeline User’s Registered DM Capacity in respect of the DM Supply Point Component of a Registered Supply Point:
- (a) may be increased or reduced subject to and in accordance with the conditions and requirements in Part CII;
 - (b) shall not be reduced nor increased other than as provided in paragraph (a) nor subject to Part K7 shall the registration be terminated except as provided in Clause 5.4.
- 5.4 The Pipeline User will cease to be registered as holding DM Capacity at a DM Supply Point Component when the Pipeline User submits or is deemed to have submitted a Supply Point Withdrawal which becomes effective in respect of the relevant Supply Point in accordance with Part CIV2.1.

6 Downstream Systems

- 6.1 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

PART CI SUPPLY POINT REGISTRATION

1 Introduction and Interpretation

1.1 For the purposes of the Code the following expressions have the following meanings:

"Larger Supply Point": a Supply Point in respect of which the Annual Quantity is greater than 73,200 kWh (2,500 therms);

"Smaller Supply Point"; a Supply Point in respect of which the Annual Quantity is not greater than 73,200 kWh (2,500 therms);

"Supply Meter Point": a point at which gas may (in accordance with the Code) be offtaken from the Pipeline for the purposes of supply directly to particular premises;

"Supply Point": the Supply Meter Point or Supply Meter Points for the time being registered in the name of a Pipeline User pursuant to a Supply Point Registration or for the purposes of this Part C only the subject of a Proposed Supply Point Registration;

"Supply Point Registration": the registration of one or more Supply Meter Point(s) in the name of a User pursuant to Part CI2;

"Registered User": in respect of a Supply Point, the Pipeline User in whose name the Supply Meter Point(s) comprising such Supply Point is registered;

"Supply Point Registration Date": in respect of a Supply Point, the date of the Supply Point Registration;

"Supply Point Premises": the premises to which gas offtaken at a Supply Point is to be supplied.

1.2 Only one Pipeline User may be the Registered User in respect of a Supply Point.

1.3 A Pipeline User may apply for a Supply Point Registration ("**Proposed Supply Point Registration**") subject to and in accordance with Part CI2, and may withdraw from a Supply Point Registration subject to and in accordance with Part CIV

1.4 Save where the Pipeline Operator's Network Code provides otherwise, a Supply Point Reconfirmation (in accordance with Clause 9.5) will be required in respect of a change in any details of a Supply Point Registration.

1.5 Where the Pipeline Operator has given Termination Notice (under Part K7) to a Pipeline User, the Pipeline Operator may decide:

(a) to reduce any of the periods and/or curtail any of the procedures provided for in this Part C in relation to any Supply Point Nomination or Supply Point Confirmation by any other Pipeline User in respect of, or

(b) to implement any other procedure for the registration in the name of any other Pipeline User (who wishes to become the Registered User) of,

any Supply Meter Points of which the Discontinuing User was the Registered User.

2 Supply Point Register and site visits

- 2.1 The Pipeline Operator will maintain a register ("**Supply Point Register**") of all Supply Meter Points, Supply Points and Supply Point Premises.
- 2.2 The Supply Point Register will contain for each Supply Point the following information:-
- (a) the Supply Meter Point(s) comprised in such Supply Point and a unique reference number ("**Supply Meter Point Reference Number**") and postcode ("**Meter Post Code**") for each such Supply Meter Point;
 - (b) the Registered User;
 - (c) the Supply Point Registration Date;
 - (d) a unique registration number ("**Supply Point Registration Number**");
 - (e) the Annual Quantity and End User Category of the Supply Point;
 - (f) whether a Supply Point has a DM Supply Point Component and if so the Registered DM Capacity for that DM Supply Point Component;
 - (g) in respect of a Supply Point which has a DM Supply Point Component, whether that Supply Point is firm or interruptible;
 - (h) any contact details required to be provided pursuant to the terms of the Code;
 - (i) such other information as is necessary to enable the Pipeline Operator to comply with any Legal Requirement;
 - (j) where the Pipeline Operator has in place a Manual, any other details specified in the Manual.
- 2.3 The Supply Meter Point Reference Number will continue to be assigned to a Supply Meter Point which has been Isolated.
- 2.4 The Supply Point Registration Number of a Supply Point and the Supply Meter Point Reference Number of any Supply Meter Point will not be changed during the relevant Supply Point Registration.
- 2.5 A Pipeline User shall not be entitled to have access to the information contained in the Supply Point Register except to the extent the Code provides for such information to be made available to such Pipeline User.
- 2.6 Upon a request by any Pipeline User identifying a Supply Meter Point Reference Number, the Pipeline Operator will provide to the Pipeline User certain details (which may be specified in the Manual) recorded in the Supply Point Register for the Supply Point in which the Supply Meter Point is comprised.
- 2.7 Following the rejection of a Supply Point Nomination or a Supply Point Confirmation:
- (a) the Proposing User may within 10 Business Days after such rejection notify the Pipeline Operator that the Pipeline User considers that any details recorded in respect of the Proposed Supply Point in the Supply Point Register are incorrect or that details which should be so recorded are absent from the Supply Register;

- (b) where the Pipeline User so notifies the Pipeline Operator:
 - (i) the Pipeline User shall at the same time provide details of what it considers the relevant details should be and its reasons for so considering;
 - (ii) the Pipeline Operator will, as soon as reasonably practicable after the Pipeline User's notification, consider the details and reasons provided by the Pipeline User, and where it is reasonably satisfied that any of the relevant details in the Supply Point Register are incorrect or that details which should be so recorded are absent from the Supply Point Register the Pipeline Operator will (within 5 Days after being so satisfied) amend such details and will not reject (on the same grounds) a further Supply Point Nomination or Supply Point Confirmation in respect of the Proposed Supply Point.

2.8 Without prejudice to any other provision of the Code, Pipeline Users and the Pipeline Operator agree:

- (a) to co-operate with a view to ensuring that the information contained in the Supply Point Register is at all times as accurate as is possible;
- (b) each to use reasonable endeavours to secure that it becomes aware in so far as it might reasonably be expected to become aware of any inaccuracy in the information contained in the Supply Point Register and to inform (in the case of a Pipeline User) the Pipeline Operator or (in the case of the Pipeline Operator) the Registered User of such inaccuracy;

but nothing in this Clause 2.8 shall imply that the Supply Point Register is capable of being amended other than as provided in this Part C, Part D or Part E.

2.9 Clauses 2.10 to 2.12 apply where:

- (a) the Pipeline User believes that the information relating to a Supply Meter Point contained in any notification submitted by the Pipeline Operator to the Pipeline User pursuant to the Code other than a notification submitted pursuant to Part CV, Part D or Part E is incorrect;
- (b) the Pipeline User has so notified the Pipeline Operator, providing details of the information which the Pipeline User believes to be incorrect and what the Pipeline User believes to be the correct information;
- (c) following such notification, the Pipeline Operator has been unable (after examining the details contained in the Supply Point Register) to resolve the matter notified by the Pipeline User (the "relevant matter");
- (d) the Pipeline User has accordingly requested the Pipeline Operator and the Pipeline Operator has agreed to visit the Supply Point Premises to investigate the relevant matter.

2.10 Where this Clause 2.10 applies, subject to Clause 2.11, the Pipeline Operator will use reasonable endeavours, within 15 Business Days after agreeing (as described in Clause 2.9(d)) to do so during normal business hours, or on or by such later date and time as the Pipeline Operator and the Pipeline User may agree, to visit the Supply Point Premises and (subject to being given the required access) investigate the relevant matter.

- 2.11 Where the Pipeline Operator has notified to the Pipeline User a particular date (complying with Clause 2.10) and time for such visit, or agreed such a date and time with the Pipeline User, the Pipeline Operator may require that the Pipeline User attend at the Supply Point Premises at such time and date and where the Pipeline Operator so requires, the Pipeline Operator will not be required to investigate the relevant matter if the Pipeline User does not so attend.
- 2.12 If the Pipeline Operator is unable (upon such a visit) to obtain the access required to investigate the relevant matter, the Pipeline Operator shall not be required to revisit the Supply Point Premises, and if the Pipeline Operator did not require (pursuant to Clause 2.11) the Pipeline User to attend, the Pipeline Operator will so inform the Pipeline User as soon as reasonably practicable after making such visit.

3 Daily Read Requirement

- 3.1 Subject to Clauses 3.5, 3.7(b) and 3.10(c) a Supply Meter Point shall be classified as a DM Supply Meter Point where:
- (a) the Supply Meter Point is Daily Read and
 - (b) either:
 - (i) the Daily Read Requirement applies or
 - (ii) an election as referred to in Clause 3.7(b) is in force in relation to such Supply Meter Point.
- 3.2 Subject to Clause 3.4, the Daily Read Requirement shall apply in respect of:
- (a) each relevant Supply Meter Point comprised in any Supply Point whose Annual Quantity is greater than 58,600,000 kWh (*2,000,000 therms*); and
 - (b) each relevant Supply Meter Point comprised in an Interruptible Supply Point.
- 3.3 For the purposes of Clause 3.2:
- (a) the “**Daily Read Requirement**” is the requirement that the Supply Meter at a Supply Meter Point shall be Daily Read;
 - (b) a relevant Supply Meter Point is a Supply Meter Point in respect of which the Annual Quantity is greater than 2,196,000 kWh (*75,000 therms*).
- 3.4 For the purposes of the Code:
- (a) a Supply Meter is Daily Read in accordance with Part D 1.4;
 - (b) “**Daily Read Equipment**” is equipment of a design and standard of manufacture approved (consistently with any Legal Requirement) by the Pipeline Operator or by the Large Transporter which enable Meter Readings to be obtained remotely at set intervals. Daily Read Equipment comprises:
 - (i) a device for capturing from the Supply Meter, and/or (where installed) a convertor, data which constitutes or permits the derivation of a Meter Reading; and

(ii) a telephone line or radio transmitter and/or such equipment as shall be required for transmitting such data;

(c) Daily Read Equipment is “**Operational**” on the first Day on which Daily Read Equipment provides a Valid Meter Reading unless the Large Transporter notifies to the Pipeline Operator a later date in which case such Equipment shall be Operational from such later date.

3.5 If the Large Transporter determines pursuant to the terms of the LDZ CSEP Ancillary Agreement and notifies the Pipeline Operator that it would not be practicable or economic for Supply Meters at a particular Supply Point to be Daily Read the Daily Read Requirement shall not apply and the Registered User may not make an election as referred to in Clause 3.7(b) (and for the avoidance of doubt the Supply Meter Points shall be NDM Supply Meter Points).

3.6 Where;

(a) a Supply Meter Point is a DM Supply Meter Point; and

(b) upon a change in the Annual Quantity of the Supply Meter Point or the Supply Point in which it is comprised, or the Supply Point’s ceasing to be an Interruptible Supply Point, the Daily Read Requirement ceases to apply

the Supply Meter Point shall not be required to be classified as a NDM Supply Meter Point and in the absence of any Supply Point Confirmation or Reconfirmation, the Supply Meter Point shall continue to be a DM Supply Meter Point but without prejudice to the entitlement of the Registered User to make a Supply Point Reconfirmation as an NDM Supply Point.

3.7 Where a Pipeline User is, or following a Supply Point Confirmation (including a Reconfirmation) a Pipeline User becomes the Registered User of a Supply Meter Point in relation to which the Supply Meter is Daily Read but the Daily Read Requirement does not apply:

(a) subject to paragraph (b), the Supply Meter Point shall be classified as an NDM Supply Meter Point;

(b) where the Annual Quantity exceeds 73,200 kWh (2,500 therms) the Pipeline User may elect in accordance with Clause 3.8 that the Supply Meter Point shall be classified as a DM Supply Meter Point.

3.8 An election for the purposes of Clause 3.7 ;

(a) shall be made by Nominating the Supply Meter Point as a DM Supply Meter Point:

(i) at the time of the Supply Point Confirmation or Reconfirmation referred to in Clause 3.6;

(ii) in the case of Clause 3.7(b) only, at any time thereafter, by way of Supply Point Reconfirmation;

(b) shall lapse with effect from the Supply Point Registration Date where the Registered User or any other Pipeline User submits a Supply Point Confirmation (including a Reconfirmation) which becomes effective in respect of a Supply Point including the relevant Supply Meter Point (and may be revoked accordingly)

- 3.9 Upon a change in the Annual Quantity of the Supply Meter Point such that the Annual Quantity becomes less than 73,200 kWh (2,500 therms) the Registered User shall be required to reclassify the Supply Meter Point as an NDM Supply Meter Point within 2 months of the change in Annual Quantity.
- 3.10 Where a Pipeline User submits pursuant to this Clause 3 a Supply Point Nomination (including a Renomination) pursuant to which an NDM Supply Meter Point is to become a DM Supply Meter Point:
- (a) where in relation to any Supply Meter Point to be comprised in the DM Supply Point Component
 - (i) the Supply Meter was Daily Read during the period of 12 months preceding the date of submission of the Supply Point Nomination; and
 - (ii) the Pipeline Operator and the Pipeline User have not agreed that insufficient Valid Meter Readings (in accordance with Part E) were obtained in the months of October to May in such period of 12 months,

the Nominated DM Capacity shall be not less than the Preceding Year Maximum Quantity in accordance with Clauses CII2.3 and CII2.4 but Clause CII2.3(b) shall be read as though references to a Supply Meter Point being DM were to the relevant Supply Meter being Daily Read;
 - (b) where paragraph (a) does not apply, the Nominated DM Capacity shall not be less than the Pipeline User's estimate (made in good faith and after all appropriate enquiries of the Consumer and on the basis of reasonable skill and care) of the maximum quantity of gas to be offtaken from the Pipeline at the DM Supply Point Component on any Day in the next 12 months on the basis of reasonable assumptions as to weather conditions; and
 - (c) the Supply Meter Point will become a DM Supply Point with effect from the Supply Point Registration Date.

4 Single Premises Requirement

- 4.1 A Supply Point must comply with the Single Premises Requirement.
- 4.2 The "**Single Premises Requirement**" is the requirement that where more than one Supply Meter Point is comprised in a Supply Point, gas offtaken from the Pipeline at all of such Supply Meter Points is to be supplied to premises:
- (i) owned or occupied by one person;
 - (ii) in close geographical proximity to each other;
 - (iii) comprised within a common curtilage; and
 - (iv) which serve each other in some necessary or reasonably useful way.
- 4.3 The Registered User shall:
- (a) take all reasonable steps to ensure that the Single Premises Requirement does not cease to be satisfied in respect of a Supply Point without the Registered User's becoming aware of that fact; and

- (b) if the Single Premises Requirement shall cease to be satisfied in respect of a Supply Point, as soon as it becomes aware of that fact:
 - (i) promptly so inform the Pipeline Operator; and
 - (ii) apply for two or more Supply Point Registrations (in respect of each of which such requirement is satisfied) in respect of the relevant Supply Meter Points.

4.4 Following the rejection of a Supply Point Nomination pursuant to Clause 10.5(a):

- (a) the Proposing User may notify the Pipeline Operator that the Pipeline User considers that the Single Premises Requirement is satisfied in respect of the Proposed Supply Point;
- (b) where the Pipeline User so notifies the Pipeline Operator:
 - (i) the Pipeline User shall at the same time provide its reasons for so considering and supporting evidence;
 - (ii) the Pipeline Operator will consider the reasons and evidence provided by the Pipeline User and where the Pipeline Operator is reasonably satisfied that the Single Premises Requirement is satisfied the Pipeline Operator will so inform the Pipeline User and will not reject on the grounds in Clause 10.5(a) a further Supply Point Nomination in respect of the Proposed Supply Point.

5 Supply Point Classification Supply Meter Points and Business Day

- 5.1 Any change in the relevant classification of a Supply Meter Point Component shall be given effect only upon and by way of Supply Point Confirmation or (as the case may be) Supply Point Reconfirmation.
- 5.2 Where, by virtue of a change in the Annual Quantity or otherwise, a Supply Meter Point or Supply Point Component is required (in accordance with any provision of the Code) to be classified differently from the prevailing classification as DM or NDM, the Registered User shall make a Supply Point Reconfirmation to give effect to such revised classification for a Supply Point Registration Date, not more than 3 months after the relevant date. For the purposes of this Clause 5.2, "relevant date" means the 1st October or other date with effect from which the Annual Quantity of the Supply Meter Point or Supply Point Component changes or other date with effect from which the requirement for reclassification first arises.
- 5.3 In accordance with Part E a Supply Meter Installation is required to be installed at each Supply Meter Point; but a point may be a Supply Meter Point notwithstanding that no such installation is installed at such point.
- 5.4 A Supply Meter Point which has not been Isolated will at all times be included in a Supply Point.
- 5.5 In this Part C and Parts D and E any reference to a "Business Day" is a reference to a Day other than:
 - (a) a Saturday, Sunday or a bank holiday in England and Wales; and
 - (b) the Day which would (but for this paragraph (b)) be the first Business Day after 1st January.

6 Annual Quantity

6.1 For the purposes of this Clause 6:

- (a) the "**relevant Gas Year**" is the Gas Year in which the Annual Quantity of a Supply Meter Point is to apply;
- (b) the "**preceding Gas Year**" is the Gas Year ending at the start of the relevant Gas Year;
- (c) the "**User Provisional Annual Quantity**" is the Registered User's determination of what the Provisional Annual Quantity in respect of a Supply Meter Point should be;
- (d) the "**AQ Procedures Document**" is the document so entitled and issued from time to time by the Pipeline Operator and which for the purposes of the Modification Rules only shall be deemed to be incorporated into and form part of the Code.

6.2 For each relevant Gas Year, the Pipeline Operator shall determine the provisional Annual Quantity in respect of each Supply Meter Point. The "Provisional Annual Quantity" shall be:

- (a) in respect of an NDM Supply Meter Point which has been Isolated at any time during the Relevant Metered Period or for a DM Supply Meter Point which has been Isolated at any time during the period of 12 months ending on the AQ Review Date, the Annual Quantity applicable for the preceding Gas Year;
- (b) in respect of a DM Supply Meter Point where paragraph (a) does not apply, where there are Metered Quantities for each Day in the period of 12 months ending on the AQ Review Date, the sum of such Metered Quantities;
- (c) in respect of an NDM Supply Meter Point where paragraph (a) does not apply or where Part F6.4 does not apply, the quantity assumed to be offtaken in a period of 12 months, as determined in accordance with Part F; or
- (d) in respect of a Supply Meter Point where paragraphs (a) (b) and (c) do not apply, the Annual Quantity applicable for the Preceding Year unless the Supply Meter Point is a New Supply Meter Point (other than a New Supply Meter Point referred to in paragraph (e)) in which case the Provisional Annual Quantity shall be the estimated quantity provided by the first Registered User in accordance with Part CV5.1;
- (e) in the case of a New Supply Meter Point which is comprised in a Smaller Supply Point at which the Supply Point Premises are domestic premises, for the period from the First Supply Point Registration Date until the end of the Gas Year in which such Supply Point Registration Date occurred, shall be the quantity determined in accordance with the NExA.

6.3 The Pipeline Operator:

- (a) will not use any estimated Meter Readings;
- (b) will not use any Meter Readings obtained after 12th May in the preceding Gas Year;
- (c) may determine without prejudice to paragraph (b) not to use any Meter Readings provided after 26th May in the preceding Gas Year

for the purposes of calculating the Provisional Annual Quantities pursuant to Clause 6.2. No provisional Annual Quantity may be less than 1.

6.4 Subject to the Pipeline Operator receiving certain data specified in the AQ Procedures Document from the Large Transporter by no later than 19th May in the preceding Gas Year, the Pipeline Operator shall no later than 7th July in the preceding Gas Year notify to each Registered User in the format provided in the AQ Procedures Document the Provisional Annual Quantity in respect of the relevant Gas Year for each of its Registered Supply Meter Points and supporting details including:

- (a) the Supply Meter Point Reference Number; and
- (b) where available, the Meter Readings used by the Pipeline Operator to determine the Provisional Annual Quantity.

6.5 The Pipeline Operator will endeavour in the notification made pursuant to Clause 6.3, to identify to the Registered User any Supply Meter Points comprised in a Smaller Supply Point which as a result of the Provisional Annual Quantity would be reclassified as a Larger Supply Point and vice versa.

6.6

(a) Save in any case where the Provisional Annual Quantity has been determined by the Pipeline Operator in accordance with the provisions of the NExA, following notification of the Provisional Annual Quantity, the Pipeline User which is the Registered User at the time of receipt of such notification may subject to Clause 6.6(c) and where the provisions of Clause 6.6(b) apply:

- (i) in the case of a Smaller Supply Point where it considers that the Provisional Annual Quantity should be greater or lesser than the Provisional Annual Quantity notified by the Pipeline Operator by not less than 20%; or
- (ii) in respect of any Larger Supply Point,

not later than 11th August in the preceding Gas Year notify the Pipeline Operator that it considers that the Provisional Annual Quantity does not satisfy the requirement in Clause 6.8 ("**User Provisional Annual Quantity**"). A notification by the Registered User pursuant to this Clause 6.6(a) must contain (unless the Pipeline Operator agrees otherwise) details of all those Provisional Annual Quantities notified to it in respect of which the Registered User wishes to raise an objection and must be made in the format provided in the AQ Procedures Document. No objection may be raised in respect of a Provisional Annual Quantity for a Supply Point in respect of which its First Supply Point Registration Date was not more than 26 weeks before the 7th July in the preceding Gas Year.

(b) The provisions referred to in Clause 6.6(a) are:

- (i) that the Registered User reasonably considers that the Pipeline Operator's calculation of the Provisional Annual Quantity is derived from:
 - (aa) Meter Readings that are incorrect or were taken prior to Meter Readings available to the Registered User and/or
 - (bb) materially incorrect details of the Supply Meter Installation for the relevant Supply Meter Point; or

- (ii) where the Pipeline Operator has determined the Provisional Annual Quantity in accordance with Clauses 6.2(a) or 6.2(d).
- (c) Where, in respect of any Supply Point, the Registered User notifies the Pipeline Operator of a User Provisional Annual Quantity in accordance with Clause 6.6(a) it shall warrant that:
 - (i) in reviewing the Provisional Annual Quantity:
 - (aa) it has applied a methodology that is consistent to all Supply Points for which it is the Registered User; and
 - (bb) it has applied a methodology that does not materially differentiate in its treatment of Supply Points where the User Provisional Annual Quantity may be greater than the Provisional Annual Quantity notified by the Pipeline Operator and Supply Points where the User Provisional Annual Quantity may be less than the Provisional Annual Quantity notified by the Pipeline Operator;
 - (cc) it has not used any estimated Meter Readings in calculating the Provisional Annual Quantity; and
 - (dd) it has not used any Meter Readings obtained after 12th May in the preceding Gas Year.
 - (ii) it has notified the Pipeline Operator of all User Provisional Annual Quantities resulting from the application of the methodology referred to in -paragraph (i) above that satisfy the requirements set out in Clause 6.6(a).
- (d) The Pipeline Operator will be entitled to reject without consideration, notice or liability any notification by a Pipeline User which does not comply with the requirement in paragraph (a) and where exercising such right to reject, will endeavour to give the Pipeline User a reason therefor in the format provided in the AQ Procedures Document.
- (e) The limitations upon notification contained in paragraph (a)(i) shall not apply where the User Provisional Annual Quantity will result in a Smaller Supply Point being reclassified as a Larger Supply Point.
- (f) A Pipeline User may not issue a notification pursuant to Clause 6.6(a) where Meter Readings used by the Pipeline Operator comply with the provisions of this Clause 6.

6.7 When submitting a notification pursuant to Clause 6.6, the Registered User

- (a) shall specify the User Provisional Annual Quantity and may specify reasons for the notification and supporting evidence; it being acknowledged by Pipeline Users that the provision thereof will assist the Pipeline Operator in determining whether it accepts the User Provisional Annual Quantity.
- (b) shall record evidence (and shall make such evidence available for inspection where reasonably requested) to support the applicable provision of Clause 6.6(b) and the warranty given pursuant to Clause 6.6(c).

6.8 The requirement referred to in Clause 6.6 is that the Provisional Annual Quantity, User Provisional Annual Quantity or Annual Quantity of a Supply Meter Point should represent

reasonable assumption(s) as to the quantity offtaken (or, in the case of a New Supply Meter Point or a Supply Meter Point notified to the Pipeline Operator under Clause 6.17(a)(ii), which would have been offtaken) from the Pipeline in the period of 12 months by reference to which the Provisional Annual Quantity, User Provisional Annual Quantity and the Annual Quantity is determined. The variable that determines the End User Category of the Supply Point should reflect reasonable assumptions as to the quantity offtaken from the Pipeline during the period from the 1st December to 31st March in the preceding Gas Year.

- 6.9 Where a Pipeline User makes a notification pursuant to Clause 6.6, the Pipeline User and the Pipeline Operator will co-operate and endeavour to agree in good faith by not later than 7th September in the preceding Gas Year, the Annual Quantity for each Supply Meter Point included in such notification.
- 6.10 The Pipeline Operator shall not later than 13th October in the relevant Gas Year notify to each Registered User the Annual Quantity in respect of the relevant Gas Year for each of its Registered Supply Meter Points as at a date between 1st October and 12th October determined by the Pipeline Operator together with the applicable End User Category (where appropriate) in respect of each Supply Point.
- 6.11 The "**Annual Quantity**" of a Supply Meter Point shall be either:
- (a) where following a notification under Clause 6.4 the Pipeline Operator considers that the requirement in Clause 6.6 is satisfied the User Provisional Annual Quantity; or
 - (b) where following a notification under Clause 6.6, the Pipeline Operator does not consider that the requirement in Clause 6.8 is satisfied, the Annual Quantity for the preceding Gas Year; or
 - (c) where paragraph (a) or (b) does not apply, the Provisional Annual Quantity.
- 6.12 The "**Annual Quantity**" of a Supply Point or a Supply Point Component is the sum of the Annual Quantities for each Supply Meter Point comprised in that Supply Point or Supply Point Component.
- 6.13 Subject to Clause 6.2, where a DM Supply Meter Point becomes an NDM Supply Meter Point or an NDM Supply Meter Point becomes a DM Supply Meter Point, the Annual Quantity of the Supply Meter Point shall not be affected by a change in its status to NDM or DM.
- 6.14 Subject to Clause 6.2, where a Supply Meter Point is Isolated, the Annual Quantity for that Supply Meter Point shall remain unchanged.
- 6.15 The Pipeline Operator shall not later than 15th September in the preceding Gas Year notify to each Pipeline User the Annual Quantity for each Supply Meter Point included in the notification made pursuant to Clause 6.4 for the relevant Gas Year and the applicable End User Category (where appropriate) in respect of each Supply Point. The Pipeline Operator will provide to the Large Transporter by the same date the information referred to in Part F8.1 using the Annual Quantities and applicable End User Categories for the relevant Gas Year.
- 6.16 For the purposes of this Clause 6.16, the "**Effective Period**" shall mean the Gas Year excluding the period of time commencing from and including 1st August until and including 14th September. Where a Supply Point Confirmation made in respect of a Larger Supply Point becomes or will become effective during the Effective Period the Proposing User may during the Effective Period not later than 23 Business Days after the Supply Point

Registration date nor more than 7 Business Days earlier, notify the Pipeline Operator that the Proposing User considers that the Annual Quantity of a Supply Meter Point or (as the case may be) variable that determines the End User Category of the Supply Point comprised in the Proposed Supply Point fails to satisfy the requirement in Clause 6.8 and shall have the right to appeal the Annual Quantity under Clause 6.17(a)(i).

6.17 Following the notification of the Annual Quantity pursuant to Clause 6.15:

- (a) in respect of any Larger Supply Meter Point, the Registered User may not later than 31st July of the relevant Gas Year (or in the case of Larger Supply Meter Points under Clause 6.16, 23 Business Days after the Supply Point Registration Date during the Effective Period) notify the Pipeline Operator that the Registered User considers that the Annual Quantity of that Supply Meter Point fails to satisfy the requirement in Clause 6.8 either:
 - (i) on the basis of substantial evidence as to the actual consumption of gas; or
 - (ii) because of a change in the Consumer's Plant which results in a change in the basis on which gas is consumed.
- (b) Notwithstanding the Registered User's right to appeal in paragraph (a) in respect of any Larger Supply Meter Point, the Registered User may not later than 31st July in the relevant Gas Year notify the Pipeline Operator that the Registered User considers that the Annual Quantity of a Supply Meter Point fails to satisfy the requirement in Clause 6.8 provided that the Registered User may only so notify the Pipeline Operator in the case of:
 - (i) a Larger Supply Meter Point where the Registered User's reasonable estimate of the Annual Quantity is equal to or less than 50% of the Annual Quantity or is equal to or greater than 200% of the Annual Quantity; and
 - (ii) a Smaller Supply Meter Point where the Pipeline User considers that it should be a Larger Supply Meter Point.
- (c) where a Registered User so notifies the Pipeline Operator:
 - (i) pursuant to paragraph (a)(i) or paragraph (b) and the Registered User shall with such notice provide to the Pipeline Operator the Registered User's reasons or evidence for its view and a reasonable estimate of the quantity or (as the case may be) value which the Registered User considers should be the Annual Quantity or such variable of such Supply Meter Point;
 - (ii) pursuant to paragraph (a)(ii) the Registered User shall with such notice provide to the Pipeline Operator in a format specified by the Pipeline Operator details of the Registered User's reasons or evidence for its view and a reasonable estimate of the quantity or (as the case may be) value which the Registered User considers should be the Annual Quantity or such variable of such Supply Meter Point.
- (d) the Pipeline Operator will consider the details provided by the Registered User under paragraph (c) above, and where it is satisfied that the Annual Quantity or such variable notified to the Registered User pursuant to Clause 6.15 fails to satisfy the requirement in Clause 6.8 and that the estimate of the Annual Quantity provided by the Registered User satisfies the requirement in Clause 6.8 then the Pipeline Operator shall substitute the Annual Quantity with that estimate of the Annual

Quantity (subject to Clause 6.19) or (as the case may be) variable for the relevant Gas Year.

- 6.18 Where the Pipeline Operator agrees to revise the Annual Quantity or End User Category under Clause 6.17 (d) or Clause 6.21:
- (a) the Registered User may submit a Supply Point Reconfirmation (in accordance with Clause 9.5) in respect of the relevant Supply Point on the basis of the revised Annual Quantity or End User Category;
 - (b) with effect from the Supply Point Registration Date in respect of such Supply Point Reconfirmation, Transportation Charges (so far as determined by reference to directly or indirectly a function of the Annual Quantity or End User Category) shall be determined by reference to the revised Annual Quantity or End User Category;
 - (c) no adjustment, revision or redetermination in respect of any Supply Point Transportation Charge in respect of or accruing in respect of any Day before the Supply Point Registration Date will be made, it being agreed that such charges will be determined and payable by reference to the Annual Quantity and End User Category notified by the Pipeline Operator pursuant to this Clause 6 and until any revision is made pursuant to paragraph (a).
- 6.19 Where the Pipeline Operator notifies any Registered User of a Supply Meter Point in the relevant Gas Year that a material error has been made in the calculation of any such Annual Quantities or any variables, the Pipeline Operator and the Pipeline User concerned will discuss in good faith the manner in which and time at which such error may be corrected, having regard to the need to ensure that the Registered User continues to enjoy the benefit (in relation to the corrected Annual Quantity) of this Clause 6.
- 6.20 A Pipeline User which is the Registered User of a Smaller Supply Meter Point in relation to which the Supply Point Premises are premises supplied under a multi site contract as referred to in Condition 22 of the Supplier's Licence may make an election for the purposes of this Clause 6.20 by submitting to the Pipeline Operator at any time a notice of such election.
- 6.21 Where a Registered User makes an election pursuant to Clause 6.20, the Supply Meter Point shall be a Larger Supply Meter Point and the Pipeline Operator shall agree to revise the Annual Quantity pursuant to Clause 6.18.
- 6.22 It is agreed that the AQ review process contained in this Clause 6 relies on information being provided to the Pipeline Operator by the Large Transporter within certain timescales., If the Large Transporter does not provide to the Pipeline Operator any of the information or by the timings envisaged in this Clause 6 and/or the AQ Procedures Document, the Pipeline Operator may amend the process and/or timetable contained in this Clause 6 to take account of this and the Pipeline Operator will notify any such amendments to Pipeline Users.

7 Offtake Responsibility for Supply Points

- 7.1 Subject to Part CIV, the gas offtaken from the Pipeline at a Supply Point will be attributed for the purposes of the Code to the Registered User and the Registered User accepts (for the purposes of the Code) responsibility for such offtake of gas by itself or any other person whether or not authorised by the Registered User.

8 Supply Point Registration

- 8.1 A Pipeline User may apply to become the Registered User in respect of a Supply Point in accordance with this Part C.
- 8.2 In order for the Pipeline User (the "**Proposing User**") to become the Registered User in respect of a Supply Point:
- (a) where the Proposed Supply Point is
 - (i) a Larger Supply Point which is:
 - (aa) a DM Supply Point or
 - (bb) an NDM Supply Point; or
 - (ii) a New Smaller Supply Point, and there is more than one Supply Meter Point comprised in the Proposed New Smaller Supply Point
- then unless the Pipeline Operator's Network Code provides otherwise, in respect of paragraph (a) (i) (bb) and/or (ii) the Pipeline User must make a Supply Point Nomination in accordance with Clause 10, in response to which the Pipeline Operator will (subject as provided in this Part C) submit to the Proposing User a Supply Point Offer in accordance with Clause 11; and
- (b) the Proposing User must make a Supply Point Confirmation in accordance with Clauses 12, 13 and 14 which must become effective in accordance with Clauses 15 to 19.
- 8.3 For the purposes of this Part C a "**Proposed**" Supply Point is the Supply Point which is the subject of a Proposed Supply Point Registration.
- 8.4 In respect of a Proposed Supply Point Registration:
- (a) a "**Supply Point Confirmation**" is a communication by a Proposing User to the Pipeline Operator requesting Supply Point Registration in respect of a Proposed Supply Point;
 - (b) a "**Supply Point Nomination**" is a communication by a Proposing User in respect of a Larger DM Supply Point or where required, a Larger NDM Supply Point or where required, a New Smaller Supply Point requesting a Supply Point Offer from the Pipeline Operator; and
 - (c) a "**Supply Point Offer**" is a communication by the Pipeline Operator to a Proposing User providing information in respect of a Larger DM Supply Point or where required, a Larger NDM Supply Point or where required, a New Smaller Supply Point.
- 8.5 Where the Pipeline Operator's Network Code provides that Supply Point Nominations will not be required pursuant to Clause 8.2(a)(i) (bb) and/or (ii) the provisions of the Code relating to Supply Point Nominations (and accordingly Supply Point Renominations) and Supply Point Offers in respect of such Supply Points shall not apply and the Code shall be construed accordingly.

9 Current, New and Existing Supply Points

- 9.1 Subject to Clause 4, a Proposed Supply Point may be a Current Supply Point or a New Supply Point.
- 9.2 A "**Current**" Supply Point is a Proposed Supply Point all of the Supply Meter Points comprised in which are (at the relevant time) all of the Supply Meter Points comprised in one Existing Supply Point; and a "**New**" Supply Point is any other Proposed Supply Point (including for the avoidance of doubt a Proposed Supply Point which includes a New Supply Meter Point).
- 9.3 In relation to a Proposed Supply Point Registration:
- (a) An "**Existing Supply Point**" is a Supply Point which (at the relevant time):
 - (i) is the subject of an existing Supply Point Registration (which may be a registration in the name of the Proposing User); and
 - (ii) includes one or more Supply Meter Points which are comprised in the Proposed Supply Point;
 - (b) An "**Existing Registered User**" is a Pipeline User (who may be the Proposing User) who is the Registered User in respect of an Existing Supply Point.
- 9.4 Subject to Clause 15.3 the Proposing User will not be entitled to have access to the identity of the Existing Registered User(s).
- 9.5 A "**Supply Point Reconfirmation**" or a "**Supply Point Renomination**" is a Supply Point Confirmation or (as the case may be) Supply Point Nomination submitted by the Existing Registered User of the Current Supply Point; and where the Code provides for a Supply Point Reconfirmation to be made in respect of a Larger Supply Point, the Code shall be deemed also to provide for an appropriate Supply Point Renomination to be made.

10 Supply Point Nomination

- 10.1 A Pipeline User may make a Supply Point Nomination in respect of a Larger Supply Point or may, where required, make a Supply Point Nomination in respect of a New Smaller Supply Point in accordance with Clause 8.2 and this Clause 10. Where a Proposing User wishes to make a Supply Point Nomination in respect of a Larger Supply Point for the purpose of:
- (a) increasing DM Capacity for such Supply Point; and/or
 - (b) changing the Supply Point Component of any Supply Meter Point; and/or
 - (c) specifying a New Supply Point

then the Proposing User may use the following process:

- (i) (Provided that the Proposed Supply Point will be a Current Supply Point) the Pipeline User may submit, as appropriate, one or more Supply Point Nominations in accordance with Clause 10 to nominate:
 - (aa) the prevailing DM Capacity of the Supply Point;

- (bb) the existing Supply Point Component of each Supply Meter Point;
- (cc) the Current Supply Point;

any such Supply Point Nomination shall be referred to as a “**Supply Point First Nomination**”); and

- (ii) at any time up to the date of the Supply Point Offer in respect of the Supply Point First Nomination the Pipeline User may also submit, as appropriate, in accordance with Clause 10, one or more Supply Point Nominations to:
 - (aa) increase the DM Capacity for such Supply Point;
 - (bb) change the Supply Point Component of any Supply Meter Point;
 - (cc) specify a New Supply Point;(and any such Supply Point Nomination shall be referred to as “**Supply Point Second Nomination**”).

10.2 A Supply Point Nomination shall specify:

- (a) the identity of the Proposing User;
- (b) whether the Proposed Supply Point is a Current Supply Point or a New Supply Point, and in the case of a New Supply Point a description of the basis on which the Single Premises Requirement is satisfied;
- (c) the Supply Meter Point Reference Number in respect of:
 - (i) in the case of a Current Larger Supply Point, either one or all of the Supply Meter Points comprised in the Proposed Supply Point; or
 - (ii) in the case of a New Supply Point, all of the Supply Meter Points comprised in the Proposed Supply Point;
- (d) where the Proposed Supply Point includes one or more DM Supply Meter Points, the proposed DM Capacity and proposed DM Offtake Rate in respect of the DM Supply Point Component, in compliance with the requirements of Part CII;
- (e) the Meter Post Code in respect of each Supply Meter Point for which the Supply Meter Point Reference Number is specified under paragraph (c);
- (f) where the Proposed Supply Point includes an NDM Supply Meter Point:
 - (i) the proposed Meter Reader; and
 - (ii) where the Annual Quantity of the NDM Supply Point Component is less than 293,000 kWh (10,000 therms), whether the relevant Supply Meters are proposed to be a Monthly Read Meter (for the purposes of Part E);
- (g) the Supply Meter Point Reference Number of any Supply Meter Point comprised in the Proposed Supply Point which is to become or (as the case may be) ceased to be a DM Supply Meter Point;

- (h) any other details which are required to be specified in any particular case pursuant to any provision of this Part C; and
- (i) where the Proposed Supply Point includes a Supply Meter Point:
 - (i) in respect of which the Daily Read Requirement applies; or
 - (iii) in respect of which the Daily Read Requirement does not apply but in respect of which the Proposing User wishes to make an election as referred to in Clause 3.7(b)

the Proposing User shall confirm that:

- (A) where the Supply Meter Point has Daily Read Equipment installed that it has or will have requested or that it has or will have secured that a CSEP User has requested pursuant to the LDZ CSEP Ancillary Agreement for the Large Transporter to provide the Service (as defined therein)
- (B) where the Supply Meter Point does not have Daily Read Equipment installed that it has or will have requested or that it has or will have secured that a CSEP User has requested the Large Transporter pursuant to the LDZ CSEP Ancillary Agreement for such Daily Read Equipment to be installed and for the Large Transporter to provide the Service (as defined therein).

10.3 In this Part C “**Nominated**” means proposed in a Supply Point Nomination.

10.4 Where a Pipeline User makes a Supply Point Nomination, the Pipeline Operator will endeavour either to submit a Supply Point Offer in accordance with Clause 11 or reject the Supply Point Nomination or submit a referral notice:

- (a) except as described in paragraphs (b) and (c), within 2 Business Days after the Supply Point Nomination was submitted;
- (b) where in accordance with Clause 10.7 the Pipeline Operator has submitted a referral notice, the Pipeline Operator will submit a Supply Point Offer within 12 Business Days after the Supply Point Nomination was submitted or, in the case where the Pipeline Operator requires information from the Large Transporter for the purposes of carrying out the assessment referred to in Clause 10.7, within 12 Business Days after the Pipeline Operator has received all relevant information from the Large Transporter ;
- (c) subject to paragraph (b) where the Proposing User provides confirmation to the Pipeline Operator pursuant to Clause 10.2(i)(B) 2 Business Days after the date the Supply Point Nomination was submitted;

10.5 The Pipeline Operator will reject the Supply Point Nomination where:

- (a) the Pipeline Operator is not reasonably satisfied that the Single Premises Requirement is complied with in respect of the Proposed Supply Point;
- (b) the Supply Point Nomination is not made strictly in accordance with the requirements of Clause 10.2;

- (c) any of the Supply Meter Point Reference Numbers specified pursuant to Clause 10.2(c) is not identified in the Supply Point Register with the Meter Post Codes specified pursuant to Clause 10.2(e);
- (d) the Pipeline Operator is notified that the Large Transporter has determined that it would not be practicable or economic for a Supply Meter at a Supply Meter Point which is the subject of a request as referred to in Clause 10.2(i)(B), to be Daily Read;
- (e) a Pipeline User submits a Supply Point Nomination in respect of a Proposed Supply Point with a Supply Meter Point, in relation to which the Supply Meter is not Daily Read, as a DM Supply Meter Point unless, without prejudice to paragraph (d), the Pipeline User has given confirmation to the Pipeline Operator as referred to in Clause 10.2(i);

and the Pipeline Operator may reject the Supply Point Nomination where the Supply Point Nomination does not comply with any other requirement provided for in this Part C or in any other case where such rejection is provided for in the Code.

- 10.6 Where the Pipeline Operator rejects the Supply Point Nomination, the Pipeline Operator will inform the Proposing User of the reason (under Clause 10.5) for such rejection (and where such rejection was pursuant to Clause 10.5(b), the requirement of Clause 10.2 which was not complied with).
- 10.7 Where the Proposed Supply Point is a New Supply Point or includes a New Supply Meter Point, or where (in accordance with the further provisions of this Part C) it is necessary for the Pipeline Operator to assess the feasibility of making gas available for offtake from the Pipeline, the Pipeline Operator may (unless it rejects the Supply Point Nomination) give notice (a "referral notice") to that effect to the Proposing User.

11 Supply Point Offers

- 11.1 Where the Pipeline Operator does not reject a Supply Point Nomination, the Pipeline Operator will submit to the Proposing User a Supply Point Offer in accordance with this Clause 11.
- 11.2 A Supply Point Offer will specify in relation to the Proposed Supply Point:
 - (a) the identity of the Proposing User;
 - (b) the address of the Supply Point Premises;
 - (c) the Supply Meter Point Reference Number and manufacturer's serial number of each Supply Meter Point comprised in the Proposed Supply Point Registration;
 - (d) where the Proposed Supply Point includes one or more NDM Supply Meter Points:
 - (i) the End User Category to which the Supply Point belongs;
 - (ii) the Capacity associated with the Supply Point; and
 - (iii) the Nominated Meter Reading Frequency or (where more frequent) the minimum Meter Reading Frequency required under Part E in respect of each relevant Supply Meter;

- (e) where the Proposed Supply Point includes one or more DM Supply Meter Points:
 - (i) details in respect of DM Capacity and DM Offtake Rate in accordance with Clause 11.3;
 - (ii) whether the Proposed Supply Point is a Firm Supply Point or an Interruptible Supply Point and (if Interruptible) whether TNI
 - (iii) details of the Daily Read Equipment installed and the Supply Meter Point Reference Number of each Supply Meter Point at which any such Daily Read Equipment is installed;
- (f) the Annual Quantity for each Supply Meter Point;
- (g) the Transportation Charges payable in respect of the Supply Point;
- (h) the Supply Meter Point Reference Number of any Supply Meter Point comprised in the Proposed Supply Point which has been Isolated or in respect of which a request for Isolation is outstanding;
- (i) a number by which the Supply Point Offer may uniquely be identified;
- (j) the identity of the Gas Act Owner; and
- (k) the identity of the Meter Asset Manager.

11.3 Where the Proposed Supply Point includes a DM Supply Point Component:

- (a) the DM Capacity (“**Offered DM Capacity**”) specified in the Supply Point Offer shall be:
 - (i) where the Nominated DM Capacity is less than the Bottom Stop DM Capacity, the Bottom Stop DM Capacity;
 - (ii) otherwise (but subject to Part CII) the Nominated DM Capacity (provided that where the Nominated DM Capacity is not less than the Bottom Stop DM Capacity but less than the Prevailing DM Capacity, Clause 14.4 shall apply).
- (b) subject to Part CII, the DM Offtake Rate specified in the Supply Point Offer shall be the Nominated DM Offtake Rate;
- (c) the Supply Point Offer will also specify (for information purposes where not specified under Clause 11.3(a)(i)) the Bottom Stop DM Capacity.

11.4 Subject to Clauses 11.5 and 14.4, unless and until a Supply Point Confirmation is made which becomes effective, a Supply Point Offer will remain valid for a period of 6 months after it was made.

11.5 Where the Proposed Supply Point includes a DM Supply Point Component, at any time at which the Proposing User has not submitted a Supply Point Confirmation:

- (a) if:

- (i) the Prevailing DM Capacity becomes greater than the Offered DM Capacity, as a result of a deemed application pursuant to Part CII5.5 in respect of an Existing Supply Point, or
- (ii) at the start of a Gas Year, the Bottom Stop DM Capacity becomes pursuant to Part CII2 greater than the Offered DM Capacity

the Pipeline Operator will so notify the Proposing User whereupon the Supply Point Offer will lapse (but without prejudice to any Supply Point Confirmation submitted before such notification was given, in respect of which Clause 14.5 will apply);

- (b) if the Prevailing DM Capacity becomes greater than the Offered DM Capacity, as a result of a Capacity Revision Application (in accordance with Part CII1.3) made by the Registered User for an increase in DM Capacity in respect of any Existing Supply Point, Clause 14.4 shall apply.

11.6 The Pipeline Operator will inform the Proposing User of the application of Clause 14.4 pursuant to Clause 11.5(b) within 5 Business Days after the occurrence of the event giving rise to the application of Clause 14.4.

11.7 Where during the period for which a Supply Point Offer remains valid:

- (a) the Annual Quantity of the NDM Supply Point Component (if any) of the Proposed Supply Point is revised (including a revision to the Annual Quantity pursuant to a notice by an Existing Registered User under Clause 6.13) or such NDM Supply Point Component belongs to a different End User Category from the Annual Quantity or End User Category specified in the Supply Point Offer:
 - (i) the Pipeline Operator will notify the Proposing User of the revised Annual Quantity or End User Category;
 - (ii) the Supply Point Offer shall be deemed to be modified accordingly (and shall remain valid);
- (b) the details of the Transportation Charges are (upon a change in Annual Quantity or End User Category of any Supply Meter Point or the coming into force of new Transportation Charges or otherwise) revised, the Pipeline Operator will not and is not required to notify the Proposing User of such change and the Proposing User will be informed of the revised details only if it makes a Supply Point Confirmation which becomes effective.

11.8 There may be any number of Supply Point Offers outstanding, to different Proposing Users, in respect of a Proposed Supply Point or Proposed Supply Points comprising some or all of the same Supply Meter Points.

11.9 The details contained in a Supply Point Offer of the matters set out in Clause 11.10 shall be binding upon the Pipeline Operator and the Proposing User where the Proposing User submits a Supply Point Confirmation in respect of such Supply Point Offer, notwithstanding any error in the details so stated (but without prejudice to the ability of the Pipeline Operator to withdraw a Supply Point Offer containing such erroneous details before a Supply Point Confirmation has been submitted).

11.10 The matters referred to in Clause 11.9 are:

- (a) the Supply Meter Points comprised in the Proposed Supply Point; and

- (b) the Annual Quantity, End User Category and (where relevant) the DM Capacity of the Proposed Supply Point.
- (c) whether at the date of the Supply Point Offer any Existing Supply Point (if Interruptible) is TNI and where known by the Pipeline Operator the number of Days of the Interruption Allowance

11.11 Except as provided in Clause 11.9, where any detail contained in a Supply Point Offer is incorrectly stated:

- (a) such error shall not bind the Pipeline Operator or the Proposing User and shall not prejudice the proper determination of such detail;
- (b) a Supply Point Confirmation made on the basis of such Supply Point Offer shall be valid notwithstanding such error.

11.12 For the purposes of the Code:

- (a) "**Gas Act Owner**" is the Consumer, holder of a gas transporter's Licence or relevant supplier that owns the meter (and for the purposes of this definition includes a lessee) and which in accordance with the Gas Code is responsible for keeping it in proper order for correctly registering the quantity of gas supplied.
- (b) "**Meter Asset Manager**" is an organisation that works on behalf of another to install, replace, repair and maintain a Supply Meter Installation.

12 Supply Point Confirmations: General

12.1 A Pipeline User may submit a Supply Point Confirmation to the Pipeline Operator:

- (a) in respect of a Current Smaller Supply Point or a New Smaller Supply Point comprising one Supply Meter Point (pursuant to the establishment of a New Supply Meter Point in accordance with Part CV) in accordance with Clause 13 at any time;
- (b) in respect of a Larger NDM Supply Point or a New Smaller Supply Point comprising more than one Supply Meter Point
 - (i) in accordance with Clause 14 after making a Supply Point Nomination, at any time where the condition in Clause 12.2(a) is satisfied; or
 - (ii) where the Pipeline Operator's Network Code provides that Supply Point Nominations as referred to in Clause 8.5 are not required, in accordance with the provisions of the Pipeline Operator's Network Code, at any time;
- (c) in respect of a DM Supply Point in accordance with Clause 14 after making a Supply Point Nomination, at any time where the condition in Clause 12.2 is satisfied.

12.2 The condition referred to in Clause 12.1(b) is that:

- (a) the Supply Point Confirmation is made at a time at which the Supply Point Offer remains (in accordance with Clause 11.4) valid; and
- (b) in the circumstances in Clause 14.4 the Proposed Supply Point Registration Date is within the Capacity Reduction Period.

- 12.3 By making a Supply Point Confirmation in respect of a Proposed Supply Point the Proposing User:
- (a) warrants to the Operator:
 - (i) that, or
 - (ii) where the Pipeline User will not be the Supplier, that the Supplier (or if there is more than one Supplier, the Suppliers between them) has (or have) warranted to the Pipeline User that;

as at the Proposed Supply Point Registration Date there will be in force a contract or contracts (including a deemed contract pursuant to paragraph 8(1) or 8(2) of the Gas Code) for the supply to the Consumer of the gas offtaken by such Pipeline User from the Pipeline at the Proposed Supply Point; and
 - (b) agrees (if the confirmation becomes effective):
 - (i) to be the Registered User in respect of the Proposed Supply Point;
 - (ii) to be registered as holding Capacity as determined in accordance with Part B and this Part C; and
 - (iii) that it consents to the disclosure of the information by the Pipeline Operator in accordance with Clause 15.8(b).
- 12.4 Subject to Clause 14.5(a), the “**Confirmed DM Capacity**” in respect of the DM Supply Point Component of a Proposed Supply Point (for which the Supply Point Confirmation becomes effective) is the Offered DM Capacity.
- 12.5 A Supply Point Confirmation may not be made, and the Pipeline Operator will within five Business Days reject any Supply Point Confirmation submitted:
- (a) in respect of a Proposed Supply Point comprising any Supply Meter Point comprised in a Proposed Supply Point in respect of which any other Supply Point Confirmation has been made and is (in accordance with Clause 12.8) outstanding;
 - (b) in respect of a Proposed Supply Point comprising any Supply Meter Point (other than a New Supply Meter Point) in respect of which there is a request for Siteworks outstanding or any Siteworks Contract which has not been completed, other than for Isolation, and for which the Siteworks Applicant is a gas shipper other than the Proposing User;
 - (c) in accordance with any provision of the Code.
- 12.6 The “**Proposed Supply Point Registration Date**” in respect of a Supply Point Confirmation is the date with effect from which the Proposing User wishes to become the Registered User in respect of the Proposed Supply Point.
- 12.7. The Proposed Supply Point Registration Date shall be:
- (a) not more than 30 Business Days after the Supply Point Confirmation is submitted; and

- (b) not less than 15 Business Days after the Supply Point Confirmation is submitted unless:
 - (i) at the time the Supply Point Confirmation is submitted a Supply Point Withdrawal has been submitted by the Existing Registered User in respect of each Existing Supply Point; or
 - (ii) there is no change in the identity of the Registered User in respect of the Supply Point

in which case the Proposed Supply Point Registration Date shall not be less than 8 Business Days after the Supply Point Confirmation is submitted.

12.8 A Supply Point Confirmation shall be outstanding

- (a) until it is rejected by the Pipeline Operator in accordance with Clauses 12.5 or 13.2; or
- (b) until it lapses in accordance with Clause 15.6; or
- (c) until it is withdrawn in accordance with Clause 12.10; or
- (d) (where it becomes effective) until the Supply Point Registration Date.

12.9 Every Supply Point Confirmation shall specify (in addition to what is required under Clauses 13 and 14):

- (a) the identity of the proposed Supplier;
- (b) whether the Supply Point Premises are domestic premises or non domestic premises.

12.10 In any case:

- (a) upon a change in the identity of the supplier; and/or
- (b) upon the Supply Point Premises changing from domestic premises to non domestic premises or vice versa;

where the Pipeline User continues to be the Registered User in respect of a Supply Point, such Pipeline User shall submit a Supply Point Reconfirmation or notify the Pipeline Operator by such method as the Pipeline Operator shall require (such method to be notified to Pipeline Users from time to time) in respect of the change of Supplier and/or in respect of the Supply Point Premises changing from domestic premises to non domestic premises or vice versa as soon as reasonably practicable after such change. By notifying the Pipeline Operator of the identity of the new supplier, such Pipeline User warrants to the Pipeline Operator that such new supplier (or if there is more than one supplier, the suppliers between them) has (or have) warranted to the Pipeline User that there will be in force a contract or contracts (including a deemed contract pursuant to paragraphs 8(1) or 8(2) of the Gas Code) for the supply to the Consumer of the gas offtaken by such Pipeline User from the Pipeline at the Supply Point.

12.11 By making a Supply Point Confirmation in respect of a New Smaller Supply Point comprising one Supply Meter Point, the Proposing User shall be deemed to have included within the Supply Point Confirmation such relevant information as described under Clause

11.2 as may be contained in the Supply Point Register in relation to the Proposed Supply Point.

13 Supply Point Confirmation for a Smaller Supply Point

- 13.1 A Supply Point Confirmation in respect of a Smaller Supply Point shall specify:
- (a) the identity of the Proposing User;
 - (b) the Supply Meter Point Reference Number in respect of one Supply Meter Point comprised in the Proposed Supply Point, and the Meter Post Code of such Supply Meter Point;
 - (c) the Proposed Supply Point Registration Date; and
 - (d) the proposed Meter Reading Frequency and Meter Reader.
- 13.2 The Pipeline Operator will reject the Supply Point Confirmation where:
- (a) the Supply Point Confirmation is not made strictly in accordance with the requirements of Clause 13.1; or
 - (b) in the case of Clause 13.1(b)(i), the Supply Meter Point Reference Number specified is not identified in the Supply Point Register with the specified Meter Postcode;
- and the Pipeline Operator may reject the Supply Point Confirmation where the Supply Point Confirmation does not comply with any other requirement provided for in this Part C or in any other case where such rejection is provided for in the Code.
- 13.3 Where the Pipeline Operator rejects the Supply Point Confirmation the Pipeline Operator will within 2 Business Days after the Supply Point Confirmation was communicated inform the Proposing User of the provisions of the Code pursuant to which the Supply Point Confirmation was rejected (and where such rejection was pursuant to Clause 13.2(a)), the requirement of Clause 13.1 which was not complied with).
- 13.4 The Proposing User may in respect of a Smaller Supply Point cancel its Supply Point Confirmation in accordance with Clause 15.1(c), where
- (a) a Consumer has cancelled the contract or contracts for the supply to the Consumer of the gas offtaken by such Pipeline User from the Pipeline at the Proposed Supply Point, or where the Proposing User will not be the Supplier, the Supplier has informed the Proposing User that a cancellation of such contracts or contracts has occurred; or
 - (b) the Proposing User has submitted a Supply Point Confirmation which is made in error.
- 13.5 The Proposing User will not submit a Supply Point Confirmation in accordance with this Clause 13, (in respect of a New Smaller Supply Point comprising one Supply Meter Point) where such Proposing User is aware that the Annual Quantity in respect of such Supply Point is greater than 73,200 kWh (2,500 therms) and in such case any application in respect of the same shall be made in accordance with Clause 10.

13.6 The provisions of Clauses 13.1 to 13.5 are subject to the provisions of Clauses 13.7 to 13.11.

13.7 Where the Pipeline Operator becomes aware that:

- (a) a number of New Smaller Supply Points (each comprising only one Supply Meter Point) are in the process of being established by a person (the "Developer") and connected to the Pipeline; and
- (b) the Developer has sought to designate a person who holds a Shipper's Licence (a "Shipper") to make arrangements with the Pipeline Operator for the transportation of gas to such New Smaller Supply Points;

then the provisions of Clause 13.8 shall apply.

13.8 Where this Clause 13.8 applies, the Pipeline Operator will notify the Shipper of the circumstances referred to in Clause 13.7 and will:

- (a) specify the details of the New Smaller Supply Points referred to in Clause 13.7;
- (b) invite that Shipper to become a Pipeline User if it is not already one;
- (c) subject to the Shipper being a Pipeline User invite that Shipper to become the Registered User of all of such New Smaller Supply Points by making Supply Point Confirmations in respect of the same in accordance with the provisions of Clause 13.9.

13.9 A Pipeline User may only make Supply Point Confirmations as referred to in Clause 13.8 by way of Bulk Confirmation and otherwise in accordance with the provisions of the Code.

13.10 The Pipeline Operator will accept or reject the Bulk Confirmation within 2 Business Days of receipt. Acceptance or rejection of the Bulk Confirmation will constitute acceptance or rejection of all of the Supply Point Confirmations in respect of all of the New Smaller Supply Points detailed within it and accordingly the Pipeline Operator is not required to respond to any such Supply Point Confirmation on an individual basis.

13.11 A "Bulk Confirmation" means one Code Communication in the format specified by the Pipeline Operator which constitutes Supply Point Confirmations in respect of all of the New Smaller Supply Points notified to the Pipeline User by the Pipeline Operator pursuant to Clause 13.7(a).

14 Supply Point Confirmation for a Larger Supply Point and Smaller Supply Points subject to nomination

14.1 A Supply Point Confirmation in respect of a Larger Supply Point or Smaller Supply Point subject, pursuant to Clause 8.2(a) to the requirement to be Nominated shall specify:

- (a) the Supply Point Offer in respect of which it is made or if there was no Supply Point Offer,
 - (j) the identity of the Proposing User; and
 - (ii) the Supply Meter Point Reference Number in respect of one Supply Meter Point comprised in the Proposed Supply Point and the Meter Post Code of such Supply Meter Point;

- (b) the Proposed Supply Point Registration Date;
- (c) where the Annual Quantity in respect of the Supply Point is greater than 732,000 kWh (25,000 therms), the details (for making contact in an Emergency or a Local Emergency) required under Part F.

14.2 Subject to Clauses 11.5(b) and 14.6, the details (other than any expressly required in this Part C to be included) which are the subject of the Supply Point Confirmation are those specified in the Supply Point Offer (if any), and no other detail may be specified in the Supply Point Confirmation which would conflict with or qualify any such details.

14.3 Each Pipeline User acknowledges that in order to become the Registered User of a DM Supply Point it is necessary for a Pipeline User to enter into with the Large Transporter any applicable LDZ CSEP Ancillary Agreement or make appropriate arrangements with a CSEP User who has entered into any applicable LDZ CSEP Ancillary Agreement in respect of the LT Connection Point. Accordingly:

- (a) where a Proposing User makes a Supply Point Confirmation in respect of a Supply Point with a DM Supply Point Component, the Proposing User shall by a date no later than the date 8 Business Days before the Proposed Supply Point Registration Date provide evidence either that:
 - (i) it has entered into any applicable LDZ CSEP Ancillary Agreement with the Large Transporter; or
 - (ii) it has made appropriate arrangements with a CSEP User (whose name shall be provided to the Pipeline Operator) who has entered into any applicable LDZ CSEP Ancillary Agreement Provided that if the Proposing User has provided evidence that it has entered into an LDZ CSEP Ancillary Agreement within the previous 12 months and warrants that such Agreement is still in force, it shall not be required to do so again.

Failing the provision of such evidence by such date, such Supply Point Confirmation shall lapse and shall not come into effect.

- (b) if the Supply Point Confirmation has not lapsed pursuant to paragraph (a) the Supply Meter Points comprised in such DM Supply Point Component shall with effect from the later of:

- (i) the Supply Point Registration Date; and
- (ii) the date on which Daily Read Equipment has been installed and becomes Operational

be DM Supply Meter Points.

- (c) the Pipeline Operator shall without prejudice to paragraph (b) within 2 Business Days following the coming into effect of a Supply Point Confirmation in respect of a DM Supply Point Component and in respect of the Registered User and where appropriate relevant CSEP User notify the Large Transporter accordingly.

14.4 Where:

- (a) the Proposed Supply Point includes a DM Supply Point Component; and

- (b) Prevailing DM Capacity is or (in accordance with Clause 11.5(b)) at any time before a Supply Point Confirmation is submitted becomes greater than the Offered DM Capacity

a Supply Point Confirmation may be submitted only for a Proposed Supply Point Registration Date falling within the Capacity Reduction Period.

14.5 Where the Proposed Supply Point includes a DM Supply Point Component, at any time after a Supply Point Confirmation is submitted but before the Supply Point Registration Date:

- (a) if:
 - (i) the Prevailing DM Capacity becomes greater than the Offered DM Capacity, pursuant to Part CII5.5 in respect of any Existing Supply Point; or
 - (ii) at the start of a Gas Year the Bottom Stop DM Capacity becomes pursuant to Part CII2.3(a)(i) greater than the Offered DM Capacity

the Confirmed DM Capacity will be the increased Prevailing DM Capacity or (as the case may be) the Bottom Stop DM Capacity;

- (b) if the Prevailing DM Capacity becomes greater than the Offered DM Capacity as a result of the Registered User in respect of any Existing Supply Point applying for an increase in its Registered DM Capacity, the Confirmed DM Capacity will be the Offered DM Capacity.

14.6 In the circumstances in Clause 14.5(a) the Pipeline Operator may but is not required to notify the Proposing User of the increased Confirmed DM Capacity before the Supply Point Registration Date but will not later than the 5th Business Day after the Supply Point Registration Date notify to the Proposing User the revised Confirmed DM Capacity and revised details of Transportation Charges (and the Pipeline Operator's notification under Clauses 15.8 and 16.2 shall to that extent be provisional).

14.7 Each Pipeline User acknowledges that in respect of a Proposed DM Supply Point or a DM Supply Point that it will or may be necessary for the Pipeline Operator to provide to and obtain from the Large Transporter certain information in respect of such Proposed DM Supply Point or DM Supply Point in order to comply with the terms of the NExA. Accordingly each Pipeline User agrees that (notwithstanding Part K23) the Pipeline Operator may provide to and obtain from the Large Transporter any such information.

14.8 Each Pipeline User further acknowledges that:

- (a) it is the Large Transporter's responsibility and not the Pipeline Operator's to install Daily Read Equipment; and
- (b) the Pipeline Operator has no responsibility or liability in respect of the provision or non-provision of Daily Read Equipment and any services provided in connection therewith.

14.9 The Registered User of a Supply Point with a DM Supply Point Component shall ensure that the Large Transporter is permitted full access to the Daily Read Equipment at each DM Supply Meter Point (including granting the Large Transporter any letter of authority) to enable the Large Transporter to obtain access upon receiving a written request from the Pipeline Operator for the purposes set out in the NExA.

15 Effect of Confirmation: Existing Supply Point not already withdrawn

- 15.1 Where, at the time a Pipeline User submits a Supply Point Confirmation which is not rejected by the Pipeline Operator, there is any Existing Supply Point in respect of which a Supply Point Withdrawal has not been submitted:
- (a) the Pipeline Operator will, within 2 Business Days after the Supply Point Confirmation was submitted, notify the Existing Registered User of the submission of the Supply Point Confirmation and the Proposed Supply Point Registration Date, but not the identity of the Proposing User;
 - (b) the Existing Registered User may, up to but not after the 7th Business Day after the date of notification to the Existing Registered User of the submission of the Supply Point Confirmation (the "**Objection Deadline**"), submit to the Pipeline Operator an objection ("**Supply Point Objection**") in respect of such Existing Supply Point provided that the Existing Registered User shall not submit such Supply Point Objection where a Consumer at domestic premises supplied with gas at the Existing Supply Point has ceased or is to cease to own or occupy the relevant premises;
 - (c) the Proposing User may subject to Clause 15.9 (in the case of a Smaller Supply Point) up to but not after the 8th Business Day before the Proposed Supply Point Registration Date (the "**Objection Deadline**") submit to the Pipeline Operator a cancellation ("**Supply Point Confirmation Cancellation**") in respect of such Supply Point Confirmation.
- 15.2 No Supply Point Objection may be submitted, nor (if purportedly submitted) shall be effective:
- (a) by an Existing Registered User, after the Objection Deadline; nor
 - (b) (for the avoidance of doubt), in respect of an Existing Supply Point in respect of which the Existing Registered User has submitted a Supply Point Withdrawal.
- 15.3 Where a User ("the **Objecting User**") submits a Supply Point Objection to the Pipeline Operator:
- (a) the Objecting User is required to declare its identity in the objection;
 - (b) the Pipeline Operator will within 2 Business Days after the Supply Point Objection was submitted notify such objection, including (where declared in the objection) the identity of the Objecting User, to the Proposing User;
 - (c) where the Objecting User did not comply with the requirement in paragraph (a);
 - (i) the Pipeline Operator will not reject the Supply Point Objection (which will accordingly be effective for the purposes of Clause 15.6);
 - (ii) the Pipeline Operator will, if requested by the Proposing User, provide to the Proposing User the identity of the Objecting User as soon as is reasonably practicable but (as is acknowledged by each Pipeline User) does not undertake to do so before the Objection Deadline.

- (d) the Objecting User will declare in the objection the reason for its objection and if the Objecting User fails to do so, the Pipeline Operator may reject such Supply Point Objection which accordingly will not be effective for the purposes of Clause 15.6.
- (e) and that Supply Point Objection was raised at the request (whether directly or indirectly) of the Consumer in respect of the affected Existing Supply Point, the Pipeline Operator will, where the reasons for the objection have been provided to it by the Objecting User, within 2 Business Days after the Supply Point Objection was submitted, notify such reasons to the Proposing User.

15.4 The Pipeline Operator:

- (a) will not be concerned with the reason for any Supply Point Objection nor with any question as to whether such an objection is well founded;
- (b) shall for the purposes of Clause 15.1(b), notify the Existing Registered User of any notification received by the Pipeline Operator from the Proposing User that a Consumer at domestic premises supplied with gas at the Existing Supply Point has ceased or is to cease to own or occupy the relevant premises and the Pipeline Operator will not be concerned with the reason for such notification nor with any question as to whether such notification is well founded.

15.5 A Pipeline User may withdraw a Supply Point Objection up to but not after:

- (a) the 7th Business Day after the Supply Point Objection was made; or
- (b) if earlier, the Objection Deadline.

15.6 Where a Supply Point Objection is made and is not withdrawn in accordance with Clause 15.5, the Supply Point Confirmation shall lapse and be of no effect, and the Pipeline Operator will so inform the Existing Registered User not later than the 5th Day before the Proposed Supply Point Registration Date.

15.7 Where no Supply Point Objection is made, or all (if any) Supply Point Objections made are withdrawn or where the Supply Point Objection has been rejected by the Pipeline Operator in accordance with Clause 15.3(d):

- (a) subject to Clause 18 the Supply Point Confirmation shall be effective and the Supply Meter Points comprised in the Proposed Supply Point shall be registered in the name of the Proposing User with effect from the Proposed Supply Point Registration Date;
- (b) each Existing Registered User shall be deemed to have submitted a Supply Point Withdrawal in accordance with Part CIV in respect of the relevant Existing Supply Point.

15.8 In the case of a Supply Point Confirmation within Clause 15.1, after the Objection Deadline and not later than the fifth Day before the Proposed Supply Point Registration Date:

- (a) the Pipeline Operator will notify the Proposing User whether the Supply Point Confirmation has become effective, setting out (where it has become effective, and without prejudice to Clause 14.5) the details of the Supply Point to be recorded in the Supply Point Register;
- (b) (where the Supply Point Confirmation has become effective) the Pipeline Operator will notify the Pipeline User (which was the Existing Registered User immediately

preceding the date of the Supply Point Confirmation) of the identity of the Proposing User (that has become the Registered User) and the identity of the supplier (that has become the supplier) in respect of the Supply Point recorded in the Supply Point Register and which is the subject of such Supply Point Confirmation.

- 15.9 A Supply Point Confirmation Cancellation may not be submitted or (if purportedly submitted) shall not be effective after the Objection Deadline.

16 Effect of Confirmation: Existing Supply Points already withdrawn

- 16.1 Where at the time a Pipeline User submits a Supply Point Confirmation which is not rejected by the Pipeline Operator, a Supply Point Withdrawal has been submitted by the Existing Registered User in respect of each Existing Supply Point, subject to Clause 18 the Supply Point Confirmation shall be effective and the Supply Meter Points comprised in the Proposed Supply Point shall be registered in the name of the Proposing User with effect from the Proposed Supply Point Registration Date.
- 16.2 In the case of a Supply Point Confirmation within Clause 16.1, the Pipeline Operator will notify the Proposing User, as soon as reasonably practicable and not later than the fifth Day before the Proposed Supply Point Registration Date, that the Supply Point Confirmation has become effective, setting out (without prejudice to Clause 14.6) the details of the Supply Point to be recorded in the Supply Point Register.

17 Supply Point Confirmation: Effect of Isolation

- 17.1 A Supply Meter Point comprised in a Proposed Supply Point for which a Supply Point Confirmation has been submitted may, at the request of the Existing Registered User, be Isolated on any Day before (but not on or after) the Proposed Supply Point Registration Date.
- 17.2 Where a Supply Meter Point comprised in a Proposed Supply Point (for which a Supply Point Confirmation has been submitted) has been Isolated the Supply Point Confirmation may (in accordance with Clause 15.7(a) or 16.1) become effective and the Proposing User will be the Registered User of a Supply Point which includes the Isolated Supply Meter Point.

18 Effect of Confirmation: New Supply Point

- 18.1 A Supply Point Confirmation in respect of a New Supply Point (other than one which comprises only New Supply Meter Points) shall not become effective and shall lapse (whether or not any Existing Registered User submitted or withdrew a Supply Point Objection) unless the requirement in Clause 18.2 is satisfied.
- 18.2 The requirement referred to in Clause 18.1 is that Supply Point Confirmations (whether submitted by the Existing Registered User or another Pipeline User as Proposing User), for Proposed Supply Point Registration Date(s) the same as that for such New Supply Points become effective for Proposed Supply Points which comprise all (if any) and only the Supply Meter Points (including any which are or are to be Isolated) which are comprised in each Existing Supply Point, other than that or those comprised in such New Supply Point.
- 18.3 The Pipeline Operator will not be concerned with the fact that, or the reason for which, any Existing Registered User may not submit a Supply Point Confirmation for the purposes of Clause 18.1.

- 18.4 For the avoidance of doubt it will be necessary for the Existing Registered User to have submitted a Supply Point Nomination in sufficient time to have received a Supply Point Offer to allow any Supply Point Confirmation required under Clause 18.1 to be submitted.

19 Supply Point Confirmations - Withdrawing User

- 19.1 For the purposes of this Clause 19, in relation to any Pipeline User other than the Proposing User, a "relevant" Supply Point Confirmation is a Supply Point Confirmation, other than one which the Pipeline Operator rejects pursuant to any provision of this Part C, for a Proposed Supply Point in relation to which such Pipeline User:
- (a) is an Existing Registered User of an Existing Supply Point; and
 - (b) has not submitted (or deemed to submit) a Supply Point Withdrawal.
- 19.2 The Pipeline Operator will endeavour to respond within 12 Business Days to all relevant Supply Point Confirmations submitted by each Pipeline User.

20 Supplier of Last Resort

- 20.1 For the purposes of Clauses 20.2 to 20.6
- (a) where a Pipeline User has been given a Termination Notice by the Pipeline Operator (under Part K) all Supply Meters in respect of which the Discontinuing User was the Registered User immediately prior to the User Discontinuance Date shall be known as the "**Terminated Supply Meter Points**".
 - (b) A "**Supplier of Last Resort**" is a supplier who by virtue of Standard Condition 29 of the Supplier's Licence has been directed by the Authority to supply gas in accordance with that condition in respect of any or all of the Terminated Supply Meter Points;
 - (c) "**the Last Resort User**" is a Pipeline User who is the first Pipeline User, following appointment of the Supplier(s) of Last Resort, to become the Registered User of all of the Terminated Supply Meter Points;
 - (d) "**day of issue**" is the day following the day of notification;
 - (e) "**day of notification**" is the Day on which the Pipeline Operator receives written notice from the Authority of the appointment and identity of the Last Resort User;
 - (f) "**TSMP Information**" is relevant information (including, but not limited to, Protected Information) relating to the Terminated Supply Meter Points to which the Discontinuing User would have had access pursuant to the provisions of the Code, immediately prior to the User Discontinuance Date.
- 20.2 Where the Pipeline Operator has given a Termination Notice (under Part K7) to a Pipeline User and the Authority directs a Supplier of Last Resort in respect of a Terminated Supply Meter Point, then notwithstanding any other provision of the Code the Last Resort User shall become the Registered User of the Terminated Supply Meter Points, thereby accepting the benefit of the rights and the burden of obligations under the Code, the Framework Agreement and any relevant Ancillary Agreement, in respect of the Terminated Supply Meter Points (including without limitation the payment of Transportation Charges in respect thereof) with effect from and including the date of appointment of the Supplier of Last Resort.

- 20.3 To assist the Last Resort User in exercising its rights and discharging its obligations in respect of the Terminated Supply Meter Points, the Pipeline Operator shall use reasonable endeavours, subject to Clauses 20.4 to 20.6 to provide to the Last Resort User on the day of issue a copy of the TSMP Information.
- 20.4 By virtue of this Clause 20.4, the Discontinuing User hereby is deemed to have given its written consent for the purposes of both Part K and Section 105 of the Utilities Act 2000 to the Pipeline Operator to disclose to the Last Resort User the TSMP Information pursuant to Clause 20.3.
- 20.5 It is acknowledged that the TSMP Information contains information which has been provided to the Pipeline Operator by the Discontinuing User and accordingly the Last Resort User hereby acknowledges and agrees that:
- (a) the TSMP Information disclosed to it pursuant to Clause 20.3 above shall not have been independently verified;
 - (b) it shall be solely responsible for making its own judgement and decision on the TSMP Information disclosed to it;
 - (c) neither the Pipeline Operator, nor any of its employees, agents, consultants, advisers or directors accept responsibility for, or make any representation or warranty (express or implied) regarding, the accuracy or completeness of the content of the TSMP Information; and
 - (d) the Pipeline Operator shall have no liability to the Last Resort User, in respect of any of the contents of the TSMP Information.
- 20.6 For the purposes only of enabling the Pipeline Operator to comply with the provisions of Clause 20.3, the Last Resort User shall execute all such documents, deeds and assignments and perform such acts as the Pipeline Operator may reasonably require, including without limitation, executing any relevant documents, deeds and assignments or perform such acts necessary to ensure compliance with the provisions of the Data Protection Act 1998.

PART CII DM CAPACITY AND OFFTAKE RATE

1 DM Capacity

- 1.1 The DM Capacity which a Pipeline User is registered as holding at a DM Supply Point Component shall be subject to minimum and maximum requirements in accordance with this Clause 1.
- 1.2 Subject to the provisions of this Part CII, the Registered User of a DM Supply Point Component may apply to reduce or increase its Registered DM Capacity.
- 1.3 An application ("**Capacity Revision Application**") to revise (by increasing or decreasing) Registered DM Capacity shall specify:
- (a) the Supply Point Registration Number;
 - (b) the Supply Meter Point Reference Number of one of the DM Supply Meter Points comprised in the Supply Point Component;
 - (c) the revised DM Capacity and (in accordance with Clause 3.2) DM Offtake Rate; and
 - (d) the date in accordance with Clause 1.4 with effect from which the revision is to take effect.
- 1.4 The date under Clause 1.3(d) shall be:
- (a) except in paragraph (b), 5 Business Days;
 - (b) where it will (in accordance with Clause 5) be necessary for the Pipeline Operator to assess the feasibility of making gas available for offtake, 12 Business Days
- after the application is submitted.
- 1.5 A Pipeline User may withdraw a Capacity Revision Application by notice to the Pipeline Operator not less than 2 Business Days before the date specified in Clause in 1.3(d).
- 1.6 The Pipeline Operator may reject a Capacity Revision Application or an application (in accordance with Clause 3.2) for a revised DM Offtake Rate:
- (a) in the case of a Capacity Revision Application, where the requirements of Clause 1.3 are not complied with, or (in the case of an application for an increase in DM Capacity) if the Pipeline Operator determines that it is not feasible to make gas available for offtake in the amount applied for by the Pipeline User;
 - (b) where any other requirement of this Clause 1 is not complied with or in accordance with any provision of this Code which provides for such rejection.
- 1.7 Subject to Clause 1.6, the Pipeline Operator will approve a Capacity Revision Application or pursuant to Clause 3.2 an application for a revised DM Offtake Rate and will inform the Registered User where such application is approved.

2 Minimum Capacity Requirements

- 2.1 A Registered User's DM Capacity at a DM Supply Point Component:

- (a) shall not at any time be less than the Bottom Stop DM Capacity; and
 - (b) except within the Capacity Reduction Period or in accordance with Clause 14.5(b) shall not upon the Supply Point Registration Date be less than, or thereafter reduced below, the Prevailing DM Capacity.
- 2.2 For the purposes of the Code **“Capacity Reduction Period”** means the months of October, November, December and January in any Gas Year.
- 2.3 Subject to Clause 2.4, at any time in the Gas Year:
- (a) subject to paragraph (d), the **“Bottom Stop”** DM Capacity in respect of a DM Supply Point Component is
 - (i) the amount (the **“Preceding Year Maximum Capacity”**) which is the highest aggregate quantity offtaken on a Day (other than a Day in the months of June to September inclusive) in the Preceding Year at all the DM Supply Meter Points in that DM Supply Point Component, but not exceeding the Maximum DM Capacity; or
 - (ii) if higher, but only in the case of a Firm DM Supply Point Component, where there has been a deemed application for an increase in capacity pursuant to Part CII5.5 in the Gas Year, the amount of the Prevailing DM Capacity following such (or if more than one the most recent) deemed application.
 - (b) any New Supply Meter Point and any Supply Meter Point which has become a DM Supply Meter Point shall be disregarded in determining the Preceding Year Maximum Capacity of a DM Supply Point Component until the Gas Year which commences next after the first month of June which falls after the First Supply Point Registration Date or (as the case may be) the date on which the Supply Meter Point became DM;
 - (c) subject to Clauses 2.5 and 2.6 the **“Prevailing”** DM Capacity in respect of the DM Supply Point Component of a Supply Point is the DM Capacity for the time being held by the Registered User.
- 2.4 In respect of the DM Supply Point Component of a Proposed Supply Point which is a New Supply Point:
- (a) the Preceding Year Maximum Capacity shall be determined as the highest relevant daily quantity (in accordance with Clause 2.5(a)) in respect of any Day (other than a Day in the months of June to September inclusive) in the Preceding Year, but shall not exceed the Maximum DM Capacity;
 - (b) the Prevailing DM Capacity shall be determined as the sum of the scaled relevant daily quantities (in accordance with Clause 2.5(b)) for each DM Supply Meter Point comprised in the Proposed Supply Point.
- 2.5 For the purposes of Clause 2.4:
- (a) the relevant daily quantity in respect of a Day is the sum of the Supply Meter Points Daily Quantities for each DM Supply Meter Point comprised in the Proposed Supply Point in respect of that Day;

- (b) the scaled relevant daily quantity in respect of a DM Supply Meter Point comprised in an Existing Supply Point is the selected daily quantity under paragraph (c) multiplied by the Prevailing DM Capacity, divided by the Preceding Year Maximum Capacity in respect of the Existing Supply Point;
- (c) for the purposes of paragraph (b), the selected daily quantity is the Supply Meter Point Daily Quantity for the Supply Meter Point in respect of the Day by reference to which the Preceding Year Maximum Capacity was determined under Clause 2.4(a);
- (d) a New Supply Meter Point comprised in the Proposed Supply Point shall be disregarded.

2.6 At any time at which a Supply Point Offer is outstanding in respect of a Proposed Supply Point which includes a DM Supply Point Component:

- (a) the Proposing User may before submitting a Supply Point Confirmation notify the Pipeline Operator that the Pipeline User considers that the circumstances in Clause 2.7 apply;
- (b) where a Pipeline User so notifies the Pipeline Operator:
 - (i) the Pipeline User shall at the same time provide to the Pipeline Operator details of the Pipeline User's reasons for its view and of the DM Capacity which the Pipeline User considers should be the Prevailing DM Capacity and evidence therefor;
 - (ii) the Pipeline Operator will consider the details and evidence provided by the Pipeline User, and where it is reasonably satisfied that the circumstances in Clause 2.7 do apply, will (after consultation with the Pipeline User) notify the Pipeline User of a reduced DM Capacity;
 - (iii) if the Pipeline User submits a further Nomination (for the purposes of this Clause 2.6) in respect of the Proposed Supply Point, the reduced DM Capacity under paragraph (b)(ii) will be the Prevailing DM Capacity for the purposes of the application of Clause 14.4 in respect of any Supply Point Confirmation submitted by the Pipeline User;
- (c) where in the meantime the Pipeline User has submitted a Supply Point Confirmation which has become effective the Pipeline User may by submitting a Supply Point Reconfirmation revise (consistently with such reduced Prevailing DM Capacity but not retrospectively) the DM Capacity which it holds at the DM Supply Point Component.

2.7 The circumstances referred to in Clause 2.6 are that:

- (a) in applying for or for an increase in DM Capacity, or in failing (in the Capacity Reduction Period) to apply for a reduction in DM Capacity an Existing Registered User acted either:
 - (i) in bad faith, in anticipation of or in consequence of the Proposing User's (or any other Pipeline User's) Proposed Supply Point Registration; or
 - (ii) in good faith but in a manner which cannot reasonably be considered to have been commercially prudent for the Existing Registered User in the circumstances applicable to the Existing Registered User at the time; and

(b) as a result the Prevailing DM Capacity is substantially higher than necessary.

2.8 For the purposes of Clause 2.7:

(a) the circumstances described therein do not include a change, since the application by the Existing Registered User for DM Capacity or (as the case may be) an increase therein or the Capacity Reduction Period in the nature or extent of the Consumer's requirements for the supply of gas;

(b) where the Consumer's consumption of gas is weather dependent, it shall not be considered commercially imprudent for the Existing Registered User to have held DM Capacity equal to 1-in-20 peak day demand.

3 Supply Point Offtake Rate

3.1 The "**DM Offtake Rate**" in respect of a DM Supply Point Component is the maximum instantaneous rate (in kWh/hour) at which a Pipeline User is permitted to offtake gas from the Pipeline at that Supply Point Component.

3.2 A Pipeline User shall apply for a DM Offtake Rate or revised DM Offtake Rate:

(a) when submitting a Supply Point Nomination (as Proposing User) in respect of a Proposed Supply Point which includes a DM Supply Point Component;

(b) when submitting a Capacity Revision Application (whether to increase or in the Capacity Reduction Period to reduce its DM Capacity) in respect of a Registered DM Supply Point Component;

(c) whenever the Pipeline User becomes aware that the maximum offtake rate at a Registered DM Supply Point Component may be or has been subject to any increase.

3.3 Wherever a Pipeline User applies for a DM Offtake Rate or a revised DM Offtake rate:

(a) the Pipeline User shall estimate the maximum offtake rate in good faith and after all appropriate enquiries of the Consumer and on the basis of reasonable skill and care; and

(b) the DM Offtake Rate for which the Pipeline User applies shall be not less than nor substantially more than such estimate.

3.4 A Pipeline User shall take all reasonable steps to secure that it becomes aware of any increase (whether by reason of a change in the size or nature of, or the nature of the use of, the Consumer's Plant or otherwise) in the maximum offtake rate before and (in any event) as soon as reasonably practicable after such increase occurs (without prejudice to Clause 5.4(c) and Part J9).

3.5 The DM Offtake Rate prevailing at any time in respect of any DM Supply Point Component will be the DM Offtake Rate specified in the Supply Point Offer subject to any increase or decrease in such DM Offtake Rate which has (at such time) been approved pursuant to Clause 5.4.

3.6 In this Clause 3, the "**maximum offtake rate**" is the maximum instantaneous rate (in kWh/hour) at which gas is or is likely to be offtaken from the Pipeline at a Registered DM Supply Point Component.

4 Absolute Requirement

- 4.1 A Pipeline User's DM Capacity in respect of a DM Supply Point Component shall not be greater than 24 times or less than 4 times the DM Offtake Rate.
- 4.2 The Pipeline Operator will reject any Supply Point Nomination in respect of a Proposed Supply Point which includes a DM Supply Point Component where the Nominated DM Capacity and DM Offtake Rate are not in compliance with Clause 4.1.
- 4.3 The Pipeline Operator will reject any Capacity Revision Application by the Registered User of a DM Supply Point Component where the DM Offtake Rate (prevailing or applied for under Clause 3.2(b)) and the increased or reduced DM Capacity are not in compliance with Clause 4.1.

5 Other Requirements

- 5.1 For the Purposes of this Part C in respect of a DM Supply Point Component:
 - (a) the "**Maximum DM Capacity**" is the quantity which the Pipeline Operator determines to be the maximum quantity which it is feasible to make available for offtake in a 24 hour period at the DM Supply Point Component
 - (b) the "**Maximum DM Offtake Rate**" is the instantaneous rate of offtake (in kWh/hour) which the Pipeline Operator determines to be the maximum instantaneous rate at which it is feasible to make gas available for offtake at the DM Supply Point Component

in each case consistently with the requirements of Clause 5.
- 5.2 The "**Provisional Maximum DM Capacity**" in respect of the DM Supply Point Component of a Supply Point (other than a Proposed Supply Point which is a New Supply Point) is whichever is the lesser of:
 - (a) 2 times the Prevailing DM Capacity; and
 - (b) 16 times the DM Offtake Rate or (in the case of a Proposed Supply Point) Nominated DM Offtake Rate.
- 5.3 Where a Proposing User submits a Supply Point Nomination (a) for a Current Supply Point in which the Nominated DM Capacity exceeds the Provisional Maximum DM Capacity, or the Nominated DM Offtake rate exceeds the DM Offtake Rate for the Existing Supply Point or (b) for a New Supply Point:
 - (a) a Supply Point Offer will not be made until the Pipeline Operator has assessed whether it is feasible to make available gas for offtake at the Nominated DM Offtake Rate or (in a 24 hour period) in the amount of the Nominated DM Capacity;
 - (b) where the Pipeline Operator determines that the Nominated DM Capacity exceeds the Maximum DM Capacity the DM Capacity specified in the Supply Point Offer will be the Maximum DM Capacity;
 - (c) where the Pipeline Operator determines that the Nominated DM Offtake Rate exceeds the Maximum DM Offtake Rate, the DM Offtake Rate specified in the Supply Point Offer will be the Maximum DM Offtake Rate.

- 5.4 Where the Registered User of a DM Supply Point Component (a) submits a Capacity Revision Application (for an increase) in which the increased DM Capacity exceeds the Provisional Maximum DM Capacity, or the DM Offtake Rate (applied for under Clause 3.2(b)) exceeds the prevailing DM Offtake Rate or (b) applies for an increased DM Offtake Rate pursuant to Clause 3.2(c):
- (a) the application will not be approved until the Pipeline Operator has assessed whether it is feasible to make available gas for offtake at the proposed DM Offtake Rate or (in a 24 hour period) in the amount of the proposed DM Capacity;
 - (b) where the Pipeline Operator determines that the increased DM Capacity applied for exceeds the Maximum DM Capacity, the application will be approved (if otherwise approved under this Part CII) for the Maximum DM Capacity;
 - (c) where the Pipeline Operator determines that the proposed DM Offtake Rate exceeds the Maximum DM Offtake Rate, the application will be approved (if otherwise approved under this Part CII where relevant) for the Maximum DM Offtake Rate.
- 5.5 If for any reason on any Day (other than a Day in the months of June to September inclusive) the quantity of gas offtaken by a Pipeline User from the Pipeline at a Firm DM Supply Point Component exceeds the Pipeline User's Registered DM Capacity such Pipeline User shall be deemed to have applied for an increase in its Registered DM Capacity pursuant to Clause 1 in an amount subject to Clause 5.6 equal to the sum of its Registered DM Capacity and the amount ("**Capacity Ratchet Amount**") by which the aggregate quantity offtaken on such Day at all the DM Supply Meter Points in the DM Supply Point Component exceeds the Pipeline User's Registered DM Capacity.
- 5.6 Where, following a deemed application for an increase in capacity pursuant to Clause 5.5 the sum of the Capacity Ratchet Amount and the Pipeline User's Registered DM Capacity (the "**Ratcheted DM Capacity**") would exceed the Provisional Maximum DM Capacity:
- (a) with effect from the following Day, and until the Pipeline Operator has assessed whether it is feasible to make available gas for offtake (in a 24 hour period) in the amount of such sum, the Ratcheted DM Capacity shall be equal to the Provisional Maximum DM Capacity;
 - (b) with effect from the time at which the Pipeline Operator has assessed such feasibility, the Ratcheted DM Capacity shall be equal to the lesser of:
 - (i) the Maximum DM Capacity; and
 - (ii) the sum of the Pipeline User's Registered DM Capacity (immediately before the occurrence of the circumstances in Clause 5.5) and the Capacity Ratchet Amount;
 - (c) the Pipeline Operator will inform the Registered User of the Ratcheted DM Capacity determined under paragraph (b) as soon as reasonably practicable after assessing such feasibility.
- 5.7 Unless the Pipeline Operator's Network Code provides otherwise, in the circumstances in Clause 5.5, the Pipeline User shall pay a charge (the "**Supply Point Ratchet Charge**") in respect of the Capacity Ratchet Amount in accordance with Clause 5.9.

- 5.8 Unless the Pipeline User's Registered DM Capacity is increased other than pursuant to the deemed application made pursuant to Clause 5.5 until the last Day of the calendar month in which the circumstances in Clause 5.5 occurred, the Transportation Charges payable in respect of the Supply Point Component shall be determined on the basis of the Pipeline User's Registered DM Capacity on the Day on which the circumstances in Clause 5.5 occurred (and not on the basis of the Ratcheted DM Capacity).
- 5.9 The Supply Point Ratchet Charge shall be calculated as the Capacity Ratchet Amount multiplied by the sum of:
- (a) 2 times the Applicable Annual Rate of the charge for Pipeline Capacity; and
 - (b) 2 times the Applicable Annual Rate of the Capacity Variable Component of the Customer Charge;
- the rate in each case being determined by reference to the sum of the Capacity Ratchet Amount and the Pipeline User's Registered DM Capacity at the DM Supply Point Component and the Registered Offtake Capacity at any NDM Supply Point Component on the Day on which circumstances in Clause 5.5 occurred.
- 5.10 The Supply Point Ratchet Charge will be invoiced and payable in accordance with Part G

6 Maximum NDM Offtake Rate

- 6.1 This Clause 6 applies in respect of NDM Supply Point Components.
- 6.2 Where the Registered User becomes aware that (as a result in any change in the extent or nature of the Consumer's requirements for consumption of gas) there will be or there has been a threshold rate increase in respect of an NDM Supply Point Component whose Annual Quantity exceeds 732,000 (25,000 therms) Clause 6.5 shall apply.
- 6.3 For the purposes of this Clause 6, a "**threshold rate increase**" is an increase in the maximum rate at which gas is from time to time offtaken from the Pipeline at the NDM Supply Point Component of more than:
- (a) where the Annual Quantity does not exceed 2,196,000 kWh (75,000 therms), 100 kWh;
 - (b) where the Annual Quantity exceeds 2,196,000 kWh (75,000 therms) 300 kWh.
- 6.4 The Registered User shall take all reasonable steps to secure that it is made aware of any threshold rate increase before such increase occurs.
- 6.5 In the circumstances in Clause 6.2, the Registered User shall:
- (a) notify the Pipeline Operator not less than 21 Business Days before the first time at which the threshold rate increase will occur, or if later as soon as possible after becoming aware of such increase, providing reasonable details of the amount of or reason for the increase;
 - (b) take reasonable steps to secure that no threshold rate increase or no further offtake at the rate of the threshold rate increase occurs until such time as the Pipeline Operator has either:
 - (i) provided to the Pipeline User the notice referred to in paragraph (c) or

(ii) notified the Pipeline User that it is feasible to make gas available for offtake at the Supply Point Component at the increased rate notified under paragraph (a); and

(c) where the Pipeline Operator notifies to the Pipeline User a rate which the Pipeline Operator determines as being the maximum instantaneous rate at which it is feasible to make gas available for offtake at the Supply Point Component, secure that the rate of offtake of gas does not exceed such rate.

6.6 The Pipeline Operator will not be obliged under any provision of the Code to make gas available for offtake at an NDM Supply Point Component at any rate in excess of a rate in respect of which the requirements of this Clause 6 have been complied with.

PART CIII – INTERRUPTIBLE SUPPLY POINTS

1 Designation of Interruptible Supply Points

- 1.1 For the purposes of the UNC, the LT Connection Point is treated as comprising a Firm CSEP and an Interruptible CSEP. To secure Interruption at the Interruptible CSEP the Large Transporter will require from time to time pursuant to the terms of the LDZ CSEP Ancillary Agreement, that the supply of gas to Interruptible Supply Points is interrupted.
- 1.2 Each Pipeline User acknowledges that in respect of a Proposed Interruptible Supply Point or a Interruptible Supply Point that it will or may be necessary for the Pipeline Operator to provide to and obtain from the Large Transporter certain information in respect of and take certain action in relation to the isolation or disconnection of (as required by the terms of the NExA) the Proposed Interruptible Supply Point or Interruptible Supply Point in order to comply with the terms of the NExA. Accordingly each Pipeline User agrees that (notwithstanding Part K23) the Pipeline Operator may provide to and obtain from the Large Transporter any such information and take any such action.
- 1.3 A Supply Point may only be designated as an Interruptible Supply Point or redesignated as a Firm Supply Point with effect from a Day to the extent that it would be eligible to be so designated or redesignated with effect from such Day pursuant to the terms of the UNC provided always that a Supply Point may not be designated or redesignated as a Firm Supply Point if:
 - (a) there is insufficient firm capacity on the Large Transporter System at the Firm CSEP and/or
 - (b) the Pipeline Operator determines that it would not be feasible to make gas available for offtake at the Supply Point (if the Supply Point were Firm) at a rate not less than the DM Offtake Rate (and as respects any NDM Supply Point Component, an appropriate estimated rate of offtake) and in quantities in a (24 hour period) in the amount of the DM Capacity which the Pipeline User would (pursuant to Part CII) hold upon its redesignation as Firm.
- 1.4 By designating a Supply Point as Interruptible or submitting a Supply Point Confirmation in respect of an Interruptible Supply Point and by not redesignating an Interruptible Supply Point as Firm, the Registered User represents to the Pipeline Operator that, or where the Registered User is not the Supplier that the Supplier has represented to the Registered User that the requirement in Clause 1.5 will be complied with.
- 1.5 The requirement referred to in Clause 1.4 is that the contract or contracts of supply to the Consumer in force at the date of designation or redesignation or at the Supply Point Registration Date oblige the Consumer to give effect to Interruption (including in the case where Interruption is notified by the Large Transporter directly to the Consumer).
- 1.6 Without prejudice to Clause 1.5, a Supply Point which includes an NDM Supply Point Component may subject to the requirements of the Code be designated as Interruptible.

2 Requirements as to Interruptible Supply Points

- 2.1 Where a Pipeline User is to become the Registered User of one or more Interruptible Supply Points the Pipeline User shall promptly provide to the Pipeline Operator copies of the details provided to the Large Transporter as referred to in Section G 6.6.1, G6.6.2 and G6.6.3.

- 2.2 The Registered User of an Interruptible Supply Point shall promptly on receiving from the Large Transporter notice of:
- (a) designation or withdrawal of designation of an Interruptible Supply Point as TNI;
 - (b) designation or withdrawal of designation of an Interruptible Supply Point as an NSL;
 - (c) notice requiring Interruption of an Interruptible Supply Point;
- provide a copy of such notice to the Pipeline Operator.

3 Further Provisions in respect of Interruptible Supply Points

- 3.1 Each Pipeline User:
- (a) acknowledges that Interruption of an Interruptible Supply Point is a requirement of the Large Transporter in respect of the Large Transporter System,
 - (b) acknowledges that Transportation Charges on the Pipeline may not be determined by reference to whether a Supply Point is Firm or Interruptible.
 - (c) acknowledges that a failure to interrupt an Interruptible Supply Point of which it is the Registered User may result in the Large Transporter pursuant to the terms of the LDZ CSEP Ancillary Agreement levying certain charges on a CSEP User;
 - (d) acknowledges that the determination of whether an Interruptible Supply Point has interrupted or not is a matter for the Pipeline User and the Large Transporter and not the Pipeline Operator;
 - (e) agrees that the Pipeline Operator shall have no liability as a result of:
 - (i) an Interruptible Supply Point being interrupted by the Large Transporter ;
 - (ii) any failure of the Interruptible Supply Point to interrupt;
 - (iii) any disconnection or Isolation of the Supply Meter Points comprised in an Interruptible Supply Point as a result of such Interruptible Supply Point having failed to interrupt pursuant to an Interruption Notice from the Large Transporter
 - (iv) any failure by the Pipeline Operator to secure at the request of the Large Transporter the disconnection or Isolation of an Interruptible Supply Point;
 - (f) shall in respect of an Interruptible Supply Point of which it is the Registered User secure for the Pipeline Operator such access to the Supply Point Premises as the Pipeline Operator may require for the purposes of securing disconnection or Isolation of each Supply Meter Point comprised in an Interruptible Supply Point as a result of a failure by the Interruptible Supply Point to interrupt and shall indemnify and keep indemnified the Pipeline Operator from and against all costs expenses charges and liabilities incurred by the Pipeline Operator as a result of the Pipeline Operator securing such disconnection or Isolation;
 - (g) agrees that the Pipeline Operator shall be entitled to act on a request from the Large Transporter to disconnect or Isolate an Interruptible Supply Point and shall be

entitled to assume that such request has been validly made and shall not be bound to first consult with the Registered User of such Supply Point.

3.2 For the purposes of the Code:

- (a) a Supply Point is **"Interruptible"** where the offtake of gas from the Pipeline at the Supply Point is subject to Interruption and otherwise is **"Firm"**;
- (b) an **"Interruptible Supply Point"** is a Supply Point which is for the time being designated as Interruptible;
- (c) a **"Firm Supply Point"** is a Supply Point which is not for the time being designated as Interruptible (including one which has been redesignated as Firm);
- (d) **"TNI"** and **"NSL"** shall have the meaning ascribed thereto in the UNC;
- (e) **"Interruption"** at a Supply Point means interruption on the Large Transporter's instruction of the offtake of gas from the LT Connection Point and accordingly from the Pipeline at each Supply Meter Point comprised in the Supply Point and references to a Supply Point being Interrupted shall be construed accordingly

PART C IV SUPPLY POINT WITHDRAWAL AND ISOLATION

1 Supply Point Withdrawal

- 1.1 In order for a Pipeline User to cease to be the Registered User in respect of a Supply Point:
- (a) such Pipeline User must submit, or be deemed in accordance with Part CI 15.7(b) to submit, a request ("**Supply Point Withdrawal**") for withdrawal; and
 - (b) the Supply Point Withdrawal must become effective;
- in accordance with this Part CIV
- 1.2 The Registered User in respect of a Supply Point (the "**Withdrawing Supply Point**") may at any time submit to the Pipeline Operator a Supply Point Withdrawal specifying:
- (a) the identity of such Registered User (the "**Withdrawing User**");
 - (b) the Supply Point Registration Number of, and the Supply Meter Point Reference Number of one of the Supply Meter Points (the "**Withdrawing Supply Meter Points**") comprised in, the Withdrawing Supply Point.
- 1.3 Where a Registered User submits or is deemed to submit a Supply Point Withdrawal, subject to Part CI17.1:
- (a) where the Supply Point Withdrawal is in respect of a Supply Point which has a DM Supply Point Component, the Pipeline Operator will notify the Large Transporter accordingly; and
 - (b) the Registered User may but is not obliged to secure Isolation of any of the Withdrawing Supply Meter Points.
- 1.4 Where a Withdrawing Supply Meter Point is comprised in a Proposed Supply Point for which the Supply Point Confirmation becomes effective, the Pipeline Operator will so notify the Withdrawing User not later than 2 Business Days after the date on which it is known that the Supply Point Confirmation will become effective.
- 1.5 If requested so to do by a Pipeline User, the Pipeline Operator will endeavour to inform such Pipeline User (by such means as the Pipeline Operator may determine) details of those Withdrawing Supply Meter Points which at any time have not become comprised in a Proposed Supply Point in respect of which a Supply Point Confirmation has become effective identifying each Supply Meter Point (if any) which is or is to be Isolated.

2 Effect of withdrawal

- 2.1 A Supply Point Withdrawal shall become effective only where each of the Withdrawing Supply Meter Points either is comprised in another Supply Point (of which the Registered User may be the Withdrawing User) or has been Isolated; and the date with effect from which the Supply Point Withdrawal is effective shall be the Supply Point Registration Date (of such other Supply Point) or the date of such Isolation or the latest of any such date. Where any Withdrawing Supply Meter Points which have been Isolated were comprised in a DM Supply Point Component such Supply Meter Points shall (save in the circumstances provided in Clause 2.2 below) be regarded as NDM Supply Meter Points

- 2.2 The circumstances referred to in Clause 2.1 are that the Supply Meter Points are comprised in a Supply Point with an Annual Quantity greater than 58,600,000 kWh (2,000,000 therms) and/or is an Interruptible Supply Point.
- 2.3 For so long as a Supply Point Withdrawal has not become effective in accordance with Clause 2.1, the Withdrawing User shall remain liable for Transportation Charges in respect of the Withdrawing Supply Point determined on the basis of the Capacity held immediately before the submission of the Supply Point Withdrawal.
- 2.4 When a Supply Point Withdrawal has become effective in accordance with Clause 2.1, the Pipeline User shall cease to be the Registered User and the Supply Point (and the Supply Point Registration) shall be cancelled.

3 Withdrawal: Closing Meter Read

- 3.1 Where a Supply Point Withdrawal becomes effective (under Clause 2.1) in respect of an NDM Supply Meter Point and the Proposing User provides an Opening Meter Reading in accordance with Part E6, the Pipeline Operator will, within 5 Business Days after such Meter Reading was provided to it, notify such Meter Reading to the Withdrawing User and inform the Withdrawing User whether it passed the Validation referred to in Part E9.
- 3.2 In accordance with Part E6.2 an Opening Meter Reading for an NDM Supply Meter Point obtained within a period of 5 Business Days commencing on the Day 2 Business Days before the Supply Point Registration Date will be deemed for all purposes of the Code to have been obtained on the Supply Point Registration Date.

4 Isolation: General

- 4.1 For the purposes of the Code:
- (a) "**Isolation**" of a Supply Meter Point shall mean the amendment of the Supply Point Register in accordance with Clause 5.3 for the purposes of securing that gas cannot be offtaken from the Pipeline at such point; and "**Isolate**" shall be construed accordingly;
 - (b) "**Re-establish**" shall mean the resetting by the Pipeline Operator of the previously recorded Isolation status of a Supply Meter Point to indicate that gas can be offtaken from the Pipeline at such Point and "**Re-established**" and "**Re-establishment**" shall be construed accordingly;
 - (c) "**T/PR/GT4**" is the document relating to the cessation of the flow of gas entitled "Sealing of Equipment to protect against Theft of gas and Tampering" as published by the Large Transporter from time to time.
- 4.2 Subject to Clause 4.3, where a Supply Meter Point has been Isolated (and unless and until a Supply Point Withdrawal has become effective in accordance with Clause 2.1) the Registered User of the Supply Point in which it is comprised shall continue to be responsible for gas offtaken from the Pipeline at the Supply Meter Point.
- 4.3 In the case of an NDM Supply Meter Point which has been Isolated (and unless and until it is Re-established in accordance with Clause 7), NDM Supply Meter Point Demand will cease to be determined in respect of that NDM Supply Meter Point in accordance with Section H2.

4.4 For the avoidance of doubt, isolation of a Supply Meter Point for the purposes of enabling Siteworks to be carried out shall not be Isolation.

5 Isolation Request

5.1 A Supply Meter Point may be Isolated subject to and in accordance with this Clause 5.

5.2 For the purposes of Clause 5.1 the Registered User shall:

- (a) provide to the Pipeline Operator a notification complying with the following:
 - (i) specify the identity of the Pipeline User;
 - (ii) specify the relevant Supply Point Registration Number, and the Supply Meter Point Reference Number of the Supply Meter Point;
 - (iii) specify the date on which gas ceased to flow;
 - (iv) contain a Valid Meter Reading obtained on the date set out in paragraph (iii) above;
 - (v) specify whether the Supply Meter Installation remains connected at the Supply Meter Point;
- (b) have complied with Clause 5.4.

5.3 As soon as possible after receiving a notice complying with Clause 5.2, the Pipeline Operator will amend the Supply Point Register to set the status of the Supply Meter Point to Isolated.

5.4 Where a Pipeline User provides a notification in accordance with Clause 5.2, such Pipeline User shall have taken all reasonable steps to ensure that all work to cease the flow of gas has been carried out by suitably competent personnel using that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person complying with applicable law, recognised industry standards and T/PR/GT4 engaged in the same type of undertaking and the Pipeline Operator will be entitled to assume that the Pipeline User has complied with such obligation.

5.5 The Pipeline Operator will not amend the Supply Point Register pursuant to Clause 5.3 in the event that:

- (a) the notification submitted pursuant to the Clause 5.2 does not comply with the requirements set out in such paragraph: or
- (b) the Pipeline User submitting the notification is not the Registered User for the Supply Meter Point on the Day that the notice is received by the Pipeline Operator.

5.6 A Supply Meter Point will be treated as Isolated for the purposes of the Code (until and unless Re-established in accordance with Clause 7) with effect from the Day on which the Supply Point Register was amended pursuant to Clause 5.3.

5.7 Where the Pipeline Operator undertakes works at the request of the Registered User to secure that gas cannot be offtaken at a Supply Meter Point, such works shall be carried out under the terms of the Pipeline Operator's siteworks contract for isolations which is in force at the time at which such works are undertaken.

- 5.8 The Pipeline Operator's Network Code may provide that only the Pipeline Operator may undertake the works referred to in Clause 5.7.

6 Urgent Isolations

- 6.1 Nothing in the Code shall prevent the Pipeline Operator from ceasing the flow of gas at any Supply Meter Point where it appears to the Pipeline Operator that it is necessary to do so for the purposes of ensuring safety; and, for the avoidance of doubt, where it does so the Pipeline Operator shall not be in breach of its obligation to make gas available for offtake.
- 6.2 Where pursuant to Clause 6.1 the Pipeline Operator undertakes work to cease the flow of gas at a Supply Meter Point other than at the request of the Registered User:
- (a) the Pipeline Operator will inform the Registered User as soon as reasonably practicable after undertaking work to cease the flow of gas;
 - (b) nothing in the Code shall make the Registered User liable to make any payment to the Pipeline Operator in respect of the undertaking of work to cease the flow of gas.

7 Re-establishment

- 7.1 Where a Supply Meter Point has been Isolated in accordance with Clause 5.3 and the Pipeline Operator becomes aware that gas is capable of being offtaken at that time (without further action being taken) from the Pipeline at such Point then the Pipeline Operator shall notify the Registered User of such fact.
- 7.2 Where a Supply Meter Point has been Isolated and the Registered User becomes aware (whether pursuant to Clause 7.1 or otherwise) that gas is capable of being offtaken at that time (without further action being taken) from the Pipeline at such Point it shall forthwith notify the Pipeline Operator of such fact and the Pipeline Operator shall Re-establish such Supply Meter Point.
- 7.3 For the avoidance of doubt in the case of a NDM Supply Meter Point which has been Re-established, NDM Supply Meter Point Demand will be determined in respect of that NDM Supply Meter Point in accordance with Part F from the date of such Re-establishment.
- 7.4 Where a Supply Meter Point has been Isolated and is Re-established and an effective Supply Point Withdrawal has not occurred and the Supply Meter continues to remain physically connected to the Pipeline during the period from the date of Isolation and the date of Re-establishment, then where gas was or is being offtaken from the Pipeline during such period, each Registered User in respect of the period for which it is or was the Registered User shall be liable for all charges (including without limitation Transportation Charges) associated with such Supply Meter Point as if it had not been so Isolated.
- 7.5 Without prejudice to the generality of Clause 7.4 where a Supply Meter Point has been Isolated and an effective Supply Point Withdrawal has occurred and the Supply Meter continues to remain physically connected to the Pipeline then:
- (a) where gas is or was being offtaken at such Supply Meter Point during such period the Relevant Registered User at the time of Isolation shall be liable for all charges (including without limitation Transportation Charges) associated with such Supply Meter Point, as if an Isolation or effective Supply Point Withdrawal had not occurred;

- (b) where gas has not been offtaken (but is capable of being offtaken without further action being taken) at such Supply Meter Point during such period then the Relevant Registered User shall be liable for Transportation Charges associated with such Supply Meter Point as if an Isolation or effective Supply Point Withdrawal had not occurred.

7.6 "**Relevant Registered User**" is the Registered User for the period commencing on the date of Isolation and ending on the next Supply Point Registration Date.

7.7 Charges payable in accordance with Clause 7.5 shall cease to accrue on the date when a notice has been received by the Pipeline Operator that suitable works have been undertaken to ensure that the Supply Meter Point is no longer capable of offtaking gas (without further action being taken) or until Re-establishment, provided that the Pipeline Operator will be entitled to levy such charges where the Large Transporter discovers suitable works have not been undertaken.

8 Disablement of Supply

8.1 If a Supply Meter Point is Isolated and:

- (a) the Supply Meter Installation remains physically connected to the Pipeline, the Pipeline User who is the Registered User at the time of such Isolation shall ensure that upon an effective Supply Point Withdrawal such Supply Meter Installation is physically disconnected from the Pipeline within twelve months from the date of such effective Supply Point Withdrawal; and
- (b) If the Supply Meter Installation is not physically disconnected within the period specified in paragraph (a) above the Pipeline Operator will (where no supply of gas is required at the Supply Meter Points) take such actions to disable the flow of gas and the Pipeline User who was the Registered User at the time of the effective Supply Point Withdrawal shall pay the Pipeline Operator's costs (as contained in the Transportation Statement) in respect thereof.

PART C V– NEW SUPPLY METER POINTS AND OTHER SITWORKS

1 General

1.1 For the purposes of the Code:

- (a) a "**New Supply Meter Point**" is a new Supply Meter Point;
- (b) "**Siteworks**" means works undertaken by the Pipeline Operator at the request of a Pipeline User or other person in connection with the Pipeline for the purposes of:
 - (i) the establishment of a New Supply Meter Point;
 - (ii) enabling an increase in the rate or pressure at or quantities in which it is feasible to make gas available for offtake from the Pipeline at an existing Supply Meter Point;
 - (iii) modifying or replacing any part of the Pipeline located on the Supply Point Premises (but not the Supply Meter Installation at an existing Supply Meter Point);
- (c) Siteworks under paragraph (b)(i) may be:
 - (i) for the construction and/or installation (and connection to the Pipeline) by the Pipeline Operator of service pipe or any part thereof (but not the Supply Meter Installation) ; or
 - (ii) for the purposes of making a connection to the Pipeline of any service pipe constructed or installed by any other person (but not the new Supply Meter Installation)
- (d) Siteworks under paragraph (b) do not include the installation of Daily Read Equipment.

1.2 In respect of any Siteworks:

- (a) the "**Siteworks Applicant**" is the Pipeline User or other person who has requested that the Siteworks be undertaken;
- (b) the "**Siteworks Contract**" is the contract between the Pipeline Operator and the Siteworks Applicant under which the Pipeline Operator is to undertake the Siteworks;
- (c) the "**Completion Date**" is the date of substantial completion (as defined or described in the Siteworks Contract) of the Siteworks;
- (d) the "**Target Completion Date**" means the intended Completion Date of the Siteworks as specified in or determined under the Siteworks Contract;
- (e) "**Connections Work**" is the connection of the service pipe (or any part thereof) undertaken by a person other than the Pipeline Operator for the establishment of a New Supply Meter Point on the Pipeline;
- (f) "**Meter Fix Date**" is the date that has been notified to the Pipeline Operator, as the date upon which a Supply Meter has been installed at a New Supply Meter Point.

- 1.3 Where the Siteworks Applicant is a Pipeline User the Siteworks Contract shall not (unless it expressly provides to the contrary) be an Ancillary Agreement and does not form a part of and is not incorporated into the Code.
- 1.4 Where the Siteworks Applicant is not the Registered User of the relevant Supply Meter Point:
- (a) nothing in the Code will make the Registered User liable for any payment becoming due under the Siteworks Contract;
 - (b) the Pipeline Operator will have no liability to the Registered User in respect of any breach of the Siteworks Contract.
- 1.5 The Registered User of a Supply Meter Point will not be liable for any breach of the Code which results from a breach by the Pipeline Operator of a Siteworks Contract relating to that Supply Meter Point.

2 New Supply Meter Points

- 2.1 Where the Pipeline Operator:
- (a) undertakes Siteworks for the establishment of a New Supply Meter Point, the New Supply Meter Point and the Supply Meter Point Reference Number will be entered into the Supply Point Register with effect from the date specified in the Siteworks Contract or (if no date is so specified) the date on which the Siteworks is completed;
 - (b) is notified that the Connections Work is to be or has been undertaken then on or as soon as reasonably practicable after the relevant date (in accordance with Clause 2.2) the New Supply Meter Point and the Supply Meter Point Reference Number will be entered into the Supply Point Register and will for the purposes of this Part C be treated as a Supply Meter Point.
- 2.2 For the purposes of Clause 2.1(b) the relevant date is the date upon which the Pipeline Operator has received notice of the:
- (a) allocation of a specific Supply Meter Point Reference Number to a New Supply Meter Point; or
 - (b) completion of the Connections Work from the person who has undertaken the same where received earlier than such allocation notice.
- 2.3 Subject to Clause 2.9 no person shall be entitled to offtake gas from the Pipeline at a New Supply Meter Point at any time before the First Supply Point Registration Date.
- 2.4 For the purposes of the Code, the "**First Supply Point Registration Date**" is the Supply Point Registration Date of the first Supply Point Registration to be made for a Supply Point comprising the New Supply Meter Point.
- 2.5 Any Pipeline User may, at any time after the time at which a New Supply Meter Point was entered in the Supply Point Register,
- (a) unless the Pipeline Operator's Network Code provides that Supply Point Nominations are not required, submit a Supply Point Nomination and (subject if appropriate to having received a Supply Point Offer and subject to Clause 2.7)

- (b) submit a Supply Point Confirmation in respect of a Proposed Supply Point which includes the New Supply Meter Point.

2.6 Not used.

2.7 Where a Pipeline User submits:

- (a) a Supply Point Nomination in accordance with Part CI 10 (in respect of Larger Supply Point or a New Smaller Supply Point and there is more than one Supply Meter Point comprised in the Proposed New Smaller Supply Point)
 - (i) the Pipeline User shall provide to the Pipeline Operator the Pipeline User's estimate of the quantity which the Pipeline User expects to be offtaken at the Supply Meter Point in a 12 month period under seasonal normal conditions, which estimate shall (if the Supply Point Confirmation becomes effective) be the Annual Quantity for the Supply Meter Point;
 - (ii) where there is a DM Supply Point Component, the Nominated DM Capacity shall not be less than the Pipeline User's estimate of the maximum quantity of gas to be offtaken on any Day in the next 12 months on the basis of reasonable assumptions as to weather conditions;
 - (iii) where there is an NDM Supply Point Component, the Pipeline User shall provide to the Pipeline Operator the Pipeline User's estimate of the value of any variable by reference to which any relevant End User Category is in the relevant Gas Year defined in accordance with Section H;
 - (iv) the Pipeline User's estimates under paragraphs (a) (b) and (c) shall be made in good faith and after all appropriate enquiries of the Consumer and on the basis of reasonable skill and care.
- (b) a Supply Point Confirmation in accordance with Part CI then an estimate of the quantity expected to be offtaken from the Pipeline at the Supply Meter Point in a 12 month period under seasonal normal conditions shall be
 - (i) where the Pipeline Operator's Network Code provides that Supply Point Nominations are not required, as reasonably estimated by the Pipeline Operator and otherwise shall be
 - (ii) deemed to have been provided by the Pipeline User which shall be determined in accordance with the NExA and shall (if the Supply Point Confirmation becomes effective) be the Annual Quantity for the Supply Meter Point.

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

2.9 In respect of both Smaller and Larger Supply Meter Points:

- (a) where a Supply Point Confirmation (including any subsequent Supply Point Confirmation) in respect of a New Supply Meter Point has been submitted then in the absence of a rejection of such Supply Point Confirmation:
 - (i) where the Meter Fix Date is prior to the date upon which such Supply Point Confirmation is submitted, the Proposing User which submitted such Supply Point Confirmation will be treated as being the Registered User (but not an Existing Registered User) from:
 - (aa) the Meter Fix Date, where such Proposing User is the person that has submitted a Meter Fix Reading
 - (bb) the date such Supply Point Confirmation is submitted, where such Proposing User is not the person who has submitted the Meter Fix Reading
 until the Supply Point Registration Date.
 - (ii) where the Meter Fix Date is after or upon the date on which such Supply Point Confirmation is submitted, the Proposing User which submitted such Supply Point Confirmation will be treated as being the Registered User (but not an Existing Registered User) from the Meter Fix Date until the Supply Point Registration Date.
- (b) Where the Proposing User is treated as being the Registered User, the Proposing User shall, notwithstanding that there is no Supply Point Registration in respect of the Proposed Supply Point (and irrespective of the Proposed Supply Point Registration Date) be permitted to offtake gas from the Pipeline at such New Supply Meter Point.
- (c) The quantity of gas (if any) so offtaken on any Day will be counted as a quantity of gas offtaken by the Proposing User for the purposes of the Code (and in particular the Proposing User will be liable to pay any Transportation Charges in relation thereto).
- (d) Where any Supply Point Confirmation (including any subsequent Supply Point Confirmation) has been rejected by the Pipeline Operator, then the Proposing User whose Supply Point Confirmation has been rejected shall promptly take steps to ensure gas is not offtaken at the New Supply Meter Point.

3 Undertaking Siteworks

- 3.1 The Pipeline Operator will not be in breach of its obligation to make gas available for offtake at a Supply Meter Point where or to the extent that its ability to do so is impaired by reason of its carrying out any Siteworks in respect of that Supply Meter Point.
- 3.2 Where the Pipeline Operator carries out Siteworks at a Supply Meter Point comprised in a Supply Point whose Annual Quantity exceeds 73,200 kWh (2,500 therms) and the Siteworks Applicant is not the Registered User, the Pipeline Operator will, unless the Siteworks Applicant has requested the Pipeline Operator not to do so, notify the Registered User of the Siteworks where practicable before and in any event promptly upon completing such Siteworks.

4 **Pipeline Design Maximum Volume**

- 4.1 Pipeline Users acknowledge that the Pipeline has not been designed to convey more gas than a particular maximum volume ("the **Pipeline Design Maximum Volume**").
- 4.2 Nothing in the Code shall require the Pipeline Operator to agree to the connection of any New Supply Meter Point which would be such as to increase the Aggregate Pipeline Capacity to exceed the Pipeline Design Maximum Volume.
- 4.3 For the purposes of the Code "**Aggregate Pipeline Capacity**": is the sum of the amounts of the Pipeline Capacity determined as held by all Pipeline Users at the Connection Point in accordance with Part B.

PART D SUPPLY METER INSTALLATION

1 Introduction

- 1.1 This Part D sets out requirements in respect of the installation of meters and other equipment at Supply Meter Points.
- 1.2 For the purposes of the Code, in relation to a Supply Meter Point:
- (a) the "**Supply Meter Installation**" is the meter and associated equipment and installations installed or to be installed at a Consumer's premises, including associated pipework, regulator, filters, valves, seals, housings and mountings. A Supply Meter Installation includes any convertor (where installed pursuant to the Gas (Calculation of Thermal Energy) Regulations 1996) and Daily Read Equipment;
 - (b) the "**Supply Meter**" is the meter comprised in the Supply Meter Installation;
 - (c) "**Meter Installation Works**" means the installation, testing, maintenance, repair, exchange or replacement of a Supply Meter Installation or any part thereof (but does not include meter reading).
- 1.3 In this Part D and Part E:
- (a) References to the Registered User in the context of a Supply Meter Installation or Supply Meter are to the Registered User of the Supply Meter Point at which it is installed.
 - (b) "**IGE Meter Recommendation**" means any recommendation or standard from time to time issued or updated by the Institute of Gas Engineers in respect of the nature, type, design, specification or manufacture of any Supply Meter Installation or part thereof (which do not form a part of the Code).
- 1.4 Subject as provided in Part CI3.6 and Part CI3.7, a Supply Meter is a "**Daily Read**" Supply Meter where Daily Read Equipment is installed as a part of the Supply Meter Installation and has become Operational.
- 1.5 The circumstances in which a Supply Meter is required to be, or otherwise may be, Daily Read are set out in Part CI3.
- 1.6 A Supply Meter which is not a Daily Read Supply Meter is a "**Non-Daily Read**" Supply Meter.

2 Supply Meter and other equipment

- 2.1 The Registered User shall (subject to Clause 3) secure that at each Supply Meter Point (other than a Supply Meter Point which has been Isolated) there is installed, operated, and maintained in proper working order, for registering the volume of gas offtaken from the Pipeline at the Supply Meter Point, a Supply Meter Installation:
- (a) complying with the requirements of Clause 2.2, and located at a point in accordance with Clause 2.3; and
 - (b) including such further equipment (including any convertor) as may be required in accordance with the further provisions of this Part D and Part E.

- 2.2 The Supply Meter Installation shall be of a type and standard of design and accuracy complying with, and shall be installed in compliance with, the IGE Meter Recommendations, the Gas (Meters) Regulations 1983, the Gas Safety (Installation and Use) Regulations 1998 and any other applicable Legal Requirement, as in force at the date of installation of the Supply Meter Installation, and shall be stamped in accordance with Section 17 of the Act.
- 2.3 The point at which the Supply Meter Installation is to be installed shall be such point as shall be required by or shall be in accordance with paragraph 5 of the Gas Code and the Gas Safety (Installation and Use) Regulations 1998.
- 2.4 For the avoidance of doubt, but without prejudice to the requirements of Clause 2.1, the Supply Meter shall be the meter referred to in the Gas Code, and may be provided and owned by a person and/or installed by a person other than the Registered User.
- 2.5 Nothing in this Part D or Part E prevents the Pipeline User from securing that a Supply Meter Installation conforms to higher standards than are (or provides any function in addition to what is) required pursuant to Clause 2.2.
- 2.6 As contemplated by the IGE Meter Recommendations, the design and specification of certain Supply Meter Installations (where required to be installed) will need to be agreed with the Pipeline Operator on a case-by-case basis.
- 2.7 Supply Meter Installations installed as at the date of implementation of the Code shall be deemed (for the purposes of the Code) to comply with the requirements of Clauses 2.2 and 2.3, provided that this shall not prejudice any requirement for the installation of a different Supply Meter Installation arising by reason of a change in the nature of or the use of the Consumer's Plant after the Supply Meter Installation was installed.
- 2.8 Whenever a Supply Meter Installation is replaced or modified (other than by the Pipeline Operator pursuant to Clause 3) the Registered User shall provide to the Pipeline Operator such information concerning the replacement or modification, within such period, as the Pipeline Operator may reasonably prescribe.
- 2.9 Pipeline Users acknowledge that the Code does not contain provisions in respect of Sub Deduct Arrangements or Meter By-passes. Accordingly, each Pipeline User:
- (a) agrees that in respect of each Supply Point of which it is the Registered User, it will take reasonable steps to ensure that no Sub Deduct Arrangement or Meter By-pass is installed at any such Supply Point without the Pipeline Operator's prior written consent;
 - (b) acknowledges that if a Sub Deduct Arrangement or Meter By-pass is installed that the Code will require to be modified.
- 2.10 For the purposes of Clause 2.9:
- (a) a "**Sub Deduct Arrangement**" is an arrangement of pipes and meters by which a part of the gas which is conveyed by the Pipeline to premises for the purposes of supply to those premises is further conveyed to other premises for the purposes of supply to those other premises;
 - (b) a "**Meter By-pass**" is an installation by means of which the Consumer may divert the flow of gas so as not to pass through the Supply Meter and thereby secure the continued offtake of gas at the Supply Meter Point, in the event of any failure of part

of the Supply Meter Installation which would impede the flow of gas through the meter.

3 Provision by the Pipeline Operator

- 3.1 This Clause 3 applies where the Pipeline Operator provides or has provided (whether before or after the date of implementation of the Code) the Supply Meter Installation or any part of it.
- 3.2 Where this Clause 3 applies:
- (a) subject to paragraphs (d) and (e) and to Clauses 3.4 and 6.1, the Pipeline Operator will be responsible for securing (on behalf of the Registered User) the installation (in accordance with Clause 2.2), maintenance, repair, exchange and replacement of the Supply Meter Installation or relevant part thereof provided by the Pipeline Operator, within a reasonable time after a request to do so and subject to payment of appropriate charges in accordance with the Transportation Statement;
 - (b) the Customer Charge payable by the Registered User may include (in accordance with the Transportation Statement) a component in respect of the provision and maintenance of the Supply Meter Installation or relevant part of it provided by the Pipeline Operator (determined, insofar as the Transportation Statement provides for such determination, by reference to the nature of the Supply Meter Installation which is installed) or a separate charge in respect thereof may be provided in the Transportation Statement which shall in such event be payable by the Registered User in addition to the Customer Charge;
 - (c) the Registered User shall secure that there are made available (without charge to the Pipeline Operator) at the Supply Point Premises:
 - (i) a suitable site (at a location complying with Clause 2.3) at the Supply Point Premises, and suitable support, protection and security, for the Supply Meter Installation;
 - (ii) supplies of power, water and drainage as appropriate for the Supply Meter Installation;
 - (iii) such access, at all reasonable times and in any event between 08:30 and 17:00 hours on any Business Day, to the Supply Point Premises as shall be required to enable the Pipeline Operator to carry out all Meter Installation Works required pursuant to paragraph (a);
 - (d) the Registered User shall take all reasonable steps to secure that the Supply Meter Installation is not damaged or otherwise mistreated;
 - (e) ownership of the Supply Meter Installation shall remain with the Pipeline Operator (or any person to whom the Pipeline Operator may transfer ownership); and the Registered User shall take all reasonable steps to secure that any notice to that effect affixed thereto by the Pipeline Operator shall not be removed or defaced;
 - (f) the Pipeline Operator will ensure that following the carrying out of any Meter Installation Works in respect of a Supply Meter Installation, the Meter Information in respect of that Supply Meter Installation is, where appropriate, updated.
- 3.3 Nothing in Clause 3.2 requires the Pipeline Operator:

- (a) to replace any part of a Supply Meter Installation other than where such replacement is necessary as a result of the failure (including by reason of damage, normal wear or tear or defective design or manufacture) thereof;
- (b) to carry out any Meter Installation Works other than for the purposes of maintaining or repairing or (where required under paragraph (a)) replacing a Supply Meter Installation or part thereof provided by the Pipeline Operator;
- (c) except in the case of routine maintenance, to carry out any Meter Installation Works until reasonable notice has been given to the Pipeline Operator of the requirement for such works.

3.4 Meter Installation Works carried out by the Pipeline Operator for the purposes of maintaining, repairing or (where required having regard to Clause 3.3(a)) replacing any part of a Supply Meter Installation to which Clause 3 applies will not be Siteworks for the purposes of Part CV.

3.5 Any Meter Installation Works which any person may request the Pipeline Operator to carry out other than as required under Clause 3.2 including:

- (a) the provision of a Supply Meter Installation at a Supply Meter Point where the Pipeline Operator was not previously providing the Supply Meter Installation or at a New Supply Meter Point;
- (b) the provision of a new Supply Meter Installation at a Supply Meter Point where by reason of a change in the nature or extent of the Consumer's requirements for the supply of gas the existing Supply Meter Installation no longer complies with the requirements of Clause 2.2 and 2.3;

will be Siteworks subject to and in accordance with Part CV.

3.6 Nothing in this Part D prevents the Pipeline Operator from providing at the request of the Consumer or Supplier a Supply Meter Installation which conforms to higher standards than are (or provides any function in addition to what is) required pursuant to Clause 2.2, provided that (unless the Registered User has otherwise agreed) the amount of the Customer Charge or separate charge payable (as described in Clause 3.2(b)) by the Registered User will not thereby be increased.

3.7 Where as a result of any failure or defect any Supply Meter Installation provided by the Pipeline Operator gas cannot be offtaken from the Pipeline at the relevant Supply Meter Point, the Pipeline Operator will not be in breach (by reason thereof) of its obligation to make gas available for offtake from the Pipeline until:

- (a) written notice of such failure, defect or requirement has been given to the Pipeline Operator; and
- (b) the expiry after such notice of a reasonable period for the Pipeline Operator to carry out the required Meter Installation Works.

4 Interference with meters

4.1 The Registered User shall take all reasonable steps to ensure that:

- (a) no person improperly breaks any seal affixed to any part of the Supply Meter Installation or tampers or otherwise interferes with or damages any Supply Meter Installation;
- (b) upon each visit to the Supply Point Premises by any representative of that Pipeline User or the Supplier, or by any person engaged (by that Registered User, the Supplier or the Consumer) to obtain an On-site Meter Read, there is promptly reported to the Pipeline Operator any evidence which is or ought (having regard to the purposes for which such person is visiting the premises) to be apparent to such representative or person of the breaking of any such seal or of any such tampering or interference (including any activated tamper alarm) or otherwise of theft or attempted theft of gas.

5 Meter clamping

5.1 Where the customer control valve of a Supply Meter is clamped, whether by the Registered User, Supplier or any other person other than the Pipeline Operator, the Registered User shall so inform the Pipeline Operator promptly upon arranging for or otherwise becoming aware of such clamping.

5.2 Where:

- (a) a Supply Meter is clamped in accordance with Clause 5.1;
- (b) the Registered User fails to inform the Pipeline Operator of such clamping; and
- (c) the Pipeline Operator takes any step under paragraph 18 or 19 of the Gas Code in respect of any report to the effect that gas is not flowing to the Supply Point Premises or to appliances at such premises

the Registered User shall reimburse to the Pipeline Operator the cost and expense incurred by the Pipeline Operator in taking steps referred to in paragraph (c) above.

5.3 For the avoidance of doubt the clamping of a Supply Meter shall not be an Isolation (unless carried out by the Pipeline Operator as such).

6 Prepayment Meters

6.1 Where Clause 3 applies and the Supply Meter Installation provided by the Pipeline Operator includes a prepayment installation:

- (a) the Registered User will be responsible for making arrangements for payment collection (including emptying or replacement of coin or token boxes or arrangements with any issuer of payment tokens or cards), and for remedying faults resulting from the abuse or defective use of the prepayment installation;
- (b) any theft or other loss in respect of monies representing payments made into the prepayment facility will be for the Registered User's account and the Pipeline Operator will have no responsibility to the Registered User or Supplier or Consumer therefor.

6.2 Where:

- (a) a Supply Meter Installation (whether or not provided by the Pipeline Operator in accordance with Clause 3) includes a prepayment installation;

- (b) the Pipeline Operator takes any step under paragraph 18 or 19 of the Gas Code in respect of any report to the effect that gas is not flowing to the Supply Point Premises or to appliances at such premises; and
- (c) after taking such steps the Pipeline Operator ascertains that the cause of gas not flowing is the inability of the Consumer to utilise the prepayment installation, overfilling of a coin or token box, use of defective payment tokens or cards, or any fault in or tampering with a prepayment facility

then Clause 6.3 shall apply.

6.3 In the circumstances referred to in Clause 6.2:

- (a) the Pipeline Operator shall be entitled (without liability to the Registered User) to take any reasonable steps to ensure the restoration of supply to the Consumer through the Supply Meter Installation until the end of the next following Business Day (making such assumption as to the rate of offtake as shall appear to it to be reasonable);
- (b) the Registered User shall reimburse to the Pipeline Operator the cost and expense incurred by the Pipeline Operator in taking the steps referred to in Clause 6.2(b) and paragraph (a) above (including the value of any coins, tokens or cards utilised for the purpose in paragraph (a)).

7 Updating Meter Information by Pipeline Operator

7.1 Where as a result of any Meter Installation Works undertaken (pursuant to Clause 3 or otherwise) by the Pipeline Operator in relation to a Supply Meter Point, the relevant Meter Information recorded in the Supply Point Register ceases to be accurate, the Pipeline Operator will after completing such works:

- (a) amend the Supply Point Register so as to record the change in relevant Meter Information required as a result of such works; and
- (b) provide to the Registered User details of the amendment made pursuant to paragraph (a).

7.2 For the purposes of this Clause 7:

- (a) references to a Supply Meter Point include a New Supply Meter Point, and accordingly references to a change in Meter Information includes the creation of initial Meter Information;
- (b) relevant Meter Information in respect of a Supply Meter Point is such Meter Information as is specified for the purpose in the Manual and is otherwise the following:
 - (i) type and model of the Supply Meter;
 - (ii) whether the Supply Meter is a pre-payment meter;
 - (iii) the number of dials and serial number of the Supply Meter;
 - (iv) the Supply Meter Point Reference Number;
 - (v) details of the units in which the register of the Supply Meter is expressed;

- (vi) the readings of the index of the Supply Meter at the time of the connection of the Supply Meter;
 - (vii) where a convertor is installed, the serial number of the convertor, the converted and (if appropriate) any unconverted reading of the register of the convertor at the time of the connection and in relation to which item the convertor operates.
- (c) A Supply Meter Point will not be treated as one in relation to which the Pipeline Operator did not comply with Clause 7.1, where the Pipeline Operator was unable to comply with Clause 7.1 by reason of Force Majeure;
- (d) In relation to any Supply Meter Point, any period within which the Pipeline Operator is to comply with Clause 7.1 runs from the Business Day after the relevant Meter Installation Works were completed.
- 7.3 The details referred to in Clause 7.1(b) shall be referred to as the "Meter Fit Report" and shall be provided by the Pipeline Operator to the Registered User:
- (a) in the case where the Meter Installation Works were carried out at a New Supply Meter Point within 5 Business Days after the first Supply Point Registration Date following completion of the Meter Installation Works;
 - (b) in any other case within 5 Business Days after completion of the Meter Installation Works.
- 7.4 If in relation to any Registered User, the Pipeline Operator has not complied with the requirements in Clause 7.3 within 14 Business Days after in the case of the Clause 7.3(a) the first Supply Point Registration Date following completion of the Meter Installation Works and in the case of Clause 7.3(b) completion of the Meter Installation Works in respect of a Supply Meter Point, the Registered User will return the details of any assets contained within the Meter Fit Report that are outwith 14 Business Days, to the Pipeline Operator as rejected within 5 Business Days of receipt
- 7.5 The Pipeline Operator will respond to the Registered user within 10 Business Days of receipt of any asset rejected within the Meter Fit Report and will:
- (a) provide an actual Meter Reading (at no cost to the Registered User) with a revised Meter Fit Report, the Meter Reading having been obtained no more than 5 Business Days prior to the provision of the Meter Fit Report; and
 - (b) refund in accordance with Clause 7.6 any Transportation Charges paid from the original date the Supply Meter was installed to the date the revised Meter Fit Report was sent to the Registered User.
- 7.6 The amount payable by the Pipeline Operator in respect of a Supply Meter Point pursuant to Clause 7.5 shall be paid by the Pipeline Operator to the Registered User within 15 Business Days after the date on which the Pipeline Operator has provided the relevant Meter Fit Report to the Registered User.
- 7.7 The actual Meter Reading provided with the Meter Fit Report to a Registered User pursuant to this Clause 7 shall be treated as the Opening Meter Reading for the Supply Meter Point and any Opening Meter Reading subsequently provided by the Registered User shall be disregarded. If for any reason following the completion of Meter Installation Works undertaken by the Pipeline Operator, the Pipeline Operator does not have an actual Meter Reading in respect of a Supply Meter Point, the Pipeline Operator may provide the Registered User (at no cost to the Registered User) with an estimated Meter Reading which estimate shall be regarded as having satisfied the requirement in Clause 7.2(b)(vi).

This estimated Meter Reading may be based on an actual Meter Reading carried out at the cost of and on behalf of the Pipeline Operator in which case details of such Meter Reading shall also be provided to the Registered User and shall be treated as a Valid Meter Reading for the purposes of Section E. The estimated Meter Reading shall be regarded as the Opening Meter Reading for the relevant Supply Meter Point unless the Registered User is able to provide a more accurate estimate of the Meter Reading in which case the Registered User may substitute such estimate as the Opening Meter Reading for the estimate provided by the Pipeline Operator. The provisions of Part E6 shall be read in accordance with the provisions of this Clause 7.6.

PART E METER READING

1 General

1.1 Meter Readings are required to be obtained from Supply Meters and provided to the Pipeline Operator for the purposes of the Pipeline Operator complying with the NExA. This Part E sets out the requirements of the Code for obtaining Meter Readings.

1.2 For the purposes of the Code, in relation to a Supply Meter:

(a) a "**Meter Reading**" is:

(i) the reading of the index of the Supply Meter; and

(ii) where a convertor is installed as described in Part D1.2(a), the converted and the unconverted readings of the convertor

except that where Daily Read Equipment and such a convertor are installed, a Meter Reading need not include both the reading under paragraph (i) and the unconverted reading under paragraph (ii);

(b) a "**Meter Read**" is the obtaining (by appropriate means including in the case of a Calculated Gas Card Reading, by calculation) of a Meter Reading;

(c) an "**On-site Meter Read**" is a Meter Read undertaken by a person visiting the Supply Point Premises (as opposed to an automated meter read);

(d) a "**Customer Read**" is a Meter Reading in respect of a Supply Meter obtained by inspection of the Supply Meter by the owner or occupier of the Supply Point Premises (and not by inspection by a Meter Reader or automated meter read);

(e) except in the case of a Meter Reading obtained by Daily Read Equipment a Meter Reading obtained at any time on a given Day shall be treated as obtained at the start of that Day;

(f) "**Gas Card Reading**" is a Meter Reading provided by the Pipeline User in respect of a Supply Meter obtained by means of a Gas Card;

(g) "**Gas Card**" is an electronic card used by a Consumer to purchase gas by way of a pre-payment facility and containing the Meter Reading that such cards collect from time to time;

(h) "**Calculated Gas Card Reading**" is a Meter Reading which has been derived by the use of not less than two Gas Card Readings which have

been provided in compliance with the estimation methodology contained in the Meter Reading Validation Rules.

- (i) **"Remote Read"** is a Meter Reading provided by the Pipeline User in respect of a Supply Meter obtained by means of Remote Meter Reading Equipment;
- (j) **"Remote Meter Reading Equipment"** is equipment which enables Meter Readings to be obtained remotely at set intervals and which comprises a device for capturing from the Supply Meter and/or (where installed) a convertor, data which constitutes or permits a derivation of a Meter Reading and suitable equipment as shall be required for transmitting such data;
- (k) a **"Meter Reader"** is a person appointed to undertake Meter Reads in respect of the Supply Meter;
- (l) the **"Metered Volume"** is in relation to a Meter Read the volume (converted for temperature and pressure in accordance with the Gas (Calculation of Thermal Energy) Regulations 1996) of gas determined as having been offtaken at the Supply Meter Point during:
 - (i) in the case of a Non Daily Read Supply Meter, the Meter Reading Period; or
 - (iii) in the case of a Daily Read Supply Meter or a Supply Meter at a DM Supply Meter Point, the relevant Day or other period as determined by the Large Transporter
- (m) the **"Metered Quantity"** is the quantity determined by multiplying the Metered Volume by the applicable calorific value.
- (n) the **"Meter Read Date"** is the date of a Valid Meter Read;
- (o) the **"Meter Reading Period"** in respect of a Meter Read is the period to the Meter Read Date from the preceding Meter Read Date;
- (p) the **"Meter Reading Frequency"** in respect of a Non Daily Read Supply Meter is the expected frequency of Meter Reads for the purposes of the Code;
- (q) the Meter Reading Frequency of a Non Daily Read Supply Meter (a **"Monthly Read Meter"**) is monthly where:
 - (i) it is installed at a Supply Meter Point comprised in a Supply Point Component whose Annual Quantity is not less than 293,000 kWh (10,000 therms); or
 - (ii) the Registered User has (in accordance with Part C110.2(f)) so elected;

- (r) subject to paragraph (n) the Meter Reading Frequency of a Non Daily Read Supply Meter other than a Monthly Read Meter (an “**Annual Read Meter**”) is annual;
 - (s) all Non Daily Read Supply Meters at the Supply Meter Points comprised in a Supply Point must have the same Meter Reading Frequency;
 - (t) For the purposes of this Part E, in relation to a Pipeline User, a “**Relevant**” Supply Meter is the Supply Meter at a Supply Meter Point comprised in a Supply Point of which the Pipeline User is the Registered User;
 - (u) “**Proposing User's Estimate**” is an estimated Meter Reading agreed between the Proposing User and the Withdrawing User to be used as an Opening Meter Reading provided in accordance with Clause 6.2;
 - (v) “**Proposing User Read**” in respect of a Smaller Supply Point is a Meter Reading provided to the Pipeline Operator by a Registered User which was obtained when the Registered User was the Proposing User in respect of such Smaller Supply Point and which relates to a period prior to the Supply Point Registration Date.
- 1.3 Pipeline Users are responsible for obtaining Meter Readings from Supply Meters in accordance with this Part E and for the Validation (in accordance with Clause 9) of such Meter Readings.
- 1.4 A Meter Reading obtained from a Non Daily Read Supply Meter is a “**Valid Meter Reading**”, and the relevant Meter Read a “**Valid Meter Read**”, where the following conditions are satisfied and not otherwise:
- (a) except in the case of a Customer Read permitted under Clause 1.6 or a Proposing User Read permitted under paragraph (i), the Meter Reading was provided by a Meter Reader appointed in accordance with Clause 2.1;
 - (b) except in the case of an Opening Meter Reading the Meter Reading has been subject to Validation in accordance with Clause 9;
 - (c) where the Meter Reading was rejected by such Validation, the Registered User has taken or secured the taking of such further steps as it determines to be necessary to investigate the validity of the Meter Reading and has thereby confirmed such validity;
 - (d) the Meter Reading is provided to the Pipeline Operator in accordance with Clause 3.1;
 - (e) the details provided pursuant to Clause 3 are consistent with the equivalent Meter Information appearing in the Supply Point Register;

- (f) in the case of an Opening Meter Reading obtained and provided in accordance with Clause 6.2, the Meter Reading has been obtained by a Gas Card Reading;
 - (g) the Meter Reading was provided by the means of a Remote Read;
 - (h) the Meter Reading was a Proposing User's Estimate provided in accordance with Clause 6.2 as an Opening Meter Reading;
 - (i) the Meter Reading was a Proposing User Read.
- 1.5 In the circumstances in Clause 1.4(c) the Registered User shall when providing the Meter Reading to the Pipeline Operator in accordance with Clause 3.1 notify the Pipeline Operator that the validity of the Meter Reading was not confirmed by Validation, and certify that the validity thereof has been confirmed by further steps as required in Clause 1.4(c).
- 1.6 A Customer Read obtained in any calendar month will (subject to the requirements of Clause 1.4) be a Valid Meter Reading.
- 1.7 Without prejudice to any other provision of this Part E, a Meter Read may be undertaken by any Meter Reader.

2 Meter Information

- 2.1 For the purposes of facilitating compliance with the Code, the Shipper Licence and the Pipeline Operator's Licence, the Registered User and Pipeline Operator shall in accordance with this Clause 2 each provide timely and accurate Meter Information to the other in such manner as the Pipeline Operator shall prescribe.
- 2.2 The Registered User will provide to the Pipeline Operator, Meter Information which is:
- (a) C&D Information by means of a Meter Information Notification;
 - (b) not C&D Information by means of a Meter Information Update Notification.
- 2.3 Within 6 Business Days from the Day on which the Registered User receives Meter Information in respect of the installation, removal, exchange or repositioning of a Supply Meter Installation the Registered User shall provide the Pipeline Operator with such information by means of a Meter Information Notification and /or Meter Information Update Notification as appropriate.
- 2.4 Where C&D Information is received by the Pipeline Operator:
- (a) by means of a Meter Information Notification from the Registered User (being the Registered User on the date specified in the Metering Information Notification as the date on which such Meter Work was completed) then the Pipeline Operator will record such information and update the Supply Point Register accordingly;

- (b) by means of a Meter Information Notification, from the Proposing User (in respect of a Supply Meter Point comprised in a Proposed Supply Point, in respect of which the Supply Point Confirmation has become effective) the Pipeline Operator will record such C&D Information and update the Supply Point Register accordingly;
- (c) by means of a C&D Notification, from any Pipeline User, other than a Registered User or Proposing User, the Pipeline Operator will only record such C&D Information;
- (d) by means of a C&D Notification, from a Meter Worker the Pipeline Operator will only record such C&D Information.

2.5 The Pipeline Operator will update the Supply Point Register where it receives a Meter Information Update Notification only from a Registered User and no other.

As soon as reasonably practicable after a Meter Information Update Notification is submitted, the Pipeline Operator will revise the Meter Information in accordance with such notification, unless the Pipeline Operator is not satisfied that the details contained in the notification are valid, in which case it will so notify the Registered User and the Pipeline Operator and the Registered User shall co-operate with a view to establishing the correct details, and once such details are established the Pipeline Operator will make any required revision of the Meter Information.

A Meter Information Update Notification shall be "**outstanding**" for the purpose of the Code until the Meter Information has been revised pursuant to this Clause 2.5.

A Meter Information Notification shall be outstanding for the purposes of Clauses 2.6, 2.7, 2.8 and 2.10 until the Meter Information has been revised pursuant to this Clause 2.5.

2.6 Where in respect of a Supply Meter Point, C&D Information is received by the Pipeline Operator from a Meter Worker or Pipeline User in accordance with Clause 2.4 (c) or (d), the Pipeline Operator will provide a copy of such C&D Information to the Registered User within 2 Business Days from the Day on which the identity of the such Registered User is known to the Pipeline Operator, and the Registered User will:

- (a) submit such C&D Information to the relevant supplier;
- (b) review the Suppliers response and within 30 Days from the date that such C&D Information was received by the Registered User, by means of a Meter Information Notification, use its best endeavours to provide the Pipeline Operator with the corrected C&D Information (if it is not correct) or confirmation that such C&D Notification is correct;

- (c) notify the Pipeline Operator as soon as reasonably practicable where the Registered User is unable to comply with paragraph (b), together with the reasons for such non-compliance.

2.7 Where in respect of a Supply Meter Point comprised in a Proposed Supply Point, (whether a New Supply Point or a Current Supply Point) C&D Information is received by the Pipeline Operator from a Meter Worker or Pipeline User in accordance with Clause 2.4 (c) or (d), before the Supply Point Registration Date (and therefore the identity of the Registered User is not known to the Pipeline Operator at that time) then within 2 Business Days following the Day on which such C&D Information was received and after Supply Point Confirmation becomes effective, the Pipeline Operator will provide a copy of such C&D Information (together with any additional relevant data in the possession of the Pipeline Operator at such time) to the Proposing User and the Proposing User will:

- (a) submit such C&D Information to the relevant Supplier;
- (b) review the Supplier's response and within 30 Days from the date that such C&D Information was received by the Proposing User, by means of a Meter Information Notification, use its best endeavours to provide the Pipeline Operator with the corrected C&D Information (if it is not correct) or confirmation that such C&D Notification is correct;
- (c) notify Pipeline Operator as soon as reasonably practicable where the Proposing User is unable to comply with paragraph (b), together with the reasons for such non-compliance.

2.8 Where in respect of a Supply Meter Point comprised in a Proposed Supply Point which is a Current Supply Point, C&D Information is received from a Meter Worker or Pipeline User in accordance with Clause 2.4 (c) or (d), and at the date of receipt by Pipeline Operator of such C&D Information there is a Proposing User and a Registered User, then on the Day on which the Supply Point Confirmation becomes effective the Pipeline Operator will submit a copy of such C&D Information to such Proposing User and Registered User and the Proposing User will:

- (a) submit such C&D Information to the relevant Supplier;
- (b) review the relevant Supplier's response and within 30 Days from the date that such C&D Information was received by Proposing User, by means of a Meter Information Notification, use its best endeavours to provide the Pipeline Operator with the corrected C&D Information (if it is not correct) or confirmation that such C&D Notification is correct;
- (c) notify the Pipeline Operator as soon as reasonably practicable where the Proposing User is unable to comply with paragraph (b), together with the reasons for such non-compliance.

- 2.9 In respect of a Supply Meter Point comprised in a Proposed Supply Point in respect of which the Supply Point Confirmation has become effective, the Pipeline Operator will provide to the Proposing User the Meter Information (as held on the Supply Point Register) on the 7th Business Day before the Proposed Supply Point Registration Date.
- 2.10 Where the Pipeline Operator receives C&D Information from any Pipeline User which subsequently becomes a Registered User then the Pipeline Operator will not resubmit such C&D Information to such Pipeline User.
- 2.11 In order to ensure that Meter Information is as accurate as practicable, where at any time a Registered User becomes aware that there are material changes to the Meter Information it will:
- (a) validate this and use its best endeavours to submit a Meter Information Update Notification to the Pipeline Operator within 30 Business Days from the Day it first becomes aware of such change; or
 - (b) as soon as reasonably practicable notify the Pipeline Operator where the Registered User is unable to so comply together with the reasons for such non-compliance; and
 - (c) in accordance with Part CI 2.8(b) use reasonable endeavours to secure that it becomes aware of any respect in which Meter Information provided to it is or becomes incorrect or out of date, including giving appropriate instructions to the Meter Reader for the time being.
- 2.12 The Pipeline Operator will update the Supply Point Register in accordance with Clause 2.16 where the Pipeline Operator has received a Meter Information Notification:
- (a) in respect of a Current Supply Point (in accordance with Clauses 2.7 or 2.8) from the Pipeline User that is the Proposing User on or after the Supply Point Confirmation becoming effective;
 - (b) in respect of a New Supply Point, (in accordance with paragraph 2.8) from the Pipeline User that is the Proposing User on or after the Supply Point Confirmation.
- 2.13 Where a Meter Information Update Notification is received from the Registered User and the Meter Information contained therein has resulted or may result in the amount of Transportation Charges paid or payable by the Registered User being inaccurate and a Meter Reading in respect of the Supply Meter at such Supply Meter Point:
- (a) is not received from the Registered User at the time of receipt of such Meter Information Update Notification then the Pipeline Operator will determine a notional Meter Reading in respect of such Supply Meter to be effective upon either:

- (i) the date provided within the Meter Information Update Notification); or
- (ii) (if such date has not been so provided) the date on which the Meter Information Update Notification was processed by the Pipeline Operator;

and where no Opening Meter Reading is provided in accordance with Part E 6.2 and the notional Meter Reading applies in respect of a Non-Daily Read Meter, such notional Meter Reading will be utilised by the Pipeline Operator as the Opening Meter Reading and this will be effective at the Supply Point Registration Date and Clauses 6.5 and 6.11 will not apply.

- (b) is received from the Registered User at the time of receipt of such Meter Information Update Notification but no Opening Meter Reading is provided in accordance with Part E 6.2 then the Meter Reading provided within the Meter Information Update Notification where it applies in respect of a Non-Daily Read Meter, will be utilised by the Pipeline Operator as the Opening Meter Reading and this will be effective at the Supply Point Registration Date and Clauses 6.5 and 6.11 will not apply.

- 2.14 Prior to the submission of any Meter Information to the Pipeline Operator, the Proposing User and/or Registered User will consider any known data inconsistencies with the relevant Supplier (or any person acting on its behalf) and where appropriate ensure that the Meter Information which is submitted has been corrected.
- 2.15 Where at any time in respect of any Supply Meter Point the Pipeline Operator becomes aware that the Meter Information held in the Supply Point Register is incorrect, (other than where the Pipeline Operator has received this information from the Registered User) within 6 Business Days of the Day upon which it becomes aware of this, the Pipeline Operator will so notify the Registered User and provide all relevant details and the Registered User will as soon as reasonably practicable review such details, and where necessary update the Meter Information and submit to the Pipeline Operator a Meter Information Notification or a Meter Information Update Notification containing such update in respect of such Supply Meter Point.
- 2.16 Upon receipt of a change to Meter Information from the Registered User, or the Proposing User in accordance with Clause 2.12, the Pipeline Operator will within 2 Business Days of such receipt revise the details held in the Supply Point Register as specified in the Meter Information Notification. The Pipeline Operator will ensure the Supply Point Register reflects the Meter Information as supplied by the Registered User or Proposing User.
- 2.17 Where the Pipeline Operator receives from the Registered User a revised Meter Information Update Notification in respect of a Supply Meter Point that has resulted or may result in the amount of Transportation Charges paid or payable by the Registered User or the Previous Registered User (if any) being inaccurate

then by the end of the month following the month in which it receives such Meter Information Update Notification the Pipeline Operator will so notify such Registered User and provide to each Previous Registered User (if any) for such Supply Meter Point the revised Meter Information.

2.18 Without prejudice to the Meter Information Notification obligations in Clause 2.2, the Registered User will submit as a Meter Information Notification or as a Meter Information Update Notification, additional data items relating to the Supply Meter Installation, that are required by the Pipeline Operator to operate in accordance with its Code or other obligations. Such data items may include but are not limited to:

- Meter serial number, dials and digits
- Metric/Imperial indicator
- convertor number of dials (unconverted/converted)
- meter/convertor round the clock count
- meter pulse value
- the identity of the Gas Act Owner
- the identity of the Meter Asset Manager
- Conversion Factors
- physical works on convertors where not performed in association with physical works on the Meter.

2.19 Where the Pipeline Operator believes that a Pipeline User is not undertaking its Code obligations for the calculation of consumption in conjunction with the Validation of Meter Readings, then where the Pipeline Operator and such Pipeline User are unable to resolve such matter the Pipeline Operator may notify the Pipeline User with reasons for such belief and require the Pipeline User to provide to the Pipeline Operator evidence of its compliance with such obligations by means of either (a) sufficient data to enable the Pipeline Operator to examine whether the Pipeline User has so complied or (b) an audit report produced by an external independent Auditor. Where the Pipeline User has not produced such data or report, or where following examination by the Pipeline Operator of such data, the Pipeline Operator believes it has evidence that the Pipeline User has not complied with such Code obligations, or the report finds that the Pipeline User has not so complied then the Pipeline Operator will be entitled to submit a report to the Competent Authority detailing its findings. The cost and expense of such report shall be borne by the Pipeline User unless the report finds that the Pipeline User has complied with such Code obligations in which case the cost and expense shall be borne by the Pipeline Operator.

2.20 For the purposes of the Code:

- (a) **“C&D Information”**: is information obtained in respect of Meter Work;
- (b) **“C&D Notification”**: is a notification (which is not a Meter Information Notification) containing C&D Information;
- (c) **“Meter Information”**: is the information in relation to a Supply Meter Installation, comprising the details set out in the Manual and otherwise the following details and such other details as the Pipeline Operator may require:
 - (i) the location of the Supply Meter Installation at the Supply Point Premises;
 - (ii) number of dials and serial numbers of the Supply Meter and any convertor;
 - (iii) meter access details;
 - (iv) C&D Information.
- (d) **“Meter Information Notification”**: is a notification as prescribed in the Manual and otherwise as prescribed by the Pipeline Operator containing Meter Information that is C&D Information;
- (e) **“Meter Information Update Notification”**: is a notification as prescribed by the Pipeline Operator containing Meter Information that is not C&D Information;
- (f) **“Meter Work”**: is work performed in respect of which a notice has been served under Schedule 2B of the Gas Act in accordance with the Gas Meters (Information on Connection and Disconnection) Regulations 1996;
- (g) **“Meter Worker”**: is a person that has performed Meter Work;
- (h) **“Previous Registered User”**: is any Registered User (other than the existing Registered User) who was the Registered User at the Supply Meter Point at any time within a period of 18 months preceding the date upon which the Pipeline Operator records such Meter Information Update Notification or, if earlier, the date upon which the Pipeline Operator revised Meter Information which was capable of affecting the amount of the Transportation Charge at such Supply Meter Point.

3 Provision of Meter Readings to the Pipeline Operator

- 3.1 It is the responsibility of the Registered User to ensure that Meter Readings are provided to the Pipeline Operator, not later than 10 Business Days after the Meter Read Date. Where the Pipeline Operator has a Computer System, Meter Readings are required to be provided to the Pipeline Operator by way of System

Communication by the means and in the form described in the Manual and accompanied by the details specified in the Manual.

- 3.2 Except as otherwise provided in this Part E, the Pipeline Operator will accept Meter Readings provided to it in accordance with Clause 3.1 for the purposes of the Pipeline Operator complying with the NExA. The Pipeline Operator will use reasonable endeavours to use a Meter Reading provided outside of the time limit referred to in Clause 3.1.
- 3.3 The Pipeline Operator will subject Opening Meter Readings submitted to it to Validation (which is additional to that required to be undertaken by Pipeline Users), and may subject any other Meter Reading submitted to it to Validation; the Pipeline Operator may accept Meter Readings notwithstanding that such Validation may be failed.
- 3.4 For the purposes of Clause 3.1, where a convertor is installed at a Supply Meter all readings comprised (in accordance with Clause 1.3(a)) in the Meter Reading are required to be provided to the Pipeline Operator.
- 3.5 Where a Meter Reading in respect of a Supply Meter is submitted (in accordance with Clause 6.1) to the Pipeline Operator and within 10 Days after the Meter Read Date a further Meter Reading in respect of the same Supply Meter is submitted to the Pipeline Operator, the Pipeline Operator will disregard the first Meter Reading.

4 Cyclic Reading – Non Daily Read Meters

- 4.1 Each User shall secure that:
 - (a) for each Relevant Monthly Read Meter, a Valid Meter Reading is obtained not less frequently than once every 4 calendar months; and
 - (b) for each Relevant Annual Read Meter a Valid Meter Reading is obtained not less frequently than once every 24 months;
- 4.2 In respect of an Annual Read Meter in a New Supply Meter Point the Meter Read Date of the first Meter Read obtained pursuant to Clause 4.1 shall not be less than 1 or more than 12 months after the First Supply Point Registration Date.
- 4.3 Subject to Clause 4.4 a Pipeline User may secure and provide to the Pipeline Operator Valid Meter Readings in respect of any Supply Meter more frequently than is required by this Part E.
- 4.4 The Pipeline Operator will not be required to accept under Clause 4.3 a Meter Reading (other than one required under Clause 6 or Clause 7) for which:
 - (a) in the case of a Monthly Read Meter, the Meter Read Date is less than 23 Days (or in December 16 Days);

- (b) in the case of an Annual Read Meter, the Meter Read Date is less than 5 months,

after the Meter Read Date of the preceding Meter Reading (excluding any required under Clause 6 or Clause 7) for the same Supply Meter.

- 4.5 In respect of the most recent Valid Meter Reading provided to the Pipeline Operator in accordance with Clause 4.1, a Pipeline User may at any time secure and provide to the Pipeline Operator a revised value of such Valid Meter Reading ("**Revised Meter Reading**").
- 4.6 The Pipeline Operator will only accept such Revised Meter Reading where the Meter Read Date of such Revised Meter Reading is the same as or later than the Meter Read Date of the most recent Valid Meter Reading recorded by the Pipeline Operator.

5 Failure To Obtain Readings

- 5.1 Subject to Clause 6.6 where at the end of any calendar month a Pipeline User has failed to comply with the requirement in Clause 4.1 in respect of a Supply Meter:
 - (a) the Pipeline Operator will use reasonable endeavours to obtain a Meter Reading from such Meter unless in the case of a Monthly Read Meter it appears to the Pipeline Operator (in its sole discretion) that the circumstances are such that it would be inappropriate to do so;
 - (b) the Pipeline User shall irrespective of whether the Pipeline User remains the Registered User pay to the Pipeline Operator, by way of reimbursement of its costs, an amount equal to the amount provided for such purpose under the prevailing prices published by the Pipeline Operator together with any costs (including costs of a warrant) incurred by the Pipeline Operator for the purposes of gaining entry to the Supply Point Premises.
- 5.2 Where the Pipeline Operator obtains a Meter Reading under Clause 5.1, such Meter Reading shall be treated for all purposes of the Code as a Meter Reading obtained in accordance with the requirements of this Part E.
- 5.3 Where the Pipeline Operator has initiated a Meter Read pursuant to Clause 5.1 and (before such Meter Read takes place) the Pipeline User subsequently provides a Valid Meter Reading in respect of the relevant Supply Meter, the Pipeline Operator will endeavour to cancel the Meter Read but the Pipeline User will be liable to make payment pursuant to Clause 5.1(b) irrespective of whether such Meter Read is so cancelled.
- 5.4 Where not less than 10 Business Days before the beginning of the following month the Pipeline User has submitted a Meter Information Notification in respect of the relevant Supply Meter, Clause 5.1 shall not apply until the expiry of a

period of 10 Business Days after the Meter Information Notification ceases to be outstanding.

5.5 If:

- (a) before the Pipeline Operator has initiated a Meter Read pursuant to Clause 5.1, the Pipeline User notifies the Pipeline Operator that the Pipeline User is taking steps to obtain a Meter Reading in respect of the relevant Supply Meter, specifying the expected date of the Meter Read;
- (b) not later than the 10th Business Day of the following month the Pipeline User provides to the Pipeline Operator a copy of a warrant (granted under the Rights of Entry (Gas and Electricity Boards) Act 1954, as amended) authorising entry to the relevant premises, or a copy of an application for such a warrant, or demonstrates to the Pipeline Operator's reasonable satisfaction that a Meter Reading can be obtained without such a warrant; and
- (c) a Valid Meter Reading is provided to the Pipeline Operator in respect of the relevant Supply Meter not later than the 20th Business Day after the start of the following month

then Clause 5.1 shall not apply.

6 Opening Meter Reads

6.1 Where a Pipeline User submits a Supply Point Confirmation which becomes effective for a Proposed Supply Point which includes one or more NDM Supply Meter Points, this Clause 6 applies in respect of the Non Daily Read Meter installed at each such Supply Meter Point comprised in that Supply Point; provided that this Clause 6 shall only apply where the Supply Point Confirmation submitted by a Pipeline User records a change to one or more of the identity of the Pipeline User or the Supply Meter Point configuration.

6.2 The Proposing User shall secure that a Valid Meter Reading (an "**Opening Meter Reading**") is:

- (a) except in the case of a Proposing User's Estimate, obtained for a Meter Read Date within the required date range; and
- (b) provided to the Pipeline Operator not later than 16:00 hours on the 7th Business Day after the Supply Point Registration Date,

from each Supply Meter referred to in Clause 6.1.

6.3 For the purposes of this Clause 6, the required date range is the period of 11 Business Days commencing 5 Business Days before the Supply Point Registration Date.

- 6.4 The Pipeline Operator is not obliged to accept an Opening Meter Reading which is not obtained in accordance with Clause 6.1 but may (though shall not be required to) accept a Valid Meter Reading obtained in accordance with Clause 6.1 as an Opening Meter Reading if provided to the Pipeline Operator not later than 1600 hours on the 10th Business Day after the Supply Point Registration Date.
- 6.5 Subject to Clause 6.6, the Proposing User may notify to the Pipeline Operator a revised value of a Meter Reading (an “**Agreed Opening Meter Reading**”) for a Non Daily Read Supply Meter which is agreed between the Proposing User and the Withdrawing User as being valid for a date within the required date range and is to replace the Opening Meter Reading (or any estimated Meter Reading).
- 6.6 Subject to Clause 6.7, where a Pipeline User notifies to the Pipeline Operator an Agreed Opening Meter Reading under Clause 6.5:
- (a) the Pipeline User shall be deemed thereby to warrant to the Pipeline Operator and to the Withdrawing User that such reading has been agreed by the Withdrawing User (and Part K26.1 shall not apply in respect of this paragraph (a));
 - (b) the Pipeline Operator will accept such reading; and
 - (c) the Pipeline Operator will notify the Agreed Opening Meter Reading to the Withdrawing User.
- 6.7 A User may not give a notice pursuant to Clause 6.5 and the Pipeline Operator will not accept an Agreed Opening Meter Reading which is notified to it at any time after any other Meter Reading (for a Meter Read Date after the Supply Point Registration Date) has been provided to the Pipeline Operator for the relevant Non Daily Read Supply Meter.
- 6.8 Unless the Pipeline Operator's Network Code provides otherwise, where an Opening Meter Reading is not provided, an estimated Meter Reading will be used for the purpose of the Pipeline Operator complying with the NExA. The Pipeline Operator will (subject as provided below) calculate such estimated Meter Reading during the period commencing 10 Business Days and ending 15 Business Days after the Supply Point Registration Date. In calculating such estimated Meter Reading the Pipeline Operator will apply methodology which is consistent with the methodology applied by the Large Transporter in equivalent circumstances in relation to the Large Transporter System, using data and calculations made available to the Pipeline Operator by the Large Transporter.
- 6.9 Pipeline Users acknowledge and agree that if the Large Transporter does not provide the Pipeline Operator with the methodology, data, calculations or other information required by the Pipeline Operator to calculate the estimated Meter Reading, the Pipeline Operator shall inform Pipeline Users to that effect and shall not be required to calculate any estimated Meter Readings until such time as the Pipeline Operator has received the necessary methodology, data, calculations and information from the Large Transporter.

- 6.10 The Pipeline Operator shall provide an estimated Meter Reading calculated pursuant to Clause 6.8 to the Proposing User and the Withdrawing User by no later than the 15th Business Day after the Supply Point Registration Date. The Proposing User shall pay for an estimated Meter Reading provided by the Pipeline Operator as provided in the Transportation Statement.
- 6.11 The Withdrawing User may (if it has bona fide and material grounds for doing so) notify the Pipeline Operator that it objects to the Opening Meter Reading (or the estimated Meter Reading under Clause 6.8) in which case:
- (a) the Pipeline Operator will inform the Withdrawing User of the identity of the Proposing User, but (except as provided in Clause 6.6(b)) will not be concerned with the objection;
 - (b) if the Withdrawing User notifies the Proposing User of its objection, the Proposing User agrees to use reasonable endeavours (without thereby being in breach of any provision of the Code) to secure that no other Meter Reading (in respect of the relevant Supply Meter) is provided to the Pipeline Operator until the objection has been resolved between such Users and Part K26.1 shall not apply in respect of this paragraph (b) (but the Pipeline Operator shall not be concerned with this paragraph (b)).
- 6.12 For the purposes of Clause 6.2 where in respect of the installation of a Supply Meter Installation, the Pipeline Operator receives a notice in accordance with the Gas Meters (Information on Connections and Disconnections) Regulations 1996 which provides a Meter Reading ("**Meter Fix Reading**") then:
- (a) where such Meter Fix Reading has been submitted to the Pipeline Operator by a shipper in accordance with its Shippers Licence and the Registered User is such shipper then such Meter Fix Reading shall be treated as the Opening Meter Reading of the Supply Meter Point and any Opening Meter Reading subsequently submitted by such Registered User shall be disregarded.
 - (b) Where an Opening Meter Reading (which differs from the Meter Fix Reading) has been submitted to the Pipeline Operator by a Registered User and such Registered User is not the person which provided the Meter Fix Reading to the Pipeline Operator in accordance with the above regulations, then such Opening Meter Reading submitted shall be the Opening Meter Reading.

7 Other non-cyclic meter reading requirements

- 7.1 The Registered User shall secure that a Valid Meter Reading is obtained and provided to the Pipeline Operator:
- (a) upon the Isolation of any Supply Meter Point in accordance with Part CIV;

- (b) upon the replacement (whether for examination, inspection, repair, maintenance or exchange or otherwise) of any Supply Meter, in respect of both the replaced and the replacement meter.

8 Metered volume and quantity calculation

- 8.1 Upon the provision of a Valid Meter Reading in respect of a Non Daily Read Supply Meter the Pipeline Operator will calculate the Metered Volume and Metered Quantity.
- 8.2 The Pipeline Operator will maintain records of Valid Meter Readings provided to it, in such form and for such time (but not in any event exceeding 5 years) as shall be requisite for the purpose of Clause 8.1.

9 Validation

- 9.1 Meter Readings (other than Daily Meter Readings which are validated by the Large Transporter) are required (for the purposes of the Code) to be subjected to Validation.
- 9.2 For the purposes of this Part E "**Validation**" means the testing, in accordance with and for the purposes described in the Meter Reading Validation Rules (as applicable in respect of the relevant Supply Meter and Meter Reading), of the validity of the Meter Reading.
- 9.3 The "**Meter Reading Validation Rules**" are the rules and procedures contained in the document so entitled and issued by the Pipeline Operator, as from time to time amended, after consultation, by the Pipeline Operator upon notice of not less than 3 months to Pipeline Users.

10 Daily Read Meters

- 10.1 In respect of a Daily Read Supply Meter "**Daily Meter Readings**" for a Day are Meter Readings obtained by the Large Transporter by means of Daily Read Equipment for the start and end of the Day.
- 10.2 The Registered User of a DM Supply Meter Point acknowledges that the Large Transporter is pursuant to the LDZ CSEP Ancillary Agreement responsible for obtaining and providing Valid Meter Readings and for calculating the quantity of gas offtaken at such Supply Meter which quantity so calculated shall be deemed to be the quantity delivered in respect of the DM Supply Meter Point at the LT Connection Point and offtaken at the DM Supply Meter Point.
- 10.3 The Registered User of a DM Supply Meter Point will provide to the Pipeline Operator Daily Meter Readings for the Supply Meter within 5 Business Days after the Large Transporter has provided the same to the Registered User.

11 Ownership of Meter Reading Data

- 11.1 Part K25 applies in respect of the ownership of data relating to Meter Readings.

11.2 Each Pipeline User shall secure that its arrangements with any Meter Reader are consistent with Part K25 and Clause 10.3.

12 Meter Error

12.1 Where a meter examiner finds (in accordance with paragraph 4(3) of the Gas Code) or the Pipeline Operator or a Pipeline User believes that a Supply Meter is or has been registering erroneously, the relevant adjustment shall be made as an adjustment in respect of the Metered Quantity for the purpose of the NExA.

12.2 The relevant adjustment is an adjustment in respect of the amount by which it is determined that the Supply Meter has over- or under-registered the volume of gas offtaken from the Pipeline at the relevant Supply Meter Point, which amount shall be:

- (a) in the case under paragraph 4(3) of the Gas Code, ascertained on the basis described in that paragraph;
- (b) except as in paragraph (a):
 - (i) the amount agreed by the Pipeline Operator and the Pipeline User; or
 - (ii) if either the Pipeline Operator or the Pipeline User shall so require determined by Expert Determination.

12.3 Clause 12.1 is without prejudice to the period for which it may be agreed or determined that the Supply Meter has been registering erroneously.

