

# **Schedule 1 – Modifications to the Standard Conditions of the gas transporter licence**

Note for readers - anything in square brackets is an explanation and not part of the licence condition.

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## Condition 1: Definitions and Interpretation

[The following definitions are to be amended and/or added to this condition, in alphabetical order and in the manner set out below. For clarity, current definitions that are not being amended are not included below.]

|                   |  |
|-------------------|--|
| "affiliate"       | in relation to any person means any holding company of such person, any subsidiary of such person or any subsidiary of a holding company of such person in each case within the meaning of section <u>1159 of the Companies Act 2006</u> <del>736, 736A and 736B of the Companies Act 1985</del> ; |
| "holding company" | means a holding company within the meaning of <u>section 1159 of the Companies Act 2006</u> <del>sections 736, 736A and 736B of the Companies Act 1985</del> ;   |
| "subsidiary"      | means a subsidiary within the meaning of section <u>1159 of the Companies Act 2006</u> <del>s 736, 736A and 736B of the Companies Act 1985</del> ;   |

## Condition 2: Application of Section C (Transportation Services Obligations)

1. Where the Secretary of State ~~has provided~~<sup>s</sup>, by a scheme made under Schedule 7 to the Utilities Act 2000, for Section C (in whole or in part) to have effect within this licence:

- (a) paragraphs 4 to 8 shall ~~cease to be suspended and shall~~ have effect in the licensee's licence; and
- (b) the licensee shall be obliged to comply with the requirements of Section C (in whole or, as the case may be, in part) of this licence.

~~from the date the said scheme takes effect.~~ Such provision made by the Secretary of State in the said scheme shall be treated, for the purposes of paragraphs 5, 6, and 7 of this condition, as if it were a Transportation Services Direction made by the Authority.

2. ~~Unless or until~~<sup>:-</sup>

- (a) the Secretary of State ~~has provided~~<sup>s</sup>, by a scheme made under Schedule 7 to the Utilities Act 2000, for Section C (in whole or in part) to have effect within this licence; or
- (b) the Authority has issued to the licensee a direction pursuant to paragraph ~~4~~<sup>7</sup>

the standard conditions in Section C (in whole or, as the case may be, in part) shall not have effect within this licence; and the licensee shall not be obliged to comply with any of the requirements of Section C (in whole or, as the case may be, in part) of this licence.

3. Except where paragraph 1 applies to the licensee, paragraphs 4 to 8 of this standard condition shall be suspended and shall have no effect in this licence until such time as the Authority, with the consent of the licensee, issues to the licensee a notice in writing ending the suspension and providing for those paragraphs to have effect in this licence with effect from the date specified in the notice.

4. The Authority may, with the consent of the licensee, issue a direction (a "Transportation Services Direction"). Where the Authority has issued to the licensee a Transportation Services Direction the standard conditions in Section C (in whole or, as the case may be, in part) shall have effect within this licence from the date specified in the direction; and the licensee shall be obliged to comply with the requirements of Section C (in whole or, as the case may be, in part) to the extent and subject to the terms specified in such direction.

5. A Transportation Services Direction:

- (a) may specify that the standard conditions in Section C (in whole or in part) are to have effect in this licence; ~~and~~<sup>s</sup>

- (b) shall specify or describe an area (the “\_transportation Services area”) within which the licensee shall be obliged to comply with any of the requirements of Section C (in whole or, as the case may be, in part).~~7~~
- 6. The Authority may, with the consent of the licensee:
  - (a) vary the terms (as set out in the Transportation Services Direction or elsewhere) under which Section C (or parts thereof) has effect in this licence; or
  - (b) provide for Section C (or parts thereof) to cease to have effect in this licence.
- 7. The variation or cessation provided for in paragraph 6 shall take effect from the date specified in the variation or cessation notice given to the licensee by the Authority.
- 8. With effect from the date of cessation referred to in paragraph 7, paragraphs 4 to 7 of this condition shall be suspended and shall cease to have effect in this licence, but the Authority may at any time thereafter, with the consent of the licensee, give to the licensee a notice ending the suspension and providing for those paragraphs to have effect again in this licence with effect from the date specified in the notice.

**Condition 13: ~~Change Co-ordination for the Utilities Act 2000~~ Not Used**

[Delete entire condition]

## Condition 28: Termination of Shipping Arrangements

1. The licensee shall keep each relevant supplier informed of the terms which, from time to time, are specified terms for the purposes of standard condition 18 (Undertakings to Relevant Gas Transporters) of the standard conditions of gas suppliers' licences as incorporated in that supplier's licence.
2. Paragraph 3 shall apply where: –
  - (a) the arrangements between the licensee and a gas shipper for the conveyance of gas to any premises ("the old arrangements") have been terminated or expired by effluxion of time and have not been replaced by arrangements made with that or another gas shipper for the like purpose;
  - (b) by reason of sub-section (8) of section 10 of the Act (premises likely to be supplied with gas, subject to section 8A(1), in excess of 2,196,000 kilowatt hours in a twelve-month period) the licensee cannot be required (under sub-section (3) of that section) to maintain the connection of the premises mentioned in sub-paragraph (a) to its pipe-line system; and
  - (c) the old arrangements did not permit of the licensee interrupting the conveyance of gas to the premises mentioned in sub-paragraph (a) ~~(otherwise than in a pipe-line system emergency within the meaning of paragraph 1 of standard condition 16 (Security and emergency arrangements))~~ (otherwise than in the circumstances referred to in paragraph 16.1 of standard condition 16 (Security and emergency arrangements) of the standard conditions of the gas supply licence of the standard conditions of the gas suppliers' licences or in pursuance of directions given under section 2(1)(b) of the Energy Act 1976).
3. Where this paragraph applies, the licensee shall not, by reason only of the circumstances mentioned in paragraph 2(a), disconnect the premises mentioned in sub-paragraph (a) of paragraph 2: –
  - (a) if and so long as it has reasonable cause to be satisfied that it can expect that such payments as are mentioned in paragraph 4 will be

made to it in respect of gas taken out of its pipe-line system for supply to the premises mentioned in sub-paragraph (a) of paragraph 2.17 and

- (b) unless the licensee has given 48 hours notice to the owner or the occupier of the premises mentioned in sub-paragraph (a) of paragraph 2 and to any person who, to the knowledge of the licensee, has contracted to supply gas to those premises.
4. The payments referred to in paragraph 3(a) are ones which, as nearly as may be, are the same as those which would have been attributable to the taking out of the gas for supply to the premises mentioned in sub-paragraph (a) of paragraph 2 and due under the old Arrangements if they had remained in force and had the gas shipper not, thereafter, introduced any gas into the licensee's pipe-line system nor made arrangements to do so.
5. Where the premises mentioned in sub-paragraph (a) of paragraph 2 are secondary sub-educt remises, the references to arrangements in paragraph 2(a) shall be construed as references to sub-deduct arrangements; and references in this condition to "the old arrangements" shall be construed accordingly.