

Proposed Modification to BGE (NI) Network Code

Short Term Capacity Products

1. FIRM CAPACITY

1.1 Introduction and Definitions

1.1.1 A Shipper shall be entitled to book Firm Capacity (and utilise Available Interruptible Capacity) in the Transportation System subject to and in accordance with the provisions of this Code.

1.1.2 For the purposes of this Code:

(a) "**Available Firm Capacity**" means the capacity which the Transporter determines is, from time to time, available on a Day for the purposes of allocating Firm Capacity based upon the following information:

- (i) the capacity of the Transportation System;
- (ii) the aggregate of all Firm Capacity allocated to Shippers at each Exit Point;
- (iii) the capacity at the relevant Exit Point (which shall not, in any event, exceed the Maximum Offtake Rate in respect of that Exit Point);
- (iv) the aggregate of all Firm Capacity allocated to Shippers at the relevant Exit Point;
- (v) the pressure available at the Carrickfergus Entry Point; and
- (vi) the capacity which the Transporter has reserved or otherwise retained pursuant to arrangements approved by the Authority.

(b) "Daily Capacity" means Firm Capacity which is allocated to a Shipper for a duration of one Day in accordance with Section 1.5.

~~(b)~~(c) "Firm Capacity" means the firm capacity of any duration (including a duration of one Day), comprising MDQ and MHQ, which has been booked and allocated to a Shipper in respect of an Exit Point as set out in a Firm Capacity Notice and as may be varied in accordance with the provisions of this Code and shall where the context so requires include capacity reserved pursuant to the Transportation Agreement and therein referred to as Reserved Capacity;

~~(e)~~(d) "Firm Capacity Notice" means a notice, in the Prescribed Form, issued by the Transporter to a Shipper notifying the Shipper of its initial allocation of, or an increase or decrease in, Firm Capacity from time to time in respect of an Exit Point in accordance with the provisions of this Code;

~~(d)~~(e) "**Maximum Daily Quantity**" or "**MDQ**" means the maximum quantity of Natural Gas which may be offtaken from an Exit Point by a Shipper in any ~~Day~~ day in respect of the Firm Capacity set out in its Firm Capacity Notice as may be varied in accordance with the provisions of this Code; and

~~(e)~~(f) "**Maximum Hourly Quantity**" or "**MHQ**" means the maximum quantity of Natural Gas which may be offtaken from an Exit Point by a Shipper in any ~~day~~ hour in respect of the Firm Capacity set out in its Firm Capacity Notice as may be varied in accordance with the provisions of this Code.

1.1.3 The Transporter:

- (a) shall endeavour to maximise the level of Available Firm Capacity by acting in accordance with the provisions of this Code; and
- (b) act as an RPO in the manner in which it calculates and determines the level of Available Firm Capacity from time to time in accordance with the provisions of this Code.

1.1.4 If any Dispute arises regarding the Transporter's determination of the level of Available Firm Capacity which is not first resolved by mediation in accordance with Section 20.3, the Transporter or a Shipper may refer the matter to an Expert for an Expert Determination in accordance with Section 20.4.

1.1.5 The Transporter shall notify Shippers not later than one (1) Month before the Mid Year Date and in each Network Forecast Statement of its reasonable estimate of the level of the Available Firm Capacity in respect of the five (5) Gas Years immediately following the relevant Mid Year Date.

1.2 **Indicative Application for Firm Capacity**

[1.2.1 This Section 1.2.1 does not apply to Daily Capacity.](#)

~~1.2.1~~1.2.2 A Shipper may, from time to time, and a Prospective Shipper may provide the Transporter with the following information:

- (a) the MDQ and MHQ that it anticipates it will apply for; and
- (b) the length of time and Exit Point in respect of which it anticipates it will wish to apply for Firm Capacity

in the Prescribed Form (an "**Indicative Application for Firm Capacity**").

~~1.2.2~~1.2.3 Within five (5) Business Days of receipt of an Indicative Application for Firm Capacity the Transporter shall notify the Shipper or Prospective Shipper of the extent to which the Transporter anticipates it will be able to provide the Firm Capacity which the Shipper or Prospective Shipper has indicated it wishes to apply for.

~~1.2.3~~1.2.4 The Transporter offers no guarantee that the Firm Capacity which it stated it anticipated would be available in accordance with Section 1.2.~~32~~ will be so available or available at all after an Indicative Application for Firm Capacity is made and shall have no liability to the Shipper or Prospective Shipper to the extent that Firm Capacity is not so available or available at all.

~~1.2.4~~1.2.5 A Shipper or Prospective Shipper shall receive no priority over any other Shipper or Prospective Shipper in respect of an application for Firm Capacity under this Section 1 as a result of the Transporter stating that it anticipates Firm Capacity will be available to that Shipper or Prospective Shipper in accordance with Section 1.2.~~32~~.

1.3 Firm Capacity Application requirements

1.3.1 A Shipper may apply to the Transporter for Firm Capacity at an Exit Point in respect of which it has an Exit Point Registration. An application for Firm Capacity (other than Daily Capacity) shall be in accordance with this Section 1.3 and Section 1.7 or 1.9.

1.3.2 An application for Daily Capacity shall be in accordance with this Section 1.3 and Section 1.4.

~~1.3.2~~1.3.3 An application for Firm Capacity, ~~whether made in accordance with Section 1.4 or 1.6,~~ shall be made in the Prescribed Form (a "**Firm Capacity Application**") and shall specify the following information:

- (a) the MDQ applied for;
- (b) the MHQ applied for;
- (c) the length of time for which a Shipper wishes to book Firm Capacity or in the case of Daily Capacity the Day in respect of which the capacity is requested;
- (d) whether or not the Shipper will accept an allocation of Firm Capacity of less than it has applied for in accordance with Section 1.~~85~~.2, 1.~~85~~.3 or 1.~~96~~.2;
- (e) the Exit Point in respect of which the Firm Capacity is applied for; and
- (f) any other information that the Transporter may reasonably require which shall include an indication of the Daily Profile that the Shipper reasonably anticipates it will typically nominate in respect of the Exit Point;

provided always that an application for Daily Capacity pursuant to Section 1.4 shall omit the information in Section 1.3.2(d).

~~1.3.3~~1.3.4 A Shipper may only apply for Firm Capacity:

- (a) no earlier than two (2) Gas Years before the first Gas Year in which it requires Firm Capacity (other than Daily Capacity);

- (b) no later than ten (10) Business Days (or any such shorter period as the Transporter may agree in relation to that application) before the first Day of the calendar month in which it requires Daily Capacity~~Firm Capacity~~; and
- (c) in multiples of one (1) Gas Year, except in the Gas Year in which the application for Firm Capacity is made, in which case the application may be for each complete Month in the remainder of the Gas Year.

~~1.3.4~~1.3.5 If, by virtue of the level of Firm Capacity for which a Shipper has applied in respect of any Gas Year in accordance with Section [1.5.2], the Transporter believes that a Shipper has applied for Firm Capacity in respect of that Gas Year with a view to gaining priority over any other Shipper in respect of the allocation of Firm Capacity, the Transporter shall request the Shipper to provide the information referred to in Section [1.3.~~6~~5].

~~1.3.5~~1.3.6 The Transporter shall, in accordance with Section 1.3.4, request the Shipper to provide any of the information referred to in Section 17.5.3(d) in respect of the utilisation, supply or shipment of Natural Gas in each of such Gas Years. The Shipper shall provide such information promptly after being requested to do so.

~~1.3.6~~1.3.7 The Transporter may reject a Firm Capacity Application if:

- (a) any requirement of this Section 1.3 is not complied with;
- (b) Section 13.4.2 applies;
- (c) the Shipper has applied for Firm Capacity with an MHQ which, when taken into account with the Firm Capacity already allocated to the Shipper, would be at a level exceeding one twenty-fourth of the MDQ applied for combined with that already allocated to the Shipper; ~~or~~
- (d) the Shipper shall fail to provide any of the information requested in accordance with Section 1.3.~~6~~5 within twenty (20) Business Days of being requested to do so.
- (e) the application is in respect of Daily Capacity and the Transporter is entitled to reject the application in accordance with the Capacity Booking Optimisation Methodology.

~~1.3.7~~1.3.8 All Shippers acknowledge that under the terms of the Licence the Transporter is required to secure an adequate contract to underwrite the costs of the North-West Pipeline. Such a contract has been secured by the Transporter with ESBII and ESB under the terms of the Pipeline Agreement dated 18th October 2002. It is contemplated that the Pipeline Agreement will be superseded by the Transportation Agreement to be entered into by the Transporter, CESB and ESB.

~~1.3.8~~1.3.9 All Shippers further acknowledge that, under the terms of the Transportation Agreement, 18,766,000 kWh/day of Firm Capacity has been or will be allocated to CESB at the Coolkeeragh Exit Point for a period of twenty (20) years from the Payment Start Date, as defined in the Pipeline Agreement.

1.4 Application for Daily Capacity

1.4.1 A Shipper may apply for Daily Capacity:

- (a) during a period of two (2) Business Days commencing no later than twelve (12) Business Days before the first day of the calendar month in which the capacity is required (the “Daily Capacity Application Window”); and
- (b) in accordance with the relevant provisions of Section 1.3; and
- (c) using the GTMS or such other methodology as may be notified by the Transporter to Shippers from time to time.

1.4.2 Shippers authorise the Transporter to share information in relation to Shipper’s application for Daily Capacity with the Upstream Operator for the purpose of Section 1.5.

1.5 Daily Capacity Allocations

1.5.1 Daily Capacity shall be allocated in accordance with the remaining provisions of this Section 1.5. Firm Capacity (other than Daily Capacity) shall be allocated in accordance with Sections 1.8 and 1.9.

1.5.2 For the purposes of allocating Daily Capacity the Transporter will coordinate and undertake the allocation process with the Upstream Operator in accordance with the Capacity Booking Optimisation Methodology (where relevant) such that Shippers are allocated corresponding quantities of Daily Firm Capacity on the Transportation System and the Upstream Transportation Systems in respect of the relevant Exit Point.

1.5.3 In the event that the Upstream Operator fails to provide the necessary information to the Transporter, the Transporter shall allocate the available Firm Capacity in the Transportation System such that:

- (a) where there is sufficient available Firm Capacity to meet all the applications made by Shippers all such applications will be met; and
- (b) where there is insufficient available Firm Capacity to meet all applications made by Shippers the available Firm Capacity shall be allocated pro rata to the amount of capacity applied for by each Shipper;

for the avoidance of doubt Shippers acknowledge that Daily Capacity allocated to a Shipper pursuant to Section 1.5.2 or 1.5.3 may be less than Daily Capacity applied for by the Shipper in accordance with Sections 1.3 and 1.4.

1.5.4 The Transporter shall issue a Firm Capacity Notice within two (2) Business Days of the closure of the Daily Capacity Application Window to each Shipper to which Available Firm Capacity shall be allocated in accordance with this Section 1.5. The Firm Capacity Notice shall identify separately a Shipper's Firm Capacity (other than Daily Capacity), the Shipper's Daily Capacity in respect of a Day and Shipper's aggregate Firm Capacity in respect of a Day.

1.5.5 A Firm Capacity Notice issued by the Transporter pursuant to Section 1.5.4 shall in respect of any Day(s) supersede any previously issued Firm Capacity Notice with respect to the same Day(s).

1.6 **Aggregation of Firm Capacity**

1.6.1 For each Gas Flow Day for which a Shipper has an allocation of Daily Capacity in respect of an Exit Point the MDQ of the Shipper's Daily Capacity for such Gas Flow Day shall be aggregated with the MDQ of the other Shipper's Firm Capacity which is held by that Shipper for the same Gas Flow Day at the Exit Point in accordance with this Code.

~~1.4.1.7~~ **Application for Firm Capacity in future Gas Years**

~~1.4.1.7.1~~ By no later than the Mid Year Date in each Gas Year (or any such later date as the Transporter and the Authority may agree in relation to the relevant application), a Shipper which has no Firm Capacity in a future Gas Year shall submit to the Transporter:

- (a) a Firm Capacity Application in respect of any future Gas Year; or
- (b) confirmation that it does not wish to book Firm Capacity in any future Gas Year.

~~1.4.21.7.2~~ If the Transporter does not receive any submission from a Shipper in accordance with Section 1.74.1 a Shipper shall be deemed to have confirmed that it does not wish to book Firm Capacity in any future Gas Year.

~~1.4.31.7.3~~ By no later than the Mid Year Date in each Gas Year, a Shipper which has Firm Capacity in a future Gas Year shall submit to the Transporter:

- (a) confirmation that it does not wish to vary its Firm Capacity in any future Gas Year;
- (b) an application for additional Firm Capacity in any future Gas Year; or
- (c) an application to reduce its Firm Capacity in any future Gas Year.

~~1.4.41.7.4~~ If the Transporter does not receive any submission in accordance with Section 1.74.3 a Shipper shall be deemed to have confirmed that it does not wish to vary, reduce or apply for additional Firm Capacity in any future Gas Year.

1.7.5 Sections 1.7, 1.8, 1.9 and 1.11 shall not apply with respect to Daily Capacity.

~~1.5.1.8~~ **Allocation of Firm Capacity in future Gas Years**

~~1.5.1.8.1~~ If a Shipper applies to book Firm Capacity:

- (a) in any future Gas Year on or before the Mid Year Date in the Gas Year in which it applies, its Firm Capacity Application shall be treated in accordance with Section 1.85.2 in the Gas Year in which it applies;
- (b) in any future Gas Year after the Mid Year Date in the Gas Year unless the Transporter shall agree to treat its application as though it were submitted before the Mid Year Date in accordance with section 1.85.1(a) in which it applies, its Firm Capacity Application shall be treated in accordance with Section 1.85.2 in the next Gas Year;
- (c) one (1) or two (2) Gas Years before the Gas Year in respect of which it is seeking Firm Capacity, its Firm Capacity Application shall be treated in accordance with Section 1.85.2 in the Gas Year preceding the Gas Year in respect of which it is seeking Firm Capacity.

~~1.5.21.8.2~~ If the Shippers applying for Firm Capacity in any future Gas Year apply, in aggregate, for an amount of capacity exceeding the Available Firm Capacity in that Gas Year, then those Shippers which so applied and specified in accordance Section 1.3.32(d):

- (a) that they would not accept an allocation of Firm Capacity of less than they had applied for shall have no capacity allocated to them;
- (b) that they would accept an allocation of Firm Capacity of less than they had applied for shall have capacity allocated to them in accordance with section 1.85.3 or 1.85.4.

~~1.5.31.8.3~~ The Transporter shall subject to Section 1.85.4, allocate Firm Capacity to the Shippers referred to in Section 1.85.2(b) according to the number of future Gas Years in respect of which Shippers have applied for Firm Capacity, so that the Shipper applying for Firm Capacity:

- (a) in the most number of Gas Years shall have its application met first to the extent that there is Available Firm Capacity at the relevant Exit Point;
- (b) in the next most number of Gas Years shall have its application met second to the extent that there is Available Firm Capacity at the relevant Exit Point;

and so on.

~~1.5.41.8.4~~ If the Shippers referred to in Section 1.85.2(b) applying for Firm Capacity in an equal number of Gas Years, such Shippers shall have their Firm Capacity Applications met by the Transporter pro rata to the amounts of Firm Capacity for which they have applied to the extent that there is Available Firm Capacity at the relevant Exit Point.

~~1.5.5~~1.8.5 The Transporter shall issue a Firm Capacity Notice to each Shipper to which Available Firm Capacity shall be allocated in accordance with Section 1.~~85~~.3 or 1.~~85~~.4 not later than forty (40) Business Days after the Mid Year Date or such other date as the Transporter may agree with the Authority, in the Gas Year in which the Firm Capacity Applications are made.

~~1.6.1~~1.9 **Application for an allocation of Firm Capacity in the same Gas Year**

~~1.6.1~~1.9.1 If a Shipper applies for Firm Capacity in the Gas Year in which its Firm Capacity Application is made, Firm Capacity shall, subject to Section 1.~~96~~.2, be allocated by the Transporter (on a first come first served basis) and a Firm Capacity Notice shall be issued to the Shipper within five (5) Business Days of receipt of a Firm Capacity Application.

~~1.6.2~~1.9.2 If, in any Gas Year, there is less Available Firm Capacity than the amount of Firm Capacity for which a Shipper has applied in that Gas Year and the Shipper specified, in accordance with Section 1.3.~~32~~(d) that:

- (a) it will accept an allocation of Firm Capacity of less than it has applied for, the Transporter shall allocate such Available Firm Capacity to such Shipper; or
- (b) it will not accept an allocation of Firm Capacity of less than it has applied for, no Firm Capacity shall be so allocated to such Shipper.

~~1.7.1~~1.10 **Annual review of Firm Capacity**

1.10.1 For the purpose of the calculations pursuant to this section 1.10:

- (a) all references to "MDQ" and to a Shippers booked MDQ shall be a reference to MDQ or the Shipper's booked MDQ in respect of Firm Capacity (excluding Daily Capacity); and
- (b) references to Firm Capacity and Firm Capacity Applications shall be references to Firm Capacity (excluding Daily Capacity) and Firm Capacity Applications other than Daily Capacity Applications.

~~1.7.1~~1.10.2 If:

- (a) the aggregate of any Shippers Firm Allocated Quantity and Interruptible Allocated Quantity at an Exit Point (a "**Relevant Exit Point**") on each and every Day during the period from the commencement of the Gas Year to one Month before the Mid Year Date is less than 80% of the MDQ of the Shipper's booked MDQ on each such Day (a "**Relevant Shipper**"); and
- (b) on any Day in the next Gas Year or any subsequent Gas Year (a "**Relevant Day**") any Relevant Shipper has an MDQ of 80% or more on the Day during such period when the aggregate of the Relevant Shipper's Firm Allocated Quantity and Interruptible Allocated Quantity were greatest (the "**Day of Greatest Allocated Quantity**")

the Transporter shall, as soon as reasonably practicable, and in any event not later than:

- (c) twenty (20) Business Days before the Mid Year Date, inform the Authority and any Relevant Shipper of the quantity of Natural Gas so allocated to the Shipper and the Shipper's MDQ on the Day of Greatest Allocated Quantity; and
- (d) ten (10) Business Days after the Mid Year Date, perform the calculation set out in Section 1.~~10.37.2~~ and provide a copy of it to the Authority and any Relevant Shipper.

~~1.7.21.10.3~~ The Transporter shall calculate whether, if, in respect of each Relevant Day at any Relevant Exit Point:

- (a) the aggregate of any Relevant Shipper's MDQs were reduced by 20%;
- (b) all applications for Firm Capacity (other than Daily Capacity), in accordance with Section 1.4, were met; and
- (c) all applications to reduce Firm Capacity, in accordance with Section ~~1.8~~, were met

the aggregate level of MDQs held by all Shippers would increase, reduce or remain the same.

~~1.7.31.10.4~~ If such level would increase or remain the same, any Relevant Shipper's MDQ shall, subject to Sections 1.~~107.65~~ to 1.~~107.119~~, be reduced by 20% if to do so would facilitate the achievement of the relevant objective as set out in Condition 2.4.1 of the Licence (the "**Relevant Objective**").

~~1.7.41.10.5~~ If such level would reduce, any Relevant Shipper's MDQ shall, subject to Sections 1.~~107.65~~ to 1.~~117.10~~, be reduced pro rata to the Relevant Shipper's MDQ on the Relevant Day by such amount as would result in such level not reducing if to do so would facilitate the achievement of the Relevant Objective.

~~1.7.51.10.6~~ The Transporter shall, in accordance with Condition 2.3.3 of the Licence, refer to the Authority for his determination on the question of whether the proposed reduction referred to in Section 1.~~107.54~~ would achieve the Relevant Objective.

~~1.7.61.10.7~~ If the Authority determines, taking into account any representations which the Authority received from any Relevant Shipper, that the proposed reduction referred to in Section 1.~~107.65~~ would achieve the Relevant Objective, the Transporter shall reduce any Relevant Shipper's MDQ by the amount proposed.

~~1.7.71.10.8~~ If the Authority determines that any such reduction would not achieve the Relevant Objective, or makes no determination within thirty (30)

Business Days after the Mid Year Date, the Transporter shall not reduce any Relevant Shipper's MDQ.

~~1.7.8~~1.10.9 Any reduction shall only be proposed to the extent that it would not reduce a Shipper's MDQ on any Day in any Gas Year below a quantity of MDQ equal to the aggregate of the Shipper's Firm Allocated Quantity and Interruptible Allocated Quantity on the Day of Greatest Allocated Quantity.

~~1.7.9~~1.10.10 If any Relevant Shipper's MDQ is reduced, in accordance with this Section 1.107, the level of its MHQ shall be reduced pro rata to the reduction in its MDQ.

~~1.7.10~~1.10.11 The Transporter shall not reduce any Relevant Shipper's MDQ, in accordance with this Section 1.107, if all Firm Capacity Applications can be met.

~~1.7.11~~1.10.12 The Transporter shall issue a Firm Capacity Notice to any Relevant Shipper whose MDQ or MHQ is reduced in accordance with this Section 1.107 by no later than forty (40) Business Days after the Mid Year Date in the Gas Year in which a Firm Capacity Application is made.

~~1.8.1~~1.11 **Reduction of Firm Capacity**

~~1.8.11~~1.11.1 A Shipper may apply to the Transporter to reduce its Firm Capacity in accordance with this Section 1.118.

~~1.8.2~~1.11.2 A Shipper may apply to reduce its Firm Capacity by no later than the Mid Year Date in respect of the next Gas Year and at any time in respect of any Gas Year following the next Gas Year. A Shipper may only apply to reduce its Firm Capacity in respect of a whole Gas Year. Any such application shall specify:

- (a) the reduction in MDQ and MHQ applied for;
- (b) whether or not the Shipper will accept a reduction of Firm Capacity of less than it has applied for; and
- (c) the Exit Point in respect of which the application is made.

~~1.8.3~~1.11.3 If, in respect of any Gas Year, the aggregate of the Firm Capacity for which Shippers apply exceeds or is equal to the aggregate of the Firm Capacity which Shippers apply to reduce, the Transporter shall accept those applications to reduce Firm Capacity.

~~1.8.4~~1.11.4 If, in respect of any Gas Year, the aggregate of the Firm Capacity for which Shippers apply is less than the aggregate of the Firm Capacity which Shippers apply to reduce, the Transporter shall accept those applications to reduce Firm Capacity made by the Shippers which confirmed to the Transporter that they would accept a reduction of Firm Capacity of less than

they had applied for in accordance with Section 1.118.2(b), pro rata to the amount of Firm Capacity which the relevant Shippers applied to reduce.

~~1.8.51.11.5~~ If, in respect of any Gas Year, there are no Firm Capacity Applications, the Transporter shall reject any application to reduce Firm Capacity.

~~1.8.61.11.6~~ The Transporter shall not accept any application to reduce Firm Capacity if the level of MHQ for which the Shipper has applied is less than one twenty-fourth of the MDQ for which the Shipper has applied.

~~1.8.71.11.7~~ The Transporter shall issue a Firm Capacity Notice to a Shipper whose Firm Capacity is reduced in accordance with this Section 1.118 by no later than forty (40) Business Days after the Mid Year Date in the Gas Year in which the application is made.

~~1.9.12~~ **Sub-letting**

~~1.9.11.12.1~~ A Shipper may, subject to this Section 1.129, sub-let part, or all, of its Firm Capacity (excluding Daily Capacity) to any third party from time to time.

~~1.9.21.12.2~~ A Shipper shall, if it sub-lets any Firm Capacity:

- (a) remain liable to the Transporter for the performance of all of its obligations under this Code; and
- (b) be liable to the Transporter for and indemnify, defend and hold harmless the Transporter from and against any and all Indemnified Liabilities, in respect of any claim which any sub-lessee of a Shipper may make against the Transporter arising out of or in connection with any act or omission of the Transporter in respect of this Code or the service to which it relates.

~~1.9.31.12.3~~ The Transporter shall not be obliged to:

- (a) accept or otherwise recognise any Nomination or Renomination which is submitted by any sub-lessee of a Shipper;
- (b) invoice any sub-lessee of a Shipper; or
- (c) otherwise deal with or acknowledge any sub-lessee of a Shipper.

~~1.10.13~~ **Effective Date of Allocated and Reduced Firm Capacity**

~~1.10.11.13.1~~ Whilst the effective date of allocated or reduced Firm Capacity shall be the date upon which a Firm Capacity Notice is issued by the Transporter, Firm Capacity shall be capable or cease to be capable (as appropriate) of being utilised with effect from the first Day of the first Month or in the case of an application for Daily Capacity on the Gas Flow Day for which the capacity is allocated in each case as set out in the Firm Capacity Notice. A Shipper shall pay or cease to be liable to pay (as appropriate) PS Transmission Amounts in respect of Firm Capacity in respect of the period

from the date on which that Firm Capacity shall be capable or cease to be capable of being utilised and shall be liable for PS Code Charges in accordance with this Code.

~~1.11.14~~ **Transporter's Utilisation of Capacity**

~~1.11.14.1~~ The Transporter shall be entitled at all times to utilise all or any part of a Shipper's Firm Capacity to the extent the same (or any part of it) is not utilised by the Shipper.

Section 12 Charges Payment and Tax

The Authority is currently consulting on licence amendments and appropriate charges with respect to Short Term Capacity. This Code will be further modified to reflect the decision of the Authority consequent on such consultation. The Transporter would anticipate incorporating the proposed drafting to accommodate these changes subsequent to the publication of the Utility Regulator's decision in relation to tariffing and licence changes.

This note also applies to any required amendments to Section 13 (Credit Procedures) and Section 17.7 and Appendix 5.

Additional definitions to be inserted:

“Capacity Booking Optimisation Methodology” means the document of that name in a form from time to time approved by the Authority and published by the Designated Pipe-Line Operators in the form so approved which sets out the principles for the allocation of Daily Capacity.

“Daily Capacity” has the meaning given to it in Section 1.1.2(b).

“Daily Capacity Application Window” has the meaning given to it in Section 1.4.1. The following existing definitions shall be amended.

“Firm Capacity” has the meaning given to it in clause 1.1.2(c).

“Firm Capacity Notice” has the meaning in 1.1.2(d).

All cross references in current definitions to be confirmed once final drafting approved.

[Appendix 5](#)

See note to Section 12.