

By email

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Dear Colleague,

Supply Licence Review: Consequential modification to special standard condition A11 (Network Code and Uniform Network Code) of the NTS and DN licences and standard condition 9 (Network Code) of the Gas Transporters Licence

In July 2006 we consulted on our proposals to modify the standard conditions of gas and electricity supply licences as part of the Supply Licence Review¹. In December 2006 we consulted on further proposals² to modify the licences.

In both consultations we proposed to remove paragraphs 3 to 6 of standard licence condition (SLC) 32A (Security of Supply – Domestic Customers) of the gas supply licence. We are proposing this modification as we do not consider that the current requirements place a practical requirement on the supplier.

If that modification is made, Ofgem considers that a consequential modification is required to standard special condition A11 (Network Code and Uniform Network Code) (SSC A11) of the NTS and DN gas transporter licences. The purpose of this consequential modification is to maintain the definition of "domestic supply security standards" to which SSC A11 refers and which is currently contained in SLC 32A of the gas supply licence. A similar amendment will need to be made to standard condition 9 (SC 9) of the gas transporters licence (which is substantially the same as standard special condition A11).

This letter reiterates the case for removing paragraphs 3 to 6 of SLC 32A from the gas supply licence and requests views on our proposal to modify SSC A11 of the NTS and DN licences and SC 9 of the gas transporters licence.

We note that the DTI is currently consulting on the gas security of supply arrangements³. We are asking for views now on the assumption that our proposal to remove SLC 32A (3)

¹ <http://www.ofgem.gov.uk> Supply Licence Review – Initial Policy Proposals, September 2006 – 113/06

² <http://www.ofgem.gov.uk> Supply Licence Review Further Proposals, December 2006 – 217/06

to (6) from the gas supply licence will not contradict the DTI's conclusions to its consultation, to be published in the forthcoming Energy White Paper.

Proposed removal of paragraphs of SLC 32A of gas supply licence

Paragraph 3 of SLC 32A of the gas supply licence contains specific obligations on a supplier who has not secured, by means of its contracts with shippers or otherwise, that all gas conveyed by gas transporters for supply to its domestic customers is done so in conformity with those transporters' Network Codes.

Where the supplier has not done this, the supplier must take all steps as are necessary or expedient to secure that the "*domestic supply security standards*" are satisfied as respects the availability of gas to its domestic customers. The definition of "the domestic supply security standards" and the ability to modify these standards is set out in paragraphs 4 to 6 of SLC 32A. The current text of paragraphs 3 to 6 of SLC 32A is replicated in Annex 1 for ease of reference.

It is our view that a requirement to meet the domestic supply security standards in the supply licence is never likely to have effect. This is because all licensed suppliers to domestic premises will be required, through their contracts with shippers, to arrange for gas to be conveyed to domestic premises that they supply in conformity with the relevant gas transporter's Network Code. Where a supplier does not have a shipper in place, for example where the shipper has failed, then the supplier will be required to put in place another shipper within 35 days⁴.

Respondents to the July and December SLR consultations agreed that there was not a requirement to retain the current obligations and supported the removal of the obligations in paragraphs 3 to 6 of SLC 32A. However, in its response to the December consultation, National Grid raised general concerns about security of supply obligations in the supply licence.

National Grid's views are set out in Annex 2. Whilst they agreed with Ofgem's interpretation of the current obligations, they considered that further obligations should be placed on suppliers in the supply licence to safeguard security of supply. They note in particular that supplier security standards are currently being consulted on by the DTI.

Proposed modification to DN and NTS licences

The NTS or a DN has an obligation under paragraph 1(e) of SSC A11 and paragraph 1(d) of SC9, to establish transportation arrangements to facilitate the achievement of an objective to provide reasonable economic incentives for the relevant suppliers to secure that the domestic supply security standards (with the meaning of paragraph 4 of SLC 32A of the gas supply licence) are met in respect of availability of gas to their domestic premises.

³ www.dti.gov.uk Gas security of supply – The effectiveness of current gas security of supply arrangements – An Energy Review Consultation – October 2006

⁴ This obligation is currently set out in SLC 22B (Undertaking to be Given by Licensee to a Relevant Transporter in Respect of Shipping Charges etc) of the gas suppliers licence and is proposed to be retained in the modified gas supply SLCs. We propose to modify the wording of the condition and to require a supplier to put in place new shipping arrangements within 25 working days.

If the definition of “the domestic supply security standards” is removed from paragraph 4 of SLC 32A of the gas supply licence, as proposed, a consequential amendment will be required to continue to give effect to SSC A11 of the NTS and DN licence and SC 9 of the gas transporters licence.

The purpose of our proposed modification to SSC A11 and SC 9 is to replicate the definition of the domestic supply security standards into the NTS and DN licences. Having removed it from the gas supply licence, it is within the NTS and DN licences that the definition will be solely required and referred to. The proposed modification is set out at Annex 3. This proposal is not intended to deliver any change to the intent of the current obligations under SSC A11 or SC 9. It is intended to facilitate the continued application of these existing obligations.

We are now asking for views on the draft modification set out in Annex 3 (we use SSC A11 as an example; the amendment to SC 9 will be similar).

Next steps

As part of the SLR we intend to issue a final proposals document and statutory modification notice for the new gas and electricity supply SLCs in mid-May 2007.

We propose to issue a further modification notice in respect of conditions applicable to gas transporters at the same time to include a definition of “the domestic supply security standards” and the process for modification of these standards in a particular way in an amended network code condition (SSC A11 and SC 9).

To allow us to meet this timetable and to take on board any specific comments I would be grateful if responses to the issues raised in this letter and the draft proposed modification could be sent to me by **10th May 2007**. If you wish to discuss any of the issues raised in this letter or have any further questions please contact Andrew Wallace (Tel: 020 7901 7067, email: andrew.wallace@ofgem.gov.uk)

Non-confidential responses will be placed on the Ofgem website.

Yours faithfully



Steve Smith
Managing Director, Markets

Annex 1: Extract from Gas Supply SLC 32(A) Security of Supply – Domestic Customers

3. Subject to paragraph 5 of standard condition 14 (Security and Emergency Arrangements), unless, by means of its contracts with gas shippers or otherwise, the licensee secures that all gas conveyed by gas transporters for supply to its domestic customers is conveyed in conformity with those transporters' Network Codes, the licensee shall take such steps as are necessary or expedient to secure that the domestic supply security standards are satisfied as respects the availability of gas to its domestic customers.
4. In paragraph 3 "the domestic supply security standards" means, subject to paragraph 5-
 - (a) the availability of a supply of gas which would equal the peak aggregate daily demand for gas by the licensee's current domestic customers which, having regard to historical weather data derived from at least the previous 50 years and other relevant factors, is likely to be exceeded (whether on one or more days) only in 1 year out of 20 years, and
 - (b) the availability of supplies of gas-
 - (i) over a year which would equal the aggregate annual demand for gas by those customers, and
 - (ii) over the first 6 months of a year which would equal the aggregate demand for gas by those customers during such a 6 month period,which, in each case, having regard to such data as aforesaid and other relevant factors, is likely to be exceeded only in 1 year out of 50 years.
5. For the purposes of paragraph 4, "daily" and "year" have the meaning given in paragraph 7 of standard condition 14 (Security and Emergency Arrangements); and if, after consultation with all gas suppliers, gas shippers and gas transporters, with the Health and Safety Executive and with the Consumer Council, the Authority is satisfied that the domestic supply security standard would be adequate if paragraph 4 were modified-

- (a) by the substitution, in sub-paragraph 4(a) or (b), of a reference to data derived from a period of less than the 50 previous years;
- (b) by the substitution in sub-paragraph 4(a) of a higher probability than the 1 in 20 years mentioned in that sub-paragraph; or
- (c) by the substitution in sub-paragraph 4(b) of a higher probability than the 1 in 50 years mentioned in that sub-paragraph,

the Authority may, subject to paragraph 6, make such modifications by a notice which-

- (i) is given and published by the Authority for the purposes of this condition generally, and
- (ii) specifies the modifications and the date on which they are to take effect.

6. Paragraph 4(a) shall only be modified if, at the same time, the Authority makes similar modifications to –

- (a) paragraph 2(b) of standard condition 16 (Pipe-line System Security Standards) of the standard conditions of gas transporters' licences; and
- (b) sub-paragraph (b) of the definition of "security standards" in standard condition 1 (Definitions and Interpretation) of the standard conditions of gas shippers' licences.

Annex 2: Extract from National Grid response to Supply Licence Review – Further Proposals dated 1 March 2007

SLC32A (3) to (6) Security of Supply – proposal to remove.

National Grid recognises Ofgem's view that there are currently no instances where suppliers supply gas to domestic customers in circumstances that are not in conformity with Uniform Network Code arrangements. In principle we therefore support Ofgem's proposal to remove SLC 32A (3) to (6). However, when the removal of this licence condition is considered in light of current security of supply industry discussions, we have concerns that such removal may be premature at this time as it serves as a reminder to the industry of its responsibilities to domestic consumers.

The industry's current debate on gas security of supply includes the DTI's consultation on "The Effectiveness of Current Gas Security of Supply Arrangements". In our response to the DTI's consultation⁵, we highlighted a number of concerns which are summarised below. We consider that it would be prudent that, pending the result of this debate, this licence condition remain intact. This is particularly relevant given the impact removal of this licence condition would have on related terms currently contained in both the shipper and transporter licences.

In summary, our response to the DTI's security of supply consultation noted that:

- The existing Supply licence condition does not bite in practice as suppliers are deemed to have met their obligation with regard to domestic supply security standards if they use a shipper who operates under the Uniform Network Code (UNC). However, while the UNC contains incentives for Shippers to balance, it does not place an explicit obligation on them to provide for a 1-in-20 day or a 1-in-50 winter scenario;
- We consider that obligations on suppliers to ensure that they continue to meet their contractual supply obligations to domestic consumers should be strengthened, to bring the level of security they are required to provide in line with the current UNC safety monitor arrangements, i.e. the provision of supplies to meet their contracted demand in a 1 in 50 Winter for all Non-Daily Metered and other DTI criteria priority consumers;
- We believe that there is a strong case for providing additional security of supply for nonpriority Daily Metered customers (industrial and large commercial) as in practice, DM customers cannot guarantee themselves a particular level of supply security by contract with their suppliers since supply interruptions would generally be triggered by the broader supply – demand position. Additionally, the consequences of a failure to supply the DM market are potentially very large, in terms of economic production and the impact on the electricity market through failure to supply gas fed power generation assets (a dependence which is likely to grow further over the coming years)

As stated in our response to the DTI's consultation, we consider that obligations on suppliers could be strengthened through the licence conditions. This could be effected by an amended licence condition that obliged suppliers to have contract terms in place with their end consumers which clearly state the level of supply security being offered by the contract. For all non-Daily metered and other DTI criteria priority consumers this level of

⁵ Available on the DTI's website at www.dti.gov.uk/energy/review/implementation/gas-supply/consresponses/page37145.html

supply security would be set at a minimum level equivalent to the current domestic supply security standard.

Annex 3: Draft Modification Proposal

New clauses are shown as underlined at paragraphs 3, 4 and 5. Changes have also been made to the references to paragraphs in this condition to reflect the inclusion of new paragraphs 3, 4 and 5.

Standard Special Condition A11. Network Code and Uniform Network Code

Transportation Arrangements

1. The licensee shall establish transportation arrangements, pursuant to paragraphs 6 and 9 of this condition, in respect of matters other than those to which Standard Special Conditions A4 (Charging – General) and A5 (Obligations as Regard Charging Methodology) relate, which are calculated, consistent with the licensee's duties under section 9 of the Act, to facilitate the achievement of the following objectives –
 - (a) the efficient and economic operation of the pipe-line system to which this licence relates;
 - (b) so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters;
 - (c) so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence;
 - (d) so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition:
 - (i) between relevant shippers;
 - (ii) between relevant suppliers; and/or
 - (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers;

- (e) so far as is consistent with sub-paragraphs (a) to (d), the provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards (within the meaning of paragraph 3 of this condition) are satisfied as respects the availability of gas to their domestic customers; and
- (f) so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code;

hereinafter referred to as the “relevant objectives”.

2. In relation to a proposed modification of the network code modification procedures, a reference to the relevant objectives is a reference to the requirements in paragraphs 12 and 15 of this condition (to the extent that those requirements do not conflict with the objectives set out in paragraph 1).

3. In sub-paragraph 1(e) “the domestic supply security standards” means, subject to paragraph 4-

- (a) the availability of a supply of gas which would equal the peak aggregate daily demand for gas by the relevant gas supplier’s current domestic customers which, having regard to historical weather data derived from at least the previous 50 years and other relevant factors, is likely to be exceeded (whether on one or more days) only in 1 year out of 20 years, and
- (b) the availability of supplies of gas-
 - (i) over a year which would equal the aggregate annual demand for gas by those customers, and
 - (ii) over the first 6 months of a year which would equal the aggregate demand for gas by those customers during such a 6 month period,which, in each case, having regard to such data as aforesaid and other relevant factors, is likely to be exceeded only in 1 year out of 50 years.

4. For the purposes of paragraph 3, “daily” means over a period beginning at 6 a.m. on one day and ending immediately before 6 a.m. on the following day and “year” means a period of 12 months beginning with 1st October); and if, after consultation with all gas suppliers, gas shippers and gas transporters, with the Health and Safety Executive and with the Consumer Council, the Authority is satisfied that the domestic supply security standard would be adequate if paragraph 3 were modified-

(a) by the substitution, in sub-paragraph 3(a) or (b), of a reference to data derived from a period of less than the 50 previous years;

(b) by the substitution in sub-paragraph 3(a) of a higher probability than the 1 in 20 years mentioned in that sub-paragraph; or

(c) by the substitution in sub-paragraph 3(b) of a higher probability than the 1 in 50 years mentioned in that sub-paragraph,

the Authority may, subject to paragraph 5, make such modifications by a notice which-

(i) is given and published by the Authority for the purposes of this condition generally, and

(ii) specifies the modifications and the date on which they are to take effect.

5. Paragraph 3(a) shall only be modified if, at the same time, the Authority makes similar modifications to sub-paragraph (b) of the definition of “security standards” in standard condition 1 (Definitions and Interpretation) of the standard conditions of gas shippers’ licences.

Network Code

6. Subject to paragraph 7, in respect of the pipe-line system to which this licence relates, the licensee shall, by the date at which this condition becomes effective (unless the Authority consents otherwise in writing), have prepared a document (the “network

code”) setting out (together with the terms of any other arrangements which the licensee considers it appropriate to set out in the document):

- (a) the terms of the arrangements made in pursuance of paragraph 1 save in so far as they relate to matters regulated by standard condition 4B (Connection Charges etc) or are contained in such an agreement, or an agreement of such a class or description, as may be designated by the Authority for the purposes of this condition; and
- (b) the network code modification procedures established pursuant to paragraph 10 to the extent that such procedures differ from those set out in the uniform network code following Authority consent pursuant to paragraph 11

and the licensee shall furnish the Authority with a copy thereof.

- 7. Where the holder of this licence also holds, in the same legal entity, one or more other gas transporter licences for relevant gas transporters, it may apply to the Authority for written consent to prepare a single network code in respect of the pipe-line systems to which those licences relate, which consent may be granted subject to such conditions as the Authority may direct.
- 8 The network code prepared by or on behalf of the licensee shall incorporate by reference the terms of the uniform network code except where the Authority consents otherwise in writing; and references in the conditions of this licence to the network code include the uniform network code (as may be varied from time to time) as so incorporated, unless otherwise stated.

Uniform Network Code

- 9. The licensee shall, together with the other relevant gas transporters, by the date at which this condition becomes effective (unless the Authority consents otherwise in writing), have prepared a document (the “uniform network code”) setting out:

- (a) the terms of transportation arrangements established by the licensee and other relevant gas transporters, to the extent that such terms are common, or are not in conflict, between relevant gas transporters; and
 - (b) the network code modification procedures established pursuant to paragraph 10, which are, subject to paragraph 11, incorporated by reference into each network code prepared by or on behalf of each relevant gas transporter,
- and the licensee shall furnish the Authority with a copy thereof.

Network Code Modification Procedures

10. The licensee shall, together with the other relevant gas transporters, establish and operate procedures (“network code modification procedures”), for the modification of the uniform network code and/or of any network code prepared by or on behalf of each relevant gas transporter (including modification of the network code modification procedures themselves) so as to better facilitate, consistent with the licensee's duties under section 12 of the Act, the achievement of the relevant objectives.
11. In accordance with paragraphs 8 and 9, unless the Authority consents otherwise in writing, the network code modification procedures shall be contained in the uniform network code.
12. The network code modification procedures shall provide for:
 - (a) a mechanism by which any of
 - (i) the uniform network code; and
 - (ii) each of the network codes prepared by or on behalf of each relevant gas transporter,may be modified;

- (b)
 - (i) the making of proposals for the modification of the uniform network code in accordance with paragraph 13 (a) of this condition; and/or
 - (ii) the making of proposals for the modification of a network code prepared by or on behalf of a relevant gas transporter in accordance with paragraph 14(a) of this condition;
- (c) the making of alternative modification proposals in accordance with paragraphs 13(b) and 14(b) of this condition, except in a case where the Authority otherwise directs in writing;
- (d) the giving of adequate publicity to any such proposal including, in particular, drawing it to the attention of all relevant gas transporters and all relevant shippers and sending a copy of the proposal to any person who asks for one;
- (e) the seeking of the views of the Authority on any matter connected with any such proposal;
- (f) the consideration of any representations relating to such a proposal made (and not withdrawn) by the licensee, any other relevant gas transporter, any relevant shipper, or any gas shipper or other person likely to be materially affected were the proposal to be implemented; and
- (g) where the Authority accepts that the uniform network code or a network code prepared by or on behalf of a relevant gas transporter may require modification as a matter of urgency, the exclusion, acceleration or other variation, subject to the Authority's approval, of any particular procedural steps which would otherwise be applicable.

13. In respect of the uniform network code:

- (a) a modification proposal may be made by the following:
 - (i) the licensee,

- (ii) each other relevant gas transporter,
 - (iii) any relevant shipper identified in the network code modification procedures as being entitled to propose a modification, and/or
 - (iv) any other relevant person (a “third party participant”) identified (individually or as a member of a class of persons) in the network code modification procedures as being entitled to propose a modification; and
 - (b) where a modification proposal has been made under paragraph 13(a) of this condition (an “original proposal”) alternative modification proposals may be made, in respect of any such original proposal, by any of the parties listed in paragraph 13(a) of this condition with the exception of the person who made the original proposal.
14. In respect of each network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it):
- (a) a modification proposal may be made by one of the following:
 - (i) the licensee, to the extent that the modification proposed relates to the pipe-line system to which this licence relates,
 - (ii) any relevant shipper identified in the network code modification procedures as being entitled to propose a modification;
 - (iii) a DN operator with whom the licensee has entered into transportation arrangements in respect of the pipe-line system to which this licence relates; and/or
 - (iv) any other relevant person (a “third party participant”) identified (individually or as a member of a class of persons) in the network code modification procedures as being entitled to propose a modification; and
 - (b) where a modification proposal has been made under paragraph 14(a) of this condition (an “original proposal”), alternative modification proposals may be made, in respect of any such original proposal, by any of the parties listed in

paragraph 14(a) of this condition with the exception of the person who made the original proposal.

15. Subject to paragraphs 12, 13 and 14 of this condition, the network code modification procedures may include provisions which differ as between proposed modifications to the uniform network code and proposed modifications to each network code prepared by or on behalf of each relevant gas transporter (excluding the terms of the uniform network code incorporated within it).

Modification of Network Code and Uniform Network Code

16. The licensee shall not make any modification to the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) or make or permit any modification to the uniform network code except:

- (a) to comply with paragraph 18(b) or 19; or
- (b) with the written consent of the Authority;

and shall furnish or cause to be furnished to the Authority a copy of any such modification made.

17. Where:

- (a) the Health and Safety Executive have given a notice to the licensee in pursuance of this paragraph referring to a matter relating to the protection of the public from dangers arising from the conveyance of gas through the pipe-line system to which this licence relates; and
- (b) a modification to the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) and/or the uniform network code could, consistent with the relevant objectives, appropriately deal with the matter,

the licensee shall propose such a modification in accordance with the network code modification procedures, and any requirement that a modification be such as to better

facilitate the achievement of the relevant objectives shall be treated as met if the modification is consistent with those objectives.

18. Where a proposal is made in accordance with the network code modification procedures to modify the network code prepared by or on behalf of the licensee, (excluding the terms of the uniform network code incorporated within it) or the uniform network code the licensee shall:

- (a) as soon as is reasonably practicable, give notice to the Authority:
 - (i) giving particulars of the proposal;
 - (ii) where an alternative proposal is made in respect of the same matter as the original proposal, giving particulars of that alternative proposal;
 - (iii) giving particulars of any representations by:
 - (aa) the licensee,
 - (bb) any other relevant gas transporter,
 - (cc) any relevant shipper identified in the network code modification procedures as being entitled to propose a modification,
 - (dd) in respect of modifications to a network code (excluding the terms of the uniform network code incorporated within it) only, a DN operator with whom the licensee has entered into transportation arrangements in respect of the pipe-line system to which this licence relates, or
 - (ee) any other person with respect to those proposals;
 - (iv) including a recommendation (on the part of such person or body as may be provided for in the network code modification procedures) as to whether any proposed modification should or should not be made, and

the factors which (in the opinion of such person or body) justify the making or not making of a proposed modification; and

(v) giving such further information as may be required to be given to the Authority by the network code modification procedures; and

(b) comply with any direction of the Authority to make a modification to the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) and/or the uniform network code in accordance with a proposal described in a notice given to the Authority under paragraph 18(a) which, in the opinion of the Authority, will, as compared to the existing provisions of the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) and/or (as the case may be) the uniform network code or any alternative proposal, better facilitate, consistent with the licensee's duties under section 9 of the Act, the achievement of the relevant objectives.

19. Where any directions are given to the licensee under section 19 or 21(1) of the Act, the licensee shall make such modifications to the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) and/or the uniform network code as may be necessary to enable the licensee to comply with the directions under section 19 or 21(1) of the Act without contravening Standard Special Condition A7 (Requirement to Enter into Transportation Arrangements in Conformity with the Network Code).

20. The licensee shall:

(a) prepare and publish a summary of (i) the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) and (ii) the uniform network code as modified or changed from time to time in such form and manner as the Authority may from time to time direct;

- (b) make available a copy of the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) and the uniform network code as modified from time to time to any person who asks for one and makes such payment to (or to a person nominated by) the licensee in respect of the cost thereof as it may require not exceeding such amount as the Authority may from time to time approve for the purposes hereof; and
- (c) provide, or cause to be provided, a copy of the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) and the uniform network code as modified from time to time on a web-site freely available to all interested parties (the web-site address of which shall be disseminated to such interested parties).

Determinations by the Authority

- 21. Where a provision of the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) and/or the uniform network code requires that, in circumstances specified in the provision, a determination by the licensee pursuant to that provision in a particular case should be such as is calculated to facilitate the achievement of the relevant objectives, any question arising thereunder as to whether the licensee has complied with that requirement shall be determined by the Authority.
- 22. The network code modification procedures shall provide that any question arising under the network code modification procedures as to:
 - (a) whether a gas shipper or other person is likely to be materially affected by a proposal to modify the network code prepared by or on behalf of the licensee (excluding the terms of the uniform network code incorporated within it) and/or the uniform network code were such a proposal to be implemented; or

- (b) whether representations relating to such a proposal and made in pursuance of the rules have been properly considered by the licensee,
- shall be determined by the Authority.

Miscellaneous

23. NOT USED

24. NOT USED

25. If the Authority so consents, this condition shall have effect as if the definition of “transportation arrangements” in Standard Special Condition A3 (Definitions and Interpretation) referred only to gas consisting wholly or mainly of methane.

26. Any reference to “relevant shipper” in any of paragraphs 12(d), 12(f), 13(a)(iii), 14(a)(ii), or 18(a)(iii)(cc) shall, where it relates to any proposed modification which could have been proposed by a third party participant under the network code modification procedures, be treated as if it were also a reference to all such third party participants.

27. (a) In this condition:

“combined pipe-line system”	means the pipe-line system to which this licence relates and the pipe-line system of each other relevant gas transporter taken as a whole;
“network code modification procedures”	means the modification procedures referred to in paragraph 10 of this condition;

- (b) Where the context requires,

- (i) references to a network code shall include the equivalent document prepared by each other relevant gas transporter (as from time to time modified) pursuant to the condition in its licence corresponding to this condition; and
 - (ii) references to transportation arrangements shall include the corresponding arrangements made by each other relevant gas transporter.
- (c) For the purposes of this condition, relevant shipper shall have the meaning given to that term in Standard Special Condition A3 (Definitions and Interpretation) and references to a relevant shipper include any gas shipper which is a relevant shipper for the purposes of the licence of any relevant gas transporter.