

Final Modification Report No.20

Section 6: Exceptional Events and Emergencies

28th August 2015

GNI (UK) has prepared this report under section 8 of its Transportation Code Modification Rules.

A Description of the nature and purpose of the modification

This proposal is being made to revise Section 6 (Exceptional Events and Emergencies) of the GNI (UK) Code, to take account of the introduction of the entry-exit model in Northern Ireland and, in particular, introducing the term 'exceptional event', which is required under the EU Interoperability Code.

B Third Party Representations

No Third Party representations were received in response to this Proposed Code Modification.

C The clauses of the Transportation Code that require amendment

This proposal will revise the text of Section 6. It will also introduce Transition section T8 which deals with the implementation of the revisions to Section 6 and the associated definitions in Appendix 1, along with minor changes in Section 12 and 17.

D Impact on other Designated Pipeline Operator's Network Codes:

GNI (UK) has worked with BGTL and PTL to develop a co-ordinated approach to the Codes, and the TSOs are aiming to keep the changes to the GNI (UK) Code and the Premier Transmission Code as aligned/identical as possible. Premier Transmission is issuing a corresponding Modification Proposal, and the necessary changes will be made to the BGTL Code via a Modification Proposal later this summer.

E Changes from the Initial Modification Report

There are no changes from the Initial Modification Report.

F Final Legal Text

Please find below the final legal text for this Code Modification Proposal, set out in the following order:

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Replace existing section 6 with this revised section 6 to read as follows:

6. CAPACITY REDUCTION AND EMERGENCIES

6.1 Introduction and Definitions

6.1.1 This Section 6 relates to the declaration of Exceptional Events in respect of the Transportation System and Emergencies.

6.1.2 For the purposes of this Code:

- (a) **"Flow Order"** means an order issued by the Transporter to Shippers in relation to an Exceptional Event instructing those Shippers in accordance with this Section 6, or an order modifying an earlier such order;
- (b) **"Exceptional Event"** means any unplanned event that may cause, for a limited period, capacity reductions affecting the quantity or quality of Natural Gas at an Interconnection Point, including but not limited to a Reduced Capacity Day and a Reduced Profile Day.
- (c) **"Reduced Capacity Day"** means a Day on which a Shipper's Exit Nominated Quantities in respect of an Exit Point shall be reduced or limited in accordance with Section 6.5;
- (d) **"Reduced Profile Day"** means a Day on which a Shipper's Profile Nomination in respect of an Exit Point shall be reduced or limited in accordance with Section 6.2; and
- (e) **"System Capability"** means the capability of the Transportation System to receive and/or deliver Natural Gas as determined by the Transporter in respect of any given Gas Flow Day or Days.

6.1.3 Shippers agree and acknowledge that the Transporter shall notify the Upstream Operator and any Connected System Operator of any Flow Orders issued.

Declaration of a Reduced Capacity Day or Reduced Profile Day

6.1.4 Where the Transporter determines that there is a Reduced Profile Day in accordance with Section 6.2.1 or a Reduced Capacity Day in accordance with Section 6.5.1 the Transporter shall declare a System Capability shortfall (a **"Shortfall Declaration"**) to:

- (a) each Shipper; and
- (b) each Distribution Network Operator.

6.1.5 A Shortfall Declaration shall specify:

- (a) whether it refers to a Reduced Capacity Day or a Reduced Profile Day and the Gas Flow Day to which it refers;
- (b) confirmation of the date and time of issuing;

- (c) the IP Entry Point and/or Exit Points affected or likely to be affected;
- (d) where it is known, the expected time of the end of the Reduced Capacity Day or Reduced Profile Day;
- (e) and shall provide such information concerning the reason for the Shortfall Declaration as the Transporter considers appropriate.

6.1.6 A Shortfall Declaration issued in accordance with Section 6.1.4 is for information purposes only and does not constitute a Flow Order.

6.2 **Reduced Profile Day**

6.2.1 The Transporter shall declare a Reduced Profile Day in accordance with Section 6.1.4 in respect of:

- (a) an Exit Point on the Transportation System if, on any Day, there is, or the Transporter anticipates, as an RPO, that there will be, insufficient flexibility on the Transportation System or any localised part thereof to accommodate a Shipper's Profile Nominations at the Exit Point (an "**Exit Point Profile Shortfall**"); or
- (b) all Exit Points on the Transportation System if, on any Day, there is, or the Transporter anticipates, as an RPO, that there will be, insufficient flexibility on the Transportation System or any localised part thereof to accommodate any Shipper's Profile Nominations at all Exit Points (a "**System Profile Shortfall**")

(such Exit Point or Exit Points being "**Profile Reduced Exit Points**").

6.2.2 Where the Transporter has declared a Reduced Profile Day it may, by issuing a Flow Order to each Shipper which has an Exit Point Registration in respect of a Profile Reduced Exit Point as set out below, require that Shippers amend their Profile Nominations and adjust their rate of offtake.

6.2.3 If there is an Exit Point Profile Shortfall, such Flow Order shall reduce the maximum hourly quantity in respect of each Shipper with an Exit Point Registration in respect of the Exit Point pro rata to the maximum hourly quantity of the Shipper(s) at the Exit Point by an amount equal to the Exit Point Profile Shortfall.

6.2.4 If there is a System Profile Shortfall, such Flow Order shall reduce the Natural Gas which shall be available for offtake in each hour in a Day at all Profile Reduced Exit Points by an amount equal to the Exit Point Profile Shortfall in the following order of priority:

- (a) firstly, to the extent that the relevant Downstream Load Statement confirms that Natural Gas made available for offtake from a Profile Reduced Exit Point is supplied to power generation consumers;
- (b) secondly, to the extent that the relevant Downstream Load Statement confirms that Natural Gas made available for offtake from a Profile Reduced Exit Point

is supplied to downstream consumers whose loads are greater than or equal to 1,465,416,000 kWh/annum and are not power generation consumers;

- (c) thirdly, to the extent that the relevant Downstream Load Statement confirms that Natural Gas made available for offtake from a Profile Reduced Exit Point is supplied to downstream consumers whose loads are greater than or equal to 733,000 kWh/annum but less than 1,465,416,000 kWh/annum; and
- (d) lastly, to the extent that the relevant Downstream Load Statement confirms that Natural Gas made available for offtake from a Profile Reduced Exit Point is supplied to downstream consumers whose loads are less than 733,000 kWh/annum,

(known as the "**Priority Order**" where power generation consumers are given the lowest priority and consumers whose loads are equal to or less than 733,000 kWh/annum are given the highest priority) so that if there is more than one Profile Reduced Exit Point in any such category, quantities in respect of the Profile Reduced Exit Points shall be reduced pro rata to the quantities in the Downstream Load Statements relating to those Exit Points.

6.2.5 A Flow Order in respect of a Reduced Profile Day shall not limit the quantity of Natural Gas which may be so offtaken to a level below a Uniform Offtake Rate.

6.3 **Not Used**

6.4 **Not Used**

6.5 **Reduced Capacity Day**

6.5.1 The Transporter shall declare a Reduced Capacity Day in accordance with Section 6.1.4 in respect of:

- (a) an Exit Point on the Transportation System if, on any Day, the aggregate of all Shippers' Exit Nominated Quantities in respect of the Exit Point exceed the System Capability, or if the Transporter anticipates, as an RPO, that there will be such a shortfall (an "**Exit Point Capacity Shortfall**"); or
- (b) subject to Section 6.1.4, all Exit Points on the Transportation System if, on any Day, the aggregate of all Shippers' Exit Nominated Quantities in respect of all Exit Points exceeds the System Capability, or if the Transporter anticipates, as an RPO, that there will be such a shortfall where, for the purposes of this Section 6.5.1(b) only, System Capability shall be reduced to the extent that the Transporter does not accept gas in accordance with Section 7.3.2(a) (a "**System Capacity Shortfall**"),

(such Exit Point or Exit Points being "**Capacity Reduced Exit Points**").

6.5.2 Where the Transporter has declared a Reduced Capacity Day it may, by issuing a Flow Order to each Shipper which has an Exit Point Registration in respect of a Capacity

Reduced Exit Point as set out below, require that Shippers amend their Exit Nominations and adjust their rate of offtake.

6.5.3 If there is an Exit Point Capacity Shortfall, such a Flow Order shall reduce:

- (a) the aggregate Exit Capacity of Shippers with Exit Point Registrations in respect of the Capacity Reduced Exit Point and pro rata as between a Shipper's Exit Capacity bookings at the Exit Point by an amount equal to the Exit Point Capacity Shortfall by applying such reduction pro rata to the Exit Capacity of such Shipper(s), or if there is one Shipper with one Exit Capacity booking, reduce its Exit Capacity at the Capacity Reduced Exit Point by an amount equal to the Exit Point Capacity Shortfall; and
- (b) such Shippers' Exit Nominated Quantities such that their Exit Nominated Quantities do not exceed their reduced Exit Capacity, or if there is one Shipper with one Exit Capacity booking, reduce its Exit Nominated Quantity such that its Exit Nominated Quantity does not exceed its reduced Exit Capacity.

6.5.4 If there is a System Capacity Shortfall, such Flow Order shall:

- (a) reduce the quantity of Natural Gas available for offtake from the Transportation System by an amount equal to the System Capacity Shortfall by reducing the Exit Capacity at each Capacity Reduced Exit Point in the following order of priority:
 - (i) firstly, to the extent that the relevant Downstream Load Statement confirms that Natural Gas made available for offtake from a Capacity Reduced Exit Point is supplied to power generation consumers;
 - (ii) secondly, to the extent that the relevant Downstream Load Statement confirms that Natural Gas made available for offtake from a Capacity Reduced Exit Point is supplied to downstream consumers whose loads are greater than or equal to 1,465,416,000 kWh/annum and are not power generation consumers;
 - (iii) thirdly, to the extent that the relevant Downstream Load Statement confirms that Natural Gas made available for offtake from a Capacity Reduced Exit Point is supplied to downstream consumers whose loads are greater than or equal to 733,000 kWh/annum but less than 1,465,416,000 kWh/annum; and
 - (iv) lastly, to the extent that the relevant Downstream Load Statement confirms that Natural Gas made available for offtake from a Capacity Reduced Exit Point is supplied to downstream consumers whose loads are less than 733,000 kWh/annum,

so that if there is more than one Capacity Reduced Exit Point in any such category, quantities in respect of the Capacity Reduced Exit Points shall be

reduced pro rata to the quantities in the Downstream Load Statements relating to those Exit Points; and

- (b) reduce, in accordance with Section 6.5.3, applied mutatis mutandis, the Exit Capacity and Exit Nominated Quantity of any Shipper with an Exit Point Registration in respect of a Capacity Reduced Exit Point which has been scaled back in accordance with (a) above.

6.5A Flow Orders for IP Entry Points

6.5A.1 Where the Transporter reasonably believes that the submission of revised IP Entry Nominations may avert a Reduced Capacity Day or a Reduced Profile Day or any other Exceptional Event, it may, by issuing a Flow Order:

- (a) require that Shippers submit no further IP Entry Nominations or IP Entry Renominations (except those of a reduced IP Entry Nominated Quantity which may continue to be made); and
- (b) in accordance with Sections 2.7.5 to 2.7.10 reduce (pro rata) those IP Entry Nominations or IP Entry Renominations which have been submitted (whether or not confirmed by the Transporter) to an extent which the Transporter believes will avert the Reduced Capacity Day or a Reduced Profile Day.

6.6 Flow Order

6.6.1 A Flow Order may be issued, in accordance with Sections 6.2.2, 6.5.2 and/or 6.5A.1, as a result of the System Capability being affected by, *inter alia*, the occurrence of an Emergency, the occurrence of a Maintenance Day or the occurrence of an event of Force Majeure.

6.6.2 A Shipper shall, notwithstanding any other provision of this Code:

- (a) if a Flow Order is issued on D-1, comply by amending its' Nominations, within 5 hours; or
- (b) if a Flow Order is issued on Day D, comply by amending its' Nominations and adjusting its rate of offtake within 2 hours.

6.6.3 Where the Transporter reasonably believes:

- (a) that Natural Gas is being delivered to or offtaken from the Transportation System by a Shipper at a rate which exceeds, in the case of a Flow Order in respect of:
 - (i) a Reduced Profile Day, the prescribed level of maximum hourly offtake rate; or
 - (ii) a Reduced Capacity Day, the prescribed level of Exit Capacity; and
- (b) that the Transportation System integrity may be prejudiced as a result, or the service to other Shippers may be affected or compromised,

the Transporter may take any steps available to it to secure a reduction in the rate of, or the discontinuance of, delivery of Natural Gas to the Transportation System or the offtake of Natural Gas from the Transportation System at the Exit Point by the Shipper. The Transporter, however, acknowledges that, where a Downstream Load Statement confirms that Natural Gas made available for offtake from the Exit Point is supplied to downstream consumers whose loads are less than 733,000 kWh/day, the ability to control rates and quantities of offtake are limited and this shall be taken in to account when applying this Section 6.6.3.

- 6.6.4 The steps referred to in Section 6.6.3 include the isolation of the relevant Exit Point but, without prejudice to any other provision of this Code, the Transporter shall endeavour not to isolate the relevant Exit Point where, in its opinion, alternative steps are available and adequate in the circumstances. In the event that an Exit Point is so isolated, the Transporter shall explain to any affected Shipper why the Exit Point was isolated.
- 6.6.5 The Transporter shall, where the necessity for the Flow Order at an Exit Point or an IP Entry Point has ceased:
- (a) notify any Shipper to which the Flow Order was issued of the time after which the Flow Order shall cease to apply and after which the Shippers may, subject to the provisions of this Code, submit a Renomination; and
 - (b) provide any Shipper who requests it, an explanation of why the Flow Order was issued and the circumstances which gave rise to the need for it.
- 6.6.6 An Unauthorised Flow Charge may be payable by any Shipper submitting a Nomination in respect of an Exit Nominated Quantity at an Exit Point to which a Flow Order relates in accordance with Section 4.5.
- 6.6.7 The issuing of a Flow Order in respect of an IP Entry Point or an Exit Point does not affect a Shipper's obligation to ensure that its Imbalance is zero on any Gas Flow Day in accordance with Section 4.

6.7 Emergencies

- 6.7.1 The existence of an Emergency under this Code shall be determined by the Transporter, acting as an RPO, irrespective of the cause of the Emergency, or whether the Transporter or any other person may have caused, or contributed to, the Emergency.
- 6.7.1A Where the Transporter determines that an Emergency exists, it shall declare an Emergency in co-operation with the Northern Ireland Network Emergency Co-ordinator.
- 6.7.2 An emergency (an "**Emergency**"):
- (a) may exist by reason of an escape, or suspected escape, of Natural Gas; or
 - (b) may exist in circumstances in which, in the opinion of the Transporter:
 - (i) the safety of the Transportation System is significantly at risk;

- (ii) the safe conveyance of Natural Gas by the Transportation System or any localised part of it is significantly at risk;
 - (iii) Natural Gas conveyed by the Transportation System or any localised part of it is at such a pressure or of such a quality as to constitute, when supplied to premises, a danger to life or property;
 - (iv) where the Transporter's ability to maintain safe pressures within the Transportation System or any localised part of it is affected or threatened by an interruption or disruption to the Transportation System, an insufficiency of deliveries of Natural Gas to the Transportation System, or by any actual or potential failure of or damage to any part of the Transportation System; or
 - (v) in any other circumstances reasonably believed by the Transporter to constitute an Emergency (which, for the avoidance of doubt, includes circumstances upstream of the Carrickfergus Entry Point and/or the South-North Entry Point); and
- (c) shall exist:
- (i) where the Transporter declares an Emergency in co-operation with the Northern Ireland Network Emergency Co-ordinator;
 - (ii) where a reduction in the quantity of Natural Gas available for offtake in respect of downstream consumers whose loads are less than 733,000 kWh/annum is applied in accordance with Sections 6.2.4(d) or 6.5.4(a)(iv).

6.7.3 An Emergency shall continue until such time as the Transporter determines that the circumstances referred to in this Section 6.7 no longer apply, that no further Emergency Steps are required, and that normal operation of the Transportation System and implementation of this Code may be resumed.

6.8 Emergency Steps

6.8.1 The Transporter may take or require that a Shipper takes such steps ("**Emergency Steps**") as the Transporter deems, as an RPO, to be necessary:

- (a) to avert and/or reduce the probability of, or probable scale of, an Emergency;
- (b) to overcome or contain an Emergency and/or to avert or reduce the hazard presented by it;
- (c) to restore Natural Gas supply and normal operation of the Transportation System including making additional Natural Gas available at an Entry Point; and/or
- (d) taking into account any steps that the Northern Ireland Network Emergency Co-ordinator may request the Transporter to take.

- 6.8.1A Where an Emergency has been declared, any requests which the Transporter makes of Shippers as regards Emergency Steps shall be treated as being made on behalf of the Northern Ireland Network Emergency Co-ordinator.
- 6.8.2 In view of the importance of the co-ordination of Emergency Steps, a Shipper shall only take Emergency Steps pursuant to a request made by the Transporter.
- 6.8.3 During an Emergency each Shipper shall:
- (a) co-operate with the Transporter, to the extent within the Shipper's power (and without thereby rendering the Shipper unable to comply with any requirement to take Emergency Steps itself), so as to enable the Transporter to take Emergency Steps and in so doing comply with the Transporter's instructions and requests as soon as reasonably practicable; and
 - (b) to the extent within its power, comply with the Transporter's instructions and requests to take Emergency Steps as soon as reasonably practicable.
- 6.8.4 The Transporter and each Shipper acknowledges that in an Emergency their interests shall be subordinated to the need to take Emergency Steps.
- 6.8.5 Subject to Section 12.1.4, no Emergency Step taken by the Transporter or at the request of the Transporter, by any Shipper, shall be a breach of any provision of this Code, and in particular the Transporter shall not be in breach of its obligation to accept Natural Gas tendered for delivery to the Transportation System at an Entry Point or to make Natural Gas available for offtake at an Exit Point to the extent that it is as a result of any such Emergency Step so taken.
- 6.8.6 The Transporter may on notice to Shippers amend or cancel any Emergency Step.

6.9 **Emergency Contacts**

- 6.9.1 Each Shipper shall provide to the Transporter:
- (a) a single telephone and facsimile number at which the Transporter may contact, 24 hours a Day and on each Day of a Gas Year, in an Emergency for any purpose pursuant to this Section 6:
 - (i) a representative of the Shipper; and
 - (ii) a representative of any End User at an Exit Point in respect of which a Shipper has an Exit Point Registration; and
 - (b) the name(s), title(s) and addresses of such representatives.
- 6.9.2 The details required under Section 6.9.1 shall be provided by a Prospective Shipper before becoming a Shipper and where a Shipper submits an application for an Exit Point Registration in respect of an Exit Point and shall at all times be maintained up to date. A Shipper shall notify the Transporter of any change in such details promptly and, where possible, in advance of such change.

- 6.9.3 Each representative referred to in Section 6.9.1(a)(i) and (ii) above shall be a person having appropriate authority and responsibilities within a Shipper's or an End User's organisation (as appropriate) to act as the primary contact for the Transporter in the event of an Emergency.
- 6.9.4 If a Shipper does not provide such details, or cannot be contacted when required at the contact point referred to in Section 6.9.1, the Transporter may, having taken any steps to contact the relevant Shipper or End User as would an RPO and without prejudice to the generality of this Section 6, discontinue the offtake by such Shipper of Natural Gas. In such circumstances, the Transporter shall not be liable for and the Shipper shall indemnify the Transporter in respect of, any costs incurred in connection with such discontinued offtake of Natural Gas.
- 6.10 The Transporter to inform Shippers of Emergency**
- 6.10.1 Where an Emergency arises, the Transporter shall, as quickly as is reasonably practical, inform the Shippers which have Exit Point Registrations in respect of an affected Exit Point or an IP Registration in respect of an affected IP of the commencement and, so far as practicable, the nature, extent and expected duration of the Emergency. The Transporter shall, so far as practicable, thereafter keep such Shippers informed of any material changes and developments in respect of the Emergency and shall inform such Shippers as soon as reasonably practicable when the Transporter considers the Emergency is no longer continuing.
- 6.11 Entry Control in an Emergency**
- 6.11.1 In an Emergency the Transporter may take steps to increase or decrease the delivery and/or rate of flow of Natural Gas at an Entry Point by issuing appropriate instructions to the Shippers, who in turn shall nominate to their Counterparty Shippers as necessary and/or as requested by the Transporter to the extent practical but at all times using their reasonable endeavours.
- 6.12 Exit Control in an Emergency**
- 6.12.1 Where Emergency Steps include the reduction or discontinuance of the offtake of Natural Gas at an Exit Point, the Transporter shall first seek voluntary reductions by Shippers and, if the Transporter cannot achieve the requisite reduction voluntarily, it shall endeavour to reduce offtake from the Transportation System, in so far as is practicable, in the Priority Order.
- 6.12.2 The Transporter shall endeavour, in so far as it is practicable, to treat each Exit Point equally within each Downstream Load Category.
- 6.12.3 In so reducing offtake, the Transporter shall give due consideration, upon notice from a Shipper and, where practicable, so as to enable End Users to discontinue offtake in such a manner as to preserve so far as possible essential services, or to allow the End User to change to alternative fuels (where practicable).
- 6.12.4 Where, pursuant to the Emergency, the Transporter instructs a Shipper to give any notification or communication to an End User or supplier, the Shipper shall comply with that instruction.

6.12.5 Without prejudice to the Transporter's ability to take any Emergency Steps, the Transporter may take steps physically to isolate any Exit Point where a Shipper does not comply with any instruction given under this Section 6.

6.12.6 The order in which, following an Emergency, offtake of Natural Gas at Exit Points is restored shall, so far as is reasonably practicable, be the reverse of the Priority Order.

6.13 Consequences of Emergency

6.13.1 The Transporter shall take steps to restore Natural Gas transportation and normal operation of the Transportation System as soon as reasonably practicable after an Emergency.

6.13.2 Notwithstanding Section 4.4 and Section 4.5 respectively, the Transporter shall not impose any Scheduling Charge in respect of any Shipper which complies with any Emergency Step (taking into account any amendment or cancellation of an Emergency Step made pursuant to Section 6.8.6) with which it is required to comply in respect of the duration of the Emergency.

6.13.3 If a Shipper's compliance with any Emergency Step shall give rise to:

- (a) a Positive Imbalance, notwithstanding Section 4.3.2, the Shipper shall be paid an amount equal to the Daily Gas price for such Positive Imbalance, whether or not the Imbalance Tolerance Quantity has been exceeded; or
- (b) a Negative Imbalance, notwithstanding Section 4.3.3, the Shipper shall be charged an amount equal to the Daily Gas Price for such Negative Imbalance, whether or not the Imbalance Tolerance Quantity has been exceeded.

6.13.4 If:

- (a) a Shipper's compliance with any Emergency Step shall give rise to a Positive Imbalance; and
- (b) the Shipper claims that the amount payable to it in accordance with Section 6.13.3(a) in respect of Balancing Gas is less than the price which it has paid in respect of the relevant Natural Gas (a "**Shortfall in Price**") and requests that such Shortfall in Price be verified,

the Transporter shall promptly appoint from a nationally recognised firm of Chartered Accountants, an independent chartered accountant to verify the extent to which there was a Shortfall in Price and the Shortfall in Price was suitably evidenced and to notify the Transporter of its findings (a "**Verifying Accountant**").

6.13.5 The relevant Shipper shall provide the Verifying Accountant with such access to its books and records as the Verifying Accountant may reasonably require for the purposes of making such verification after the Verifying Accountant has provided the Shipper with any reasonable confidentiality undertaking which the Shipper may have required.

6.13.6 The costs and expenses of the Verifying Accountant shall be paid by the Transporter from the NI Postalised Network Disbursement Bank Account.

6.13.7 If the Verifying Accountant determines that the Shortfall in Price is:

- (a) more than £2,000, the Transporter shall pay to the relevant Shipper the Shortfall in Price from the NI Postalised Network Disbursement Bank Account (as though it were monies paid to purchase Balancing Gas in accordance with Section 5.3.1(b)(ii)); or
- (b) less than £2,000, the relevant Shipper shall:
 - (i) receive no payment in respect of the Shortfall in Price; and
 - (ii) pay to the NI Postalised Network Disbursement Bank Account an amount equal to the costs and expenses of the Verifying Accountant.

6.13.8 The Transporter and the Shippers acknowledge that during an Emergency it may be necessary for each of them to divert resources from other activities which may potentially result in a temporary impairment of their abilities subsequently to perform their respective obligations pursuant to this Code and acknowledge that any such impairment resulting from such diversion of resources may be regarded as Force Majeure for the purposes of Section 15.

6.13.9 Shippers agree and acknowledge that all Natural Gas used or lost in connection with an Emergency (including any emergency on the Upstream Transportation Systems) shall be treated as Shrinkage Gas.

6.14 **Audit following an Emergency**

6.14.1 In the event of an Emergency, an audit shall be conducted by a reputable, independent expert to determine the cause and what, if any, remedial actions may need to be taken to minimise the likelihood of such Emergency arising again.

6.14.2 A copy of such expert's report shall be provided to the Authority and to the Shippers with Exit Point Registrations and IP Registrations in respect of any Exit Point or IP in relation to which the Emergency occurred with, in the case of such Shippers, any parts of the report that the Transporter determines, in consultation with the Authority, is confidential withheld.

6.14.3 The cost of such audit and effecting such remedial measures shall be treated as an Unforeseen Operating Expenditure in accordance with the Licence.

6.15 **Emergency procedures**

6.15.1 A Shipper shall co-operate with the Transporter in relation to the testing of the Transporter's emergency procedures provided that this shall not extend to a Shipper taking Emergency Steps.

6.16 **The Lisburn Exit Point**

6.16.1 The Transporter may issue a Flow Order or declare an Emergency at or in respect of the Lisburn Exit Point. The Transporter shall not be required to issue such Flow Orders to Shippers registered at the Lisburn Exit Point; any such Flow Order shall be issued to Phoenix Distribution.

- 6.16.2 The Transporter will copy the Upstream Operator on any Flow Orders or Emergency Steps issued in respect of the Lisburn Exit Point.
- 6.16.3 Phoenix Distribution will ensure that gas offtaken at the Lisburn Exit Point is consistent with the Flow Order or Emergency Steps.

6.17 **Connected System**

- 6.17.1 The Transporter may agree with the Connected System Operator at the South-North Entry Point the Emergency procedures to be taken with respect to such Connected System and or the Transportation System in the event of an Emergency affecting the Transportation System or an emergency affecting the Connected System (as the case may be). The Transporter shall not be in breach of this Code or any obligation pursuant to this Code to the extent the Transporter takes action as may be required pursuant to any such Emergency Procedures agreed with any Connected System Operator.
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Amend Section 12.1.4 to read as follows:

- 12.1.4 A Shipper shall, notwithstanding any failure by the Transporter to deliver gas for offtake from the Transportation System in accordance with this Code or the Licence for whatsoever reason, be obliged to pay charges and amounts which it has agreed to pay in accordance with Section 12.2 of this Code, subject only to Section 6.13.2.
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Amend Section 17.6 to read as follows:

17.6 **Exit Point Registration Requirements**

- 17.6.1 An application for an Exit Point Registration (“**Exit Point Registration Application**”) shall specify the following:
- (a) the EIC of the Shipper/Prospective Shipper;
 - (b) the Exit Point for which an Exit Point Registration is requested;
 - (c) the date from which the Shipper or Prospective Shipper wishes to start utilising the Exit Point which shall be at least 10 Business Days from receipt of the Exit Point Registration Application by the Transporter;
 - (d) a Downstream Load Statement (which sets out the End Users statement of the maximum quantity in kwh/d which may reasonably be required to supply the relevant Downstream Load Category);
 - (e) whether or not the Shipper will be required to increase its’ Provided Level of Credit Support; and
 - (f) 24 hour emergency contact information.
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Insert new section T8 immediately after section T9 to read as follows:

Transition Section T8

T8.1 Introduction

T8.1.1 This section T8 sets out the provisions which will apply to Shippers from the T8 Implementation Date and sets out when:

- (a) the new section 6 (*Exceptional Events and Emergencies*) (“**Modified Section 6**”);
- (b) modified section 12.1.4 (“**Modified Section 12.1.4**”);
- (c) modified section 17.6 (“**Modified Section 17.6**”); and
- (b) the modified Appendix 1 (*Definitions and Interpretation*) (“**Section 6 Modified Appendix 1**”),

all as set out in Code Modification 20 shall be effective. Existing sections of the Code in force prior to Code Modification 20 becoming effective in accordance with this section T8 are referred to in this section T8 as “**Unmodified**”.

T8.1.2 In this section T8:

- (a) “**T8 Implementation Date**” means the date of implementation of this section T8 which shall be 7th September or, if later, the date the Authority approves Code Modification 20; and
- (b) “**Section 6 Operational Date**” means 1st October 2015.

T8.2 Commencement of Modified Section 6, Modified Section 12.1.4 and Modified Section 17.6

T8.2.1 The provisions of Modified Section 6, Modified Section 12.1.4 and Modified Section 17.6 shall apply in respect of the Gas Flow Day commencing on the Section 6 Operational Date and for all Gas Flow Days thereafter.

T8.2.2 Unmodified Section 6, Unmodified Section 12.1.4 and Unmodified Section 17.6 shall apply in respect of all Gas Flow Days up to and including 30th September 2015, but not in respect of Gas Flow Days thereafter.

T8.3 Commencement of Section 6 Appendix 1

T8.3.1 From the T8 Implementation Date, the terms set out in Section 6 Modified Appendix 1 shall, subject to T8.4, become effective as and when use of each of those terms is required by the coming into force of the provisions set out in this section T8 and shall continue to apply thereafter.

T8.4 Successional Changes to Appendix 1

T8.4.1 In this section T8:

- (a) **“CAM Modified Appendix 1”** and **“CAM Effective Date”** have the meanings given to them in section T2 implemented or to be implemented in accordance with Code Modification 14;
- (b) **“Nominations Modified Appendix 1”** has the meaning given to it in section T4 implemented or to be implemented in accordance with Code Modification 16;
- (c) **“Allocations Modified Appendix 1”** has the meaning given to it in section T5 implemented or to be implemented in accordance with Code Modification 17;
- (d) **“Invoicing and Credit Modified Appendix 1”** has the meaning given to it in section T6 implemented or to be implemented in accordance with Code Modification 18;
- (e) **“Balancing Modified Appendix 1”** has the meaning given to it in section T7 implemented or to be implemented in accordance with Code Modification 19;

together, the **“Modified Appendix 1 Terms”**.

T8.4.2 Section 6 Modified Appendix 1 adds new defined terms to the Code and where relevant modifies terms set out in the Modified Appendix 1 Terms.

T8.4.3 Terms contained in Unmodified Appendix 1 which are not otherwise amended or deleted by the Modified Appendix 1 Terms or any other subsequent Code Modifications shall continue to apply in this Code after the CAM Effective Date.

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Amend Appendix 1 to include new terms (and modify existing terms) to read as shown in the list below:

APPENDIX 1

DEFINITIONS AND INTERPRETATION

“Capacity Reduced Exit Points”	have <u>has</u> the meaning given to them in Section 6.5.1 and <u>“Capacity Reduced Exit Point” shall be construed accordingly;</u>
“Exceptional Event”	means any unplanned event that may cause, for a limited period, capacity reductions affecting the quantity of gas at an Interconnection Point; <u>has the meaning given to it in Section 6.1.2(b);</u>
“Flow Order”	_____ has the meaning given to it in Section 6.1.2(b) <u>6.1.2(a);</u>
“Maintenance Days”	_____ has the meaning given to it in Section 10.1.2(b) and <u>_____ “Maintenance Day” shall be construed accordingly;</u>
“Reduced Interruptible Capacity Day”	_____ has the meaning set out in Section 6.1.2 (c);
“Profile Nomination”	_____ means a nomination or renomination to the Transporter of an aggregate quantity of gas to be offtaken in each hour over the relevant Day at an Exit Point and <u>“Profile Nominations” shall be construed accordingly;</u>
“Reduced Firm Capacity Day”	_____ has the meaning given to it in Section 6.1.2(b) <u>6.1.2(c);</u>
“Shortfall Declaration”	_____ has the meaning given to it in Section 6.1.4;
“System Capability”	_____ has the meaning given to it in Section 6.1.2(e);
“Total Shipper Exit Nominated Quantity”	_____ means the sum of all Shipper’s Exit Nominated Quantities for Gas Flow Day D in respect of the Transportation System;
“Verifying Accountant”	_____ has the meaning given to it in Section 6.13.4(b);