CODE OF OPERATIONS

PART A

DEFINITIONS
INTERPRETATION

VERSION 5.05

Comprises version 5.04 published as of May 2023

incorporating the following Modifications

(1) Modification A111: Oxygen Upper Limit

(2) Modification A113: Revision of Wobbe Index Parameters

(3) Modification A114: Classification of Gas Points with a design MHQ of 100,000 kWh

(4) Modification A115: Removal of Tolerances at RNG Entry Points

(5) Modification A116: Removal of Residual Tolerances

(6) Modification A117: Supplier of Last Resort (SoLR) Arrangements

(7) Modification A118: Central Grid Injection and RNG Entry Point Arrangements

Part A

1. DEFINITIONS.....1
2. INTERPRETATION.....73

1. **DEFINITIONS**

1.1 In this Code:

"**ACER**" means the Agency for the co-operation of energy regulators established pursuant to Regulation (EC) No. 713/2009 of the European Parliament and the Council of 13 July 2009 or its successor from time to time.

"**Act**" means the Gas (Interim) (Regulation) Act 2002;

"**Active Capacity**" means Active Entry Capacity, Active LDM Exit Capacity, Active LDM Supply Point Capacity or Active Sub-Sea I/C Offtake Capacity as the case may be;

"**Active Entry Capacity**" or "**AC_{Entry}**" means the capacity held by a Shipper on a Day at an Entry Point or at a CGI Gas Point and shall be determined as follows:

$$\mathbf{AC_{Entry} = (PC_{Entry} + SCP_{Entry}) - ACS_{Entry}}$$

where:

PC_{Entry} = the Shipper's Primary Entry Capacity at the Entry Point or CGI Gas Point on the Day;

SCP_{Entry} = Secondary Capacity traded by the Shipper as a Transferee Shipper by way of Entry Capacity Trades for the Day;

ACS_{Entry} = Active Capacity traded by the Shipper as Transferor Shipper by way of Entry Capacity Trades for the Day.

"**Active Exit Capacity**" means Active LDM Exit Capacity;

"**Active IP Capacity**" means Active IP Entry Capacity and/or Active IP CSEP Offtake Capacity (as the case may be);

"**Active IP CSEP Offtake Capacity**" or "**$AC_{IP\ CSEP}$**" means the Active IP CSEP Offtake Capacity held by a Shipper on a Day at an IP CSEP and shall be determined as follows;

$$AC_{IP\ CSEP} = (PC_{IP\ CSEP} + SCP_{IP\ CSEP}) - ACS_{IP\ CSEP}$$

where:

$AC_{IP\ CSEP}$ = the Shipper's Active IP CSEP Offtake Capacity on a Day;

$PC_{IP\ CSEP}$ = the Shipper's aggregate Primary IP CSEP Offtake Capacity at the IP CSEP for that Day (including both Bundled IP CSEP Offtake Capacity and Unbundled IP CSEP Offtake Capacity);

$SCP_{IP\ CSEP}$ = Secondary IP CSEP Offtake Capacity traded by the Shipper as an IP Transferee Shipper by way of IP Capacity Trades at the IP CSEP for that Day (including both Bundled IP CSEP Offtake Capacity and Unbundled IP CSEP Offtake Capacity)

ACS_{Exit} = Secondary IP CSEP Offtake Capacity traded by the Shipper as an IP Transferor Shipper by way of IP Capacity Trades at the IP CSEP for that Day (including both Bundled IP CSEP Offtake Capacity and Unbundled IP CSEP Offtake Capacity)

"**Active IP Entry Capacity**" or "**$AC_{IP\ Entry}$**"" means the Active IP Entry Capacity held by a Shipper on a Day at an IP Entry Point and shall be determined as follows:

"$AC_{IP\ Entry} = (PC_{IP\ Entry} + SCP_{IP\ Entry}) - ACS_{IP\ Entry}$

where:

$AC_{IP\ Entry}$ = the Shipper's Active IP Entry Capacity on a Day.

$PC_{IP\ Entry}$ = the Shipper's aggregate Primary IP Entry Capacity at the IP Entry Point for that Day (including both Bundled IP Entry Capacity and Unbundled IP Entry Capacity).

$SCP_{IP\ Entry}$ = Secondary IP Entry Capacity traded by the Shipper as an IP Transferee Shipper by way of IP Capacity Trades at the IP Entry Point for that Day (including both Bundled IP Entry Capacity and Unbundled IP Entry Capacity);

$ACS_{IP\ Entry}$ = Active IP Entry Capacity traded by the Shipper as an IP Transferor Shipper by way of IP Capacity Trades at the IP Entry Point for that Day (including both Bundled IP Entry Capacity and Unbundled IP Entry Capacity)

"**Active LDM Exit Capacity**" or "**AC_{Exit}**" means the capacity held by a Shipper on a Day at or in respect of an individual LDM Offtake and shall be determined as follows:

$$\mathbf{AC_{Exit} = (PC_{Exit} + SCP_{Exit}) - ACS_{Exit}}$$

where:

PC_{Exit} = the Shipper's Primary Exit Capacity in respect of the relevant offtake

SCP_{Exit} = Secondary Capacity traded by the Shipper as a Transferee Shipper in respect of the relevant offtake by way of Exit Capacity Transfers for the Day;

ACS_{Exit} = Active Exit Capacity traded by the Shipper as Transferor Shipper in respect of the relevant offtake by way of Exit Capacity Transfers for the Day.

"**Active LDM Supply Point Capacity**" or "**AC_{SPC}**" means the Active Supply Point Capacity held by a Shipper on a Day at a LDM Supply Point and shall be determined as follows:

$$\mathbf{AC_{SPC} = (PC_{SPC} + SCP_{SPC}) - ACS_{SPC}}$$

where:

PC_{SPC}	=	the Shipper's Primary LDM Supply Point Capacity at the relevant LDM Supply Point on the Day;
SCP_{SPC}	=	Secondary LDM Supply Point Capacity traded by the Shipper as Transferee Shipper in respect of the LDM Supply Point by way of LDM Supply Point Capacity Title Transfer(s) for the Day;
ACS_{SPC}	=	Active LDM Supply Point Capacity traded by the Shipper as Transferor Shipper at the LDM Supply Point by way of LDM Supply Point Title Transfer(s) for the Day.

"**Active Sub-Sea I/C Offtake Capacity**" means the capacity held by a Shipper on a Day at the Sub-Sea I/C Offtake and shall be the Shippers Booked Sub-Sea I/C Offtake Capacity Quantity;

"**Active Supply Point Capacity**" means that part of a Shipper's Supply Point Capacity which comprises Active Capacity on a Day;

"**Additional Capacity**" means any applicable Capacity Surrender Available Amounts, Withdrawable Capacity and/or Oversubscription Capacity;

"Adjusted Metered Quantity" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(d);

"**Adjacent System IP Capacity**" means capacity on the Interconnected System at an IP made available by an Adjacent TSO pursuant to the applicable Interconnected System Transportation Arrangements;

"**Adjacent TSO**" means the designated transmission system operator of an Interconnected System and shall include NGG at the Moffat Interconnection Point;

"**Adjacent TSO Bundling Request**" has the meaning given to it in Part C (*Capacity*) Section 2.14.8;

"**Adjacent TSO Large Price Step**" means the increase in price (which may be fixed or variable) in respect of relevant capacity on an Interconnected System between each Bidding Round of an Ascending Clock Auction prior to a First Time Undersell and which shall be determined by the Adjacent TSO and separately in respect of each Ascending Clock Auction at each Interconnection Point;

"**Adjacent TSO Small Price Step**" means the increase in price (which may be fixed or variable) in respect of relevant capacity on the Interconnected System between each Bidding Round of an Ascending Clock Auction after a First Time Undersell and which shall be determined by the relevant Adjacent TSO separately in respect of each Ascending Clock Auction at each Interconnection Point;

"**Adjacent TSO Reserve Price**" means the applicable tariff of the Adjacent TSO in respect of relevant capacity at the Interconnection Point;

"**Adjusted Metered Quantity**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation)* Section 3.2.1(d);

"**Adjustment Period**" for the purpose of a Metered Quantity Adjustment Price calculation shall mean a period commencing on the first Day of the calendar month to which the Metered Quantity Adjustment (or any part of it) relates and ending on the

last day of the calendar month to which the Metered Quantity Adjustment (or any part of it) relates;

"**ADT Request**" has the meaning given to it Part E (*Balancing and Shrinkage*) Section 1.9.4;

"**Advance Buyback Agreement**" has the meaning given to it in Part H (*Operations*) Section 2A.16.2;

"**Affected Party**" has the meaning given to it in Part I (*Legal and General*) Section 3.2.1(a);

"**Affiliate**" in relation to either the Transporter or a Shipper means:

(a) a company or corporation which is either a holding company or a subsidiary of such party; or

(b) a company or corporation which is a Subsidiary of a holding company of which such party is also a subsidiary,

and the words "**holding company**" and "**subsidiary**" shall have the same meaning assigned to them, regardless of the place of incorporation of the Party, as in Section 8 and Section 7 respectively of the Companies Act 2014;

"**After Day Trade**" or "**ADT**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.9.1;

"**After Day Trade Buy**" or "ADT_{Buy}" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.9.3;

"**After Day Trade Sell**" or "ADT_{Sell}" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.9.2;

"**Affected Entry Point**" has the meaning given to it in Part G (*Technical*) Section 5.10.2;

"**Affected IP Entry Point**" has the meaning given to it in Part G (*Technical*) Section 5.10.2;

"**Aggregate Auctionable RoI/NI Capacity**" means the sum of the Auctionable Capacity in the GB-RoI Auction which may be made available by the Transporter and the NI Allocable Capacity in respect of the equivalent capacity auction;

"**Aggregate Available Interruptible Nomination Limit**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.13.1;

"**Aggregate Bid Quantity**" means in respect of a Bidding Round the aggregate quantity of IP Capacity specified in all valid Bids submitted by all Shippers in the relevant Bidding Round;

"Aggregate IP CSEP Confirmed Quantity" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(f);

"Aggregate IP Entry Confirmed Quantity" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(e);**"Aggregate IP VEntry Confirmed Quantity**" has the meaning given to it in

Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(h);

"Aggregate IP VExit Confirmed Quantity" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(g);

"**Aggregate Primary DM Exit Capacity**" means the DM Exit Capacity reserved by a Shipper in respect of all DM Offtakes at which the Shipper is the Registered Shipper including any Short Term Aggregate DM Exit Capacity reserved by the Shipper;

"**Aggregate Primary NDM Exit Capacity**" means the NDM Exit Capacity reserved by a Shipper in respect of all NDM Supply Point(s) at which the Shipper is the Registered Shipper but excluding any Tariff Exempt NDM Supply Point(s) and including any Short Term Aggregate NDM Exit Capacity reserved by the Shipper;

"**Aggregate Total Bid Quantity**" means in respect of any Bidding Round the sum of the Aggregate Bid Quantity and the equivalent total bid quantity in the GB-NI Auction;

"**Allocation**" means one or more of the following:

(i) an Entry Allocation;

(ii) an Exit Allocation;

(iii) a Supply Point Allocation;

(iv) an IBP Allocation;

(v) [*a VIP Allocation*]; and/or;

(vi) a Sub-Sea I/C Offtake Allocation;

in respect of a Shipper on a Day and made in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2;

"Allocable Quantity" shall mean a positive quantity of Natural Gas available for allocation to Registered Shippers at an Entry Point (other than at a RNG Entry Point or at a CGI Gas Point or at an Entry Point configured within a Bi-Directional CSP) in respect of a Day and shall be determined as follows:-

$$\mathbf{ALL_q = (MeDQ + OBA_N + OR) - (OBA_p + LPR + QR + NCG)}$$

where:

ALL_q	=	the Allocable Quantity,
MeDQ	=	the Metered Delivered Quantity at the Entry Point in respect of the Day;
OBA_n	=	the quantity of Natural Gas the subject matter of a Negative OBA Adjustment;
OBA_p	=	the quantity of Natural Gas the subject matter of a Positive OBA Adjustment;

LPR	=	the quantity of Natural Gas the subject matter of a LinePack Reinstatement;
QR	=	the quantity of Natural Gas measured as offtaken at the Entry Point on the Day;
OR	=	the quantity of Natural Gas made available by way of Operational Requirement.
NCG	=	the quantity of Non-Compliant Gas which is delivered to the Transportation System on the Day and is disposed of by the Transporter pursuant to Part G (*Technical*) Section 1.3.4 (irrespective of the day on which such Natural Gas is disposed of)

the Allocable Quantity at a RNG Entry Point or at a CGI Gas Point shall be the quantity metered as delivered at such RNG Entry Point or CGI Gas Point (as the case may be).

For the avoidance of doubt:

(i) where Non-Compliant Gas is offtaken at a Connected System Point pursuant to the provisions of Part G (*Technical*) Section 1.3.4 the same quantity of gas shall not be included in both QR and NCG.

(ii) there shall be no quantity of Natural Gas allocated to Shippers at an Entry Point in respect of a Day upon which the Allocable Quantity is determined as a negative Quantity.

"**Ancillary Agreement**" means an agreement between the Transporter and one or more Shippers providing for certain arrangements which are ancillary to the provision of transportation services under this Code and which is entered into pursuant to any provision of this Code which contemplates that such an arrangement may be entered into or which expressly provides that it constitutes an "Ancillary Agreement for the purposes of this Code" and shall include a [*I/C Inventory Agreement*] and a GNI (IT) Systems Access Agreement;

"**Annual**" has the meaning given to it in Part C (*Capacity*) Section 1.1.4;

"**Annual Consumption**" means, in respect of each Shipper's offtake at an Offtake Point, the Shipper's actual offtake for the previous Gas Year(s) or the anticipated offtake by the Shipper for the following Gas Year;

"**Annual Disbursements Account Deficit**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.10;

"**Annual Disbursements Account Excess**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.9;

"**Annual Disbursements Account Payments**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.7(b);

"**Annual Disbursements Account Receipts**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.7(a);

"**Annual Entry Capacity**" has the meaning given to it in Part C (*Capacity*) Section 3.1.2(b);

"**Annual Entry Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 3.1.3(b);

"**Annual Invoice**" has the meaning given to it in Part I (*Legal and General*) Section 11.3.2;

"**Annual LDM Exit Capacity**" has the meaning given to it in Part C (*Capacity*) Section 7.2.2(b);

"**Annual LDM Exit Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 7.2.3(b);

"**Annual Liability Cap**" has the meaning given to it in Part I (*Legal and General*) Section 2.5;

"**Annual Quantity**" means:

(a) in respect of an Exit Point at which there has been a Shipper registered for a minimum period of twelve (12) Months ending on the 30 April in any Gas Year, the quantity of Natural Gas offtaken at such Exit Point over the preceding twelve (12) Month period ending on 30 April;

(b) in respect of a Proposed Offtake Point which is connected to the Transmission System or an Exit Point in respect of which (a) does not apply, the quantity of Natural Gas which is anticipated to be offtaken at such Proposed Offtake Point or Exit Point over the first twelve (12) Month period following a Shipper becoming the Registered Shipper in respect of such Proposed Offtake Point or Exit Point; or

(c) in respect of a Proposed Offtake Point or an Offtake Point which is connected to the Distribution System, a quantity of Natural Gas calculated in accordance with the applicable Procedure(s);

"**Annual Quarterly IP Capacity Auction**" has the meaning given to it in Part C (*Capacity***)** Section 2.2.3(b);

"**Annual Reconciliation Statement**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 4.2.4;

"**Annual Set Aside Quantity**" has the meaning given to it in Part C (*Capacity*) Section 2.3.1(a);

"**Annual Yearly IP Capacity Auction**" has the meaning given to it in Part C (*Capacity*) Section 2.2.3(a);

"**Anticipated CGI Gas Point Commencement Date**" means the Day advised by the Transporter as the Day which the Transporter anticipates as the Day on which a proposed CGI Gas Point will be available to accept deliveries of RNG;

"**Anticipated Entry Point Commencement Date**" means the Day advised by the Transporter from time to time as the Day which the Transporter anticipates as the Day upon which a Proposed Entry Point or Proposed CGI Entry Point will be available to accept delivery of quantities of Shippers Natural Gas;

"**Applicant**" has the meaning given to it in Part I (*Legal and General*) Section 12.1.1;

"**Ascending Clock Auction**" means an auction in which a Shipper may place requested quantities in kWh/d of IP Capacity in a Bid against defined price steps which are announced and applied sequentially in a series of Bidding Rounds;

"**Ascending Clock Auction Price**" has the meaning given to it in Part C (*Capacity*) Section 2.7.1;

"**Assessment Period**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1(b);

"**Assignee Shipper**" has the meaning given to it in Part I (*Legal and General*) Section 12.5.2(b);

"**Assigning Shipper**" has the meaning given to it in Part I (*Legal and General*) Section 12.5.2(b);

"**Auctionable Capacity**" means the amount of IP Capacity available to be booked in a Capacity Auction comprising Yearly IP Auctionable Capacity, Quarterly IP Auctionable Capacity, Monthly IP Auctionable Capacity, Daily IP Auctionable Capacity, Within Day IP Auctionable Capacity and/or Daily Interruptible IP Auctionable Capacity, whichever the case may be;

"**Auction Premium**" means the difference (if any) in price between the Reserve Price in respect of capacity available at any specified Capacity Auction and the Clearing Price at the same Capacity Auction;

"**Audit Report**" has the meaning give to it in Part H (*Operations*) Section 1.12.4;

"**Automatic Bidding**" means a function of the JBP that allows Shippers to submit pre-set Bids in respect of a Capacity Auction;"**Authorised Representative**" means a person or persons with appropriate authority and responsibility within a Shipper's or End User's (as the case may be) organisation who is nominated to act as the primary contact for the Transporter where this Code so requires;

"**Authorised Users**" shall mean those persons nominated by a Shipper to and accepted by the Transporter to access and utilise GNI (IT) Systems or any applicable part thereof.

"**Available Active Capacity**" means Available Active Entry Capacity, Available Active Exit Capacity or Available Active IP Capacity as the case may be;

"**Available Active Entry Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.5.2;

"**Available Active Exit Capacity**" means "**Available Active LDM Exit Capacity**", "**Available Active LDM Supply Point Capacity**", "**Available Aggregate Primary DM Exit Capacity**", "**Available DM Exit Capacity**" and/or "**Available DM Supply Point Capacity**", as the case may be;

"**Available Active IP Capacity**" means Available Active IP Entry Capacity or Available Active IP CSEP Offtake Capacity (as the case may be);

"**Available Active IP CSEP Offtake Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.5.2;

"**Available Active IP Entry Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.5.2;

"**Available Active LDM Exit Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.7.5(a);

"**Available Active LDM Supply Point Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.7.5(c);

"**Available Active IP CSEP Offtake Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.5.2;

"**Available Aggregate Primary DM Exit Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.7.5(e);

"**Available DM Exit Capacity**" has the meaning given to it in Part H *(Operations)* Section 2.7.5(b);

"**Available DM Supply Point Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.7.5(d);

*["**Available I/C Inventory Space**" means in respect of a Day the amount by which the Shipper's I/C Inventory Space exceeds the Shipper's Projected VIP Utilisation in respect of that Day*;]

"**Available Interruptible Exit Nomination Quantity**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.13.1;

"**Available Sub-Sea I/C Offtake Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.7.5(f);

"**Back Office Service Provider**" or "**BOSP**" means a provider or proposed provider of services to the Transporter, to Shippers and Suppliers in connection with pre-payment metering and who communicate information with the FOSP, other service providers, the Transporter, Shippers and Suppliers End Users;

"**Balancing Action**" means a Balancing Gas Buy or a Balancing Gas Sell in respect of a Day;

"**Balancing Charges**" means the Daily Imbalance Charge(s) and the System Imbalance Charge(s);

"**Balancing Gas**" means Natural Gas acquired or relinquished or to be acquired or relinquished by the Transporter for the purposes set out in Part E (*Balancing and Shrinkage*) Section 1.1;

"**Balancing Gas Buy**" means the acquisition by the Transporter of a quantity of Balancing Gas;

"**Balancing Gas Contract**" means:

(i) a Balancing Gas Service Contract; and/or

(ii) a Trading Platform Transactions Agreement or TPTA;

"**Balancing Service Contract**" means an agreement between the Transporter and a supplier of Natural Gas (being a Shipper or a Third Party Shipper) to sell or buy Balancing Gas;

"**Balancing Gas Sell**" means the disposal by the Transporter of a quantity of Balancing Gas;

"**bar**" has the meaning specified or defined in ISO 1000:1981(E);

"**Beattock Measurement Equipment**" means the Measurement Equipment (excluding the Moffat Measurement Equipment) at the Moffat IP Entry Point operated and maintained by the Transporter for the Moffat IP Entry Point;

"**Bellanaboy Entry Point**" means the flange weld or the other agreed mark at or downstream of the final outlet from the Bellanaboy delivery facility and connecting the Bellanaboy delivery facility to the Transportation System;

"**Benefiting Shipper**" has the meaning given to it in Part H (*Operations*) Section 1.11.2;

"**Bid**" means a Shipper's application submitted on the JBP for a specific amount of IP Capacity at a specific price in a Bidding Round submitted in accordance with Part C (*Capacity*) Section 2.8.2 in respect of an Ascending Clock Auction and in accordance with Part C (*Capacity*) Section 2.10.5 in respect of a Uniform Price Auction ;

"**Bid Price**" has the meaning given to it in Part C (*Capacity*) Section 2.10.5(g);

"**Bid Quantity**" means in respect of a Bid the amount of relevant IP Capacity (in kWh/day) to which the Bid relates;

"**Bidding Round**" means the period of time during which a Shipper may submit, amend and withdraw Bids in a Capacity Auction;

"**Booked Entry Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 3.2.9;

"**Booked Interruptible IP Capacity**" means Daily Interruptible IP Capacity booked by a Shipper pursuant to a Rolling Day Ahead Interruptible IP Capacity Auction;

"**Booked IP Capacity Quantity**" means the amount of IP Capacity allocated by the Transporter to a Shipper pursuant to a single Capacity Auction in accordance with this Code;

"**Booked LDM Exit Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 7.2.7;

"**Booked LDM Supply Point Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 7.2.7;

"**Booked Sub-Sea I/C Offtake Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 7.13.5;

"**Bundled Auction**" has the meaning given to it in Part C (*Capacity*) Section 2.2.2;

"**Bundled Auction**" has the meaning given to it in Part C (*Capacity*) Section 2.2.2;

"**Bundled IP Capacity**" means Bundled IP Entry Capacity and/or Bundled IP CSEP Offtake Capacity as the case may be;

"**Bundled IP CSEP Offtake Capacity**" is IP CSEP Offtake Capacity and an equal amount of Adjacent System IP Capacity of the same duration, direction and class at the same IP booked by Shipper following a Bid in a single Capacity Auction and shall:

(a) include IP CSEP Offtake Capacity in respect of which a Bundling Request or a Bundling Notification is accepted by the Transporter in accordance with Part C (*Capacity*) Section 2.14.5 in respect of a Bundling Request and Part C (*Capacity*) Section 2.14.11 in respect of a Bundling Notification; and

(b) exclude Bundled IP CSEP Offtake Capacity which has been unbundled in accordance with this Code and

"**Bundled Yearly IP CSEP Offtake Capacity**", "**Bundled Quarterly IP CSEP Offtake Capacity**", "**Bundled Monthly IP CSEP Offtake Capacity**", "**Bundled Daily IP CSEP Offtake Capacity**" and "**Bundled Within Day IP CSEP Offtake Capacity**" shall be construed accordingly;

"**Bundled IP Entry Capacity**" means IP Entry Capacity and an equal amount of Adjacent System IP Capacity of the same duration direction and class at the same IP booked by a Shipper following a successful Bid in a single Capacity Auction and shall:

(a) include IP Entry Capacity in respect of which a Bundling Request or a Bundling Notification is accepted by the Transporter in accordance with Part C (*Capacity*) Section 2.14.5 in respect of a Bundling Request and Part C (*Capacity*) Section 2.14.11 in respect of a Bundling Notification; and

(b) exclude IP Entry Capacity which has been Unbundled in accordance with the Code;

"**Bundled Yearly IP Entry Capacity**" "**Bundled Quarterly IP Entry Capacity**" "**Bundled Monthly IP Entry Capacity**", "**Bundled Daily IP Entry Capacity**" and "**Bundled Within Day IP Entry Capacity**" shall be construed accordingly;

"**Bundling Period**" has the meaning given to it in Part C (*Capacity*) Section 2.14.2(g);

"**Bundling Request**" has the meaning given to it in Part C (*Capacity*) Section 2.14.1;

"**Bundling Notification**" has the meaning given to it in Part C (*Capacity*) Section 2.14.8;

"**Business Day**" means any period during which banks are normally open for business on a day (not being a Saturday or Sunday or a day on which banks are generally closed for business in the city of Dublin);

"**Buyback Invitation**" has the meaning given to it in Part H (*Operations*) Section 2A.16.3;

"**Buyback Notification**" has the meaning given to it in Part H (*Operations*) Section 2A.16.10;

"**Buyback Offer**" has the meaning given to it in Part H (*Operations*) Section 2.A16.5;

"**Buyback Offer Close Time**" has the meaning given to it in Part H (*Operations*) Section 2A.16.3;

"**Buyback Offer Price**" has the meaning given to it in Part H (*Operations*) Section 2A.16.5(g);

"**Buyback Tender**" has the meaning given to it in Part H (*Operations*) Section 2A.16.2;

"**Calorific Value**" or "**Gross Calorific Value**" means that number of Mega Joules produced by the complete combustion at a constant absolute pressure of 1.01325 bar of one (1) standard cubic meter of gas at fifteen (15) degrees Celsius with excess air at same temperature and pressure as the gas when the products of combustion are cooled to fifteen (15) degrees Celsius and when the water formed by combustion is condensed to the liquid state and the products of combustion contain the same total mass of water vapor as the gas and air before combustion; and for the avoidance of doubt calorific value shall be REAL as defined in ISO6976:2005;

"**CAM Code**" means Commission Regulation (EU) (2017/459) of 16 March 2017) establishing a Network Code on Capacity Allocation Mechanisms in gas transmission systems and repealing Commission Regulation EU No. 984/2013 as amended from time to time;

"**Capacity Auction**" means an Annual Yearly IP Capacity Auction, an Annual Quarterly IP Capacity Auction, a Rolling Monthly IP Capacity Auction, a Daily IP Capacity Auction, a Within Day IP Capacity Auction and/or a Rolling Day Ahead Interruptible IP Capacity Auction or any one or more of them as the case may be;

"**Capacity Booking**" means an Entry Capacity Booking (of any duration) a LDM Capacity Booking, the Shipper's registration as the Registered Shipper at a DM Offtake or a NDM Supply Point, a Short Term Aggregate DM Exit Capacity Booking, a Short Term Aggregate NDM Exit Capacity Booking, a Sub-Sea I/C Offtake Capacity Booking [*and/or a booking of I/C Inventory Space pursuant to a I/C Inventory Agreement*] and may include an IP Capacity Booking as the context so requires;

"**Capacity Booking Effective Date**" means an IP Entry Capacity Effective Date, an Entry Capacity Effective Date and/or an Exit Capacity Effective Date and/or a Sub-Sea I/C Offtake Capacity Effective Date and/or an IP CSEP Capacity Effective Date as the case may be;

"**Capacity Booking Period**" means in respect of a Capacity Booking the duration of that Capacity Booking;

"**Capacity Booking Window**" means the Long Term Capacity Booking Window, Monthly Capacity Booking Window or Daily Capacity Booking Window as the case may be;

"**Capacity Charges**" means the capacity component of the applicable Tariff;

"**Capacity Conversion**" means the surrender of an amount of mismatched Unbundled IP Capacity at an Interconnection Point following the allocation of not less than an equivalent amount of Bundled IP Capacity of the same category for a duration which is Yearly, Quarterly or Monthly at the same Interconnection Point;

"**Capacity Conversion Application**" has the meaning in Part C (*Capacity*) Section 2.16.4;

"**Converted Capacity**" means in respect of a Shipper the amount of mismatched Unbundled IP Capacity for which a Capacity Conversion process is successfully undertaken under Part C (*Capacity*) Section 2.16;

"**Capacity Charge Rebate**" has the meaning given to it in Part G (*Technical*) Section 5.10.1;

"**Capacity Overrun**" means an Entry Capacity Overrun, an Exit Capacity Overrun, a Sub-Sea I/C Offtake Capacity Overrun or a Supply Point Capacity Overrun, as the case may be;

"**Capacity Overrun Charges**" means an Entry Capacity Overrun Charge, an Exit Capacity Overrun Charge, a Sub-Sea I/C Offtake Capacity Overrun Charge or a Supply Point Capacity Overrun Charge (as the case may be);

"**Capacity Overruns Disbursements Accounts**" means the Entry and Exit Capacity Overrun Disbursements Account or the Supply Point Capacity Overrun Disbursements Account (as the case may be);

"**Capacity Register**" has the meaning given to it in Part C (*Capacity*) Section 13.1;

"**Capacity Surrender Acceptance Notice**" has the meaning given to it in Part H (*Operations*) Section 2A.6.1;

"**Capacity Surrender Available Amount**" has the meaning given to it in Part H (*Operations*) Section 2A.5.1;

"**Capacity Surrender Availability Period**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1;

"**Capacity Surrender Request**" has the meaning given to it in Part H (*Operations*) Section 2A.5.1;

"**Capacity Surrender Update**" has the meaning given to it in Part H (*Operators*) Section 2A.5.11;

"**Capacity Surrender Window**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1(h);

"**Cash Neutral**" means, in respect of certain commitments or arrangements as identified within this Code and/or any relevant Ancillary Agreement, such commitments or arrangements as will result in no financial gain or loss for the Transporter fulfilling its obligations under this Code and/or any relevant Ancillary Agreement;

"**Central Grid Injection Facility**" or "**CGI**" means a facility forming part of the Transportation System at which Shippers RNG may be tendered for delivery to the Transportation System at individual CGI Gas Points and which facility provides CGI Metering;

"**CGI Administrator**" means the person responsible for inter alia, the administration of access to and use by Third Party Shippers of property immediately upstream of and adjacent to a CGI Entry Point for the purpose of inter alia, delivery of RNG to Shippers (at CGI Gas Point(s)) and securing compliance by parties including Third Party Shippers with relevant obligations as outlined in the applicable CSA;

"**CGI Capacity Limit**" has the meaning given to it in Part F (*Administration*) Section 3A.1.2;

"**CGI Entry Point**" means a point at a CGI at which one or more CGI Gas Points may be configured by the Transporter at which RNG may be delivered to the Transportation System (including for avoidance of doubt any systems or facilities which may be constructed after the coming into force of this Code) and in respect of which a CSA has been executed.

"**CGI Gas Point**" means a notional point at a CGI Entry Point established by the Transporter in accordance with Part F (*Administration*) Section 3A.1.1.

"**CGI Gas Point ID**" means a unique identifier assigned to a CGI Gas Point pursuant to Part F Section 3A.1.2

"**CGI Metering**" means a metering process utilising Measurement Equipment which includes an electronic register which captures and retains metering information pertaining to each delivery of RNG at each CGI Gas Point configured within a CGI Entry Point and which allows RNG delivered at each CGI Gas Point to be metered separately and independently of each other CGI Gas Point configured within the CGI Entry Point.

"**CGI Statement of Terms**" has the meaning given to it in Part H (*Operations*) Section 3.6.2;

"**Change of Configuration Request**" has the meaning given to it in Part F (*Administration*) Section 3.1.3;

"**Change of Shipper**" means a change made by the GPRO in accordance with the Change of Shipper Procedures to the Registered Shipper at a DM Offtake or a NDM Supply Point whereby such Shipper is replaced as the Registered Shipper at such DM Offtake or NDM Supply Point by a different Shipper;

"**Change of Shipper Procedures**" means the Procedures of that name published by the GPRO from time to time with the approval of the Commission (and as incorporated within the GPRO Procedures);

"**Change of Shipper Request**" means a request by a Shipper to become the Registered Shipper in respect of a DM Offtake or a NDM Supply Point in accordance with the Change of Shipper Procedures;

"**Clearing Price**" has the meaning given in Part C (*Capacity*) Section 2.12.1(a) in respect of an Ascending Clock Auction and Part C (*Capacity*) Section 2.12.1(b) in respect of a Uniform Price Auction;

"**Code**" or "**Code of Operations**" means this code of practice for the operation of the Transportation System (as amended, modified or revised) which governs certain aspects of the relationship between the Transporter and the Shippers on the Transportation System;

"**Commissioning Connected System Point**" has the meaning given to it in Part H (*Operations*) Section 3.7.4;

"**Commissioning Reverse Flow Arrangements**" has the meaning given to it in Part H (*Operations*) Section 3.7.5;

"**Commissioning Shippers**" has the meaning given to it in Part H (*Operations*) Section 3.7.6;

"**Commission for Regulation of Utilities**" or "**Commission**" shall mean the body established pursuant to Section 8 of the Electricity Act as renamed pursuant to the Energy Act 2016 and S.I. 397 of 2017;

"**Commodity Charges**" means the commodity component of the applicable Tariff;

"**Common Curtilage**" means an enclosed area of land occupied by a single End User;
"**Competent Authority**" means the Department, Commission or any local, national or

supra-national agency, authority, department, inspectorate, official, court, tribunal or public or statutory person (whether autonomous or not) of the European Union (including the European Parliament and Council and any Member State of the European Union) or the Isle of Man (or the respective governments thereof) which has jurisdiction where relevant over the Transporter or the Transportation System in relation to any provision contained herein;

"**Competing Capacity**" or "**CC**" in respect of any Capacity Auction is an amount of IP Capacity calculated as the Aggregate Auctionable RoI/NI Capacity minus GB Allocable Capacity;

"**Compressed Natural Gas**" or" **CNG**" means Natural Gas that is compressed to a pressure in the range of 200 – 300 bar for the purpose of use in road transport;

"**Compressed Natural Gas Installation**" or "**CNG Installation**" is an installation for the purpose of compressing natural gas to CNG downstream of an Offtake Point;

"**Confidential Information**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.1;

"**Connected System**" means a transportation system and/or a RNG Delivery Facility, physically connected to the Transportation System and/or facilities upstream of a CGI Entry Point used or required to be accessed by Third Party Shippers to facilitate delivery of RNG to Shippers at the CGI Entry Point (including, for the avoidance of doubt, any transportation systems or facilities upstream or downstream of the Transportation System which may not have been constructed or be in operation at the coming into force of this Code) but excluding an Interconnected System;

"**Connected System Agreement**" or "**CSA**" means an agreement of any description entered into by the Transporter (or an Affiliate) and a Connected System Operator containing specific provisions applicable to an Entry Point or at a CGI Entry Point and including any CGI Statement of Terms;

"**Connected System Operator**" means the operator of a Connected System and shall include for the avoidance of doubt the operator of a RNG Delivery Facility and/or a CGI Facility Administrator or operator for the time being of facilities which Third Party Shippers may access to facilitate delivery of RNG to Shippers at a CGI Entry Point;

"**Connected System Point**" or "**CSP**" means that point at which the Transportation System and Connected System are physically connected;

"**Consequential Loss**" means losses, damages and expenses (including legal expenses) whether or not foreseeable in respect of loss of use of property, loss of contract, profit, production (other than unavoidable loss of production directly caused by a party) or revenue, or business interruption, or other economic or consequential losses, or increased costs of working of either party (and/or Third Parties) howsoever caused under or in connection with this Code and/or any Ancillary Agreement;

"**Consultation Interconnection Provision**" shall have the meaning given to it in Part H (*Operations*) Section 7.2.7;

"**Consumer Price Index**" or "**CPI**" means the consumer price index (all items) of Ireland as published by the Central Statistics Office in Ireland or such other replacement index as may be published from time to time and approved by a Competent Authority. Any reference in this Code to an amount being adjusted in

accordance with the CPI shall mean adjustment by multiplying such amount by the following formula:

$$CPI_Y/CPI_O$$

where:

CPI_Y = the average of the monthly values of Consumer Price Index for the twelve (12) months ending three (3) months prior to the start of the last preceding Gas Year; and

CPI_O = the average of the monthly values of the Consumer Price Index for the twelve (12) months ending three (3) months prior to the Gas Year starting on 1 October, 1999;

"**Contractual Congestion**" and "**Contractually Congested**" have the meaning given to them in Part H (*Operations*) Section 2A.1.1(i);

"**Contractual Congestion Effective Date**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1(k);

"**Contractually Congested Point**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1(j);

"**Contract Year**" means the twelve (12) Month period commencing on:

(a) the Entry Capacity Effective Date or any anniversary thereof; and/or

(b) the LDM Capacity Booking Effective Date with respect to LDM Exit Capacity and/or LDM Supply Point Capacity or any anniversary thereof; and/or

(c) in respect of IP Capacity on the first Day of a Gas Year.

"**Control**" has the meaning given to it in Part I (*Legal and General*) Section 4.6.3;

"**Corresponding Adjacent System IP Capacity**" means in the context of a Capacity Auction, a Bundling Request or a Bundling Notification firm Adjacent System IP Capacity comprising;

(i) Adjacent System IP Capacity required to offtake natural gas from the Interconnected System when the Capacity Auction, Bundling Request or Bundling Notification is in respect of IP Entry Capacity; or

(ii) Adjacent System IP Capacity required to deliver natural gas to the Interconnected System where the Capacity Auction, Bundling Request or Bundling Notification is in respect of IP CSEP Offtake Capacity; and

(iii) in either case of the same class and in respect of a Capacity Auction only of the same duration;

"**Corresponding IS Nomination**" in relation to an IP Nomination or IP Renomination is an IS Nomination submitted by a Counterparty IP Shipper for the same IP, Day,

direction and Effective Flow Rate Time as the IP Nomination or IP Renomination submitted by a Shipper and which specifies the Shipper as a counterparty shipper;

"**Counterparty IP Shipper**" means in relation to a Shipper which submits an IP Nomination for delivery of Natural Gas to or offtake of Natural Gas from the Transportation System at an IP, the IS Shipper (which may be the Shipper) which is to offtake such Natural Gas from or deliver such Natural Gas to Interconnected System at the IP;

"Counterparty Trade Shipper" has the meaning given to it in Part C (*Capacity*) Section 5.1.5;

"**Counterparty Trading Shipper**" has the meaning in Part D (*Nominations Allocations and Supply Point Administration*) Section 1.2.5A;

"**Cumulative Steering Difference**" has the meaning given to it in Part D (Nominations, Allocations and NDM Supply Point Reconciliation) Section 3.2.1(j);

"**Daily**" has the meaning given to it in Part C (*Capacity*) Section 1.1.4;

"**Daily Capacity Booking Window**" means the period commencing at start of the Day which is seven Days prior to the requested Capacity Booking Effective Date specified in a request for Short Term Capacity for a duration of a Day, and ending at

(a) 03:00 hours on the requested Capacity Booking Effective Date in respect of Daily Entry Capacity;

(b) 04:59 hours on the requested Capacity Booking Effective Date in respect of Daily Exit Capacity.

"**Daily Entry Capacity**" has the meaning in Part C (*Capacity*) Section 3.1.2(d);

"**Daily Entry Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 3.1.3(d);

"**Daily Exit Capacity**" means Daily LDM Exit Capacity and/or Short Term Aggregate DM Exit Capacity for a duration which is Daily and/or Short Term Aggregate NDM Exit Capacity for a duration which is Daily;

"**Daily Imbalance Charge**" means a charge calculated in accordance with Part E (*Balancing and Shrinkage*) Section 1.6.5;

"**Daily Imbalance Quantity**" means an Initial Daily Imbalance Quantity or a Revised Daily Imbalance Quantity or a Final Daily Imbalance Quantity, as the case may be;

"**Daily Interrupted Quantity**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.13.1;

"**Daily Interruptible IP Auctionable Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.4.1(f);

"**Daily Interruptible IP Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.1.4 and shall include Daily Interruptible IP VEntry Capacity and Daily Interruptible IP VExit Capacity;

"**Daily Interruptible IP VEntry Capacity**" means for a Day interruptible capacity at an IP VEntry required to deliver Natural Gas at an IP VEntry on a Day;

"**Daily Interruptible IP VExit Capacity**" means for a Day, Interruptible capacity at an IP VExit required to offtake Natural Gas at an IP VExit on a Day;

"**Daily IP Auctionable Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.4.1(d);

"**Daily IP Entry Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.1.3(d);

"**Daily IP CSEP Offtake Capacity**" has the meaning given to it in Part C (*Capacity)* Section 2.1.3(d);

"**Daily LDM Exit Capacity**" has the meaning given to it in Part C (*Capacity*) Section 7.2.2(d);

"**Daily LDM Exit Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 7.2.3(d);

"**Daily Metered**" or "**DM**" has the meaning given to it in Part F (*Administration*) Section 2.1.2;

"**Daily Read Equipment**" means equipment that enables Meter Reads to be obtained by the Transporter remotely at set intervals and comprises:

(a) a device for capturing from the meter, and/or (where installed) a convertor, data which constitutes or permits the derivation of a Meter Read; and

(b) equipment required for transmitting such data to the Transporter;

"**Data Controller**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.3;

"**Data Processor**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.4;

"**Data Protection Law**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.5;

"**Data Subject**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.6.

"**Day**" means a period beginning at 05:00 hours on any day and ending at 05:00 hours on the following day and the word "**Daily**" shall be construed accordingly;

"**day**" means a calendar day;

"**Day D**" or "**D**" means the Day on which an activity pursuant to this Code is scheduled or requested to occur or should have occurred;

"**Day D+1**" or "**D+1**" means the Day immediately following Day D and references in this Code to **"D +**" or "**D-**" followed by a number shall be construed accordingly;

"**Deed of Covenant**" means a deed of covenant executed by a Front Office Service Provider for the benefit of the Transporter in such form as shall be prescribed by the Transporter from time to time;

"**Deemed Contractually Congested Point**" shall have the meaning given to it in Part H (*Operations*) Section 2A.1.4;

"**Default Notice**" has the meaning given to it in Part I (*Legal and General)* Section 4.4.1(a);

"**Defaulting Party**" has the meaning given to it in Part I (*Legal and General*) Section 4.4.1;

"**Delivery Characteristics**" means the actual components and properties of the Natural Gas;

"**Delivery Facility Operator**" means the operator for the time being of a RNG Delivery Facility;

"**Demand Assessment Report**" has the meaning in Part H (*Operations*) Section 8.3;

"**Demand Indication**" has the meaning in Part H (*Operations*) Section 8.2;

"**Demand Indication Fee**" or "**DIF**" means the fee payable by a Shipper or interested third party submitting a Demand Indication and which fee shall be as published by the Transporter with the approval of the Commission;

"**Department**" shall mean the government department which has jurisdiction over the Transporter from time to time;

"**Deregistration Application**" has the meaning given to it in Part F (*Administration*) Section 1.8.2;

"**Deregistration Procedures**" shall mean Procedures of that name published by the Transporter from time to time and approved by the Commission;

"**Digital Certificates**" means electronic documents issued by the Transporter that verify an Authorised User's identity by validating that Authorised User's public key as part of a public-private key encryption system;

"**Difficult Day**" has the meaning given to it in Part H (*Operations*) Section 2.2.1;

"**direction**" or "Direction" or direction of gas flow:

(1) for the purpose of any IP Nomination shall be;

(i) the IP Nomination is in respect of a quantity of Natural Gas to be delivered to the Transportation System at an Interconnection Point and offtaken from the Interconnected System at that Interconnection Point; or

(ii) the IP Nomination is in respect of a quantity of Natural Gas to be offtaken from the Transportation System at an Interconnected Point for delivery to the Interconnection System at that Interconnection Point; and

(2) for the purposes of IP Capacity shall be interrupted in accordance with Part C (*Capacity*) Section 1.1.2:

"**Directive**" means any present or future directive, regulation, request, requirement, instruction, code of practice, the Transportation Licences, Shipping Licence, direction or rule of any Competent Authority (but only, if not having the force of law, if it is reasonable in all the circumstances for it to be treated as though it had legal force), and any modification, extension or replacement thereof;

"**Disbursements Account**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.1;

"**Disclosed Personal Data**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.7;

"**Disclosing Party**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.7;

"**Disclosing Data Controller**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.8;

"**Discontinuing Shipper**" has the meaning given to it in Part I (*Legal and General*) Section 9.5.2;

["**Dispatch Notice**" has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.8;]

"**Dispute**" has the meaning given to it in Part I (*Legal and General*) Section 6.1.1(a);

"**Dispute Notice**" has the meaning given to it in Part I (*Legal and General*) Section 6.1.1(b);

"**Distribution System**" means the Transporter's distribution pipelines (as that term is defined in the Act) that are designed to operate at a pressure of sixteen (16) bar or below, and all associated and ancillary facilities to such pipeline system operated by the Transporter;

"**Distribution System Operator Licence**" means the distribution system operator licence granted to the Transporter by the Commission pursuant to section 16(1) of the Act on 4 July 2008;

"**Distribution System Owner**" means the Transporter acting in its capacity as licensee under the Distribution System Owner Licence and its permitted successors and/or assigns;

"**Distribution System Owner Licence**" *means the distribution system owner licence* issued granted to Bord Gáis Éireann by the Commission pursuant to Section 16(1)(f) of the Act on 04 July 2008 and vested in the Transporter*;*

"**Distribution System Shrinkage Costs**" means Shrinkage Costs attributed to the Distribution System;

"**Distribution System Shrinkage Factor**" means a factor expressed as a percentage, approved by the Commission and published by the Transporter from time to time;

"**Distribution System Shrinkage Gas**" means in respect of a Day the quantity of Natural Gas calculated in accordance with Section 2.7.3(b) iv of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) and attributed to the Distribution System in accordance with Section 2 of Part E (*Balancing Shrinkage*).

"**DM**" or "**Daily Metered**" has the meaning given to it in Part F (*Administration*) Section 2.1.2(b);

"**DM Exit Allocation**" means an Exit Allocation for a Shipper at or in respect of DM Offtakes at which the Shipper is a Registered Shipper made in accordance with the provisions of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7.2;

"**DM Exit Capacity**" means capacity at a DM Exit Point required for the offtake of Natural Gas from the Transmission System at a TCDM Exit Point or capacity in the Transmission System required for onward delivery of Natural Gas to the Distribution System for offtake at a DM Supply Point;

"**DM Exit Capacity Overrun**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(h);

"**DM Exit Capacity Overrun Quantity**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(k);

"**DM Exit Capacity Revision Request**" has the meaning given to it in Part C (*Capacity*) Section 7.7.1;

"**DM Exit Nomination**" means a notification by a Shipper to the Transporter of its intention to offtake a Nominated Quantity from the Transportation System on a Day at or in respect of one or more DM Offtakes at which the Shipper is the Registered Shipper;

"**DM Offtake**" means either a DM Supply Point or a TCDM Exit Point;

"**DM Supply Point**" means a point at which Natural Gas is offtaken from the Distribution System and comprises one or more DM Gas Points within a Common Curtilage serving a single End User;

"**DM Supply Point Capacity**" means capacity at a DM Supply Point required for the offtake of Natural Gas from the Distribution System at that DM Supply Point;

"**DM Supply Point Capacity Overrun**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(o);

"**DM Supply Point Capacity Reduction Effective Date**" has the meaning given to it in Part C (*Capacity*) Section 8.5.16;

"**DM Supply Point Capacity Reduction Period**" has the meaning given to it in Part C (*Capacity*) Section 8.5.17;

"**DM Supply Point Capacity Reduction Request**" has the meaning given to it in Part C (*Capacity*) Section 8.5.12;

"**DM Supply Point Capacity Revision Request**" has the meaning given to it in Part C (*Capacity*) Section 8.5.6;

"**Double Sided**" means in respect of an IP Nomination an IP Nomination which is submitted by a Shipper to the Transporter in accordance with this Code and where a separate nomination is submitted to the Adjacent TSO in accordance with the Adjacent TSO Transportation Arrangements and "**Double Sided IP Nomination**" and "**Double Sided IP Renomination**" shall be construed accordingly;

"**Due Date**" has the meaning given to it in Part I (*Legal and General*) Section 11.4.1;

"**Economic Test**" means the test identified as such in any joint project proposal submitted in accordance with Part H (*Operations)* Section 8.5.1 as approved in any decision of the Commission and any other regulatory authority published in accordance with Part H (*Operations*) Section 8.5.2;

"**Effective Date**" has the meaning given to it in Part C (*Capacity*) Section 7.7.2(a);

"**Effective Flow Rate Time**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.10.1;

"**EIC**" means the unique energy identification code issued to a Shipper or shippers or the Transporter in accordance with the energy identification coding scheme standardised and maintained by ENTSOE;

"**Electricity Act**" means the Electricity Regulation Act 1999;

"**Emergency**" has the meaning given to it in Part H (*Operations*) Section 1.1.1;

"**Emergency Report**" has the meaning given to it in Part H (*Operations*) Section 1.12.1;

"**Emergency Steps**" has the meaning given to it in Part H (*Operations*) Section 1.2.1;

"**End of Day Quantity**" or "**EODQ" or "EODQ"** means the quantity of Natural Gas to be delivered at an Entry Point (which is not an IP Entry Point) or at a CGI Gas Point on a Day as notified to the Transporter by an agent appointed pursuant to the Entry Point Procedures, applicable Bi-Directional CSP Procedures or notified pursuant to the applicable CSA or where there is no such agent or applicable CSA in place, or where there is no such quantity notified by such agent or pursuant to a CSA, the aggregate of all Valid Entry Nominations and Valid Entry Renominations by all Registered Shippers at the relevant Entry Point in respect of the Day and in respect of a CGI Gas Point, or RNG Entry Point shall be the prevailing Valid Nomination;

"**End User**" means any third party which has entered into an agreement with a Shipper or Supplier to purchase and/or utilise Natural Gas to be offtaken from the Transportation System by that Shipper at an Offtake Point. For the avoidance of doubt, an End User shall not include a Connected System Operator or a person offtaking Natural Gas for onward delivery through a Connected System;

"**End User Agreement**" means an agreement relating to a LDM Offtake Point or DM Offtake entered into by the Transporter and the End User at such LDM Offtake Point or DM Offtake in such form as may be agreed from time to time between the Transporter and the Commission;

"**End User's Facilities**" means any facilities, equipment or other property of an End User, or of a Shipper downstream of an Offtake Point, in respect of which Natural Gas is offtaken from the Transportation System at such Offtake Point(s), which Natural Gas is to be used in respect of such End User's Facilities (including any plant or equipment in which Natural Gas is compressed or otherwise treated before being consumed);

"**Entry Allocation**" means the quantity of Natural Gas that is allocated in accordance with the provisions of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Sections 2.3, 2.4, 2.5 and/or 2.6 to a Registered Shipper at an Entry Point or a CGI Gas Point for a Day or in the case of an Entry Point configured within a Bi-Directional CSP the quantity allocated in accordance with the provisions of Sections 2.12 to 2.15;

"**Entry Allocation Agent**" means a person who has been appointed by all Registered Shippers at an Entry Point (other than at an RNG Entry Point or at a CGI Entry Point) to deal on their behalf with respect to Entry Point Procedures (including Allocations) in respect of that Entry Point which have been accepted by the Transporter in accordance with Part H (*Operations*) Section 3 (*Entry Points*);

"**Entry Capacity**" means capacity at an Entry Point or at an RNG Entry Point or at a CGI Gas Point required to take delivery of Natural Gas to the Transportation System and shall, save where the context otherwise requires exclude IP Entry Capacity;

"**Entry Capacity Booking**" has the meaning given to it in Part C (*Capacity*) Section 3.2.9;

"**Entry Capacity Booking Period**" means the duration for which a Shipper books Long Term Entry Capacity or Short STerm Entry Capacity pursuant to this Code commencing on the applicable Entry Capacity Effective Date;

"**Entry Capacity Booking Reference**" has the meaning given to it in Part C (*Capacity*) Section 13.5;

"**Entry Capacity Charges**" has the meaning given to it in Part C (*Capacity*) Section 3.4.1;

"**Entry Capacity Effective Date**" means the first Day of an Entry Capacity Booking and which shall be the first Day of a calendar month where the Entry Capacity Booking relates to Monthly Entry Capacity or Long Term Entry Capacity and means the Day in respect of which capacity is booked where the Entry Capacity Booking relates to Daily Entry Capacity;

"**Entry Capacity Overrun**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(d);

"**Entry Capacity Overrun Charge**" has the meaning given to it in Part C (*Capacity*) Section 11.3.6(a);

"**Entry Capacity Overrun Quantity**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(e);

"**Entry Capacity Request**" means a Long Term Entry Capacity Request or a Short Term Entry Capacity Request as the case may be;

"**Entry Capacity Trade**" has the meaning given to it in Part C (*Capacity*) Section 4.1.2;

"**Entry Capacity Trade Quantity**" has the meaning given to it in Part C (*Capacity*) Section 4.1.4(c);

"**Entry Capacity Trade Reference**" has the meaning given to it in Part C (*Capacity*) Section 13.7.1;

"**Entry Capacity Trade Registration Request**" has the meaning given to it in Part C (*Capacity*) Section 4.1.4;

"**Entry Nomination**" means a notification by a Shipper at an Entry Point (which is not an IP Entry Point) or at a CGI Gas Point to the Transporter of its intention to deliver a Nominated Quantity to the Transportation System at such Entry Point on a Day;

"**Entry Overrun Tolerance**" has the meaning given to it in Part C (*Capacity*) Section 11.3.4(a);

"**Entry Point**" means a point at which Natural Gas is (or may in the future be) transferred from a Connected System (including, for the avoidance of doubt, any systems or facilities which may be constructed after the coming into force of this Code) to the Transportation System, references to an Entry Point shall include a

reference to an RNG Entry Point save where otherwise provided but shall not extend to or include a CGI Entry Point;

"**Entry Point Adjustment Quantity**" has the meaning given to it in Part G (*Technical*) Section 4.5.4;

"**Entry Point Commencement Date**" has the meaning given to it in Part F (*Administration*) Section 1.3.4;

"**Entry Point Measurement Provisions**" has the meaning given to it in Part H (*Operations*) Section 3.1.2(c);

"**Entry Point Offtake Adjustment Quantity**" has the meaning given to it in Part G (*Technical*) Section 4.5.9;

"**Entry Point Procedures**" has the meaning given to it in Part H (*Operations*) Section 3.8.1;

"**Entry Point Requirements**" has the meaning given to it in Part H (*Operations*) Section 3.1.2;

"**Entry Point Transfer Reference**" has the meaning given to it in Part C (*Capacity*) Section 13.8.2;

"**Entry Point Transfer Request**" has the meaning given to it in Part C (*Capacity*) Section 6.1.6;

"**Entry Point Variance Percentage**" means the percentage variance between the MeDQ and EODQ at an Entry Point on a Day calculated in accordance with Part E *(Balancing and Shrinkage)* Section 1.8.2;

"**Entry Point Variance Tolerance**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.7.7;

"**Entry Reallocation**" means an Initial Entry Allocation which has been adjusted and/or readjusted between 16:00 hours on D+1 and 16:00 hours on D+4 by an Entry Allocation Agent in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.4.4 or by the Transporter in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Sections 2.5.6 and/or 2.5.10 (as the case may be);

"**Entry Renomination**" means a Renomination with respect to a Valid Entry Nomination or a Valid Entry Renomination by a Registered Shipper at an Entry Point;;

"**Entry Scheduling Charge**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.10.1(a)(i);

"**Entry Scheduling Charge Quantity**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.10.1(a)(iv);

"**Entry Scheduling Quantity**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.10.1(a)(ii);

"**Entry Scheduling Tolerance**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.10.1(a)(iii);

"**Entry Specification**" has the meaning given to it in Part G (*Technical*) Section 1.1.1;

"**Entry Tolerance**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.7.2;

"**ENTSOE**" means the European network of transmission system operators for electricity;

"**ENTSOG**" means the European network of transmission system operators for gas;

"**ENTSOG Auction Calendar**" means a table displaying information relating to specific Capacity Auctions which shall be published by ENTSOG by January of every calendar year for auctions taking place during the period of March until February of the following calendar year and consisting of all relevant timings for Capacity Auctions, including starting dates and Standard Capacity Products to which they apply;

"**Error**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.10.6;

"**EURIBOR**" means, in relation to any amount to be advanced to, or owing by either the Transporter or a Shipper hereunder on which interest for a given period is to accrue:

(a) the percentage rate per annum equal to the offered quotation which appears on the page of the Telerate Screen which displays an average rate of the European Banking Federation for the Euro (being currently pages 248 & 249) for such period at or about 11:00 a.m. (Central European Time) on the quotation date for such period or, if such page or such service shall cease to be available, such other page or such other service for the purpose of displaying an average rate of the Banking Federation of the European Union as the Transporter shall select; or

(b) if no quotation for the Euro for the relevant period is displayed and the Transporter has not selected an alternative service on which a quotation is displayed, the arithmetic mean (rounded upwards to four decimal places) of the rates (as notified to the Transporter) at which each of the Reference Banks was offering to prime banks in the European interbank market deposits in the Euro of an equivalent amount for such period at or above 11:00 a.m. (Central European Time) on the quotation date;

"**Euro**" or **"€"** means the single currency of participating member states of the European Union (as described in any EMU legislation);

"**Exceptional Event**" has the meaning given to it in Part H (*Operations*) Section 1.1.2;

"**Exit Allocation**" means the quantity of Natural Gas that is allocated to a Shipper in accordance with the provisions of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7 or Part D Section 2.8 as having been offtaken from the Transportation System by a Shipper on a Day;

"**Exit Capacity**" means LDM Exit Capacity, DM Exit Capacity and/or NDM Exit Capacity as the case may be;

"**Exit Capacity Booking Period**" means the duration for which the Shipper books Long Term Exit Capacity at or in respect of an LDM Offtake or for which the Shipper books Short Term Exit Capacity commencing in each case on the applicable Exit Capacity Effective Date;

"**Exit Capacity Booking Reference**" has the meaning given to it in Part C (*Capacity*) Section 13.6;

"**Exit Capacity Charges**" has the meaning given to it in Part C (*Capacity*) Section 7.14.1;

"**Exit Capacity Effective Date**" means a LDM Capacity Booking Effective Date, or in the case of Long Term DM Exit Capacity or Long Term NDM Exit Capacity the Day with effect from which the Shipper becomes the Registered Shipper at the relevant DM Offtake or NDM Supply Point or the Effective Date or the Short Term Aggregate DM Exit Capacity Effective Date and/or the Short Term Aggregate NDM Exit Capacity Effective Date (as the case may be);

"**Exit Capacity Overrun**" has the meaning given to in Part C (*Capacity*) Section 11.2.1(f);

"**Exit Capacity Overrun Charge**" has the meaning given to it in Part C (*Capacity*) Section 11.4.5(a);

"**Exit Capacity Overrun Quantity**" means a LDM Exit Capacity Overrun Quantity or a DM Exit Capacity Overrun Quantity;

"**Exit Capacity Transfer**" has the meaning given to it in Part C (*Capacity*) Section 9.1.1(a);

"**Exit Capacity Transfer Reference**" has the meaning given to it in Part C (*Capacity*) Section 13.8.3;

"**Exit Capacity Transfer Request**" has the meaning given to it in Part C (*Capacity*) Section 9.1.1(b);

"**Exit Nomination**" means one or more of a LDM Exit Nomination, a DM Exit Nomination, a NDM Exit Nomination, a Sub-Sea I/C Offtake Nomination as the context may require;

"**Exit Point**" means a LDM Exit Point or a TCDM Exit Point;

"**Exit Reallocation**" means an Initial Exit Allocation which has been adjusted and/or readjusted between 16:00 hours on D+1 and 16:00 hours on D+4 in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.8;

"**Exit Renomination**" means a Renomination with respect to a Valid Exit Nomination or a Valid Exit Renomination by a Registered Shipper at an Offtake Point;

"**Exit Scheduling Charges**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.10.3(a)(i);

"**Exit Scheduling Charge Quantity**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.10.3(a)(iii);

"**Exit Scheduling Tolerance**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.10.3(a)(ii);

"**Exit Tolerance**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.7.3;

"**Expert Referral Notice**" has the meaning given to it in Part I (*Legal and General*) Section 6.3.2(a);

"**Extension Application**" has the meaning given to it in Part C (*Capacity*) Section 3.3.4;

"**Failed Supplier**" shall mean a Supplier identified by the Commission as such in a Last Resort Supply Direction. For the avoidance of doubt the Supplier so identified may be a Shipper.

"**f factor**" means a share of the then present value of the estimated increase of the allowed revenue of the Transporter associated with the amount of Incremental Capacity included in a particular Offer Level which must be covered by the present value of binding commitments of Shippers and as approved by the Commission;

"**Final Allocation(s)**" means a Final Entry Allocation, a Final CSEP Exit Allocation or a Final LDM Exit Allocation, a Final LDM Supply Point Allocation, a Final DM Exit Allocation, a Final DM Supply Point Allocation, a Final NDM Exit Allocation or a Final Sub-Sea Offtake Allocation;

"**Final Daily Imbalance Quantity**" of "**IMB_{Final}**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.5.3;

"**Final DM Exit Allocation**" means a DM Exit Allocation which is a Final Exit Allocation;

"**Final Entry Allocation**" means the Entry Allocation made at 16:00 hours on D+5 in respect of a Shipper in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Sections 2.4.6 and 2.6;

"**Final Exit Allocation(s)**" means the quantity of Natural Gas (in kWh) that is allocated to a Shipper at or in respect of an Offtake Point(s) in accordance with the provisions of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.9 as having been offtaken from the Transportation System by such Shipper on a Day;

"**Final Inputs**" means the quantity calculated pursuant to Part E (*Balancing and Shrinkage*) Section 1.5.3;

"**Final IP CSEP Offtake Allocation(s)**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1 (aa);

"**Final IP Entry Allocation(s)**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(o);

"**Final IP VEntry Allocation(s)**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(u);

"**Final IP VExit Allocation(s)**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(p);

"**Final LDM Exit Allocation**" means a LDM Exit Allocation which is a Final Exit Allocation;

"**Final NDM Exit Allocation**" means a NDM Exit Allocation which is a Final Exit Allocation;

"**Final Outputs**" means the quantity calculated pursuant to Part E (*Balancing and Shrinkage*) Section 1.5.3;

"**Final Sub-Sea I/C Offtake Allocation(s)**" means Sub-Sea I/C Offtake Allocation made at 16:00 hours on M+5 to a Shipper in respect of the Sub-Sea I/C Offtake in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.9;

"**Final Supply Point Allocation(s)**" means the Supply Point Allocation made by the Transporter at 16:00 hours on M+5 in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.10.5;

"**Financial Security Policy**" means the Policy of that name published by the Transporter from time to time approved by the Commission;

"**First Commercial Gas Date**" means the Day on which Natural Gas (other than commissioning gas) is first produced from a New Gas Source and made available for delivery to the Transmission System at an Entry Point;

"**First Quarterly IP Capacity Auction**" shall means the Annual Quarterly IP Capacity Auction which takes place prior to the commencement of Q1 of the Gas Year which commences after that auction and at which Bundled IP Capacity and/or Unbundled IP Capacity may be made available for a duration which is Quarterly and concurrently in respect of each of Q1, Q2, Q3 and Q4 of the upcoming Gas Year;

*["**First I/C Inventory Booking**" has the meaning given to it in Part J.1 (Inventory Product Service) Section 1.6.2;*]

"**First Shipper**" has the meaning given to it in Part H (*Operations*) Section 1.11.2;

"**First Time Undersell**" or "**FTU**" means an occurrence where the Aggregate Bid Quantity in an Ascending Clock Auction is less than the applicable Auctionable Capacity offered at the end of the second Bidding Round of that Ascending Clock Auction or at the end of a subsequent Bidding Round in that Ascending Clock Auction;

"**Flow Rate**" means the rate of flow of Natural Gas expressed in kW;

"**Force Majeure**" has the meaning given to it in Part I (*Legal and General*) Section 3.1.1;

"**Forum**" has the meaning given to it in Part I (*Legal and General*) Section 1.2.1;

"**Fourth Quarterly IP Capacity Auction**" shall mean the Annual Quarterly IP Capacity Auction which takes place prior to the commencement of Q4 of a Gas Year and at which Bundled IP Capacity and/or Unbundled IP Capacity may be made available for a duration which is Quarterly and in respect of Q4 of that Gas Year;

"**Framework Agreement**" means the agreement of that name entered into between the Transporter and a Shipper, whereby the Transporter and the Shipper agree to be bound by the terms of this Code in such form as may be agreed from time to time between the Transporter and the Commission;

"**Front Office Service Agreement**" means an agreement between a Front Office Service Provider and a Shipper, a Supplier or the Transporter and/or any one or more of them and which makes provision for the delivery to the Transporter by the Front Office Service Provider of a Deed of Covenant;

"**Front Office Service Provider**" or "**FOSP**" means a provider of or a proposed provider of services to Shippers/Suppliers to ensure the availability of Gas Cards through retail outlets and collection of data in relation to transactions structured through relevant retail agents and who communicates information, with the BOSP other service providers, Shippers, Suppliers, End User and the Transporter;

"**FTU Bidding Round**" means the Bidding Round in which a First Time Undersell occurs;

"**Gas Act**" means the Gas Act 1976;

"**Gas Point**" is a metered point at which Natural Gas may be offtaken from the Transportation System for the purposes of supplying Natural Gas to an End User's Facilities and references to "**DM Gas Point**", "**LDM Gas Point**" and "**NDM Gas Point**" shall be construed accordingly;

"**Gas Point Classification**" has the meaning given to it in Part F (*Administration*) Section 2.1.1;

"**Gas Point Register**" or "**GPR**" has the meaning given to it in Part F (*Administration*) Section 4.2;

"**Gas Point Registration Number**" or "**GPRN**" means the unique registration number allocated by the GPRO to a Gas Point;

"**Gas Point Registration Operator**" or "**GPRO**" has the meaning given to it in the Transmission Licence;

"**Gas Source**" means an offshore gas field and associated facilities for production, processing and transportation of Natural Gas from a gas field to an Entry Point, and authorised pursuant to a Petroleum Lease (including, for the avoidance of doubt, an addendum to a Petroleum Lease), and including, for the avoidance of doubt, any upstream facilities connecting the Gas Source to the Transportation System;

"**Gas Year**" means the period of time beginning at 05:00 hours from 1 October of any year to 05:00 hours on 1 October of the next succeeding calendar year;

"**GB Allocable Capacity**" means in respect of a Capacity Auction the total quantity of Adjacent System IP Capacity made available by the Adjacent TSO at the Moffat Interconnection Point for allocation across both the GB-RoI Auction and the GB-NI Auction;

"**GB-NI Auction**" has the meaning given to it in Part C (*Capacity*) Section 2.6.2;

"**GB RoI Auction**" has the meaning given to it in Part C (*Capacity*) Section 2.6.2;

"**GNI Interruption Arrangements**" shall mean the arrangements for Interruption at an IP VEntry and/or IP VExit as set out in this Code;

"**GNI (UK) Network**" means the Natural Gas transportation system operated by GNI (UK) which is physically connected with the Transportation System at the South-North IP;

"**GNI (UK) System**" means the pipelines and associated facilities owned and operated by GNI (UK) Limited extending from the South-North IP to and within Northern Ireland.

"**GNI (IT) Systems**" (formerly BGT Systems) means the market facing electronic information systems (as used by the Transporter and made available by the Transporter to Shippers for certain transportation and network related activities and as contemplated by this Code (as those systems are modified from time to time). Any reference to GNI (IT) Systems shall, where the context so requires be a reference to any part thereof;

"**GNI (IT) Systems Access Agreement**" means the agreement of that name (or known or formerly known as a BGT Systems Access Agreement) as may be entered into by

the Transporter and a Shipper in such form as agreed from time to time between the Transporter and the Commission;

"**GNI Systems Access Procedures**" (formerly the BGT Systems Access Procedures) means the Procedures of that name published by the Transporter from time to time and approved by the Commission;

"**GNI Tripartite Agreement**" means the agreement of that date made between the Transporter, its Affiliate GNI (UK) Limited and NGG in relation to arrangements at the Interconnection Point at Moffat;

"**GPRO Procedures**" means the Procedures of that name published by the GPRO from time to time and approved by the Commission;

"**Hardware**" shall mean any hardware which is used by the Shipper to facilitate access to GNI (IT) Systems or any part thereof in accordance with the Code;

"**Highest Bid Price**" has the meaning given to it in Part C (*Capacity*) Section 2.11.2;

"**household customers**" has the meaning given to it in Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009;

"**Hydrocarbon Dewpoint**" means the temperature at which gaseous hydrocarbons within Natural Gas condense to form liquids;

"**IBP**" means the Irish Balancing Point, a notional point on the Transmission System at which IBP Sell Nominations, IBP Buy Nominations, IBP Sell Renominations and IBP Buy Renominations are transacted;

"**IBP Allocation**" means the quantity of Natural Gas that is allocated in respect of IBP Sell Allocations and/or IBP Buy Allocations in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.11 as having been relinquished or acquired by a Shipper at the IBP on a Day;

"**IBP Balancing Trades**" means where the Transporter and the Shipper acquire and/or relinquish Natural Gas at the IBP;

"**IBP Buy Allocation**" means the Nominated Quantity in the Valid IBP Buy Nomination on a Day;

"**IBP Buy Nomination**" means a notification submitted by a Shipper in connection with a quantity of Natural Gas to be acquired at the IBP on a Day by such Shipper;

"**IBP Marginal Buy Price**" has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.6.1(e);

"**IBP Marginal Sell Price**" has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.6.1(e);

"**IBP Nomination**" means an IBP Buy Nomination and/or an IBP Sell Nomination;

"**IBP Renomination**" means a revision of a Nominated Quantity or Renominated Quantity in an earlier Valid IBP Nomination or Valid IBP Renomination;

"**IBP Sell Allocation**" means the Nominated Quantity in the Valid IBP Sell Nomination on a Day;

"**IBP Sell Nomination**" means a notification submitted by a Shipper in connection with a quantity of Natural Gas that is to be relinquished at the IBP on a Day by such Shipper;

*["**I/C Inventory Agreement**" means an agreement relating to I/C Inventory Space entered into by the Transporter and a Shipper in such form as may be agreed from time to time between the Transporter and the Commission;*]

*["**I/C Inventory Space Booking Methodology**" has the meaning given to it in Part J.1 (Inventory Product Service) Section 1.4.1;*]

[*"**I/C Inventory Space**" is an amount of capacity reserved by a Shipper at the VIP in accordance with the Code and Shipper's I/C Inventory Agreement*;]

*["**I/C Inventory Space Booking Effective Date**" means the first Day of a Shipper's I/C Inventory Space Booking Period pursuant to an I/C Inventory Agreement*

*"**I/C Inventory Space Booking Period**" means the period in respect of which a Shipper has booked I/C Inventory Space pursuant to an I/C Inventory Agreement*

*"**I/C Inventory Space Charges**" has the meaning given to it in Part J.1 (Inventory Product Service) Section 1.5.1*;]

"**Imbalance Gas Transportation Costs**" means the costs associated with the delivery of Natural Gas from the UK NBP to the Transportation System calculated by the Transporter, approved by the Commission and published by the Transporter from time to time;

"**Imbalance Price**" has the meaning in Part E (*Balancing Shrinkage*) Section 1.6.1(d);
"**Implied Nomination Flow Rate**" or "**INFR**" means the rate (in kWh) at which a Nominated Quantity, Renominated Quantity IP Nominated Quantity or IP Renominated Quantity is deemed to be delivered to or offtaken from the Transportation System on a Day as determined in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.5;

"**Incremental Capacity**" means:

(i) a possible future increase in the amount of Technical Capacity at an Interconnection Point, or
(ii) creation of a class of capacity which is firm at an Interconnection Point which class of capacity was not previously available at that Interconnection Point; and/or
(iii) the creation of a new Interconnection Point;

and in each case based on investment in physical infrastructure or long term capacity optimisation and which capacity will be created and allocated in accordance with Part H (*Operations*) Section 8 subject to the positive outcome of an economic test as specified in any Incremental Capacity Project;

"**Incremental Capacity Process**" has the meaning in Part H (*Operations*) Section 8;

"**Incremental Capacity Project**" means the technical studies, project design, planning, permitting, procurement, construction, wayleave and property acquisition, installation and commissioning of facilities including any pipelines and other installations and equipment necessary or prudent to make Incremental Capacity available to Shippers;

"**IND**" has the meaning in Article 24 of EU Regulation 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas;

"**Initial Allocation**" means an allocation made in respect of a Shipper for a Day on or prior to 16:00 on D +1;

"**Initial CSP Allocation Adjustment Request**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.14.4;

"**Initial Daily Imbalance Quantity**" or "**$IMB_{Initial}$**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.5.1;

"**Initial DM Exit Allocation**" means an Initial Exit Allocation made on or prior to 16:00 hours on D+1 in aggregate for a Shipper in respect of all DM Offtakes at which such Shipper is the Registered Shipper in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7.2;

"**Initial Entry Allocation**" means the Entry Allocation made in respect of a Registered Shipper at an Entry Point or at a CGI Gas Point and notified to such Shipper in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.4.2(d) or Section 2.5.1 (as the case may be);

"**Initial Entry Allocation Adjustment Request**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.5.4;

"**Initial Exit Allocation**" means an Initial LDM Exit Allocation, an Initial DM Exit Allocation or an Initial NDM Exit Allocation, as appropriate;

"**Initial Exit Allocation Adjustment Request**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.8.2;

"**Initial Inputs**" means the quantity calculated pursuant to Part E (*Balancing and Shrinkage*) Section 1.5.1;

"**Initial IP CSEP Offtake Allocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(z);

"**Initial IP Entry Allocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(q);

"**Initial IP VEntry Allocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(v);

"**Initial IP VExit Allocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section3.2.1(r);

"**Initial LDM Exit Allocation**" means an Initial Exit Allocation made on or prior to 16:00 hours on D+1 to a Shipper in respect of an LDM Offtake in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7.1;

"**Initial NDM Exit Allocation**" means an Initial Exit Allocation made on or prior to 16:00 hours on D+1 in aggregate for a Shipper in respect of all NDM Supply Points at which such Shipper is a Registered Shipper in accordance with Section Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) 2.7.3;

"**Initial Outputs**" means the quantity calculated pursuant to Part E (*Balancing and Shrinkage*) Section 1.5.1;

"**Initial Sub-Sea I/C Offtake Allocation**" means an initial Sub-Sea I/C Offtake Allocation made on or prior to 16:00 hours on D + 1 to a Shipper in respect of the Sub-

Sea I/C Offtake in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7.4;

"**Initial Supply Point Allocation**" means the Supply Point Allocation made on or prior to 16:00 hours on D+1 in respect of a Registered Shipper at a Supply Point in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.10;

"**Initiating TSO**" means in respect of an IP the relevant transmission system operator being either the Transporter (or its Affiliate) or the Adjacent TSO at that IP and which is identified as such in or pursuant to the applicable Interconnection Agreement at that IP;

"**Instantaneous Energy Rate**" means the Instantaneous Flow Rate multiplied by the applicable Calorific Value expressed in kWh that is being delivered at an Entry Point or offtaken at an Offtake Point;

"**Instantaneous Flow Rate**" means the volume of Natural Gas measured in mscm/Day as being delivered at an Entry Point or offtaken at an Offtake Point at any moment in time;

"**Interconnected System**" means a transmission system with which the Transportation System is interconnected at an IP and shall include the National Grid Gas (NGG) System in GB and the GNI (UK) System at Gormanston, Co. Meath but excluding any storage facility or production facility;

"**Interconnected System Interruption Arrangements**" shall mean the arrangements for interruption at an Interconnection Point pursuant to the applicable Interconnected System Transportation Arrangements;

"**Interconnected System Nomination**" or "**IS Nomination**" means a nomination (and/or a renomination) to the Adjacent TSO (pursuant to the Interconnected System Transportation Arrangements) at an Interconnection Point in respect of a quantity of Natural Gas to be delivered to or offtaken from the Interconnected System at an Interconnection Point (and which may be Single Sided or Double Sided);

"Interconnected System Shipper" or **"IS Shipper"** is a shipper pursuant to the Interconnected System Transportation Arrangements on the Interconnected System at an IP, who may also be a Shipper;

"**Interconnected System Transportation Arrangements**" means the contractual provisions related to the operation of the Interconnected System and which govern certain aspects of the relationship between the relevant Adjacent TSO and shippers on the Interconnected System;

"**Interconnection Agreement**" has the meaning given to it in Part H (*Operations*) Section 7.1.3;

"**Interconnection Point**" or "**IP**" means a connected system point at which the Transmission System is physically connected with an Interconnected System insofar as such point is subject to booking procedures by Shippers and shall include the point at which the Transportation System is physically connected to the NGG System at Moffat in Scotland and the point at which the Transportation System is physically connected to the GNI (UK) Network at Gormanston, Co. Meath;

"**Interconnection Point Capacity Report**" has the meaning given to it in Part H (*Operations*) Section 2A.3.1;

"**Interconnector Treaty**" has the meaning given to it in Part I (*Legal and General*) Section 12.10.2;

"**Interconnector Treaties**" means the Interconnector Treaty and the Second Interconnector Treaty;

"**Interim Period**" shall have the meaning in Part F (*Administration*) Appendix 1 Section 1;

"**Interruptible IP Capacity**" means Interruptible IP VEntry Capacity and/or Interruptible IP VExit Capacity as the case may be;

"**Interruptible IP Capacity Booking**" means a booking of Daily Interruptible IP VEntry Capacity or a IP VExit Capacity made in accordance with this Code;

"**Interruptible IP Capacity Overrun Quantity**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(s);

"**Interruptible IP Charges**" has the meaning given to it in Part C (*Capacity*) Section 2.13.2;

"**Interruptible IP Nominations"** means an IP VEntry Nomination and/or an Interruptible IP VExit Nomination as the case may be;

"**Interruptible IP VEntry Capacity**" means capacity at an IP VEntry required to deliver (in accordance with this Code) Natural Gas at an IP VEntry on a Day and which capacity is Interruptible in accordance with this Code;

"**Interruptible IP VExit Capacity**" means capacity at an IP VExit required to offtake (in accordance with this Code) Natural Gas at an IP VExit on a Day and which capacity is Interruptible;

"**Interruption**" means at an IP VEntry or at and IP VExit interruption or limitation on the Transporter's instructions, (for one or more Days or parts of a Day) of the offtake or delivery (or deemed offtake or delivery) of Natural Gas nominated pursuant to an Interruptible IP VEntry Nomination or an IP VExit Nomination as the case may be and references to the Transporters rights to "**Interrupt**" and "**Interruptible**" shall be construed accordingly;

"**Invoice**" has the meaning given to it in Part I (*Legal and General*) Section 11.1.2(a);

"**Invoice Amount**" has the meaning given to it in Part I (*Legal and General*) Section 11.1.2(c);

"**Invoice Item**" has the meaning given to it in Part I (*Legal and General*) Section 11.1.2(b);

"**IP Allocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(a);

"**IP Capacity**" means IP Entry Capacity and/or IP CSEP Offtake Capacity (whether Bundled IP Capacity or Unbundled IP Capacity) as the case may be and/or Interruptible IP Capacity where the context so requires;

"**IP Capacity Booking**" shall mean the booking of an amount of IP Capacity of any category class and duration by a Shipper in accordance with this Code pursuant to any Capacity Auction and IP Entry Capacity Booking, IP CSEP Capacity Booking, Daily

Interruptible IP VEntry Capacity Booking and Daily Interruptible IP VExit Capacity Booking shall be construed accordingly;

"**IP Capacity Booking Effective Date**" means the first day of an IP Capacity Booking Period and shall include an IP CSEP Capacity Effective Date and/or an IP Entry Capacity Effective Date;

"**IP Capacity Booking Period**" means in respect of each category and class of IP Capacity at an IP the duration for which IP Capacity is requested by, or allocated by the Transporter to, a Shipper in accordance with this Code as the case may be;

"**IP Capacity Overrun**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1;

"**IP Capacity Overrun Charge**" has the meaning given to it in Part C (*Capacity*) Section 11.3.3;

"**IP Capacity Overrun Quantity**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(c);

"**IP Capacity Trade Reference"** has the meaning given to it in Part C (*Capacity*) Section 13.8;

"**IP Capacity Trade**" has the meaning given to it in Part C (*Capacity*) Section 5.1.5;

"**IP Capacity Trade Period**" has the meaning given to it in Part C (*Capacity*) Section 5.1.5(k);

"**IP Charges**" shall have the meaning in Part C (*Capacity*) Section 2.13.1;

"**IP CSEP**" means a point at which Natural Gas is offtaken from the Transportation System to an Interconnected System (including for avoidance of doubt any system or facility which may be constructed after the coming into force of this Code) and shall include the South North IP CSEP;

"**IP CSEP Capacity Booking Period**" means the duration for which a Shipper holds IP CSEP Offtake Capacity pursuant to a Capacity Auction in accordance with this Code commencing on the applicable IP CSEP Capacity Effective Date;

"**IP CSEP Capacity Effective Date**" means the first Day of the duration for which IP CSEP Capacity is allocated to a Shipper pursuant to Capacity Auction in accordance with this Code and which shall be the first day of a Gas Year where the Capacity Booking is in respect of a Year, and shall by the first Day of a Quarter where the Capacity Booking is in respect of a Quarter and shall be the first Day of the calendar month where the Capacity Booking is in respect of a Month and shall be the Day when the capacity booking is in respect of Daily and Within Day IP CSEP Offtake Capacity;

"**IP CSEP Offtake Allocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(y);

"**IP CSEP Offtake Capacity**" means capacity at an IP CSEP required in order to offtake Natural Gas from the Transportation System at that IP CSEP on a Day;

"**IP CSEP Offtake Capacity Booking Reference**" has the meaning given to it in Part C (*Capacity* Section 13.4;

"**IP CSEP Offtake Nomination**" means a notification submitted within the applicable IP Nomination Period by a Shipper at an IP CSEP of its intention to offtake an IP

Nominated Quantity from the Transportation System at that IP CSEP on a Day and which IP CSEP Offtake Nomination may be Single Sided or Double Sided;

"**IP CSEP Offtake Reallocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(b);

"**IP CSEP Offtake Renomination**" means an IP CSEP Offtake Nomination submitted during the applicable IP Renomination Period and which may be a revision of an IP Nominated Quantity in an earlier IP CSEP Offtake Nomination or IP CSEP Offtake Renomination (as the case may be);

"**IP Entry Allocation(s)**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(n);

"**IP Entry Capacity**" means capacity at an IP Entry Point required in order to take delivery of Natural Gas to the Transportation System at that IP Entry Point on a Day;

"**IP Entry Capacity Booking Period**" means the duration for which IP Entry Capacity is allocated to a Shipper pursuant to a Capacity Auction in accordance with this Code, commencing on the IP Entry Capacity Effective Date;

"**IP Entry Capacity Booking Reference**" has the meaning given to it in Part C (*Capacity*) Section 13.4;

"**IP Entry Capacity Effective Date**" means the first Day of the duration for which IP Entry Capacity is allocated to a Shipper pursuant to Capacity Auction in accordance with this Code and which shall be the first day of a Gas Year where the Capacity Booking is in respect of a Year, and shall by the first Day of a Quarter where the Capacity Booking is in respect of a Quarter and shall be the first Day of the calendar month where the Capacity Booking is in respect of a Month and shall be the Day when the capacity booking is in respect of Daily and Within Day Capacity at the IP Entry Point;

"**IP Entry Nomination**" means a notification submitted within the applicable IP Nomination Period by a Shipper at an IP Entry Point of its intention to deliver an IP Nominated Quantity to the Transportation System at such IP Entry Point on a Day and which IP Nomination may be Single Sided or Double Sided;

"**IP Entry Point**" means a point located at an Interconnection Point at which Natural Gas is (or may in the future be) transferred from an Interconnected System (including for the avoidance of doubt any systems or facilities which may be constructed (after the coming into force of this Code) to the Transportation System including the Moffat Interconnection Point;

"**IP Entry Reallocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1;

"**IP Failure to Interrupt Charge(s)**" means an IP VEntry Failure to Interrupt Charge and/or an IP VExit Failure to Interrupt Charge as the case may be;

"**IP Interruptible Capacity Overrun Charge**" has the meaning given to it in Part C (*Capacity*) Section 11.5.4;

"**IP Late Registration Fee**" means a fee (in addition to the IP Registration Fee) payable by a Shipper where the Shipper applies to become a Registered Shipper at an IP VEntry or IP VExit where the Shipper has not prior to such application submitted an IP Notification and/or paid the applicable IP Registration Fee;

"**IP Matching Procedure**" or "**Matching Procedure**" shall have the meaning in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.3.4 and "**Matching**" shall mean the process undertaken in accordance with the relevant IP Matching Procedure to inter alia determine IP Nomination Confirmed Quantities at the IP;

"**IP Nominated Quantity**" means the quantity of Natural Gas (in kWh) specified in a Shippers IP Nomination;

"**IP Nomination**" means an IP Entry Nomination, an IP CSEP Nomination, an IP VEntry Nomination, an IP VExit Nomination or such one or more of them as the context requires and references to an IP Nomination may be construed as a reference to an IP Renomination and/or to the IP Nominated Quantity or IP Renominated Quantity specified therein (as the case may be) and a "**Valid IP Nomination**" or "**Valid IP Renomination**" shall mean an IP Nomination which is not rejected in accordance with this Code and a "**Valid IP Entry Nomination**", "**Valid IP CSEP Nomination**", "**Valid IP VEntry Nomination**" and "**Valid IP VExit Nomination**" shall be construed accordingly and references to a Valid IP Nomination or Valid IP Renomination may be construed as a reference to the applicable IP Nomination Confirmed Quantity;

"**IP Nomination Confirmed Quantity**" means in respect of an IP Nomination or an IP Renomination the quantity of Natural Gas determined as such in accordance with the applicable IP Matching Procedure and notified to the Shipper in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.4.8, 1.4.9 or 1.4.12;

"**IP Nomination Cycle**" means in respect of an IP Nomination for a Day a period of two hours commencing at the IP Nomination End Time or VEntry/Exit Nomination End time (as the case may be) for that Day;

"**IP Nomination Deadline**" means:

(a) for an IP Nomination in respect of a Day 13:00 hours on D – 1; and

(b) for an IP Renomination submitted within the IP Renomination Period in respect of the Day, the start of the hour which commences after receipt of the relevant IP Renomination within the IP Renomination Period

and where the first IP Nomination Deadline within the IP Renomination Period shall be 16:00 hours on D – 1 and the last IP Nomination Deadline in respect of a Day shall be 02:00 hours on that Day;

"**IP Nomination End Time**" means in respect of an IP Nomination 13:00 hours on D – 1

"**IP Nomination Period**" means the period starting at the applicable IP Nomination Start Time and ending at the applicable IP Nomination End Time;

"**IP Nomination Processed Quantity**" means in respect of an IP Nomination or an IP Renomination that quantity of Natural Gas which is determined as such by the Transporter in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.4.7 and which shall be submitted to Matching in accordance with the applicable IP Matching Procedure;

"**IP Nomination Start Time**" means in respect of an IP Nomination the start of the Day which commences 30 days prior to the Day to which the IP Nomination relates;

"**IP Nominated Quantity**" or "**IP Renominated Quantity**" means the quantity of Natural Gas (in kWh/d) specified in a Shippers IP Nomination or IP Renomination and a reference to an IP Nominated Quantity or IP Renominated Quantity shall include a reference to the IP Nomination Processed Quantity and/or the IP Nomination Confirmed Quantity as applicable;

"**IP Non OBA Tolerance Quantity**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.8.4;

"**IP Notification**" has the meaning given to it in Part F (*Administration*) Section 1.17.2;

"**IP OBA Provision(s)**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(m);

"**IP Operational Balancing Account**" or "**IP OBA**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1k);

"**IP Reallocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation)* Section 3.2.1(b);

"**IP Registration Fee**" has the meaning given to it in Part F (*Administration*) Section 1.17.1;

"**IP Renominated Quantity**" means the quantity of Natural Gas (in kWh) specified in a Shipper's IP Renomination;

"**IP Renomination**" means a IP Nomination submitted by a Shipper within the applicable IP Renomination Period and which may be revision to the IP Nominated Quantity in respect of a prior IP Nomination or IP Renomination and references to an IP Renomination may be construed as a reference to the IP Nomination Quantity specified therein or the IP Nomination Processed Quantity or the IP Nomination Confirmed Quantity as the case may be and a Valid IP Renomination means an IP Renomination which is not rejected pursuant to the Code and "**Valid IP Entry Renominations**", "**Valid IP CSEP Offtake Renominations**" and "**Valid IP VEntry Renomination**". "**Valid IP VExit Renominations** "shall be construed accordingly;

"**IP Renomination Cycle**" means in respect of each Day a period of two hours commencing at an IP Nomination Deadline within the IP Renomination Period for the Day;

"**IP Renomination End Time**" means

in respect of an IP Renomination 02:00 on the Day; "**IP Renomination Period**" shall in respect of each Day mean the period commencing at the applicable IP Renomination Start Time and ending at the IP Renomination End Time;

"**IP Renominated Quantity**" means the quantity of Natural Gas (in kWh) specified in a Shippers IP Renomination;

"**IP Renomination Start Time**" means in respect of an IP Renomination

"**IP Trade Acceptance Notice**" has the meaning given to it in Part C (*Capacity*) Section 5.1.6;

"**IP Transferee Shipper**" has the meaning given to it in Part C (*Capacity*) Section 5.1.1;

"**IP Transferor Shipper**" has the meaning given to it in Part C (*Capacity*) Section 5.1.1;

"**IP VEntry**" means a point at a unidirectional Interconnection Point at which the direction of physical flow is offtake from the Transportation System to the Interconnected System and at which Natural Gas may be delivered to the Transportation System in accordance with this Code;

"**IP VEntry Allocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(t);

"**IP VEntry Capacity**" means capacity at an IP VEntry required in order to deliver Natural Gas to the Transportation System at an IP VEntry;

"**IP VEntry Capacity Booking**" means the allocation to a Shipper of Daily Interruptible IP VEntry Capacity for a Day at an IP VEntry pursuant to a single Capacity Auction or otherwise in accordance with this Code;

"**IP VEntry Capacity Booking Reference**" has the meaning given to it in Part C (*Capacity*) Section 13.4;

"**IP VEntry Capacity Interruption Notice(s)**" has the meaning in Part H (*Operations*) Section 7.6.1;

"**IP VEntry Failure to Interrupt Charge**" has the meaning given to it in Part H (*Operations*) Section 7.6.5;

"**IP VEntry Nomination**" means a notification, submitted within the applicable IP Nomination Period, by a Shipper at the IP VEntry of its intention to deliver a IP Nominated Quantity to the Transportation System on a Day at the IP VEntry in accordance with this Code;

"**IP VEntry Reallocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(b);

"**IP VEntry Renomination** means an IP VEntry Nomination submitted by a Shipper at the IP VEntry within the applicable IP Renomination Period;

"**IP VExit**" means a point located at a unidirectional Interconnection Point (at which the direction of physical flow is delivery into the Transportation System) and at which Natural Gas may be offtaken from the Transportation System in accordance with this Code;

"**IP VExit Allocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(s);

"**IP VExit Capacity**" means capacity at an IP VExit required in order to offtake Natural Gas from the Transportation System at the IP VExit;

"**IP VExit Capacity Booking**" means the allocation to a Shipper of Daily Interruptible IP VExit Capacity for a Day at an IP VExit pursuant to a single Capacity Auction in accordance with this Code;

"**IP VExit Capacity Booking Reference**" has the meaning given to it in Part C (*Capacity)* Section 13.4 the Transportation System in accordance with this Code;

"**IP VExit Capacity Interruption Notice**" has the meaning given to it in Part H (*Operations*) Section 7.7.1;

"**IP VExit Failure to Interrupt Charge**" has the meaning given to it in Part H (*Operations*) Section 7.7.5;

"**IP VExit Nomination**" means a notification, submitted within the applicable IP Nomination Period, by a Shipper at a IP VExit of its intention to offtake an IP Nominated Quantity from the Transportation System on a Day at that IP VExit in accordance with this Code;

"**IP VExit Reallocation**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation) Section .2.1(b)*;

"**IP VExit Renomination**" means an IP VExit Nomination submitted by a Shipper at the IP VExit within the applicable IP Renomination Period; "**Isolation**" means the physical isolation of a Gas Point, by the disconnection of the equipment or facilities at the Gas Point, or the removal of the meter at the Gas Point in order to prevent the flow of Natural Gas to the End User's Facilities. For the avoidance of doubt, Isolation will not occur in the event that a meter is locked;

"**Joint Booking Platform**" or "**JBP**" means the joint web based platform operated by the JBP Operator and used to offer, obtain and allocate IP Capacity pursuant to Capacity Auctions and to execute IP Capacity Trades;

"**Joint Booking Platform Operator**" or "**JBP Operator**" means PRISMA European Capacity Platform GmbH, Schillerstrasse 4,04 109 Leipzig, Germany or such other entity as may be the operator of the Joint Booking Platform from time to time;

"**JBP Nominated User**" means the persons nominated by a JBP User to the JBP Operator and notified as such to the Transporter;

"**JBP Processes**" has the meaning given to it in Part H (*Operations*) Section 7.3.3;

"**JBP Transactions**" shall mean those activities which pursuant to this Code are to be performed on the JBP including (i) publication of information for Capacity Auctions; (ii) receipt of Bids and notifying acceptance or rejection of such Bids; (iii) receipt of IP Trade Proposals notifying acceptance or rejection of such IP Trade Proposals; (iv) receipt of Capacity Surrender Requests and notifying acceptance or rejection of them; and (v) such other transactions as may be required in accordance with this Code to be performed by the JBP;

"**JBP User**" means a Shipper which has adhered to the JBP Users T&C for the purposes of obtaining IP Capacity and/or for executing IP Capacity Trades and been approved by the Transporter in accordance with Part F (*Administration*) Section 1.16;

"**JBP Users T&C's**" means those terms and conditions of the JBP Operator which govern (inter alia) the relationship between the JBP Operator and a Shipper(s);

"**Joule**" means the Joule as defined in ISO 80,000 – 1:2009;

"**Kilowatt Hour**" and its abbreviation "**kWh**" shall mean three million six hundred thousand (3,600,000) Joules;

"**Kilowatt**" and its abbreviation "**kW**" shall mean one thousand (1000) Joules/sec;

"**Large Price Step**" in respect of an Ascending Clock Auction for Unbundled IP Capacity means the Transporter Large Price Step and in respect of an Ascending Clock

Auction for Bundled IP Capacity means the sum of the Transporter Large Price Step and the Adjacent TSO Large Price Step;

"**Last Resort Supply Direction**" shall mean a direction issued by the Commission from time to time to the SoLR (and copied by the Commission to the Transporter) identifying the Failed Supplier, instructing the SoLR to fulfil the function of SoLR with respect to the supply of Natural Gas to End Users of such Failed Supplier and referencing the Offtake Point(s) in respect of which the SoLR is to fulfil the function of SoLR;

"**Last Resort Supply Direction Effective Date**" shall the meaning given to it in Part F (*Administration*) Appendix 1 Section 1;

"**LDM**" or "**Large Daily Metered**" has the meaning given to it in Part F (*Administration*) Section 2.1.2(a);

"**LDM Agreement**" means an agreement relating to a LDM Offtake Point entered into by the Transporter and a Shipper pursuant to an application for LDM Exit Capacity (and/or LDM Supply Point Capacity as appropriate) submitted to the Transporter prior to the 1st of October 2007 in such form as may be agreed from time to time between the Transporter and the Commission;

"**LDM Capacity Booking**" means a Long Term LDM Capacity Booking and/or a Short Term LDM Exit Capacity Booking (as the case may be);

"**LDM Capacity Booking Effective Date**" means the first Day of a Shipper's LDM Capacity Booking Period which in respect of a LDM Capacity Booking which is Multi-Annual, Annual or Monthly shall be the first Day of a calendar month and in respect of a Capacity Booking in respect of a duration which is Daily shall be the Day or first Day of a number of consecutive days to which the Capacity Booking relates;

"**LDM Capacity Booking Period**" means the duration in respect of which a Registered Shipper to a LDM Offtake has booked LDM Exit Capacity and/or LDM Supply Point Capacity (as relevant) which shall commence on the first Day of a calendar month where the duration is Multi-Annual, Annual or Monthly and in each case commencing on the LDM Capacity Booking Effective Date;

"**LDM Exit Allocation**" means an Exit Allocation for a Shipper at or in respect of a LDM Offtake made in accordance with the provisions of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7.1;

"**LDM Exit Capacity**" means capacity at a LDM Exit Point required for the offtake of Natural Gas from the Transmission System at that LDM Exit Point or capacity in the Transmission System required for onward delivery of Natural Gas to the Distribution System for offtake at a LDM Supply Point;

"**LDM Exit Capacity Overrun**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(g);

"**LDM Exit Capacity Overrun Quantity**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(j);

"**LDM Exit Point**" means a point at which Natural Gas is offtaken from the Transmission System and comprises one or more LDM Gas Points within a Common Curtilage serving a single End User;

"**LDM Exit Nomination**" means a notification by a Shipper to the Transporter of its intention to offtake a Nominated Quantity from the Transportation System on a Day at a LDM Offtake in accordance with this Code;

"**LDM Extension Application**" has the meaning given to it in Part C (*Capacity*) Section 7.15.2;

"**LDM GFPS Tolerance**" has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.8.1;

"**LDM Offtake**" means a LDM Exit Point or a LDM Supply Point (as the context so requires);

"**LDM Supply Point**" means a point at which Natural Gas is offtaken from the Distribution System and comprises one or more LDM Gas Points within a Common Curtilage serving a single End User;

"**LDM Supply Point Capacity**" means capacity at a LDM Supply Point required for the offtake of Natural Gas from the Distribution System at that LDM Supply Point;

"**LDM Supply Point Capacity Booking**" means a booking by a Shipper of additional LDM Supply Point Capacity of a duration which is Annual or Multi-Annual pursuant to Part C (*Capacity*) Section 8.4;

"**LDM Supply Point Capacity Booking Effective Date**" means the first Day of a Shipper's LDM Supply Point Capacity Booking and shall be the first Day of a calendar month;

"**LDM Supply Point Capacity Booking Request**" has the meaning given to it in Part C (*Capacity*) Section 8.4.2;

"**LDM Supply Point Capacity Overrun**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(n);

"**LDM Supply Point Capacity Title Transfer**" has the meaning given to it in Part C (*Capacity*) Section 10.1.3;

"**LDM Supply Point Capacity Title Transfer Reference**" has the meaning given to it in Part C (*Capacity*) Section13.8.5;

"**LDM Supply Point Capacity Title Transfer Request**" has the meaning given to it in Part C (*Capacity*) Section 10.1.6;

"**Legal Requirement**" means any enactment of the Oireachtas/Parliament and/or any Directive including for the avoidance of doubt the Second Interconnector Treaty;

"**Linepack Reinstatement**" means a quantity of Natural Gas delivered to the Transporter at an Entry Point on a Day and which is to replace a quantity of the Transporters Natural Gas offtaken at that Entry Point on a previous Day pursuant to any Operational Requirement;

"**Linked**" has the meaning given to it in Part C (*Capacity*) Section 2.6.2;

"**Linked Auction**" has the meaning given to it in Part C (*Capacity*) Section 2.6.1;

"**Linked Ascending Clock Auction**" means GB-RoI Auction which is linked with a GB NI Auction in accordance with Part C (*Capacity*) Section 2.6.4;

"**Linked Uniform Price Auctions**" means the GB-RoI Auction which is linked with a GB-NI Auction in accordance with Part C (*Capacity*) Section 2.6.6

"**Locational Balancing Trade**" means an IBP Balancing Trade where the Shipper is required to reduce or increase the quantity of Natural Gas the subject matter of that IBP Balancing Trade to be delivered to the Transportation System at an IP Entry/Entry Point specified by the Transporter;

"**Long Term Capacity**" means Long Term Entry Capacity and/or Long Term LDM Exit Capacity, Sub-Sea I/C Offtake Capacity and/or DM Exit Capacity which is made available or booked (as the context requires) by a Shipper at or in respect of a DM Offtake or NDM Exit Capacity which is made available or booked (as the context requires) by a Shipper when the Shipper becomes the Registered Shipper at or in respect of a DM Offtake, or NDM Supply Point (as the case may be);

"**Long Term Capacity Booking Window**" means a period commencing at the start of the Day on the first day of a calendar month which is forty eight months prior to a requested Capacity Booking Effective Date in respect of Long Term Capacity and ending at the end of the Day which is eight days prior to the requested Capacity Booking Effective Date;

"**Long Term DM Exit Capacity**" means DM Exit Capacity which is Long Term Capacity;

"**Long Term Entry Capacity**" means Multi-Annual Entry Capacity and/or Annual Entry Capacity as the case may be.;

"**Long Term Entry Capacity Booking Reference**" means the capacity booking reference attributed by the Transporter to a Long Term Entry Capacity booking;

"**Long Term Entry Capacity Request**" has the meaning given to it in Part C (*Capacity*) Section 3.2.1;

"**Long Term Exit Capacity**" means Long Term LDM Exit Capacity and/or Long Term DM Exit Capacity and/or Long Term NDM Exit Capacity as the case may be;

"**Long Term IP Capacity**" means IP Capacity which is booked for a duration which is Yearly or Quarterly;

"**Long Term LDM Capacity Booking**" has the meaning given to it in Part C (*Capacity*) Section 7.2.7 and shall include Exit Capacity reserved pursuant to a LDM Agreement;

"**Long Term LDM Capacity Request**" has the meaning given to it in Part C (*Capacity*) Section 7.2.4(a);

"**Long Term LDM Exit Capacity**" means Multi-Annual LDM Exit Capacity and/or Annual LDM Exit Capacity as the case may be;

"**Long Term Sub-Sea I/C Offtake Capacity**" means Multi-Annual Sub-Sea I/C Offtake Capacity and/or Annual Sub-Sea I/C Offtake Capacity as the case may be;

"**Long Term NDM Exit Capacity**" means NDM Exit Capacity that is Long Term Capacity;

"**LPS Bidding Round**" has the meaning given to it in Part C (*Capacity*) Section 2.7.2(a);

"**LPS Bidding Round**" shall have the meaning in Part C (*Capacity*) Section 2.7.2;

"**M+5**" means the Day which commences on the fifth day after the end of a calendar month and references in this Code to “M +” or “M -” followed by a number shall be construed accordingly;

"**M+7**" means the Day which is seven (7) Days after the end of a calendar month;

"**Maintenance**" has the meaning given to it in Part G (*Technical*) Section 5.1.3(a);

"**Maintenance Day**" and "**Maintenance Days**" has the meaning given to it in Part G (*Technical*) Section 5.1.3(b);

"**Maintenance Programme**" has the meaning given to it in Part G (*Technical*) Section 5.3.2;

"**Market Balancing Buy**" means a Balancing Gas Buy availing of Short Term Standardised Products on the Trading Platform pursuant to a TPTA;

"**Market Balancing Sell**" means a Balancing Gas Sell availing of Short Term Standardised Products on the Trading Platform pursuant to a TPTA;

"**Market Balancing Transaction**" means a Market Balancing Buy and/or a Market Balancing Sell or either or both of them as the case may be;"**Market Demand Assessment**" means the assessment by the Transporter of a demand for Incremental Capacity in accordance with Part H (*Operations*) Section 8.2;

"**Matching**" has the meaning given to it in the definition of IP Matching Procedure;

"**Matching Cycle**" has the same meaning as IP Nomination Cycle;

"**Matching TSO**" means in respect of an IP the relevant transmission system operator being either the Transporter (or its Affiliate) or the Adjacent TSO at that IP and which is identified as such in or pursuant to the applicable Interconnection Agreement at that IP;

"**Maximum Flow Rate**" means the maximum Instantaneous Flow Rate (expressed as mscm/Day) at any time during the Day for a Shipper's Natural Gas to be offtaken at an Offtake Point or at an IP CSEP;

"**Maximum Hourly Quantity**" or "**MHQ**" shall mean the maximum hourly offtake rate (expressed in kWh) at any time during the Day for a Shipper's Natural Gas delivered to an Entry Point or to be offtaken at an Offtake Point;

"**Maximum Surrender Amount**" has the meaning given to it in Part H (*Operations*) Section 2A.5.1;

"**Measurement Equipment"** has the meaning given to it in Part G (*Technical*) Section 3.2.1;

"**Measurement Provisions**" has the meaning given to it in Part G (*Technical*) Section 3.1.2;

"**Mediator**" has the meaning given to it in Part I (*Legal and General*) Section 6.3.1(a);

"**Meter Data Services**" means any services in connection with the delivery to Shippers of meter reading data in respect of NDM Gas Points including the provision of NDM Gas Point meter reading services;

"**Meter Data Services Procedures**" means the Procedures of that name published by the Transporter from time to time and approved by the Commission;

"**Metered Delivered Quantity**" or "**MeDQ**" means the quantity of Natural Gas metered as delivered to the Transportation System at an Entry Point or at a CGI Gas Point in respect of a Day as ascertained in accordance with Part G (*Technical*) Section 3 (*Measurement*);

"Metered Quantity" at an Interconnection Point has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(c);

"**Metered Quantity Adjustment**" has the meaning given to it in Part G (*Technical*) Section 4.9;

"**Metered Quantity Adjustment Charge**" has the meaning given to it in Part G (*Technical*) Section 4.9.3;

"**Metered Quantity Adjustment Price**" has the meaning given to it in Part G (*Technical*) Section 4.9;

"**Meter Fit**" means the activities undertaken by the Transporter pursuant to Siteworks as comprising the final installation of a meter at all the Gas Points configured within an Offtake Point, for the purpose of recording the quantity of Natural Gas to be offtaken at such Gas Point(s) and the taking of an opening Meter Read at such Gas Point(s) in order to allow the offtake of Natural Gas at such Offtake Point;

"**Meter Lock**" shall mean the locking of a meter at all the Gas Points configured within a DM Offtake or NDM Supply Point and the taking of a closing read at such Gas Point(s) in order to prevent the offtake of Natural Gas at such DM Offtake or NDM Supply Point which shall include a Shipper Requested Lock and may include a Safety Lock;

"**Meter Read**" means:

(a) the reading of the index of the meter; and

(b) where a convertor is installed, the converted and unconverted readings of the convertor; and/or

(c) where there is Daily Read Equipment, the read obtained or derived from such Daily Read Equipment;

"**Meter Read Query Resolution Policy**" means the Policy of that name published by the Transporter from time to time and approved by the Commission;

"**Meter Unlock**" means, for the purposes of Part F (*Administration*), the unlocking of any meter at all the Gas Points configured within an Offtake Point that have been locked in any way by or on behalf of the Transporter and the taking of an opening Meter Read at such Gas Point(s) in order to allow the offtake of Natural Gas at such Offtake Point;

"**Minimum Booking Quantity**" shall mean one (1) kWh or such other quantity as may be specified by the Transporter with the approval of the Commission from time to time;

"**Minimum IP Capacity Booking Quantity**" means one (1) kWh or such other quantity of IP Capacity as may be specified by the Transporter with the approval of the Commission from time to time;

"**Minimum Surrender Amount**" has the meaning given to it in Part H (*Operations*) Section 2A.5.1(g);

"**Model Clauses**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.10;

"**Model Clause Procedure**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.11

"**Modification**", "**Modify**" or "**Modified**" has the meaning given to it in Part I (*Legal and General*) Section 1.1;

"**Moffat Interconnection Agreement**" means the Interconnection Agreement relating to the Moffat IP Entry Point;

"**Moffat IP Entry Point**" or "**Moffat**" means the flange, weld or other agreed mark at the final outlet from the Moffat delivery facilities and connecting the Moffat delivery facilities to the Transportation System;

"**Moffat IP VExit**" means the IP VExit at the Moffat Interconnection Point;

"**Moffat Interconnection Point**" or "**Moffat** IP" means the Interconnection Point at Moffat in Scotland comprising an IP Entry Point and an IP VExit;

"**Monitoring Period**" has the meaning given to it in Part H (*Operations*) Section 2A.9.2;

"**Monitoring Report**" has the meaning given to it in Part H (*Operations*) Section 2A.9.1;

"**Month**" means a period beginning at the start of the Day which commences at 05:00 hours on the first (1st) day of any calendar month and ending at the start of the Day which commences on the first (1st) day of the next succeeding calendar month and the word "**Monthly**" shall be construed accordingly;

"**Monthly Capacity Booking Window**" means a period commencing at the start of the Day which is seven days and one calendar month prior to a requested Capacity Booking Effective Date specified in a request for Short Term Capacity for a duration of a Month and ending at the end of the Day which is eight days prior to the requested Capacity Booking Effective Date;

"**Monthly Disbursements Account Deficit**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.6;

"**Monthly Disbursements Account Excess**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.5;

"**Monthly Disbursements Account Payments**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.3(b);

"**Monthly Disbursements Account Receipts**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.3(a);

"Monthly Disbursements Credit" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.5;

"Monthly Disbursements Liability" has the meaning given to it in Part E *(Balancing and Shrinkage*) Section 1.4.6;

"**Monthly Entry Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.1.2;

"**Monthly Entry Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 3.1.3(c);

"**Monthly Invoice**" has the meaning given to in Part I (*Legal and General*) Section 11.3.1;

"**Monthly IP Auctionable Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.4.1(c);

"**Monthly IP Entry Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.1.3(c);

"**Monthly IP CSEP Offtake Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.1.3(c);

"**Monthly LDM Exit Capacity**" has the meaning given to it in Part C (*Capacity*) Section 7.2.2(c);

"**Monthly LDM Exit Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 7.2.3(c);

"**Monthly Reconciliation Statement**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 4.2.3;

"**mscm**" means millions of standard cubic metres (of Natural Gas);

"**mscm/Day**" means millions of standard cubic metres (of Natural Gas) per Day;

"**Multi-Annual**" has the meaning given to it in Part C (*Capacity*) Section 1.1.4;

"**Multi-Annual Entry Capacity**" has the meaning given to it in Part C (*Capacity*) Section 3.1.2;

"**Multi-Annual Entry Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 3.1.3(a);

"**Multi-Annual LDM Exit Capacity**" has the meaning given to it Part C (*Capacity*) Section 7.2.2(a);

"**Multi-Annual LDM Exit Capacity Quantity**" has the meaning given to it in Part C (*Capacity*) Section 7.2.3(a);

"**Multiple Shipper**" means two or more Shippers that are Registered Shippers to the same Offtake Point and in respect of a LDM Offtake may include a single Shipper where such Shipper is a party to two or more valid and subsisting Long Term LDM Capacity Bookings at the same LDM Offtake;

"**Multiple Shipper LDM Exit Point**" means, on a Day, a LDM Exit Point in respect of which there are two or more valid and subsisting Long Term LDM Capacity Bookings;

"**Multiple Shipper LDM Offtake**" means a Multiple Shipper LDM Exit Point or a Multiple Shipper LDM Supply Point;

"**Multiple Shipper LDM Supply Point**" has the meaning given to it in Part C (*Capacity*) Section 10.1.2;

"**Natural Gas**" means any gas derived from natural strata (whether or not it has been subjected to liquification or any other process or treatment) and in this Code reference to natural gas may also be construed as including, where the Commission considers it appropriate and where, in the opinion of the Commission, such gas may be technically and safely injected into and transported through, the natural gas system, biogas, gas from biomass and other types of gas;

"**Natural Gas Appliance**" means a connected, properly adjusted and maintained appliance (fuelled by Natural Gas) that household customers could reasonably be expected to use and which is operated in a manner, and for a purpose, for which it has been designed;

"**Natural Gas Emergency**" has the meaning given to it in the Gas (Interim) (Regulation) Act 2002 Section 19B as inserted by S.I. No. 697/2007 European Communities (Security of Natural Gas Supply) Regulations 2007;

"**National Gas Emergency Manager**" has the meaning given to it in the Transmission System Operator Licence;

"**Natural Gas Emergency Plan**" has the meaning given in the Transmission System Operator Licence;

"**National Grid**" or "**NGG**" means National Grid Gas plc (company number 200600) whose registered office is at 1- 3 Strand, London WC2N 5EH or its successor being the transmission system operator from time to time of the Interconnected System at the Moffat Interconnection Point;

"**NDM**" or "**Non-Daily Metered**" has the meaning given to it in Part F (*Administration*) Section 2.1.2(c);

"**NDM Allocation Procedure**" means the Procedure of that name published by the Transporter from time to time and approved by the Commission;

"**NDM Exit Allocation**" means an Exit Allocation made in accordance with the provisions of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7.3;

"**NDM Exit Capacity**" means capacity in the Transmission System required for onward delivery of Natural Gas to the Distribution System for offtake at a NDM Supply Point;

"**NDM Exit Nomination**" means a notification by a Shipper to the Transporter of its intention to offtake a Nominated Quantity from the Transportation System on a Day in respect of one or more NDM Supply Points at which the Shipper is the Registered Shipper;

"**NDM Forecast Tolerance**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.7.5;

"**NDM Meter Read**" means a Meter Read with respect to a NDM Gas Point;

"**NDM Nomination Advice**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.7.1;

"**NDM Renomination Advice**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.7.2;

"**NDM Supply Point**" means a point, comprising a single NDM Gas Point at which Natural Gas is offtaken from the Distribution System serving a single End User;

"**NDM Supply Point Allocation**" means a Supply Point Allocation made in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7.3(b);

"**NDM Supply Point Capacity**" means capacity at a NDM Supply Point required for the offtake of Natural Gas from the Distribution System at that NDM Supply Point;

"**Negative OBA Adjustment**" means a quantity of Natural Gas withdrawn from an OBA Account in respect of a Day pursuant to any applicable OBA Agreement at an Entry Point;

"**Negative Implied Nomination Flow**" or "**Negative INFR**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation)* Section 1.5.1(b);

"**Net Annual Balancing Action Cost**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.15;

"**Net Metered Quantity (Entry)**" shall in respect of a Bi-Directional CSP applicable for a Day means the quantity notified as such to the Transporter pursuant to any applicable CSA at the relevant Bi-Directional CSP or the excess of the quantity of Natural Gas metered as delivered at an Entry Point over the quantity of Natural Gas metered as offtaken (and which may be zero at the Connected System Exit Point) on that Day and which quantities may be those quantities notified pursuant to any applicable CSA;

"**Net Metered Quantity (Exit)**" shall in respect of a Bi-Directional CSP for a Day means the quantity notified as such to the Transporter pursuant to any applicable CSA at the Bi-Directional CSP or the excess of the quantity of Natural Gas metered as offtaken at the Connected System Exit Point over the quantity of Natural Gas metered as delivered which may be zero at the Entry Point (in respect of that Day) and which quantities may be those quantities notified pursuant to any applicable CSA;

"**Network**" has the meaning given to the term "**network**" in the Transmission System Operator Licence;

"**NGG System**" means the transmission system operated by NGG upstream of the Moffat Interconnection Point;

"**NI Allocable Capacity**" means the quantity of capacity made available by PTL for allocation in the GB-NI Auction;

"**NI Non Competing Capacity**" or "**NI NCC**" means the NI Allocable Capacity minus Competing Capacity;

"**Nominated Quantity**" or "**Renominated Quantity"**, as the case may be, means the quantity of Natural Gas (in kWh) specified in a Shipper's Nomination or Renomination;

"**Nomination**"means an Entry Nomination, an Exit Nomination, an IBP Nomination, [*VIP Nomination*], Sub-Sea I/C Offtake Nomination, or such one or more of them as the context may require and, where the context also requires, references to a Nomination may be construed as a reference to a Renomination and/or the Nominated Quantity or Renominated Quantity specified therein as the case may be;

"**Nomination End Time**" means in respect of any Nomination (including an IBP Nomination 13:00 hours on D – 1;

"**Nomination Period**" means in respect of a Nomination including IBP Nominations the period between the applicable Nomination Start Time and Nomination End Time;

"**Nomination Start Time**""**Nomination Start Time**" means in respect of a Nomination including an IBP Nomination the start of the Day which is 30 days prior to the Day to which the Nomination refers;

"**Non Allocation Days**" has the meaning given to it in Part F (*Administration*) Section 1.3.4C.

"**Non-Business Day**" means a Day which is not a Business Day;

"**Non-Compliant Gas**" has the meaning given to it in Part G (*Technical*) Section 1.3.2;

"**Non-Defaulting Party**" has the meaning given to it in Part I (*Legal and General*) Section 4.4.1;

"**non-household customers**" has the meaning given to it in Directive 2003/55/EC of the European Parliament and of the Council of 26 June 2003;

"**Non-Market Balancing Buy**" means a Balancing Gas Buy pursuant to a Balancing Service Contract;

"**Non-Market Balancing Sell**" means a Balancing Gas Sell pursuant to Balancing Service Contract;

"**Non-Market Balancing Transaction**" means a Non Market Balancing Buy and/or a Non Market Balancing Sell;

"**Non OBA Day**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(w);

"**Notice of Objection**" has the meaning given to it in Part I (*Legal and General*) Section 6.3.2(b);

"**Notified Process**" has the meaning given to it in Part F (*Administration*) Section 1.3.4F.

"**NSAI**" means the National Standards Authority of Ireland;

"**OBA Account**" means an account of Natural Gas maintained pursuant to any applicable OBA Agreement at an Entry Point;

"**OBA Adjustment**" means a Positive OBA Adjustment and/or a Negative OBA Adjustment as the case may be;

"**OBA Agreement**" means an agreement between the Transporter and a Connected Systems Operator in connection with the over or under delivery of Natural Gas at an Entry Point on a Day and to include provision for establishment of an OBA Account;

"**OBA Day**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(x);

"**OBA Day**" has the meaning given to it in Part D (*Nominations, Allocations and Supply Point Reconciliation*) Section 3.2.1(x);

"**Offering Shipper**" has the meaning given to it in Part H (*Operations*) Section 2A.16.5;

"**Offer Level**" means the sum of the Auctionable Capacity and the respective level of Incremental Capacity offered for each of the Yearly IP Capacity Auctions;

"**Off-Spec Gas**" has the meaning given to it in Part G (*Technical*) Section 1.5.1;

"**Offtake Point**" means a LDM Offtake, a DM Offtake or a NDM Supply Point (as the context so requires);

"**Offtake Specification**" has the meaning given to it in Part G (*Technical*) Section 1.1.2;

"**Onshore Scotland Transmission System**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.4.5(a)(i);

"**Operating Action**" means any action taken by the Transporter in connection with the operation of the Transportation System including in connection with the provision of Balancing Gas or Shrinkage Gas or the disposal of Balancing Gas;

"**Operational Flow Order**" or "**OFO**" has the meaning given to it in Part H (*Operations*) Section 2.1.1;

"**Operational Requirement**" means a quantity of Natural Gas made available to a Connected System Operator by the Transporter pursuant to any Operational Reverse Flow Arrangements at an Entry Point**;**

"**Operational Reverse Flow Arrangements**" has the meaning given to it in Part H (*Operations*) Section 3.11.1;

"**OTC Trade Facility**" is the JBP procedure for effecting IP Capacity Trades as so described on the JBP;

"**Other Party**" has the meaning given to it in Part I (*Legal and General*) Section 3.2.1(b);

"**Over Delivery**" means the delivery to the Transportation System by a Shipper of a quantity of Natural Gas on a Day that is greater than the Shipper's Nominated Quantity on the Day;

"**Overrun Charge**" means an Entry Capacity Overrun Charge or Exit Capacity Overrun Charge or Sub-Sea I/C Offtake Capacity Overrun Charge or Supply Point Capacity Overrun Charge (as the case may be);

"**Overrun Quantity**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(a);

"**Oversell**" means an occurrence where the Aggregate Bid Quantity in a Bidding Round in an Ascending Clock Auction is in excess of the applicable Auctionable Capacity;

"**Oversubscription and Buyback Scheme**" has the meaning given to it in Part H (*Operations*) Section 2A.14.1;

"**Oversubscription Capacity**" has the meaning given to it in Part H (*Operations*) Section 2A.14.1;

"**Own Use Gas**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.1.2;

"**Parties**" unless otherwise defined in this Code, means the Transporter and each Shipper that has executed a Framework Agreement, and "**Party**" is construed accordingly;

"**Petroleum Lease**" means a lease issued pursuant to the provisions of the Petroleum and Other Minerals Development Act, 1960 (as amended) or any statutory enactment amending or replacing the same or an analogous lease or authorisation process of any other competent authority authorising the production of Natural Gas;

"**Permitted Range**" has the meaning given to in Part G (*Technical*) Section 4.2.1;

"**Personal Data**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.12;

"**Personal Data Breach**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.13;

"**Policy**" means a policy under this Code which the Commission from time to time agrees may be treated as a Policy for the purposes of this Code;

"**Positive OBA Adjustment**" means a quantity of Natural Gas credited to an OBA Account at an Entry Point in respect of a Day pursuant to any applicable OBA Agreement. For the avoidance of doubt a Linepack Reinstatement shall not be regarded as a Positive OBA Adjustment for the purpose of this Code;

"**Potential Error**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.10.1;

"**Pre-Auction Period**" has the meaning given to it in Part H (*Operations*) Section 2.A.1.1(q);

"**Pre FTU Bidding Round**" means the Bidding Round which precedes a FTU Bidding Round;

"**Prepayment Meter(s)** " shall mean a meter for the purpose of recording the quantity of Natural Gas offtaken at a NDM Supply Point at which the End User is a household customer and which is designed to operate on the basis of prepaid credit;

"**Prepayment Metering Documentation**" means the documents published as such by the Transporter from time to time and certain of which are published with the approval of the Commission;

"**Prepayment Metering Procedure**" shall mean Procedures of that name published by the Transporter from time to time and approved by the Commission;

"**Prescribed Unexpired Booking Period**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1(u);

"**Price Step**" means a Large Price Step or a Small Price Step as the case may be;

"**Primary Capacity**" means capacity other than Primary IP Capacity of an individual category that is reserved by a Shipper directly from the Transporter (irrespective of duration) and references to "**Primary Entry Capacity**", "**Primary Exit Capacity**", "**Primary LDM Exit Capacity**", "**Primary LDM Supply Point Capacity**", "**Primary DM Exit Capacity**", "**Primary DM Supply Point Capacity**", "**Primary**

NDM Exit Capacity", and "Primary Supply Point Capacity" shall be construed accordingly;

"**Primary IP Capacity**" means IP Capacity of an individual category, class and direction that is reserved by a Shipper directly from the Transporter (irrespective of duration) and "**Primary IP Entry Capacity**", "**Primary IP CSEP Offtake Capacity**", "**Primary IP VEntry Capacity**" and "**Primary IP VExit Capacity**" shall be construed accordingly;

"**Priority Customer**" means an End User, who is identified to the Transporter as having satisfied the applicable criteria pursuant to the priority customer arrangements (being arrangements as approved by the Commission);

"**Procedures**" means procedures under this Code which the Commission from time to time agrees may be treated as Procedures for the purposes of this Code including the GPRO Procedures, the Meter Data Services Procedures, the Forecasting, Allocation and Reconciliation Procedures, Procedures for the Monitoring and Management of Gas Quality and any Procedures included in the list published by the Transporter pursuant to Part I (*Legal & General*) Section 12.9 but which, for the avoidance of doubt, does not include the Entry Point Procedures;

*["**Projected VIP Utilisation**" means the quantity of Natural Gas anticipated to be retained or held by a VIP Shipper at the VIP in respect of a Day which quantity shall be the Shipper's VIP Utilisation adjusted to take account of:*

(a) the Shipper's Valid VIP Withdrawal Nominations and/or VIP Withdrawal Renominations where used in the context of VIP Withdrawal Nominations or VIP Withdrawal Renominations; and

(b) the Shipper's Valid VIP Injection Nominations and/or Valid VIP Injection Renominations when used in the context of VIP Injection Nominations or VIP Injection Renominations;

and in each case in respect of the period from the Day to which the VIP Utilisation relates up to the Day in respect of which the projected VIP Utilisation is to be calculated.]

"**Proposed CGI Entry Point**" means a point at which it is anticipated that RNG may be delivered to the Transportation System at an entry point at a CGI and at which a CSA has been agreed between the Transporter and the proposed Connected System Operator;

"**Proposed CGI Gas Point**" means a notional point at a CGI Entry Point (or at a Proposed CGI Entry Point) at which it is anticipated a Shipper may book Entry Capacity to deliver RNG to the Transportation System.

"**Proposed DM Offtake**" means a point at which it is anticipated an appropriate Annual Quantity of Natural Gas may be offtaken from the Transportation System, at which there is no Registered Shipper and in respect of which a Meter Fit request has been submitted to the Transporter;

"**Proposed Entry Point**" shall mean a point at which it is anticipated that Natural Gas may be delivered to the Transportation System from a Connected System and in respect of which a CSA has been agreed between the Transporter and the Operator (or proposed Operator) of the relevant Upstream Connected System;

"**Proposed NDM Supply Point**" means a point at which it is anticipated an appropriate Annual Quantity of Natural Gas may be offtaken from the Distribution System, at which there is no Registered Shipper and in respect of which a Meter Fit request has been submitted to the Transporter;

"**Proposed LDM Offtake**" means a point at which it is anticipated an appropriate Annual Quantity of Natural Gas may be offtaken from the Transportation System, at which there is no Registered Shipper and in respect of which an application for Long Term LDM Exit Capacity has been submitted to the Transporter and references to "**Proposed LDM Exit Point**" and "**Proposed LDM Supply Point**" shall be construed accordingly;

"**Proposed Offtake Point**" means a Proposed DM Offtake, a Proposed NDM Supply Point or a Proposed LDM Offtake, as appropriate;

"**Provisional Allocation**" has the meaning given to it in Part C (*Capacity*) Section 2.11.7;

"**PTL**" means Premier Transmission Limited (together with its permitted successors and/or assigns);

"**PTL Agreement**" means the agreement entered into between PTL and BGE (UK) Limited dated 21 August 1996 (as amended, novated, modified, supplemented, revised or replaced from time to time);

"**Qualifying LDM Shipper**" has the meaning given to it in Part C (*Capacity*) Section 7.15.1;

"**Qualifying Shipper**" has the meaning given to it in Part C (*Capacity*) Section 3.3.3;

"**Quarter**" means a period of three (3) months, with each successive quarter commencing at the start of the Day which commences on 1 October, 1 January, 1 April and 1 July respectively;

"**Quarter One**" or "**Q1**" means the Quarter commencing on the first Day which starts in October and ending at the end of the last Day which starts in December;

"**Quarter Two**" or "**Q2**" means the Quarter commencing on the first Day which starts in January and ending at the end of the last Day which starts March;

"**Quarter Three**" or "**Q3**" means the Quarter commencing at the start of the first Day of April and ending at the end of the Day which commences on the last day of June;

"**Quarter Four**" or "**Q4**" means the Quarter commencing at the start of the Day which commences on 1 July and ending at the end of the Day which commences on the last day of September;

"**Quarterly**" has the meaning given to it in Part C (*Capacity*) Section 1.1.4;

"**Quarterly IP Auctionable Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.4.1(b);

"**Quarterly IP CSEP Offtake Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.1.3(b);

"**Quarterly IP Entry Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.1.3(b);

"**Quarterly Set Aside Quantity**" has the meaning given to it in Part C (*Capacity*) Section 2.3.1(a)(i);

"**Reasonable and Prudent Operator**" or "**RPO**" means a person seeking in good faith to perform its contractual obligations and, in so doing and in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected of a skilled and experienced operator complying with applicable law and engaged in the same type of undertaking and under the same or similar circumstances and conditions, and the expression "the standard of a Reasonable and Prudent Operator" shall be construed accordingly;

"**Receiving Party**" shall have the meaning given to it in Part I (*Legal and General*) Section 9.1.15;

"**Receiving Data Controller**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.14;

"**Reconciliation Charging Adjustments**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 4.2.2;

"**Reconciliation Procedures**" means the procedures of that name published by the Transporter from time to time;

"**Reconciliation Quantity**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 4.2.1;

"**Reduced Available Daily Interruptible IP VEntry Capacity**" has the meaning given to it in Part H (*Operations*) Section 7.6.2;

"**Reduced Available Daly Interruptible IP VExit Capacity**" has the meaning given to it in Part H (*Operations*) Section 7.7.2;

"**Reduced Daily Interruptible IP VEntry Capacity**" has the meaning given to it in Part H (*Operations*) Section 7.6.4;

"**Reduced Daily Interruptible IP VExit Capacity**" has the meaning given to it in Part H (*Operations*) Section 7.7.4;

"**Reference Banks**" means the principal Dublin offices of Allied Irish Bank, Bank of Ireland and Ulster Bank or such banks as may be appointed as such by the Transporter after consultation with the Shippers;

"**Reference Price**" or "**RP**" means the price payable for IP Capacity, Entry Capacity or Exit Capacity which is booked for a duration which is Annual and which is used to determine capacity based transmission tariffs;

"**Registered Shipper**" means a Shipper which is registered at an IP Entry Point, Entry Point, CGI Gas Point and/or an Offtake Point, an IP CSEP, an IP VEntry or an IP VExit in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*);

"**Release Management Procedures**" means the Procedures of that name published by the Transporter from time to time and approved by the Commission;

"**Relevant Offtake Facility**" means (a) in the case of an Exit Point, the Shipper's and/or the End User's Facilities; and (b) in the case of a Connected System Exit Point, the Connected System; and (c) in the case of the Sub-Sea I/C Offtake, the Spur Pipeline;

"**Renewable Natural Gas**" or "**RNG**" is gas produced from renewable non-fossil sources most commonly by anaerobic digestion of biodegradable matter and which is (or will be) prior to such gas being tendered for delivery to the Transportation System purified and upgraded to meet the applicable Entry Specification;

"**Renominated Quantity**" means the quantity of Natural Gas (in kWh) specified in a Shipper's Renomination;

"**Renomination**" means a Nomination submitted in the Renomination Period and may constitute a revision of the Nominated Quantity or Renominated Quantity in an earlier Valid Nomination or Valid Renomination and, where the context so requires, references to a Renomination may be construed as a reference to the Renominated Quantity specified therein;

"**Renomination Effective Time**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.8.1;

"**Renomination End Time**" is, in respect of a Renomination including an IBP Renomination, 02:00 on D;

"**Renomination Period**" means in respect of a Renomination the period starting at the Renomination Start Time and ending at the Renomination End Time;

"**Renomination Start Time**" is in respect of a Renomination including an IBP Renomination for a Day, 18:00 hours on D – 1;

"**Reserve Price**" means the Transporter Reserve Price in respect of any Capacity Auction for Unbundled IP Capacity and means the sum of the Transporter Reserve Price and the Adjacent TSO Reserve Price in respect of any Capacity Auction for Bundled IP Capacity;

"**Restricted Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.7.1;

"**Restricted Capacity Day**" has the meaning given to it in Part H (*Operations*) Section 2.3.1;

"**Restricted Capacity Percentage**" has the meaning given to it in Part H (*Operations*) Section 2.5.2(a);

"**Retained Primary Capacity**" means that part of the Active Capacity held at or in respect of a LDM Offtake or held at an Entry Point (irrespective of duration) that is held by a Shipper on a Day and which is not Secondary Capacity;

"**Retained Primary Entry Capacity**" means Entry Capacity that is Retained Primary Capacity;

"**Retained Primary IP Entry Capacity**" means that part of a Shippers Active IP Entry Capacity held at an IP Entry Point (irrespective of duration) that is held by a Shipper on a Day that is not Primary IP Entry Capacity;

"**Retained Primary LDM Exit Capacity**" has the meaning given to it in Part C (*Capacity*) Section 9.1.1(f);

"**Retained Primary LDM Supply Point Capacity** has the meaning given to it in Part C (*Capacity*) Section 10.1.1;

"**Revenue Protection Procedures**" shall mean Procedures of that name published by the Transporter from time to time and approved by the Commission;

"**Revised Daily Imbalance Quantity"** means an Initial Daily Imbalance Quantity that has been revised in accordance with Part E (*Balancing and Shrinkage*) Section 1.5.2;

"**Revised Underutilisation Notice**" has the meaning given to it in Part H (*Operations*) Section 2A.10.8;

"**RNG Delivery Facility**" means the plant and equipment constructed and/or installed immediately upstream of the Transportation System where quality parameters may be measured and controlled and from which Renewable Natural Gas which meets the Entry Specification may be delivered via a single pipeline to the Transportation System;

"**RNG Entry Point**" means an Entry Point which is connected at the Connected System Point to a RNG Delivery Facility;

"**RoI Non Competing Capacity**" or "**RoI NCC**" means the Auctionable Capacity in the GB RoI Auction minus the Competing Capacity;

"**Rolling Day Ahead Interruptible IP Capacity Auction**" has the meaning given to it in Part C (*Capacity*) Section 2.2.3(f);

"**Rolling Day Ahead IP Capacity Auctions**" has the meaning given to it in Part C (*Capacity*) Section 2.2.3(d);

"**Rolling Monthly IP Capacity Auction**" has the meaning given to it in Part C (*Capacity*) Section 2.2.3(c);

"**Safety Lock**" shall mean the locking of a meter at a Gas Point configured within a DM Offtake or an NDM Supply Point for reasons of physical or operational safety. For the avoidance of doubt a Safety Lock shall not require the locking of all meters configured within a DM Offtake or an NDM Supply Point;

"**SAP (IBP)** " has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.6.1(e);

"**SAP (NBP**) " has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.6.1(e);

"**SMP_{buy} (IBP**) " has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.6.1(e);

"**SMP_{sell} (IBP**) " has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.6.1(e);

"**SMP_{buy} (NBP**) " has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.6.1(e);

"**SMP_{sell} (NBP)** " has the meaning given to it in Part E (*Balancing Shrinkage*) Section 1.6.1(e);

"**Scheduled Maintenance**" has the meaning given to it in Part G (*Technical*) Section 5.1.3(c);

"**Scheduling Charges**" means Entry Scheduling Charges and/or Exit Scheduling Charges;

"**Secondary Capacity**" means capacity other than Secondary IP Capacity of an individual category that is held by a Shipper on a Day pursuant to an Entry Capacity Trade (which shall be made with respect to the same Entry Point) or an Exit Capacity Transfer (which shall be made at or with respect to the same LDM Offtake) in respect of the Day or a LDM Supply Point Capacity Title Transfer (which shall be made with respect to the same LDM Supply Point) for the Day as the case may be and references to "**Secondary Entry Capacity**" and "**Secondary Exit Capacity**" shall be construed accordingly;

"**Secondary Instrumentation**" means that part of the Measurement Equipment which is not primary metering equipment for measuring gas flow but which may include instrumentation for the sampling and/or analysis of Natural Gas;

"**Secondary IP Capacity**" means IP Entry Capacity or IP CSEP Offtake Capacity that is held by a Shipper on a Day pursuant to IP Capacity Trades (at the same IP) in respect of the Day and "**Secondary IP Entry Capacity**" and "**Secondary IP CSEP Offtake Capacity**" shall be construed accordingly;

"**Second Interconnector Treaty**" has the meaning given to it in Part I (*Legal and General*) Section 12.10.2;

"**Second Quarterly IP Capacity Auction**" shall mean the Annual Quarterly IP Capacity Auctions which takes place prior to the commencement of Q2 of a Gas Year and at which Bundled IP Capacity and/or Unbundled IP Capacity may be made available for a duration which is Quarterly and concurrently in respect of each of Q2, Q3 and Q4 of that Gas Year;

"**Shipper**" means any person that holds a Shipping Licence and has entered into a Framework Agreement to include, and be deemed to include, Bord Gáis Energy Supply with the Transporter and/or any relevant Ancillary Agreement to transport Natural Gas through the Transportation System or any part thereof for offtake at an Exit Point or a Supply Point, whether for its own use or for use by a Third Party as an End User;

"**Shipper's Additional Balancing Action Contribution**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.18;

"**Shipper Allocation Request**" has the meaning given to it in Part F (*Administration*) Section 1.3.4D.

"**Shipper's Annualised Balancing Action Contribution**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.16;

"**Shipper's Balancing Action Refund**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.19;

"**Shipper ID**" has the meaning given to it in Part I (*Legal & General*) Section 12.1.5;

"**Shipper ID Application**" has the meaning given to it in Part I (*Legal & General*) Section 12.2.1;

"**Shipper's Interim Balancing Action Contribution**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.4.17;

"**Shipper Personal Data**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.16;

"**Shipper Prepayment Metering Agreement(s)** " shall mean the agreement(s) to be entered into between a Shipper (and Supplier where the Shipper is not the Supplier) and third party service providers from time to time with respect to the provision of services associated with or ancillary to Prepayment Meters in respect of NDM Supply Points at which the End User is a household customer or as identified in the Prepayment Metering Procedure (where applicable) and which shall include a Front Office Service Agreement and a Back Office Service Agreement.

"**Shipper Requested Lock**" shall mean the locking of all meters at all Gas Points configured within a DM Offtake or an NDM Supply Point at the request of the Registered Shipper at such DM Offtake or NDM Supply Point and which request is undertaken for reasons other than physical or operational safety;

"**Shipper's Specific Termination Notice**" has the meaning given to it in Part I (*Legal and General*) Section 4.2.4;

"**Shipping Licence**" means a Natural Gas Supply/Shipping Licence granted by the Commission pursuant to Section 16 of the Act;

"**Short Term Aggregate DM Exit Capacity**" means Exit Capacity that is available to or requested or booked by a Shipper for a duration that is Monthly or Daily and to be held in aggregate in respect of DM Offtakes at which the Shipper is the Registered Shipper;

"**Short Term Aggregate DM Exit Capacity Booking**" has the meaning given to it in Part C (*Capacity*) Section 7.8.5;

"**Short Term Aggregate DM Exit Capacity Effective Date**" shall mean the first Day of a Short Term Aggregate DM Exit Capacity Booking with respect to Short Term Aggregate DM Exit Capacity for a Monthly duration and shall be the Day (or the first Day of a specified number of consecutive Days) in respect of which the Short Term Aggregate DM Exit Capacity is booked where the duration is Daily;

"**Short Term Aggregate DM Exit Capacity Request**" has the meaning given to it in Part C (*Capacity*) Section 7.11.5;

"**Short Term Aggregate NDM Exit Capacity Booking**" has the meaning given to it in Part C (*Capacity*) Section 6.11.5;

"**Short Term Aggregate NDM Exit Capacity**" means Exit Capacity that is available to or requested or booked by a Shipper for a duration that is Monthly or Daily such Shipper having aggregate Primary NDM Exit Capacity holding and to be held in aggregate in respect of NDM Supply Points at which the Shipper is the Registered Shipper;

"**Short Term Aggregate NDM Exit Capacity Request**" has the meaning given to it in Part C (*Capacity*) Section 7.11.1;

"**Short Term Aggregate NDM Exit Capacity Effective Date**" means the first Day of a Short Term Aggregate NDM Exit Capacity Booking with respect to Short Term Aggregate NDM Exit Capacity for a duration which is Monthly and shall be the Day (or the first Day of a specified number of consecutive Days) in respect of which Short Term Aggregate NDM Exit Capacity is booked where the duration is Daily;

"**Short Term Capacity**" means Short Term Entry Capacity and/or Short Term Exit Capacity as the case may be;

"**Short Term Capacity Booking**" means a Short Term LDM Exit Capacity Booking, a capacity booking with respect to Short Term Entry Capacity, a Short Term Aggregate DM Exit Capacity Booking and/or a Short Term Aggregate NDM Exit Capacity Booking (as the case may be);

"**Short Term Entry Capacity**" means Monthly Entry Capacity and/or Daily Entry Capacity as the case may be;

"**Short Term Entry Capacity Notice**" has the meaning given to it in Part F (*Administration*) Section 1.3.5;

"**Short Term Entry Capacity Request**" has the meaning given to it in Part C (*Capacity*) Section 3.2.6;

"**Short Term Exit Capacity**" means Monthly LDM Exit Capacity, Daily LDM Exit Capacity, Short Term Aggregate DM Exit Capacity, and/or Short Term Aggregate NDM Exit Capacity which is made available (or booked as the context requires) for a Monthly or Daily duration;

"**Short Term LDM Capacity Notice**" has the meaning given to it in Part F (*Administration*) Section 1.4.6;

"**Short Term LDM Exit Capacity**" means LDM Exit Capacity for a duration that is Daily or Monthly;

"**Short Term LDM Exit Capacity Booking**" has the meaning given to it in Part C (*Capacity*) Section 7.4.4;

"**Short Term LDM Exit Capacity Request**" has the meaning given to it in Part C (*Capacity*) Section 7.4.1;

"**Short Term Standardised Products**" means products traded for delivery on a within Day or Day ahead basis on the Trading Platform or such other product as may be determined as such by the Transporter with the approval of the Commission from time to time.

"**Shoulder Period**" means the months of October, November, April and May;

"**Shrinkage Costs**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.3.1;

"**Shrinkage Gas**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.1.3;

"**Shrinkage Gas Buy**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.2.1.

"**Shrinkage Gas Sell**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.2.1.

"**Shrinkage Trade**" means a Shrinkage Gas Buy or a Shrinkage Gas Sell or either or both of them as the case may be.

"**Single Sided**" means in respect of an IP Nomination a notification submitted by a Shipper to the Initiating TSO at an IP and which operates as a notification to both the Initiating TSO and Matching TSO at that IP, and which specifies a quantity of Natural Gas to be delivered to or offtaken from the Transportation System and to be offtaken

from or delivered to the transmission system of the Adjacent TSO at the same IP and "**Single Sided IP Nomination**" and "**Single Sided IP Renomination**" shall be construed accordingly;

"**Siteworks**" means works or services undertaken by the Transporter on behalf of a Shipper at or in connection with a DM Offtake, an NDM Supply Point or a Proposed DM Offtake or a Proposed NDM Supply Point and shall include works or services which may be requested or provided in accordance with a Shipper's Siteworks Agreement;

"**Siteworks Agreement**" means an agreement between the Shipper and/or an End User and the Transporter pursuant to which works are undertaken by the Transporter to facilitate the connection of an End User's site to the Transportation System and which may include an Operational Siteworks Services Agreement;

"**Siteworks Procedures**" means the Procedures of that name published by the Transporter from time to time and approved by the Commission;

"**Small Price Step**" means in respect of an Ascending Clock Auction for Unbundled IP Capacity the Transporter Small Price Step and in respect of an Ascending Clock Auction for Bundled IP Capacity the sum of the Transporter Small Price Step and the Adjacent TSO Small Price Step;

"**Software**" shall mean any software the use of which is licensed by the Transporter to the Shipper to facilitate access to the GNI (IT) Systems or any part in accordance with this Code and shall include any system changes or upgrades as notified by the Transporter to Shippers from time to time in accordance with the Release Management Procedures;

"**SoLR Affected Offtakes**" shall have the meaning in Part F (*Administration*) Appendix 1 Section 1;

"**SoLR Affected Shipper**" shall have the meaning in Part F (*Administration*) Appendix 1 Section 1;

"**SoLR Capacity Charges**" shall have the meaning in Part F (*Administration*) Appendix 1 Section 1 and Section 4.1.3;

"**SoLR Exit Capacity Request**" shall have the meaning in Part F (*Administration*) Appendix 1 Section 1 and Section 3.3.4;

"**SoLR Notice**" shall have the meaning in Part F (*Administration*) Appendix 1 Section 1;

"**SoLR Procedures**" shall mean the Procedures of that name published by the Transporter from time to time and approved by the Commission;

"**SoLR Term**" shall have the meaning in Part F (*Administration*) Appendix 1 Section 1;

"**SoLR Term End Day**" shall have the meaning in Part F (*Administration*) Appendix 1 Section 1 and Section 5.1;

"**South-North IA**" means the Interconnection Agreement relating to the South-North IP CSEP;

"**South-North Interconnection Point**" or "**South-North IP**" means the Interconnection Point at Gormanston, Co. Meath, Ireland comprising an IP CSEP and an IP VEntry;

"**South-North IP CSEP**" means the IP CSEP located at the South-North Interconnection Point;

"**South-North IP CSEP Capacity Booking Reference**" has the meaning given to it in Part C (*Capacity*) Section 12.5;

"**South-North IP CSEP Capacity Overrun**" means an IP Overrun at the South/North IP CSEP;

"**South-North IP CSEP Capacity Overrun Quantity**" means a IP Capacity Overrun Quantity at the South North IP CSEP;

"**South-North IP CSEP Offtake Capacity**" means IP CSEP Offtake Capacity at the South-North IP;

"**South-North IP CSEP Offtake Allocation**" means an IP CSEP Offtake Allocation at the South-North IP CSEP;

"**South-North IP VEntry**" means the IP VEntry at the South-North Interconnection Point;

"**South North Pipeline**" means that section of the transmission system owned and operated by GNI (UK) Limited as part of the GNI (UK) System which is physically located in the Republic of Ireland and extends from the South North Interconnection Point to Northern Ireland.

"**Specific Termination Notice**" means a Transporter's Specific Termination Notice or a Shipper's Specific Termination Notice (as the context so requires) issued pursuant to Part I (*Legal and General*) Section 4.2;

"**SPS Bidding Round**" has the meaning given to it in Part C (*Capacity*) Section 2.7.2(c);

"**Spur Pipeline**" means the pipeline connected to and downstream of the Sub-Sea I/C Offtake for the transportation of Natural Gas to the Isle of Man;

"**Standard Capacity Products**" means firm IP Capacity the duration of which is Yearly, Quarterly, Monthly, Daily or Within Day;

"**Steering Difference**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(i);

"**Steering Tolerance**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 3.2.1(l);

"**Sub-Sea and Ireland Transmission System**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.4.5(a)(ii);

"**Sub-Sea I/C Capacity Overrun**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(q);

"**Sub-Sea Interconnector Offtake**" or "**Sub-Sea I/C Offtake**" means that point at which Natural Gas is offtaken from the Transmission System from the Tee assembly forming part of the Transportation System located approximately 12.3 kilometers north of Isle of Man at co-ordinates N54° 20' 30" at 4 ° 44' 28";

"**Sub-Sea I/C Offtake Adjustment Quantity**" has the meaning given to it in Part G (*Technical*) Section 4.5.8;

"**Sub-Sea I/C Offtake Agreement(s)**" has the meaning given to it in Part H (*Operations*) Section 6.1.1;

"**Sub-Sea I/C Offtake Allocation**" means the quantity of Natural Gas (kWh) that is allocated to a Shipper in accordance with the provisions of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7.4 or 2.9 as having been offtaken from the Transportation System at the Sub-Sea I/C Offtake by a Shipper on a Day;

"**Sub-Sea (I/C) Offtake Capacity**" means capacity at the Sub-Sea Interconnector Offtake required for the offtake of Natural Gas from the Transmission System at the Sub-Sea I/C Offtake for onward delivery of Natural Gas to the Isle of Man;

"**Sub-Sea I/C Offtake Capacity Booking**" has the meaning given to it in Part C (*Capacity*) Section 7.13.5;

"**Sub-Sea I/C Offtake Capacity Booking Period**" means the duration for which a Shipper books Sub-Sea I/C Offtake Capacity pursuant to this Code commencing on the Sub-Sea I/C Offtake Capacity Effective Date;

"**Sub-Sea I/C Offtake Capacity Booking Reference**" has the meaning given to it in Part C (*Capacity*) Section 13.6;

"**Sub-Sea I/C Offtake Capacity Request**" has the meaning given to it in Part C (*Capacity*) Section 7.13.2(a);

"**Sub-Sea I/C Offtake Capacity Effective Date**" shall mean the first Day of a Sub-Sea I/C Offtake Capacity Booking which shall be the first Day of a calendar month;

"**Sub-Sea I/C Offtake Capacity Overrun Charge**" has the meaning given to it in Part C (*Capacity*) Section 11.4.5(d);

"**Sub-Sea I/C Offtake Capacity Overrun Quantity**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(r);

"**Sub-Sea I/C Offtake Measurement Provisions**" has the meaning given to it in Part H (*Operations*) Section 6.2.2(c);

"**Sub-Sea I/C Offtake Nomination**" means a notification by a Shipper [which is a Registered Shipper] at the Sub-Sea I/C Offtake of its intention to offtake a nominated quantity from the Transportation System at the Sub-Sea I/C Offtake and reference to a Sub-Sea I/C Offtake Nomination shall where the context so requires be deemed to include a Sub-Sea I/C Offtake Renomination;

"**Sub-Sea I/C Offtake Reallocation**" means an initial Sub-Sea I/C Offtake Allocation that has been adjusted and/or readjusted between 16:00 hours on D + 1 and 16:00 hours on D + 4 in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2;

"**Sub-Sea I/C Offtake Renomination**" means a Nomination by a Shipper which is a Registered Shipper at the Sub-Sea I/C Offtake submitted within the Renomination Period and which may be a revision of a Valid Sub-Sea I/C Offtake Nomination or a Valid Sub-Sea I/C Offtake Renomination at the Sub-Sea I/C Offtake;

"**Sub-Sea I/C Offtake Requirements**" has the meaning given to it in Part H (*Operations*) Section 6.2.2;

"**Summer Period**" means the period from and including 1 June up to and including 30 September;

"**Supplier**" shall mean the holder of a Licence with respect to the supply of Natural Gas, issued by the Commission pursuant to the provisions of Section 16 of the Act;

"**Supplier of Last Resort**" or "**SoLR**" shall mean a Supplier (which shall also be a Shipper) so appointed from time to time by the Commission pursuant to Section 21A of the Gas (Interim) (Regulation) Act 2002;

"**Supply Point**" means a LDM Supply Point, a DM Supply Point or a NDM Supply Point;

"**Supply Point Allocation**" means the quantity of Natural Gas that is allocated in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.10 as having been offtaken from the Distribution System by a Registered Shipper at a Supply Point;

"**Supply Point Capacity**" means LDM Supply Point Capacity, DM Supply Point Capacity and/or NDM Supply Point Capacity as the case may be;

"**Supply Point Capacity Charges**" has the meaning given to it in Part C (*Capacity*) Section 8.7.1;

"**Supply Point Capacity Overrun**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(m);

"**Supply Point Capacity Overrun Charge**" has the meaning given to it in Part C (*Capacity*) Section 11.6.3(a);

"**Supply Point Capacity Overrun Disbursements Account**" means the account of that name established by the Transporter pursuant to Part C (*Capacity*) Section 11.2;

"**Supply Point Capacity Overrun Quantity**" has the meaning given to it in Part C (*Capacity*) Section 11.2.1(p);

"**Supply Point Capacity Reference**" has the meaning given to it in Part C (*Capacity*) Section 13.7;

"**Supply Point Reallocation**" means an Initial Supply Point Allocation which has been adjusted and/or readjusted between 16:00 hours on D+1 and 16:00 hours on D+4 in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.10;

"**Supply Point Registration Number**" or "**SPRN**" means the unique registration number allocated by the GPRO to a Supply Point;

"**Surrendered Capacity**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1;

"**Surrendered Capacity Acceptance Amount**" has the meaning given to it in Part H (*Operations*) Section 2A.6.2;

"**Surrendered Capacity Duration**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1 and Section 2A.6.2;

"**Surrendering Shipper**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1;

"**Suspension Cancellation Notice**" has the meaning given to it in Part I (*Legal and General*) Section 4.1.5;

"**Suspension Notice**" means a notice issued pursuant to Part I (*Legal and General*) Section 4.1.1;

"**Systematically Underutilised Capacity**" has the meaning given to it in Part H (*Operations*) Section 2A.10.2;

"**System Imbalance Charges**" means the costs incurred and amounts received by the Transporter in connection with any Balancing Action taken by the Transporter on a Day;

"**System Marginal Buy Price**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.6.1(d)(ii)(2);

"**System Marginal Sell Price**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.6.1(d)(i)(2);

"**System Stock**" means the quantity of Natural Gas contained within the Transportation System at the beginning of each Day;

"**Tariff**" means the applicable charges in respect of the transmission or distribution of Natural Gas utilising the Transportation System (or any part thereof), determined by the Transporter in accordance with any Legal Requirement or direction of the Commission and published by the Transporter from time to time with the approval of the Commission;

"**Tariff Exempt NDM Supply Point**" shall mean a NDM Supply Point which is tariff exempt in accordance with the Deregistration Procedures;

"**Technical Capacity**" shall mean the maximum amount of capacity calculated by the Transporter in accordance with a methodology developed by the Transporter in consultation with the Commission or otherwise in accordance with any applicable Legal Requirement, that the Transporter can make available as firm Capacity to Shippers at an Entry Point or at an Interconnection Point or in respect of a LDM Offtake as the case may be;

"**Technical Issues**" has the meaning given to it in Part I (*Legal and General*) Section 6.1.1(c);

"**Temporal Balancing Trade**" means an IBP Balancing Trade and/or a Locational Balancing Trade pursuant to which the quantity of Natural Gas the subject matter of the trade must be delivered to or offtaken from the Transportation System within a prescribed period within the Day;

"**Termination Notice**" means a notice issued pursuant to Part I (*Legal and General*) Section 4.4 (*General Termination Rights*);

"**Third Party**" means a person who can demonstrate to the reasonable satisfaction of the Transporter and/or the Commission that such person has a direct interest in this Code including an End User, an operator of a Connected System, a bona fide future Shipper and a bona fide future operator of a Connected System;

"**Third Party Shipper**" means any third party from which a Shipper receives or is entitled to receive Natural Gas (including RNG) at an Entry Point or at a CGI Gas Point for transportation through the Transportation System;

"**Third Quarterly IP Capacity Auction**" shall mean the Annual Quarterly IP Capacity Auction which takes place prior to the commencement of Q3 of a Gas Year and at which Bundled IP Capacity and/or Unbundled IP Capacity may be made available for a duration which is Quarterly and concurrently in respect of each of Q3 and Q4 of that Gas Year;

"**Total Available Entry Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.5.2(a);

"**Total Available IP CSEP Offtake Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.5.2;

"**Total Available IP Entry Capacity**" has the meaning given to it in Part H (*Operations*) Section 2.5.2;

"Trade Proposal" has the meaning given to it in Part C (*Capacity*) Section 5.1.5;

"Trading Platform" means an electronic platform designated by the Transporter under Part E (*Balancing and Shrinkage*) Section 1.3 provided and operated by a trading platform operator by means of which Shippers may post and accept (including the right to revise and withdraw) bids and offers for gas required to meet short term fluctuations in gas demand and supply and in which the Transporter may participate in trading activity for the purpose of Operating Actions;

"Trading Platform Operator" means the operator for the time being of the Trading Platform which is designated for the time being in accordance with Part E (*Balancing and Shrinkage*) Section 1.3;

"Trading Platform Participation Terms" shall mean the terms and conditions on which Shipper(s) may use a Trading Platform and on which the Transporter may use the Trading Platform for the purpose of undertaking Operating Actions;

"Trading Platform Transaction Agreement" or **"TPTA"** means an agreement between the Transporter and a Shipper whereby the Transporter will acquire from or relinquish to the Shipper a quantity of Natural Gas for a Day utilising the Trading Platform;

"**Transfer of Use**" means a form of transaction type associated with a Trade Proposal and as so described on the JBP;

"**Transferee Shipper**" has the meaning given to it in Part C (*Capacity*) Section 4.1.1 or in Part C (*Capacity*) Section 9.1.1(d) or in Part C (*Capacity*) Section 10.1.3 or Part E (*Balancing and Shrinkage*) Section 1.9.1, as appropriate;

"**Transferor Shipper**" has the meaning given to it in Part C (*Capacity*) Section 4.1.1 or in Part C (*Capacity*) Section 9.1.1(c) or in Part C (*Capacity*) Section 10.1.3 or Part E (*Balancing and Shrinkage*) Section 1.9.1, as appropriate;

"Transitional Booking Period" in the case of Entry Capacity has the meaning given to it in Part C (*Capacity*) Section 3.3.4 and in the case of LDM Exit Capacity (and where applicable LDM Supply Point Capacity) has the meaning given to it in Part C (*Capacity*) Section 7.15.2;

"Transitional Booking Request" in the case of Entry Capacity has the meaning given to it in Part C (*Capacity*) Section 3.3.4(b) and in the case of LDM Exit Capacity (and where applicable LDM Supply Point Capacity) has the meaning given to it in Part C (*Capacity*) Section 7.15.2;

"**Transmission Connected DM Exit Point**" or "**TCDM Exit Point**" means a point at which Natural Gas is offtaken from the Transmission System and comprises one or more DM Gas Points within a Common Curtilage serving a single End User;

"**Transmission Minimum Pressure**" has the meaning given to it in Part G (*Technical*) Section 1.2.1;

"**Transmission System**" means the Transporter's transmission pipelines (as that term is defined in the Act) that are designed to operate at a pressure above sixteen (16) bar, and includes the Onshore Scotland Transmission System, the Sub-Sea and Ireland Transmission System and all associated and ancillary facilities to such pipeline system operated by the Transporter;

"**Transmission System Operator Licence**" means the transmission system operator licence vested in the Transporter and granted by the Commission pursuant to section 16(1)(c) of the Act on 4 July 2008 together with any applicable licence held by any Affiliate of the Transporter to operate any pipeline constructed pursuant to the Interconnector Treaty or the Second Interconnector Treaty;

"**Transmission System Owner**" means Gas Networks Ireland acting in its capacity as licensee under the Transmission System Owner Licence including as counterparty to the Operating Agreement and its permitted successors and/or assigns;

"**Transmission System Owner Licence**" means the transmission system owner licence vested in the Transporter and granted by the Commission pursuant to Section 16(1)(e) of the Act on 04 July 2008;

"**Transmission System Shrinkage Costs**" means Shrinkage Costs attributed to the Transmission System;

"**Transmission System Shrinkage Gas**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.1.4;

"**Transportation Licences**" means the Transmission System Operator Licence and the Distribution System Operator Licence;

"**Transportation System**" means the Transmission System, the Distribution System and the capacity held by the Transporter under the Use of System Agreement.;

"**Transportation System Owner**" means the Transmission System Owner and the Distribution System Owner;

"**Transportation System Owner Licences**" means the Transmission System Owner Licence and the Distribution System Owner Licence;

"**Transporter**" means Gas Networks Ireland, its predecessors and for its permitted successors and/or assigns acting in its capacity as licensee under the Transportation Licences;

"**Transporter Determined DM Supply Point Capacity**" means in respect of a DM Supply Point, an amount of DM Supply Point Capacity as determined by the Transporter and as so identified and reflected in the Capacity Register;

"**Transporter Determined NDM Exit Capacity**" means in respect of a NDM Supply Point, an amount of Exit Capacity which is equivalent to the amount of the Transporter Determined NDM Supply Point Capacity in respect of that NDM Supply Point as determined by the Transporter and as so identified and reflected in the Capacity Register;

"**Transporter Determined NDM Supply Point Capacity**" means in respect of a NDM Supply Point, an amount of NDM Supply Point Capacity as determined by the Transporter and as so identified and reflected in the Capacity Register;

"**Transporter Large Price Step**" means the increase in price (which may be fixed or variable) between each Bidding Round of an Ascending Clock Auction prior to a First Time Undersell and which shall be determined by the Transporter separately in respect of each Ascending Clock Auction at each Interconnection Point;

"**Transporter Personal Data**" has the meaning given to it in Part I (*Legal and General*) Section 9.1.17;

"**Transporter Premium**" means that share of any Auction Premium which is payable to the Transporter;

"**Transporter Prepayment Metering Agreements**" shall mean those agreements to be entered into between the Transporter and third party service providers from time to time with respect to the provision of services (including services to Shippers) associated with or ancillary to Prepayment Meters in respect of NDM Supply Points at which the End User is a household customer or as identified in the Prepayment Metering Procedures (where applicable).

"**Transporter Recommended DM Exit Capacity**" means the capacity as recommended by the Transporter (in respect of a DM Offtake) and as so identified and reflected in the Capacity Register;

"**Transporter Recommended LDM Supply Point Capacity**" means in respect of a LDM Supply Point, an amount of LDM Supply Point Capacity as determined by the Transporter and as so identified and reflected in the Capacity Register;

"**Transporter Reserve Price**" means the applicable tariff in respect of relevant IP Capacity or relevant Interruptible IP Capacity (as the case may be) at the applicable Interconnection Point;

"**Transporter Small Price Step**" means the increase in price (which may be fixed or variable) between each Bidding Round of an Ascending Clock Auction after a First Time Undersell and which shall be a fraction of the Transporter Large Price Step determined by the Transporter separately in respect of each Ascending Clock Auction at each Interconnection Point;

"**Transporter's Specific Termination Notice**" has the meaning given to it in Part I (*Legal and General*) Section 4.2.1;

"**Treaty Entitlement**" means the entitlement of a competent authority in the Isle of Man to capacity in the Transportation System pursuant to the Second Interconnector Treaty;

"**UK Network Code**" means the Network Code prepared by Transco pursuant to its gas transportation licence, as from time to time modified under the said licence;

"**Unaccounted For Gas**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.1.5;

"**Unbooked Capacity**" has the meaning given to it in Part H (*Operations*) Section 2A.1.1;

"**Unbundled IP Capacity**" means Unbundled IP Entry Capacity and/or Unbundled IP CSEP Offtake Capacity and/or Interruptible IP Capacity as the case may be;

"**Unbundled IP CSEP Offtake Capacity**" means IP CSEP Offtake Capacity which is not Bundled IP CSEP Offtake Capacity including capacity which has ceased to be Bundled Capacity in accordance with this Code;

"**Unbundled IP Entry Capacity**" means IP Entry Capacity which is not Bundled IP Entry Capacity including capacity which has ceased to be Bundled Capacity in accordance with this Code;

"**Under Delivery**" means the delivery to the Transportation System by a Shipper of a quantity of Natural Gas on a Day that is less than the Shipper's Nominated Quantity on the Day;

"**Underutilisation Notice**" and "**Revised Underutilisation Notice**" shall have the meaning given to them in Part H (*Operations*) Section 2A.1.1 and Section 2A.10.3;

"**Underutilising Shipper**" shall have the meaning given to it in Part H (*Operations*) Section 2A.1.1;

"**Uniform Price Auction**" means an auction in which the Shipper in a single Bidding Round bids price as well as capacity quantity and where all Shippers who are allocated capacity pay the price of the lowest successful Bid;

"**Upstream Operator**" means an operator of a transportation system upstream of the Transportation System (including, for the avoidance of doubt, any transportation systems or facilities upstream of the Transportation System which may not have been constructed or be in operation at the coming into force of this Code);

"**Use of System Agreement**" means an agreement made between GNI (UK) Limited and the Transporter pursuant to which GNI is entitled to hold capacity in the South North Pipeline for the transportation of natural gas in the South North Pipeline as amended from time to time.

"**Valid Bundling Request"** has the meaning given to it in Part C (*Capacity*) Section 2.14.4;

"**Valid Buyback Offer**" has the meaning given to it in Part H (*Operations*) Section 2A.16.6;

"**Valid Capacity Surrender Request**" has the meaning given to it in Part H (*Operations*) Section 2.A.5.6;

"**Valid Demand Indication**" has the meaning in Part H (*Operations*) Section 8.2.3;

"**Valid Entry Nomination**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.2.2(c);

"**Valid Entry Renomination**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section Section 1.2.3(h);

"**Valid Exit Nomination**" shall have the meaning in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation)* Sections 1.2.3(e);

"**Valid Exit Renomination**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.2.4(h);

"**Valid IBP Nomination**" or "**Valid IBP Renomination"** means an IBP Nomination or an IBP Renomination, as the case may be, that has been accepted by the Transporter and has been matched by an equal and opposite IBP Nomination or IBP Renomination and, where the context so requires, "**Valid IBP Sell Nomination**", "**Valid IBP Buy Nomination**", "**Valid IBP Sell Renomination**" and "**Valid IBP Buy Renomination**" shall be construed accordingly;

"**Valid IP CSEP Offtake Renomination**" has the meaning given to it in the definition of IP Renomination;

"**Valid IP Entry Renomination**" has the meaning given to it in the definition of IP Renomination;

"**Valid IP Nomination** has the meaning given to it in the definition of IP Nomination;

"**Valid IP Renomination** has the meaning given to it in the definition of IP Renomination;

"**Valid IP VEntry Nomination**" has the meaning given to it in the definition of IP Nomination;

"**Valid IP VEntry Renomination**" has the meaning given to it in the definition of IP Renomination;

"**Valid IP VExit Nomination**" has the meaning given to it in the definition of IP Nomination;

"**Valid IP VExit Renomination**" has the meaning given to it in the definition of IP Renomination;

"**Valid Meter Read**" means a Meter Read that has been subject to, and not rejected in accordance with, the Transporter's validation checks (as amended from time to time);

"**Valid Nomination**" means a Valid Entry Nomination, a Valid Exit Nomination, a Valid IBP Nomination, [*a Valid VIP Nomination*], a Valid Sub-Sea I/C Offtake Nomination or such one or more of them as the context may require;

"**Valid Renomination**" means a Valid Entry Renomination, a Valid Exit Renomination, a Valid IBP Renomination, [*a Valid VIP Renomination*] or a Valid Sub-Sea I/C Offtake Renomination or such one or more of them as the context may require;

"**Valid Sub-Sea I/C Offtake Nomination**" and "**Valid Sub-Sea I/C Offtake Renomination**" shall have the meaning in Section 1.2.3(e) or 1.2.4(h) (as appropriate).;

"***Valid VIP Nomination***" *or* "***Valid VIP Renomination***" *means a VIP Nomination or a VIP Renomination, as the case may be, that has been accepted by the Transporter and, where the context so requires,* "***Valid VIP Injection Nomination***", "***Valid VIP Withdrawal Nomination***", "***Valid VIP Injection Renomination***" *and*" ***Valid VIP Withdrawal Renomination***" *shall be construed accordingly;*]

*["**Valid VIP Withdrawal Nomination**" has the meaning given to it in Part D (Nominations, Allocations and NDM Supply Point Reconciliation) Section 1.1.1(jj);*

*"**Valid VIP Withdrawal Renomination**" has the meaning given to it in Part D (Nominations, Allocations and NDM Supply Point Reconciliation) Section 1.1.1(jj);*]

"**Variance Percentage**" or "**VP**" means a percentage calculated in accordance with Section 11.3.4;

*["**VIP Allocations**" means the quantity of Natural Gas that is allocated in respect of VIP Injection Allocation(s) and/or VIP Withdrawal Allocation(s) in accordance with Part D (Nominations, Allocations and NDM Supply Point Reconciliations) Section 2.16 as having been injected or withdrawn by a Shipper at the VIP on a Day;*] *["**VIP Injection Allocation**" means in respect of a Shipper the Nominated Quantity in such Shipper's Valid VIP Injection Nomination or Valid VIP Injection Renomination in respect of a Day;*]*[* "***VIP Injection Nomination***" *means a notification by a VIP Shipper to the Transporter of its intention to inject a Nominated Quantity at the VIP on a Day pursuant to such Shipper's relevant I/C Inventory Agreement;*

"***VIP Injection Renomination***" *means a revision of a Nominated Quantity in an earlier Valid VIP Injection Nomination or Valid VIP Injection Renomination;*

" ***VIP Nomination***" *means a VIP Injection Nomination and/or a VIP Withdrawal Nomination as appropriate;*]

*["**Virtual Inventory Point**" or "**VIP**" means the notional point on the Transmission System at which VIP Injection Nominations, VIP Withdrawal Nominations, VIP Injection Renominations and VIP Withdrawal Renominations are transacted;*]

*["**VIP Renomination**" means a revision of a Nominated Quantity or Renominated Quantity in an earlier Valid VIP Nomination or Valid VIP Renomination;*

"***VIP Shipper***" *means a Registered Shipper who has reserved I/C Inventory Space with the Transporter;*

"***VIP Utilisation***" *means the quantity of Natural Gas retained by a VIP Shipper at the VIP on a Day being the aggregate of the VIP Injection Allocations made in respect of such Shipper less the VIP Withdrawal Allocations made in respect of such Shipper from time to time during such Shipper's relevant I/C Inventory Booking Period (adjusted from time to time by any quantity of Natural Gas which constitutes such Shipper's VIP Utilisation at the end of one I/C Inventory Booking Period and the commencement of an immediately consecutive I/C Inventory Booking Period);*

"***VIP Withdrawal Allocation***" *means in respect of a Shipper the Nominated Quantity in such Shipper's Valid VIP Withdrawal Nomination(s) or Valid VIP Withdrawal Renomination on a Day;*

"***VIP Withdrawal Nomination***" *means a notification by a VIP Shipper to the Transporter of its intention to withdraw a Nominated Quantity at the VIP on a Day pursuant to such Shipper's relevant I/C Inventory Agreement;*]

*["**VIP Withdrawal Renomination**" means a revision of a Nominated Quantity in an earlier Valid Withdrawal Nomination or Valid Withdrawal Renomination;*]

"**Water Content**" means the amount of water in Natural Gas measured in mg/m^3 which condenses to form water droplets;

"**Water Dewpoint**" means the temperature at which water vapour within Natural Gas condenses to form water droplets;

"**Wilful Misconduct**" means, in relation to the Transporter or a Shipper, a wilful or deliberate disregard for its obligations under this Code or any Ancillary Agreement with the intent to create or confer a material commercial advantage on the Transporter or Shipper or to deprive the other party of commercial advantage;

"**Winter Period**" means the period from and including 1 December up to and including 31 March;

"**Withdrawal Availability Period**" has the meaning given to it in Part H (*Operations*) Section 2A.10.4(e);

"**Withdrawable Capacity**" shall have the meaning given to it in Part H (*Operations*) Section 2A.1.1(gg);

"**Withdrawal Notice**" has the meaning given to it in Part H (*Operations*) Section 2A.13.1;

"**Withdrawal Period**" has the meaning given to it in Part H (*Operations*) Section 2A.13.1;

"**Withdrawn Capacity**" has the meaning given to it in Part H (*Operations*) Section 2A.13.1;

"**Within Day**" has the meaning given to it in Part C (*Capacity*) Section 1.1.4(g);

"**Within-Day Exit Capacity Transfer**" has the meaning given to it in Part C (*Capacity*) Section 9.4.2;

"**Within-Day Exit Capacity Transfer Request**" has the meaning given to it in Part C (*Capacity*) Section 9.4.3;

"**Within-Day Interruptible IP Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.1.3(b);

"**Within Day IP Auctionable Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.4.1(e);

"**Within Day IP Capacity Auction**" has the meaning given to it in Part C (*Capacity*) Section 2.2.3(e);

"**Within-Day IP Entry Capacity**" has the meaning given to it in Part C (*Capacity*) Section 2.1.3(e);

"**Within-Day IP CSEP Offtake Capacity**") has the meaning given to it in Part C (*Capacity*) Section 2.1.3(e);

"**Yearly**" has the meaning given to it in Part C (*Capacity*) Section 1.1.4;

"Yearly IP Auctionable Capacity" has the meaning given to it in Part C (*Capacity*) Section 2.4.1(a);

"Yearly IP CSEP Offtake Capacity" has the meaning given to it in Part C (*Capacity*) Section 2.1.3(a);

"Yearly IP Entry Capacity" has the meaning given to it in Part C (*Capacity*) Section 2.1.

"**Zero Flow Day**" shall mean a Day on which the Net Metered Quantity (Entry) is equal to the Net Metered Quantity (Exit) including a Day upon which there has been no Natural Gas metered as delivered to or offtaken from the Transmission System at the Bi-Directional CSP;

2. INTERPRETATION

2.1 Unless the context otherwise requires any reference in this Code or any Ancillary Agreement:

2.1.1 to a particular Part, Section or Appendix is to a Part, Section or Appendix of this Code;

2.1.2 in a particular Part to a particular Section is to a Section of that Part;

2.1.3 to a statute, by-law, regulation, delegated legislation or order shall be construed as being to a statute, by-law, regulation or order of Ireland;

2.1.4 to the word "**including**" or to the word "**include**" shall be construed without limitation;

2.1.5 to a person shall be construed as a reference to any person, firm, company, corporation, government or agency of a state or any association or partnership (whether or not having separate legal personality) or two or more of the foregoing;

2.1.6 to the singular shall include the plural and vice versa;

2.1.7 to a "**day**", "**month**" and "**year**" shall be to a calendar day, calendar month and calendar year, respectively;

2.1.8 to any gender includes the other; and

2.1.9 to the identity of the Shipper is a reference to the Shipper's ID.

2.2 Any reference in this Code or any Ancillary Agreement to a statute, by-law, regulation, delegated legislation or order is to the same as amended, modified or replaced from time to time and to any by-law, regulation, delegated legislation or order made thereunder.

2.3 Any reference in this Code or any Ancillary Agreement to any agreement, Transportation Licences, Transportation System Owner Licences, or instrument is to the same as amended, novated, modified, supplemented, revised or replaced from time to time.

2.4 Any reference in this Code or any Ancillary Agreement to time shall be construed by reference to whatever time may from time to time be in effect in Ireland.

2.5 Where a word or expression is defined in this Code or any Ancillary Agreement, cognate words and expressions shall be construed accordingly.

2.6 Part and Section headings in this Code or any Ancillary Agreement are for ease of reference only and shall not affect its construction.

2.7 References to "**this Code**" or "**this Code of Operations**" shall mean the Parts, Sections and Appendices of this Code and shall be read as one document.

2.8 Words not otherwise defined that have a well-known and generally accepted technical or trade meanings in the gas industry in Ireland are used in the Code in accordance with such recognised meanings.

2.9 Words and phrases which appear in uppercase in this Code shall have the meaning ascribed to such terms in Section 1.1, however, in instances where any number of such terms appear consecutively in the text of this Code, they should each have their own independent meaning unless a specific definition has otherwise been attributed to a combination of such terms in Section 1.1.

CODE OF OPERATIONS
PART B

GENERAL PRINCIPLES

VERSION 5.05

Comprises version 5.04 published as of May 2023
incorporating the following Modifications

(1). Modification A111; Oxygen Upper Limit

(2). Modification A113; Revision of Wobbe Index Parameters

(3). Modification A114; Classification of Gas Points with a design MHQ of 100,000 kWh

(4). Modification A115; Removal of Tolerances at RNG Entry Points;

(5). Modification A116; Removal of Residual Tolerances

(6). Modification A117: Supplier of Last Resort (SoLR) Arrangements;

(7). Modification A118; Central Grid Injection and RNG Entry Point Arrangements

Part B

1. GENERAL PRINCIPLES 1
1.1 **Overriding Obligations** 1
1.2 **System Integrity and Security** 1
1.3 **Regulatory Compliance** 2
1.4 **Capacity** 2
1.5 **End User's Facilities** 4
1.6 **Priority** 4

1. GENERAL PRINCIPLES

1.1 Overriding Obligations

1.1.1 Notwithstanding anything else in this Code, in exercising its rights and performing its obligations under this Code (including for avoidance of doubt under this Part B (*General Principles*) any Ancillary Agreements and any Procedures the Transporter shall:

(a) act as a RPO; and

(b) not discriminate unfairly between Shippers or classes of Shippers.

1.1.2 The Transporter shall operate the Transportation System in accordance with the Transportation Licences, this Code, the Operating Agreement and applicable Legal Requirement(s).

1.1.3 The Transporter shall provide Shippers with information in accordance with this Code and any direction of the Commission.

1.1.4 Notwithstanding anything else in this Code, in exercising their respective rights and performing their respective obligations under this Code, any Ancillary Agreements and any Procedures each Shipper shall act as a RPO.

1.2 System Integrity and Security

1.2.1 The Transporter has certain obligations pursuant to the Transportation Licences, this Code, the Operating Agreement and Legal Requirement(s) including obligations to:

(a) maintain the physical safety and security of persons, any apparatus and installations over which apparatus and installations it has complete and unencumbered control and has legal right of access;

(b) maintain the operational integrity of the Transportation System (and all or any part thereof);

(c) ensure the physical balance of the Transportation System is maintained;

(d) mitigate the adverse effect (if any) on Shippers (or any of them) arising as a result of a breach by a Shipper(s) of this Code, any Ancillary Agreement or the Procedures including as a result of Natural Gas being delivered to or offtaken from the Transportation System by a Shipper or Shippers in breach of this Code, any Ancillary Agreement or the Procedures; and

(e) make capacity available pursuant to Interconnector Treaties.

1.2.2 In discharging its obligations pursuant to Section 1.2.1, the Transporter may take such action as is reasonable and prudent in the circumstances, including

(where required) (i) increasing, restricting or ceasing altogether input of Natural Gas to, or offtake of Natural Gas from, the Transportation System, and/or (ii) taking preventative measures where the operational integrity of the Transportation System or any localised part thereof may be prejudiced or otherwise at risk.

1.2.3 Subject to Section 1.1, the rights and responsibilities of the Transporter under this Section 1.2 shall prevail over any other provisions of this Code, any Ancillary Agreement or Procedures. The Transporter shall not be in breach of any other provisions of this Code, any Ancillary Agreement or Procedures to the extent that it is acting in accordance with this Section 1.2.

1.3 Regulatory Compliance

1.3.1 Where pursuant to any applicable legislation, Legal Requirement or the Transportation Licences the Transporter is required to take a particular action or not to take or cease a particular action, nothing in this Code shall prevent the Transporter from taking such action or not taking, or ceasing to take such action, and the Transporter shall not be in breach of any of its obligations to Shippers (or any of them) pursuant to this Code and/or any Ancillary Agreement where the Transporter acts in accordance with the Transportation Licences, any such applicable legislation or Legal Requirement.

1.3.2 Where a Shipper is required, pursuant to such Shipper's Shipping Licence, to take a particular action or not to take or cease to take a particular action, nothing in this Code shall prevent the Shipper from taking such action or not taking or ceasing to take such action and the Shipper shall not be in breach of its obligations under this Code or any Ancillary Agreement where the Shipper acts in accordance with such Shipper's Shipping Licence.

1.4 Capacity

1.4.1 The capacity of the Transportation System, or any localised part thereof, held or to be held by Registered Shippers may be determined by the Transporter and approved by the Commission from time to time.

1.4.2 Shipper(s) shall be entitled, subject to and in accordance with this Code, to reserve such capacity in the Transportation System, or any localised part thereof, as is determined pursuant to Section 1.4.1 subject to and in accordance with this Code.

1.4.3 The obligation of the Transporter to make capacity available to a Registered Shipper on a Day(s) pursuant to this Code and/or any Ancillary Agreement and/or the Transportation Licences shall be subject to the existence, and capacity, of such facilities as the Transporter considers to be necessary to ensure such capacity can be made so available save where such existence is delayed, hindered or affected as a result of the failure of the Transporter to

comply with its obligations pursuant to the Transportation Licences, this Code or any Ancillary Agreement.

1.4.4 The Transporter shall, notwithstanding any other provision of this Code and in addition to any other rights as contained in this Code, have the right to reject any application for capacity where such rejection is so permitted in accordance with any applicable legislation or Legal Requirement.

1.4.5 Nothing in this Code shall be taken to confer on any person any entitlement to have any premises, pipeline, plant or other installation connected to the Transportation System for the purpose of offtaking Natural Gas from the Transportation System. For the avoidance of doubt an application for capacity in accordance with this Code is not and shall not be construed as an application for connection to the Transportation System.

1.4.6 Any capacity reserved by, or made available to, a Shipper in accordance with this Code and/or any Ancillary Agreement shall not confer on such Shipper any entitlement to manage or control or participate in the management or control of the Transportation System.

Subject to the Transportation Licences, Legal Requirement(s), this Code, the Operating Agreement and any Ancillary Agreements, the Transporter shall have and retain full complete and unencumbered rights to control and manage the operation of the Transportation System and the flow and pressure of Natural Gas in the Transportation System.

1.4.7 The Transporter shall at all times use all reasonable endeavours to exercise its rights under any agreements entered into between the Transporter and any Connected Systems Operator relating to Natural Gas Pressure and profiling of Natural Gas at any Entry Point(s) in such a manner as to ensure that such pressure is sufficient and a profile(s) is created to enable the Transporter to make each Shipper's capacity available to such Shipper in accordance with this Code and/or any Ancillary Agreement;

The obligation of the Transporter to make capacity available to a Registered Shipper on a Day(s) pursuant to this Code and/or any Ancillary Agreement shall be subject to:

(a) the prevailing Natural Gas pressure at the Entry Points (or any of them) which affects the capacity of the Transportation System or any localised part thereof;

(b) the terms of any relevant LDM Agreement;

(c) the actual offtake of Natural Gas from the Transportation System or any localised part thereof; and

(d) the delivery at an Entry Point(s) of Natural Gas in accordance with a profile which facilitates the Transporter making the requisite capacity available to Shippers.

1.5 End User's Facilities

1.5.1 The Transporter shall have such right of access at all reasonable and necessary times to End User's Facilities (including where such facilities are located downstream of the Offtake Point) and to the premises (if any) of any third party to whose property or premises Natural Gas is delivered, without charge and as may be required, for the purpose of exercising its rights in accordance with the relevant sections of this Code and/or to verify compliance with the requirements of any LDM Agreement. Where the Shipper at any such Offtake Point is the End User, such Shipper shall execute the End User Agreement and shall ensure that such access may be obtained safely at all times. Where the Shipper is not the End User or where the Shipper is not legally entitled to grant such right of access to premises at which the End User's Facilities are located, the Shipper shall enter into an agreement with the End User (or relevant third party) to enable such rights of access to be available to and exercised by the Transporter, provided always that the Shipper shall be relieved of the obligation to enter into such an agreement with the End User (or relevant third party) where there is a valid and subsisting End User Agreement in force at the applicable LDM Offtake or DM Offtake.

1.5.2 Without limiting the foregoing provisions of this Section 1, where any Natural Gas offtaken at an LDM Offtake or a DM Offtake(s) is for use by an End User, not being the Shipper, the Shipper shall use reasonable endeavours to procure that the End User executes a valid and subsisting End User Agreement with the Transporter and pending such execution shall procure that such End User is bound by the provisions of this Code and the relevant Ancillary Agreements (to the extent necessary and whether by a deed of adherence or otherwise) so as to ensure compliance therewith by such End User.

1.5.3 In the event the Shipper does not comply with Section 1.5.1 or 1.5.2 the Transporter shall be entitled to cease to make Natural Gas available for offtake at such Offtake Point(s) to which such non-compliance relates until such non-compliance is remedied but without prejudice to the continuing obligation of the Shipper to pay the capacity component of the Tariff.

1.6 Priority

In the event of any inconsistency between the Transporter's obligations pursuant to any Legal Requirements (including Transportation Licences), this Code, any Ancillary Agreement or any Procedure, such inconsistencies shall be resolved in the following order of priority:

1.6.1 any Legal Requirements (including for the avoidance of doubt the Transportation Licences);

1.6.2 Part B of this Code;

1.6.3 the provisions of this Code (other than Part B);

1.6.4 any Ancillary Agreement; and

1.6.5 Procedures.

CODE OF OPERATIONS

PART C

CAPACITY

VERSION 5.05

Comprises version 5.04 published as of May 2023 incorporating the following Modifications

(1). Modification A111: Oxygen Upper Limit

(2). Modification A113: Revision of Wobbe Index Parameters

(3). Modification A114: Classification of Gas Points with a design MHQ of 100,000 kWh

(4). Modification A115: Removal of Tolerances at RNG Entry Points

(5). Modification A116: Removal of Residual Tolerances

(6). Modification A117: Supplier of Last Resort (SoLR) Arrangements

(7). Modification A118: Central Grid Injection and RNG Entry Point Arrangements

Part C

1. CAPACITY....1
1.1 **Interpretation and General Provisions**....1
2. IP capacity....4
2.1 **General**....4
2.2 **IP Capacity Auctions**....5
2.3 **Capacity Set Aside**....10
2.4 **Auctionable Capacity Calculation**....11
2.5 **Capacity Bundling for Auctions**....13
2.6 **Linked Auctions**....13
2.7 **Reserve Price, Auction Price and Price Steps**....15
2.8 **Ascending Clock Auctions**....16
2.9 **Closing of Ascending Clock Auction and Allocation of IP Capacity:**....19
2.10 **Uniform Price Auction**....21
2.11 **Closing of Uniform Price Auction and Allocation of Capacity**....24
2.12 **Auction Clearing Price (Ascending Clock Auctions and Uniform Price Auctions)**....26
2.13 **IP Charges/Interruptible IP Charges**....27
2.14 **Voluntary Bundling**....28
2.15 **Capacity Unbundling**....31
2.16 **Capacity Conversion Process**....31
3. Entry Capacity....34
3.1 **General**....34
3.2 **Entry Capacity Request and Booking**....36
3.3 **Transitional Arrangements**....43
3.4 **Entry Capacity Charges**....47
4. Entry Capacity Trades....48
4.1 **General**....48
5. IP CAPACITY TRADES....53
5.1 **General**....53
6. [NOT USED]....58
7. Exit Capacity....58
7.1 **General**....58
7.2 **LDM Exit Capacity and LDM Capacity Application**....58
7.3 **Additional LDM Exit Capacity**....65
7.4 **Short Term LDM Exit Capacity**....65
7.5 **DM Exit Capacity**....67
General....67
7.6 **Application for DM Exit Capacity in respect of a DM Offtake**....69
7.7 **DM Exit Capacity Revision**....70
7.8 **Short Term DM Exit Capacity**....72
7.9 **Aggregate DM Exit Capacity**....75
7.10 **NDM Exit Capacity**....76
7.11 **Short Term NDM Exit Capacity**....77
7.12 **Aggregate NDM Exit Capacity**....79
7.13 **Sub-Sea I/C Offtake Capacity**....79
7.14 **Exit Capacity Charges**....82

7.15 **LDM Transitional Capacity Bookings** 84
8. Supply Point CAPACITY 88
8.1 **General** 88
8.2 **Supply Point Capacity Reservation** 89
8.3 **LDM Supply Point Capacity** 89
8.4 **Application for additional LDM Supply Point Capacity** 91
8.5 **DM Supply Point Capacity** 93
8.6 **NDM Supply Point Capacity** 103
8.7 **Supply Point Capacity Charges** 104
9. Exit Capacity Transfers 106
9.1 **Definitions** 106
9.2 **General** 106
9.3 **Exit Capacity Transfer Process** 108
9.4 **Within-Day Exit Capacity Transfers** 111
10. Multiple shipper LDM Supply Point title transfers 114
10.1 **Overview** 114
11. Capacity Overruns 119
11.1 **General** 119
11.2 **Definitions** 119
11.3 **IP Entry Capacity Overruns and IP CSEP Offtake Capacity Overruns** 121
11.4 **Exit Capacity Overruns** 126
11.5 **IP VExit Overrun Quantity, IP VEntry Overrun Quantity and Charges** 129
11.6 **Supply Point Capacity Overruns** 131
11.7 **Invoicing of Supply Point Capacity Overrun Charge** 135
12. Capacity OVERRUNS Disbursements account 137
13. CAPACITY REGISTER 141
SCHEDULE 1 145
Part 1 Long Term Entry Capacity Request 145
Part 2 Short Term Entry Capacity Request 147
Part 3 Entry Capacity Trade Registration Request 148
Part 4 [Not used] 149
Part 5 [Not used] 150
Part 6 [Not Used] 151
Part 7 Entry Point Transfer Request 152
Part 8 Deferral Request 153
Part 8 Long Term LDM Capacity Request 154
Part 10 Short Term LDM Exit Capacity Request 155
Part 11 DM Exit Capacity Revision Request 156
Part 12 Short Term Aggregate DM Exit Capacity Request 157
Part 13 Short Term Aggregate NDM Exit Capacity Request 158
Part 14 LDM Supply Point Capacity Booking Request 159
Part 15 DM Supply Point Capacity Revision Request 160
Part 16 DM Supply Point Capacity Reduction Request 161
Part 17 Exit Capacity Transfer Request 162

Part 18 Within Day Exit Capacity Transfer Request 163
Part 19 [Not used] 164
Part 20 [Not used] 165
Part 21 LDM Supply Point Capacity Title Transfer Request.....166
Part 22 [Not used] 167
Part 23 [Not used] 168
Part 24 Sub-Sea I/C Offtake Capacity Request 169

1. CAPACITY

1.1 Interpretation and General Provisions

For the purposes of this Code:

1.1.1 A class of capacity shall for the purpose of this Code mean:

(a) capacity which is firm; or

(b) capacity which is interruptible (and may be subject to Interruption in accordance with this Code); and

where all capacity shall be treated as firm save where it is specifically designated as Interruptible in accordance with this Code.

1.1.2 The direction of capacity for the purpose of this Code shall be:

(c) forward flow in the case of capacity required to offtake natural gas from the Interconnected System and deliver natural gas to the Transportation System; or

(d) reverse flow in the case of capacity required to offtake natural gas from the Transportation System and deliver natural gas to the Interconnected System.

1.1.3 A category of capacity shall for the purpose of this Code mean:

(a) with respect to IP Capacity:

(i) Bundled IP Entry Capacity at an individual IP Entry Point; and/or

(ii) Unbundled IP Entry Capacity at an individual IP Entry Point;

(iii) Bundled IP CSEP Offtake Capacity at an individual IP CSEP; and/or

(iv) Unbundled IP CSEP Offtake Capacity at an individual IP CSEP;

(v) Interruptible IP VEntry Capacity at an individual IP VEntry; and /or

(vi) Interruptible IP VExit Capacity at an individual IP VExit.

(b) Entry Capacity at an individual Entry Point which is not located at an IP or at a CGI Gas Point within a CGI Entry Point;

(c) with respect to Exit Capacity:

(i) LDM Exit Capacity held at or in respect of an individual LDM Offtake; and/or

(ii) Aggregate Primary DM Exit Capacity; and/or

(iii) Aggregate Primary NDM Exit Capacity; or

(d) with respect to Supply Point Capacity:

(i) LDM Supply Point Capacity held in respect of an individual LDM Supply Point; and/or

(ii) DM Supply Point Capacity in respect of an individual DM Supply Point; and/or

(iii) NDM Supply Point Capacity in respect of an individual NDM Supply Point.

1.1.4 A duration of capacity shall for the purpose of this Code mean:

(a) other than at an Interconnection Point a single annual period of twelve consecutive calendar months ("**Annual**") commencing at the start of the first Day of a calendar month and ending at the end of the last Day of a calendar month;

(b) at an Interconnection Point only a single annual period of twelve consecutive calendar months ("**Yearly"**) commencing at the start of the first Day of a Gas Year and ending at the end of the last Day of that Gas Year;

(c) other than at an Interconnection Point a number of whole multiples of consecutive twelve calendar month periods ("**Multi-Annual**") commencing at the start of the first Day of a calendar month and ending at the end of the last Day of a calendar month;

(d) at an Interconnection Point only a single period of three consecutive calendar months ("**Quarterly"**) commencing at the start of the first Day of each Quarter.

(e) a single calendar Month ("**Monthly**"); or

(f) a single Day ("**Daily**").

(g) at an Interconnection Point only IP Capacity booked for a Day after (but not pursuant to) the Rolling Day Ahead IP Capacity Auction for that Day ("**Within Day**").

and capacity at an Interconnection Point shall be Long Term where it is held for a duration which is Yearly or Quarterly; and shall be Short Term where it is held for a duration which is Monthly, Daily or Within Day.

1.1.5 For the purpose of this Part C (*Capacity*) and in order to facilitate capacity bookings at new Entry Points, at new CGI Gas Points configured or intended to be configured within a CGI Entry Point references to an Entry Point or CGI Entry Point or CGI Gas Point shall include and be deemed to include a reference to a Proposed Entry Point or a Proposed CGI Entry Point or a Proposed CGI Gas Point where the context so requires, such that Shipper(s) may submit applications for capacity pursuant to Section 3 prior to the Anticipated Entry Point Commencement Date in respect of a Proposed Entry Point, or Proposed CGI Entry Point or Proposed CGI Gas Point.

1.1.6 For the purpose of this Part C (*Capacity*) where an IP Entry Point or an IP Exit Point is located at a Interconnection Point all references to capacity available for booking by Shippers shall where applicable include any Additional Capacity.

1.2 The Transporter shall be entitled to utilise on a daily basis all or any part of the capacity reserved by a Registered Shipper to the extent that the capacity is not utilised by such Registered Shipper, provided however that nothing herein shall, or shall be deemed to, restrict or in any way affect the right of a Registered Shipper to utilise capacity it has reserved on the Day in accordance with this Code.

1.3 If a Shipper does not utilise all or any part of its Primary Capacity for more than any period of twelve (12) consecutive months, except in the case of Force Majeure, the Transporter may, if it considers such non-utilisation to be prejudicial to the economic integrity of the Transportation System or any localised part thereof, or, if such non-utilisation affects system planning of the Transportation System or any localised part thereof, serve notice of not less than three (3) months on such Shipper of its intent to

cancel a Shipper's Capacity Booking to the extent it relates to such unused Primary Capacity. Unless such Shipper is able to demonstrate to the Transporter's reasonable satisfaction, having due regard to all circumstances, that such non-utilisation is justified then the unused capacity shall be cancelled with effect from the expiry of the notice period and the provisions of this Section 1.3 shall be in addition to and without prejudice to the Transporters rights and obligations with respect to Part H (*Operations*) Section 2A (*Contractual Congestion*) including without limitation with respect to Systematically Underutilised Capacity and Withdrawable Capacity.

1.4 Primary Capacity for the purpose of Section 1.3 shall include IP Capacity and any capacity that has been the subject of an IP Capacity Trade, Entry Capacity Trade, Exit Capacity Transfer or LDM Supply Point Capacity Title Transfer and that has not been utilised by the Shipper that is the Primary Capacity holder or the Shipper that is the Secondary Capacity holder for more than twelve (12) consecutive Months.

1.5 The acceptance by the Transporter of an application by a Shipper for capacity pursuant to this Code (including in particular capacity or IP Capacity which is booked for a duration of a Day or Within Day) shall not in any way limit or restrict the Transporter with respect to its rights to reject or limit Nominations or Renominations in accordance with the provisions of Part D (*Nominations, Allocations and Supply Point Reconciliation*).

2. IP CAPACITY

2.1 General

2.1.1 A Shipper shall be required:

(a) to be a JBP User to participate in Capacity Auctions in respect of IP Entry Capacity and/or IP CSEP Offtake Capacity and/or IP VEntry Capacity and/or IP VExit Capacity at an IP; and

(b) to have paid the applicable IP Registration Fee in respect of a Gas Year in order to participate in Capacity Auctions in respect of IP VEntry Capacity or IP VExit Capacity in respect of any Gas Day in a Gas Year.

2.1.2 A Shipper shall be required to reserve:

(a) IP Entry Capacity at an IP Entry Point in order to have the right to submit Entry Nominations and deliver Natural Gas to the Transportation System at the IP Entry Point;

(b) IP CSEP Offtake Capacity at an IP CSEP in order to have the right to submit IP CSEP Offtake Nominations and offtake Natural Gas from the Transportation System at the IP CSEP;

(c) Interruptible IP Capacity in order to have the right to deliver Natural Gas at an IP VEntry or offtake Natural Gas at the IP VExit, as the case may be.

2.1.3 A Shipper which is a JBP User may apply to reserve IP Entry Capacity and/or IP CSEP Offtake Capacity to be held pursuant to this Code at any IP in accordance with this Section 2 and may reserve IP Entry Capacity and/or IP CSEP Offtake Capacity for the following durations:

(a) Yearly ("**Yearly IP Entry Capacity**" or "**Yearly IP CSEP Offtake Capacity**", as the case may be);

(b) Quarterly ("**Quarterly IP Entry Capacity**" or "**Quarterly IP CSEP Offtake Capacity**" as the case may be);

(c) Monthly ("**Monthly IP Entry Capacity**" or "**Monthly IP CSEP Offtake Capacity**", as the case may be); and/or;

(d) Daily ("**Daily IPEntry Capacity**" or "**Daily IP CSEP Offtake Capacity**", as the case may be); or

(e) Within Day ("**Within Day IP Entry Capacity**" or "**Within Day IP CSEP Offtake Capacity**", as the case may be).

2.1.4 A Shipper which is a JBP User which has paid the applicable IP Registration Fee may apply to reserve Interruptible IP Capacity at an IP in accordance with Section 2 below and the Shipper may reserve Interruptible IP Capacity for a duration which is Daily ("**Daily Interruptible IP Capacity**").

2.2 IP Capacity Auctions

2.2.1 IP Capacity shall subject to Section 2.2.2 be offered and allocated in accordance with this Code pursuant to the relevant Capacity Auction to

Shippers at the relevant Interconnection Point.

2.2.2 A Shipper must in order to participate in a Capacity Auction be a JBP User and have paid the applicable IP Registration Fee; in order to participate in a Capacity Auction in respect of Bundled IP Capacity at an IP, the Shipper must be also entitled to participate in that Capacity Auction in accordance with the applicable Interconnected System Transportation Arrangements. When a Shipper participates in a Capacity Auction in respect of Bundled IP Capacity (a "**Bundled Auction**") any Bid submitted is both an application for IP Capacity pursuant to this Code and an application for Corresponding Adjacent System IP Capacity pursuant to the Interconnected System Transportation Arrangements; this Code governs the Shipper's application for IP Capacity and does not govern the Shippers application for Corresponding Adjacent System IP Capacity which application is made in accordance with the applicable Interconnected System Transportation Arrangements.

2.2.3 Capacity Auctions shall be conducted on the JBP (applying the JBP algorithms) in accordance with the JBP Users T&C's and shall include:

(a) annual Ascending Clock Auction(s) in respect of Yearly IP Entry Capacity and/or Yearly IP CSEP Offtake Capacity (each an "**Annual Yearly IP Capacity Auction**") which shall commence on a date or dates determined pursuant to Section 2.2.4 and at which Bundled IP Capacity and/or Unbundled IP Capacity may be made available for a duration which is Yearly and separately in respect of each of at least five (5) Gas Years but not more than fifteen Gas Years commencing on the first Day of the Gas Year which commences after the Gas Year in which the Annual Yearly IP Capacity Auction takes place;

(b) four annual Ascending Clock Auction(s) (being the First Quarterly IP Capacity Auction, the Second Quarterly IP Capacity Auction, the Third Quarterly IP Capacity Auction and the Fourth Quarterly IP Capacity Auction) in respect of Quarterly IP Entry Capacity and/or Quarterly IP CSEP Offtake Capacity (each an "**Annual Quarterly IP Capacity Auction**") which shall take place upon a date or dates determined in accordance with Section 2.2.4 and at which Bundled

IP Capacity and/or Unbundled IP Capacity may be made available for a duration which is Quarterly and separately in respect of each Quarter in the Gas Year which commences in that the Auction Year;

(c) rolling monthly Ascending Clock Auction(s) in respect of Monthly IP Entry Capacity and/or Monthly IP CSEP Offtake Capacity (each a "**Rolling Monthly IP Capacity Auction**") which shall be held once a month in accordance with the ENTSOG Auction Calendar and at which Bundled IP Capacity and/or Unbundled IP Capacity for a duration which is Monthly may be made available for the Month following the month in which the Rolling Monthly IP Capacity Auction takes place;

(d) rolling day ahead Uniform Price Auction(s) in respect of Daily IP Entry Capacity and/or Daily IP CSEP Offtake Capacity ("**Rolling Day Ahead IP Capacity Auctions**") comprising a single Bidding Round which shall commence at 15:30 on D – 1 and at which Bundled IP Capacity and/or Unbundled IP Capacity for a duration which is Daily may be made available for the Day following the day on which the Rolling Day Ahead IP Capacity Auction takes place;

(e) within day Uniform Price Auction(s) in respect of Within Day IP Entry Capacity and/or Within Day IP CSEP Offtake Capacity ("**Within Day IP Capacity Auction**") with the first such auction starting at 18:00 on D – 1 in respect of Within Day IP Entry Capacity and Within Day IP CSEP Offtake Capacity and with subsequent Within Day IP Capacity Auctions to commence at 02:00 on D-1 and thereafter hourly on the hour up to 00:00 on Day D; and

(f) rolling day ahead Uniform Price Auction(s) in respect of Daily Interruptible IP Capacity ("**Rolling Day Ahead Interruptible IP Capacity Auction"**) with a single Bidding Round for each Rolling Day Ahead Interruptible IP Capacity Auction commencing at 15:30 on D – 1 and at which Interruptible IP Capacity may be made available for a duration which is Daily for the Day following the Day on which the Rolling Day Ahead Interruptible IP Capacity Auction takes place.

Separate Capacity Auctions shall be held for each category of IP Capacity and for each category of Interruptible IP Capacity and separately with respect to Bundled IP Capacity and Unbundled IP Capacity, provided always

(i) firm Unbundled IP Capacity shall only be made available by the Transporter where there is no capacity of any equivalent category and duration made available by the Adjacent TSO; and

(ii) all Interruptible IP Capacity shall be Unbundled.

2.2.4 All Capacity Auction(s) shall take place as follows in accordance with the ENTSOG Auction Calendar or where the ENTSOG Auction Calendar has not been published or does not apply in respect of any Capacity Auction shall take place as follows:

(a) the Annual Yearly IP Capacity Auction in respect of the Gas Year commencing 1 October 2018 and each subsequent Gas Year on the first Monday of July prior to the first Gas Year to which the applicable Annual Yearly IP Capacity Auctions relates; and

(b) the four Annual Quarterly IP Capacity Auctions shall take place as follows:

(i) the First Quarterly IP Capacity Auction(s) in respect of a Gas Year shall take place on the first Monday of August preceding the first Day of the Gas Year;

(ii) the Second Quarterly IP Capacity Auction(s) shall take place on the first Monday of November in the Gas Year;

(iii) the Third Quarterly IP Capacity Auction(s) shall take place on the first Monday of February in the Gas Year;

(iv) the Fourth Quarterly IP Capacity Auction shall be held on the first Monday of May in the Gas Year

(c) each Rolling Monthly IP Capacity Auction shall commence on the third Monday of each month; and

(d) each Daily IP Capacity Auction shall be held on the day prior to the Day for which the Capacity is auctioned.

2.2.5 The Transporter shall:

(a) not later than one month before each Annual Yearly IP Capacity Auction commences calculate and notify Shippers of the amount of available IP Capacity of each category to be offered for each Gas Year for which Shipper(s) may bid pursuant to the relevant Annual Yearly IP Capacity Auction and shall notify Shippers whether any Additional Capacity may be made available;

(b) not later than two weeks before each Annual Quarterly IP Capacity Auction commences calculate and notify Shippers of the amount of available IP Capacity of each category to be offered in the Annual Quarterly IP Capacity Auction for each Quarter of the Gas Year which commences after the Gas Year in which the Annual Quarterly IP Capacity Auction takes place and shall notify Shippers whether any Additional Capacity may be made available;

(c) one week before each Rolling Monthly IP Capacity Auction commences calculate and notify Shippers of the amount of available IP Capacity of each category to be offered in the Rolling Monthly IP Capacity Auction and shall notify Shippers whether any Additional Capacity may be made available;

(d) at the time the relevant Bidding Round opens calculate and notify Shippers of the amount of available IP Capacity of each category to be offered for the Rolling Day Ahead IP Capacity Auction and shall notify Shippers whether any Additional Capacity may be made available;

(e) after closure of the Rolling Day Ahead IP Capacity Auction in accordance with Section 2.11

(i) the available amount (if any) of Within Day IP Capacity of each category to be offered in the Within Day IP Capacity Auction; and

(ii) if known, the amount of Interruptible IP Capacity available prior to the commencement of the relevant Rolling Day Ahead Interruptible IP Capacity Auction.

Any notification or publication required pursuant to this Section 2.2.5 shall be made by the publication of the relevant information on the JBP.

2.2.6 A Shipper may in accordance with this Code apply for and be allocated by the Transporter with IP Capacity pursuant to Capacity Auctions at an Interconnection Point as follows:

(a) Yearly IP Capacity may be applied for by a Shipper and may be allocated to the Shipper in accordance with this Code pursuant to the Annual Yearly IP Capacity Auction;

(b) Quarterly IP Capacity may be applied for by a Shipper and allocated to the Shipper in accordance with this Code pursuant to the Annual Quarterly IP Capacity Auction;

(c) Monthly IP Capacity may be applied for by a Shipper and allocated to the Shipper in accordance with this Code pursuant to the Rolling Monthly IP Capacity Auction;

(d) Daily IP Capacity may be applied for by a Shipper and allocated to the Shipper in accordance with this Code pursuant to the Rolling Day Ahead IP Capacity Auction;

(e) Within Day IP Capacity may be applied for by Shipper and allocated to the Shipper in accordance with this Code pursuant to the applicable Within Day IP Capacity Auction(s); and

(f) Daily Interruptible IP Capacity may be applied for by a Shipper and allocated to the Shipper in accordance with the Code pursuant to the Rolling Day Ahead Interruptible IP Capacity Auction.

2.3 Capacity Set Aside

2.3.1 The Transporter shall subject to and without prejudice to Section 2.3.2 set aside a percentage of the Technical Capacity at each IP Entry Point and each IP CSEP as follows:

(a) an amount of the Technical Capacity (or such other quantity as may be approved by the Competent Authority) at each IP Entry Point and at each IP CSEP shall be set aside and excluded from the amount of capacity made available in the Annual Yearly IP Capacity Auctions in each year as follows:

(i) an amount equal to 10% of such Technical Capacity shall be excluded from the Annual Yearly IP Capacity Auction in a year (Yearly) in respect of each of the first five (5) Gas Years (Y + 1 to Y + 5);

(ii) 20% (or such lesser quantity in the event that the quantity set aside is less than 20%) of such Technical Capacity so set aside shall be set aside and excluded from the Annual Yearly Capacity Auction in a year in respect of each of the next succeeding ten (10) Gas Years (Y+6 to Y+15).

2.3.2 An amount equal at least to 10% of the incremental technical capacity at an IP shall be set aside and offered no earlier than the Annual Quarterly Capacity Auction held during the year preceding the year in which the relevant Incremental Capacity will be available.

2.4 Auctionable Capacity Calculation

2.4.1 The amount of IP Capacity which shall be made available at Capacity Auction(s) shall be calculated as follows:

(a) the capacity to be offered in each Annual Yearly IP Capacity Auction (the "**Yearly IP Auctionable Capacity**") shall be calculated as follows:

A – B – C + D + E - F

(b) the capacity to be offered in an Annual Quarterly IP Capacity Auction (the "**Quarterly IP Auctionable Capacity**") shall be calculated as follows:

A – C + D

(c) the capacity to be offered in a Rolling Monthly IP Capacity Auction (the "**Monthly IP Auctionable Capacity**") shall be calculated as follows:

A – C + D

(d) the capacity to be offered in a Rolling Day Ahead IP Capacity Auction (the "**Daily IP Auctionable Capacity**") shall be calculated as follows:

A – C + D

(e) the capacity to be offered in the Within Day IP Capacity Auction (the "**Within Day IP Auctionable Capacity**") shall be calculated as follows in respect of each hour:

A – C + D

(f) the capacity to be offered in the Rolling Day Ahead Interruptible IP Capacity Auction (the "**Daily Interruptible IP Auctionable Capacity**") shall be calculated in accordance with a methodology determined by the Transporter with the approval of the Commission;

Where:

“A” is the Transporter's Technical Capacity at or in respect of the applicable IP Entry Point or IP CSEP and for each standard capacity product;

“B” for Annual Yearly IP Capacity Auction is

(i) for each of the first five Gas Years for which Yearly IP Capacity is offered 10% of the Technical Capacity; and

(ii) for the 10 Gas Years subsequent to the first five Gas Years for which Yearly IP Capacity is offered, the 20% of the Technical Capacity;

"C" is the previously sold technical capacity, adjusted by the capacity which is reoffered in accordance with any applicable congestion management procedures;

"D" is the applicable Additional Capacity (if any);

“E” is the amount of Incremental Capacity for such Year included in the Offer Level (if any);

“F” is the amount of Incremental Capacity (E) if any set aside in accordance with Section 2.3.2.

Each of the calculations set out above shall be made separately for IP Capacity of each category (but not as between Bundled IP Capacity and

Unbundled IP Capacity) at each Interconnection Point and for each Capacity Auction in respect of which a Shipper may submit a Bid. The Transporter shall not be required to apportion the Auctionable Capacity as between Bundled IP Capacity and Unbundled IP Capacity which apportionment shall be made by the JBP Operator in accordance with the principles as set out in Section 2.5.

2.5 Capacity Bundling for Auctions

2.5.1 IP Entry Capacity and IP CSEP Offtake Capacity shall be made available pursuant to Capacity Auctions on the JBP as Bundled IP Capacity to the extent that the applicable Auctionable Capacity made available by the Transporter at the IP can prior to each relevant Capacity Auction be bundled in a single Capacity Auction with an equal amount of Corresponding Adjacent TSO Capacity at the same IP;

2.5.2 The amount of relevant Bundled IP Capacity which will be made available in a Capacity Auction shall be determined by the JBP Operator and published on the JBP having regard to the Auctionable Capacity as notified by the Transporter and the relevant information made available by the Adjacent TSO.

2.5.3 IP Capacity which is firm may only be offered as Unbundled IP Capacity when relevant Auctionable Capacity which the Transporter makes available cannot be made available as Bundled IP Capacity.

2.5.4 All Interruptible IP Capacity shall be Unbundled IP Capacity.

2.5.5 When as at 1 October 2015 a Shipper has an Entry Capacity Booking in respect of Entry Capacity at an IP Entry Point such Entry Capacity shall for the purpose of this Code be deemed to be and treated as Unbundled IP Entry Capacity

2.6 Linked Auctions

2.6.1 References to "Linked Auctions" in Section 2.6 to 2.11 mean the GB-RoI Auction and the GB-NI Auction or such one or more of them as the case may be.

2.6.2 In respect of the Moffat IP Entry Point, a Bundled Auction (the "**GB-RoI Auction**") may become linked ("**Linked**") to another bundled auction (the

"**GB-NI Auction**") for Adjacent System IP Capacity being held by the Adjacent TSO at that IP.

2.6.3 Where Ascending Clock Auctions are Linked the Linked Auctions will be held in parallel on the JBP with simultaneous bid rounds in each Linked Auction until such time as:

(a) the Linked Auctions cease to be Linked in accordance with section 2.8.8(d); or

(b) each of the Linked Auctions closes in accordance with section 2.8.8(a) and/or 2.8.8(c).

2.6.4 In respect of the Moffat IP Entry Point if for any Ascending Clock Auction

(a) the GB Allocable Capacity exceeds the Aggregate Auctionable RoI/NI Capacity then the GB-RoI Auction will not be Linked to the GB-NI Auction and their respective auctions will be held separately;

(b) the GB Allocable Capacity is less than the Aggregate Auctionable RoI-NI Capacity then the auctions will be Linked.

2.6.5 The auction process for any Linked Auction which is an Ascending Clock Auction shall be held separately and the GB-RoI Auction shall be held in accordance with Section 2.8.1to 2.8.7 as modified by Section 2.8.8.

2.6.6 In respect of the Moffat IP Entry Point if for any Uniform Price Auction:

(a) the GB Allocable Capacity exceeds the Aggregate Auctionable RoI / NI Capacity then the GB-RoI Auction will not be Linked to the GB-NI Auctions and the respective auctions will be held separately;

(b) the GB Allocable Capacity is less than the Aggregate Auctionable RoI/NI Capacity then the GB-RoI Auction and the GB-NI Auction shall be Linked and

(i) the GB-RoI Auction shall be held separately in accordance with section 2.10.1 to 2.10.8 and the GB NI Auction shall be held separately in accordance with the applicable rules of the Interconnected System Transportation Arrangements; and

(ii) Section 2.11.7 to Section 2.11.10 shall apply to the Linked Auction.

2.6.7 When Capacity Auctions are Linked they will be identified as such on the JBP and the amount of capacity in respect of such Linked Auction will be published on the JBP.

2.7 Reserve Price, Auction Price and Price Steps

2.7.1 In the first Bidding Round in each Ascending Clock Auction, the auction price shall be the applicable Reserve Price and in each subsequent Bidding Round shall be the Auction Price in the previous Bidding Round adjusted by Price Step(s) in accordance with Section 2.7.2. (each an "**Ascending Clock Auction Price**")

2.7.2 The Ascending Clock Auction Price in respect of the second and each subsequent Bidding Round in each Ascending Clock Auction shall be established as follows:

(a) in the second Bidding Round and each subsequent Bidding Round where the Aggregate Bid Quantity in the previous Bidding Round is in excess of the applicable Auctionable Capacity (each a "**LPS Bidding Round**"), the Ascending Clock Auction Price in such Bidding Round shall be the Ascending Clock Auction Price in the previous Bidding Round plus the relevant Large Price Step;

(b) if a First Time Undersell occurs then the applicable Ascending Clock Auction Price for the next Bidding Round shall be calculated as the Ascending Clock Auction Price in the Pre-FTU Bidding Round plus the relevant Small Price Step; and

(c) in each Bidding Round following a FTU Bidding Round (each a "**SPS Bidding Round**") the Ascending Clock Auction Price shall be in accordance with 2.6.2(b) above or as applicable the Ascending Clock Auction Price in the previous Bidding Round plus the relevant Small Price Step.

2.7.3 The Transporter shall notify to the JBP Operator the applicable Transporter Reserve Price for each Standard Capacity Product which may be applied in each Capacity Auction and the Transporter Large Price Step

and Transporter Small Price Step for each Standard Capacity Product which may be applied for in each Ascending Clock Auction.

2.8 Ascending Clock Auctions

2.8.1 The following provisions shall (subject to Section 2.8.8 in respect of Linked Auctions) apply with respect to all Capacity Auctions which are Ascending Clock Auctions:

(a) a Shipper shall submit Bids in respect of amounts of IP Capacity against escalating prices announced in consecutive Bidding Rounds starting at the applicable Ascending Clock Auction Price;

(b) Bidding Rounds shall take place between 08:00 hours and 17:00 hours on relevant days. The first Bidding Round shall continue for a period of three (3) hours; a second and each subsequent Bidding Round shall continue for a period of one (1) hour;

(c) there shall be a period of one (1) hour between Bidding Rounds.

(d) all Bids shall be submitted on the JBP in accordance with this Code and the JBP T&C's;

(e) all Ascending Clock Auctions shall be conducted on the JBP in accordance with the applicable JBP algorithms.

2.8.2 A Shipper shall apply for IP Capacity which is made available pursuant to an Ascending Clock Auction by submitting a Bid and each such Bid shall specify:

(a) the EIC of the Shipper submitting the Bid;

(b) the Interconnection Point in respect of which the Bid is submitted and the direction of gas flow;

(c) the Standard Capacity Product for which the Bid is submitted which shall be Yearly IP Entry Capacity, Quarterly IP Entry Capacity, Monthly IP Entry Capacity, Yearly IP CSEP Offtake Capacity, Quarterly IP CSEP Offtake Capacity, or Monthly IP CSEP Offtake Capacity, as the case may be;

(d) the amount of IP Capacity per Price Step to which the Bid relates which shall not exceed the applicable Auctionable Capacity for the Standard Capacity Product for which the Bid is submitted; and

(e) such other information as the JBP Operator may specify in the JBP User T&C's.

2.8.3 A Shipper's Bid in an Ascending Clock Auction shall be considered valid if;

(a) it is submitted by a Shipper on the JBP and complies with the provisions of this Code and the JBP User T&C's;

(b) the Bid quantity is equal to or greater than the Minimum IP Capacity Booking Quantity;

(c) the amount of capacity specified in the Bid is equal to or less than the applicable Auctionable Capacity in the relevant Capacity Auction;

(d) the Shipper submitting the Bid has complied with any applicable financial security requirements of the applicable Financial Security Policy;

(e) subject to (g) and (h) in the case of a Bid in a second or subsequent Bidding Round the amount of IP Capacity specified by the Shipper at a specific price is less than or equal to the amount of IP Capacity specified in the Bid placed by the same Shipper in the previous Bidding Round;

(f) in the case of a second or subsequent Bidding Round the Shipper has submitted a Bid in all of the previous Bidding Rounds, each of which complies with the provisions of this Code and the JBP User T&C's;

(g) in the first SPS Bidding Round the amount of IP Capacity specified in the Bid is equal to or less than the amount of IP Capacity specified in the Bid submitted by the Shipper in the pre FTU Bidding Round; and

(h) subject to (g) in the case of a Bid submitted in any SPS Bidding Round the amount of IP Capacity specified in the Bid is:

(i) equal to or greater than the amount of IP Capacity specified by the Shipper in the FTU Bidding Round; and

(ii) is equal to or smaller than the amount of IP Capacity specified by the Shipper in the previous SPS Bidding Round;

Invalid bids will not be processed.

2.8.4 Shippers may modify, withdraw any Bid submitted during a Bidding Round providing all such Bids (including modified Bids) comply with the provisions of this Code and the JBP User T&C's. Bids shall remain valid until modified withdrawn or rejected. A Shipper shall not and shall not be entitled to modify or withdraw any Bid once the Bidding Round in which it has been submitted closes.

2.8.5 Shippers may elect to enter Bids on the JBP automatically against any Price Step in an Ascending Clock Auction.

2.8.6 After each Bidding Round the sum of all Bids of all Shippers in the relevant Ascending Clock Auction shall be published as soon as reasonably possible in an aggregated form.

2.8.7 If at the end of the first or any subsequent Bidding Round the Aggregate Bid Quantity is greater than the applicable Auctionable Capacity, a further Bidding Round shall be opened with the relevant IP Capacity to be offered at the applicable Ascending Clock Auction Price until such time as the Auction closes in accordance with Section 2.9.

2.8.8 The following shall apply in respect of Linked Ascending Clock Auctions:

(a) if in the first Bid Round in the Auctions the Aggregate Total Bid Quantity is less than or equal to the GB Allocable Capacity both Linked Auctions shall close.

(b) if following any other LPS Bid Round (other than the first such Bid Round) the Aggregate Total Bid Quantity is less than or equal to the GB Allocable Capacity then subject to Section 2.8.8(d):

(i) that Bid Round will be the FTU Bid Round (or its equivalent) (for both Linked Auctions);

(ii) the auctions will proceed as Linked Auctions utilising Small Price Steps.

(c) if in any SPS Bid Round where the Auctions are Linked the Aggregate Total Bid Quantity is less than or equal to the GB Allocable Quantity the Linked Auction shall close.

(d) if in any Bid Round the Aggregate Bid Quantity for the GB-RoI Auction is less than or equal to the RoI-NCC and/or the equivalent aggregate bid quantity in the GB-NI Auction is less than or equal to the NI NCC then:

(i) the Linked Auctions shall cease to be Linked;

(ii) if the Aggregate Bid Quantity:

(1) is equal to the Auctionable Capacity the Linked Auction shall close in accordance with Section 2.9.2;

(2) is less than the applicable Auctionable Capacity that Bid Round shall be treated as an FTU Bid Round and the Auction shall proceed with SPS Bid Rounds in accordance with Section 2.7 and 2.8;

(3) is greater than the Auctionable Capacity the Auction shall proceed with LPS Bid Rounds and SPS Bid Rounds in accordance with Sections 2.7 and 2.8 and shall close in accordance with Section 2.9 as applicable.

2.9 **Closing of Ascending Clock Auction and Allocation of IP Capacity:**

2.9.1 If at the end of the first Bidding Round of an Ascending Clock Auction the Aggregate Bid Quantity is less than or equal to the applicable Auctionable Capacity, then the Ascending Clock Auction shall close at the end of such Bidding Round.

2.9.2 If at the end of the second Bidding Round or a subsequent Bidding Round, the Aggregate Bid Quantity is equal to the applicable Auctionable Capacity the Ascending Clock Auction shall close at the end of such second or subsequent Bidding Round.

2.9.3 If a First Time Undersell occurs further Bidding Round(s) shall be opened and the Ascending Clock Auction Price shall be recalculated in respect of such Bidding Round(s) in accordance with Section 2.7.2(b) and 2.7.2(c) until such time as the Aggregate Bid Quantity specified in Bids submitted by Shippers is less than or equal to the applicable Auctionable Capacity at which point the Ascending Clock Auction shall close.

2.9.4 If in a Bidding Round following a FTU Bidding Round the Aggregate Bid Quantity is greater than the IP Capacity offered in the Bidding Round with an Ascending Clock Auction Price equal to that specified in the FTU Bidding Round minus one Small Price Step the Ascending Clock Auction shall close.

2.9.5 Linked Ascending Clock Auctions shall close in accordance with Section 2.8.8(a) or 2.8.8(c) and Linked Auctions which ceases to be Linked in accordance with Section 2.8.8(d) shall close in accordance with this Section 2.9.

2.9.6 If an Ascending Clock Auction has not closed in accordance with Sections 2.9.1 to 2.9.4

(a) where the next relevant Capacity Auction is an Ascending Clock Auction, by the fifth Business Day; or

(b) where the next relevant Capacity Auction is a Uniform Price Auction, by the Business Day before the information publication date for the next relevant Capacity Auction,

the first Ascending Clock Auction shall terminate without closing. For the purpose of this Section 2.9.6 the next relevant Capacity Auction is the next IP Capacity Auction for IP Capacity in the same direction as and for a duration which includes any Day or Days in the duration to which the first Auction relates.

2.9.7 Shippers shall be allocated IP Capacity following closing of an Ascending Clock Auction as follows:

(a) where the Ascending Clock Auction closes in accordance with Section 2.8.8(a), 2.8.8(b), 2.9.1 or 2.9.2 then each Shipper shall be allocated the amount of IP Capacity in respect of which the Shipper

has submitted a Bid at the applicable Ascending Clock Auction Price;

(b) if the Ascending Clock Auction closes in accordance with Section 2.9.4 above, then each Shipper shall be allocated the amount of IP Capacity specified in the Bid submitted by such Shipper in the FTU Bidding Round;

(c) if an Ascending Clock Auction terminates in accordance with Section 2.9.6 no IP Capacity shall be allocated; and

Subject to the foregoing, in all other circumstances all Shippers who have placed valid Bids at the Clearing Price shall be allocated that amount of IP Capacity specified in that Shipper's Bid in the Bidding Round following which the Auction closes at the Clearing Price.

2.9.8 As soon as reasonably practicable after an Ascending Clock Auction closes and in any event no later than the next Business Day after the relevant Ascending Clock Auction closes the JBP Operator shall:

(a) as agent for the Transporter notify individual Shippers who participated in the relevant Ascending Clock Auction of:

(i) the amount of IP Capacity (if any) allocated to that Shipper pursuant to the relevant Ascending Clock Auction; and

(ii) the Clearing Price at which such IP Capacity has been allocated to that Shipper;

(b) publish aggregated information on the results of each Ascending Clock Auction including the aggregate allocated IP Capacity and the Clearing Price.

2.9.9 A Shipper shall and shall be deemed to have a Booked IP Capacity Quantity of the amount allocated to the Shipper in accordance with Section 2.9.7 and for an IP Capacity Booking Period of the duration for which such IP Capacity was auctioned.

2.10 Uniform Price Auction

2.10.1 Each Uniform Price Auction shall be conducted on the JBP in accordance with the JBP Users T&C's and shall comprise a single Bidding Round.

2.10.2 Each day there shall be:

(a) a single Uniform Price Rolling Day Ahead Capacity Auction in respect of Daily IP Entry Capacity at each IP Entry Point;

(b) a single Uniform Price Rolling Day Ahead IP Capacity Auction in respect of Daily IP CSEP Offtake Capacity at each IP CSEP; and

(c) Uniform Price Within Day IP Capacity Auctions at each IP.

2.10.3 The first Within Day IP Capacity Auction shall commence at 18:00 on D - 1. The second Within Day IP Capacity Auction for a Day shall commence at 05:00 hours on Day D and each subsequent Within Day IP Capacity Auction shall commence on the hour during the Day and the last such Auction shall commence at 00:00 on Day D.

2.10.4 The Bidding Round in a Uniform Price Auction shall be as follows:

(a) in the case of the Rolling Day Ahead IP Capacity Auctions the Bidding Round shall open at 15:30 hours on D – 1 and shall close at 16:00 on D - 1;

(b) in the case of Rolling Day Ahead Interruptible IP Capacity Auctions the Bidding Round shall open at 15:30 on D – 1 and close at 16:00 on D - 1;

(c) in the case of Within Day IP Capacity Auctions:

(i) the first Within Day IP Capacity Auction for Day D the Bidding Round shall open at 18:00 on D – 1 and shall close at 01:30 hours on D - 1; and

(ii) the second Within Day IP Capacity Auction the Bidding Round for Day D shall commence at 02:00 on D-1; and

(iii) thereafter there shall be a new Bidding Round in respect of each Within Day IP Capacity Auction commencing at the start of each hour throughout the Day with the last such Auction commencing at 00.00 hours on Day D;

(iv) the duration of each Bidding Round commencing at the start of each hour (other than as referred to in (i) above) shall be 30 minutes.

2.10.5 A Shipper may in each Uniform Price Auction to submit up to 10 Bids each of which shall be treated separately and independently. Each Bid shall be submitted on the JBP in accordance with this Code and JBP Users T&C's and shall specify:

(a) the EIC of the Shipper;

(b) the Interconnection Point;

(c) the category of capacity to which the Bid relates which shall be Daily IP Entry Capacity or Daily IP CSEP Offtake Capacity, Within Day IP Entry Capacity, Within Day IP CSEP Offtake Capacity, Daily Interruptible IP VEntry Capacity or Daily Interruptible IP VExit Capacity (as the case may be);

(d) the amount in kWh of Daily IP Entry Capacity, Daily IP CSEP Offtake Capacity, Within Day IP Entry Capacity, Within Day IP CSEP Offtake Capacity, Daily Interruptible IP VEntry Capacity or Daily Interruptible IP VExit Capacity (as the case may be) applied for;

(e) the IP Capacity Booking Period to which the Bid relates (including the requested effective time which shall be four hours after the commencement of the Capacity Auction in which the Bid is submitted in the case of a Within Day IP Capacity Auction);

(f) the minimum amount of capacity in kWh day referred to in Section (d) above which the Shipper is willing to accept in accordance with Section 2.11.3(b) in the event the Shipper is not to be allocated the amount requested in accordance with the Bid; and

(g) a price (the "**Bid Price**") in euro which the Shipper is willing to pay in respect of the capacity applied for, which shall not be less than the Reserve Price applicable for the relevant capacity.

2.10.6 A Bid may be withdrawn cancelled or modified on the JBP during the Bidding Round. A modified Bid shall supersede the previous Bid to which

it relates. A Bid may not be withdrawn, cancelled or modified after the closing of the Bidding Round.

2.10.7 Any Bid which:

(a) is not submitted in accordance with Section 2.10.5;

(b) specifies a Bid Price which is less than the applicable Reserve Price;

(c) specifies more than one category of IP Capacity;

(d) is not in accordance with the JBP Users T&C's;

(e) in respect of which the Shipper has insufficient financial security in accordance with the applicable Financial Security Policy; or

(f) is in respect of Bundled Capacity and which is rejected in accordance with the Interconnected System Transportation Arrangement,

shall be rejected.

2.10.8 Any Bid which is not withdrawn or cancelled in accordance with 2.10.6 or rejected in accordance with Section 2.10.7 shall be a valid Bid.

2.11 **Closing of Uniform Price Auction and Allocation of Capacity**

2.11.1 Each Uniform Price Auction shall close after the single Bidding Round.

2.11.2 All valid Bids shall be ranked after the closing of the Bidding Round in a Uniform Price Auction in accordance with the Bid Price with the highest Bid Price (the "**Highest Bid Price**") ranking first.

2.11.3 IP Capacity and/or Interruptible IP Capacity shall subject in the case of Linked Auctions to Section 2.11.7 to 2.11.10 be allocated as follows following the closing of a Uniform Price Auction:

(a) firstly to those Shippers which have valid Bids at the Highest Bid Price and thereafter any unallocated capacity shall be allocated to the remaining Shippers in order of price ranking with the Bid with the higher Bid Price being first allocated capacity;

(b) where the amount of capacity specified by Shippers in Bids at a particular Bid Price exceeds the then remaining unallocated IP

Capacity (after IP Capacity has been allocated to Shippers specifying higher Bid Prices) such Shippers shall be allocated IP Capacity equal to the remaining unallocated capacity pro rata to the amounts specified in each such Bid (where applicable) and;

(c) where the amount to be allocated in respect of a Bid in accordance with paragraph (b) is less than the minimum amount of capacity specified by the Shipper pursuant to Section 2.10.5(e) such Shipper's Bid shall be disregarded and a revised allocation may be made in accordance with the provisions of this Section 2.11.

2.11.4 Each Shipper shall be notified by the JBP Operator of the amount of IP Capacity or Interruptible IP Capacity (including where applicable zero amount) which the Shipper has been allocated in accordance with Section 2.11.3 no later than thirty (30) minutes after the closing of the Uniform Price Auction.

2.11.5 A Shipper shall be deemed to have booked the amounts of IP Capacity allocated to the Shipper in accordance with Section 2.11.4. Where a Shipper is allocated capacity as a result of Within Day IP Capacity Auction then the capacity allocation will be effective:

(a) from the start of Day D where the capacity is allocated pursuant to the first Within Day IP Capacity Auction; and

(b) 4 hours after the hour on which the relevant Capacity Auction commenced where the capacity is allocated pursuant to any Within Day IP Capacity Auction other than the first Within Day IP Capacity Auction.

2.11.6 Aggregate information with respect to each Uniform Price Auction shall be published on the JBP including the total amount of IP Capacity allocated and the applicable Clearing Price.

2.11.7 The allocation of IP Capacity following the closing of a Uniform Price Auction which is Linked is provisional (the "**Provisional Allocation**"); no Bid shall be accepted and no Clearing Price shall be determined, and Sections 2.11.8 to 2.11.10 shall apply.

2.11.8 the Bids to which IP Capacity have been provisionally allocated in the Provisional Allocation shall be combined with bids in the Linked GB-NI Auction into a consolidated set of bids in respect of both Linked Auctions and in respect of each Bid submitted in each Linked Uniform Price Auction the quantity provisionally allocated in the Provisional Allocation shall be deemed to be the bid quantity.

2.11.9 All Bids in the combined set of bids shall be ranked according to price and IP Capacity shall be allocated to such bids in accordance with the process in Section 2.11.3 (mutatis mutandis) in a Linked Auction allocation on the basis that the Auctionable Capacity is the GB Allocable Capacity.

2.11.10 Each Shipper shall be notified of the amount of IP Capacity such Shipper has been allocated in accordance with Section 2.11.9.

2.11.11 The results of the Linked Auction allocation are final and binding as to the IP Capacity to be allocated and the determination of the Clearing Price.

2.12 **Auction Clearing Price (Ascending Clock Auctions and Uniform Price Auctions)**

2.12.1 The Clearing Price in respect of IP Capacity allocated pursuant to any Capacity Auction shall be established in accordance with the remaining provisions of this Section 2.12:

(a) in the case of an Ascending Clock Auction the Clearing Price shall be:

(i) subject to (ii) the Auction Price in the last Bidding Round following which the relevant Ascending Clock Auction closes; or

(ii) where the Ascending Clock Auction closes in accordance with Section 2.9.4 the Auction Price in the Bidding Round which resulted in the First Time Undersell;

(b) in the case of a Uniform Price Auction (including any Linked Auction) the Clearing Price shall be:

(i) subject to (ii) below the lowest Bid Price specified in any Bid in respect of which an amount of capacity is allocated;

(ii) the Reserve Price if the amount of capacity in respect of which valid Bids are submitted is less than or equal to the applicable Auctionable Capacity.

2.13 **IP Charges/Interruptible IP Charges**

2.13.1 Charges in respect of IP Capacity ("**IP Charges**") shall comprise IP Capacity Charges and IP Commodity Charges as set out below.

2.13.2 Charges in respect of Interruptible IP Capacity ("**Interruptible IP Charges**") shall comprise Interruptible IP Capacity Charges and Interruptible IP Commodity Charges as set out below.

2.13.3 The IP Capacity Charges in respect of IP Capacity and Interruptible IP Capacity Charges in respect of IP Interruptible Capacity shall be:

(a) in respect of IP Capacity allocated as Bundled IP Capacity pursuant to any Capacity Auction that element of the Clearing Price which comprises the capacity component of the Transporter Reserve Price together with the Transporter Auction Premium (if any);

(b) in respect of IP Capacity allocated as Unbundled IP Capacity the capacity component of the applicable Tariff plus the Auction Premium; and

(c) in respect of Interruptible IP Capacity allocated as Unbundled IP Capacity pursuant to any Capacity Auction the capacity component of the applicable Tariff plus the Auction Premium.

2.13.4 IP Commodity Charges shall in respect of all categories of IP Capacity comprise the commodity component of the applicable Tariff in respect of all Natural Gas allocated (whether physical or otherwise) to such Shipper at an IP and/or allocated as offtaken whether (physical or otherwise) by such Shipper at an IP.

IP Capacity Charges and IP Commodity Charges will be calculated and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section *11 (Invoicing and Payment*). Notwithstanding any termination of any IP Capacity Booking pursuant to Part I (*Legal and General)* Section 4 *(Suspension and Termination*) a Shipper will be liable for any unpaid IP Charges after the expiry of the relevant period. Notwithstanding the

acceptance of a Trade Proposal by the Transporter the IP Transferor Shipper shall remain liable to the Transporter for any applicable IP Capacity Charges at the relevant IP Entry Point or IP CSEP as if the relevant IP Capacity Trade had not taken place. All other applicable charges, including the commodity component of the applicable charges shall be payable by the IP Transferor Shipper or the IP Transferee Shipper (as the case may be) in accordance with the provisions of this Code.

2.13.5 In the event of any conflict between the provisions of this Section 2.13 and the provisions of Part H (*Operations*) (*Section 2A*) with respect to charges the provisions of Part H Section 2A shall apply.

2.13.6 IP Charges and Interruptible IP Charges shall be invoiced to and payable by Shippers in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

2.14 Voluntary Bundling

2.14.1 A Shipper which has Unbundled IP Entry Capacity or Unbundled IP CSEP Offtake Capacity and has also booked Corresponding Adjacent System Capacity which is Unbundled at an IP may at any time on or after 1 August 2015 submit a request (a "**Bundling Request**") to the Transporter utilising GNI (IT) Systems in accordance with the remaining provisions of this Section 2.14.

2.14.2 A Bundling Request submitted by a Shipper shall contain the information necessary to enable the Transporter to process the Bundling Request including:

(a) the Shipper ID of the Shipper submitting the Bundling Request;

(b) the Booking Reference of the IP Entry Capacity or IP CSEP Offtake Capacity to which the Bundling Request relates;

(c) the IP;

(d) the identity of the Adjacent TSO; and

(e) the Corresponding Adjacent System IP Capacity;

(f) the first Day of the requested Bundling Period which shall not be less than sixty days (60 days) after the date of submission of the Bundling Request;

(g) the requested period for which the bundling is to take effect (the "**Bundling Period**") including both the first Day and the last Day of such period;

(h) the category of IP Capacity to be bundled which shall be IP Entry Capacity or IP CSEP Offtake Capacity (as the case may be).

All Bundling Requests submitted by the Shipper shall be submitted utilising GNI (IT) Systems and shall be confirmed by email.

2.14.3 The Transporter shall reject a Bundling Request submitted by a Shipper for any of the following reasons:

(a) the Bundling Request has not been submitted at least 60 days prior to the start Day of the requested Bundling Period;

(b) the Bundling Request has not been submitted in accordance with Section 2.14.2;

(c) the Shipper's Primary IP Entry Capacity or Primary IP CSEP Offtake Capacity (as the case may be) for any one or more Days of the requested Bundling Period is less than the amount of IP Capacity which the Shipper has requested to be bundled in the Bundling Request;

(d) the Bundling Request did not specify a valid Shipper EIC; or

(e) the Shipper is or would otherwise be in breach of this Code.

2.14.4 Any Bundling Request which is not rejected by the Transporter in accordance with 2.14.3 shall be a valid Bundling Request (a "**Valid Bundling Request**"). The Transporter shall within 10 Business Days of receipt of a Valid Bundling Request as agent of the Shipper notify the Adjacent TSO of such Valid Bundling Request and shall provide the following information to the Adjacent TSO:

(a) the EIC of the Shipper submitting the Valid Bundling Request;

(b) the IP;

(c) the direction of gas flow;

(d) the requested Bundling Period including the first Day and the last Day of the requested Bundling Period;

(e) the amount of IP Capacity to which the Bundling Request relates.

2.14.5 Where the Transporter not later than one month prior to the first Day of the requested Bundling Period receives confirmation from the Adjacent TSO that the Adjacent TSO accepts the Bundling Request as notified by the Transporter pursuant to clause 2.14.4 the Bundling Request shall be accepted by the Transporter.

2.14.6 The Transporter shall notify the Shipper of the acceptance or rejection of the Bundling Request which has not previously been rejected for processing no later than five Business Days prior to the first Day of the requested Bundling Period. Where the Transporter does not notify the Shipper of the acceptance or rejection of the Bundling Request the Bundling Request shall be deemed rejected.

2.14.7 Where a Bundling Request is accepted then:

(a) the Shipper's relevant Bundled IP Capacity at the relevant IP shall be increased by the amount of IP Capacity specified in the Bundling Request and in respect of the Bundling Period; and

(b) the Shipper's Unbundled IP Capacity at the relevant IP shall be decreased by the amount specified in the Bundling Request and in respect of the Bundling Period.

2.14.8 The Transporter may receive from the Adjacent TSO a notification on behalf of the Shipper (a "**Bundling Notification**") which shall include all the information referred to in Section 2.14.2 that the Adjacent TSO has received the equivalent of a Bundling Request ("**Adjacent TSO Bundling Request**") from a Shipper.

2.14.9 The Transporter shall within 10 Business Days of receipt of a Bundling Notification reject the notification if:

(a) the notification does not include all of the information necessary to process the Bundling Notification;

(b) for any of the reasons for which the Transporter might reject a Bundling Request as specified in Section 2.14.3 (c), (d) and (e);

(c) the Shipper is (or would otherwise be) in breach of this Code.

2.14.10 The Transporter shall accept a Bundling Notification which is not otherwise rejected in accordance with Section 2.14.9.

2.14.11 If the Transporter does not notify the Adjacent TSO of its rejection of the Bundling Notification within 10 Business Days of receipt of the notification it shall be deemed accepted.

2.14.12 Where the Transporter accepts or is deemed to accept a Bundling Notification:

(a) the Shipper's relevant Bundled IP Capacity at the relevant IP shall be increased by the amount of IP Capacity specified in the Bundling Notification and in respect of the Bundling Period; and

(b) the Shipper's Unbundled IP Capacity at the relevant IP shall be decreased by the amount specified in the Bundling Notification and in respect of the Bundling Period.

2.15 Capacity Unbundling

2.15.1 Bundled Capacity shall cease to be Bundled and shall become Unbundled Capacity for the purpose of this Code:

(a) where the Capacity ceases to be Bundled Capacity in accordance with any applicable provisions of this Code; and/or

(b) if the Adjacent System IP Capacity with which the applicable IP Capacity is Bundled become unbundled in accordance with the Interconnected System Transportation Arrangements.

2.16 Capacity Conversion Process

2.16.1 A Shipper shall apply in writing (or in such other manner as may be prescribed by the Transporter from time to time) to the Transporter to effect Capacity Conversion in respect of a Shipper's Primary IP Capacity

at an Interconnection Point and the Transporter shall consider and where applicable approve a Shipper's application for Capacity Conversion in accordance with this Section 2.16.

2.16.2 A Shipper shall notify the Transporter (in writing) of its intention to request Capacity Conversion such notice to include:

(a) the EIC of the Shipper;

(b) the location of the applicable Interconnection Point;

(c) the category of IP Capacity to which the notice relates;

(d) confirmation that there is insufficient Unbundled Adjacent System IP Capacity available at the IP;

(e) the amount of Bundled IP Capacity which the Shipper proposes to apply for at a Bundled Auction at the IP;

(f) the specific Bundled Auction in which the Shipper proposes to participate which shall be a Yearly IP Capacity Auction, a Quarterly IP Capacity Auction or a Rolling Monthly IP Capacity Auction;

(g) the maximum amount of the Shipper's Unbundled IP Capacity for which the Shipper intends to request Capacity Conversion;

(h) the duration for which the Shipper wishes to effect Capacity Conversion which duration shall be Yearly, Quarterly or Monthly.

2.16.3 The Transporter shall acknowledge any notice submitted by the Shipper in accordance with Section 2.16.2 within ten days after receipt of the relevant notice. Any such acknowledgement is without prejudice to the Transporter's right to reject the application for Capacity Conversion in accordance with Section 2.16.6.

2.16.4 A Shipper which has submitted a notification to the Transporter pursuant to Section 2.16.2 and has been allocated Bundled IP Capacity in the applicable Bundled Auction shall submit an application ("**Capacity Conversion Application**") to the Transporter or Capacity Conversion which application shall specify:

(a) the amount of Bundled IP Capacity allocated to the Shipper in the applicable Bundled Auction;

(b) the amount of the Shippers mismatched Unbundled IP Capacity which the Shipper wishes to have treated as Converted Capacity which amount shall not exceed:

(i) the Shipper's mismatched Unbundled IP Capacity;

(ii) the amount of Bundled IP Capacity allocated to the Shipper pursuant to the Bundled Auction; and

(c) the duration for which the Capacity is to be converted which duration shall be Yearly, Quarterly or Monthly and shall not exceed;

(i) the unexpired residue of the period for which the mismatched Unbundled IP Capacity has been booked by the Shipper;

(ii) the duration for which the Bundled IP Capacity has been allocated pursuant to the Bundled Auction.

2.16.5 The Transporter shall notify the Shipper of its acceptance or rejection of the Shipper’s Capacity Conversion Application within 20 days after receipt of the said application submitted by the Shipper in accordance with Section 2.16.4, and where the Transporter rejects the application the reason for such rejection.

2.16.6 The Transporter may reject a Shipper's Capacity Conversion Application for the reasons in (a) and (b) below and shall reject a Shipper's Capacity Conversion Application for the reasons in (c) and (d) below:

(a) where the Shipper has not submitted a notice in accordance with Section 2.16.2;

(b) where the Shipper's application for Capacity Conversion has not been submitted in accordance with Section 2.16.4;

(c) where the Shippers mismatched Unbundled IP Capacity is not of the same category as the Bundled IP Capacity (in each case as specified in the Capacity Conversion Application); and/or

(d) the Shipper's mismatched Unbundled IP Capacity is not Primary IP Capacity.

2.16.7 Where the Shipper's Capacity Conversion Application is accepted by the Transporter:

(a) the Transporter shall notify the Shipper of the amount of Converted Capacity;

(b) the Transporter shall reduce the Shipper's entitlement to utilise the amount of the Shippers Unbundled IP Capacity at the Interconnection Point by an amount equivalent to the amount of Converted Capacity;

(c) the Shipper shall be obliged to pay IP Capacity Charges in respect of the reduced Unbundled IP Capacity such that the Shipper shall not be obliged to pay IP Capacity Charges for the amount of the Converted Capacity as both Bundled IP Capacity and as Unbundled IP Capacity; and

(d) the amount of the Shippers Unbundled IP Capacity which is Converted Capacity shall be available to the Transporter for the duration for which it is converted.

3. ENTRY CAPACITY

3.1 General

3.1.1 A Shipper shall be required to reserve Entry Capacity in order to have the right to make Entry Nominations and deliver Natural Gas to the Transportation System at an Entry Point (which is not at an Interconnection Point) and at a CGI Gas Point within a CGI Entry Point.

3.1.2 Subject to the Transitional Arrangements as set out in Section 3.3. A Shipper may apply to the Transporter pursuant to this Code to make Entry Capacity available at an Entry Point and the Shipper may reserve Entry Capacity other than IP Entry Capacity for the following durations:

(a) Multi-Annual ("**Multi-Annual Entry Capacity**");

(b) Annual ("**Annual Entry Capacity**");

(c) Monthly ("**Monthly Entry Capacity**"); and/or

(d) Daily ("**Daily Entry Capacity**").

3.1.3 A Shipper which is a Registered Shipper at an Entry Point which is not a CGI Entry Point may request the Transporter to make the following information available to such Shipper:

(a) the amount of the Technical Capacity at the Entry Point that is unbooked and is available to be booked by Shippers as Multi-Annual Entry Capacity (the "**Multi-Annual Entry Capacity Quantity**");

(b) the amount of the Technical Capacity at the Entry Point that is unbooked and is available to be booked by Shippers as Annual Entry Capacity in respect of a specified period (the **"Annual Entry Capacity Quantity"**);

(c) the amount of the Technical Capacity at the Entry Point that is unbooked in respect of a specified calendar month and that the Transporter may make available to be booked by Shippers as Monthly Entry Capacity in respect of that calendar month (the "**Monthly Entry Capacity Quantity**"); and

(d) the amount of the Technical Capacity at the Entry Point which is unbooked in respect of a specific Day or Days and that the Transporter can make available to be booked by Registered Shippers at the Entry Point in respect of a specified Day or Days (the **"Daily Entry Capacity Quantity"**).

The Transporter shall provide to a Shipper the information requested pursuant to Section 3.1.3 as soon as reasonably practicable. The provision by the Transporter to such Shipper of any such information or the notification of any quantity shall not constitute a representation or warranty that the said quantity is or may be available to the Shipper or Shippers on submission of an application or request in respect thereof pursuant to this Code.

3.1.3A A Shipper which is a Registered Shipper at a CGI Gas Point may request the Transporter to advise the Shipper of the CGI Capacity Limit at that CGI Gas Point;

3.1.4 Notwithstanding Section 3.1.2, which specifies the duration for which Entry Capacity may be booked and Section 2 which provides for booking of IP Capacity Shippers may in accordance with Section 3.3 (*Transitional Arrangements*) align the Capacity Booking Periods of Long Term Entry Capacity Bookings at the Moffat Entry Point made prior to 1 October 2015 and which would otherwise expire subsequent to 1 October 2015 and prior to 1 October 2016 with the potential to book Yearly IP Capacity in accordance with Section 2.

3.2 **Entry Capacity Request and Booking**

3.2.1 A Shipper shall be entitled to apply to the Transporter for Long Term Entry Capacity at an Entry Point or at a Proposed CGI Gas Point or at a CGI Gas Point by submitting a request ("**Long Term Entry Capacity Request**") which shall specify the information required by the Transporter to process the Long Term Entry Capacity Request as set out in Schedule 1 Part 1 including:

(a) the requested Entry Capacity Effective Date which shall be the first Day of a calendar month provided however, that the requested Entry Capacity Effective Date shall, where the request relates to a Proposed Entry Point, or a Proposed CGI Gas Point at a Proposed CGI Entry Point be the first Day of the calendar month which is (or the first Day of the calendar month which follows) the month in which the Anticipated Entry Point Commencement Date occurs; or:

(b) the duration for which the Shipper wishes to book Long Term Entry Capacity (which shall be Annual or Multi-Annual) and in the case of Multi-Annual Entry Capacity the number of whole multiples of twelve (12) Months for which the capacity is requested;

(c) the Entry Point at which Entry Capacity is requested;

(d) the requested amount of Entry Capacity (in kWh/Day);

(e) the applicable Shipper ID of the Shipper requesting Entry Capacity;

(f) where the request is in respect of a CGI Gas Point, the CGI Gas Point ID of the CGI Gas Point in respect of which the Entry Capacity is requested; and

(g) if the request is for Entry Capacity at a RNG Entry Point or at a CGI Gas Point and the Shipper is not itself the Third Party Shipper written confirmation of the Third Party Shipper that the Shipper has entered into an agreement with the Third Party Shipper for the delivery of natural gas to the Shipper at the RNG Entry Point or CGI Gas Point as the case may be.

A Shipper which is not already the Registered Shipper at the Entry Point or at the CGI Gas Point or Proposed CGI Gas Point in respect of which the Long Term Entry Capacity Request is to be submitted shall notify the Transporter in writing of its intention to submit a Long Term Entry Capacity Request and shall provide such information as the Transporter may reasonably require and the Transporter shall notify the Shipper when the Long Term Entry Capacity Request can be submitted utilising GNI (IT) Systems.

3.2.2 If the Long Term Entry Capacity Request specifies an amount of capacity which is in excess of that which the Transporter deems to be available at the Entry Point or at the CGI Gas Point for the requested duration the Transporter shall notify the Shipper of the amount of Entry Capacity that is available at the Entry Point or CGI Gas Point (as the case may be) for the requested duration whereupon the Shipper may:

(a) request the Transporter to proceed with the Long Term Entry Capacity Request in respect of an amount of capacity up to but not exceeding that capacity which the Transporter has notified to the Shipper as being available in which case the Shipper may (where relevant) request a revised Entry Capacity Effective Date which shall be the first Day of a calendar month; or

(b) withdraw the Long Term Entry Capacity Request.

3.2.3 The Transporter will reject a Long Term Entry Capacity Request for any of the following reasons:

(a) the Long Term Entry Capacity Request (other than a Long Term Entry Capacity Request in respect of an RNG Entry Point or CGI

Gas Point) has not been submitted within the Long Term Capacity Booking Window;

(b) the Long Term Entry Capacity Request specifies a Capacity Booking Effective Date which is not the first Day of the calendar month which is (or the first Day of the calendar month which follows) the month in which the Anticipated Entry Point Commencement Date occurs;

(c) the Transporter has notified the Shipper of the amount of capacity which the Transporter deems to be available at the Entry Point or CGI Gas Point (as the case may be) in respect of the requested duration and the Shipper has not, within two (2) Business Days of receipt of such notification, instructed the Transporter pursuant to Section 3.2.2 that the Shipper wishes to withdraw, or proceed with, the Long Term Entry Capacity Request;

(d) (to the extent that) the amount of Entry Capacity specified in the Long Term Entry Capacity Request would, if accepted, require financial security or an increase in the amount in respect of which financial security is to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy, and the Shipper has not, within ten (10) Business Days of submission by the Shipper of the Long Term Entry Capacity Request or two (2) Business Days prior to the requested Entry Capacity Effective Date (whichever shall be the earlier), provided the required financial security so as to comply with the Financial Security Policy;

(e) the amount of capacity requested is less than the applicable Minimum Booking Quantity; or

(f) the Shipper is not the holder of such documentation as may be necessary at the relevant Entry Point (including such documentation as is specified in any Entry Point Procedures).

(g) the Shipper has not submitted written confirmation in accordance with 3.2.1(g);

(h) the request is in respect of Entry Capacity at a RNG Entry Point or at a CGI Gas Point and another Shipper is Registered Shipper at the

RNG Entry Point or CGI Gas Point for any Day or Days within the requested duration.

3.2.4 The Transporter may reject a Long Term Entry Capacity Request for any of the following reasons:

(a) the Shipper is not already a Registered Shipper at the Entry Point or the Registered Shipper at the CGI Gas Point (as the case may be) and the requested Entry Capacity Effective Date is less than twenty (20) days after the date of receipt by the Transporter of the Long Term Entry Capacity Request; or

(b) the Shipper is not already a Registered Shipper at the Entry Point or at the CGI Gas Point and the requested Entry Capacity Effective Date is less than twenty (20) days after the date of receipt by the Transporter of a request from the Shipper, pursuant to Section 3.2.2 to proceed with the Long Term Entry Capacity Request; or

(c) the Long Term Entry Capacity Request is submitted outside of the Long Term Capacity Booking Window; or

(d) the Entry Point specified in the Long Term Entry Capacity Request is an IP Entry Point.

3.2.5 If the Long Term Entry Capacity Request is rejected in accordance with either Section 3.2.3 or Section 3.2.4 above, then the Transporter shall provide the reason therefor to the Shipper as soon as reasonably practicable but in any event within three (3) Business Days of such rejection.

3.2.6 A Shipper:

(a) which is Registered Shipper at an Entry Point or at a CGI Gas Point; or

(b) in respect of which the Transporter has accepted a Short Term Entry Capacity Notice in accordance with Part F Section 1.3

shall be entitled to apply to the Transporter for Short Term Entry Capacity at the Entry Point (to which that Entry Capacity Booking relates) by submitting a request (a "**Short Term Entry Capacity Request**") which shall specify the information required by the Transporter to process the

Short Term Entry Capacity Request as set out in Schedule 1 Part 2 including:

(a) the requested Entry Capacity Effective Date which shall be the first Day of a calendar month where the application relates to Monthly Entry Capacity and shall be the Day (or the first Day of a number of consecutive Days) in respect of which the Entry Capacity is requested where the request relates to Daily Entry Capacity;

(b) the duration for which the Shipper wishes to book Entry Capacity (which shall be a single calendar month or a single Day (or a number of consecutive single Days));

(c) the Entry Point at which Entry Capacity is requested;

(d) the requested amount of Entry Capacity (in kWh/day);

(e) the applicable Shipper ID of the Shipper requesting Entry Capacity; and

(f) where the application is in respect of a CGI Gas Point, the CGI Gas Point ID of the CGI Gas Point at which the Entry Capacity is requested.

3.2.7 The Transporter will reject a Short Term Entry Capacity Request for any of the following reasons:

(a) the Short Term Entry Capacity Request is not submitted in accordance with Section 3.2.6;

(b) the Short Term Entry Capacity Request relates to Monthly Entry Capacity and has not been submitted within the Monthly Capacity Booking Window;

(c) the Short Term Entry Capacity Request is submitted with respect to Daily Capacity and is not submitted within the Daily Capacity Booking Window in respect of any one or more Days specified in the request (where each such Day is treated as a separate Capacity Booking Effective Date);

(d) the Shipper is not a Registered Shipper at the Entry Point or is not the Registered Shipper at the CGI Gas Point and/or in the case of an

Entry Point which is not a RNG Entry Point or a CGI Gas Point has not submitted a Short Term Entry Capacity Notice which has been accepted by the Transporter in accordance with Part F (*Administration*) Section 1.3;

(e) the requested amount of Entry Capacity is in excess of the amount of capacity which is available at the Entry Point for the requested duration;

(f) the request is in respect of a CGI Gas Point and the requested amount of Entry Capacity is in excess of the amount of capacity which is available at the CGI Gas Point for the requested duration;

(g) the amount of Entry Capacity requested is less than the applicable Minimum Booking Quantity (if any); or

(h) the Shipper has not provided adequate financial security to the Transporter (as determined in accordance with the Financial Security Policy) including in respect of the amount of capacity requested.

The Transporter shall notify the Shipper of the reason for rejection of any Short Term Entry Capacity request as soon as reasonably practicable and in any event within one (1) Business Day of such request.

3.2.8 The Transporter may reject a request for Short Term Entry Capacity where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

3.2.9 Where the Transporter accepts an Entry Capacity Request the Shipper shall be registered as having reserved an amount of Primary Entry Capacity (the "**Booked Entry Capacity Quantity**") at the relevant Entry Point or CGI Gas Point (as the case may be) from the Entry Capacity Effective Date for the Entry Capacity Booking Period as set out in the Entry Capacity Request or as otherwise agreed with the Transporter (an "**Entry Capacity Booking**"). Provided however where a Shipper has submitted a Long Term Entry Capacity Request which specifies a Capacity Booking Effective Date which is less than 20 days after receipt by the Transporter of the Long Term Entry Capacity Request or a request from the Shipper pursuant to Section 3.2.2(a) to proceed with the

application, the acceptance of such Long Term Entry Capacity Request shall be without prejudice to the ongoing and continuing obligation of the Shipper to pay Overrun Charges as if the Entry Capacity the subject matter of the Long Term Entry Capacity Request had not been applied for in respect of the period up to the date upon which the Transporter accepts the Shipper's Long Term Entry Capacity Request or the Entry Capacity Booking Effective Date (whichever is the later) and notwithstanding that such capacity was applied for and paid for.

3.2.10 The Transporter shall at the request of a Shipper issue to the Shipper a written confirmation notice in respect of a Long Term Entry Capacity Booking which shall include the following information:

(a) Entry Point or CGI Gas Point (as the case may be);

(b) Booked Entry Capacity Quantity;

(c) Entry Capacity Booking Period;

(d) Long Term Entry Capacity Booking Reference; and

(e) the date of acceptance by the Transporter of the Shipper's Long Term Entry Capacity Request for the purpose of Section 3.2.9 (where relevant).

3.2.11 Where the Anticipated Entry Point Commencement Date in respect of a Proposed Entry Point or Proposed CGI Entry Point is varied or the Entry Point Commencement Date is not the Anticipated Entry Point Commencement Date such that the Entry Capacity Effective Date of any applicable Long Term Entry Capacity Booking (including at any Proposed CGI Gas Point intended to be configured within a Proposed CGI Entry Point) is earlier than the first Day of the calendar month in which the Anticipated Entry Point Commencement Date or Entry Point Commencement Date (as the case may be) occurs then the Entry Capacity Effective Date of such Long Term Entry Capacity Booking shall be varied to the first Day of the calendar month in which (or following which) the Anticipated Entry Point Commencement Date, or, the Entry Point Commencement Date, as the case may be, occurs.

If the Shipper fails to notify the Transporter accordingly prior to 18:00 hours on the Day prior to Entry Point Commencement Date then the Entry Capacity Effective Date shall be the first Day of the calendar month in which the Anticipated Entry Point Commencement Date (or the Entry Point Commencement Date) as the case may be occurs.

In either event the relevant Entry Capacity Booking Period shall commence on the first Day of the relevant calendar month and the Transporter shall if so requested by the Shipper submit a revised written confirmation to the Shipper pursuant to Section 3.2.10.

3.2.12 Notwithstanding the acceptance by the Transporter of any Long Term Entry Capacity Booking with respect to a Proposed Entry Point or a Proposed CGI Gas Point and that the Entry Capacity Booking Date may have occurred, the Shipper shall not be entitled to submit Nominations to deliver Natural Gas at such Proposed Entry Point or Proposed CGI Gas Point at a Proposed CGI Entry Point in respect of any Day prior to the Day on which the Proposed Entry Point becomes an Entry Point and the Proposed CGI Gas Point becomes a CGI Gas Point in accordance with Part F (*Administration*) Section 1.3, it being acknowledged and accepted by the Shipper that Nominations may only be submitted with respect to an Entry Point or any CGI Gas Point and not with respect to a Proposed Entry Point or Proposed CGI Gas Point. The Shipper shall however, remain liable for all Tariffs and Capacity Charges in respect of capacity reserved for the Entry Capacity Booking Period pursuant to the applicable Entry Capacity Booking and all financial obligations associated therewith.

3.2.13 The Registered Shipper shall in respect of the relevant Entry Point or CGI Gas Point cease to be the holder of Entry Capacity pursuant to any Entry Capacity Booking either:

(a) at the end of the relevant Entry Capacity Booking Period (as recorded in the Capacity Register); or

(b) otherwise in accordance with the provisions of this Code and/or any Ancillary Agreement.

3.3 Transitional Arrangements

3.3.1 Where a Shipper holds Multi-Annual Entry Capacity at the Moffat Entry

Point (and which Entry Capacity is deemed to be IP Entry Capacity in accordance with Section 2.5.5) the Capacity Booking Period in respect of such capacity shall automatically terminate on the earlier:

(a) the last Day of the Capacity Booking Period of such Entry Capacity Booking; or

(b) the end of the Day which commences on 30 September 2023; or

(c) sotherwise in accordance with this Code.

without prejudice to the foregoing Entry Capacity booked by a Shipper prior to 1 October 2015 and with an Entry Capacity Booking Period which expires after 1 October 2015 at an Entry Point which is located at an IP shall with effect from 1 October 2015 be treated as a Shipper's Booked IP Entry Capacity.

3.3.2 The following provisions of this Section 2.15 shall apply with respect to applications for Entry Capacity at the Moffat Entry Point and South/North CSEP Offtake Capacity:

(a) applications for Multi-Annual Entry Capacity or Annual Entry Capacity at the Moffat Entry Point or South/North CSEP Offtake Capacity may not be submitted after the Annual Capacity Booking Window which closes in September 2015 and shall not specify a requested Capacity Booking Effective Period which extends after the Gas Day which ends on 1 October 2020;

(b) applications for Monthly Entry Capacity may not be submitted after the closure of the Monthly Capacity Booking Window which occurs in October 2015;

(c) requests for Daily Entry Capacity shall not specify an Entry Capacity Effective Date which is after the 31 October 2015;

(d) requests for Daily Entry Capacity may not be submitted after 03:00 hours on 31 October 2015.

3.3.3 In order to align Long Term Entry Capacity Booking(s) at the Moffat Entry Point (which will be the Moffat IP Entry Point), where such Long Term Entry Capacity Bookings would otherwise expire subsequent to 1 October 2015 and prior to 1 October 2016 with the Shipper's ability to

book Yearly IP Capacity at that IP, each Shipper with such a Long Term Entry Capacity Booking (a "**Qualifying Shipper**") may apply to extend the Shipper's Long Term Entry Capacity Booking or otherwise book Entry Capacity which will be deemed Long Term Entry Capacity at an IP Entry Point in accordance with the remaining provisions of this Section 3.3.

3.3.4 A Qualifying Shipper may submit to the Transporter either:

(a) an application to extend the Shipper's Long Term Entry Capacity Booking (an "**Extension Application**") at the Moffat IP Entry Point in accordance with Section 3.3.6 and 3.3.7; or

(b) a request (a "**Transitional Booking Request**") for Long Term Entry Capacity at the Moffat IP Entry Point (which shall be treated as IP Entry Capacity in accordance with Section 3.1.2);

and in either case in respect of a period (a "**Transitional Booking Period**") from the date of expiry (or the date on which the Capacity Booking Period would otherwise expire) of the Shipper's Long Term Entry Capacity Booking until 05:00 on 1 October 2016.

3.3.5 A Qualifying Shipper may not submit both an Extension Application and a Transitional Booking Request in respect of the same Entry Capacity Booking.

3.3.6 A Qualifying Shipper may at any time on or after 1 August 2015 and/on/or prior to 24 September 2015 submit an Extension Application in accordance with Section 3.3.7 or a Transitional Booking Request in accordance with Section 3.3.8.

3.3.7 An Extension Application submitted by a Qualifying Shipper shall specify the information necessary for the Transporter to process the request including:

(a) the Shipper ID of the Shipper submitting the application;

(b) the Capacity Booking Reference of the Shipper's Long Term Entry Capacity Booking to which the application relates;

(c) the Moffat Entry Point;

(d) the period for which the Long Term Entry Capacity Booking is requested to be extended which shall be the Transitional Booking Period.

3.3.8 A Qualifying Shipper may apply for Entry Capacity in respect of a Transitional Booking Period by submitting a Transitional Booking Request. A Transitional Booking Request shall specify the information necessary to enable the Transporter to process the request including:

(a) the Long Term Entry Capacity Booking Reference of the Shipper's Long Term Entry Capacity Booking;

(b) Shipper ID of the Shipper submitting the request;

(c) the Moffat Entry Point;

(d) the requested amount of Entry Capacity (in kWh/day); and

(e) the duration for which the Shipper wishes to book the requested amount of Entry Capacity which shall be the Transitional Booking Period.

3.3.9 The Transporter may reject an Extension Application submitted by a Shipper in accordance with Section 3.3.7 above and/or a Transitional Booking Request submitted by the Shipper in accordance with Section 3.3.8 above for any of the following reasons:

(a) the applicable Extension Application or Transitional Booking Request has not been submitted in accordance with Section 3.3.7 or Section 3.3.8 above (as the case may be);

(b) the Extension Application or Transitional Booking Request is received prior to 1 August 2015 or after 24 September 2015;

(c) the Shipper has not provided financial security in accordance with the Financial Security Policy in respect of the capacity requested pursuant to the Extension Application or the Transitional Booking Request (as the case may be);

(d) the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement;

(e) the Shipper submitting the Extension Application or the Transitional Booking Request is not a Qualifying Shipper.

3.3.10 The Transporter shall accept a Shipper's Extension Application or Transitional Booking Request which is not otherwise rejected in accordance with Section 3.3.9 above on or prior to 30 September 2015.

3.3.11 The Transporter shall be deemed to reject a Shipper's Extension Application or Transitional Booking Request (as the case may be) if the Transporter has not issued notice of rejection in accordance with Section 3.3.9 on or prior to 30 September, 2015.

3.3.12 Where the Transporter accepts or is deemed to accept a Shipper's Extension Application or Transitional Booking Request then:

(a) in the case of an Extension Application the Capacity Booking Period in respect of the Shipper's Long Term Entry Capacity Booking as specified in the Extension Application shall be deemed to be extended until the end of the Transitional Booking Period; and

(b) in the case of a Transitional Booking Request the Shipper shall be deemed to have a Long Term Entry Capacity Booking in respect of the amount of Entry Capacity specified in the Transitional Booking Request and the Capacity Booking Period of such Long Term Entry Capacity Booking shall be the Transitional Period.

3.3.13 Where a Qualifying Shipper does not submit an Extension Application or a Transitional Booking Request in accordance with the foregoing provisions of this Section 3.3 then the Shipper's subsisting Entry Capacity Booking shall not be extended or revised and shall otherwise expire on the last day of the Long Term Capacity Booking Period or otherwise in accordance with the provisions of this Code.

3.4 Entry Capacity Charges

3.4.1 Charges in respect of Entry Capacity ("**Entry Capacity Charges**") will comprise the capacity component of the applicable Tariff.

3.4.2 A Registered Shipper will be liable to pay to the Transporter:-

(a) Entry Capacity Charges in respect of its Primary Entry Capacity from the applicable Entry Capacity Effective Date for the applicable Entry Capacity Booking Period;

(b) the commodity component of the applicable Tariff in respect of all Natural Gas allocated as delivered by such Shipper at an Entry Point as the case may be; and

(c) any other applicable charges;

notwithstanding any termination of an Entry Capacity Booking pursuant to Part I (*Legal and General*) Section 4 (*Suspension and Termination*) a Shipper will remain liable for any unpaid Entry Capacity Charges and charges in respect of the commodity component of the applicable Tariff after the expiry of the relevant Entry Capacity Booking Period. Entry Capacity Charges and the commodity component of the applicable Tariff will be calculated and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment)*.

3.4.3 Notwithstanding the acceptance of an Entry Capacity Trade by the Transporter, the Transferor Shipper shall continue to remain liable to the Transporter for Entry Capacity Charges at the relevant Entry Point (as if the Entry Capacity Trade had not taken place). All other applicable charges (including the commodity component of the Tariff) shall be payable by the Transferor Shipper or the Transferee Shipper (as the case may be) in accordance with the provisions of this Code.

4. ENTRY CAPACITY TRADES

4.1 General

4.1.1 A Shipper (for the purposes of this Section 3, the "**Transferor Shipper**") may trade all or part of its Active Entry Capacity in respect of a particular Entry Point (other than a RNG Entry Point or a CGI Entry Point or a CGI Gas Point) to another Shipper (for the purposes of this Section 4, the "**Transferee Shipper**") such that the Entry Capacity traded will form (or form part of) the Transferee Shipper's Secondary Capacity at the same Entry Point.

A Shipper may not trade Entry Capacity prior to the applicable Entry Point Commencement Date in respect of an Entry Point.

Entry Capacity may not be traded at a CGI Gas Point or at a RNG Entry Point, or as between Entry Points or as between CGI Entry Points or as between CGI Gas Points configured within a CGI Entry Point or at a RNG Entry Point.

4.1.2 "**Entry Capacity Trade**" means an arrangement between a Transferor Shipper and a Transferee Shipper whereby certain of the rights of the Transferor Shipper in relation to Entry Capacity may be exercised by the Transferee Shipper in accordance with the provisions of this Code and the Transferee Shipper shall be subject to certain obligations in relation to such capacity.

4.1.3 An Entry Capacity Trade may take place for any Day or consecutive Days for which the Transferor Shipper is registered as the holder of Active Entry Capacity at an Entry Point (which is not a RNG Entry Point or a CGI Entry Point or a CGI Gas Point) in accordance with the provisions of this Section 4. A Transferor Shipper may submit multiple Entry Capacity Trade Request(s) in respect of the same Transferee Shipper. For the avoidance of doubt, the quantity to be traded under all Entry Capacity Trade(s) effected by a Transferor Shipper in respect of a Day shall not exceed the Active Entry Capacity of the Transferor Shipper for that Day.

4.1.4 The Transferor Shipper shall, in order to effect an Entry Capacity Trade, notify the Transporter by way of a request ("**Entry Capacity Trade Registration Request**") which shall specify the information required by the Transporter to process the Entry Capacity Trade Registration Request as set out in Schedule 1 Part 3 including:

(a) the identities (including Shipper ID) of each of the Transferor Shipper and the Transferee Shipper;

(b) the Entry Point in respect of which the Entry Capacity Trade is to take place;

(c) the intended amount of Entry Capacity (in kWh/Day) which is the subject matter of the proposed Entry Capacity Trade (the "**Entry Capacity Trade Quantity**"); and

(d) the period of the proposed Entry Capacity Trade, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.

4.1.5 Subject as hereinafter provided, such Entry Capacity Trade Registration Request must be submitted to the Transporter before 03:00 hours on the Day in respect of which the proposed Entry Capacity Trade is to commence.

4.1.6 The Transporter shall process an Entry Capacity Trade Registration Request upon receipt by the Transporter of confirmation from the Transferee Shipper that it accepts the terms of such Entry Capacity Trade Registration Request.

4.1.7 The Transporter will reject the Entry Capacity Trade Registration Request for any of the following reasons:

(a) the Entry Capacity Trade Registration Request is not submitted by the Transferor Shipper in accordance with the provisions of Section 4.1.4;

(b) the Entry Capacity Trade Registration Request is submitted to the Transporter after 01:45 hours on the start Day specified in the Entry Capacity Trade Registration Request;

(c) the Transferee Shipper has not notified the Transporter of its acceptance of the Entry Capacity Trade Registration Request on or before 03:00 hours on the start Day specified in the Entry Capacity Trade Registration Request or the notification is received after 01:45 hours on such Day;

(d) the effect of the Entry Capacity Trade would be to reduce the Transferor Shipper's Active Entry Capacity at the Entry Point to less than zero in respect of any Day within the period of the proposed Entry Capacity Trade;

(e) the Transferee Shipper is not a Registered Shipper at that Entry Point, or has not adhered to the applicable Entry Point Procedures (if any); or

(f) the Entry Capacity Trade Registration Request specifies a Proposed Entry Point;

(g) the Entry Capacity Trade Registration Request is in respect of Entry Capacity at a RNG Entry Point or at a CGI Gas Point.

4.1.8 The Transporter may reject the Entry Capacity Trade Registration Request where a Valid Entry Nomination has been submitted by the Transferor Shipper utilising all or part of the Entry Capacity that is the subject matter of the Entry Capacity Trade Registration Request.

4.1.9 Without prejudice to its rights referenced under this Section 4, the Transporter shall also have the right for operational reasons to:

(a) limit, suspend or cancel the amount of Entry Capacity, which may be traded in accordance with the provisions of Part H (*Operations*) Section 1 (*Emergencies)* and Section 2 (*Congestion Management*) and/or Part I (*Legal and General*) Section 3 (*Force Majeure*);

(b) suspend or terminate an Entry Capacity Trade(s) where any event specified in Part I (*Legal and General*) Section 4 (*Suspension and Termination*) has occurred or as provided in Part B (*General Principles*); and

(c) impose such operational conditions on Entry Capacity Trade(s) as it deems appropriate and/or necessary in the circumstances in accordance with Part B (*General Principles*) and Part H (*Operations*),

and the rights of the Shipper(s) to trade Entry Capacity shall in all circumstances be subject to such rights of the Transporter.

4.1.10 Where the Transporter has rejected an Entry Capacity Trade it shall inform both the Transferor Shipper and the Transferee Shipper of the reason for such rejection.

4.1.11 An Entry Capacity Trade Registration Request shall be accepted upon receipt by the Transporter of notice of acceptance of the Entry Capacity Trade Registration Request by the Transferee Shipper where the Entry Capacity Trade Registration Request and the Transferee Shipper's

acceptance thereof comply with the provisions of, and are not subject to rejection pursuant to, this Section 4.1.

4.1.12 Upon acceptance by the Transporter of an Entry Capacity Trade, the Active Entry Capacity of the Transferor Shipper will be reduced by the amount specified in the Entry Capacity Trade and the Active Entry Capacity of the Transferee Shipper will be increased by the corresponding traded amount in respect of the period set out in the Entry Capacity Trade Registration Request.

4.1.13 For the avoidance of doubt, acceptance by the Transporter of an Entry Capacity Trade in accordance with the provisions of this Section 3 shall not, and shall not be deemed to constitute, a representation that a Nomination(s) or Renomination(s) by the Transferee Shipper in respect of the Entry Capacity Trade Quantity will be accepted by the Transporter and shall not prejudice the Transporter's right to reject such Nominations or Renominations pursuant to Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*).

4.1.14 An Entry Capacity Trade will be terminated if:

(a) either the Transferor Shipper or Transferee Shipper ceases to be a Shipper under the terms of this Code; and/or

(b) the Transferor Shipper or the Transferee Shipper ceases to be a Registered Shipper at the relevant Entry Point

and in each case with effect from the end of the Day upon which the relevant Shipper ceases to be a Shipper or a Registered Shipper as the case may be.

4.1.15 If as a result of the termination of any Entry Capacity Trades in accordance with Section 4.1.14 above a Shipper's Active Capacity at an Entry Point is or would be reduced to less than zero in respect of any Day such that the Shipper has a negative Active Capacity at the Entry Point then such Shipper shall either book additional Entry Capacity (being Daily Entry Capacity or Entry Capacity of any other duration) or effect another Entry Capacity Trade in order to secure that such Shippers Active Capacity at the Entry Point is at least zero on each Day. If the Shipper fails to acquire such additional Entry Capacity as is required in accordance

with this Section 4.1.15 then the Shipper shall be liable for capacity charges in respect of such additional Entry Capacity as may be necessary to restore such Shipper's Active Capacity at the Entry Point to zero and the applicable Tariff shall be the Tariff applicable to Daily Entry Capacity.

5. IP CAPACITY TRADES

5.1 General

5.1.1 A Shipper (for the purpose of this Section 5 the "**IP Transferor Shipper**") may trade for use all or part of its Active IP Capacity (other than Interruptible IP Capacity) at an IP to another Shipper (which is a JBP User) at the same IP (for the purpose of this Section 5 the "**IP Transferee Shipper**") such that the Active IP Capacity traded will form part of the IP Transferee Shipper's Secondary IP Capacity at the same IP for the duration of the IP Capacity Trade Period.

5.1.2 IP Capacity may not be traded as between Interconnection Points.

5.1.3 Interruptible IP Capacity may not be traded.

5.1.4 Bundled IP Capacity may only be traded as Bundled IP Capacity; Unbundled IP Capacity may only be traded as Unbundled IP Capacity.

5.1.5 In order to effect a trade of IP Capacity (a "**IP Capacity Trade**") an IP Transferor Shipper or the IP Transferee Shipper shall submit an application (a "**Trade Proposal**") utilising the JBP. A Trade Proposal shall include the following information:

(a) the EIC of the Shipper submitting the Trade Proposal;

(b) the EIC of the counterparty Shipper (the "**Counterparty Trade Shipper**") (who shall submit the IP Trade Acceptance Notice) and who shall be the IP Transferor Shipper or the IP Transferee Shipper (as the case may be);

(c) whether the Shipper submitting the Trade Proposal is submitting as the IP Transferor Shipper or as the IP Transferee Shipper;

(d) the identity of the Transporter;

(e) whether the IP Capacity is Bundled IP Capacity or Unbundled IP Capacity;

(f) where the IP Trade Proposal relates to Bundled IP Capacity the identity of the Adjacent TSO;

(g) the trade facility and transaction type which shall be the "OTC Trade Facility" and "Transfer of Use" transaction type;

(h) the location of the IP;

(i) the amount of IP Capacity which is to be traded;

(j) the category of IP Capacity to which the Trade Proposal relates;

(k) the period (the "**IP Capacity Trade Period**") for which the IP Capacity is traded (which shall be a Day or a number of consecutive Days and shall include both the first and last Days);

(l) the amount (in Euro) payable by the IP Transferee Shipper to the IP Transferor Shipper;

(m) such other information as may be required pursuant to the JBP Users T&C.

All IP Capacity Trades shall utilise the OTC Trade Facility on the JBP and the Transfer of Use transaction type.

5.1.6 The Counterparty Trade Shipper specified in the Trade Proposal may accept the Trade Proposal by submitting a notice ("**IP Trade Acceptance Notice**") on the JBP.

5.1.7 The Transporter may decide not to validate a Trade Proposal notified to it by the JBP Operator for any of the following reasons:

(a) the trading procedure selected on the JBP is not OTC Trade Facility;

(b) the transaction type selected on the JBP is not "transfer of use";

(c) the category of capacity is not IP Entry Capacity or IP CSEP Offtake Capacity;

(d) the IP Transferee Shipper has the same EIC as the IP Transferor Shipper;

(e) the Transporter has not received notification of the Trade Proposal from the JBP Operator by 03:00 on the first Day of the requested IP Capacity Trade Period; and

(f) the effect of the Trade Proposal would be to reduce the IP Transferor Shipper's applicable Bundled IP Capacity or Unbundled IP Capacity (as the case may be) to less than zero on any Day within the IP Capacity Trade Period.

5.1.8 The Transporter shall within sixty (60) minutes of receipt from the JBP Operator of notification of a Trade Proposal in respect of which an IP Trade Acceptance Notice has been submitted advise the JBP Operator that:

(a) the Trade Proposal is validated; or

(b) that the Transporter in accordance with Section 5.1.7 has not validated the Trade Proposal.

If the Transporter does not within 60 minutes of receipt by the Transporter of notice of the Trade Proposal notify the JBP Operator that the Trade Proposal has been validated then the Transporter shall be deemed not to have validated the Trade Proposal.

5.1.9 Where the Trade Proposal refers to Bundled IP Capacity then the Trade Proposal will also require validation by the Adjacent TSO and be rejected on the JBP unless it is validated by both the Transporter and the Adjacent TSO.

5.1.10 Where the Trade Proposal refers to Unbundled IP Capacity then it shall be rejected on the JBP if it is not validated by the Transporter.

5.1.11 Where a Trade Proposal has been rejected the JBP Operator will inform both the IP Transferor Shipper and the IP Transferee Shipper.

5.1.12 Where a Trade Proposal is accepted on the JBP (following validation by the Transporter and by the Adjacent TSO (where applicable).

(a) the Active IP Capacity of the IP Transferor Shipper will be reduced by the amount specified in the Trade Proposal; and

(b) the Active IP Capacity of the IP Transferee Shipper will be increased by the corresponding traded amount in respect of the period set out in the Trade Proposal.

5.1.13 For the avoidance of doubt acceptance of a Trade Proposal in accordance with the provisions of this Section 5 shall not, and shall not be deemed to constitute a representation that a IP Nomination, or IP Renomination by the IP Transferee Shipper in respect of the IP Capacity traded would be accepted by the Transporter and shall not prejudice the Transporter's rights to reject such IP Nominations or IP Renominations pursuant to Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*).

5.1.14 A Trade Proposal:

(a) will be terminated if either the IP Transferor Shipper or the IP Transferee Shipper ceases to be a Shipper under the terms of this Code; and/or

(b) may be terminated if the IP Transferor Shipper or the IP Transferee Shipper ceases to be a Registered Shipper at the relevant IP Entry Point;

and in each case with effect from the end of the Day upon which the relevant Shipper ceases to be a Registered Shipper as the case may be. The IP Capacity Trade Period shall automatically terminate on termination of the Trade Proposal.

5.1.15 If as a result of any termination of any Trade Proposal in accordance with Section 5 above a Shipper's Active IP Entry Capacity at an IP Entry Point is or would be reduced to less than zero in respect of any Day such that the Shipper has a negative Active IP Entry Capacity at the IP Entry Point then such Shipper shall either book additional IP Entry Capacity or effect another Trade Proposal in order to secure that such Shipper's Active IP Capacity at the IP Entry Point is at least zero on such Day. If the Shipper fails to acquire such additional IP Capacity as required in accordance with this Section 5.1.15 then the Shipper shall be liable for IP Capacity Charges in respect of such additional IP Capacity as would be required to restore such Shipper's Active IP Entry Capacity at the IP Entry Point to zero and

the applicable tariff shall be the tariff applicable to Daily IP Entry Capacity.

6. **[NOT USED]**

7. **EXIT CAPACITY**

7.1 **General**

7.1.1 A Shipper shall be entitled to reserve or shall be deemed to reserve Exit Capacity in accordance with the provisions of this Section 7.

7.1.2 Long Term Exit Capacity reservations shall become effective

(a) in respect of LDM Offtakes from the LDM Capacity Booking Effective Date of any relevant LDM Capacity Booking;

(b) in respect of a DM Offtake from the Day on which a Shipper becomes the Registered Shipper at a DM Offtake;

(c) in respect of a Sub-Sea Interconnector Offtake from the Sub-Sea I/C Offtake Capacity Booking Effective Date of any relevant Sub-Sea I/C Offtake Capacity Booking.

Exit Capacity reservations at or in respect of NDM Supply Points shall become effective from the Day on which the Shipper becomes the Registered Shipper at the NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

7.1.3 Short Term Exit Capacity reservations shall become effective:

(a) in respect of LDM Exit Capacity as at the LDM Capacity Booking Effective Date in respect of the applicable Short Term LDM Exit Capacity Booking;

(b) in respect of Short Term Aggregate DM Exit Capacity as at the Capacity Booking Effective Date in respect of the applicable Short Term Aggregate DM Exit Capacity Booking.

7.2 **LDM Exit Capacity and LDM Capacity Application**

7.2.1 **LDM Exit Capacity**

(a) A Shipper shall not be entitled to offtake Natural Gas at a LDM Offtake unless the Shipper has a LDM Capacity Booking in respect

of that LDM Offtake and holds Active LDM Exit Capacity (and Active LDM Supply Point Capacity where relevant) at or in respect of such LDM Offtake.

(b) The Shipper shall cease to be the holder of LDM Exit Capacity (and LDM Supply Point Capacity where relevant) at the end of the LDM Capacity Booking Period of the LDM Capacity Booking or as otherwise provided in accordance with this Code and any relevant Ancillary Agreement.

(c) For the avoidance of doubt, in the case of Multiple Shippers to a LDM Offtake, a LDM Capacity Booking shall be required for each of the Shippers which shall each be required to hold LDM Exit Capacity (and where relevant LDM Supply Point Capacity).

(d) A Shipper shall be required to:

(i) be a Registered Shipper at or in respect of a LDM Offtake; or

(ii) have submitted a Short Term LDM Capacity Notice which has been accepted by the Transporter in accordance with Part F (*Administration)* Section 1.4 in order to submit an application(s) for Short Term LDM Exit Capacity at or in respect of such LDM Offtake.

7.2.2 A Shipper shall be entitled to apply to the Transporter for LDM Exit Capacity at or in respect of an LDM Offtake (as the case may be) for the following durations:

(a) Multi-Annual (**"Multi-Annual LDM Exit Capacity"**);

(b) Annual (**"Annual LDM Exit Capacity"**);

(c) Monthly (**"Monthly LDM Exit Capacity"**); and

(d) Daily (**"Daily LDM Exit Capacity"**).

7.2.3 A Registered Shipper at an LDM Offtake may apply to the Transporter for the following information:

(a) the amount of the Technical Capacity at or in respect of the LDM Offtake that is unbooked and may be made available to be booked by Shippers as Multi-Annual LDM Exit Capacity (the **"Multi-**

Annual LDM Exit Capacity Quantity") for a specified Multi-Annual period;

(b) the amount of the Technical Capacity at or in respect of the LDM Offtake that is unbooked and may be made available to be booked by Shippers as Annual LDM Exit Capacity (the **"Annual LDM Exit Capacity Quantity"**) for a specified Annual period;

(c) the amount of the Technical Capacity at or in respect of the LDM Offtake that is unbooked and may be made available to be booked by Registered Shippers as Monthly LDM Exit Capacity (the **"Monthly LDM Exit Capacity Quantity"**) for a specified calendar month; and

(d) the amount of the Technical Capacity at or in respect of the LDM Offtake that is unbooked and may be made available to be booked by Registered Shippers as Daily LDM Exit Capacity for a specified Day (the **"Daily LDM Exit Capacity Quantity"**).

The Transporter shall provide to a Shipper the information referred to in this Section 7.2.3 as soon as reasonably practicable following receipt of the Shipper's request. Provision by the Transporter of any such information shall not constitute a representation or warranty that the quantity is or may be available to a Shipper or Shippers on submission of an application or request in respect thereof pursuant to this Code.

7.2.4 **Long Term LDM Capacity Request**

(a) A Shipper shall apply to the Transporter for Long Term LDM Exit Capacity (and where relevant LDM Supply Point Capacity) by submitting a request (a "**Long Term LDM Capacity Request**") which shall specify the information required by the Transporter to process the Long Term LDM Capacity Request (as the case may be) as set out in Schedule 1 Part 9 including the following:

(i) the requested LDM Capacity Booking Effective Date which shall be the first day of a calendar month provided however that the requested LDM Capacity Booking Effective Date shall, where the request relates to a Proposed LDM Exit Point or Proposed LDM Supply Point, be the first day of the calendar month in which (or

following which) the Proposed LDM Exit Point or the Proposed LDM Supply Point is (having regard to the provisions of any applicable Siteworks Agreement) anticipated to become a LDM Exit Point or a LDM Supply Point (as the case may be);

(ii) the requested duration of the LDM Capacity Booking Period which shall be Annual or Multi-Annual;

(iii) the Proposed LDM Exit Point, Proposed LDM Supply Point, LDM Exit Point or the LDM Supply Point at or in respect of which LDM Exit Capacity (and where relevant LDM Supply Point Capacity) is requested;

(iv) the requested LDM Exit Capacity (in kWh/Day) and in the case of a Proposed LDM Supply Point or LDM Supply Point the requested LDM Supply Point Capacity (in kWh/Day);

(v) the Shipper ID of the applicant Shipper;

(vi) if the request is a Long Term LDM Capacity Request and the Shipper is not itself the End User, written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for offtake at the End User's offtake facilities;

(vii) the requested MHQ, pressure and maximum ramp rate; and

(b) The Transporter will reject a Long Term LDM Capacity Request for any of the following reasons:

(i) the Long Term LDM Capacity Request is not submitted in accordance with Section 7.2.4(a);

(ii) the Long Term LDM Capacity Request is not submitted within the Long Term Capacity Booking Window;

(iii) the requested pressure is in excess of the Transmission Minimum Pressure (as referred to in Part G (*Technical*) Section 1.2.1) and the Shipper and the Transporter have not entered into an agreement for the provision of the requested pressure;

(iv) the application specifies an amount of LDM Exit Capacity or amount of LDM Supply Point Capacity greater than that which the Transporter deems to be available for the requested LDM Capacity Booking Period;

(v) in the case of an LDM Capacity Booking Request the requested MHQ or ramp rates are in excess of those which the Transporter reasonably believes can be consistently available at the LDM Offtake having regard to inter alia, design parameters and anticipated operating and transportation requirements;

(vi) (to the extent that) the reservation of LDM Exit Capacity (and where relevant LDM Supply Point Capacity) specified in the Long Term LDM Capacity Request would result in an increase in the amount of financial security to be provided by the Shipper to the Transporter, determined in accordance with the Financial Security Policy, and the Shipper has not within ten (10) Business Days of submitting the application or two (2) Business Days prior to the requested LDM Capacity Booking Effective Date (whichever is the earlier) provided the required financial security so as to satisfy the requirements of the Financial Security Policy;

(vii) the amount of LDM Exit Capacity and/or LDM Supply Point Capacity specified in the Long Term LDM Capacity Request is less than the applicable Minimum Booking Quantity.

7.2.5 The Transporter may reject a Long Term LDM Capacity Request (in whole or in part) for any of the following reasons:

(a) where the Shipper is not already a Registered Shipper at or in respect of the LDM Offtake and the requested LDM Capacity Booking Effective Date is less than twenty (20) Business Days after the date of receipt by the Transporter of the Long Term LDM Capacity Request;

(b) where the Shipper is (or would otherwise be) in breach of this Code and/or an Ancillary Agreement; or

(c) the Long Term LDM Capacity Request is at or in respect of a LDM Supply Point or Proposed LDM Supply Point to which Part F

(*Administration*) Section 1.4.5 applies and the Shipper has not discharged all applicable tariffs as required pursuant to Part F (*Administration*) Section 1.4.5.

7.2.6 If the Long Term LDM Capacity Request is rejected, then the Transporter shall provide the reason to the Shipper as soon as reasonably practicable.

7.2.7 Where the Transporter accepts a Long Term LDM Capacity Request the Shipper shall be registered as having reserved an amount of:

(a) primary LDM Exit Capacity (the "**Booked LDM Exit Capacity Quantity**") and where relevant an amount of Primary Supply Point Capacity (the "**Booked LDM Supply Point Capacity Quantity**") at the relevant LDM Offtake from the LDM Capacity Booking Effective Date for the LDM Capacity Booking Period as set out in the Long Term LDM Capacity Request or as otherwise agreed with the Transporter (the "**Long Term LDM Capacity Booking**").

(b) The Shipper may request the Transporter to issue to the Shipper a written confirmation notice which shall include the following information:

(i) LDM Offtake;

(ii) Booked LDM Exit Capacity Quantity;

(iii) Booked LDM Supply Point Capacity Quantity (where relevant);

(iv) LDM Capacity Booking Period;

(v) Exit Capacity Booking Reference in respect of each Long Term LDM Capacity Booking.

7.2.8 Where the Transporter has accepted a Long Term LDM Capacity Request in respect of a Proposed LDM Exit Point or a Proposed LDM Supply Point and the date upon which the Proposed LDM Offtake is anticipated to become a LDM Offtake is varied (having regard to the provisions of any applicable Siteworks Agreement) then the LDM Capacity Booking Effective Date shall be varied to such one of the following Days as shall be notified by the Shipper to the Transporter:

(a) the first Day of the calendar month in which the Proposed LDM Offtake becomes a LDM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*); or

(b) the first Day of the calendar month immediately subsequent to the calendar month in which the Proposed LDM Offtake becomes a LDM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*),

and if the Shipper fails to notify the Transporter prior to 18.00 on the day prior to the Day on which the proposed LDM Offtake becomes an LDM Offtake of which of (a) or (b) shall apply, then (a) shall apply. In either event the LDM Capacity Booking Period shall commence on the first Day of the relevant calendar month and the Transporter shall submit a revised written confirmation to the Shipper pursuant to Section 7.2.7.

7.2.9 Notwithstanding the acceptance by the Transporter of any Long Term LDM Capacity Booking with respect to a Proposed LDM Offtake and that the LDM Capacity Booking Effective Date may have occurred the Shipper shall not be entitled to submit Nominations to offtake Natural Gas or to offtake Natural Gas at such Proposed LDM Offtake in respect of any Day prior to the Day on which the Proposed LDM Offtake becomes a LDM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*) it being acknowledged and accepted by the Shipper that Nominations may only be submitted with respect to a LDM Offtake and not with respect to a Proposed LDM Offtake. The Shipper shall however remain liable for all Tariffs and Capacity Charges in respect of the capacity reserved for the LDM Capacity Booking Period pursuant to the applicable Long Term LDM Capacity Booking and all financial obligations associated therewith.

7.2.10 The Registered Shipper shall in respect of the relevant LDM Offtake cease to be a holder of Long Term LDM Exit Capacity and/or LDM Supply Point Capacity (where relevant) pursuant to a Long Term LDM Capacity Booking either:

(a) at the end of the relevant LDM Capacity Booking Period (as recorded in the Capacity Register); or

(b) otherwise in accordance with the provisions of this Code and/or any (Ancillary Agreement).

7.3 Additional LDM Exit Capacity

7.3.1 A Shipper which is a Registered Shipper at or in respect of an LDM Offtake may apply to the Transporter for additional LDM Exit Capacity at or in respect of the LDM Offtake at which the Shipper is a Registered Shipper:

(a) by submitting a Long Term LDM Capacity Request in accordance with Section 7.2.4; or

(b) by submitting an application for Short Term LDM Exit Capacity in accordance with Section 7.4.

7.3.2 A Shipper which is a Registered Shipper at an LDM Supply Point:

(a) shall submit an application to the Transporter for additional LDM Exit Capacity to be held at or in respect of the LDM Supply Point in the manner outlined in Section 7.3.1 above; or

(b) shall apply to the Transporter for additional LDM Supply Point Capacity to be held at the LDM Supply Point by submitting to the Transporter an application in accordance with Section 8.3.

7.4 Short Term LDM Exit Capacity

7.4.1 A Shipper:

(a) which is a Registered Shipper at an LDM Offtake; or

(b) in respect of which the Transporter has accepted a Short Term LDM Capacity Notice at the LDM Offtake in accordance with Part F (*Administration*) Section 1.4,

shall be entitled to apply to the Transporter for Short Term LDM Exit Capacity at the LDM Offtake by submitting a request (a "**Short Term LDM Exit Capacity Request**") which shall specify the information required by the Transporter to process the Short Term LDM Exit Capacity Request as set out in Schedule 1 Part 10 including:

(a) the requested LDM Exit Capacity Effective Date which shall be the first Day of a calendar month where the application relates to

Monthly Capacity and shall be the first Day to which the request relates where the request relates to Daily LDM Exit Capacity;

(b) the duration for which the Shipper wishes to book LDM Exit Capacity (which shall be a single calendar month, a single Day or a number of consecutive Days);

(c) the LDM Offtake at which the LDM Exit Capacity is requested;

(d) the requested amount of LDM Exit Capacity (in kWh/Day); and

(e) the identity of the Shipper requesting LDM Exit Capacity.

7.4.2 The Transporter will reject a Short Term LDM Exit Capacity Request for any of the following reasons:

(a) the Short Term LDM Exit Capacity Request is not submitted in accordance with Section 7.4.1;

(b) the Short Term LDM Exit Capacity Request relates to Monthly LDM Exit Capacity and has not been submitted within the Monthly Capacity Booking Window;

(c) the Short Term LDM Exit Capacity Request is submitted with respect to Daily LDM Exit Capacity and is not submitted within the Daily Capacity Booking Window in respect of any one or more Days specified in the request where each such Day is treated as a separate LDM Exit Capacity Effective Date;

(d) the Shipper is not a Registered Shipper at the LDM Offtake or the Transporter has not accepted the Shipper's Short Term LDM Capacity Notice at the LDM Exit Point in accordance with Part F (*Administration*) Section 1.4 for the requested duration;

(e) the Shipper has not provided adequate financial security to the Transporter (as determined in accordance with the Financial Security Policy) including in respect of the amount of capacity requested;

(f) the amount of capacity requested is less than the applicable Minimum Booking Quantity (if any);

(g) the amount of capacity requested pursuant to the Short Term LDM Exit Capacity Request is in excess of the amount of capacity which the Transporter deems to be available for the requested duration (or any part thereof);

(h) the requested MHQ or ramp rates are in excess of those which the Transporter reasonably believes can be consistently available at the LDM Offtake having regard to, inter alia, design parameters and anticipated operating and transportation requirements;

(i) the Shipper is or would otherwise be in breach of this Code or any Ancillary Agreement.

7.4.3 If the Short Term LDM Exit Capacity Request is rejected then the Transporter shall provide the reason to the Shipper as soon as reasonably practicable and in any event within two (2) Business Days of such rejection.

7.4.4 Where the Transporter accepts a Short Term LDM Exit Capacity Request the Shipper shall be recorded as having reserved an amount of Primary LDM Exit Capacity at or in respect of the relevant LDM Offtake from the LDM Capacity Booking Effective Date for the LDM Capacity Booking Period as set out in the Short Term LDM Exit Capacity Request or as otherwise agreed with the Transporter (the "**Short Term LDM Exit Capacity Booking**").

7.5 DM Exit Capacity

General

7.5.1 A Shipper shall be required to be the Registered Shipper at or in respect of a DM Offtake and hold Aggregate Primary DM Exit Capacity in order to offtake Natural Gas from the Transmission System at or in respect of a DM Offtake.

7.5.2 The Transporter shall enter in the Capacity Register the Transporter Recommended DM Exit Capacity in respect of each DM Offtake.

7.5.3 The Transporter shall reappraise and recalculate the DM Exit Capacity in respect of each DM Offtake in advance of the Gas Year. Such calculation

will be in accordance with a methodology approved by the Commission and will be based, inter alia, on the following:

(a) the peak Natural Gas usage of the relevant DM Offtake in the previous twelve (12) Months; or

(b) where the profile of the DM Offtake indicates that it is a temperature sensitive load, the estimated 1-in-50 peak Day consumption.

7.5.4 For the avoidance of doubt, the DM Exit Capacity as calculated by the Transporter pursuant to Section 7.5.3 shall be the Transporter Recommended DM Exit Capacity with effect from the first Day of the next Gas Year and the Capacity Register shall be updated accordingly.

7.5.5 A Shipper shall have:

(a) a single DM Exit Capacity reservation in respect of each DM Offtake at which the Shipper is the Registered Shipper; and

(b) a single Aggregate Primary DM Exit Capacity in respect of all DM Offtakes at which the Shipper is the Registered Shipper including any Short Term Aggregate DM Exit Capacity and for the duration of the applicable Short Term Aggregate DM Exit Capacity Bookings.

A Shipper may have one or more Short Term Aggregate DM Exit Capacity Bookings.

7.5.6 The DM Exit Capacity reserved by a Shipper in respect of a DM Offtake shall on a Day be:

(a) the initial DM Exit Capacity requested by the Registered Shipper in such Shipper's deemed application for DM Exit Capacity (in accordance with this Section 7) and accepted by the Transporter as reflected in the Capacity Register where the Shipper becomes the Registered Shipper at such DM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*); and thereafter

(b) with effect from the first Day of each Gas Year on which the Shipper is the Registered Shipper at a DM Offtake, the Transporter

Recommended DM Exit Capacity entered on the Capacity Register following the annual reappraisal and revision of DM Exit Capacity in accordance with Sections 7.5.3 and 7.5.4,

in each case as amended pursuant to any DM Exit Capacity Revision Request which has been accepted by the Transporter. The DM Exit Capacity so reserved by a Shipper shall be regarded as Long Term Exit Capacity.

7.5.7 A Shipper which is a Registered Shipper at one or more DM Offtakes may apply to the Transporter to reserve Short Term Aggregate DM Exit Capacity pursuant to Section 7.8.

7.6 Application for DM Exit Capacity in respect of a DM Offtake

7.6.1 A Shipper shall be deemed to apply to the Transporter for DM Exit Capacity on submission of a request to become the Registered Shipper at a DM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

7.6.2 The Transporter will reject a deemed application for DM Exit Capacity where:

(a) such application, if accepted would require financial security or an increase in the amount in respect of which financial security is to be provided by the Registered Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not, within ten (10) Business Days of submitting such deemed application, provided financial security so as to satisfy the requirements of the Financial Security Policy; or

(b) such application specifies an amount of DM Exit Capacity which is in excess of the DM Exit Capacity which the Transporter deems to be available.

7.6.3 The Transporter may reject (in whole or in part) a deemed application for DM Exit Capacity where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

7.6.4 If a deemed application for DM Exit Capacity is rejected then the Transporter shall provide the reason to the Shipper as soon as reasonably

practicable, but in any event within three (3) Business Days of such rejection.

7.6.5 For the avoidance of doubt, the amount of DM Exit Capacity reserved by a Shipper at or in respect of a DM Offtake shall (subject to the Transporter's right of rejection pursuant to this Section7.6) be determined by the Shipper (and recorded by the Transporter in the Capacity Register) and, save as otherwise stated in this Section 7.6, and subject to the Transporter's rights under Section 7.6.6, need not be equal to the Transporter Recommended DM Exit Capacity or the DM Exit Capacity that was reserved by the outgoing Shipper in respect of the DM Offtake at the date of submission of the Change of Shipper Request.

7.6.6 A Shipper shall not be entitled to reserve less than the amount of DM Exit Capacity as may be specified by the Transporter in respect of a DM Offtake until such time as the Transporter shall have recovered through payment by a Registered Shipper at such DM Offtake, the costs incurred by the Transporter in respect of works undertaken pursuant to any Connection Agreement in respect of such DM Offtake.

7.7 DM Exit Capacity Revision

7.7.1 Where a Shipper is the Registered Shipper at a DM Offtake and has reserved or been deemed to have reserved DM Exit Capacity at or in respect of such DM Offtake in accordance with this Section 7 such Shipper may by request to the Transporter ("**DM Exit Capacity Revision Request**") apply to vary such Shipper's Long Term DM Exit Capacity reserved in respect of that DM Offtake. For the avoidance of doubt a Shipper shall not be entitled to submit a DM Exit Capacity Revision Request with respect to Short Term Aggregate DM Exit Capacity.

7.7.2 A DM Exit Capacity Revision Request shall specify the information required to process such DM Exit Capacity Revision Request as set out in Schedule 1 Part 11 including:

(a) the proposed "**Effective Date**" for the revised booking which shall be:

(i) the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Exit Capacity Revision Request

where the request is to increase the DM Exit Capacity reserved; or

(ii) the first Day of the next succeeding Gas Year after acceptance by the Transporter of such DM Exit Capacity Revision Request where the request is to reduce the DM Exit Capacity;

(b) the proposed DM Exit Capacity (in kWh/Day) for the DM Offtake from the proposed Effective Date;

(c) the specific DM Offtake in respect of which the DM Exit Capacity Revision Request is made; and

(d) the identity of the Shipper making the DM Exit Capacity Revision Request.

7.7.3 The Transporter may reject a DM Exit Capacity Revision Request for any of the following reasons:

(a) the DM Exit Capacity Revision Request is not submitted in accordance with Section 7.7.2;

(b) the DM Exit Capacity Revision Request specifies an amount of proposed DM Exit Capacity in respect of the relevant DM Offtake Point which is greater than that which the Transporter deems to be available;

(c) the proposed Effective Date specified in the DM Exit Capacity Revision Request is less than twenty (20) days from the date of receipt by the Transporter of the DM Exit Capacity Revision Request;

(d) the proposed Effective Date specified in the DM Exit Capacity Revision Request is not achievable having regard to any outstanding Siteworks;

(e) (to the extent that) the DM Exit Capacity Revision Request requests reservation of additional DM Exit Capacity the increased DM Exit Capacity specified in the DM Exit Capacity Revision Request would if accepted require an increase in the amount in respect of which financial security is to be provided by the Shipper to the

Transporter as determined in accordance with the Financial Security Policy and the Shipper has not, within ten (10) Business Days of submitting the application provided financial security so as to satisfy the requirements of the Financial Security Policy;

(f) the DM Exit Capacity Revision Request relates to a reduction in the DM Exit Capacity and the Transporter has not recovered, through payment by a Registered Shipper at such DM Offtake all costs incurred by the Transporter in respect of works undertaken pursuant to any Connection Agreement and/or Siteworks in respect of such DM Offtake; or

(g) the DM Exit Capacity Revision Request relates to an increase in DM Exit Capacity and the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

7.7.4 Where the DM Exit Capacity Revision Request is rejected, the Transporter will provide the reason to the Shipper as soon as reasonably practicable and in any event within three (3) Business Days of such rejection.

7.7.5 Where the Transporter accepts a DM Exit Capacity Revision Request, the DM Exit Capacity reserved by the Shipper in respect of the relevant DM Offtake shall be equal to the amount of DM Exit Capacity specified in the DM Exit Capacity Revision Request from the Effective Date as specified in the DM Exit Capacity Revision Request.

7.7.6 A Shipper will cease to be the holder of DM Exit Capacity at or in respect of a DM Offtake, on ceasing to be the Registered Shipper to that DM Offtake in accordance with the provisions of Part F (*Administration*) Section 1 (*Registered Shipper*) subject (and without prejudice) to any ongoing obligations of the Shipper under any relevant Ancillary Agreement and/or any payments as may continue to be due pursuant to any Ancillary Agreement and/or a Connection Agreement.

7.8 Short Term DM Exit Capacity

7.8.1 A Shipper which is the Registered Shipper at or in respect of one or more DM Offtakes and accordingly, has an Aggregate Primary DM Exit Capacity shall be entitled to apply to the Transporter for Short Term Aggregate DM Exit Capacity by submitting a request (a "**Short Term**

Aggregate DM Exit Capacity Request") which shall specify the information required by the Transporter to process the Short Term Aggregate DM Exit Capacity Request as set out in Schedule 1 Part 12 including:

(a) the requested Short Term Aggregate DM Exit Capacity Effective Date which shall be the first Day of a calendar month where the application relates to capacity of a Monthly duration and shall be a Day (or the first Day of a specified number of consecutive Days) in respect of which the capacity is requested where the requested duration is Daily;

(b) the duration for which the Shipper wishes to book the Short Term Aggregate DM Exit Capacity which will be a single Day (or a number of consecutive Days) or a single calendar month;

(c) the requested amount of Short Term Aggregate DM Exit Capacity (in kWh/Day); and

(d) the identity of the Shipper requesting Short Term Aggregate DM Exit Capacity.

7.8.2 The Transporter will reject a Short Term Aggregate DM Exit Capacity Request for any of the following reasons:

(a) the Short Term Aggregate DM Exit Capacity Request is not submitted in accordance with Section 7.8.1;

(b) the Short Term Aggregate DM Exit Capacity Request specifies a duration of one (1) Month and has not been submitted within the Monthly Capacity Booking Window;

(c) the Short Term Aggregate DM Exit Capacity Request specifies a duration of one (1) or more consecutive Days and is not submitted within the Daily Capacity Booking Window in respect of each Day to which the request relates, where each such Day is treated as a separate Short Term DM Exit Capacity Effective Date;

(d) the Shipper is not a Registered Shipper at one or more DM Offtake(s);

(e) the amount of Short Term Aggregate DM Exit Capacity requested is in excess of the amount of capacity which the Transporter deems to be available for the requested duration or any part thereof;

(f) the amount of Short Term Aggregate DM Exit Capacity requested is less than the applicable Minimum Booking Quantity (if any); or

(g) the Shipper has not provided adequate financial security to the Transporter (as determined in accordance with the Financial Security Policy) including in respect of the amount of capacity requested.

7.8.3 The Transporter may reject a Short Term Aggregate DM Exit Capacity Request if the Shipper is (or would otherwise be) in breach of this Code or any Ancillary Agreement or the Financial Security Policy.

7.8.4 Where the Transporter rejects a Short Term Aggregate DM Exit Capacity Request the Transporter shall notify the Shipper of the reason for such rejection as soon as reasonably practicable and in any event within one (1) Business Day.

7.8.5 Where the Transporter accepts a Short Term Aggregate DM Exit Capacity Request the Transporter shall notify the Shipper of such acceptance and the Shipper shall be recorded as having reserved an amount of Short Term Aggregate DM Exit Capacity from the Short Term DM Exit Capacity Effective Date and for the duration as set out in the Short Term Aggregate DM Exit Capacity Request or as otherwise agreed with the Transporter (a "**Short Term Aggregate DM Exit Capacity Booking**").

7.8.6 The Shipper shall in respect of the relevant Short Term Aggregate DM Exit Capacity Booking cease to be the holder of the Short Term Aggregate DM Exit Capacity pursuant to such Short Term Aggregate DM Exit Capacity Booking either:

(a) at the end of the relevant Capacity Booking period as recorded in the Capacity Register; or

(b) otherwise in accordance with the provisions of this Code.

7.9 Aggregate DM Exit Capacity

7.9.1 The Aggregate Primary DM Exit Capacity of a Shipper will be increased by an amount equal to the DM Exit Capacity reserved by the Registered Shipper, at or in respect of the DM Offtake at which the Shipper becomes the Registered Shipper in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*), unless the Shipper becomes the Registered Shipper at a Proposed DM Offtake pursuant to Part F (*Administration*) Section 1.5.4(a) in which case the Aggregate Primary DM Exit Capacity of such Shipper shall be increased by an amount equal to DM Exit Capacity reserved by the Registered Shipper at or in respect of the Proposed DM Offtake at which the Shipper becomes the Registered Shipper with effect from the date upon which the Meter Fit is completed.

7.9.2 The Aggregate Primary DM Exit Capacity of a Shipper shall be varied to reflect any variation in the DM Exit Capacity reserved by a Shipper pursuant to a DM Exit Capacity Revision Request from the Day on which a DM Exit Capacity Revision Request becomes effective.

7.9.3 The Aggregate Primary DM Exit Capacity of a Shipper shall be varied to reflect commencement and/or termination of any reservation of Short Term Aggregate DM Exit Capacity by a Shipper pursuant to this Code.

7.9.4 The Aggregate Primary DM Exit Capacity in respect of a Shipper which ceases to be the Registered Shipper at a DM Offtake in accordance with Part F (*Administration*) will be decreased by an amount equal to the DM Exit Capacity reserved by the Shipper at or in respect of the DM Offtake when the Shipper ceases to be the Registered Shipper at the DM Offtake, provided that any ongoing obligations of the Shipper under this Code and/or any payment as may be due pursuant to any relevant Ancillary Agreement, Siteworks and/or Connection Agreement shall continue and provided further where a Shipper ceases to be a Registered Shipper at a DM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*) the Shipper's Short Term Aggregate DM Exit Capacity Bookings shall not be affected.

7.10 NDM Exit Capacity

7.10.1 NDM Exit Capacity shall be required to be reserved in order for a Shipper to nominate Natural Gas for offtake from the Transmission System to facilitate onward delivery to NDM Supply Point(s) at which the Shipper is the Registered Shipper.

7.10.2 A Shipper shall be deemed to apply for Long Term NDM Exit Capacity on submission of a request to become the Registered Shipper at a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*). A Shipper on becoming the Registered Shipper to a NDM Supply Point, in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*), shall be deemed to have reserved an amount of Long Term NDM Exit Capacity equal to the amount of Supply Point Capacity reserved or deemed to have been reserved by it in respect of such NDM Supply Point.

7.10.3 The Transporter shall reject an application for Long Term NDM Exit Capacity if the Shipper is in breach of the Financial Security Policy.

7.10.4 A Shipper shall be deemed to have reserved Long Term NDM Exit Capacity in respect of a NDM Supply Point from the first Day on which it becomes the Registered Shipper at a NDM Supply Point.

7.10.5 The Aggregate Primary NDM Exit Capacity of any Shipper will be reduced by an amount equal to the Long Term NDM Exit Capacity which the Shipper is registered as holding in respect of a NDM Supply Point with effect from the date on which the Shipper ceases to be the Registered Shipper at a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*), subject (and without prejudice) to any ongoing obligations of the Shipper under this Code and/or any payments as may continue to be due pursuant to any Ancillary Agreement and/or a Connection Agreement. For the avoidance of doubt, where a Change of Shipper Request is not accepted by the Transporter for any reason, the then Registered Shipper shall remain the Registered Shipper at the NDM Supply Point.

7.10.6 A Shipper which is a Registered Shipper at one or more NDM Supply Points may apply to the Transporter to reserve Short Term Aggregate NDM Exit Capacity pursuant to Section 7.11.

7.10.7 For information purposes only, the Transporter will, on a reasonable endeavours basis, make available to each Shipper no later than 09:00 hours on D-1, its Aggregate Primary NDM Exit Capacity holding for the Day by reference to the Capacity Register at the time such information is made available. For the avoidance of doubt, the Shipper's Aggregate Primary NDM Exit Capacity in respect of a Day may vary from the Aggregate Primary NDM Exit Capacity as made available to the Shipper pursuant to this Section 7.10.7, including as a result of any completed Change of Shipper.

7.11 Short Term NDM Exit Capacity

7.11.1 A Shipper shall be entitled to apply to the Transporter for Short Term Aggregate NDM Exit Capacity by submitting a request (a "**Short Term Aggregate NDM Exit Capacity Request**") which shall specify the information required by the Transporter to process the Short Term Aggregate NDM Exit Capacity Request set out in Schedule 1 Part 13 including:

(a) the requested Short Term Aggregate NDM Exit Capacity Effective Date which shall be the first Day of the calendar month where the application relates to capacity of a Monthly duration and shall be a Day (or the first Day of a specified number of consecutive Days) in respect of which the capacity is requested where the requested duration is Daily;

(b) the duration for which the Shipper wishes to book the Short Term Aggregate NDM Exit Capacity which will be a single Day (or a number of consecutive Days) or a single calendar month;

(c) the requested amount of Short Term Aggregate NDM Exit Capacity (in kWh/Day);

(d) the identity of the Shipper requesting the Short Term Aggregate NDM Exit Capacity.

7.11.2 The Transporter will reject a Short Term Aggregate NDM Exit Capacity Request for any of the following reasons:

(a) the Short Term Aggregate NDM Exit Capacity Request is not submitted in accordance with Section 7.11.1;

(b) the Short Term Aggregate NDM Exit Capacity Request specifies a duration of one (1) Month and has not been submitted within the Monthly Capacity Booking Window;

(c) the Short Term Aggregate NDM Exit Capacity Request specifies a duration of one (1) Day (or a number of consecutive Days) and is not submitted within the Daily Capacity Booking Window in respect of each Day to which the request relates, where each such Day is treated as a separate Short Term NDM Exit Capacity Effective Date;

(d) the Shipper is not the Registered Shipper at one or more NDM Supply Points;

(e) the amount of Short Term NDM Exit Capacity requested is in excess of the amount of capacity which the Transporter deems to be available for the requested duration or any part thereof;

(f) the Shipper has not provided adequate financial security to the Transporter (as determined in accordance with the Financial Security Policy) including in respect of the amount of capacity requested; or

(g) the amount of Short Term Aggregate NDM Exit Capacity requested is less than the applicable Minimum Booking Quantity (if any).

7.11.3 The Transporter may reject a Short Term Aggregate NDM Exit Capacity Request if the Shipper is (or would otherwise be) in breach of this Code or any Ancillary Agreement.

7.11.4 Where the Transporter rejects a Short Term Aggregate NDM Exit Capacity Request the Transporter shall notify the Shipper of the reason for such rejection as soon as is reasonably practicable and in any event within one (1) Business Day.

7.11.5 Where the Transporter accepts a Short Term Aggregate NDM Exit Capacity Request the Transporter shall notify the Shipper of such acceptance and the Shipper shall be recorded as having reserved an amount of Short Term Aggregate NDM Exit Capacity from the Short Term NDM Exit Capacity Effective Date and for the duration as set out in the Short Term Aggregate NDM Exit Capacity Request or as otherwise agreed with the Transporter (a "**Short Term Aggregate NDM Exit Capacity Booking**").

7.11.6 The Shipper shall in respect of the relevant Short Term Aggregate NDM Exit Capacity Booking cease to be the holder of the Short Term Aggregate NDM Exit Capacity pursuant to such Short Term Aggregate NDM Exit Capacity Booking either:

(a) at the end of the relevant Capacity Booking period as recorded in the Capacity Register; or

(b) otherwise in accordance with the provisions of this Code.

7.12 Aggregate NDM Exit Capacity

7.12.1 The Aggregate Primary NDM Exit Capacity of a Shipper will be increased or reduced to reflect any variations in the Supply Points in respect of which the Shipper is the Registered Shipper and to reflect the commencement and/or termination of any Short Term Aggregate NDM Exit Capacity reserved by a Shipper pursuant to this Code.

Where a Shipper ceases to be the Registered Shipper at one or more NDM Supply Point(s) in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*) the Shipper's Short Term Aggregate NDM Exit Capacity Bookings shall not be affected.

7.13 Sub-Sea I/C Offtake Capacity

7.13.1 A Shipper shall not be entitled to offtake Natural Gas at the Sub-Sea Interconnector Offtake until the Shipper has a Sub-Sea I/C Offtake Capacity Booking in respect of that Sub-Sea I/C Offtake and holds Active Sub-Sea I/C Offtake Capacity at the Sub-Sea I/C Offtake.

7.13.2 A Shipper shall apply to the Transporter for Long Term Sub-Sea I/C Offtake Capacity by submitting a request (a "**Sub-Sea I/C Offtake**

Capacity Request") which shall specify the information required by the Transporter to process the Sub-Sea I/C Offtake Capacity Request set out in Schedule 1 Part 24 including the following:

(a) the requested Sub-Sea I/C Capacity Effective Date which shall be the first day of a calendar month;

(b) the requested duration of the Sub-Sea I/C Capacity Booking Period which shall be Annual or Multi-annual;

(c) the requested Sub-Sea I/C Offtake Capacity (in kWh/Day);

(d) the identity of the applicant Shipper;

(e) evidence that the Shipper is submitting the Sub-Sea I/C Offtake Capacity Request pursuant to a Treaty Entitlement (where applicable);

(f) where the request is not made pursuant to a Treaty Entitlement the Shipper is the holder of such documentation as may be reasonably necessary, to offtake Natural Gas at the Sub-Sea I/C Offtake for onward delivery to the Isle of Man;

(g) the requested MHQ Pressure and Ramp Rate.

7.13.3 The Transporter will reject a Sub-Sea I/C Offtake Capacity Request for any of the following reasons:

(a) the Sub-Sea I/C Offtake Capacity Request is not submitted in accordance with Section 7.13.2;

(b) the Sub-Sea I/C Offtake Capacity Request is not submitted within the Long Term Capacity Booking Window (unless such request is submitted pursuant to a Treaty Entitlement prior to the commencement of the Long Term Capacity Booking Window;

(c) the requested pressure is in excess of the applicable Transmission Minimum Pressure as referred to in Part G (*Technical*) Section 1.2.1 and the Shipper and the Transporter have not entered into an agreement for the provision of the requested pressure;

(d) the application specifies an amount of Sub-Sea I/C Offtake Capacity greater than that which the Transporter deems to be available (having regard, inter alia, to the provisions of the Second Interconnector Treaty) for the requested booking period;

(e) the requested MHQ or Ramp Rates are in excess of those which the Transporter reasonably believes can be consistently available at the Sub-Sea I/C Offtake having regard to, inter alia, design parameters and anticipated operating and transportation requirements;

(f) to the extent that the reservation of the amount of Sub-Sea I/C Offtake Capacity specified in the application would result in an increase in the amount of financial security to be provided by the Shipper to the Transporter, determined in accordance with the Financial Security Policy and the Shipper does not within ten (10) Business Days of submitting the application or two (2) Business Days prior to the requested Sub-Sea I/C Capacity Booking Effective Date (whichever is the earlier) provide the required financial security so as to satisfy the requirements of the Financial Security Policy;

(g) the Shipper has not reserved an amount of IP Entry Capacity at the Moffat Entry Point which is equal to or in excess of the aggregate Sub-Sea I/C Offtake Capacity which would be booked by the Shipper if the application is accepted and for a period which is not less than the requested Capacity Booking Period of the Sub-Sea I/C Offtake Capacity Request;

(h) the acceptance of the Sub-Sea I/C Offtake Capacity Request would result in a breach of any provisions of this Code or any applicable Legal Requirement or would in the reasonable opinion of the Transporter adversely affect the Transporters ability to comply with any such Legal Requirement including for avoidance of doubt any Treaty Entitlement.

7.13.4 The Transporter may reject a Sub-Sea I/C Offtake Capacity Request (in whole or in part) for any of the following reasons:

(a) where the Shipper is not already a Registered Shipper at or in respect of the Sub-Sea I/C Offtake and the requested Sub-Sea I/C Offtake Capacity Booking Effective Date is less than twenty (20) Business Days after the date of receipt by the Transporter of the Sub-Sea I/C Offtake Capacity Request; or

(b) where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement;

(c) where request has been submitted pursuant to a Treaty Entitlement and the Shipper has not provided evidence of any applicable Treaty Entitlement.

If the Sub-Sea I/C Offtake Capacity Request is rejected then the Transporter shall provide the reason to the Shipper as soon as it is reasonably practicable.

7.13.5 Where the Transporter accepts a Sub-Sea I/C Offtake Capacity Request the Shipper shall be registered as having reserved the amount of Sub-Sea I/C Offtake Capacity (the "**Booked Sub-Sea I/C Offtake Capacity Quantity**") at the Sub-Sea I/C Offtake from the Sub-Sea I/C Offtake Capacity Booking Effective Date for the Sub-Sea I/C Offtake Capacity Booking Period set out in the Sub-Sea I/C Offtake Capacity Request or as otherwise agreed with the Transporter (the "**Sub-Sea I/C Offtake Capacity Booking**").

7.13.6 The Registered Shipper shall in respect of the Sub-Sea I/C Offtake cease to be a holder of Sub-Sea I/C Offtake Capacity pursuant to a Sub-Sea I/C Offtake Capacity Booking either:

(a) at the end of the relevant Sub-Sea I/C Capacity Booking Period as recorded in the Capacity Register; or

(b) otherwise in accordance with the provisions of this Code and/or any Ancillary Agreement.

7.13.7 A Shipper which is a Registered Shipper at or in respect of the Sub-Sea I/C Offtake may apply to the Transporter for additional Sub-Sea I/C Offtake Capacity at or in respect of the Sub-Sea I/C Offtake at which the Shipper is the Registered Shipper by submitting a Sub-Sea I/C Offtake Capacity Request in accordance with Section 7.13.2.

7.14 Exit Capacity Charges

7.14.1 Charges in respect of Exit Capacity **("Exit Capacity Charges")** will comprise the capacity component of the applicable Tariff.

7.14.2 A Shipper will be liable to pay to the Transporter:-

(a) Exit Capacity Charges in respect of its Primary Exit Capacity from the Exit Capacity Effective Date for the Exit Capacity Booking Period in respect of LDM Exit Capacity or, if later, the date notified by the Transporter to the Shipper pursuant to Part F (*Administration*) Section 1.4.3;

(b) Exit Capacity Charges in respect of Primary DM Exit Capacity reserved at or in respect of DM Offtakes:

(i) where the Shipper becomes the Registered Shipper at the DM Offtake pursuant to Part F (*Administration*) Section 1.5.4(a) from the date upon which the Meter Fit is completed until the Shipper ceases to be the Registered Shipper at such DM Offtake; and

(ii) save as in Section 7.14.2(b)(i) from the date and in respect of the period for which such Shipper is the Registered Shipper at such DM Offtakes and in respect of the period of any Short Term Aggregate DM Exit Capacity Bookings;

(c) without prejudice to Section 7.10.5 Exit Capacity Charges in respect of Primary NDM Exit Capacity reserved in respect of NDM Supply Point(s) in respect of the period for which such Shipper is Registered Shipper at such NDM Supply Point(s) (but excluding any period in respect of which such NDM Supply Point is a Tariff Exempt NDM Supply Point in accordance with the Deregistration Procedures) and in respect of any Short Term Aggregate NDM Exit Capacity.

7.14.3 Any Shipper that holds Primary Exit Capacity shall be liable for Exit Capacity Charges in respect of such Primary Exit Capacity regardless of any Exit Capacity Transfers that may have been transacted with a counter-party Shipper.

7.14.4 Exit Capacity Charges in respect of LDM Exit Capacity will be calculated on a monthly basis and invoiced in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

7.14.5 Exit Capacity Charges in respect of DM Exit Capacity will be calculated on a monthly basis taking into account the Aggregate Primary DM Exit Capacity that is held by a Shipper on each Day during the relevant Month

and invoiced in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*). Exit Capacity Charges in respect of NDM Exit Capacity will be calculated on a monthly basis taking into account the Aggregate Primary NDM Exit Capacity which is held by a Shipper on each Day of the relevant Month and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

7.14.6 The amount payable by a Shipper in respect of the commodity component of the Tariff will be calculated on a monthly basis taking into account the aggregate quantity of Natural Gas allocated to such Shipper on each Day of the relevant month and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

7.15 LDM Transitional Capacity Bookings

7.15.1 In order to align Long Term LDM Capacity Booking(s) at an LDM Offtake with capacity bookings at Interconnection Points where such Long Term LDM Capacity Bookings would otherwise expire subsequent to 1 October 2015 and prior to 1 October 2016 each Shipper with a Long Term LDM Capacity Booking(s) (a "**Qualifying LDM Shipper**") may apply to extend the Shipper's Long Term LDM Exit Capacity Booking and LDM Supply Point Capacity (where applicable) or otherwise book LDM Exit Capacity which will be deemed Long Term LDM Exit Capacity and associated LDM Supply Point Capacity (as applicable) at an LDM Offtake in accordance with the remaining provisions of this Section 7.15.

7.15.2 A Qualifying LDM Shipper may submit to the Transporter either:

(a) an application to extend the Shipper's Long Term LDM Capacity Booking (an "**LDM Extension Application**") at the LDM Offtake in accordance with Section 7.15.4 and 7.15.5; or

(b) a request (a "**Transitional Booking Request**") for Long Term LDM Exit Capacity and where applicable LDM Supply Point Capacity at the LDM Offtake in accordance with Section 7.15.4 and 7.15.6);

and in either case in respect of a period (a "**Transitional Booking Period**") from the date of expiry (or the date on which the applicable Capacity Booking Period would otherwise expire) of the Shipper's

Long Term Exit Capacity Booking and the Shipper's LDM Supply Point Capacity Booking (where applicable) until 05:00 on 1 October 2016. Where the LDM Extension Application or where the Transitional Booking Request relates to a LDM Supply Point it shall relate to both the LDM Exit Capacity and the LDM Supply Point Capacity in respect of the LDM Supply Point.

7.15.3 A Qualifying LDM Shipper may not submit both an LDM Extension Application and a Transitional LDM Booking Request in respect of the same LDM Offtake.

7.15.4 A Qualifying LDM Shipper may at any time on or after 1 August 2015 and on or prior to 24 September 2015 submit an LDM Extension Application in accordance with Section 7.15.5 or a Transitional LDM Booking Request in accordance with Section 7.15.6.

7.15.5 An LDM Extension Application submitted by a Qualifying LDM Shipper shall specify the information necessary for the Transporter to process the request including:

(a) the Shipper ID of the Shipper submitting the application;

(b) the Capacity Booking Reference of the Shipper's Long Term LDM Capacity Booking to which the application relates;

(c) the LDM Offtake;

(d) the period for which the Long Term LDM Capacity Booking is requested to be extended which shall be the Transitional LDM Booking Period.

7.15.6 A Qualifying LDM Shipper may apply for LDM Exit Capacity and LDM Supply Point Capacity (where applicable) in respect of a Transitional LDM Booking Period by submitting a Transitional LDM Booking Request. A Transitional LDM Booking Request shall specify the information necessary to enable the Transporter to process the request including:

(a) the Long Term LDM Capacity Booking Reference of the Shipper's Long Term LDM Capacity Booking;

(b) the Shipper ID of the Shipper submitting the request;

(c) the LDM Offtake;

(d) the requested amount of LDM Exit Capacity and where applicable LDM Supply Point Capacity (in kWh)/Day; and

(e) the duration for which the Shipper wishes to book the requested amount of LDM Exit Capacity and LDM Supply Point Capacity (where applicable) which shall be the Transitional LDM Booking Period.

7.15.7 The Transporter may reject an LDM Extension Application submitted by a Shipper in accordance with Section 7.15.5 above and/or a Transitional LDM Booking Request submitted by the Shipper in accordance with Section 7.15.6 above for any of the following reasons:

(a) the applicable LDM Extension Application or Transitional LDM Booking Request has not been submitted in accordance with Section 7.15.5 or Section 7.15.6 above (as the case may be);

(b) the LDM Extension Application or Transitional LDM Booking Request is received prior to 1 August 2015 or after 24 September 2015;

(c) the Shipper has not provided financial security in accordance with the Financial Security Policy in respect of the capacity requested pursuant to the LDM Extension Application or the Transitional LDM Booking Request (as the case may be);

(d) the Shipper is (or would otherwise be) in breach of this Code and/or any ancillary agreement;

(e) the Shipper submitting the LDM Extension Application or the Transitional LDM Booking Request is not a Qualifying LDM Shipper.

7.15.8 The Transporter shall accept a Shipper's LDM Extension Application or Transitional LDM Booking Request which is not otherwise rejected in accordance with Section 7.15.10 above on or prior to 30 September 2015.

7.15.9 The Transporter shall be deemed to reject a Shipper's LDM Extension Application or Transitional LDM Booking Request (as the case may be) if the Transporter has not accepted the Shipper's LDM Extension Application or Transitional LDM Booking Request on or prior to 30 September 2015.

7.15.10 Where the Transporter accepts or is deemed to accept a Shipper's Extension Application or Transitional LDM Booking Request then:

(a) in the case of an LDM Extension Application the Capacity Booking Period in respect of the Shipper's Long Term LDM Capacity Booking as specified in the LDM Extension Application shall be deemed to be extended until the end of the Transitional LDM Booking Period; and

(b) in the case of a Transitional LDM Booking Request the Shipper shall be deemed to have a Long Term LDM Capacity Booking in respect of the amount of LDM Exit Capacity and where applicable LDM Supply Point Capacity specified in the Transitional LDM Booking Request and the Capacity Booking Period of such Long Term LDM Capacity Booking shall be the Transitional Period.

7.15.11 Where a Qualifying LDM Shipper does not submit an LDM Extension Application or a Transitional LDM Booking Request in accordance with the foregoing provisions of this Section 7.15 then the Shipper's subsisting LDM Capacity Booking shall not be extended or revised and shall otherwise expire on the last day of the Long Term Capacity Booking Period or in accordance with the provisions of this Code.

8. SUPPLY POINT CAPACITY

8.1 General

8.1.1 A Shipper may become a Registered Shipper at:

(a) a LDM Supply Point by submitting a Long Term LDM Capacity Request which is accepted by the Transporter in accordance with Sections 7.2.4 and 8.3;

(b) a DM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*); and/or

(c) a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

8.1.2 Supply Point Capacity will be deemed to be reserved by a Shipper on becoming the Registered Shipper at a Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

8.1.3 The Transporter shall calculate the Supply Point Capacity for each Proposed Offtake Point connected to the Distribution System prior to the completion of a Meter Fit at the Proposed Offtake Point in accordance with the applicable Procedure(s).

8.1.4 The Transporter shall reappraise and revise (where appropriate) the Supply Point Capacity in respect of each Supply Point in advance of each Gas Year. Such reappraisal and revision will be in accordance with the applicable Procedure(s).

8.1.5 Supply Point Capacity at a LDM Supply Point or a proposed LDM Supply Point calculated pursuant to Section 8.1.3 as revised by the Transporter as a result of annual reappraisal and revision pursuant to Section 8.1.4 above shall be entered on the Capacity Register as the Transporter Recommended LDM Supply Point Capacity.

8.1.6 Supply Point Capacity at a DM Supply Point, a proposed DM Supply Point, a NDM Supply Point or a Proposed NDM Supply Point calculated by the Transporter pursuant to Sections 8.1.3 and 8.1.4 above shall be entered on the Capacity Register as the Transporter Determined DM

Supply Point Capacity or Transporter Determined NDM Supply Point Capacity in respect of the relevant Supply Point (as the case may be).

8.1.7 If the Registered Shipper at a Supply Point reasonably believes that the Transporter has made an error in its calculation of the Supply Point Capacity applicable to the Supply Point, the Shipper may prior to the commencement of the following Gas Year and within five (5) days of being notified of the Transporter's determination, notify the Transporter, and shall provide such supporting evidence as the Transporter may reasonably require. If the Transporter determines that it has made an error, it shall revise the Supply Point Capacity applicable to the Supply Point with effect from the commencement of the applicable Gas Year.

8.1.8 For a DM Supply Point and/or a NDM Supply Point, the updated Supply Point Capacity calculated by the Transporter pursuant to Sections 8.1.3 and/or 8.1.4 will become effective as from the start of the Gas Year.

8.2 Supply Point Capacity Reservation

8.2.1 The Supply Point Capacity reserved by a Shipper shall:

(a) in the case of a LDM Supply Point, be the Supply Point Capacity specified in the Long Term LDM Capacity Booking, as varied in accordance with Section 8.1.4;

(b) in the case of a DM Supply Point, be the Transporter Determined DM Supply Point Capacity or the increased DM Supply Point Capacity accepted by the Transporter pursuant to Section 8.5.10; and

(c) in respect of a NDM Supply Point, be the Transporter Determined NDM Supply Point Capacity.

8.3 LDM Supply Point Capacity

8.3.1 A Shipper shall reserve LDM Supply Point Capacity to offtake Natural Gas from the Distribution System at a LDM Supply Point.

8.3.2 The application for LDM Supply Point Capacity will form part of the Long Term LDM Exit Capacity application process in accordance with Section 7.2.4. For the avoidance of doubt, a Shipper at a LDM Supply

Point and holding LDM Supply Point Capacity will also require LDM Exit Capacity, which shall be applied for in accordance with Section 7.2.4.

8.3.3 On receipt of a Long Term LDM Capacity Request in respect of a LDM Supply Point from a Shipper in accordance with Section 7.2.4 the Transporter shall inform the Shipper of the Transporter Recommended LDM Supply Point Capacity. The Shipper may reserve a different level of Supply Point Capacity to the Transporter Recommended LDM Supply Point Capacity in accordance with Section 7.3.

8.3.4 A Shipper which has a LDM Capacity Booking which is of Annual or Multi-Annual duration may apply to the Transporter for additional LDM Supply Point Capacity at the LDM Supply Point to which the said LDM Capacity Booking relates:

(a) by submitting a Long Term LDM Capacity Request to the Transporter in accordance with the provisions of Section 7.2 (where the Registered Shipper requires both LDM Supply Point Capacity and LDM Exit Capacity); or

(b) by submitting an application for additional LDM Supply Point Capacity in accordance with Section 8.4 below.

8.3.5 The Shipper shall cease to be the holder of LDM Supply Point Capacity at the end of the applicable LDM Capacity Booking Period or increased additional LDM Supply Point Capacity Booking Period in respect of the LDM Supply Point or otherwise in accordance with the provisions of this Code and/or any Ancillary Agreement.

8.3.6 In the case of a LDM Supply Point at which there are Multiple Shippers, each of the Multiple Shippers shall have a LDM Capacity Booking and each of the Multiple Shippers shall be required to hold LDM Supply Point Capacity at that LDM Supply Point.

8.3.7 The Maximum Hourly Quantity (MHQ) at a LDM Supply Point shall not exceed $1/16^{th}$ of the Active LDM Supply Point Capacity. The MHQ at a LDM Supply Point shall be as notified by the Transporter from time to time including in an End User's Agreement.

8.4 Application for additional LDM Supply Point Capacity

8.4.1 A Shipper which has a Capacity Booking which is a LDM Capacity Booking which is of Annual or Multi-Annual duration at or in respect of an LDM Supply Point may apply to the Transporter for additional LDM Supply Point Capacity at or in respect of the LDM Supply Point to which the LDM Capacity Booking relates to be effective from the first Day of a calendar month of the LDM Capacity Booking Period of such LDM Capacity Booking.

8.4.2 A Registered Shipper at an LDM Supply Point shall apply to the Transporter for additional LDM Supply Point Capacity by submitting to the Transporter a request (the "**LDM Supply Point Capacity Booking Request**") which shall specify the information required by the Transporter to process the LDM Supply Point Capacity Booking Request as set out in Schedule 1 Part 14 including the following:

(a) the requested LDM Supply Point Capacity Booking Effective Date in respect of the LDM Supply Point Capacity requested which shall be the first Day of a calendar month;

(b) the requested duration for the additional capacity which shall be Annual or Multi-Annual;

(c) the booking reference of the Shipper's existing LDM Capacity Booking;

(d) the LDM Supply Point in respect of which the additional LDM Supply Point Capacity is requested;

(e) the requested additional LDM Supply Point Capacity (in kWh/Day);

(f) if the Shipper is not itself the End User written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for offtake at the End User's Offtake facilities; and

(g) the requested MHQ and maximum ramp rates.

8.4.3 The Transporter will reject a request for additional LDM Supply Point Capacity for any of the following reasons:

(a) the application was not submitted in accordance with Section 8.4.2;

(b) the application specifies an additional amount of LDM Supply Point Capacity greater than that which the Transporter deems to be available for the requested duration;

(c) the requested MHQ or ramp rates are in excess of those which the Transporter reasonably believes can be consistently available at the LDM Offtake having regard to inter alia, design parameters and anticipated operating and transportation requirements;

(d) the extent of the reservation of the additional LDM Supply Point Capacity specified in the application would result in an increase in the amount of financial security to be provided by the Shipper to the Transporter determined in accordance with the Financial Security Policy and the Shipper has not within ten (10) Business Days of submitting the application provided the required financial security so as to satisfy the requirements of the Financial Security Policy; or

(e) the Shipper has not reserved Long Term LDM Exit Capacity and LDM Supply Point Capacity at or in respect of the LDM Supply Point for the duration of the requested additional LDM Supply Point Capacity.

8.4.4 The Transporter may reject a request for additional LDM Supply Point Capacity where:

(a) the proposed LDM Supply Point Capacity Booking Effective Date is less than twenty (20) Business Days after the receipt by the Transporter of the application; or

(b) the Shipper is (or would otherwise be) in breach of this Code or any Ancillary Agreement.

8.4.5 If the application for additional LDM Supply Point Capacity is rejected then the Transporter shall provide the reason to the Shipper as soon as reasonably practicable but in any event within three (3) Business Days of such rejection.

8.4.6 Where the Transporter accepts an application for additional LDM Supply Point Capacity the Transporter shall not less than seven (7) Business Days

prior to the requested additional LDM Supply Point Capacity Booking Effective Date (or within such other period as may be agreed between the Transporter and the Shipper) issue to the Shipper confirmation of the LDM Supply Point Capacity Booking to reflect such additional capacity in respect of the period from the LDM Supply Point Capacity Booking Effective Date as specified in the confirmation.

8.4.7 Where the LDM Supply Point Capacity is increased, the Shipper shall be liable for Capacity Charges in respect of such additional LDM Supply Point Capacity which has been booked from the LDM Supply Point Capacity Booking Effective Date in respect of such additional capacity specified in the confirmation of the LDM Supply Point Capacity Booking.

8.4.8 Where the Transporter accepts an application for additional LDM Supply Point Capacity any such increase shall also be without prejudice to the ongoing and continuing obligation of the Shipper to pay Overrun Charges in respect of the period up to the date upon which the Transporter accepts the Shipper's application for additional LDM Supply Point Capacity and notwithstanding that such increased capacity was subsequently applied for and paid for.

8.4.9 On acceptance of the application in respect of the additional LDM Supply Point Capacity such additional LDM Supply Point Capacity shall be reserved by the Shipper from the LDM Supply Point Capacity Booking Effective Date as specified in the confirmation of the LDM Supply Point Capacity Booking issued by the Transporter.

8.5 DM Supply Point Capacity

8.5.1 A Shipper shall require DM Supply Point Capacity to enable it to offtake Natural Gas from the Distribution System at a DM Supply Point. For the avoidance of doubt, a Registered Shipper at a DM Supply Point shall also be deemed to reserve DM Exit Capacity when reserving the DM Supply Point Capacity.

8.5.2 A Shipper shall be deemed to apply to the Transporter to reserve DM Supply Point Capacity when such Shipper applies to become the Registered Shipper at a DM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*). A Shipper shall be

deemed to have reserved the Transporter Determined DM Supply Point Capacity in respect of a DM Supply Point on becoming the Registered Shipper at such DM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

8.5.3 The Shipper shall on or prior to submitting or being deemed to submit an application for DM Supply Point Capacity in respect of a DM Supply Point ascertain the Transporter Determined DM Supply Point Capacity and the Transporter Recommended DM Exit Capacity in respect of such DM Supply Point.

8.5.4 The Shipper may vary the level of DM Exit Capacity reserved with respect to the DM Supply Point subject to and in accordance with Sections 7.4 and 7.6.

8.5.5 If during a Gas Year:

(a) physical works are to be completed with respect to a DM Supply Point so to increase the capacity of the DM Supply Point, the Registered Shipper may apply to the Transporter in accordance with the provisions of the applicable Procedures to increase the DM Supply Point Capacity and associated DM Exit Capacity; or

(b) a Shipper's Allocation at a DM Supply Point on a Day exceeds the Transporter Determined DM Supply Point Capacity (or the amount of DM Supply Point Capacity reserved by the Registered Shipper at that DM Supply Point) then the Transporter shall save in respect of a DM Supply Point Capacity Reduction Period in relation to that DM Supply Point review the available Supply Point Capacity in the Distribution System in order to ascertain whether the Transporter can make increased Supply Point Capacity available at the relevant DM Supply Point (such increased Supply Point Capacity to reflect the DM Supply Point Capacity Overrun Quantity) at the relevant DM Supply Point; and

(i) if the Transporter can make all or part of the increased Supply Point Capacity available at the relevant DM Supply Point then the Transporter Determined DM Supply Point Capacity at the relevant DM Supply Point shall be increased to reflect the DM

Supply Point Overrun Quantity or such part thereof as the Transporter can make available and with effect from the first Day of the calendar month following completion of the review by the Transporter of the available Supply Point Capacity and the Transporter shall amend the Capacity Register to reflect, and shall notify the Shipper of, such increased Transporter Determined DM Supply Point Capacity; or

(ii) if the Transporter determines that all or part of the increased Supply Point Capacity cannot be made available at the DM Supply Point without the necessity for physical works then the Transporter shall notify the Shipper accordingly and the Shipper may apply to the Transporter, in accordance with the applicable Procedures, to undertake the required physical works to enable the provision of the increased capacity and to increase the DM Supply Point Capacity accordingly.

(c) a Shipper requires an increase in the offtake of Natural Gas at a DM Offtake, the Registered Shipper may make a revision request to increase DM Supply Point Capacity by submitting to the Transporter a request pursuant to Section 8.5.6;

(d) a Shipper requires a reduction in the offtake of Natural Gas at a DM Offtake, the Registered Shipper may make a request to reduce DM Supply Point Capacity by submitting to the Transporter a DM Supply Point Capacity Reduction Request pursuant to Section 8.5.12.

8.5.6 A Shipper may make a revision request to increase DM Supply Point Capacity by submitting to the Transporter a request ("**DM Supply Point Capacity Revision Request**") which shall specify the information required by the Transporter to process the DM Supply Point Capacity Revision Request as set out in Schedule 1 Part 15 including the following:

(a) the requested Day on which the requested revised DM Supply Point Capacity booking is requested which shall be:

(i) the first Day of the calendar month in which the DM Supply Point Capacity Revision Request is made; or

(ii) the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Supply Point Capacity Revision Request;

(b) the requested revised DM Supply Point Capacity (in kWh/Day) from the requested DM Supply Point Capacity booking effective date;

(c) the specific DM Supply Point in respect of which the DM Supply Point Capacity Revision Request is made;

(d) the SPRN in respect of the specific DM Supply Point in respect of which the DM Supply Point Capacity Revision Request is made; and

(e) the identity of the Shipper making the DM Supply Point Capacity Revision Request.

8.5.7 The Transporter may reject a DM Supply Point Capacity Revision Request for any of the following reasons:

(a) the DM Supply Point Capacity Revision Request is not submitted in accordance with Section 8.5.6;

(b) the requested DM Supply Point Capacity booking effective date is the first Day of the calendar month in which the request is submitted and:

(i) the Shipper has incurred a DM Supply Point Capacity Overrun in respect of the DM Supply Point specified in the request in the month in which the request is submitted; or

(ii) the Transporter Determined DM Supply Point Capacity has been set at a level below that initially advised by the Transporter during the process for determination of the Transporter Determined DM Supply Point Capacity in respect of the DM Supply Point (as referred to in Section 8.1.3 and/or 8.1.4) as a result of submissions by or on behalf of the End User or the Registered Shipper at the DM Supply Point;

(c) the DM Supply Point Capacity Revision Request specifies an amount of requested DM Supply Point Capacity in respect of the relevant DM Supply Point which is in excess of the capacity which the Transporter deems to be available on the Distribution System or any localised part thereof;

(d) the proposed DM Supply Point Capacity booking effective date specified in the DM Supply Point Capacity Revision Request is not achievable having regard to any outstanding Siteworks;

(e) the requested Day from which the revised DM Supply Point Capacity booking is to be effective is the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Supply Point Capacity Revision Request and is less than ten (10) Business Days from the date of receipt by the Transporter of the DM Supply Point Capacity Revision Request;

(f) subject to (g) to the extent that the increased DM Supply Point Capacity specified in the DM Supply Point Capacity Revision Request would, if accepted by the Transporter, require an increase in the amount in respect of which financial security is provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not, within ten (10) Business Days of submitting the application provided financial security so as to satisfy the requirements of the Financial Security Policy;

(g) the requested Day from which the revised DM Supply Point Capacity is to be effective is the first Day of the calendar month in which the request is submitted and the increased DM Supply Point Capacity would, if accepted by the Transporter require an increase in the amount in respect of which financial security is required to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy; or

(h) the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

8.5.8 A DM Supply Point Capacity Revision Request shall be deemed rejected unless the Transporter has notified the Shipper of the acceptance of such DM Supply Point Capacity Revision Request:

(a) within ten (10) Business Days from the date of receipt by the Transporter of the DM Supply Point Capacity Revision Request where such request specifies a requested DM Supply Point Capacity booking effective date which is the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Supply Point Capacity Revision Request; or

(b) within three (3) Business Days after receipt of the DM Supply Point Capacity Revision Request where the requested Capacity Booking effective date is the first Day of the calendar month in which the application is submitted.

8.5.9 Where the DM Supply Point Capacity Revision Request is rejected, the Transporter will provide the reason to the Shipper as soon as reasonably practicable and in any event within three (3) Business Days of such rejection.

8.5.10 Where the Transporter accepts the Registered Shipper's application for increased DM Supply Point Capacity Revision Request, the Shipper shall be deemed to have reserved such increased DM Supply Point Capacity from the Day (which shall be the first Day of a calendar month) notified by the Transporter to the Shipper and the Capacity Register shall be amended to reflect such increase and the Transporter Determined DM Supply Point Capacity shall be amended to reflect such increase in the Transporter Determined DM Supply Point Capacity and the Transporter Recommended DM Exit Capacity shall be amended to reflect such increase.

8.5.11 Notwithstanding the acceptance by the Transporter of a Registered Shipper's DM Supply Point Capacity Revision Request in respect of the first Day of the calendar month in which the request is submitted the Shipper shall not be entitled to utilise the increased Capacity in respect of any Day (in that month) which is prior to receipt by the Shipper of notification from the Transporter that the Transporter has accepted such DM Supply Point Capacity Revision Request however, for the avoidance

of doubt the Shipper shall be obliged to pay Supply Point Capacity Charges from the first day of the applicable calendar month.

8.5.12 A Shipper may make a request to reduce DM Supply Point Capacity by submitting to the Transporter a request ("**DM Supply Point Capacity Reduction Request**") which shall specify the information required by the Transporter to process the DM Supply Point Capacity Reduction Request as set out in Schedule 1 Part 16 including the following:

(a) the Day on which the reduced DM Supply Point Capacity booking is requested to be effective which shall be the first Day of a calendar month which occurs after the Shipper submits such DM Supply Point Capacity Reduction Request;

(b) the amount of DM Supply Point Capacity to be reduced at the DM Supply Point pursuant to the DM Supply Point Capacity Reduction Request and the reduced DM Supply Point Capacity (in kWh/Day) which shall apply (if the DM Supply Point Capacity Reduction Request is accepted by the Transporter);

(c) the specific DM Supply Point in respect of which the DM Supply Point Capacity Reduction Request is made;

(d) the SPRN in respect of the specific DM Supply Point in respect of which the DM Supply Point Capacity Reduction Request is made; and

(e) the identity of the Shipper making the DM Supply Point Capacity Reduction Request.

8.5.13 The Transporter may reject a DM Supply Point Capacity Reduction Request for any of the following reasons:

(a) the DM Supply Point Capacity Reduction Request is not submitted in accordance with Section 8.5.12;

(b) the requested DM Supply Point Capacity Reduction Effective Date is less than five (5) Business Days from the date of receipt by the Transporter of the DM Supply Point Capacity Reduction Request;

(c) the Transporter has not recovered, through payment by a Registered Shipper, all costs incurred by the Transporter in respect of works undertaken pursuant to any Connection Agreement and/or Siteworks at a DM Supply Point;

(d) the amount of capacity requested is less than the applicable Minimum Booking Quantity (if any);

(e) the Day on which the reduced DM Supply Point Capacity booking is requested to be effective from occurs during a DM Supply Point Capacity Reduction Period and the Transporter has already accepted a request to increase DM Supply Point Capacity to take effect during that DM Supply Point Capacity Reduction Period;

(f) the Shipper has incurred a DM Supply Point Capacity Overrun in respect of the DM Supply Point specified in the DM Supply Point Capacity Reduction Request in the Gas Year in which that DM Supply Point Capacity Reduction Request is submitted;

(g) the Shipper is, pursuant to any provision of this Code, entitled to relief, in whole or in part, of the liability to pay Overrun Charges in respect of Overruns at the DM Supply Point specified in the DM Supply Point Capacity Reduction Request; or

(h) the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

8.5.14 A DM Supply Point Capacity Reduction Request shall be deemed rejected unless the Transporter has notified the Shipper of the acceptance of such DM Supply Point Capacity Reduction Request within five (5) Business Days from the date of receipt by the Transporter of the DM Supply Point Capacity Reduction Request.

8.5.15 Where the DM Supply Point Capacity Reduction Request is rejected, the Transporter will provide the reason to the Shipper as soon as reasonably practicable and in any event within three (3) Business Days of such rejection.

8.5.16 Where the Transporter accepts the Shipper’s DM Supply Point Capacity Reduction Request, the Shipper shall be deemed to have reserved such

reduced DM Supply Point Capacity from the Day (which shall be the first Day of a calendar month) notified by the Transporter to the Shipper ("**DM Supply Point Capacity Reduction Effective Date**") and the Capacity Register shall be amended to reflect such reduction and each of the Transporter Determined DM Supply Point Capacity and the Transporter Recommended DM Exit Capacity shall be amended to reflect such reduction.

8.5.17 Where the Transporter accepts the Shipper's DM Supply Point Capacity Reduction Request, the reduced DM Supply Point Capacity shall apply for a period **("DM Supply Point Capacity Reduction Period")** from the DM Supply Point Capacity Reduction Effective Date until the end of the Gas Year subsequent to the Gas Year in which the DM Supply Point Capacity Reduction Effective Date occurs.

8.5.18 For the avoidance of doubt, a Shipper may request an increase in Supply Point Capacity to take effect during a DM Supply Point Capacity Reduction Period by submitting a DM Supply Point Capacity Revision Request in accordance with Section 8.5.6. Where the Transporter accepts a DM Supply Point Capacity Revision Request to take effect during a DM Supply Point Capacity Reduction Period, no further reduction in DM Supply Point Capacity will be permitted during that DM Supply Point Capacity Reduction Period.

8.5.19 Where the Transporter accepts a DM Supply Point Capacity Revision Request to take effect during a DM Supply Point Capacity Reduction Period the Shipper shall be deemed to have reserved:

(a) that amount of the increased capacity which is less than or equal to the level of DM Supply Point Capacity reserved at the relevant DM Supply Point prior to the DM Supply Point Capacity Reduction Effective Date from the DM Supply Point Capacity Reduction Effective Date; and

(b) that amount of the increased capacity which is above the level of DM Supply Point Capacity reserved at the relevant DM Supply Point prior to the DM Supply Point Capacity Reduction Effective Date from the first day of the calendar month notified by the

Transporter to the Shipper as the date from which the DM Supply Point Capacity Revision Request has been accepted,

for the remainder of the relevant DM Supply Point Capacity Reduction Period.

8.5.20 Where the Transporter accepts a DM Supply Point Capacity Revision Request to take effect during a DM Supply Point Capacity Reduction Period which increases the level of capacity to less than or equal to the level of DM Supply Point Capacity reserved at the relevant DM Supply Point prior to the DM Supply Point Capacity Reduction Effective Date, the Shipper shall pay to the Transporter an administrative fee and such fee shall be that as agreed between the Commission from time to time and published by the Transporter.

8.5.21 A Shipper may submit to the Transporter a request to withdraw or cancel a DM Supply Point Capacity Reduction Request up to five (5) Business Days prior to the DM Supply Point Capacity Reduction Effective Date.

8.5.22 Where the Transporter accepts a DM Supply Point Capacity Reduction Request any such reduction shall be without prejudice to the ongoing and continuing obligation of the Shipper to pay Overrun Charges incurred in respect of the period up to the DM Supply Point Capacity Reduction Effective Date.

8.5.23 Where the Transporter accepts a DM Supply Point Capacity Revision Request to take effect during a DM Supply Point Capacity Reduction Period any such increase shall be without prejudice to the ongoing and continuing obligation of the Shipper to pay Overrun Charges incurred, notwithstanding that the Shipper may be deemed to have booked the increased capacity from the DM Supply Capacity Reduction Effective Date and/or from the first day of the calendar month notified by the Transporter to the Shipper as the date from which the DM Supply Point Capacity Revision Request has been accepted.

8.5.24 A Shipper will cease to be (a) the Registered Shipper to a DM Supply Point, (b) the holder of DM Supply Point Capacity and (c) the holder of all associated Primary DM Exit Capacity, on ceasing to be the Registered Shipper to that DM Supply Point in accordance with the provisions of Part F (*Administration*) Section 1 (*Registered Shipper*) subject (and without

prejudice) to any accrued liabilities and any ongoing obligations of the Shipper under any relevant Ancillary Agreement and/or any payments as may continue to be due pursuant to an Ancillary Agreement and/or a Connection Agreement and/or Siteworks.

8.5.25 Where a Change of Shipper is not completed then the Registered Shipper shall remain the Registered Shipper in respect of the DM Offtake.

8.5.26 The Maximum Hourly Quantity (MHQ) at a DM Supply Point shall not exceed 1/16th of the DM Supply Point Capacity.

8.6 NDM Supply Point Capacity

8.6.1 A Shipper shall be required to have reserved NDM Supply Point Capacity and NDM Exit Capacity to enable it to offtake Natural Gas from the Distribution System at a NDM Supply Point.

8.6.2 A Shipper shall be deemed to apply to the Transporter to reserve NDM Supply Point Capacity when such Shipper applies to become the Registered Shipper at a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*). A Shipper shall be deemed to have reserved the Transporter Determined NDM Supply Point Capacity in respect of a NDM Supply Point on becoming the Registered Shipper at such NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

8.6.3 The NDM Exit Capacity deemed to be reserved by the Registered Shipper in respect of a NDM Supply Point shall be equal to the amount of Transporter Determined NDM Supply Point Capacity.

8.6.4 The Shipper shall cease to: (a) be the Registered Shipper at a NDM Supply Point and (b) hold NDM Supply Point Capacity in respect of the NDM Supply Point and (c) hold the associated NDM Exit Capacity in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*) subject (and without prejudice) to any outstanding obligations of the Shipper under any relevant Ancillary Agreement (including, for the avoidance of doubt, any Operational Siteworks Services Agreement/Connection Agreement) and/or any payment as may continue to be due pursuant to such Operational Siteworks Services Agreement, Ancillary Agreement and/or Connection Agreement.

8.6.5 Where a Change of Shipper Request in respect of a NDM Supply Point is not completed for any reason the then Registered Shipper shall remain the Registered Shipper in respect of the NDM Supply Point.

8.7 Supply Point Capacity Charges

8.7.1 Charges in respect of Supply Point Capacity ("**Supply Point Capacity Charges**") will comprise the capacity component of the applicable Tariff.

8.7.2 A Registered Shipper will be liable to pay to the Transporter:

(a) Supply Point Capacity Charges in respect of Primary Supply Point Capacity held in respect of a LDM Supply Point from and including:

(i) the date with effect from which the Supply Point Capacity is booked pursuant to a LDM Capacity Booking or, if later the date notified by the Transporter to the Shipper pursuant to Part F (***Administration***) Section 1.4.3; and

(ii) from the LDM Supply Point Capacity Booking Effective Date for the LDM Supply Point Capacity where the Shipper has requested and booked additional LDM Supply Point Capacity pursuant to Section 8.4;

(b) Supply Point Capacity Charges in respect of DM Supply Point Capacity reserved at a DM Supply Point:

(i) where the Shipper becomes the Registered Shipper at the DM Supply Point pursuant to Part F (*Administration*) Section 1.5.4(a) from the date upon which the Meter Fit is completed until the Shipper ceases to be the Registered Shipper at such DM Supply Point; and

(ii) save as in Section 8.7.2(b)(i) from the date and in respect of the period for which such Shipper is the Registered Shipper at such DM Supply Point;

(c) Supply Point Capacity Charges in respect of NDM Supply Point Capacity reserved in respect of a NDM Supply Point (other than a Tariff Exempt NDM Supply Point) in respect of the period for

which such Shipper is the Registered Shipper at such NDM Supply Point.;

(d) the commodity component of the applicable Tariff in respect of all Natural Gas allocated to such Shipper at and in respect of a Supply Point(s).

8.7.3 Any Shipper that holds Primary Supply Point Capacity at or in respect of a LDM Offtake shall be liable for Supply Point Capacity Charges in respect of such Primary Supply Point Capacity regardless of any LDM Supply Point Capacity Title Transfer that may have been transacted with a counterparty Shipper.

8.7.4 Supply Point Capacity Charges in respect of LDM Supply Point Capacity will be calculated on a monthly basis and invoiced in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

8.7.5 Supply Point Capacity Charges in respect of DM Supply Point Capacity will be calculated on a monthly basis taking into account the Supply Point Capacity that is held by a Shipper on each Day in the relevant month and invoiced in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*) provided always that where a Shipper becomes a Registered Shipper at a DM Supply Point pursuant to Part F (*Administration*) Section 1.5.4(a) the DM Supply Point Capacity held by the Shipper in respect of such DM Supply Point shall only be invoiced from the date upon which the Meter Fit is completed.

8.7.6 Supply Point Capacity Charges in respect of NDM Supply Point Capacity shall be calculated on a monthly basis taking into account the Supply Point Capacity which is held by a Shipper at each NDM Supply Point on each Day of the relevant month and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

8.7.7 The amount payable by a Shipper in respect of the commodity component of the Tariff will be calculated on a monthly basis taking into account the quantity of Natural Gas allocated to such Shipper on each Day at each Supply Point at which the Shipper is the Registered Shipper each Day of the relevant month and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

9. EXIT CAPACITY TRANSFERS

9.1 Definitions

9.1.1 For the purposes of this Code:

(a) "**Exit Capacity Transfer**" means the transfer by a Transferor Shipper of Active LDM Exit Capacity at or in respect of a Multiple Shipper LDM Offtake to a Transferee Shipper to increase such Transferee Shipper's Active LDM Exit Capacity at or in respect of the same Multiple Shipper LDM Offtake in accordance with the remaining provisions of this Section 9;

(b) "**Exit Capacity Transfer Request**" means an application by a Transferor Shipper to the Transporter in accordance with Section 9.3.2;

(c) "**Transferor Shipper**" means (in the context of this Section 8 only) the Registered Shipper at a Multiple Shipper LDM Offtake transferring all or a portion of such Shipper's Active LDM Exit Capacity to a Transferee Shipper at the same Multiple Shipper LDM Offtake in accordance with the provisions of this Section 9.1;

(d) "**Transferee Shipper**" means (in the context of this Section 9 only) a Registered Shipper to whom Active LDM Exit Capacity is transferred or intended to be transferred in accordance with the provisions of this Section 9;

(e) [Not used];

(f) "**Retained Primary LDM Exit Capacity**" means that part of a Shipper's Active LDM Exit Capacity in respect of a LDM Offtake that is not Secondary Capacity;

9.2 General

9.2.1 A Shipper shall not be permitted to transfer:

(a) Sub-Sea I/C Offtake Capacity;

(b) DM Exit Capacity; or

(c) NDM Exit Capacity.

9.2.2 The Transferee Shipper may be one and the same as the Transferor Shipper in which case an Exit Capacity Transfer Request may be deemed to constitute the acceptance thereof by the Transferee Shipper for the purpose of this Section 9, provided in the case of an Exit Capacity Transfer Request the Transporter shall have been notified of all relevant information.

9.2.3 The provisions of this Section 9 shall only apply to Active LDM Exit Capacity and for the avoidance of doubt shall not apply to Sub-Sea I/C Offtake Capacity, DM Exit Capacity or NDM Exit Capacity. Supply Point Capacity may not be transferred save in accordance with Section 10.

9.2.4 An Exit Capacity Transfer may take place for any Day or consecutive Days for which the Transferor Shipper is registered as the holder of such Active LDM Exit Capacity.

9.2.5 Each Exit Capacity Transfer Request may only specify one Transferee Shipper. For the avoidance of doubt a Shipper may submit multiple Exit Capacity Transfer Requests in respect of the same Transferee Shipper.

9.2.6 [Not used].

9.2.7 Without prejudice to the generality of Section 9.2.4 above, the duration of an Exit Capacity Transfer cannot exceed the period for which the Transferor Shipper has Active LDM Exit Capacity nor the term for which the Transferee Shipper is Registered Shipper at the Multiple Shipper LDM Offtake.

9.2.8 The approval by the Transporter of an Exit Capacity Transfer Request, shall not affect the Transporter's right to reject Nominations or Renominations in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1 (*Nominations*).

9.2.9 Where a Shipper wishes to effect a transfer of both LDM Exit Capacity and LDM Supply Point Capacity at a Multiple Shipper LDM Offtake, it shall submit an Exit Capacity Transfer in accordance with this Section 9 and a LDM Supply Point Capacity Title Transfer in accordance with Section 10.

9.3 Exit Capacity Transfer Process

9.3.1 A Transferor Shipper shall request the Transporter to effect an Exit Capacity Transfer by submitting an Exit Capacity Transfer Request in accordance with Section 9.3.2 not later than 16:00 hours on D–1.

9.3.2 An Exit Capacity Transfer Request submitted by the Transferor Shipper shall specify the information required by the Transporter to process such Exit Capacity Transfer Request as set out in Schedule 1 Part 17 including:

(a) the identities of the Transferor Shipper and the Transferee Shipper (which may be the same);

(b) the Multiple Shipper LDM Offtake at or in respect of which the Exit Capacity Transfer is requested);

(c) the proposed amount of LDM Exit Capacity to be transferred (in kWh/Day) and the applicable Exit Capacity Booking of such LDM Exit Capacity;

(d) the proposed amount of LDM Exit Capacity to be retained (in kWh/Day) by the Transferor Shipper at or in respect of the Multiple Shipper LDM Offtake; and

(e) the proposed period of Exit Capacity Transfer which must specify both the start Day and end Day and which shall include all consecutive Days between the start Day and the end Day.

9.3.3 The Transporter will reject the Exit Capacity Transfer Request for any of the following reasons:

(a) the Exit Capacity Transfer Request is not submitted by the Transferor Shipper in accordance with Section 9.3.2;

(b) the Transferee Shipper has not notified the Transporter of its acceptance of the Exit Capacity Transfer Request (not being a Within-Day Exit Capacity Transfer Request at the LDM Offtake) by 16:00 hours on D-1;

(c) the Exit Capacity Transfer Request does not specify LDM Exit Capacity;

(d) the Transferee Shipper is not a Registered Shipper at the Multiple Shipper LDM Offtake specified in the Exit Capacity Transfer and for the duration of such transfer;

(e) the time of submission of a second or subsequent Exit Capacity Transfer Request is after 16:00 hours on D-1 and the additional information with regard to Within-Day Exit Capacity Transfers is not submitted in accordance with Section 9.4.3;

(f) the effect of the proposed Exit Capacity Transfer would be to reduce the Transferor Shipper's Active LDM Exit Capacity to less than zero for all or any part of the duration of the period specified pursuant to Section 9.3.2; or

(g) the Exit Capacity Transfer Request specifies a category of Capacity other than LDM Exit Capacity.

9.3.4 The Transporter may reject the Exit Capacity Transfer Request where ten (10) days notice has not been given in the case where the Exit Capacity Transfer Request relates to a first Exit Capacity Transfer between the same Shippers with respect to the same Multiple Shipper LDM Offtake.

9.3.5 The Transporter shall have the right for operational reasons, to:

(a) reject any Exit Capacity Transfer Request;

(b) limit the amount of Exit Capacity that can be transferred; or

(c) cancel (in whole or in part) any Exit Capacity Transfer.

9.3.6 Where the Transporter has rejected an Exit Capacity Transfer Request, or has limited, cancelled or imposed conditions upon an Exit Capacity Transfer then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notification of such rejection.

9.3.7 Where an Exit Capacity Transfer is limited by the Transporter then the Transferor Shipper may, if it wishes to do so, amend the amount contained in the Exit Capacity Transfer Request to that specified by the Transporter, and in the event that the Transferor Shipper does not so amend the amount contained in the Exit Capacity Transfer Request then the Transporter shall reject the Exit Capacity Transfer Request.

9.3.8 An Exit Capacity Transfer Request shall, unless rejected within two (2) hours of receipt by the Transporter of the notice of acceptance of the Exit Capacity Transfer Request by the Transferee Shipper specifying the LDM Offtake referred to in the Exit Capacity Transfer Request and the Exit Capacity Booking of the Transferee Shipper, be deemed accepted by the Transporter.

9.3.9 On approval by the Transporter of an Exit Capacity Transfer Request, the Active Exit Capacity of the Transferor Shipper at or in respect of the applicable Multiple Shipper LDM Offtake shall be reduced by the amount of capacity the subject matter of the Exit Capacity Transfer, and the Active Exit Capacity of the Transferee Shipper at or in respect of the same Multiple Shipper LDM Offtake shall be increased by the amount specified in the Exit Capacity Transfer Request (as amended where appropriate).

9.3.10 Where an Exit Capacity Transfer has taken place, the Transferor Shipper shall nonetheless remain liable to the Transporter for Capacity Charges in respect of the Primary Exit Capacity as if the Exit Capacity Transfer had not taken place and the Transferor Shipper and the Transferee Shipper (as the case may be) shall be liable to the Transporter for all other charges in accordance with this Code.

9.3.11 An Exit Capacity Transfer shall be terminated

(a) if either the Transferor Shipper or the Transferee Shipper ceases to be a Shipper under the terms of the Code; and/or

(b) if the Transferor Shipper or the Transferee Shipper ceases to be a Registered Shipper at the relevant Multiple Shipper LDM Offtake.

and in each case with effect from the end of the Day upon which the relevant Shipper ceases to be a Shipper or a Registered Shipper as the case may be.

9.3.12 As a result of the termination of any Exit Capacity Transfer in accordance with Section 9.3.11 a Shipper's Active LDM Exit Capacity is or would be reduced to less than zero in respect of any Day such that the Shipper has a negative Active Capacity at the LDM Exit Point then such Shipper shall either book additional LDM Exit Capacity (being Daily LDM Exit Capacity or LDM Exit Capacity of any other duration) or effect another

LDM Exit Capacity Transfer in order to secure that such Shipper's Active LDM Exit Capacity at the LDM Exit Point is at least zero on each Day. If a Shipper fails to book or acquire such additional LDM Exit Capacity as is required in accordance with this Section 9.3.12 the Shipper shall be liable to pay to the Transporter Exit Capacity Charges in respect of the amount of LDM Exit Capacity as shall be necessary to restore such Shipper's Active LDM Exit Capacity to zero and the applicable Tariff shall be the Tariff in respect of Daily LDM Exit Capacity.

9.4 Within-Day Exit Capacity Transfers

9.4.1 Without prejudice to the matters outlined in Sections 9.2 and 9.3 above, the following provisions of Section 9 shall apply to Within-Day Exit Capacity Transfers.

9.4.2 An Exit Capacity Transfer Request that is received after 16:00 hours on D-1 and on or before 01:45 hours on D shall be a request for a "**Within-Day Exit Capacity Transfer**". A Transferor Shipper may only request a Within-Day Exit Capacity Transfer where an Exit Capacity Transfer has previously been effected between the same Transferor Shipper and Transferee Shipper, in respect of the same Multiple Shipper LDM Offtake.

9.4.3 In order to effect a Within-Day Exit Capacity Transfer, the Transferor Shipper shall submit to the Transporter an Exit Capacity Transfer Request (a "**Within-Day Exit Capacity Transfer Request**") which shall specify the information required by the Transporter to process such Within-Day Exit Capacity Transfer Request as set out in Schedule 1 Part 18 including:

(a) the information required pursuant to Section 9.3.2(a) to 9.3.2(d); and

(b) the Day to which the Within-Day Exit Capacity Transfer Request relates.

9.4.4 [Not used].

9.4.5 In order for the Within-Day Exit Capacity Transfer Request to be processed the Transferee Shipper must first notify the Transporter that it accepts the terms of the Within-Day Exit Capacity Transfer Request at or

in respect of the Multiple Shipper LDM Offtake that has been submitted by the Transferor Shipper by 01.45 hours on D.

9.4.6 The Transporter will reject a Within-Day Exit Capacity Transfer Request:

(a) for any of the reasons specified in Section 9.3.3 (other than 9.3.3(b));

(b) if the Transferee Shipper has failed to notify the Transporter of its acceptance of the Within-Day Exit Capacity Transfer Request at or in respect of the same Multiple Shipper LDM Offtake by 01:45 hours on D;

(c) if the Within-Day Exit Capacity Transfer Request does not specify the Day to which it relates; or

(d) if a previous Exit Capacity Transfer has not been effected between the Transferor Shipper at or in respect of the same Multiple Shipper LDM Offtake.

Where a Within-Day Exit Capacity Transfer Request is rejected in accordance with this Section 9.4.6 the Transporter shall inform the Transferor Shipper and the Transferee Shipper of the reason for such rejection with the notice of rejection.

A Within-Day Exit Capacity Transfer Request that is not accepted or rejected by the Transporter within two (2) hours of receipt by the Transporter from the Transferee Shipper of the notice of acceptance of the Within-Day Exit Capacity Transfer Request at or in respect of the LDM Offtake specified in the Within-Day Exit Capacity Transfer Request shall be deemed to be accepted.

9.4.7 A Within-Day Exit Capacity Transfer Request that is accepted or deemed accepted by the Transporter shall become effective on the hour which is two (2) hours following receipt by the Transporter of notice of acceptance of such Within-Day Exit Capacity Transfer Request from the Transferee Shipper.

9.4.8 Where a Within-Day Exit Capacity Transfer Request has been accepted, the Transferor Shipper shall remain liable for Capacity Charges in respect of the Primary Exit Capacity as if the Exit Capacity Transfer had not taken

place. All other charges shall be payable by the Transferor Shipper or the Transferee Shipper (as the case may be) in accordance with this Code.

10. MULTIPLE SHIPPER LDM SUPPLY POINT TITLE TRANSFERS

10.1 Overview

10.1.1 "**Retained Primary LDM Supply Point Capacity**" means that part of a Shipper's Active LDM Supply Point Capacity that is not Secondary Capacity.

10.1.2 "**Multiple Shipper LDM Supply Point**" means on a Day a LDM Supply Point in respect of which there are two or more Registered Shippers.

10.1.3 A Shipper (the "**Transferor Shipper**") may transfer all or part of its Active LDM Supply Point Capacity reserved in respect of a particular Multiple Shipper LDM Supply Point to another Shipper (the "**Transferee Shipper**") such that the LDM Supply Point Capacity transferred will form (or form part of) the Transferee Shipper's Secondary Capacity at the same LDM Supply Point ("**LDM Supply Point Capacity Title Transfer**"). For the avoidance of doubt the Transferor Shipper may be one and the same as the Transferee Shipper. Supply Point Capacity cannot be transferred other than in accordance with this Section 10.

10.1.4 A LDM Supply Point Capacity Title Transfer is an arrangement between a Transferor Shipper and a Transferee Shipper whereby certain of the rights of the Transferor Shipper in relation to LDM Supply Point Capacity may be exercised by the Transferee Shipper in accordance with the provisions of this Code and the Transferee Shipper shall be subject to certain obligations in relation to such capacity. For the avoidance of doubt, if a Transferor Shipper wishes to also transfer the LDM Exit Capacity associated with the LDM Supply Point Capacity, which is the subject of the LDM Supply Point Capacity Title Transfer, it shall be required to submit a separate Exit Capacity Transfer Request in accordance with the provisions of Section 9.

10.1.5 A LDM Supply Point Capacity Title Transfer may take place for any Day or consecutive Days for which the Transferor Shipper is registered as the holder of Primary LDM Supply Point Capacity in accordance with the provisions of this Section 10.1. For the avoidance of doubt, the amount to be transferred under a LDM Supply Point Capacity Title Transfer shall not exceed the Active LDM Supply Point Capacity of the Transferor Shipper.

10.1.6 The Transferor Shipper shall, in order to effect a LDM Supply Point Capacity Title Transfer, notify the Transporter by way of request ("**LDM Supply Point Capacity Title Transfer Request**"), which shall specify the information required by the Transporter to process the LDM Supply Point Capacity Title Transfer Request as set out in Schedule 1 Part 21 including:

(a) the identities of the Transferor Shipper and the Transferee Shipper;

(b) the LDM Supply Point in respect of which the LDM Supply Point Capacity Title Transfer is to take place;

(c) [Not used].;

(d) the intended amount of LDM Supply Point Capacity the subject matter of the proposed LDM Supply Point Capacity Title Transfer (in kWh/Day); and

(e) the period of the proposed LDM Supply Point Capacity Title Transfer, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.

10.1.7 Subject as hereinafter provided, such LDM Supply Point Capacity Title Transfer Request must be submitted to the Transporter after 05:00 hours on Day D-31 and on or before 01:45 hours on the Day in respect of which the proposed LDM Supply Point Capacity Title Transfer is to commence.

10.1.8 The Transporter will reject the LDM Supply Point Capacity Title Transfer Request for any of the following reasons:

(a) the LDM Supply Point Capacity Title Transfer Request is not submitted by the Transferor Shipper in accordance with the provisions of Section 10.1.5 and 10.1.6;

(b) the Transferee Shipper has not given notice of acceptance of the LDM Supply Point Capacity Title Transfer Request specifying the Transferee Shipper to the Transporter by 01:45 on D;

(c) the LDM Supply Point Capacity Title Transfer Request is made before 05:00 hours on Day D-31 or after 01:45 hours on D; or

(d) the effect of the LDM Supply Point Capacity Title Transfer would be to reduce the Transferor Shipper's Active LDM Supply Point

Capacity at the LDM Supply Point to less than zero (taking into account any prior and subsisting LDM Supply Point Capacity Title Transfers).

10.1.9 The Transporter may reject (in whole or in part) a LDM Supply Point Capacity Title Transfer Request where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

10.1.10 In order for the LDM Supply Point Capacity Title Transfer Request to be processed by the Transporter, the Transferee Shipper must first notify the Transporter that it accepts the terms of the LDM Supply Point Title Transfer Request that has been submitted by the Transferor Shipper.

10.1.11 Without prejudice to its foregoing rights referenced under this Section 10, the Transporter shall also have the right for operational reasons to:

(a) limit, suspend or cancel the amount of LDM Supply Point Capacity which may be transferred in accordance with the provisions of Part H (*Operations*) Sections 1 (*Emergencies*) and 2 (*Congestion Management*) and Part I (*Legal and General*) Section 3 (*Force Majeure*);

(b) suspend or terminate LDM Supply Point Capacity Title Transfer(s) where any event specified in Part I (*Legal and General*) Section 4 (*Suspension and Termination*) has occurred; and/or

(c) impose such operational conditions on LDM Supply Point Capacity Title Transfer(s) as it deems appropriate and/or necessary in the circumstances in accordance with Part B (*General Principles*) and Part H (*Operations*).

10.1.12 Where the Transporter rejects a LDM Supply Point Capacity Title Transfer under Section 10.1.8(a) or 10.1.11 or suspends, cancels or limits a LDM Title Transfer, then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notice of rejection.

10.1.13 The Transporter shall have the right to suspend LDM Supply Point Capacity Title Transfers (including LDM Supply Point Capacity Title Transfer Update Requests and LDM Supply Point Capacity Title Transfer Reduction Requests) as a result of a Restricted Capacity Day(s),

Emergencies or Force Majeure in accordance with the provisions of Part H (*Operations*) Section 2 (*Physical Congestion*).

10.1.14 A LDM Supply Point Capacity Title Transfer Request shall be accepted upon receipt by the Transporter of the notice of acceptance of the LDM Supply Point Capacity Title Transfer Request by the Transferee Shipper where the LDM Supply Point Capacity Title Transfer Request and the Transferee Shipper's acceptance thereof comply with the provisions of, and are not subject to rejection pursuant to, this Section 10.1.

10.1.15 Upon acceptance by the Transporter of a LDM Supply Point Capacity Title Transfer Request, the Active LDM Supply Point Capacity of the Transferor Shipper will be reduced by the amount specified in the LDM Supply Point Capacity Title Transfer Request and the Active LDM Supply Point Capacity of the Transferee Shipper will be increased by the corresponding transferred amount with effect from the effective LDM Supply Point Capacity Title Transfer.

10.1.16 A LDM Supply Point Capacity Title Transfer shall be terminated:

(a) if the Transferor Shipper or Transferee Shipper ceases (i) to be a Shipper under the terms of this Code and/or any Ancillary Agreement or

(b) If the Transferor Shipper or Transferee Shipper ceases to be a Registered Shipper in respect of such LDM Supply Point.

If as a result of the termination of any LDM Supply Point Capacity Title Transfer in accordance with this Section 10.1.16 the Shipper's Active LDM Supply Point Capacity in respect of an LDM Offtake is or would be reduced to less than zero in respect of any Day such that the Shipper has a negative Active Capacity at the LDM Supply Point then such Shipper shall either book additional LDM Supply Point Capacity or effect another LDM Supply Point Capacity Trade in order to secure such Shipper's Active LDM Supply Point Capacity is at least zero on each Day. If the Shipper fails, for any reason to book or acquire additional LDM Supply Point Capacity in accordance with this Section 10.1.16 then the Shipper shall be liable to the Transporter for capacity charges at the relevant LDM Supply Point as if the Shipper had booked such amount of additional LDM Supply

Point Capacity for each Day in order to restore such Shipper's LDM Supply Point Capacity to zero. The applicable tariff shall be the daily equivalent of the annual tariff in respect of LDM Supply Point Capacity.

10.1.17 Notwithstanding the acceptance of a LDM Supply Point Capacity Title Transfer Request by the Transporter the Transferor Shipper shall continue to remain liable to the Transporter for Capacity Charges at the relevant LDM Supply Point as if the LDM Supply Point Capacity Title Transfer had not taken place. All other charges shall be payable by the Transferor Shipper or the Transferee Shipper in accordance with this Code.

11. CAPACITY OVERRUNS

11.1 General

11.1.1 IP Capacity Overruns, Entry Capacity Overruns and Exit Capacity Overruns will apply in respect of IP Capacity, Entry Capacity and Exit Capacity.

11.1.2 Interruptible IP Capacity Overruns will apply in respect of Interruptible IP Capacity.

11.1.3 Supply Point Capacity Overruns will apply with respect to LDM Supply Point Capacity and DM Supply Point Capacity.

11.2 Definitions

11.2.1 For the purpose of the Code:

(a) "**Overrun Quantity**" means an IP Capacity Overrun Quantity, an Entry Capacity Overrun Quantity, a LDM Exit Capacity Overrun Quantity, a DM Exit Capacity Overrun Quantity, a Sub-Sea I/C Offtake Capacity Overrun Quantity, an Interruptible IP Capacity Overrun Quantity or a Supply Point Capacity Overrun Quantity (as the case may be);

(b) "**IP Capacity Overrun**" means where the quantity of Natural Gas allocated to an individual Shipper at an IP Entry Point at an IP VExit or at an IP CSEP or at a IP VEntry is greater than the Active IP Entry Capacity or the Active IP CSEP Offtake Capacity or the Daily Interruptible IP VEntry Capacity or the Daily Interruptible IP VExit Capacity (as the case may be) which is held by that Shipper at the IP in respect of the Day;

(c) "**IP Capacity Overrun Quantity**" means a quantity of Natural Gas that is calculated in accordance with Section 11.3;

(d) "**Entry Capacity Overrun**" means where the quantity of Natural Gas allocated to an individual Shipper at an Entry Point or at a CGI Gas Point is greater than the Active Entry Capacity which is held by that Shipper at such Entry Point or CGI Gas Point in respect of a Day;

(e) "**Entry Capacity Overrun Quantity**" means a quantity of Natural Gas calculated in accordance with Section 11.3.2;

(f) "**Exit Capacity Overrun**" means a LDM Exit Capacity Overrun or a a DM Exit Capacity Overrun (as the case may be);

(g) "**LDM Exit Capacity Overrun**" means the quantity of Natural Gas allocated to an individual Shipper at or in respect of a LDM Offtake is greater than the Active LDM Exit Capacity which is held by that Shipper at or in respect of that Offtake Point to which the allocation relates;

(h) "**DM Exit Capacity Overrun**" means the aggregate quantity of Natural Gas allocated to an individual Shipper in respect of DM Offtakes in respect of which such Shipper is registered is greater than the Aggregate Primary DM Exit Capacity which is held by that Shipper;

(i) **NOT USED**

(j) "**LDM Exit Capacity Overrun Quantity**" means the quantity of Natural Gas calculated in accordance with Section 11.4.2(c);

(k) "**DM Exit Capacity Overrun Quantity**" means a quantity of Natural Gas calculated in accordance with Section 11.4.3(b);

(l) **NOT USED**

(m) "**Supply Point Capacity Overrun**" means a LDM Supply Point Capacity Overrun or a DM Supply Point Capacity Overrun;

(n) "**LDM Supply Point Capacity Overrun**" means where the quantity of Natural Gas allocated to an individual Shipper at a LDM Supply Point is greater than the Active LDM Supply Point Capacity which is held by that Shipper at that LDM Supply Point to which the allocation relates;

(o) "**DM Supply Point Capacity Overrun**" means where the quantity of Natural Gas allocated to an individual Shipper at that DM Supply Point is greater than the DM Supply Point Capacity which is held by that Shipper at that DM Supply Point;

(p) "**Supply Point Capacity Overrun Quantity**" means a quantity of Natural Gas calculated in accordance with Section 11.6.2;

(q) "**Sub-Sea I/C Capacity Overrun**" means where the quantity of Natural Gas allocated to the Shipper at the Sub-Sea I/C Offtake is in excess of the Shippers Active Sub-Sea I/C Offtake Capacity;

(r) "**Sub-Sea I/C Offtake Capacity Overrun Quantity**" means a quantity of Natural Gas calculated in accordance with Section 11.4.2;

(s) "**Interruptible IP Capacity Overrun Quantity**" means the quantity of Natural Gas calculated in accordance with Section 11.5;

(t) "**IP Capacity Overrun**" means the quantity of Natural Gas allocated to an individual Registered Shipper at a IP VExit or IP VEntry (as the case may be) which is in excess of the Shipper's booked IP VExit Offtake Capacity or IP VEntry Capacity (as the case may be).

11.3 IP Entry Capacity Overruns and IP CSEP Offtake Capacity Overruns

11.3.1 An IP Capacity Overrun Quantity in respect of a Shipper at each Interconnection Point shall be calculated separately in respect of IP Entry Capacity and IP CSEP Offtake Capacity in respect of a Day.

11.3.2 The IP Capacity Overrun Quantity in respect of a Shipper at an IP Entry Point and/or at an IP CSEP shall be calculated as follows:

(a) for an OBA-Day the IP Capacity Overrun Quantity for a Shipper for the Day shall be the excess of the sum of the Shipper's Final IP Entry Allocation(s) or Final IP CSEP Offtake Allocation(s) for the Day over the Shipper's Active IP Entry Capacity or IP CSEP Offtake Capacity (as the case may be) for that Day;

(b) on a Non-OBA Day the Shipper's IP Capacity Overrun Quantity for the Day shall be the lesser of:

(i) the excess of the sum of the Shipper's Final IP Entry Allocations or IP CSEP Offtake Allocations for the Day over the Shipper's IP Nomination Confirmed Quantities at the IP

Entry Point or IP Nomination Confirmed Quantity at the IP CSEP for the Day; or

(ii) the excess of the sum of the Shipper's Final IP Entry Allocation(s) or Final IP CSEP Offtake Allocation(s) for the Day over the Shipper's Active IP Entry Capacity at the IP Entry Point or IP CSEP Offtake Capacity at the IP CSEP (as the case may be) for that Day in each case adjusted to take account of any applicable Entry Overrun Tolerance or Variance Percentage.

11.3.3 **IP Capacity Overrun Charge**

(a) A Shipper shall be liable for a charge ("**IP Capacity Overrun Charge**") in respect of a Day when the IP Capacity Overrun Quantity in respect of the applicable IP Capacity is positive.

(b) The IP Capacity Overrun Charge in respect of IP Entry Capacity or IP CSEP Offtake Capacity at each IP will be calculated according to the following formula:

$$\text{OV Charge} = IP_{OQ} * OM * T$$

where:

OV Charge	=	The IP Capacity Overrun Charge.
IP_{OQ}	=	The IP Capacity Overrun Quantity.
OM	=	1.5
T	=	The applicable IP Capacity Charge with respect to Daily IP Entry Capacity or Daily IP CSEP Offtake Capacity (as the case may be).

(c) [Not Used] On a Restricted Capacity Day affecting an IP all references to Active IP Capacity in this Section 11.3 shall be references to the Shipper's Available Active IP Capacity on that Day.

11.3.4 **[Entry Capacity Overrun Tolerance]**

(a) A tolerance quantity ("**Entry Overrun Tolerance**") will be applied at an Entry Point or (for an non-OBA Day at an IP Entry Point) as follows;

(i) at an Entry Point which is not located at an IP and is not configured within a Bi-Directional CSP where the quantity of Natural Gas metered as delivered at the Entry Point is greater than the EODQ; and

(ii) at an Entry Point which is configured within a Bi-Directional CSP where the Net Metered Quantity (Entry) exceeds the difference between the EODQ and the Aggregate CSEP Nomination Quantity at the Bi-Directional CSP;

(iii) at an IP Entry Point for a Non OBA Day where the Metered Quantity or the Adjusted Metered Quantity (as applicable) exceeds the difference between the Aggregate IP Entry Confirmed Quantity and the Aggregate IP VExit Confirmed Quantity;

(iv) at a RNG Entry Point or at a CGI Gas Point where the quantity of natural gas metered as delivered at the RNG Entry Point or CGI Gas Point is greater than the EODQ.

(b) The Entry Overrun Tolerance to be applied in respect of a Shipper on a Day shall be calculated according to the following formula:

EOT = AC *VP

where:

EOT = Entry Overrun Tolerance for a Shipper;

AC = Active Entry Capacity or Active IP Entry Capacity for a Shipper on a Day; and

VP = Variance Percentage;

and at a CGI Gas Point or where the Entry Point is not configured within a Bi-Directional CSP:

VP = ((MeDQ –EODQ)/ (EODQ)) *100

MeDQ = Metered Delivered Quantity delivered at the Entry Point or CGI Gas Point (as the case may be);

EODQ = the End of Day Quantity at the Entry Point or at the CGI

Gas Point (as the case may be); or

where the Entry Point is configured within a Bi-Directional CSP:

$$\mathbf{VP} = \left[\frac{(\mathbf{NMQE - (EODQ - CSEP_{NOMQ}) * 100}}{\mathbf{EODQ - CSEP_{NOMQ}}} \right]$$

where:

NMQE = the Net Metered Quantity (Entry);

EODQ = the End of Day Quantity;

$CSEP_{NOMQ}$ = the Aggregate IP CSEP Nomination Quantity in respect of the Day; and

the Variance Percentage shall, subject to Section11.3.4(c), be subject to a cap of 1.5 per cent; and

and in respect of an IP Entry Point

$$\mathbf{VP} = \left[\frac{\mathbf{(MQ - (EQ_{FN} - CQ_{VExit})}}{\mathbf{EQ_{EN} - CQ_{VExit}}} \mathbf{\ x\ } \frac{\mathbf{100}}{\mathbf{1}} \right]$$

MQ = the Metered Quantity or the Adjusted Metered Quantity (as applicable in respect of a Day)

EQ_{EN} = the Aggregate IP Entry Confirmed Quantity for that Day

CQ_{VExit} = the Aggregate IP VExit Confirmed Quantity for that Day.

(c) If the Metered Delivered Quantity at an Entry Point or CGI Gas Point on a Day exceeds the EODQ by in excess of 1.5 per cent or the Net Metered Quantity (Entry) or exceeds the difference between the EODQ and the Aggregate CSEP Nomination Quantity at the Bi-Directional CSP by in excess of 1.5 per cent of such difference, or exceeds the difference between the Aggregate IP Entry Confirmed

Quantity and the IP VExit Confirmed Quantity at the IP Entry Point the Transporter shall use reasonable endeavours to determine the reason for such excess; and

If the Transporter determines that such excess was not attributable, in whole or in part, to any act, default or omission of the Shippers registered at the Entry Point then a cap of 1.5 per cent on the Variance Percentage (calculated in accordance with Section 11.3.1(b)) shall not apply to the extent that such excess was not so attributable to the Shippers registered at such Entry Point or IP Entry Point or IP VExit or to the Registered Shipper at the CGI Gas Point (as the case may be).

11.3.5 **Entry Capacity Overrun and Entry Capacity Overrun Quantity**

(a) An Entry Capacity Overrun Quantity in respect of a Shipper shall be calculated separately in respect of Entry Capacity at each Entry Point and at each CGI Gas Point at each CGI Entry Point on a Day.

(b) The Entry Capacity Overrun Quantity in respect of a Shipper at an Entry Point or at a CGI Gas Point on a Day shall be calculated according to the following formula:

EnOQ = EnA – (AC+ EOT)

where:

EnOQ	=	Entry Capacity Overrun Quantity for a Shipper on a Day;
EnA	=	Final Entry Allocation at the Entry Point or CGI Gas Point for a Shipper on a Day;
[AC	=	Active Entry Capacity at the Entry Point or CGI Gas Point for a Shipper on a Day;]
EOT	=	Entry Overrun Tolerance (if any) as calculated in accordance with Section 11.3.4 for a Shipper on a Day.

11.3.6 **Entry Capacity Overrun Charge**

(a) A Shipper shall be liable for a charge ("**Entry Capacity Overrun Charge**") on a Day when the Entry Capacity Overrun Quantity is positive.

(b) The Entry Capacity Overrun Charge will be calculated according to the following formula:

OvCharge = EnOQ * OM * EnT

where:

OvCharge = Entry Capacity Overrun Charge;

EnOQ = Entry Capacity Overrun Quantity;

OM = 1.5; and

EnT = applicable Daily Entry Capacity Charges with respect to Daily Entry Capacity.

(c) [Not Used]

11.3.7 On a Restricted Entry Capacity Day all references to Active Entry Capacity in this Section 11 shall be references to the Shipper's Available Active Entry Capacity on that Day.

11.3.8 [Not used].

11.3.9 If a Shipper registered at an Entry Point or at a CGI Gas Point demonstrates in writing to the Transporter that the Entry Capacity Overrun in respect of a Day was not attributable in any way to the act, default or omission of the Shipper then such Shipper shall be entitled to relief from the Entry Capacity Overrun Charge to the extent that the Entry Capacity Overrun was not so attributable in any way to that Shipper.

11.4 **Exit Capacity Overruns**

11.4.1 **Restricted Capacity Days**

On a Day on which a Shipper is affected by a Restricted Capacity Day all references to Active Capacity and Shipper's Active Capacity for the purpose

of this Section 11.4 shall be references to the Shipper's Available Active Exit Capacity of Shipper's Available Sub-Sea I/C Offtake Capacity on the Day.

11.4.2 **LDM Exit Capacity Overrun Quantity, Sub-Sea I/C Offtake Capacity Overrun Quantity**

(a) LDM Exit Capacity Overruns shall apply in respect of each individual Shipper and at individual LDM Offtake(s) where the LDM Exit Allocation for an individual Shipper at or in respect of the relevant LDM Offtake is greater than the Active LDM Exit Capacity held by that Shipper at or in respect of the relevant LDM Offtake on a Day to which the LDM Exit Allocation relates.

(b) Sub-Sea I/C Offtake Capacity Overruns shall apply in respect of each individual Shipper at the Sub-Sea I/C Offtake where the Sub-Sea I/C Offtake Allocation for the individual Shipper at such Sub-Sea I/C Offtake is greater than the Active Sub-Sea I/C Offtake Capacity held by that Shipper at the Sub-Sea I/C Offtake on the Day to which the Sub-Sea I/C Offtake Allocation relates.

(c) A LDM Exit Capacity Overrun Quantity or a Sub-Sea I/C Offtake Capacity Overrun Quantity in respect of a Shipper at or in respect of a LDM Offtake or a Sub-Sea I/C Offtake on a Day (as the case may be) shall be calculated according to the following formula:

$$\mathbf{ExOQ = (ExA - AC)}$$

where:

ExOQ = the Shipper's LDM Exit Capacity Overrun Quantity or Sub-Sea I/C Offtake Capacity Overrun Quantity (as the case may be) on the Day;

ExA = the Shipper's LDM Final Exit Allocation, or Sub-Sea I/C Offtake Allocation at or in respect of the LDM Offtake or the Sub-Sea I/C Offtake (as the case may be) on the Day; and

AC = the Shipper's Active LDM Exit Capacity or Active Sub-Sea I/C Offtake Capacity at or in respect of the LDM Offtake or Sub-Sea I/C Offtake (as the case may be) on the Day.

11.4.3 **DM Exit Capacity Overrun Quantity**

(a) DM Exit Capacity Overruns shall apply in respect of a Shipper where the Final DM Exit Allocation in respect of such DM Offtakes for such Shipper is greater than the Aggregate Primary DM Exit Capacity held by that Shipper on a Day.

(b) A DM Exit Capacity Overrun Quantity in respect of a Shipper on a Day shall be calculated according to the following formula:

$$\mathbf{ExOQ = (ExA - AC)}$$

where:

ExOQ = the Shipper's DM Exit Capacity Overrun Quantity on the Day;

ExA = the Shipper's Final DM Exit Allocation on the Day; and

AC = the Shipper's Active Aggregate Primary DM Exit Capacity on the Day.

11.4.4 **NOT USED**

11.4.5 **Exit Capacity Overrun Charge**

(a) A Shipper shall be liable for a charge ("**Exit Capacity Overrun Charge**") in respect of each Exit Capacity Overrun Quantity which is positive.

(b) The Exit Capacity Overrun Charge will be calculated according to the following formula:

$$\mathbf{OvCharge = ExOQ * OM * ExT}$$

where:

OvCharge = Exit Capacity Overrun Charge;

ExOQ = Exit Capacity Overrun Quantity;

OM = 1.5; and

ExT = applicable Exit Capacity Charges in respect of capacity of a Daily duration.

(c) [Not Used]

(d) A Shipper shall be liable for a charge ("**Sub-Sea I/C Offtake Capacity Overrun Charge**") in respect of each Sub-Sea I/C Offtake Overrun Quantity which is positive.

(e) The Sub-Sea I/C Offtake Capacity Overrun Charge will be calculated according to the following formula:

$$\textbf{OV Charge} = \textbf{I/C}_{\textbf{off}}\ \textbf{OQ} * \textbf{OM} * \textbf{ExT}$$

where:

OV Charge	=	Sub-Sea I/C Offtake Capacity Overrun Charge
I/C_{off} OQ	=	the Sub-Sea I/C Offtake Capacity Overrun Quantity
OM	=	1.5; and
ExT	=	the Exit Capacity Charges in respect of capacity of a daily duration.

(f) [Not used.]

(g)

11.5 IP VExit Overrun Quantity, IP VEntry Overrun Quantity and Charges

11.5.1 On a day in respect of which the Transporter issues a IP VEntry or IP VExit Capacity Interruption Notice with respect to a IP VEntry or IP VExit as the case may be, all references to a Shippers booked. Daily Interruptible IP VEntry Capacity or booked Daily Interruptible IP VExit Capacity shall for the purpose of this Section 11 be references to the Shippers reduced Daily Interruptible IP VEntry Capacity or to the Shippers reduced Daily Interruptible IP VExit Capacity (as the case may be).

11.5.2 Interruptible IP Capacity Overruns shall apply in respect of each individual Registered Shipper:

(a) at the IP VEntry when the IP VEntry Allocation for such Shipper at the IP VEntry is greater than the booked Daily Interruptible IP VEntry Capacity held by the Shipper on the Day to which the IP VEntry Allocation relates; or

(b) at the IP VExit where the IP VExit Allocation for such a Shipper at the IP VExit is greater than the booked Daily Interruptible IP VExit Capacity held by the Shipper on the Day to which the VExitP Allocation relates.

11.5.3 An IP VEntry Capacity Overrun Quantity or IP VExit Capacity Overrun Quantity in respect of a Registered Shipper at the IP VEntry or IP VExitP on or in respect of a Day will be calculated according to the following formula:

$$IOQ = (VA - VP_{cap})$$

Where:

IOQ = the Shippers IP VExit or IP VEntry Overrun Quantity (as the case may be)

VA = the Shippers Final Daily Interruptible IP VEntry Allocation or Final Daily Interruptible IP VExit Allocation at or in respect of the IP VEntry or IP VExit as the case may be on the Day.

VPcap = the Shippers booked IP VEntry Capacity or the Shipper's booked IP VExit Capacity at the IP VEntry or at the IP VExit on the Day.

11.5.4 A Shipper shall be liable for a charge ("**IP Interruptible Capacity Overrun Charge"**) in respect of each VEntry and/or VExit Capacity Overrun Quantity.

11.5.5 The IP Interruptible Capacity Overrun Charge will be calculated in accordance with the following formula:

OvCharge = IOQ *OM *VXT

Where:

OvCharge	=	the IP Interruptible Capacity Overrun Charge
IOQ	=	the IP VEntry Capacity Overrun Quantity or the IP VExit Capacity Overrun Quantity (or applicable)
OM	=	1.5
VXT	=	the applicable Daily IP Capacity Charges with respect to Daily IP Capacity at the IP at which the IP VEntry or IP VExit is located.

11.5.6 The application of Sections 11.5.1 to 11.5.5 (both inclusive) is suspended until such date as shall be notified by the Transporter with the approval of the Commission;

11.6 **Supply Point Capacity Overruns**

11.6.1 General

(a) Supply Point Capacity Overruns will not apply to NDM Supply Points.

(b) All references in Sections 11.6.2 and 11.6.3 to Active Supply Point Capacity shall, on a Restricted Capacity Day, be construed as references to Available Active Supply Point Capacity on a Day on which a Shipper's Active Supply Point Capacity is restricted in accordance with Part H (*Operations*) Section 2 (*Congestion Management*).

11.6.2 Supply Point Overrun Quantities

A Supply Point Capacity Overrun Quantity on a Day shall be calculated according to the following formula:

$$\mathbf{SPOQ = (SPA - SPC)}$$

where:

SPOQ	=	the Shipper's Supply Point Capacity Overrun Quantity on the Day;

SPA = the Shipper's Final Supply Point Allocation at the LDM Supply Point or DM Supply Point on the Day; and

SPC = Supply Point Capacity held by the Shipper at the Supply Point or Active Supply Point Capacity in the case of a Multiple Shipper LDM Supply Point on the Day.

For the avoidance of doubt the Supply Point Capacity Overrun Quantity shall be calculated separately by reference to each Registered Shipper at each LDM Supply Point on each Day.

11.6.3 Supply Point Capacity Overrun Charges

(a) A Shipper shall be liable for a charge ("**Supply Point Capacity Overrun Charge**") in respect of each LDM Supply Point Capacity Overrun and each DM Supply Point Capacity Overrun when the Supply Point Capacity Overrun Quantity is positive.

(b) The Supply Point Capacity Overrun Charge shall be a multiple of the applicable annual Tariff applying to the relevant LDM and/or DM Supply Point Capacity reserved by a Shipper, subject to a maximum annual cap.

(c) The Supply Point Capacity Overrun Charge will be calculated according to the following formula:

SPOCharge = SPOQ * OM * SPT

where:

SPOCharge = Supply Point Capacity Overrun Charge;

SPOQ = the Shipper's LDM and/or DM Supply Point Overrun Quantity on the Day;

OM = overrun multiplier, referred to in Section 11.6.3(d); and

SPT = applicable annual Tariff.

(d) Different multipliers shall apply relative to the level of Supply Point Capacity that is reserved by the Shipper as follows:

(i) where:

(1) at a LDM Supply Point, the Shipper has at the commencement of the LDM Capacity Booking Period reserved a level of Primary LDM Supply Point Capacity that is less than the Transporter Recommended LDM Supply Point Capacity; or

(2) at a Multiple Shipper LDM Supply Point, the Shippers registered at such Multiple Shipper LDM Supply Point have reserved in aggregate a level of LDM Supply Point Capacity that is less than the Transporter Recommended LDM Supply Point Capacity or

(3) at a DM Supply Point during a DM Supply Point Capacity Reduction Period unless a DM Supply Point Capacity Revision Request to increase the level of capacity above that reserved at the relevant DM Supply Point prior to the DM Supply Point Capacity Reduction Effective Date has been accepted by the Transporter to take effect during that DM Supply Point Capacity Reduction Period,

then the overrun multiplier shall be as set out in Section 11.6.3(f); or

(ii) where:

(1) at a LDM Supply Point, the Shipper has reserved a level of LDM Supply Point Capacity that is greater than or equal to the Transporter Recommended LDM Supply Point Capacity;

(2) at a Multiple Shipper LDM Supply Point, the Shippers registered at such Multiple Shipper LDM Supply Point have reserved in aggregate a level of LDM Supply Point Capacity that is greater than or equal to the Transporter Recommended LDM Supply Point Capacity; or

(3) any Supply Point Capacity Overrun occurs at a DM Supply Point other than at a DM Supply Point as identified at Section 11.6.3(i)(3) above,

then the overrun multiplier shall be as set out in Section 11.6.3(g).

(e) A Shipper shall be deemed for the purpose of calculation of Supply Point Capacity Overrun Charges to have reserved the Transporter Recommended LDM Supply Point Capacity for the duration of the LDM Capacity Booking Period where the Shipper has reserved the Transporter Recommended LDM Supply Point Capacity on the first day of such LDM Capacity Booking Period notwithstanding any variations to the Transporter Recommended LDM Supply Point Capacity pursuant to Section 8.3.

(f) The multiplier for Supply Point Capacity Overruns, where the Supply Point Capacity reserved by the Shipper at a LDM Supply Point and/or by all Shippers in aggregate at a Multiple Shipper LDM Supply Point, is less than the Transporter Recommended LDM Supply Point Capacity, or at a DM Supply Point as identified at Section 11.6.3(d)(i)(3) above, shall be as follows:

Period	**Multiplier**	**Cap**
Gas Year	1.5	3

On a Day declared by the Transporter as a Difficult Day and/or Restricted Capacity Day, the multiplier will be two times that shown above.

(g) The multiplier for Supply Point Capacity Overruns, where the Supply Point Capacity reserved by the Shipper at a LDM Supply Point and/or by all Shippers in aggregate at a Multiple Shipper LDM Supply Point, is greater than or equal to the Transporter Recommended LDM Supply Point Capacity and/or at a DM Supply Point, other than at a DM Supply Point as identified at Section 11.6.3 (d)(i)(3)above, shall be as follows:

Period	Multiplier	Cap
Gas Year	1	1

(h) For the avoidance of doubt, the cap in Sections 11.6.3(f) and 11.6.3(g) above refers to the limit of the number of multiples of the capacity component of the applicable annual Tariff that will be applied in that Gas Year in respect of each Shipper in respect of each LDM Offtake and/or in respect of each DM Supply Point. The cap will be applied to the maximum amount by which the Supply Point Capacity is exceeded.

(i) The applicable annual Tariff payable by a Shipper in respect of Supply Point Capacity at a Supply Point shall not be affected, varied or otherwise amended solely as a result of a Supply Point Capacity Overrun at such Supply Point.

(j) The Supply Point Capacity Overrun Charge shall be incurred by a Shipper on the Day on which the applicable Supply Point Capacity Overrun occurs. The Supply Point Capacity Overrun Charge shall be calculated in accordance with Section 11.6.3 and shall be invoiced by the Transporter and payable by the Shipper in accordance with the provisions of Section 11.7.1 below.

11.7 Invoicing of Supply Point Capacity Overrun Charge

11.7.1 Supply Point Capacity Overrun Charge calculated in accordance with Section 11.6.3 shall be invoiced as follows:

(a) where the Supply Point Capacity Overrun Charge relates to an overrun at a LDM Offtake the Overrun Charge shall be included in the Monthly Invoice issued (pursuant to Part I (*Legal and General*) Section 11 (*Invoicing and Payment)*) in respect of the Month in which the Overrun Charge was incurred; and

(b) where the Overrun Charge relates to an overrun at a DM Supply Point the Overrun Charge shall be invoiced as follows:

(i) in the Month immediately following the Month in which the Overrun Charge was incurred the Monthly Invoice shall include an Invoice Item in respect of that proportion of the Overrun Charge attributable to the period of the Gas Year up to and including the last Day of the Month in which the Overrun Charge was incurred; and

(ii) the Monthly Invoice in respect of each subsequent Month of the Gas Year shall include an Invoice Item with respect to the Overrun Charge attributable to each Day of the Month to which the Monthly Invoice relates.

11.7.2 Relief from Overrun Charges in respect of DM Supply Point Capacity Overruns:

(a) if the Transporter Determined Supply Point Capacity is increased in accordance with Section 7.5.5(b) the Shipper shall be relieved of the liability to pay the Overrun Charge in respect of those Months of the Gas Year in respect of which the Transporter Determined Supply Point Capacity is so increased and paid for by the Shipper and to the extent to which the Transporter Determined Supply Point Capacity is so increased and for the avoidance of doubt where the Supply Point Capacity is increased in part only the relief from the Supply Point Capacity Overrun Charge shall reflect the extent of such increase; and

(b) if the Transporter Determined Supply Point Capacity is increased following application by the Shipper to undertake physical works as referred to in Section 8.5.5(a) then the Shipper shall be relieved of the amount of the Supply Point Capacity Overrun Charge in respect of each Day of each Month in respect of which the Transporter Determined Supply Point Capacity is increased and paid for by the Shipper following completion of the physical works so requested;

(c) where a NDM Supply Point is reclassified as a DM Supply Point the Shipper registered at such DM Supply Point shall be relieved of the liability to pay Supply Point Capacity Overrun Charges in respect of Overruns at the reclassified DM Supply Point where such Overruns

occur within a period of twelve months from the date on which such DM Supply Point reclassification takes effect; and

(d) where a Proposed DM Offtake Point becomes a DM Supply Point the Shipper registered at such DM Supply Point shall be relieved of the liability to pay DM Supply Point Capacity Overrun Charges in respect of Overruns at the relevant DM Supply Point, where such Overruns occur within a period of twelve months from the date on which the Proposed DM Offtake Point becomes a DM Supply Point.

11.7.3 Relief from Overrun Charges in respect of LDM Supply Point Capacity Overruns:

Where a Proposed LDM Offtake becomes a LDM Supply Point the Shipper registered at such LDM Supply Point shall be relieved of the liability to pay LDM Supply Point Capacity Overrun Charges in respect of Overruns at the relevant LDM Supply Point provided:

(a) the Supply Point Capacity reserved by the Shipper in respect of that LDM Supply Point is greater than or equal to the Transporter Recommended LDM Supply Point Capacity; and

(b) such Overruns occur within a period of twelve months from the date on which the Proposed LDM Offtake becomes a LDM Supply Point.

Provided always that such relief shall not apply with respect to a Proposed LDM Offtake which has been previously classified as a LDM Supply Point and has ceased to be classified as such and/or become a Proposed LDM Offtake on the basis that previous Capacity Bookings at the particular offtake have been terminated or expired and have not been renewed or on the reclassification of an NDM Supply Point or DM Supply Point as an LDM Supply Point.

12. CAPACITY OVERRUNS DISBURSEMENTS ACCOUNT

12.1 The Transporter shall establish an Entry and Exit Capacity Overrun Disbursements Account, which shall in respect of the period up to the end of the Day which commences on 30 September 2021 subject to Section 12.3 hold any payments received

by the Transporter in respect of Overrun Charges incurred against Entry Capacity and Exit Capacity.

12.2 The Transporter shall establish a Supply Point Capacity Overrun Disbursements Account, which shall in respect of the period up to the end of the Day which commences on 30 September 2022 subject to Section 12.3 hold any payments received by the Transporter in respect of Overrun Charges incurred against Supply Point Capacity.

12.3 For the avoidance of doubt, the Transporter shall retain such part of Capacity Overrun revenue received by the Transporter as shall be equal to the applicable IP Capacity Charge in respect of Daily IP Entry Capacity or Daily IP CSEP Offtake Capacity (as the case may be) on the Day on which the overrun occurs and/or the applicable Entry Capacity Charge in respect of Daily Entry Capacity on the Day on which the overrun occurs or Exit Capacity Charge in respect of Daily Exit Capacity on the Day on which the overrun occurred where such overrun occurred on or prior to the Day which commences on 30 September 2021 or the capacity component of the applicable annual Tariff in respect of Supply Point Capacity (as the case may be) in respect of the capacity utilised by the Shipper or where a DM Supply Point Capacity Reduction Request has been accepted by the Transporter, all Capacity Overrun revenue received in respect of the DM Supply Point Capacity Reduction Period at the DM Supply Point where such overrun occurred on or prior to the Day which commences on 30 September 2022.

12.4 Revenue received in respect of Capacity Overruns in excess of the amount retained by the Transporter pursuant to Section 12.3 shall be held in the Entry and Exit Capacity Overrun Disbursements Account in the case of either an Entry Capacity Overrun or an Exit Capacity Overrun where such Capacity Overrun occurs on or prior to the Day which commences on 30 September 2021 and in the Supply Point Capacity Overrun Disbursements Account where such Capacity Overrun occurs on or prior to the Day which commences on the 30 September 2022 in the case of a Supply Point Capacity Overrun.

12.5 The part of the Capacity Overrun revenue retained by the Transporter pursuant to Section 12.3 shall be equal to the revenue that the Transporter would have received if that level of capacity, to which the Capacity Overrun relates, had been booked by the Shipper that incurs the Capacity Overrun in the case of IP Entry Capacity or Exit Capacity for the Day on which the Capacity Overrun occurs and in the case of a

Supply Point Capacity Overrun, for the entire Gas Year in which the Capacity Overrun occurs.

12.6 After the end of each Month up to and including September 2021 the revenue held in the Entry and Exit Capacity Overrun Disbursements Account will be attributed to Shippers on the basis of the proportion of total Active Entry Capacity and Active Exit Capacity held by each Shipper over the relevant Month.

12.7 After the end of each Month up to and including September 2022 the revenue held in the Supply Point Capacity Overrun Disbursements Account will be attributed to Shippers on the basis of the proportion of total Active LDM Supply Point Capacity and DM Supply Point Capacity held by each Shipper over the relevant Month.

12.8 An individual Shipper's share of the Capacity Overruns Disbursements Accounts shall be calculated according to the following formula:

SHDA = (SHAC / TOTPC) * REV

where:

SHDA	=	the individual Shipper's share of the Capacity Overruns Disbursements Account;
SHAC	=	the sum of Active Capacity, Aggregate Primary DM Exit Capacity, Aggregate Primary NDM Exit Capacity held by the Shipper on each Day of the relevant Month but excluding any Sub-Sea I/C Offtake Capacity;
TOTPC	=	the sum of Primary Capacity held by all Shippers on each Day of the relevant Month but excluding any Sub-Sea I/C Offtake Capacity; and
REV	=	the revenues held in the Capacity Overruns Disbursements Accounts to be redistributed.

12.9 For the avoidance of doubt two calculations will be performed, one for Entry Capacity IP Capacity and Exit Capacity and one for Supply Point Capacity.

12.10 Shippers will be invoiced for Capacity Overruns on a monthly basis with any outstanding balances in the Capacity Overruns Disbursements Accounts settled at the end of the Gas Year.

12.11 All references to Exit Capacity in this Section 12 shall be deemed to include equivalent references to IP CSEP Offtake Capacity and all reference to Entry Capacity shall be deemed to include equivalent references to IP Entry Capacity.

12.12 For the avoidance of doubt the Transporter shall not establish an Entry and Exit Capacity Disbursement Account in respect of payments received by the Transporter in respect of Overrun Charges incurred against Entry Capacity and Exit Capacity after the Day which commences on 30 September 2021.

12.13 For the avoidance of doubt the Transporter shall not establish and maintain a Supply Point Capacity Overrun Disbursement Account in respect of payments received by the Transporter in respect of Overrun Charges incurred against Supply Point Capacity after the Day which commences on 30 September 2022.

13. CAPACITY REGISTER

13.1 The Transporter shall maintain a record of the capacity (the "**Capacity Register**").

13.2 The Capacity Register shall record the following information in respect of each Day:

13.2.1 Primary IP CSEP Offtake Capacity reserved by each Shipper at each IP CSEP;

13.2.2 Active IP CSEP Offtake Capacity held by each Shipper at each IP CSEP;

13.2.3 Primary IP Entry Capacity reserved by each Shipper at each IP Entry Point;

13.2.4 Active IP Entry Capacity held by each Shipper at each IP Entry Point;

13.2.5 Primary Entry Capacity reserved by each Shipper at each Entry Point and at each CGI Gas Point (configured within a CGI Entry Point);

13.2.6 Active Entry Capacity in respect of each Shipper at each Entry Point;

13.2.7 Active LDM Exit Capacity in respect of each Shipper at a LDM Offtake;

13.2.8 Primary LDM Exit Capacity in respect of each Shipper at a LDM Offtake;

13.2.9 Transporter Recommended DM Exit Capacity in respect of each DM Offtake;

13.2.10 DM Exit Capacity reserved by the Shipper in respect of each DM Offtake;

13.2.11 Primary DM Exit Capacity in respect of each DM Offtake;

13.2.12 DM Exit Capacity per Shipper in respect of all DM Offtakes at which the Shipper is a Registered Shipper;

13.2.13 Aggregate Primary DM Exit Capacity;

13.2.14 NDM Exit Capacity per Shipper in respect of each NDM Supply Point;

13.2.15 Aggregate Primary NDM Exit Capacity per Shipper;

13.2.16 NDM Exit Capacity in respect of each Shipper and in respect of all NDM Supply Point(s) at which the Shipper is a Registered Shipper;

13.2.17 LDM Supply Point Capacity reserved by each Shipper at each LDM Offtake;

13.2.18 Active LDM Supply Point Capacity in respect of each Shipper at such LDM Supply Point;

13.2.19 Applicable MHQ at each LDM and DM Exit Point/Supply Point;

13.2.20 Transporter Determined DM Supply Point Capacity in respect of each DM Supply Point;

13.2.21 Transporter Recommended LDM Supply Point Capacity in respect of each LDM Supply Point;

13.2.22 Transporter Determined NDM Supply Point Capacity in respect of each NDM Supply Point;

13.2.23 the Registered Shipper in respect of each DM Offtake and NDM Supply Point;

13.2.24 The Registered Shipper at the Sub-Sea I/C Offtake and the Shipper's Booked Capacity at the Sub-Sea I/C Offtake;

13.2.25 The booked VExitP Offtake Capacity in respect of each Shipper which is a Registered Shipper at the VExitP;

13.2.26 A Shipper's Capacity Surrender Available Amount;

13.2.27 A Shipper's Withdrawable Capacity;

13.2.28 The Registered Shipper at each CGI Gas Point.

The Capacity Register shall identify separately any capacity which is booked pursuant to a Treaty Entitlement obligation.

13.3 The Capacity Register shall be updated by the Transporter to reflect a Shipper's Primary Capacity and a Shippers Active Capacity as a consequence of any:

13.3.1 Change of Shipper implemented;

13.3.2 new Offtake Point(s);

13.3.3 new capacity acquired by a Shipper upon completing any Siteworks at an existing Offtake Point;

13.3.4 Entry Capacity Trade;

13.3.5 IP Trade Proposal;

13.3.6 Entry Point Transfer;

13.3.7 Exit Capacity Transfer;

13.3.8 Multiple Shipper LDM Supply Point Title Transfer;

13.3.9 Isolation;

13.3.10 Deregistration Application;

13.3.11 any Shippers Surrendered Capacity for the Surrendered Capacity Duration;

13.3.12 a Shippers Withdrawn Capacity for the Withdrawal Period;

13.3.13 Change of Registered Shipper at each CGI Gas Point; and/or

13.3.14 any other provisions of this Code.

13.4 Each IP Capacity Booking will be assigned a unique identifier (the "**IP Entry Capacity Booking Reference**", the "**IP CSEP Offtake Capacity Booking Reference**", the "**IP VEntry Capacity Booking Reference**" or the "**IP VExit Capacity Booking Reference**") as the case may be.

13.5 Each Entry Capacity Booking will be assigned a unique identifier (the "**Entry Capacity Booking Reference**") which will be communicated to the Shipper as soon as practicable thereafter.

13.6 Each Exit Capacity Booking will be assigned a unique identifier (the "**Exit Capacity Booking Reference**"), each Sub-Sea I/C Offtake Capacity Booking will be assigned a unique identifier (the "**Sub-Sea I/C Offtake Capacity Booking Reference**") and which will be communicated to the Shipper as soon as possible.

13.7 Each Supply Point Capacity Booking will be assigned a unique identifier (the "**Supply Point Capacity Reference**") which will be communicated to the Shipper as soon as possible.

13.8 The Transporter shall assign a unique identifier reference number to each:

13.8.1 IP Capacity Trade (the "**IP Capacity Trade Reference**");

13.8.2 Entry Capacity Trade (the "**Entry Capacity Trade Reference**");

13.8.3 Entry Point Transfer (the "**Entry Point Transfer Reference**");

13.8.4 Exit Capacity Transfer (the "**Exit Capacity Transfer Reference**");

13.8.5 LDM Supply Point Capacity Title Transfer (the "**LDM Supply Point Capacity Title Transfer Reference**"),

13.8.6 IP Capacity Trades.

13.9 The Capacity Register shall be updated by the Transporter to take account of any changes to the capacity holdings of each Shipper.

13.10 Each Shipper shall be entitled to access information recorded in the Capacity Register in relation to its own capacity holdings at the relevant Entry Point or Offtake Point in respect of the period for which such Shipper is a Registered Shipper in respect of an Entry Point or (as the case may be) Offtake Point.

13.11 The Transporter shall be entitled to disclose all relevant information to the GPRO to facilitate any update of the GPR.

13.12 The Transporter shall be entitled to update the Capacity Register to reflect information recorded on the Gas Point Register.

13.13 The Transporter shall ensure that relevant information recorded in the Gas Point Register regarding registration of Offtake Points is also recorded in the Capacity Register.

13.14 For the avoidance of doubt, the Capacity Register is separate and distinct from the Gas Point Register and, in the event of a conflict between the information recorded in each register, the information recorded in the Capacity Register shall prevail over the information recorded in the Gas Point Register.

13.15 Each Shipper shall be responsible for reviewing information in relation to such Shipper's Capacity as recorded in the Capacity Register and shall notify to the Transporter any error or inaccurate recording of such Shipper's capacity in the Capacity Register.

SCHEDULE 1

Each Part of this Schedule 1 sets out the information to be submitted by a Shipper in relation to application(s) to the Transporter pursuant to Part C (Capacity) of this Code.

Part 1

Long Term Entry Capacity Request

(a) the requested Entry Capacity Effective Date which shall be the first Day of a calendar month provided however, that the requested Entry Capacity Effective Date shall, where the request relates to a Proposed Entry Point or a Proposed CGI Gas Point at a Proposed CGI Entry Point be the first Day of the calendar month which is (or the first Day of the calendar month which follows) the month in which the Anticipated Entry Point Commencement Date occurs;

(b) the duration for which the Shipper wishes to book Long Term Entry Capacity (which shall be Annual or Multi-Annual) and in the case of Multi-Annual Entry Capacity the number of whole multiples of twelve (12) Months for which the capacity is requested;

(c) the Entry Point at which Entry Capacity is requested;

(d) the requested amount of Entry Capacity (in kWh/Day);

(e) the applicable Shipper ID of the Shipper requesting Entry Capacity;

(f) where the application is in respect of a CGI Gas Point the CGI Gas Point ID of the CGI Gas Point in respect of which the Entry Capacity is requested; and

(g) if the request is for Entry Capacity at a RNG Entry Point or at a CGI Gas Point and the Shipper is not itself the Third Party Shipper, written confirmation of the Third Party Shipper that the Shipper has entered into an agreement with the Third Party Shipper for the delivery of natural gas to the Shipper at the RNG Entry Point or the CGI Gas Point as the case may be.

A Shipper which is not already the Registered Shipper at the Entry Point or at the CGI Gas Point or Proposed CGI Gas Point in respect of which the Long Term Entry Capacity Request is to be submitted shall notify the Transporter in writing of its intention to submit a Long Term Entry Capacity Request and shall provide such information as the Transporter may reasonably require that will GNI then notify the Shipper when the request can be submitted.

Part 2

Short Term Entry Capacity Request

(a) the requested Entry Capacity Effective Date which shall be the first Day of a calendar month where the application relates to Monthly Entry Capacity and shall be the Day (or the first Day of a number of consecutive Days) in respect of which the Entry Capacity is requested where the request relates to Daily Entry Capacity;

(b) the duration for which the Shipper wishes to book Entry Capacity (which shall be a single calendar month or a single Day (or a number of consecutive single Days));

(c) the Entry Point at which Entry Capacity is requested;

(d) the requested amount of Entry Capacity (in kWh/Day);

(e) the identity of the Shipper requesting Entry Capacity; and

(f) where the application is in respect of a CGI Gas Point, the CGI Gas Point ID of the CGI Gas Point at which the Entry Capacity is requested.

Part 3

Entry Capacity Trade Registration Request

(a) the identities of the Transferor Shipper and the Transferee Shipper;

(b) the Entry Point in respect of which the Entry Capacity Trade is to take place;

(c) the intended Entry Capacity Trade Quantity (in kWh/Day) which is the subject matter of the proposed Entry Capacity Trade; and

(d) the period of the proposed Entry Capacity Trade, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.

Part 4

[Not used]

Part 5

[Not used]

Part 6

[Not used]

Part 7

Entry Point Transfer Request

(a) the Original Entry Point and the New Entry Point;

(b) the Entry Capacity Booking Reference of the Primary Entry Capacity Booking or the IP Capacity Trade Reference of the Primary IP Entry Capacity Booking to which the Entry Point Transfer relates;

(c) the end Day of the Entry Capacity Booking Period or IP Entry Capacity Booking Period to which the Entry Point Transfer relates;

(d) the amount of Primary Entry Capacity or Primary IP Entry Capacity (as the case may be) to be transferred from the Original Entry Point to the New Entry Point which shall be less than or equal to, but not greater than, the Shipper's Primary Entry Capacity, or Primary IP Entry Capacity reserved pursuant to the Entry Capacity Booking or IP Entry Capacity Booking (as the case may be) referred to in Section 1.1.1(a);

(e) the amount of Primary Entry Capacity or Primary IP Entry Capacity (as the case may be) to be retained at the Original Entry Point pursuant to the relevant Entry Capacity Booking, or IP Entry Capacity Booking;

(f) the proposed Entry Point Transfer Effective Date;

(g) confirmation that the Entry Point Transfer Request is made in order to facilitate the delivery of Natural Gas from a New Gas Source at a New Entry Point in respect of which a First Commercial Gas Date has been declared within twelve (12) Months of the date of the Entry Point Transfer Request, together with documentary evidence from the producer specifying the quantity of Natural Gas which is expected to be delivered to the Shipper at the New Entry Point; and

(h) the Shipper ID of the Shipper.

Part 8

Deferral Request

(a) the Entry Point Transfer Request to which the deferral relates; and

(b) the revised Entry Point Transfer Effective Date.

Part 9

Long Term LDM Capacity Request

(a) the requested LDM Capacity Booking Effective Date which shall be the first day of a calendar month;

(b) the requested duration of the LDM Capacity Booking Period which shall be Annual or Multi-Annual;

(c) the LDM Exit Point or the LDM Supply Point at or in respect of which LDM Exit Capacity (and where relevant LDM Supply Point Capacity) is requested;

(d) the requested LDM Exit Capacity (in kWh/Day) and in the case of a Proposed LDM Supply Point or LDM Supply Point the requested LDM Supply Point Capacity (in kWh/Day);

(e) the Shipper ID of the applicant Shipper;

(f) if the request is a Long Term LDM Capacity Request and the Shipper is not itself the End User, written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for Offtake at the End User's offtake facilities; and

(g) the requested MHQ, pressure and maximum ramp rate.

Part 10

Short Term LDM Exit Capacity Request

(a) the requested LDM Exit Capacity Effective Date which shall be the first Day of a calendar month where the application relates to Monthly Capacity and shall be the first Day to which the request relates where the request relates to Daily LDM Exit Capacity;

(b) the duration for which the Shipper wishes to book LDM Exit Capacity (which shall be a single calendar month, a single Day or a number of consecutive Days);

(c) the LDM Offtake at which the LDM Exit Capacity is requested;

(d) the requested amount of LDM Exit Capacity (in kWh/Day); and

(e) the identity of the Shipper requesting LDM Exit Capacity.

Part 11

DM Exit Capacity Revision Request

(a) the proposed "**Effective Date**" for the revised booking which shall be:

(i) the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Exit Capacity Revision Request where the request is to increase the DM Exit Capacity reserved; or

(ii) the first Day of the next succeeding Gas Year after acceptance by the Transporter of such DM Exit Capacity Revision Request where the request is to reduce the DM Exit Capacity;

(b) the proposed DM Exit Capacity (in kWh/Day) for the DM Offtake from the proposed Effective Date;

(c) the specific DM Offtake in respect of which the DM Exit Capacity Revision Request is made; and

(d) the identity of the Shipper making the DM Exit Capacity Revision Request.

Part 12

Short Term Aggregate DM Exit Capacity Request

(a) the requested Short Term Aggregate DM Exit Capacity Effective Date which shall be the first Day of a calendar month where the application relates to capacity of a Monthly duration and shall be a Day (or the first Day of a specified number of consecutive Days) in respect of which the capacity is requested where the requested duration is Daily;

(b) the duration for which the Shipper wishes to book the Short Term Aggregate DM Exit Capacity which will be a single Day (or a number of consecutive Days) or a single calendar month;

(c) the requested amount of Short Term Aggregate DM Exit Capacity (in kWh/Day); and

(d) the identity of the Shipper requesting Short Term Aggregate DM Exit Capacity.

Part 13

Short Term Aggregate NDM Exit Capacity Request

(a) the requested Short Term Aggregate NDM Exit Capacity Effective Date which shall be the first Day of the calendar month where the application relates to capacity of a Monthly duration and shall be a Day (or the first Day of a specified number of consecutive Days) in respect of which the capacity is requested where the requested duration is Daily;

(b) the duration for which the Shipper wishes to book the Short Term Aggregate NDM Exit Capacity which will be a single Day (or a number of consecutive Days) or a single calendar month;

(c) the requested amount of Short Term Aggregate NDM Exit Capacity (in kWh/Day); and

(d) the identity of the Shipper requesting the Short Term Aggregate NDM Exit Capacity.

Part 14

LDM Supply Point Capacity Booking Request

(a) the requested LDM Supply Point Capacity Booking Effective Date in respect of the LDM Supply Point Capacity requested which shall be the first Day of a calendar month;

(b) the requested duration for the additional capacity which shall be Annual or Multi-Annual;

(c) the booking reference of the Shipper's existing LDM Capacity Booking;

(d) the LDM Supply Point in respect of which the additional LDM Supply Point Capacity is requested;

(e) the requested additional LDM Supply Point Capacity (in kWh/Day);

(f) if the Shipper is not itself the End User written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for offtake at the End User's offtake facilities; and

(g) the requested MHQ and maximum ramp rates.

Part 15

DM Supply Point Capacity Revision Request

(a) the requested Day on which the requested revised DM Supply Point Capacity booking is requested which shall be:

(i) the first Day of the calendar month in which a DM Supply Point Capacity Revision Request is made; or

(ii) the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Supply Point Capacity Revision Request;

(b) the requested DM Supply Point Capacity (kWh/Day) for the DM Supply Point from the requested DM Supply Point Capacity booking effective date;

(c) the specific DM Supply Point in respect of which the DM Supply Point Capacity Revision Request is made;

(d) the SPRN in respect of the specific DM Supply Point in respect of which the DM Supply Point Capacity Revision Request is made; and

(e) the identity of the Shipper making the DM Supply Point Capacity Revision Request.

Part 16

DM Supply Point Capacity Reduction Request

(a) the Day on which the reduced DM Supply Point Capacity booking is requested to be effective from which shall be the first Day of a calendar month which occurs after the Shipper submits such DM Supply Point Capacity Reduction Request;

(b) the amount of DM Supply Point Capacity to be reduced at the DM Supply Point pursuant to the DM Supply Point Capacity Reduction Request and the reduced DM Supply Point Capacity (in kWh/Day) which shall apply (if the DM Supply Point Capacity Reduction Request is accepted by the Transporter);

(c) the specific DM Supply Point in respect of which the DM Supply Point Capacity Reduction Request is made;

(d) the SPRN in respect of the specific DM Supply Point in respect of which the DM Supply Point Capacity Reduction Request is made; and

(e) the identity of the Shipper making the DM Supply Point Capacity Reduction Request.

Part 17

Exit Capacity Transfer Request

(a) the identities of the Transferor Shipper and the Transferee Shipper (which may be the same);

(b) the LDM Offtake at or in respect of which the Exit Capacity Transfer is requested;

(c) the proposed amount of LDM Exit Capacity to be transferred (in kWh/Day) and the applicable Exit Capacity Booking reference of such LDM Exit Capacity; (d) the proposed amount of LDM Exit Capacity to be retained (in kWh/Day) by the Transferor Shipper at or in respect of the LDM Offtake; and

(e) the proposed period of the Exit Capacity Transfer which must specify both the start Day and end Day and which shall include all consecutive Days between the start Day and the end Day.

Part 18

Within-Day Exit Capacity Transfer Request

(a) the information required pursuant to Part C Section 9.3.2(a) to 9.3.2(d); and

(b) the Day to which the Within-Day Exit Capacity Transfer Request relates.

[Part 19]

[Not used]

Part 20

[Not used]

Part 21

LDM Supply Point Capacity Title Transfer Request

(a) the identities of the Transferor Shipper and the Transferee Shipper;

(b) the LDM Supply Point in respect of which the LDM Supply Point Capacity Title Transfer is to take place;

(c) the LDM Supply Point Capacity Booking reference of the relevant Primary Capacity;

(d) the intended amount of LDM Supply Point Capacity the subject matter of the proposed LDM Supply Point Capacity Title Transfer (in kWh/Day); and

(e) the period of the proposed LDM Supply Point Capacity Title Transfer, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.

Part 22

[Not used]

Part 23

[Not used]

Part 24

Sub-Sea I/C Offtake Capacity Request

(i) the requested Sub-Sea I/C Capacity Effective Date which shall be the first day of a calendar month;

(ii) the requested duration of the Sub-Sea I/C Capacity Booking which shall be Annual or Multi-annual;

(iii) the requested Sub-Sea I/C Offtake Capacity (in kWh/day);

(iv) the identity of the applicant Shipper;

(v) evidence that the Shipper is submitting the Sub-Sea I/C Offtake Capacity Request pursuant to a Treaty Entitlement (where applicable);

(vi) where the request is not made pursuant to a Treaty Entitlement the Shipper is the holder of such documentation as may be reasonably necessary, to offtake Natural Gas at the Sub-Sea I/C Offtake for onward delivery to the Isle of Man;

(vii) the requested MHQ Pressure and ramp rate.

CODE OF OPERATIONS
PART D

THE AVAILABILTIY OF THE VIP PRODUCT IS SUSPENDED WITH EFFECT FROM 1 OCTOBER 2015.

NOMINATIONS,
ALLOCATIONS AND
NDM SUPPLY POINT RECONCILIATION

VERSION 5.05

Comprises version 5.04 published as of May 2023 incorporating the following Modifications

(1) Modification A111; Oxygen Upper Limit

(2) Modification A113; Revision of Wobbe Index Parameters

(3) Modification A114; Classification of Gas Points with a design MHQ of 100,000 kWh

(4) Modification A115; Removal of Tolerances at RNG Entry Points;

(5) Modification A116; Removal of Residual Tolerances;

(6) Modification A117: Supplier of Last Resort (SoLR) Arrangements;

(7) Modification A118; Central Grid Injection and RNG Entry Point Arrangements

Part D

1. NOMINATIONS AND RENOMINATIONS 1
1.1 **General** 1
1.2 **Nomination Process** 2
1.3 **IP Nomination Process** 17
1.4 **IP Nominations and IP Renominations** 18
1.5 **Calculation of the Implied Nomination Flow Rate** 27
1.6 **Revocation of Valid Nominations and Valid IP Nominations** 28
1.7 **NDM Nomination Advice** 31
1.8 **Profiling** 32
1.9 **Under Deliveries and Over Deliveries** 33
1.10 **Effective Flow Time** 34
1.11 Not Used 34
1.12 **Not Used** 34
1.13 **Not used** 35
1.14 **Not Used** 35
1.15 **Not Used** 35
1.16 **Provisions with respect to IP VEntry / IP VExit** 35
2. ALLOCATIONS 35
2.1 **General** 35
2.2 **Allocations (excluding IP Allocations)** 36
2.3 **Entry Allocations** 36
2.4 **Entry Allocations by an Entry Allocation Agent** 37
2.5 **Entry Allocations made by the Transporter** 39
2.6 **Final Entry Allocation** 41
2.7 **Initial Exit Allocations** 41
2.8 **Exit Allocation Adjustments and Sub-Sea I/C Offtake Allocation Adjustments** 46
2.9 **Notification of Exit Allocations** 48
2.10 **Supply Point Allocations** 48
2.11 **IBP Allocations** 48
2.12 **Not Used** 49
2.13 **Not Used** 49
2.14 **Not Used** 49
2.15 **Not Used** 49
2.16 **[*VIP Allocations*** 49
3. INTERCONNECTION POINT ALLOCATIONS 50
3.1 **Introduction** 50
3.2 **Interpretation** 50
3.3 **General** 52
3.4 **IP Allocations on an OBA Day** 53
3.5 **IP Allocation on a Non OBA Day** 53
3.6 **Initial IP Allocation** 55
3.7 **Final IP Allocation** 55
3.8 **IP Allocation Notification** 56
3.9 **Non OBA Day** 56
3.10 **Error Correction** 56
4. NDM SUPPLY POINT RECONCILIATION 59
4.1 **Overview** 59
4.2 **Reconciliation** 59

4.3 **Residual Gas Value**.....60
4.4 **Final Allocation and System Imbalance Charges**.....60

SCHEDULE 2 61
Part 1 Entry Nominations and VEntryP Nominations 61
Part 2 Exit Nominations, and Sub-Sea I/C Offtake Nominations 62
Part 3 Renomination 63
Part 4 IBP Buy Nominations 64
Part 5 IBP Sell Nominations 65
Part 6 VIP Injection Nominations 66
Part 7 VIP Withdrawal Nominations 67
Part 8 IP Nominations 68

1. NOMINATIONS AND RENOMINATIONS

1.1 General

1.1.1 [Not used.]

1.1.2 A Registered Shipper shall be deemed to have made a zero Entry Nomination at an Entry Point, and/or a zero Nomination in respect of a CGI Gas Point, LDM Offtake, DM Offtake(s), NDM Supply Point(s), the Sub-Sea I/C Offtake and/or a zero IBP Nomination [*and/or a zero VIP Injection Nomination and/or a zero VIP Withdrawal Nomination*] respectively, if:

(a) the Shipper has not made such a Nomination in relation to that Day; or

(b) the Shipper's relevant Nomination(s) in relation to that Day is rejected or revoked in accordance with this Code.

1.1.3 For the purposes of this Code, any change in the rate of delivery or offtake of Natural Gas to or from the Transportation System by a Shipper following a Valid Renomination or Valid IP Renomination shall be deemed to commence at the applicable Effective Flow Rate Time in accordance with Section 1.10.

1.1.4 Shippers shall be entitled to submit relevant Nominations and IP Nominations in accordance with this Code subject always to Section 1.1.11.

1.1.5 A Shipper at an IP may in respect of a Day have only one prevailing IP Nomination in respect of each Counterparty IP Shipper in each direction at that IP.

1.1.6 A Shipper at an Entry Point shall have only one prevailing Entry Nomination in respect of each Day at each Entry Point at which the Shipper is a Registered Shipper.

1.1.7 A Shipper shall have only one prevailing Entry Nomination in respect of each Day at each CGI Gas Point at each CGI Entry Point at which the Shipper is the Registered Shipper notwithstanding that the Shipper may be Registered Shipper at multiple CGI Gas Points within a CGI Entry Point.

1.1.8 A Shipper shall have only one prevailing LDM Exit Nomination in respect of each LDM Offtake at which the Shipper is a Registered Shipper notwithstanding that the Shipper may have multiple LDM Capacity Bookings at such Offtake.

1.1.9 Shippers acknowledge that the MHQ as notified by the Transporter to Shippers registered at an LDM Offtake or at the Sub-Sea I/C Offtake (including pursuant to any applicable End User Agreement) or at the South North IP CSEP and/or as entered on the Capacity Register is the MHQ applicable in respect of the LDM Offtake or the Sub-Sea I/C Offtake or the South-North IP CSEP and is not exclusive to any Shipper or any individual

LDM Capacity Booking or Sub-Sea I/C Offtake Capacity Booking, or IP CSEP Capacity Booking (as the case may be).

1.1.10 [*The Transporter shall have the right to suspend or instruct the submission of VIP Injection Nominations and/or VIP Withdrawal Nominations and/or VIP Renominations for operational reasons.*]

1.1.11 The Transporter shall have the right to suspend or instruct the submission of IP VExit Nominations, IP VEntry Nominations, IP VExit Renominations or IP VEntry Renominations where a IP VExit Capacity Interruption Notice with respect to the IP VExit has issued or where a IP VEntry Capacity Interruption Notice with respect to the IP VEntry has issued.

1.1.12 Where the Transporter is

(a) the Initiating TSO at an IP, Shippers at the IP may:

(i) submit relevant Double Sided IP Nominations to the Transporter in accordance with this Code; and

(ii) submit relevant Single Sided IP Nominations to the Transporter; and

where the Transporter as Initiating TSO receives Single Sided IP Nominations, it does so as Transporter pursuant to this Code and as agent of the Adjacent TSO to the extent that such Single Sided Nomination is an IP Nomination pursuant to the Adjacent TSO Transportation Arrangements;

(b) the Matching TSO at an IP, Shippers at the IP may:

(i) submit relevant Double Sided IP Nomination(s) to the Transporter in accordance with this Code; and

(ii) submit relevant Single Sided IP Nomination(s) to the Initiating TSO at the relevant IP in accordance with the Adjacent TSO Transportation Arrangements (as agent for the Transporter).

(c) A Single Sided IP Nomination shall, where the Transporter is the Matching TSO at an IP, be deemed rejected in accordance with this Code where it is rejected in accordance with the Adjacent TSO Transportation Arrangements.

1.2 Nomination Process

1.2.1 Nominations

(a) Nominations shall be submitted within the Nomination Period in accordance with the provisions of this Section 1;

(b) Each Shipper shall submit accurate information with respect to Nominations;

(c) All Nominations shall be submitted in accordance with the remaining provisions of this Section 1.2;

(d) a Nomination at an Entry Point or at an LDM Exit Point submitted by a Shipper which has submitted a Short Term Entry Capacity or Short Term LDM Capacity Notice (as applicable) and in each case which has been accepted by the Transporter in accordance with Part F (*Administration*) Section 1.3.5 or 1.4.6 as the case may be but is not at the time of submission of a relevant Nomination a Registered Shipper at the Entry Point or at the LDM Exit Point in respect of the Day for which the Nomination is submitted may be accepted by the Transporter and such Nomination if accepted by the Transporter shall be treated as a Nomination in excess of Active Capacity.

The acceptance by the Transporter of such a Nomination shall not be treated as a representation or warranty that the required capacity is available or may be booked by the Shipper.

Save to the extent the Shipper becomes a Registered Shipper at the Entry Point or the LDM Exit Point (as the case may be) in respect of the Day and acquires relevant capacity and the subsequent Allocation shall be treated as an Overrun.

(e) This section 1.2 does not apply to IP Nominations which shall be submitted in accordance with Section 1.3.

1.2.2 **Entry Nominations**

(a) Each Entry Nomination shall specify the information necessary to enable the Transporter to process the Nomination as set out in Schedule 2 Part 1 including the following:

(i) the Day in respect of which the Entry Nomination is being made;

(ii) the Entry Point in respect of which the Entry Nomination is being made;

(iii) the CGI Gas Point ID of the CGI Gas Point in respect of which the Entry Nomination is submitted;

(iv) the Nominated Quantity (in kWh/d);

(v) the applicable Shipper ID of the Shipper making the Entry Nomination; and

(vi) in the event that there is no Entry Allocation Agent, the identity and contact details of the Third Party Shipper(s) with the corresponding quantities of Natural Gas to be delivered by such Third Party Shipper(s).

(b) The Transporter shall reject an Entry Nomination, for any of the reasons specified in (i) or (ii) below and may reject any Entry Nomination for any of the reasons specified in (iii) or (iv) below:

(i) such Entry Nomination has not been submitted by a Shipper in accordance with Sections 1.2.1 and 1.2.2(a); or

(ii) the Entry Nomination has not been submitted within the applicable Nomination Period;

(iii) the Shipper is not a Registered Shipper at the Entry Point or at the CGI Gas Point (as the case may be); or

(iv) the Nominated Quantity is in excess of the Shippers Active Entry Capacity at the Entry Point or at the CGI Gas Point (as the case may be);

(c) Where a Shipper has submitted an Entry Nomination in accordance with Sections 1.2.1 and 1.2.2(a) and such an Entry Nomination is not already a Valid Entry Nomination, then at any time following the time at which the Entry Nomination was submitted and within the Nomination Period and before such Entry Nomination is a Valid Entry Nomination, the Shipper shall be entitled to resubmit the Entry Nomination specifying a revised Nominated Quantity and such resubmitted Entry Nomination shall supersede the previously submitted Entry Nomination.

The Transporter shall at a time up to 15:00 on D-1 accept an Entry Nomination submitted within the Nomination Period in respect of Day D which is not otherwise rejected pursuant to Section 1.2.2(b) or Section 1.2.2(e). An Entry Nomination which has been accepted by the Transporter pursuant to this Section 1.2.2(c) shall be a valid Entry Nomination ("**Valid Entry Nomination**").

(d) The Transporter will, at any time following a receipt of an Entry Nomination and in any event not later than 15:00 hours on D-1, notify a Shipper of the rejection of an Entry Nomination if the Entry Nomination is rejected in accordance with Section 1.2.2(b) or Section 1.2.2(e) prior to the Nomination End Time.

(e) Where the Transporter has received an Entry Nomination in accordance with Sections 1.2.1 and 1.2.2(a) but which:

(i) has not been submitted by a Shipper which is a Registered Shipper for the Day to which the Nomination relates and/or;

(ii) specifies a Nominated Quantity in excess of the relevant Shipper's Active Entry Capacity:

(1) the Transporter shall be entitled (but not obliged) to determine that such Entry Nomination is not acceptable and accordingly, reject the Entry Nomination; or

(2) if within two (2) hours of the Transporter receiving the Entry Nomination:

(A) the Transporter has not notified the Shipper of its determination, the Entry Nomination shall be deemed to have been rejected by the Transporter; or

(B) the Transporter notifies the Shipper that the Entry Nomination has not been rejected on the basis that the Shipper is not a Registered Shipper at the Entry Point or at the CGI Gas Point (as the case may be) or that it specifies a Nominated Quantity in excess of the Shipper's Active Entry Capacity, then, subject to the Transporter's subsequent right of revocation pursuant to Section 1.6.1, the Entry Nomination may be accepted by the Transporter.

1.2.3 Exit Nominations and Sub-Sea I/C Offtake Nominations:

(a) An Exit Nomination and a Sub-Sea I/C Offtake Nomination, shall specify the information necessary to enable the Transporter to evaluate the Nomination as set out in Schedule 2 Part 2 including the following:

(i) the Day in respect of which the Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be) is being made;

(ii) the applicable Shipper ID of the Shipper making the Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be); and

(iii) where the Nomination is a:

(1) LDM Exit Nomination:

(A) the Offtake Point;

(B) the Nominated Quantity (in kWh); and

(C) an hourly offtake profile (in kWh) and specify, in respect of each hour of each Day to which the Nomination (or Renomination) relates, a quantity which is less than or equal to the applicable MHQ in respect of such LDM Offtake;

(2) DM Exit Nomination, the aggregate Nominated Quantity (in kWh) in respect of all DM Offtakes at which the Shipper is a Registered Shipper; or

(3) NDM Exit Nomination, the aggregate Nominated Quantity (in kWh) of Natural Gas for onward delivery to NDM Supply Points at which the Shipper is a Registered Shipper; or

(iv) Not used

(v) where the Nomination is a Sub-Sea I/C Offtake Nomination:

(1) the Sub-Sea I/C Offtake; and

(2) the Nominated Quantity (in kWh).

(b) The Transporter shall reject an Exit Nomination or received at any time during the Nomination Period, when:

(i) such Exit Nomination or Sub-Sea I/C Offtake Nomination (as the case may be) has not been submitted by a Shipper in accordance with Sections 1.2.1 and 1.2.3(a);

(ii) in the case of a LDM Exit Nomination, or Sub-Sea I/C Offtake Nomination it results in an Implied Nomination Flow Rate which exceeds the MHQ at the LDM Offtake or at the Sub-Sea I/C Offtake (as the case may be);

(iii) in the case of a LDM Exit Nomination at a Multiple Shipper LDM Offtake or at the Sub-Sea I/C Offtake the Implied Nomination Flow Rate of the Nomination as submitted, in conjunction with the Implied Nomination Flow Rate in respect of all other Valid Nominations at such LDM Offtake or at the Sub-Sea I/C Offtake would result in a negative Implied Nomination Flow Rate;

(iv) in the case of a LDM Exit Nomination or a Sub-Sea I/C Offtake Nomination it specifies an hourly offtake profile which, in respect of any hour, exceeds the MHQ at such LDM Offtake or at the Sub-Sea I/C Offtake (as the case may be);

(v) in respect of a Multiple Shipper LDM Offtake or the Sub-Sea I/C Offtake, the Nomination specifies an hourly offtake profile which when aggregated with the hourly offtake profile in the Nomination(s) submitted in respect of that LDM Offtake or the Sub-Sea I/C Offtake and by all Registered Shippers at such LDM Offtake or the Sub-Sea I/C Offtake exceeds, in respect of one or more hours, the MHQ at the LDM Offtake or the Sub-Sea I/C Offtake (as the case may be); and

(vi) not used

(c) Where the Transporter has received an Exit Nomination or Sub-Sea I/C Offtake Nomination in accordance with Sections 1.2.1 and 1.2.3(a) but which has been submitted by a Shipper which is not a Registered Shipper at the LDM Exit Point, specifies a Nominated Quantity in excess of the relevant Shipper's Active Exit Capacity, Aggregate Primary DM Exit Capacity, Aggregate Primary NDM Exit Capacity or the Shipper's Sub-Sea I/C Offtake Capacity (as the case may be); the Transporter shall be entitled but not obliged to determine that such Exit Nomination is not acceptable and, accordingly, reject the Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be) if within two (2) hours after the hour which commences after the Shipper submits the Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be):

(1) the Transporter has not notified the Shipper of its determination, the Exit Nomination or Sub-Sea I/C Offtake Nomination shall be deemed to have been rejected by the Transporter; or

(2) the Transporter notifies the Shipper that the Exit Nomination or Sub-Sea I/C Offtake Nomination has not been rejected on the basis that it specifies a Nominated Quantity in excess of the Shipper's Active Exit Capacity or the Shipper's Active Sub-Sea I/C Offtake Capacity, then, subject to the Transporter's subsequent right of revocation pursuant to Section 1.6.1, the Exit Nomination may be approved for processing by the Transporter and accepted by the Transporter.

An Exit Nomination or Sub-Sea I/C Offtake Nomination in excess of Active Exit Capacity or Active Sub-Sea I/C Offtake Capacity (as the case may be) which is not considered acceptable in accordance with this Section 1.2.3(c) shall be rejected.

(d) Where a Shipper has submitted an Exit Nomination (including a Sub-Sea I/C Offtake Nomination) in accordance with Sections 1.2.1 and 1.2.3(a) and such Exit Nomination is:

(i) not already a Valid Exit Nomination or a Valid Sub-Sea I/C Offtake Nomination then at any time following the time at which the Exit Nomination was submitted and before the Nomination End Time and before such Nomination is a Valid Nomination, the Shipper shall be entitled to resubmit the Exit Nomination, or Sub-Sea I/C Offtake Nomination (as the case may be) specifying a revised Nominated Quantity and such resubmitted Exit Nomination, or Sub-Sea I/C Offtake Nomination shall supersede the previously submitted Exit Nomination (including Sub-Sea I/C Offtake Nomination) (as the case may be); or

(ii) a Valid Exit Nomination or Valid Sub-Sea I/C Offtake Nomination, then at any time before the Nomination End Time, the Shipper shall be entitled to resubmit the Exit Nomination or Sub-Sea I/C Offtake Nomination (as the case may be) specifying a revised Nominated Quantity provided always that an Exit Nomination, Sub-Sea I/C Offtake Nomination submitted pursuant to this Section 1.2.3(d)(ii) shall only supersede the Valid Exit Nomination or Valid Sub-Sea I/C Offtake Nomination when it is accepted by the Transporter pursuant to Section 1.2.3(b) and itself becomes a Valid Exit Nomination or Valid Sub-Sea I/C Offtake Nomination.

(e) The Transporter shall no later than 15:00 on D-1 accept an Exit Nomination and/or a Sub-Sea I/C Offtake Nomination (as the case may be) submitted within the Nomination Period and which has not been rejected or deemed rejected. An Exit Nomination which is accepted by the Transporter pursuant to this Section 1.2.3(e) shall be a valid Exit Nomination ("**Valid Exit Nomination**") or valid Sub-Sea I/C Offtake Nomination ("**Valid Sub-Sea I/C Offtake Nomination**") as the case may be.

An Exit Nomination including a Sub-Sea I/C Offtake Nomination which does not become a Valid Exit Nomination or Valid Sub-Sea I/C Offtake Nomination, (as the case may be) in accordance with this Section 1.2.3(e) shall be rejected.

(f) The Transporter will at any time up to 15:00 hours on D - 1 reject an Exit Nomination, and/or a Sub-Sea I/C Offtake Nomination submitted within the Nomination Period that has not previously become a Valid Exit Nomination or Valid Sub-Sea I/C Offtake Nomination (as the case may be) was not submitted in accordance with Section 1.2.1 and 1.2.3.

1.2.4 Renominations (including IBP Renominations)

(a) A Shipper may, consistent with the terms of this Code and/or any relevant Connected System Agreement and/or any Ancillary Agreement, submit a Renomination which may be a request to amend the Nominated Quantity specified in any previous Valid Nomination or Valid Renomination by making a Renomination,

(b) A Shipper may only make a Renomination (including with respect to the IBP during the Renomination Period.

(c) The Transporter shall, subject to and in accordance with this Code accept Renominations, properly submitted in accordance with this Code;

(d) Except as otherwise specified in this Code, a Valid Renomination shall supersede a previous Valid Nomination or a previous Valid Renomination that has been made by the Shipper with respect to the

same Entry Point, the same CGI Gas Point, the same LDM Offtake or with respect to DM Offtakes or for onward delivery to NDM Supply Points, or with respect to the same Connected System Exit Point, [*or with respect to the VIP as the case may be*];

(e) A Renomination shall specify the information set out in Schedule 2 Part 3 required to be submitted for Nominations in accordance with Section 1.2.2(a), 1.2.3(a), 1.2.5(b) or 1.2.5(c), as the case may be, including the following:

(i) the previous Valid Nomination or Valid Renomination which the Renomination is intended to supersede (if any);

(ii) in respect of a Renomination(s) in respect of an LDM Offtake the time at which the Shipper expects the Renomination to become effective (such expected time to be reflected in the hourly offtake profile in connection with such Renomination), subject to Section 1.9;

(iii) the Renominated Quantity (in kWh); and

(iv) the applicable Shipper ID of the Shipper making the Renomination.

(f) The Transporter shall reject a Renomination that:

(i) was not submitted in accordance with Section 1.2.1 or Section 1.2.4(e);

(ii) in the case of an IBP Renomination, does not match with an equal and opposite IBP Nomination or IBP Renomination, as appropriate, within one (1) hour of the time it is submitted;

(iii) in the case of a LDM Offtake or the Sub-Sea I/C Offtake, it results in an Implied Nomination Flow Rate which is greater than the MHQ at such LDM Offtake or MHQ at the Sub-Sea I/C Offtake (as the case may be);

(iv) in the case of a Multiple Shipper LDM Offtake or the Sub-Sea I/C Offtake, the Implied Nomination Flow Rate of the Renomination as submitted, in conjunction with the Implied Nomination Flow Rate in respect of all Valid Nominations or Valid Renominations at such LDM Offtake or at the Sub-Sea I/C Offtake would result in an Implied Nomination Flow Rate which is greater than the MHQ at the LDM Offtake or the MHQ at the Sub-Sea I/C Offtake (as the case may be);

(v) it specifies an hourly offtake profile for the LDM Offtake which exceeds, in respect of one (1) or more hours, the MHQ at such LDM Offtake;

(vi) in respect of a Multiple Shipper LDM Offtake the Renomination specifies an hourly offtake profile which when aggregated with the hourly offtake profiles in the Valid Nominations, Valid Renominations and Renominations submitted in respect of that LDM Offtake exceeds, in respect of one (1) or more hours, the MHQ at the LDM Offtake;

(vii) was not submitted within the applicable Renomination Period;

(viii) results in a Negative INFR;

(ix) not used:

(x) In the case of a Sub-Sea I/C Offtake Renomination such Renomination is in respect of a Nominated Quantity which is in excess of the IP Nominated Quantity of the Shipper's Valid IP Entry Nomination at the Moffat IP Entry Point;

(xi) [*in the case of a VIP Injection Renomination:*

(1) *such Renomination exceeds the Shipper's Available I/C Inventory Space in respect of the Day;*

(2) *such Renominated Quantity would be greater than the Quantity specified in a IP Entry Nomination at the in respect of the Day;*

(3) *such Renomination was submitted after the Renomination End Time; or*

(4) *the Shipper has a Valid VIP Withdrawal Nomination (or Valid VIP Withdrawal Renomination) which specifies a Nominated Quantity other than zero) in respect of the Day.;*

(xii) *in the case of a VIP Withdrawal Renomination:*

(1) *such Renomination exceeds the Shipper's Projected VIP Utilisation in respect of the Day;*

(2) *such Renomination was submitted before the Renomination Start Time or after the Renomination End Time; and*

(3) *the Shipper has a Valid VIP Injection Nomination (or Valid VIP Injection Renomination) which specifies a Nominated Quantity other than zero) in respect of the Day;*]

(g) The Transporter may (notwithstanding that such Renomination has not been rejected pursuant to Section1.2.4(f))) reject a Renomination for any of the following reasons:

(i) where subject to Section 1.2.4(i)the Renomination specifies a Nominated Quantity (in kWh) in excess of such Shipper's relevant Active Capacity, Aggregate Primary DM Exit Capacity or Aggregate Primary NDM Exit Capacity on the Day;

(ii) where there are difficulties due to the profiling of Natural Gas into the Transportation System at an Entry Point such that, on a Day in respect of which the Renomination is submitted, the hourly gas flows into the Transportation System differ from the EODQ divided by twenty four (24) during the early hours of the Day such that the Transporter's ability to accept such Renominations is adversely affected;

(iii) where there are difficulties due to the profiling of Natural Gas from the Transportation System at Offtake Points such that on a Day in respect of which the Renomination is submitted, the hourly Gas flows out of the Transportation System differ from the EODQ divided by twenty four (24) during the early hours of the Day and the Transporter's ability to accept Renominations is adversely affected;

(iv) where the Renomination is made in respect of an Entry Point other than a RNG Entry Point and which results in a Negative INFR or in the case of a RNG Entry Point or a CGI Gas Point the Renomination specifies a Nominated Quantity which is less than the gas metered as delivered at the RNG Entry Point or at the CGI Gas Point (as the case may be);

(v) where the Renomination is made in respect of a Bi-Directional CSP where the Renomination may result in a change in direction of physical flow at the Bi-Directional CSP;

(vi) where the Renomination is with respect to a Bi-Directional CSP and there are difficulties due to the profiling of Natural Gas from or to the Bi-Directional CSP such that the Transporter's ability to accept Renominations is adversely affected; or

(vii) [*where the Renomination is with respect to a VIP Injection Nomination or VIP Withdrawal Nomination or a Valid VIP Renomination and would result in a negative INFR at the VIP at the Renomination Effective Time; or*

(viii) *where the Renomination is with respect to a Valid VIP Injection Nomination, or a Valid VIP Withdrawal Nomination, or a Valid VIP Renomination for operational reasons.*]

(h) The Transporter shall accept a Renomination which is not rejected in accordance with Section 1.2.4(f) or 1.2.4(g).

A Renomination which is accepted pursuant to this Section 1.2.4(h) shall become a valid Entry Renomination ("**Valid Entry Renomination**") or a valid Exit Renomination ("**Valid Exit Renomination**"), [*a valid VIP Renomination ("**Valid VIP Renomination**")*], a Valid Sub-Sea I/C Offtake Nomination ("**Valid Sub-Sea I/C Offtake Renomination** as the case may be. A Renomination which is not accepted pursuant to this Section 1.2.4(h) shall be rejected.

(i) Where a Shipper has submitted a Renomination in accordance with Section 1.2.4 which specifies a Renominated Quantity in excess of such Shipper's Active Capacity, Aggregate Primary DM Exit Capacity or Aggregate Primary NDM Exit Capacity (as the case may be):

(i) the Transporter shall be entitled to determine that such Renomination is not acceptable and accordingly reject the Renomination; or

(ii) if within two hours of the Transporter receiving the Renomination:

(1) the Transporter has not notified the Shipper of its determination, the Renomination shall be deemed to have been accepted [] by the Transporter; or

(2) the Transporter notifies the Shipper that the Renomination has not been rejected on the basis that it specifies a Renominated Quantity in excess of the Shipper's Active Capacity, Aggregate Primary DM Exit Capacity or Aggregate Primary NDM Exit Capacity (as the case may be), then, subject to the Transporter's subsequent right of revocation pursuant to Section 1.6.1, the Renomination may be accepted by the Transporter in accordance with Section 1.2.4(h).

(j) Where the Transporter has not accepted a Renomination which has been submitted by a Shipper in accordance with this Section 1.2.4 within two (2) hours after the hour which commences following receipt of the Renomination the Renomination shall be deemed to be accepted by the Transporter in accordance with Section 1.2.4(h); and

(k) Where the Transporter rejects a Renomination, the prevailing Valid Nomination or Valid Renomination shall remain in place.

1.2.5 IBP Nominations

(a) Subject to Section 1.2.5A in respect of IBP Nominations for Market Balancing Transactions a Shipper may submit an IBP Nomination(s) in respect of a Day at any time within the applicable Nomination Period in accordance with this Section 1.2.5.

(b) An IBP Buy Nomination shall specify the information necessary to enable the Transporter to process the IBP Nomination as set out in Schedule 2 Part 4 including the following:

(i) the Day in respect of which the IBP Buy Nomination is being made;

(ii) the Nominated Quantity (in kWh);

(iii) details of the matching IBP Sell Nomination, including the identity and contact details of the counter-party Shipper; and

(iv) the Shipper ID of the Shipper making the IBP Buy Nomination.

(c) An IBP Sell Nomination shall specify the information necessary to enable the Transporter to process the IBP Sell Nomination as set out in Schedule 2 Part 5 including the following:

(i) the Day in respect of which the IBP Sell Nomination is being made;

(ii) the Nominated Quantity (in kWh);

(iii) details of the matching IBP Buy Nomination, including the identity and contact details of the counter-party Shipper; and

(iv) the Shipper, ID of the Shipper making the IBP Sell Nomination.

(d) The Transporter shall accept an IBP Nomination received at any time within the Nomination Period where such IBP Nomination:

(i) has been submitted in accordance with Section 1.2.1 and Sections 1.2.5(a) and 1.2.5(b) and/or 1.2.5(c) (as appropriate);

(ii) is matched with an equal and opposite IBP Buy Nomination or IBP Sell Nomination, as appropriate, within one (1) hour of the time it was submitted and within the Nomination Period; and

(iii) is not required to be rejected by the Transporter in accordance with Section 1.2.5(e).

(e) The Transporter shall reject an IBP Nomination:

(i) which is not submitted in accordance with Sections1.2.5(a), 1.2.5(b)and/or1.2.5(c);

(ii) which does not match with an equal and opposite IBP Nomination within one (1) hour of the time it is submitted and in any event within the Nomination Period;

(iii) which is not submitted within the Nomination Period.

1.2.5A IBP Nominations for Market Balancing Transactions

(a) where the Transporter and a Shipper agree a Market Balancing Transaction pursuant to a TPTA the Transporter shall notify the Shipper of:

(i) the Shipper ID of the Shipper (the "**Counterparty Trading Shipper"**) with which the Market Balancing Transaction has been concluded;

(ii) whether the Market Balancing Transaction is an IBP Balancing Trade, a Locational Balancing Trade or a Temporal Balancing Trade or Shrinkage Trade (as the case may be) and where the Transporter does not so specify the Market Balancing Transaction shall be an IBP Balancing Trade;

(iii) the price at which the Market Balancing Transaction or Shrinkage Trade has been concluded (in pence/therm);

(iv) the quantity (in Ktherm) of Natural Gas the subject matter of the Market Balancing Transaction or Shrinkage Trade;

(v) the quantity referred to in (iv) expressed in kWh of Natural Gas the subject matter of the Market Balancing Transaction or Shrinkage Trade; and

(vi) the Market Balancing Transaction reference number or the Shrinkage Trade Reference Number;

For the purpose of (iii) and (iv) the conversion from therm to kWh shall be in accordance with the formula

K = 29307.1 x T rounded to the nearest kilowatt hour, an exact half being rounded upwards where "**K**" is the quantity expressed in kilowatt hours and "**T**" is the quantity expressed in Therms.

(b) the Counterparty Trading Shipper shall within one (1) hour of receipt of notification pursuant to Section 1.2.5A (a) above confirm to the Transporter:

(i) that the information notified is correct; and/or

(ii) that the information notified is not correct in which case the Shipper shall notify to the Transporter the corrected information;

If the Transporter accepts that the corrected information notified by the Shipper is accurate the Transporter shall notify the Shipper accordingly.

(c) where the Shipper confirms to the Transporter that the information notified by the Transporter pursuant to paragraph (a) is correct or where the Transporter accepts that the corrected information notified by the Counterparty Trading Shipper pursuant to (b) above is accurate then the Transporter shall and is hereby authorised by the Counterparty Trading Shipper to submit and/or generate IBP Nominations on behalf of both the Counterparty Trading Shipper and on behalf of the Transporter to secure that the relevant IBP Buy Nomination and IBP Sell Nomination are matched and become Valid IBP Nominations in accordance with Section 1.2.5;

(d) where the Transporter does not accept that corrected information is accurate then the Transporter shall not generate IBP Nominations in accordance with Section 1.2.5A(c);

(e) where the Transporter undertakes a Market Balancing Transaction or Shrinkage Trade under a Trading Platform Transactions Agreement, without prejudice to paragraph (c) the Counterparty Trading Shipper shall submit all relevant Nominations (or IP Nominations) under this Code in order to give effect to the Market Balancing Transaction or Shrinkage Trade in accordance with this Code including without limitation to Shippers obligations under Part E (*Balancing and Shrinkage*) Section 1.1;

1.2.6 [*VIP Nominations*

(a) *A Shipper shall be required to be Registered Shipper at the Moffat IP Entry Point and to be a VIP Shipper in order to submit VIP Nominations;*

(b) *Each VIP Shipper shall submit accurate information with respect to VIP Nominations;*

(c) *Notwithstanding 1.2.6(a) a Shipper which is a Registered Shipper at the Moffat IP Entry Point pursuant to a Shipper ID S/N may not be a VIP Shipper however, for the avoidance of doubt where a Shipper holds multiple Shipper IDs a Shipper may be a VIP Shipper pursuant to an alternate ID (other than Shipper ID S/N).*

1.2.7 *VIP Nominations Process*

(a) *A VIP Shipper may make a VIP Nomination where:*

(i) *in the case of a VIP Injection Nomination, the Nominated Quantity does not exceed the Shipper's Available I/C Inventory Space and the Shipper has submitted a Moffat IP Entry Nomination in respect*

of the Day which is at least equal to the Nominated Quantity specified in the VIP Injection Nomination; and

(ii) *in the case of a VIP Withdrawal Nomination, the Shipper's VIP Utilisation in respect of the Day is at least equal to the Nominated Quantity specified in the VIP Withdrawal Nomination.*

(b) *A VIP Injection Nomination shall specify the information necessary to enable the Transporter to process the VIP Injection Nomination as set out in Schedule 2 Part 6 including the following:*

(i) *the Day in respect of which the VIP Injection Nomination is made;*

(ii) *the Nominated Quantity (in kWh); and*

(iii) *the identity of the Shipper making the VIP Injection Nomination.*

(c) *A VIP Withdrawal Nomination shall specify the information necessary to enable the Transporter to process the VIP Withdrawal Nomination as set out in Schedule 2 Part 7 including the following:*

(i) *the Day in respect of which the VIP Withdrawal Nomination is made;*

(ii) *the Nominated Quantity (in kWh); and*

(iii) *the identity of the Shipper making the VIP Withdrawal Nomination.*

(d) *The Transporter shall accept a VIP Nomination received at any time after the VIP Nomination Start Time and before the VIP Nomination End Time where such VIP Nomination:*

(i) *has been submitted in accordance with Section 1.2.6 and Sections 1.2.7(a), 1.2.7(b) and 1.2.7(c) (as appropriate);*

(ii) *is a VIP Injection Nomination and specifies a Nominated Quantity which does not exceed the Shipper's Valid Entry Nomination at the Moffat Entry Point in respect of the Day; or*

(iii) *is a VIP Withdrawal Nomination which specifies a Nominated Quantity which does not exceed the Shipper's VIP Utilisation in respect of the Day; and*

(iv) *is not required to be rejected by the Transporter in accordance with Section 1.2.7(e).*

(e) *The Transporter shall reject a VIP Nomination:*

(i) *which is not submitted in accordance with Sections 1.2.6 and 1.2.7(a), 1.2.7(b) and 1.2.7(c) as appropriate;*

(ii) *where the VIP Nomination is a:*

(1) *VIP Injection Nomination,*

(A) which specifies a Nominated Quantity in excess of such Shipper's Available I/C Inventory Space; or

(B) specifies a Nominated Quantity in excess of such Shipper's Valid Entry Nomination at the Moffat Entry Point in respect of the Day; or

(C) the Shipper has a Valid VIP Withdrawal Nomination in respect of that Day;

(2) *VIP Withdrawal Nomination:*

(A) which specifies a Nominated Quantity in excess of such Shipper's Projected VIP Utilisation in respect of the Day; or

(B) the Shipper has a Valid VIP Injection Nomination in respect of that Day;

(iii) *for operational reasons.*]

1.3 **IP Nomination Process**

1.3.1 A Shipper shall be a Registered Shipper at the applicable IP Entry Point, IP CSEP Offtake, IP VEntry or IP VExit as applicable at an IP in order to have the right to submit a relevant IP Nomination(s) at that IP PROVIDED ALWAYS that where a Shipper is a JBP User the Shipper may submit relevant IP Nominations at an IP in anticipation that the Shipper shall become a Registered Shipper in respect of the Day. The IP Nomination shall be treated as a IP Nomination in excess of Active IP Capacity and if the Shipper fails to book or acquire requisite IP Capacity or sufficient requisite IP Capacity (as the case may be) the relevant IP Allocation shall (save in respect of an IP VEntry Allocation or an IP VExit Allocation) be treated as an IP Overrun (in whole or in part).

The acceptance by the Transporter of the Shipper's IP Nomination or IP Renomination shall not be or be treated as a representation or warranty that the Shipper's application for IP Capacity in respect of the Day can or will be accepted (in whole or in part).

1.3.2 IP Nominations and IP Renominations may be submitted:

(a) within the applicable IP Nomination Period, in the case of IP Nomination(s);

(b) within the IP Renomination Period in the case of IP Renomination(s).

1.3.3 The Transporter shall, in the IP Nominations Cycle commencing at each IP Nomination Deadline, submit to Matching each IP Nomination and each IP Renomination properly submitted prior to the applicable IP Nomination Deadline and which is not otherwise rejected in accordance with this Code.

1.3.4 The Transporter shall in or pursuant to the Interconnection Agreement in respect of each IP establish and adopt or procure the establishment and adoption in conjunction with the Adjacent TSO at the applicable IP (and may revise and vary from time to time) of a procedure (the "**IP Matching Procedure**") for:

(a) identifying the Corresponding IS Nomination (if any) in respect of each IP Nomination and/or IP Renomination;

(b) comparing the IP Nomination Processed Quantities of each IP Nomination and each IP Renomination with the processed quantity determined by the Adjacent TSO in respect of the Corresponding IS Nomination; and

(c) the determination of IP Nomination Confirmed Quantities in respect of each IP Nomination or IP Renomination (as the case may be).

1.3.5 Each Shipper shall submit accurate information with respect to IP Nominations and IP Renominations.

1.4 IP Nominations and IP Renominations

1.4.1 Each IP Nomination and each IP Renomination submitted by a Shipper at an IP shall specify the information necessary to enable the Transporter to process the IP Nomination or IP Renomination and to facilitate the IP Matching Procedure (as the case may be) as set out in Schedule 1 Part 8 including the following:

(a) the identity of the IP;

(b) whether the IP Nomination or IP Renomination is Single Sided or Double Sided;

(c) the direction of gas flow;

(d) the IP Nominated Quantity or the IP Renominated Quantity (in kWh/d);

(e) the EIC of the Shipper making the IP Nomination;

(f) the identity of the Counterparty IP Shipper including balancing portfolio (if any) identification of such Counterparty IP Shipper where applicable and where the IP Nomination is a Single Sided Nomination the Counterparty IP Shipper shall be the Shipper;

(g) the Day in respect of which the IP Nomination or IP Renomination is submitted; and

(h) in respect an IP Renomination the requested Effective Flow Rate Time (which shall be two hours after the IP Nomination Deadline which occurs on the hour after submission of the IP Nomination or the IP Renomination (as applicable).

1.4.2 Where the Transporter receives more than one IP Nomination or IP Renomination at the same IP from the same Shipper and in respect of the same Counterparty Shipper, direction and Day prior to any IP Nomination Deadline the Transporter shall only process the last such IP Nomination or IP Renomination received before the applicable IP Nomination Deadline.

1.4.3 Except as otherwise provided in this Code an IP Nomination Confirmed Quantity notified following the submission of an IP Renomination shall supercede the IP Nomination Confirmed Quantity in a previous IP Nomination or IP Renomination (if any) that has been made by the Shipper with respect to the same IP for the same Day, direction and the same Counterparty IP Shipper.

1.4.4 Each IP Nomination and each IP Renomination shall (unless otherwise rejected) be submitted to Matching within the IP Nomination Cycle or the IP Renomination Cycle which commences at the IP Nomination Deadline which occurs following receipt of the IP Nomination.

1.4.5 The Transporter shall reject an IP Nomination or an IP Renomination which:

(a) has not been submitted in accordance with Section 1.4.1;

(b) which is not received within the applicable IP Nomination Period, or IP Renomination Period as the case may be;

(c) is an IP Renomination and is not received within the IP Renomination Period; or

(d) has not been submitted by a Shipper which is a JBP User at the IP Entry, IP CSEP, IP VEntry or IP VExit in respect of which the IP Nomination or IP Renomination has been submitted; or

(e) in the case of an IP Renomination acceptance of such IP Renomination would result in a Negative INFR;

1.4.6 The Transporter may reject an IP Nomination or an IP Renomination where:

(a) the IP Nominated Quantity or IP Renominated Quantity in aggregate with the IP Nominated Quantity(ies) or IP Renomination Quantity(ies) in all other IP Nominations and IP Renominations at the same IP and in the same direction submitted by that Shipper exceeds the Shipper's applicable Active IP Capacity;

(b) Not Used;

(c) it is not submitted by a Registered Shipper at the IP Entry Point, IP CSEP Offtake, the IP VEntry or IP VExit to which the IP Renomination relates;

(d) the IP Nomination or IP Renomination is in respect of the South North IP CSEP and the IP Nominated Quantity in aggregate with all other IP Confirmed Nomination Quantities or IP Nominated Quantities at the IP CSEP is greater than the quantity scheduled to physically flow into the Transportation System at the Moffat IP Entry Point on that Day;

(e) there are difficulties due to the profiling of Natural Gas at the Interconnection Point such that on a Day in respect of which the IP Renomination is submitted the hourly gas flows at the Interconnection Point differ from the required physical flow at the Interconnection Point divided by 24 during the early hours of the Day such that the Transporter's ability to accept such IP Renomination is affected;

(f) the Shipper is or would otherwise be in breach of this Code.

1.4.7 The Transporter

(a) shall in respect of each IP Nomination and each IP Renomination submitted and which is not otherwise rejected determine a quantity (the "**IP Nomination Processed Quantity**") (which shall not be more than the applicable IP Nominated Quantity) for the purpose of the relevant IP Nomination or IP Renomination and which IP Nomination Processed Quantity shall:

(i) subject to (ii) below and (iii) below be the IP Nominated Quantity as specified in the applicable IP Nomination; or:

(ii) where an Exceptional Event occurs such other quantity as the Transporter [determines in accordance with Section 1.4.12 or otherwise in accordance with this Code;

(iii) where there is an Interruption at the IP VEntry or at the IP VExit and/or an IP VEntry Capacity Interruption Notice or an IP VExit Capacity Interruption Notice is issued in respect of a Day or where the Transporter receives from an Adjacent TSO notice of an interruption affecting an Interconnected System and an Interconnection Point in respect of a Day such other quantity as the Transporter determines in accordance with Section 1.4.13 or otherwise in accordance with this Code.

(b) without prejudice to Section 1.4.13 shall not submit to Matching an IP Nomination which is rejected and neither an IP Nomination Processed

Quantity nor an IP Nomination Confirmed Quantity will be determined with respect to a rejected IP Nomination;

(c) without prejudice to Section 1.4.13 shall not develop an IP Nomination Processed Quantity in respect of it an IP Renomination which is rejected and a rejected IP Renomination shall not be submitted to Matching and the Shipper's prevailing IP Nomination Confirmed Quantity (if any) shall remain.

1.4.8 Where the Transporter is the Initiating TSO at an IP the Transporter shall within the applicable IP Nomination Cycle or IP Renomination Cycle and in accordance with the applicable IP Matching Procedure:

(i) forward each Single Sided IP Nomination and each Single Sided IP Renomination (as the case may be) to the Matching TSO;

(ii) determine the IP Nomination Processed Quantity in accordance with Section 1.4.7 and notify the IP Nomination Processed Quantity in respect of each Single Sided IP Nomination, each Single Sided IP Renomination each Double Sided IP Nomination and each Double Sided IP Renomination to the Matching TSO;

(iii) receive the IP Nomination Confirmed Quantity in respect of each IP Nomination and IP Renomination submitted to Matching in the relevant IP Nomination Cycle or IP Renomination Cycle (as applicable); and

(iv) notify the IP Nomination Confirmed Quantity in respect of each IP Nomination and each IP Renomination to the relevant Shipper.

1.4.9 Where the Transporter is the Matching TSO at the IP the Transporter shall within the applicable IP Nomination Cycle or IP Renomination Cycle and in accordance with the applicable IP Matching Procedure:

(i) receive Single Sided IP Nominations and Single Sided IP Renominations from the Initiating TSO;

(ii) receive processed nomination quantities in respect of a Single Sided Nominations and Double Sided Nominations from the Initiating TSO;

(iii) develop an IP Nomination Processed Quantity in respect of each Double Sided IP Nomination, each Double Sided IP Renominations and each Single Sided IP Nomination and Single Sided IP Renomination which it receives (including Single Sided Nominations notified by the Adjacent TSO in accordance with the Matching Procedure);

(iv) undertake Matching in accordance with the applicable IP Matching Procedure;

(v) notify an IP Nomination Confirmed Quantity to the relevant Shipper not later than the end of the applicable IP Nomination Cycle or IP Renomination Cycle in accordance with the IP Matching Procedure in respect of:

(1) each Double Sided IP Nomination and/or Double Sided IP Renomination which has been submitted to and processed by the Transporter; and

(2) each Single Sided IP Nomination and/or Single Sided IP Renomination which has been notified to the Transporter on behalf of the Shipper by the Initiating TSO; and

(vi) notify the IP Nomination Confirmed Quantities in respect of each Counterparty IP Shipper specified in each Corresponding IS Nomination in accordance with the IP Matching Procedure.

1.4.10 Each Shipper acknowledges that each IP Nomination Confirmed Quantity shall be determined in accordance with the applicable IP Matching Procedure at the IP and that the IP Nomination Confirmed Quantity may not reflect the IP Nominated Quantity and/or the IP Nomination Processed Quantity (as the case may be).

1.4.11 Where:

(a) the Transporter does not notify the Shipper of the applicable IP Nomination Confirmed Quantity by the end of the applicable IP Nomination Cycle or IP Renomination Cycle the IP Nomination or IP Renomination shall be deemed rejected;

(b) an IP Nomination is rejected the Shipper shall not have an IP Nomination Confirmed Quantity;

(c) an IP Renomination is rejected the Shipper's prevailing IP Nomination Confirmed Quantity (if any) shall subsist.

1.4.12 Where in respect of a Day:

(a) an Exceptional Event has occurred in respect of the Transportation System or any localised part thereof which affects an Interconnection Point; or

(b) the Transporter has been notified of an exceptional event (as that term is defined in the Interconnected System Transportation Arrangements) affecting the Interconnected System; or

(c) in respect of the Moffat Interconnection Point the Transporter has been notified of a gas deficit emergency (as defined in the Moffat Interconnection Agreement) in respect of the NGG System;

then the Transporter may within the then Matching Cycle or prior to the commencement of next Matching Cycle generate and submit to Matching an IP Nomination Processed Quantity on behalf of each Shipper at the IP which has submitted an IP Renomination or which has a prevailing IP Nomination Confirmed Quantity (notwithstanding that such Shipper may not have submitted an IP Nomination in or for the relevant Matching Cycle) and such IP Nomination Processed Quantity shall be calculated in accordance with Part H (*Operations*) Section 2.1.6.:

1.4.13 Where in respect of a Day:

(a) Interruption applies at an IP VEntry or at an IP VExit as determined in accordance with Section 1.4.14 and irrespective of whether or not an IP VEntry Capacity Interruption Notice and/or an IP VExit Capacity Interruption Notice has been issued by the Transporter in respect of the IP VEntry and/or the IP VExit (as the case may be); or

(b) the Transporter is notified of an interruption affecting an Interconnected System

within the then Matching Cycle or in the next applicable Matching Cycle a revised IP Nomination Processed Quantity and a revised IP Nomination Confirmed Quantity may be generated on behalf of each Shipper at the IP VEntry and/or the IP VExit at the affected Interconnection Point at which the Interruption applies or in respect of which the Transporter has received notice of interruption from the Adjacent TSO. An IP Nomination Processed Quantity and an IP Nomination Confirmed Quantity may be generated in respect of a Shipper which has a prevailing IP Nomination Confirmed Quantity (notwithstanding that such Shipper may not have submitted an IP Nomination prior to the applicable Nomination Deadline); and

(i) where an Interruption applies at an IP VEntry and/or at an IP VExit orf where an IP VEntry Capacity Interruption Notice and/or IP VExit Capacity Interruption Notice has issued the IP Nomination Processed Quantity in respect of each Shipper at the IP VEntry or the IP VExit (as the case may be) shall be calculated in accordance with Section 1.4.14;

(ii) where the interruption has been notified by the Adjacent TSO as affecting the Interconnected System the IP Nomination Processed Quantity shall reflect the Shipper's prevailing IP Nomination Processed Quantity or prevailing IP Nomination Confirmed Quantity (as the case may be); and

in each case the Shipper will be notified of a revised IP Nomination Confirmed Quantity determined in accordance with the IP Matching Procedure, such that the Effective Flow Rate Time of the revised IP Nomination Confirmed Quantity shall not be later than the time at which the applicable Interruption (or interruption) is scheduled to be effective.

1.4.14 The decision as to whether Interruption is necessary at an IP VEntry and/or an IP VExit shall be made as follows:

(a) Where the Matching Cycle is in respect of IP Nominations with an Effective Flow Rate Time of not later than 05:00 on Day D the assessment of whether Interruption at the IP VEntry and/or the IP VExit is necessary shall be as follows:

If:

1) AGGcq ≥ AGGpcq

at the Interconnection Point, the IP VEntry or the IP VExit (as the case may be) shall not be Interrupted in such Matching Cycle.

2) AGGcq < AGGpcq

at the Interconnection Point

then:

(i) the IP VEntry or the IP VExit as the case may be shall be Interrupted; and

(ii) the IP Nomination Processed Quantities submitted by the Transporter during the applicable Matching Cycle and IP Nomination Confirmed Quantities which would otherwise be determined by reference to them and each prevailing IP Nomination Confirmed Quantity at the IP VEntry or the IP VExit as the case may be, shall be recalculated in accordance with (iii) below; and

(iii) where IP Nomination Processed Quantities and IP Nomination Confirmed Quantities are to be calculated or recalculated pursuant to Section 1.14.4(a)(ii) above each Shipper's IP Nomination Processed Quantity including in respect of Shippers which have a prevailing IP Nomination Confirmed Quantity, but had not submitted a relevant IP Renomination prior to the relevant Nomination Deadline and (subject to and without prejudice to the Matching Process) at the IP VExit or at the IP VEntry as the case may be shall be calculated as follows:

$$CQs = \frac{\text{AGGpcq}}{\text{AGGcq}} x \frac{CQs}{1}$$

$$PQs = \frac{\text{AGGpcq}}{\text{AGGcq}} x \frac{PQs}{1}$$

and

(iv) revised IP Nomination Confirmed Quantities shall be notified as such to Shippers and Shippers shall be notified of the Interruption and

(b) At each Interconnection Point and for each Matching Cycle in a Day in respect of IP Nominations with an Effective Flow Rate Time which commences after 05:00 on the Day, the assessment of whether Interruption is necessary at the IP VEntry and/or at the IP VExit (and separately in respect of each) shall be as follows:

If

(i) $(AGGcq - AGGpcq) \geq (Mq + PDQ)$

at the Interconnection Point the applicable IP VEntry and/or IP VExit shall not be Interrupted and

(ii) $AGGcq < AGGpcq$; or;

$(AGGcq - AGGpcq) < (Mq + PDQ)$

(1) at the Interconnection Point then the IP VEntry or IP VExit as the case may be shall be Interrupted; and

(2) each Shipper's IP Nomination Processed Quantity submitted in the Matching Cycle, (and IP Nomination Confirmed Quantities which would otherwise be developed from them) at the IP VEntry and at the IP VExit and/or the prevailing IP Nomination Confirmed Quantity (of each Shipper which has not submitted an IP Renomination at the IP VEntry or at the IP VExit at the applicable Nomination Deadline) shall be recalculated in accordance with paragraph (c) below

(c) the Shippers revised IP Processed Nomination Quantities and IP Nomination Confirmed Quantities at the IP VEntry or at the IP VExit (as the case may be) shall be calculated as the sum of:

(i) the Shipper's Deemed Flow at the IP VEntry or at the IP VExit (as the case may be) being the amount of the sum of the Shipper's INFR for each hour of the Day up to the end of the applicable Matching Cycle; plus

(ii) a quantity (if any) calculated as follows:

$$\frac{\text{URTBs}}{AGG\text{URTBs}} x\ AV_{quantity}$$

Where:URTBs = in respect of a Shipper that Shipper's prevailing IP Nomination Confirmed Quantity (which for the avoidance of doubt means the prevailing IP Nomination Confirmed Quantity immediately prior to the applicable Matching Cycle) at the IP VEntry or at the IP VExit (as the case may be) less the Shipper's Deemed Flow or where the Shipper does not have a prevailing IP Nomination Confirmed Quantity the IP Nomination Processed Quantity as calculated within the applicable Matching Cycle;

AGG URTBs = is the aggregate of all individual Shipper's URTBs.

AVquantity = AGGcq – (M_Q + Agg Deemed Flow)

Agg Deemed Flow = the aggregate of the Deemed Flow of all Shippers at the applicable IP VEntry or IP VExit. and

(d) Revised IP Nomination Confirmed Quantity(ies) shall be notified to Shippers and Shippers shall be notified of the Interruption.

(e) For the purpose of (a), (b) and (c) above and in respect of each Matching Cycle:

PQs = the IP Nomination Processed Quantity for the Shipper at the IP VEntry or at the IP VExit at the Interconnection Point (as the case may be)

AGGcq = the sum of all prevailing IP Confirmed Nomination Quantities at the IP Entry Point or the IP CSEP (following preliminary Matching during the applicable Matching Cycle) at the same Interconnection Point as the case may be; and

AGGpcq = means the sum of all prevailing IP Nomination Confirmed Quantities of all Shippers as adjusted to take account of any provisional IP Nomination

Confirmed Quantities at the IP VEntry or at the IP VExit at the Interconnection Point as the case may be.

CQs = the individual Shippers (a) IP Nominated Quantity in the IP Nomination submitted by the Shipper at the IP VEntry or at the IP VExit prior to the applicable Nomination Deadline (b) prevailing IP Nomination Confirmed Quantity for the Shipper at the IP VEntry or at the IP VExit where the Shipper has not submitted a relevant IP Nomination which would otherwise be submitted for Matching in the applicable Matching Cycle.

M_Q = Metered Quantity at the IP at the commencement of the Matching Cycle.

PDQ = the quantity projected to be delivered at the Interconnection Point between the start of the Matching Cycle and the end of the Matching Cycle.

1.5 **Calculation of the Implied Nomination Flow Rate**

1.5.1 The Implied Nomination Flow Rate shall be calculated as follows:

(a) in the case of an Entry Nomination, other than Entry Nomination at a RNG Entry Point or at a CGI Gas Point an IP Entry Nomination, an Exit Nomination, a Sub-Sea I/C Offtake Nomination, an IP CSEP Offtake Nomination [*or a VIP Nomination*] which is not the subject of an Entry Renomination, Exit Renomination, or [*a VIP Renomination*]:

INFR = NQ/24

(b) in the case of any Renomination or any IP Renomination in respect of any Entry Nomination, IP Entry Renomination, Exit Nomination, IP CSEP Offtake Renomination IP VExit Renomination or IP VEntry Renomination or a [*VIP Renomination*]:

INFR = RQ/T

where in respect of Section1.5.1:

INFR = the Implied Nomination Flow Rate;

NQ = the Nominated Quantity in respect of a Day;

RQ = the undelivered part of the Renominated Quantity at the Flow Rate Effective Time, being the Renominated Quantity less the quantity deemed to have been delivered to or offtaken from the Transportation

System at any time prior to the Renomination Effective Time which quantity shall be:

(i) in respect of a LDM Offtake or the Sub-Sea I/C Offtake that quantity metered as offtaken at such LDM Offtake or at the Sub-Sea I/C Offtake (as the case may be) at the time of receipt by the Transporter of the Renomination plus the quantity anticipated to be offtaken by reference to the hourly offtake profile of the prevailing Valid Nomination or Valid Renomination between the time of submission of the Renomination and the Renomination Effective Time or, where the quantity metered as offtaken at such LDM Offtake or at the Sub-Sea I/C Offtake (as the case may be) is not available the quantity calculated by reference to the hourly offtake profile of the prevailing Valid Nomination or the prevailing Valid Renomination up to the applicable Effective Flow Rate Time; and

(ii) in respect of an Entry Point, an IP Entry Point the IP CSEP, the IP VEntry, the IP VExit, DM Offtakes, [*the VIP*] or for onward transportation to NDM Supply Points that quantity calculated by reference to the applicable INFR of the prevailing Valid Nomination or IP Nomination Confirmed Quantity or Valid Renomination or IP Renomination Confirmed Quantity immediately prior to the applicable Effective Flow Rate Time; and

T = the period of time (measured in hours) from the point in time when the Renomination would become effective until the end of the Day.

An Implied Nomination Flow Rate shall be negative (a "**Negative Implied Nomination Flow Rate**" or "**Negative INFR**") if the result of any calculation at (b) above is such that RQ is a negative number.

An Implied Nomination Flow Rate shall not be calculated and Sections 1.5.1(a) and 1.5.1(b) shall not apply in respect of an RNG Entry Point or in respect of a CGI Gas Point.

1.6 Revocation of Valid Nominations and Valid IP Nominations

1.6.1 The Transporter shall be entitled to revoke or limit any Valid Nomination or Valid Renomination, any Valid IP Nomination or Valid IP Renomination in accordance with Section 1.6.2 where:

(a) the Nominated Quantity or Renominated Quantity specified in a Shipper's Valid Nomination or Valid Renomination or the IP Nomination Confirmed Quantity in respect of a Shipper's IP Nomination or IP Renomination, as the case may be, is in excess of such Shipper's Active Capacity, Active IP Capacity, Aggregate Primary DM Exit Capacity or Aggregate Primary NDM Exit Capacity or Sub-Sea Offtake Capacity (as the case may be) or is in breach of any applicable requirement of this Code; and

(b) it considers such revocation of a Shipper's Valid Nomination or Valid Renomination, IP Nomination Confirmed Quantity or IP Renomination Confirmed Quantity to be required in order to accommodate Nominations and Renominations or IP Renominations by Shippers which specify Nominated Quantities or IP Nominated Quantities which are not in excess of their applicable Active Capacity or applicable Active IP Capacity.

The Transporters right to revoke or limit any Valid IP Nomination or Valid IP Renomination is without prejudice to the Transporter's right to redetermine a Shipper's IP Nomination Processed Quantity and/or IP Nomination Confirmed Quantity in accordance with Section 1.4.12 or Section 1.4.13.

1.6.2 Where the Transporter proposes to exercise its right to revoke or limit a Valid Nomination or Valid Renomination or Valid IP Nomination or IP Nomination Confirmed Quantity pursuant to Section 1.6.1, then:

(a) the Transporter shall notify all relevant Shippers:

(i) that have prevailing Valid Nominations or Valid Renominations specifying a Nominated Quantity or Renominated Quantity in excess of their relevant Active Capacity, Aggregate Primary DM Exit Capacity and/or Aggregate Primary NDM Exit Capacity (as the case may be) or IP Nomination Confirmed Quantities or IP Renomination Confirmed Quantities in excess of their relevant Active IP Capacity; or

(ii) that their Nominated Quantity or Renominated Quantity or IP Nomination Confirmed Quantity or IP Renomination Confirmed Quantity as the case may be, can no longer be accommodated on the Transportation System;

(b) within one (1) hour of receipt of such notification, the Shipper shall be required to submit a revised Nomination(s) or Renomination(s) or IP Nomination(s) or IP Renomination(s) which specifies a Nominated Quantity(s) or IP Nominated Quantity which is not in excess of its relevant Active Capacity, Active IP Capacity, Aggregate Primary DM Exit Capacity and/or Aggregate Primary NDM Exit Capacity (as the case may be);

(c) if the Shipper has not resubmitted its Nomination(s) or Renomination(s) or IP Nominations or IP Renominations and within the one (1) hour time period in accordance with Section 1.6.2(b) or any such Nomination, Renomination has failed to become a Valid Nomination or Valid Renomination or in the case of an IP Nomination has not been submitted to Matching and resulted in an IP Nomination Confirmed Quantity in the next available IP Renomination Cycle the Transporter shall be entitled, but not obliged, to:

(i) revoke the Shipper's Valid Nomination or Valid Renomination or IP Nomination Confirmed Quantity or IP Renomination Confirmed Quantity in accordance with Section1.6.1; and

(ii) take whatever action it deems necessary to limit the Nominated Quantity or Renominated Quantity IP Nomination Confirmed Quantity in such Shipper's Nomination or Renomination or IP Nomination or IP Renomination, as appropriate, so that it does not exceed the Shipper's Active Capacity, Active IP Capacity, Aggregate Primary DM Exit Capacity, Aggregate Primary NDM Exit Capacity or Sub-Sea I/C Offtake Capacity and, where such action is taken by the Transporter, the Shipper shall be deemed to have a Renominated Quantity or IP Renominated Quantity in respect of the limited Nominated Quantity or Renominated Quantity, as the case may be; and

(d) the Transporter shall reject any subsequent Nominations or Renominations or IP Renomination made in respect of the Day by Shippers where the Nominated Quantity, Renominated Quantity or IP Renominated Quantity specified therein is in excess of such Shipper's Active Capacity, Active IP Capacity, Aggregate Primary DM Exit Capacity, Aggregate Primary NDM Exit Capacity or Sub-Sea I/C Offtake Capacity (as the case may be).

1.6.3 [*The Transporter shall be entitled to revoke or limit any Valid VIP Nomination or Valid VIP Renomination for operational reasons.*

1.6.4 *Where the Transporter proposes to exercise its right to revoke or limit Valid VIP Nominations or Valid VIP Renominations pursuant to Section 1.6.3 then the Transporter shall:*

(a) *notify all relevant Shipper's that have prevailing Valid VIP Nominations or Valid VIP Renominations where the Transporter wishes to exercise its right to revoke or limit such Valid VIP Nominations or Valid VIP Renominations for operational reasons;*

(b) *within one (1) hour of receipt of such notification the Shipper shall be required to submit a revised Nomination(s) or Renomination(s) to specify*

a Nominated Quantity as specified by the Transporter (for operational reasons);

(c) *if the Shipper has not resubmitted its VIP Nominations or VIP Renominations within one (1) hour time period in accordance with Section 1.5.4(b) or any such Nomination or Renomination has failed to become a Valid Nomination or Valid Renomination the Transporter shall be entitled, but not obliged, to:*

(i) *revoke the Shipper's Valid Nomination or Valid Renomination in accordance with Section 1.6.3; and*

(ii) *take whatever action it deems necessary to limit the Nominated Quantity or Renominated Quantity and such Shipper's Nomination or Renomination as appropriate as required by the Transporter for operational reasons and the Shipper shall be deemed to have a Renominated Quantity in respect of the limited Nominated Quantity or Renominated Quantity as the case may be*.]

1.6.5 Not Used.

1.6.6 Without prejudice to any other right or entitlement of the Transporter in accordance with this Code where the Transporter exercises its right to revoke any IP Nomination Confirmed Quantity or IP Nomination Confirmed Quantity at the IP VEntry or at the IP VExit (as the case may be) the Transporter shall be entitled, but not obliged to take whatever action it deems necessary to limit the Shippers prevailing IP Nomination Confirmed Quantity as appropriate so that it does not exceed the Shipper's Reduced Daily Interruptible IP VEntry Capacity or Reduced Daily Interruptible IP VExit Capacity (as applicable) where such action is taken by the Transporter, the Shipper shall be deemed to have a IP Renominated Quantity in respect of the limited quantity, as the case may be, but without prejudice to the liability of the Shipper's Failure to Interrupt Charge in accordance with Part H (*Operations*) Section 4.

1.7 NDM Nomination Advice

1.7.1 The Transporter shall use reasonable endeavours by 09:00 hours on D-1 to advise each Shipper registered as holding NDM Exit Capacity of the quantity of Natural Gas (based on the Transporter's forecast of Natural Gas consumption at NDM Supply Points for the Day) to be nominated for a Day in respect of such Shipper's NDM Supply Points by way of a NDM Exit Nomination ("**NDM Nomination Advice**").

1.7.2 The Transporter shall recalculate the NDM Nomination Advice to reflect the Transporter's revised forecast of Natural Gas consumption at NDM Supply Points for the Day ("**NDM Renomination Advice**").

1.7.3 The Transporter shall use reasonable endeavours to communicate on Day D any NDM Renomination Advice to NDM Shippers by 11:00 hours, 15:45 hours, 20:45 hours and 23.30 hours in respect of such Day.

1.7.4 The Transporter may issue further revisions of the NDM Nomination Advice at other additional times during the Day. The Transporter shall use reasonable endeavours to communicate such further revisions to Shippers.

1.7.5 The Shipper will be liable to pay Exit Scheduling Charges in accordance with Part E (*Balancing and Shrinkage*) Section 1.10.3 and the Shipper shall not be entitled to the NDM Forecast Tolerance set out in Part E (*Balancing and Shrinkage*) Section 1.7.5, where the Shipper to which the Transporter issues a NDM Nomination Advice or NDM Renomination Advice does not achieve a Valid Nomination or Valid Renomination and in respect of the quantity specified at the NDM Nomination Advice or NDM Renomination Advice by 15:00 on D–1 in the case of each NDM Nomination Advice and within two (2) hours after the issue of each NDM Renomination Advice by the Transporter to such Shipper.

Where the Transporter fails to provide a NDM Nomination Advice to a Shipper pursuant to Section 1.7.1, the Valid Nomination achieved by such Shipper by 15:00 on D-1 in respect of such NDM Supply Points shall for the purpose of this Section 1.7.5 and Part E (*Balancing and Shrinkage*) Section 1.7.5 be deemed to comply with the relevant NDM Nomination Advice until such time as the Shipper receives a NDM Renomination Advice(s) in respect of the Day issued by the Transporter.

1.7.6 Where a Change of Shipper occurs at a NDM Supply Point, any NDM Renomination Advice issued on a Day shall take into account the Change of Shipper in respect of such NDM Supply Point.

1.8 **Profiling**

1.8.1 The Transporter shall be entitled to develop and make available to a Connected System Operator or Adjacent TSO offtake profile notices otherwise exit flow profiles (and shall be entitled to enter into arrangements with any Affiliate, Connected System Operator, Adjacent TSO, Shippers, Third Party Shippers, Counterparty IP Shippers or other third parties to develop and make available offtake profile notices or exit flow profiles) with respect to Natural Gas to be delivered to or offtaken at an Interconnection Point, a Bi-Directional CSP or Entry Point on a Day in accordance with this Code, including in accordance with the provisions of any relevant CSA or Interconnection Agreement or otherwise as the Transporter considers appropriate. For the avoidance of doubt the Transporter shall be entitled to provide information to any Affiliate, Adjacent TSO, Connected System Operator, Shippers, Third Party Shippers, Counterparty IP Shippers, third parties insofar as same shall be relevant to facilitate the development of such offtake profile notices. Shippers acknowledge that the quantity of Natural Gas profiled for delivery to or

offtake from the Transportation System at an Interconnection Point or at a Bi-Directional CSP or to be delivered at an Entry Point may differ from the quantities nominated by Shippers for delivery or offtake (as the case may be).

1.8.2 Without prejudice to the general provisions of this Section 1.8, the Transporter shall use reasonable endeavours, where practicable, to provide a Within-Day offtake profile at a LDM Offtake, subject always to the provisions of this Code (including those provisions relating to Difficult Day(s), Restricted Capacity Day(s) and Emergencies, Part B (*General Principles*)) and taking into account the provisions of the relevant LDM Capacity Booking the MHQ in respect of the LDM Offtake and, to the extent relevant, the location of the LDM Offtake and the provisions of any applicable End User Agreement.

1.8.3 The Transporter shall only be obliged to deliver Natural Gas at an Offtake Point, the Sub-Sea I/C Offtake or at an IP CSEP at a uniform rate.

1.8.4 The Transporter shall be entitled to profile Natural Gas to be delivered or offtaken at the Sub-Sea I/C Offtake in accordance with the provisions of any applicable Sub-Sea I/C Offtake Agreement or otherwise as the Transporter considers appropriate.

1.8.5 The Transporter shall not be liable to Shippers, or any of them, in respect of the development and provision of any such offtake profile notices (or exit flow profiles) or the failure to develop and/or provide such offtake profile notices or to secure that such profiles are in accordance with the terms and conditions of such agreement(s) including as may be developed between the Transporter and Shippers or otherwise in connection with the development of such offtake profile notices or exit flow profiles. Each Shipper hereby waives any and all rights of action against the Transporter (or its Affiliate) and any Adjacent TSO in respect of any loss, damage or otherwise that may be suffered by any Shipper as a result of the development and provision of such offtake profile notices or exit flow profiles, the failure to provide such notices or the failure to provide such notices or profiles other than in respect of rights of actions expressly contained in such Agreement(s) as may be developed and agreed between the Transporter and Shippers in connection with profiling of Natural Gas to be delivered or offtaken from the Transportation System (as the case may be).

1.9 Under Deliveries and Over Deliveries

1.9.1 If there are, or are likely to be, under deliveries of the Nominated Quantities of a Shipper's Natural Gas at an Entry Point or at a CGI Gas Point, for whatever reason on any Day, the Transporter shall not be liable to any Registered Shipper at such Entry Point or at such CGI Gas Point to provide Natural Gas to make up such Under Delivery.

1.9.2 If there are, or are likely to be, Over Deliveries of the Nominated Quantities of a Shipper's Natural Gas at an Entry Point or at a CGI Gas Point on any Day

the Transporter will be under no obligation to store the Natural Gas in the Transportation System.

1.9.3 Without prejudice to the application of any IP OBA Provisions if there are, or are likely to be under deliveries or over deliveries of the aggregate of Shippers IP Nomination Confirmed Quantities at the IP for whatever reason on any Day the Transporter shall not be liable to any Shipper at the IP to make up or store such over or under deliveries as the case may be.

1.10 **Effective Flow Time**

1.10.1 The time (the "**Effective Flow Rate Time**") at which the flow rate of Natural Gas will change or be deemed to change to give effect to the Nominated Quantity or IP Nomination Confirmed Quantity in respect of a Renomination or IP Renomination shall be:

(a) the start of Day D in respect of all Nominations or IP Nominations submitted prior to 13:00 on D-1;

(b) the later of the start of Day D or two hours after commencement of the applicable IP Renomination Cycle in respect of any IP Renomination submitted after 15:00 on Day D;

(c) subject to Section 1.10.1(d) in respect of any other Renomination the later of the start of Day D or two (2) hours after start of the hour which commences not less than 15 minutes after the Renomination becomes a Valid Renomination;

(d) six (6) hours after the hour (which is not less than 15 minutes after the relevant Nomination is submitted) where a change of physical flow direction at a Bi-Directional CSP is required;

subject in each case to any applicable ramp rates, offtake rates and/or Exit Point specific items which in the case of an Interconnection Point or an Entry Point shall be in accordance with the applicable Interconnection Agreement or CSA and in the case of an Exit Point shall be in accordance with the relevant LDM Capacity Booking or the Sub-Sea I/C Offtake Capacity Booking (where applicable) or otherwise as notified by the Transporter to the Shipper from time to time including pursuant to any applicable End User Agreement.

An Effective Flow Rate Time shall not apply in respect of a RNG Entry Point or a CGI Entry Point or a CGI Gas Point save as may be specified in any applicable CSA.

1.11 Not Used

(a)

1.12 **Not Used**

1.12.1

1.13 **Not used**

1.14 **Not Used**

1.15 **Not Used**

1.16 **Provisions with respect to IP VEntry / IP VExit**

The provision of Part H Section 3.5 and 4.6 apply with respect to IP Entry Capacity Interruption Notice(s) and IP VExit Capacity Interruption Notice(s) as the case may be and applicable failure to interrupt charges.

2. ALLOCATIONS

2.1 General

2.1.1 All Allocations (other than IP Allocations which shall be made in accordance with Section 3) shall be made in accordance with the remaining provisions of this Section 2. The Transporter shall for and including the Day which commences on 1 October 2015 or such other date as may be specified by the Transporter with the approval of the Commission make IP Allocations in accordance with Section 3.

2.1.2 Subject to any relevant Entry Point Procedures and/or any relevant Bi-Directional CSP Procedures, the Transporter shall allocate amongst Shippers in a transparent and fair manner in accordance with this Section 2 the Allocable Quantity at each Entry Point other than an RNG Entry Point in respect of each Day, such that the sum of Entry Allocations for all Shippers registered at the Entry Point on a Day (other than at an Entry Point configured within a Bi-Directional CSP) shall be equal to the Allocable Quantity for such Day.

2.1.3 The Transporter shall allocate the Allocable Quantity at a CGI Gas Point(s) and at a RNG Enry Point to the Registered Shipper at that CGI Gas Point or at that RNG Entry Point as the case may be. Where this is no Registered Shipper at a RNG Entry Point or at a CGI Gas Point then Part F (*Administration*) Section 1.3.4.C shall apply.

2.1.4 Without prejudice to section 2.1.1 for the duration of the PTL Agreement for any Day for which Allocations at the Moffat Entry Point are made in accordance with this Section 2, the Transporter shall procure that the Allocable Quantity of Natural Gas at the Moffat Entry Point shall be allocated amongst Shippers and PTL in accordance with the provisions of this Section 2 and the PTL Agreement.

2.1.5 Allocations at an Entry Point, at a CGI Entry Point and at a Connected System Exit Point shall be made in accordance with Sections 2.12 to 2.15.

2.1.6 Where Operational Reverse Flow Arrangements apply at an Entry Point all Natural Gas offtaken at such Entry Point pursuant to such Operational Reverse Flow Arrangements shall be attributed in accordance with such applicable Reverse Flow Arrangements.

2.2 Allocations (excluding IP Allocations)

2.2.1 **[Not used]**

2.2.2 The Transporter shall provide each Registered Shipper:

(a) with a separate Entry Allocation in respect of each Entry Point;

(b) with a separate Exit Allocation in respect of its Valid Nomination or Valid Renomination at each LDM Offtake at which the Shipper is the Registered Shipper (including a Multiple Shipper LDM Offtake);

(c) with an aggregate DM Exit Allocation in respect of all DM Offtakes at which the Shipper is the Registered Shipper;

(d) with an aggregate NDM Exit Allocation in respect of all NDM Supply Points at which the Shipper is the Registered Shipper;

(e) with a separate Entry Allocation at each CGI Gas Point;

(f) [*with such Shipper's VIP Injection Allocations and VIP Withdrawal Allocations in respect of each Day.*]

2.3 Entry Allocations

2.3.1 Subject to the provisions of this Section 2 the Transporter shall accept Entry allocations from an Entry Allocation Agent other than at a RNG Entry Point or at a CGI Entry Point.

2.3.2 In the event that:

(a) no Entry Allocation Agent has been appointed in respect of an Entry Point, all Entry Allocations will be made by the Transporter; or

(b) an Entry Allocation Agent has been appointed but where:

(i) the aggregate initial Entry Allocations or final Entry allocations (as appropriate) for a Day in respect of all Registered Shippers at the Entry Point submitted by the Entry Allocation Agent are rejected by the Transporter pursuant to Section 2.4; or the aggregate initial Entry Allocations or final Entry Allocations (as appropriate) for the

Day in respect of all Registered Shippers at the Entry Point submitted by the Entry Allocation Agent which would otherwise be valid do not match or equal the Allocable Quantity in respect of that Day;

(ii) The Entry Allocation Agent has submitted initial Entry Allocations or final Entry Allocations in respect of a Day and the Allocable Quantity in respect of such Day has changed and the Entry Allocation Agent has not submitted Entry Reallocations to the Transporter to comply with Section 2.4.4,

then the Initial Entry Allocations or Final Entry Allocations (as appropriate) for such Entry Points on such Day shall be determined by the Transporter in accordance with Section 2.5.

For the avoidance of doubt if an Entry Point is configured within a Bi-Directional CSP the provisions of Sections 2.12 to 2.15 shall apply with respect to Allocations at that Entry Point.

2.4 Entry Allocations by an Entry Allocation Agent

2.4.1 Where an Entry Allocation Agent has been appointed to make allocations on behalf of Registered Shippers at an Entry Point and the Transporter is required to accept allocations from the Entry Allocations Agent in accordance with Section 2.3.1, Shippers registered at that Entry Point shall procure that the Entry Allocation Agent so appointed complies with the provisions of this Section 2.4.

2.4.2 Initial Entry Allocation

(a) An Entry Allocation Agent on behalf of a Registered Shipper shall specify and submit to the Transporter such information as is necessary to enable the Transporter to process the Initial Entry Allocation(s) including:

(i) the Day that the proposed Initial Entry Allocation(s) relates to;

(ii) the Entry Point in respect of which the Initial Entry Allocation(s) is made;

(iii) the quantity of Natural Gas (in kWh) allocated to each Shipper at the relevant Entry Point;

(iv) the identity of the Registered Shipper(s) on whose behalf the Entry Allocation Agent submits an Initial Entry Allocation; and

(v) the identity of the Entry Allocation Agent.

(b) The Entry Allocation Agent shall notify the Transporter of the information referred to at Section 2.4.2(a) for Registered Shippers at the relevant Entry Point by 16:00 hours on D+1.

(c) The aggregate quantities submitted by the Entry Allocation Agent for Registered Shippers at an Entry Point on a Day shall equal the Allocable Quantity in respect of that Day.

(d) The Transporter shall notify each Shipper registered at an Entry Point of such Shipper's Initial Entry Allocation (save where the allocations submitted by the Entry Allocation Agent are rejected pursuant to Section 2.4.3) within two (2) hours after receipt of such allocations by the Transporter from the Entry Allocation Agent or by 16:00 hours on D + 1 whichever is the later.

2.4.3 The Transporter will reject an allocation(s) submitted by an Entry Allocation Agent that fails to comply with the provisions of Section 2.4.2.

2.4.4 An Entry reallocation may be submitted by an Entry Allocation Agent to the Transporter between 16:00 hours on D+1 and 16:00 hours on D+4 provided that:

(a) such Entry reallocation contains the information required under Section 2.4.2; and

(b) the total quantity of Natural Gas to be allocated in respect of the Day at that Entry Point remains or is equal to the Allocable Quantity in respect of such Day.

The Entry Allocation Agent shall submit Entry Reallocations in respect of a Day for which the Allocable Quantity has been changed such Entry Reallocations to be submitted prior to 16:00 hours on D+4.

2.4.5 The Transporter may reject any Entry reallocations which it receives from an Entry Allocation Agent after 16:00 hours on D+4.

2.4.6 Where the Transporter has accepted Entry allocations or Entry reallocations from an Entry Allocation Agent at any time prior to 16:00 hours on D+5, subject to Section 2.3.2 the last Entry allocation(s) or Entry reallocation(s) accepted by the Transporter shall form the basis of the Final Entry Allocation(s) for such Entry Point.

2.4.7 Any queries or disputes with respect to Entry allocations made by an Entry Allocation Agent shall be a matter solely for the affected Shippers and the Entry Allocation Agent, and a Shipper shall not be entitled to dispute with the Transporter any Entry allocations made by an Entry Allocation Agent nor shall a Shipper be entitled to dispute with the Transporter any Entry Allocations made by the Transporter having regard to allocations made by an Entry Allocation Agent.

2.4.8 The Transporter shall not be liable in respect of the compliance or non-compliance by an Entry Allocation Agent with the terms of appointment of such Entry Allocation Agent or with the provisions of this Code or in respect of any act or omission of the Entry Allocation Agent howsoever arising. For the avoidance of doubt the Transporter shall not and shall not be required to verify that allocations submitted by an Entry Allocation Agent have been properly made.

2.5 Entry Allocations made by the Transporter

2.5.1 Where the Transporter is required to make an Initial Entry Allocation in accordance with Section 2.3.2 it shall allocate the Allocable Quantity of Natural Gas delivered at an Entry Point save as otherwise provided below on a Day amongst the Registered Shippers at such Entry Point in accordance with the following formula:

SQ = Q * (SNQ/EODQ)

where:

SQ	=	the quantity of Natural Gas (expressed in kWh) allocated to an individual Shipper at the Entry Point on the Day;
Q	=	the Allocable Quantity in respect of the Entry Point in respect of a Day;
SNQ	=	the individual Shipper's Valid Entry Nomination or Valid Entry Renomination on the Day in respect of the Entry Point; and
EODQ	=	the End of Day Quantity in respect of the Entry Point on the Day.

The Transporter shall allocate the Allocable Quantity in respect of a RNG Entry Point or in respect of a CGI Gas Point to the Registered Shipper at the applicable RNG Entry Point or CGI Gas Point (as the case may be) on the Day.

The Transporter shall notify each Shipper of such Shipper's Initial Entry Allocation(s) in respect of each Entry Point at which the Shipper is registered by 16:00 hours on D + 1 or where the Transporter is required to make such Initial Entry Allocations in accordance with Section 2.3.2(b) by the later of 16:00 hours on D + 1 or two (2) hours after receipt of the initial allocations from the Entry Allocation Agent.

For the avoidance of doubt if the Allocable Quantity in respect of an Entry Point or RNG Entry Point or a CGI Gas Point is zero each Registered Shipper's Entry Allocation at such Entry Point, RNG Entry Point, or CGI Gas Point shall be zero.

If there is an Allocable Quantity at an Entry Point which is not a RNG Entry Point for a Day on which there are no Shipper's Entry Nomination(s) (other than a deemed zero Nomination) at that Entry Point for that Day, the Allocable Quantity shall be allocated among all Shippers which are Registered Shippers at the Entry Point on that Day pro rata to the Shipper's Active Entry Capacity at that Entry Point and where all Shippers Active Entry Capacity is zero, the Allocable Quantity shall be allocated among such Shippers in equal shares.

If there is an Allocable Quantity at an RNG Entry Point and/or at a CGI Gas Point for a Day on which there is no Shippers Entry Nomination (other than a deemed zero Nomination) the Allocable Quantity shall be allocated to the Registered Shipper at the RNG Entry Point or CGI Gas Point as applicable.

If there is no Registered Shipper at the relevant RNG Enry Point or at the CGI Gas Point on that Day then Part F (*Administration*) Section 1.3.4.C shall apply.

2.5.2 During the period between 16:00 hours on D+1 and 16:00 hours on D+4, the Transporter may, including following acceptance by the Transporter of an Initial Entry Allocation Adjustment Request or adjustment by the Transporter of the Allocable Quantity, adjust the Entry Allocation for a Shipper by making an Entry Reallocation.

2.5.3 Where the Transporter has made Initial Entry Allocations in respect of an Entry Point at which multiple Shippers are registered, such Shippers may, during the period between 16:00 hours on D+1 and 16:00 hours on D+4, agree on a different allocation between themselves of the Allocable Quantity at such Entry Point to the Initial Entry Allocations made by the Transporter. Such agreed Entry Allocation shall be notified in writing to the Transporter by all affected Shippers by 16:00 hours on D+4 and shall be accepted by the Transporter subject to the Transporter being satisfied that the aggregate quantity of Natural Gas to be allocated on such Day in respect of such Entry Point is equal to the Allocable Quantity at such Entry Point on such Day.

Shippers may not reallocate as between CGI Gas Points configured within a CGI Entry Point or at all.

2.5.4 Where the Transporter has made an Initial Entry Allocation, a Shipper may submit a request to the Transporter between 16:00 hours on D+1 and 16:00 hours on D+4 to adjust the Initial Entry Allocation (an "**Initial Entry Allocation Adjustment Request**"). The Initial Entry Allocation Adjustment Request shall specify the information necessary to enable the Transporter to process the request including:

(a) the identity of the Shipper;

(b) the Entry Point subject to the Initial Entry Allocation Adjustment Request;

(c) the Day that the Initial Entry Allocation Adjustment Request relates to; and

(d) the quantity of the requested adjustment and the reason for the adjustment.

An Entry Allocation Adjustment Request may not be submitted by a Shipper in respect of a RNG Entry Point or in respect of a CGI Gas Point.

2.5.5 The Transporter shall reject the Initial Entry Allocation Adjustment Request if it is not submitted in accordance with Section 2.5.4.

2.5.6 Where the Transporter accepts that an adjustment to the Initial Entry Allocation is required, it shall make an Entry Reallocation by adjusting the Initial Entry Allocation in accordance with the adjustment requested in the Initial Entry Allocation Adjustment Request or as otherwise determined by the Transporter. The Entry Reallocation shall supersede the previous Entry Allocation.

2.5.7 Where the Transporter does not accept the adjustment specified in the Initial Entry Allocation Adjustment Request, it shall not adjust the Initial Entry Allocation on that basis and shall provide to the Shipper submitting the Initial Entry Allocation Adjustment Request with the reason for the non-acceptance thereof.

2.5.8 The Transporter shall reject any Initial Entry Allocation Adjustment Request received by the Transporter after 16:00 hours on D+4.

2.5.9 [Where on a Day a Shipper has Valid Nominations for both Entry Capacity and Back-Up Entry Capacity at the same Entry Point the Allocation(s) as between the two types of Capacity at such Entry Point in respect of the same Day shall not be revised pursuant to an Initial Entry Allocation Adjustment Request save where an error has been made in respect of such Allocation(s).]

2.5.10 The Transporter may make an Entry Reallocation to a Shipper where an adjustment is necessary (including as a result of a revision to the Allocable Quantity in respect of a Day) in respect of any previous Entry Allocation, including for the avoidance of doubt where the Entry Allocation Agent has submitted Initial Entry Allocations, but has not submitted an Entry Reallocation to address a revision to the Allocable Quantity.

2.5.11 The Transporter shall make available to Shippers an Entry Reallocation made pursuant to Section 2.5.6 or Section 2.5.10 prior to 16:00 hours on D+4.

2.6 Final Entry Allocation

The Transporter shall make available to Shippers the Final Entry Allocation at 16:00 hours on D+5.

2.7 Initial Exit Allocations

2.7.1 Initial LDM Exit Allocation

LDM Exit Allocations shall be determined as follows:

(a) If only one Shipper is registered at a LDM Offtake on a Day , the aggregate metered quantity of Natural Gas determined as having been offtaken in accordance with this Code on a Day at that LDM Offtake shall be allocated to that Shipper for that Day.

(b) In the case of a Multiple Shipper LDM Offtake, the aggregate metered quantity of Natural Gas determined as having been offtaken in accordance with this Code at the Multiple Shipper LDM Offtake shall be allocated by the Transporter to the Shipper(s) registered at that Multiple Shipper LDM Offtake on that Day, according to the following formula:

SQ = Q * SNQ/ANQ

where:

SQ = the quantity of Natural Gas (expressed in kWh) allocated to an individual Shipper in respect of the LDM Offtake on the Day;

Q = the aggregate metered quantity of Natural Gas; (expressed in kWh) determined as having been offtaken at the LDM Offtake on the Day;

SNQ = the individual Shipper's Valid Exit Nomination or Valid Exit Renomination in respect of the LDM Offtake on the Day; and

ANQ = the aggregate of all the Valid Exit Nominations or Valid Exit Renominations in respect of the LDM Offtake on the Day.

(c) All Shippers registered at a Multiple Shipper LDM Offtake may jointly request the Transporter to implement a procedure to make Allocations in respect of such Multiple Shipper LDM Offtake in a different manner to that set out in Section 2.7.1(b). The Transporter may, but shall not be obliged to, approve any procedure(s) proposed by such Shipper(s) provided that:

(i) any costs incurred by the Transporter associated with implementing such procedures shall be for the account of such Shippers;

(ii) the Transporter shall have no liability in respect of, or arising out of Allocations made pursuant to such procedures;

(iii) such differing procedures shall apply for a period to be agreed with the Transporter;

(iv) the implementation of such procedures is subject to such notice and time periods as may be necessary to implement such procedures; and

(v) such procedures take effect (a) not less than ten (10) Business Days after acceptance of such request by the Transporter or (b) upon the completion of the implementation process in (iv) above, whichever is the later.

Where the Transporter accepts a procedure(s) as proposed by Shippers pursuant to this Section 2.7.1(c) the Transporter shall allocate Natural Gas offtaken at such Multiple Shipper LDM Offtake in accordance with such procedure and the Transporter shall not be liable in respect of any consequences arising as a result of such Allocations(s).

2.7.2 Initial DM Exit Allocation

(a) DM Exit Allocations shall be made in aggregate for each Shipper with respect to all DM Offtakes at which the Shipper is the Registered Shipper on a Day;

(b) The aggregate DM Exit Allocation for a Shipper on a Day shall be equal to the sum of the aggregate metered quantities of Natural Gas determined as having been offtaken in accordance with this Code on such Day at each of the individual DM Offtakes at which the Shipper is the Registered Shipper;

(c) Where a Valid Meter Read at a DM Offtake is unavailable to the Transporter on a Day, the Transporter shall include in the DM Exit Allocation in respect of the Shipper registered at the affected DM Offtake:

(i) in the case of a Business Day, the quantity of Natural Gas offtaken on the preceding Business Day for which a Valid Meter Read is available; and

(ii) in the case of a Non-Business Day, the quantity of Natural Gas offtaken on the preceding Non-Business Day for which a Valid Meter Read is available.

(d) Where a Valid Meter Read at a DM Offtake is unavailable to the Transporter for more than five (5) consecutive Days, the Transporter shall include in the DM Exit Allocation of the Registered Shipper at the affected DM Offtake the quantity of Natural Gas determined as having been offtaken in accordance with Part G (*Technical*) Section 3.7 (*Absence of Valid Meter Reads at DM Offtakes*) within two (2) Days following the expiry of such five (5) Day period.

2.7.3 Initial NDM Exit Allocation

(a) Initial NDM Exit Allocations shall be made in aggregate for each Shipper with respect to all NDM Supply Points at which the Shipper is the Registered Shipper on a Day in accordance with Section 2.7.3(d) below;

(b) The aggregate NDM Supply Point Allocation of Natural Gas for a Day is determined as follows:

(i) the total consumption of Natural Gas for a Day downstream of the city gate meters is calculated following receipt of city gate Meter Reads by 08:00 hours on D+1;

(ii) the LDM Offtake and DM Offtake consumptions of Natural Gas for a Day are calculated following receipt of LDM Meter Reads and DM Meter Reads at each LDM Offtake and DM Offtake downstream of the city gate meters by 08:30 hours on D+1;

(iii) Distribution System consumption of Natural Gas for a Day is calculated as a quantity of Natural Gas being equal to the total city gate Meter Reads for a Day less the aggregate total quantity of Natural Gas determined as having been offtaken on a Day at all LDM Exit Points and TCDM Exit Points that are downstream of the city gate meters;

(iv) Distribution System Shrinkage Gas for a Day is calculated by applying the Distribution System Shrinkage Factor to the Distribution System consumption of Natural Gas for the relevant Day; and

(v) the aggregate NDM Exit Allocation for all Shippers for a Day (which shall be the same as the aggregate NDM Supply Point Allocation for all Shippers for the relevant Day) shall be calculated by the Transporter and determined by the following formula:

NDM = (CC + RNG) - (DS + LDM + DM)

where in respect of a Day:

NDM	=	the aggregate NDM Exit Allocation;
CC	=	the quantity of Natural Gas (in kWh) metered at the city gate meters;
RNG	=	the quantity of Natural Gas (in kWh) metered as delivered to the Transportation System at an RNG Entry Point downstream of the city gate meters;
DS	=	Distribution System Shrinkage Gas (in kWh);
LDM	=	the aggregate quantity of Natural Gas (in kWh) offtaken at all LDM Offtakes downstream of the city

gate meters; and

DM = the aggregate quantity of Natural Gas (in kWh) offtaken at all DM Offtakes downstream of the city gate meters.

(c) The aggregate NDM Exit Allocation for a Day shall be apportioned between Shippers by the Transporter by scaling the bottom up estimates of demand made in accordance with the NDM Allocation Procedure so that the aggregate of all Shippers' NDM Supply Point Allocations for a Day are equal to the aggregate NDM Exit Allocation determined in accordance with Section 2.7.3(b) for such Day;

(d) Each Shipper's NDM Exit Allocations for a Day shall in turn be the aggregate quantity of such Shipper's NDM Supply Point Allocation(s) for such Day.

2.7.4 Initial Sub-Sea I/C Offtake Allocations

(a) Sub-Sea I/C Offtake Allocations shall be determined as follows:

(i) if only one Shipper is registered at the Sub-Sea I/C Offtake on a Day, the aggregate metered quantity of Natural Gas determined as having been offtaken in accordance with this Code on a Day at the Sub-Sea I/C Offtake shall be allocated to that Shipper for that Day;

(ii) if more than one Shipper is registered at the Sub-Sea I/C Offtake on a Day the aggregate metered quantity of Natural Gas determined as having been offtaken in accordance with this Code on a Day at the Sub-Sea I/C Offtake shall be allocated by the Transporter to the Shipper's registered at the Sub-Sea I/C Offtake on that Day according to the following formula:

SQ = Q * SNQ/ANQ

where:

SQ = the quantity of Natural Gas (expressed in kWh) allocated to an individual Shipper in respect of the Sub-Sea I/C Offtake on the Day;

Q = the aggregate metered quantity of Natural Gas (expressed in kWh) determined as having been offtaken at the Sub-Sea I/C Offtake on the Day;

SNQ = the individual Shipper's Valid Sub-Sea I/C Offtake Nomination or Valid Sub-Sea I/C Offtake Renomination in respect of the Sub-Sea I/C Offtake on the Day; and

ANQ = the aggregate of all the Valid Sub-Sea I/C Offtake Nominations or Valid Sub-Sea I/C Offtake Renominations in respect of the Sub-Sea I/C Offtake on the Day.

(iii) Where there is more than one Shipper registered at the Sub-Sea I/C Offtake all such Shippers may jointly request the Transporter to implement a procedure to make allocations in respect of the Sub-Sea I/C Offtake in a different manner to that set out in Section 2.7.4(ii). The Transporter may, but shall not be obliged to, approve any procedure(s) proposed by such Shippers provided that:

(1) any costs incurred by the Transporter associated with implementing such procedures shall be for the account of such Shippers;

(2) the Transporter shall have no liability in respect of, or arising out of Allocations made pursuant to such procedures;

(3) such different procedures shall apply for a period to be agreed with the Transporter;

(4) the implementation of such procedures is subject to such notice and time periods as may be necessary to implement such procedures; and

(5) such procedures shall take effect:

(A) not less than ten (10) Business Days after acceptance of such request by the Transporter; or

(B) upon the completion of the implementation process in (4) above whichever is the later.

(iv) Where the Transporter accepts procedure(s) as proposed by Shippers pursuant to this Section 2.7.4(a) the Transporter shall allocate Natural Gas offtaken at the Sub-Sea I/C Offtake in accordance with such procedure and the Transporter shall not be liable in respect of any consequences arising as a result of such Allocations.

2.8 Exit Allocation Adjustments and Sub-Sea I/C Offtake Allocation Adjustments

2.8.1 During the period between 16:00 hours on D+1 and 16:00 hours on M+5, the Transporter may, as circumstances require (including following acceptance by the Transporter of an Initial Exit Allocation Adjustment Request or adjustment of the metered delivered quantity in respect of the Day), adjust the Exit Allocation for a Shipper by making an Exit Reallocation.

2.8.2 A Shipper may submit a request to the Transporter between 16:00 hours on D+1 and 16:00 hours on M+4 for the Initial Exit Allocation to be adjusted (an "**Initial Exit Allocation Adjustment Request**"). An Initial Exit Allocation Adjustment Request shall specify the information necessary to enable the Transporter to process the request including:

(a) the identity of the Shipper;

(b) the Allocation to which the request relates;

(c) in the case of a LDM Shipper, the LDM Offtake subject to the Initial Exit Allocation Adjustment Request, the Supply Point Registration Number;

(d) the Day that the request relates to; and

(e) the quantity of the requested adjustment and reason for the adjustment.

2.8.3 The Transporter will reject the Initial Exit Allocation Adjustment Request if it is not submitted in accordance with Section 2.8.2.

2.8.4 Where the Transporter accepts that an adjustment to the Initial Exit Allocation is required, it shall make an Exit Reallocation by adjusting the Initial Exit Allocation or Exit Reallocation (as relevant) in accordance with the adjustment requested in the Initial Entry Allocation Adjustment Request or as otherwise determined by the Transporter. The Exit Reallocation shall supersede the Initial Exit Allocation or any previous Exit Reallocation.

2.8.5 Where the Transporter does not accept the adjustment specified in the Initial Exit Allocation Adjustment Request, it shall not adjust the Initial Exit Allocation on that basis.

2.8.6 The Transporter shall not accept any Initial Exit Allocation Adjustment Request received by the Transporter after 16:00 hours on D+4.

2.8.7 The Transporter may make an Exit Reallocation to a Shipper where an adjustment is necessary (including as a result of a revision to the metered quantity of Natural Gas offtaken in respect of a Day) in respect of any previous Exit Allocation.

2.8.8 The Transporter shall notify a Shipper of an Exit Reallocation made pursuant to Section 2.8.4 prior to 16:00 hours on M+4.

2.8.9 The provisions of Sections 2.8.1 to 2.8.8 shall apply, mutatis mutandis with respect to the adjustment of Sub-Sea I/C Offtake Allocations.

2.9 Notification of Exit Allocations

2.9.1 The Transporter shall make available to Shippers the Initial Exit Allocation in respect of a Shipper's LDM Offtakes, DM Offtake(s) and/or NDM Supply Point(s) and/or the Sub-Sea I/C Offtake by 16:00 hours on D + 1.

2.9.2 The Transporter shall make available to Shippers the Final Exit Allocation in respect of a Shipper's LDM Offtake(s), DM Offtake(s), NDM Supply Point(s) and/or the Sub-Sea I/C Offtake by 16:00 hours on M+5.

2.10 Supply Point Allocations

2.10.1 Initial Supply Point Allocation(s) in respect of a LDM Supply Point on a Day shall be equal to the metered quantity of Natural Gas offtaken from that Supply Point on such Day or, in the case of a Multiple Shipper LDM Supply Point, in accordance with the procedures contained in Sections 2.7.1 and 2.9.

2.10.2 Initial Supply Point Allocations in respect of DM Supply Points on a Day shall for each DM Shipper be equal to the metered quantities of Natural Gas determined as having been offtaken on such Day at each DM Supply Point at which the Shipper is registered.

2.10.3 Initial Supply Point Allocations in respect of NDM Supply Points shall for each NDM Shipper be determined in accordance with the NDM Allocation Procedure.

2.10.4 Where a Shipper considers that an adjustment is necessary to its Initial Supply Point Allocation, it shall be entitled to submit a request to the Transporter and the Transporter may consider such request in accordance, mutatis mutandis, with the provisions of Section 2.8.

2.10.5 The Transporter shall make available to Shippers the Final Supply Point Allocation at 16:00 hours on M+5.

2.10.6 The Transporter may make a Supply Point Reallocation to a Shipper where an adjustment is necessary (including as a result of a revision to the metered quantity of Natural Gas offtaken from the Supply Point in respect of a Day) in respect of any previous Supply Point Allocation.

2.11 IBP Allocations

2.11.1 IBP Allocations shall be made available by the Transporter by 16:00 hours on D+1. For the avoidance of doubt, IBP Allocations will be final IBP Allocations and may not be adjusted.

2.12 **Not Used**

2.13 **Not Used**

2.14 **Not Used**

2.15 **Not Used**

2.16 **[*VIP Allocations***

2.16.1 *A Shipper's VIP Injection Allocation in respect of a Day shall be equal to the Nominated Quantity in such Shipper's Valid VIP Injection Nomination or Valid VIP Injection Renomination in respect of that Day.*

2.16.2 *A Shipper's VIP Withdrawal Allocation in respect of a Day shall be equal to such Shipper's Valid VIP Withdrawal Nomination or Valid VIP Withdrawal Renomination with respect to that Day.*

2.16.3 *VIP Allocations shall be made available by the Transporter by 16:00 hours on D + 1. For the avoidance of doubt, VIP Allocations shall be final VIP Allocations and may not be adjusted.*

2.16.4 *A Shipper's Final Entry Allocation at the Moffat Entry Point for a Day shall not be affected by such Shipper's VIP Injection Allocation for the Day.*]

3. INTERCONNECTION POINT ALLOCATIONS

3.1 Introduction

3.1.1 The Transporter shall make allocations at all Interconnection Points in accordance with this Section 3.

3.1.2 Section 3.4 shall apply on each OBA Day at an Interconnection Point where the applicable Interconnection Agreement includes IP OBA Provisions.

3.1.3 Section 3.5 shall apply at an Interconnection Point:

(a) in respect of each Day where the applicable Interconnection Agreement does not include IP OBA Provisions; and

(b) on a Non-OBA Day.

3.2 Interpretation

3.2.1 For the purpose of this Code:

(a) "**IP Allocation**" means any one or more of the following:

(i) an IP Entry Allocation;

(ii) an IP CSEP Offtake Allocation;

(iii) an IP VEntry Allocation;

(iv) an IP VExit Allocation.

(b) "**IP Reallocation**" means a revision made between 16.00 hours on D + 1 and 11.00 hours on D + 4 of the quantity of Natural Gas in any IP Allocation (and a "**IP Entry Reallocation**", a "**IP CSEP Offtake Reallocation**", a "**IP VEntry Reallocation**" and a "**IP VExit Reallocation**" shall be construed accordingly);

(c) "**Metered Quantity**" is in respect of each Day and at each Interconnection Point the aggregate quantity determined in accordance with Part G Section 3 of this Code and the applicable Interconnection Agreement as having being physically delivered to or physically offtaken from the Transportation System at the IP or where there are physical flows in both directions at the same Interconnection Point at different times on the same Day the net amount of such Metered Quantities;

(d) "**Adjusted Metered Quantity**" is in respect of the Moffat Interconnection Point for a Non OBA Day the quantity of Natural Gas attributed to the Transportation System in accordance with Section 3.5.2;

(e) "**Aggregate IP Entry Confirmed Quantity**" is for a Day the sum of all IP Nomination Confirmed Quantities in respect of all Shippers at the IP Entry for that Day;

(f) "**Aggregate IP CSEP Confirmed Quantity**" is for a Day the sum of all prevailing IP Nomination Confirmed Quantities in respect of all Shippers at the IP CSEP for the Day;

(g) "**Aggregate IP VExit Confirmed Quantity**" is for a Day the sum of all prevailing IP VExit Confirmed Nomination Quantities in respect of all Shippers at the IP VExit in respect of that Day;

(h) "**Aggregate IP VEntry Confirmed Quantity**" is the sum of all prevailing IP VEntry Confirmed Nomination Quantities in respect of all Shippers at the IP VEntry in respect of the Day;

(i) "**Steering Difference**" shall in respect of an Interconnection Point have the meaning in the applicable IP OBA Provisions;

(j) "**Cumulative Steering Difference**" in respect of each Day and at each Interconnection Point in respect of each Day the sum as so established in accordance with the applicable IP OBA Provisions;

(k) "**IP Operational Balancing Account**" or "**IP OBA**" means an account of Natural Gas maintained between the Transporter (or its Affiliate) and the Adjacent TSO at an IP pursuant to which any Steering Difference for a Day overflows or underflows of Natural Gas at the IP is managed operationally between the Transporter (or its Affiliate) and the Adjacent TSO;

(l) "**Steering Tolerance**" is in respect of an IP the amount (in kWh) specified in the IP OBA Provisions for that IP as the maximum normally allowable amount of the Cumulative Steering Difference or as otherwise defined in the applicable IP OBA Provisions;

(m) "**IP OBA Provisions**" are those provisions of the Interconnection Agreement which provide for the operation and management of the IP Operational Balancing Account and the reconciliation as between the Transporter and the Adjacent TSO at the IP of any over flows and under flows of Natural Gas in respect of the IP for a Day;

(n) "**IP Entry Allocation(s)** means the quantity(ies) of Natural Gas that is allocated as having been delivered by a Shipper to the Transportation System at an IP Entry Point on a Day;

(o) "**Final IP Entry Allocation**" means in respect of a Shipper the Shippers IP Entry Allocation at 16:00 hours on D + 5 in respect of an IP Entry;

(p) "**Final IP VExit Allocation**" means in respect of a Shipper and a Day the Shipper's IP VExit Allocation at 16:00 hours on D+5 in respect of a IP VExit;

(q) "**Initial IP Entry Allocation**" means the IP Entry Allocation made at or before 16.00 hours on D +1 to a Shipper in respect of an IP Entry Point;

(r) "**Initial IP VExit Allocation**" means the IP VExit Allocation made on or prior to 16:00 hours on D+1 to a Shipper in respect of a IP VExit;

(s) "**IP VExit Allocation**" is the quantity of Natural Gas (in kWh) that is allocated to a Shipper in accordance with Section 3.4, 3.5 or 3.10 as having been offtaken from the Transportation System at an IP VExit by the Shipper on a Day;

(t) "**IP VEntry Allocation**" means the quantity of Natural Gas (in kWh) that is allocated to a Shipper in accordance with Section 3.4 to 3.5 or 3.10 as having been delivered by the Shipper to the Transportation System at an IP VEntry on a Day;

(u) "**Final IP VEntry Allocation**" means in respect of a Shipper and a Day the Shipper's IP VEntry Allocation at 16:00 hours on D+5 to a Shipper in respect of a IP VEntry;

(v) "**Initial IP VEntry Allocation**" means the IP VEntry Allocation made at or prior to 16:00 on D+1 to a Shipper in respect of an IP VEntry;

(w) "**Non-OBA Day**" means in respect of an IP a Day for which it is determined in accordance with the applicable IP OBA Provisions that IP Allocations for Shippers at the IP shall be based on pro-rata allocation of the Metered Quantity at the IP and each Day in respect of an IP at which IP OBA Provisions do not apply;

(x) "**OBA Day**" means in respect of an IP at which IP OBA Provisions apply, each Day other than a Non OBA Day in respect of such IP;

(y) "**IP CSEP Offtake Allocation**" is the quantity of Natural Gas (in kWh) that is allocated to a Shipper in accordance with Section 3.4, 3.5 or 3.10 as having been offtaken from the Transportation System at the IP CSEP by a Shipper on the Day;

(z) "**Initial IP CSEP Offtake Allocation**" means an IP CSEP Offtake Allocation made on or prior to 16:00 hours on D+1 to a Shipper in respect of the CSEP;

(aa) "**Final IP CSEP Offtake Allocation**" means in respect of a Shipper and a Day the Shipper's IP CSEP Offtake Allocation at 16:00 hours on D+5 in respect of the Shipper at the applicable IP CSEP.

3.3 General

3.3.1 Each Shipper shall have a separate IP Allocation in respect of each prevailing IP Nomination or IP Renomination for each Day, Counterparty IP Shipper and direction and at each IP.

3.3.2 Each Shipper shall have a single IP Allocation in respect of each Counterparty IP Shipper at each IP Entry Point, each IP CSEP, each IP VEntry and each IP VExit in respect of which the Shipper has submitted a Valid IP Nomination.

3.3.3 A Shipper's Initial IP Allocation shall only be varied by way of an IP Reallocation in accordance with Section 3.10 (*Error Correction*).

3.3.4 Unless the Transporter notifies the Shipper of a Final IP Allocation at 16.00 hours on D + 5 the Shipper's prevailing IP Allocation or IP Reallocation as at 16.00 hours on D + 5 shall be the Shipper's Final IP Allocation.

3.3.5 The Transporter shall notify Shippers:

(a) if IP OBA Provisions do not apply at an IP in which case each Day shall be a Non-OBA Day; or

(b) by 16:00 on D + 1 if a Day is a Non-OBA Day at an IP where IP OBA Provisions apply at that IP.

3.4 IP Allocations on an OBA Day

3.4.1 A Shippers IP Allocation(s) at each Interconnection Point in respect of an OBA Day shall in respect of each of the Shippers IP Nomination(s) or IP Renomination(s) be equal to the prevailing IP Nomination Confirmed Quantity in respect of the Shipper's IP Nomination or IP Renomination as the case may be) at such Interconnection Point at the end of the Day to which the IP Nomination or IP Renomination related.

3.4.2 [Not used.]

3.5 IP Allocation on a Non OBA Day

3.5.1 For the duration of the PTL Agreement, the Transporter shall procure that for a Non OBA Day the quantity of Natural Gas delivered or deemed delivered to the Transportation System at the Moffat IP Entry Point shall be calculated in accordance with 3.5.2.

3.5.2 For a Non-OBA Day the Adjusted Metered Quantity for the purpose of this Code shall be calculated as follows:-

$$AQ = \left(\frac{(Q + NI_{VRF} + ROI_{VRF})}{1}\right) x \left(\frac{\left(ROI_{FF}\right)}{ROI_{FF} + NI_{FF}}\right)$$

Where AQ = The Adjusted Metered Quantity.

Q = the quantity metered as physically delivered at the Moffat Interconnection Point on the Day.

NI_{VRF} = the aggregate quantity of Natural Gas nominated for offtake at the Moffat IP for delivery to the NGG System for PTL for the Day.

ROI_{VRF} = the Aggregate IP VExit Confirmed Quantity at the Moffat IP for the Day.

ROI_{FF} = the Aggregate IP Confirmed Nomination Quantity at the Moffat IP for the Day.

NI_{FF} = the aggregate quantity nominated for delivery at the Moffat IP for PTL.

3.5.3 For a Non OBA Day and separately for each IP, Counterparty IP Shipper and direction:

(a) the Shipper's prevailing IP VEntry Nomination Confirmed Quantity at the end of the Day for which the IP Allocation is made shall be the Shippers Initial IP VEntry Allocation;

(b) the Shipper's prevailing IP VExit Nomination Confirmed Quantity at the end of the Day shall be the Shippers Initial IP VExit Allocation;

(c) a Shippers prevailing IP Entry Nomination Confirmed Quantity or IP CSEP Nomination Confirmed Quantity shall be the Shippers Initial IP Entry Allocation or IP CSEP Offtake Allocation;

(d) the Shipper's Initial IP Entry Allocation(s) or Initial IP CSEP Offtake Allocation(s) shall in respect of each Non-OBA Day be recalculated by 16.00 on D + 2 (separately in respect of each IP Entry Nomination and IP CSEP Offtake Nomination) for each Shipper and in respect of each IP as follows:

IP_{all} = $\left[AQ = \frac{Scq}{AggSeq} \right]$

IP_{all} = a Shipper's IP Entry Allocation,– or IP CSEP Offtake Allocation in respect of the IP for the Non-OBA Day.

AQ = the sum of the Metered Quantity at the IP for the Day plus (i) in the case of an IP Entry) the Aggregate IPVExit Confirmed Quantity or (ii) in the case of an IP CSEP Nomination the Aggregate IP VEntry Confirmed Quantity (as the case may be) in respect of that IP and that Non-OBA Day) or in the case of the Moffat IP the Adjusted Metered Quantity.

Scq	=	the Shipper's IP Nomination Confirmed Quantity in respect of the Shippers IP Entry Nomination (or IP Renomination) or IP CSEP Offtake Nomination (or IP Renomination) at the IP in respect of the Non-OBA Day;
Agg Scq	=	The Aggregate IP Entry Confirmed Quantity or the Aggregate IP CSEP Confirmed Quantity (as the case may be) for the Day.

(e) the Shipper's IP Entry Reallocation or IP CSEP Offtake Reallocation is calculated in accordance with Section 3.5.3(d) shall be notified to the Shipper by 16:00 hours on D + 2 by way of an IP Reallocation.

3.6 **Initial IP Allocation**

3.6.1 The Shipper's Initial IP Allocation in respect of each IP Counterparty Shipper, Day and direction shall:

(a) for an OBA Day be the Shipper's applicable IP Nomination Confirmed Quantity at the IP in respect of the Day; and

(b) for a Non OBA Day may be the Shipper's applicable:

(i) IP Nomination Confirmed Quantity at the IP in respect of the Day; or

(ii) a quantity calculated in accordance with Section 3.5.3;

provided always where the Shipper's Initial IP Allocation on a Non-OBA Day is notified as the Shipper's applicable IP Nomination Confirmed Quantity such IP Allocation shall be subject to recalculation and adjustment in accordance with clause 3.5.3 (d).

3.6.2 The Transporter shall notify to each IP Shipper in respect of each Non-OBA Day at the IP the Shipper's applicable IP Entry Reallocation or IP CSEP Offtake Reallocation as calculated in accordance with Section 3.5.3 by 16:00 on D + 2.

3.7 **Final IP Allocation**

3.7.1 The Shipper's Final IP Allocation(s) shall:

(a) for an OBA Day be the Shipper's Initial IP Allocation(s) in respect of that Day or where Section 3.10 (*Error Correction*) applies the Shippers prevailing IP Reallocation(s) at 16.00 hours on D + 5 in respect of the Day; and

(b) for a Non-OBA Day be the Shipper's IP Reallocation(s) in respect of Day D as notified by the Transporter by 16:00 hours on D + 2 or where

there is an IP Reallocation made in accordance with Section 3.10 (*Error Correction*) the prevailing IP Reallocation at 16.00 hours on D + 5.

3.8 **IP Allocation Notification**

3.8.1 The Transporter shall notify to each Shipper:

(a) the Shippers Initial IP Allocation in respect of Day D by 16:00 on Day D + 1;

(b) for a Non OBA Day the Shippers IP Reallocation in respect of Day D by 16.00 on D + 2;

(c) each IP Reallocation made in respect of the Shipper by 16.0 has on D + 5; and

(d) the Shipper's Final IP Allocation by 16.00 on D + 5 (where the Shipper's Final IP Allocation is different from any previously notified Shipper's Initial IP Allocation or prevailing IP Reallocation).

3.9 **Non OBA Day**

3.9.1 The Transporter may, in respect of a Non-OBA Day at an IP at which IP OBA Provisions apply, and, in accordance with any applicable arrangement with the Adjacent TSO, provide including to the Adjacent TSO for each IP Nomination made for each IP Shipper pursuant to this Code:

(a) the EIC of the Counterparty IP Shipper;

(b) the EIC of the Shipper;

(c) the identity of the Adjacent TSO;

(d) the Day;

(e) the direction of gas flow; and

(f) the quantity allocated to the Shipper in accordance with this Section 3.

3.10 **Error Correction**

3.10.1 The provisions of this Section 3.10 shall apply if an error (a "**Potential Error**") may have been made:

(a) in implementing the Matching Procedure in respect of an IP Nomination submitted by a Shipper in respect of a Day; and/or

(b) the determination of a Shipper's IP Allocation at an IP in respect of that Day.

3.10.2 A Potential Error may be identified by:

(a) the Transporter; or

(b) a Shipper at the Interconnection Point; or

(c) the Adjacent TSO at the Interconnection Point; or

(d) a Counterparty IP Shipper;

and the Transporter may receive notice of a Potential Error from a Shipper or an Adjacent TSO.

3.10.3 If a Shipper is of the reasonable opinion that a Potential Error may have been made the Shipper shall as soon as reasonably practical and in any event not later than 16:00 hours on D + 3 after the Day to which the Potential Error relates notify the Transporter of the Potential Error in accordance with Section 3.10.4 and shall provide to the Transporter such information as the Transporter may reasonably require to enable the Transporter to investigate the Potential Error.

3.10.4 The Shipper shall provide to the Transporter such information as the Transporter may reasonably require to enable the Transporter to investigate the Potential Error including:

(a) the EIC of the Shipper;

(b) the identity of the Counterparty IP Shipper;

(c) the Day in respect of which the IP Nomination (or IP Allocation) as the case may be was made;

(d) the IP Nominated Quantity notified by the Shipper, the IP Nomination Processed Quantity determined by the Transporter and the IP Nomination Confirmed Quantity notified to the Shipper;

(e) the quantity specified in the IP Allocation made in respect of the Shipper in connection with the relevant IP Nomination; and

(f) the quantity which the IP Shipper submitting the notification reasonably believes should have been determined as:

(i) the applicable IP Nomination Processed Quantity; and/or

(ii) the applicable IP Nomination Confirmed Quantity; and/or

(iii) the applicable IP Allocation.

3.10.5 The Transporter shall where the Transporter identifies a Potential Error; or on receipt of notification of a Potential Error:

(a) where the Potential Error is identified by the Transporter or notified to the Transporter by a Shipper notify the Adjacent TSO (and the Adjacent

TSO may notify the Counterparty IP Shipper of the alleged Potential Error);

(b) where the Transporter has identified the Potential Error notify any potentially affected Shipper and the adjoining TSO;

(c) an Adjacent TSO notifies the Transporter of a Potential Error and of the identity of any Shipper which is potentially affected by such Potential Error;

(d) investigate or participate in the investigation of the alleged Potential Error, including where appropriate in consultation with the Adjacent TSO (or such other party as the Transporter considers appropriate) and may consult with the affected Shipper;

(e) provide such information as may be reasonably necessary (including information with respect to Shipper IP Nominations, Shipper's IP Nomination Processed Quantities and IP Nomination Confirmed Quantities) as the Transporter considers appropriate to the proper investigation of a Potential Error; and

(f) either the Transporter or the Adjacent TSO (as appropriate) may investigate the alleged Potential Error including where appropriate in consultation with such third parties as may be necessary.

3.10.6 If following such investigation it is confirmed that an error ("**Error**") has taken place:

(a) where the Transporter has investigated the Potential Error, the Transporter shall notify the Shipper (and the Adjacent TSO) of such corrective action as the Transporter considers reasonably necessary in order to correct the Error, including where applicable the determination of a revised IP Nomination Processed Quantity or revised IP Nomination Confirmed Quantity;

(b) where the Adjacent TSO has investigated the Potential Error notify the Shipper of the corrective action which has been determined by the Adjacent TSO as the Adjacent TSO identifies as necessary in order to correct the Error, including where applicable the determination of a revised IP Nomination Processed Quantity or a revised IP Nomination Confirmed Quantity; and

(c) where the correction of an Error results in a revised IP Nomination Processed Quantity or a revised IP Nomination Confirmed Quantity any revised IP Allocation calculated following any such Error shall be an IP Reallocation.

3.10.7 No correction of a Potential Error may be made in respect of a Day unless:

(a) the Potential Error is identified or notification of the Potential Error is received prior to 16:00 on D + 3;

(b) the Potential Error can be investigated; and

(c) any applicable redetermination of relevant quantities is completed by 11.00 on D + 5.

4. NDM SUPPLY POINT RECONCILIATION

4.1 Overview

4.1.1 The provisions of this Section 4 shall only apply in respect of NDM Gas Points and NDM Supply Points.

4.1.2 The Transporter shall keep, maintain and publish Reconciliation Procedures.

4.1.3 The reconciliation of differences between energy values (in kWh) derived from NDM Meter Reads and Final Supply Point Allocations in respect of the NDM Supply Points at which a Shipper is registered shall be conducted in accordance with the applicable Reconciliation Procedures and this Section 4.

4.2 Reconciliation

4.2.1 Following receipt by the Transporter of a NDM Meter Read, the Transporter shall calculate in accordance with the Reconciliation Procedures the difference between the quantity of Natural Gas allocated in accordance with the NDM Allocation Procedure and Section 2 during the period to which the NDM Meter Read relates and the quantity determined by the NDM Meter Read as having been offtaken from such NDM Supply Point during such period (the "**Reconciliation Quantity**").

4.2.2 Following the calculation of the Reconciliation Quantity the Transporter shall calculate the amount of any adjustments to be made to any charges paid or payable by the Shipper (the "**Reconciliation Charging Adjustments**") in accordance with the Reconciliation Procedures.

4.2.3 The Transporter shall, after the end of each Month, submit a reconciliation statement (the "**Monthly Reconciliation Statement**") to each Shipper in accordance with the Reconciliation Procedures.

4.2.4 The Transporter shall, after the end of each Gas Year, submit an annual reconciliation statement (the "**Annual Reconciliation Statement**") to each Shipper for the preceding Gas Year in accordance with the Reconciliation Procedures.

4.2.5 The aggregate Reconciliation Charging Adjustments shown on the Annual Reconciliation Statement shall be payable by the Shipper to the Transporter or credited by the Transporter to the Shipper, as the case may be, in accordance

with the Reconciliation Procedures and Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

4.3 Residual Gas Value

After the end of each Gas Year any residual gas value shall be calculated and attributed in accordance with the Reconciliation Procedures.

4.4 Final Allocation and System Imbalance Charges

The outcome of the reconciliation process carried out in accordance with this Section 4 and the Reconciliation Procedures shall not affect a Shipper's Final Exit Allocation or System Imbalance Charges, if any.

SCHEDULE 2

Part 1

Entry Nominations

(i) the Day in respect of which the Entry Nomination is being made;

(ii) the Entry Point in respect of which the Entry Nomination is being made;

(iii) the CGI Gas Point ID of the CGI Gas Point in respect of which the Entry Nomination is submitted;

(iv) the Nominated Quantity (in kWh);

(v) the applicable ID of the Shipper making the Entry Nomination; and

(vi) in the event that there is no Entry Allocation Agent, the identity and contact details of the Third Party Shipper(s) with the corresponding quantities of Natural Gas to be delivered by such Third Party Shipper(s).

Part 2

Exit Nominations, Sub-Sea I/C Offtake Nominations,

(i) the Day in respect of which the Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be) is being made;

(ii) the applicable Shipper ID of the Shipper making the Exit Nomination, or the Sub-Sea I/C Offtake Nomination (as the case may be);

(iii) where the Exit Nomination is a:

(1) LDM Nomination:

(A) the Offtake Point;

(B) the Nominated Quantity (in kWh); and

(C) an hourly offtake profile (in kWh) and specify, in respect of each hour of each Day to which the Nomination (or Renomination) relates, a quantity which is less than or equal to the applicable MHQ in respect of such LDM Offtake;

(2) DM Exit Nomination, the aggregate Nominated Quantity (in kWh) in respect of all DM Offtakes at which the Shipper is a Registered Shipper; or

(3) NDM Exit Nomination, the aggregate Nominated Quantity (in kWh) of Natural Gas for onward delivery to NDM Supply Points at which the Shipper is a Registered Shipper;

(iv) Not Used

(v) where the Nomination is a Sub-Sea I/C Offtake Nomination:

(1) the Sub-Sea I/C Offtake; and

(2) the Nominated Quantity (in kWh).

Part 3

Renomination

(i) the information required to be submitted for Nominations in accordance with Sections 1.2.2(a), 1.2.3(a), 1.2.5(a), 1.2.5(b) or 1.2.5(c) as the case may be;

(ii) the previous Valid Nomination or Valid Renomination which the Renomination is intended to supersede;

(iii) in respect of a Renomination(s) in respect of an LDM Offtake the time at which the Shipper expects the Renomination to become effective (such expected time to be reflected in the hourly offtake profile in connection with such Renomination), subject to Section 1.9;

(iv) the Renominated Quantity (in kWh); and

(v) the applicable Shipper ID of the Shipper making the Renomination.

Part 4

IBP Buy Nominations

(i) the Day in respect of which the IBP Buy Nomination is being made;

(ii) the Nominated Quantity (in kWh);

(iii) the identity of the counter-party Shipper submitting the IBP Sell; and

(iv) the identity of the Shipper making the IBP Buy Nomination.

Part 5

IBP Sell Nomination

(i) the Day in respect of which the IBP Sell Nomination is being made;

(ii) the Nominated Quantity (in kWh);

(iii) the identity of the Shipper submitting the matching IBP Buy Nomination; and

(iv) the identity of the Shipper making the IBP Sell Nomination.

Part 6

[*VIP Injection Nominations*

(i) the Day in respect of which the VIP Injection Nomination is being made;

(ii) the Nominated Quantity (in kWh); and

(iii) the identity of the Shipper making the VIP Injection Nomination.]

Part 7

[*VIP Withdrawal Nominations*

(i) *the Day in respect of which the VIP Withdrawal Nomination is being made;*

(ii) *the Nominated Quantity (in kWh); and*

(iii) *the identity of the Shipper making the VIP Withdrawal Nomination*.]

Part 8

IP Nomination

(a) the identity of the IP;

(b) whether the IP Nomination or IP Renomination is Single Sided or Double Sided;

(c) the direction of gas flow;

(d) the IP Nominated Quantity or the IP Renominated Quantity (in kWh/d);

(e) the EIC of the Shipper making the IP Nomination;

(f) the identity of the Counterparty IP Shipper including balancing portfolio (if any) identification of such Counterparty IP Shipper where applicable and where the IP Nomination is a Single Sided Nomination the Counterparty IP Shipper shall be the Shipper;

(g) the Day in respect of which the IP Nomination or IP Renomination is submitted; and

(h) in respect an IP Renomination the requested Effective Flow Rate Time (which shall be two hours after the IP Nomination Deadline which occurs on the hour after submission of the IP Nomination or the IP Renomination (as applicable).

CODE OF OPERATIONS

PART E

ALL VIP DRAFTING HAS BEEN RETAINED BUT THE AVAILABILITY OF THE VIP PRODUCT IS SUSPENDED WITH EFFECT FROM 1 OCTOBER 2015.

BALANCING
SHRINKAGE

VERSION 5.05

Comprises version 5.04 published as of May 2023 incorporating the following Modifications

(1) Modification A111; Oxygen Upper Limit

(2) Modification A113; Revision of Wobbe Index Parameters

(3) Modification A114; Classification of Gas Points with a design MHQ of 100,000 kWh

(4) Modification A115; Removal of Tolerances at RNG Entry Points;

(5) Modification A116; Removal of Residual Tolerances;

(6) Modification A117: Supplier of Last Resort (SoLR) Arrangements;

(7) Modification A118; Central Grid Injection and RNG Entry Point Arrangements

(8)

Part E

1. Balancing 1
1.1 **General** 1
1.2 System Imbalance 1
1.3 Trading Platform And Balancing Gas Contracts 2
1.4 **Disbursements Account** 3
1.5 **Daily Imbalance Quantity Calculation** 9
1.6 **Daily Imbalance Charges** 11
1.7 **Not Used** 14
1.8 **Not Used** 14
1.9 **After Day Trades** 14
1.10 **Scheduling Charges** 16
1.11 **Publication Of Information** 21
2. Shrinkage 21
2.1 **Definitions** 21
2.2 **Shrinkage Gas Purchase/Sale** 22
2.3 **Shrinkage Costs** 23
2.4 **Calculation Of Shrinkage Gas** 23
2.5 **Accounting For Shrinkage Gas** 25
2.6 **Distribution System Shrinkage Factor** 26
2.7 **Publication Of Shrinkage Information** 26
Schedule 3 27

1. BALANCING

1.1 General

1.1.1 Each Shipper shall use reasonable endeavours to ensure that, in respect of each Day, its Initial Inputs and Final Inputs are equal to its Initial Outputs and Final Outputs respectively.

1.1.2 The Transporter shall be Cash Neutral with respect to the settlement of all Balancing Charges and Scheduling Charges.

1.1.3 Where a Shipper has a Daily Imbalance Quantity (as calculated in accordance with Section 1.5) in respect of a Day, Daily Imbalance Charges shall apply or shall arise for such Daily Imbalance Quantity in accordance with Section 1.6.

1.1.4 A Shipper may trade all or part of its Daily Imbalance Quantity for a Day with another Shipper (which has an opposing Daily Imbalance Quantity for the same Day) by transacting an After Day Trade with such other Shipper in accordance with Section 1.9.

1.2 System Imbalance

1.2.1 The Transporter acting as an RPO and consistent with the economic and efficient operation of the Transportation System shall have the right at all times to take any Balancing Action(s) it considers appropriate in order to:

(a) maintain the Transportation System within its operational limits;

(b) achieve an end of day linepack position in the Transportation System different to the one anticipated on the basis of expected inputs to and offtakes from the Transportation System for that Day,

1.2.2 The Transporter shall, when considering and/or undertaking Balancing Actions for a Day take into account, inter alia:

(a) the Transporter’s estimates of the demand for Natural Gas over and within the Day on which it is considered a Balancing Action may be required;

(b) applicable nomination information and allocation information available to the Transporter;

(c) measured gas flows;

(d) operational pressures throughout the Transportation System; and

(e) such other facts/information as shall be considered appropriate by the Transporter having regard to inter alia the operational integrity of the Transportation System;

1.2.3 The Transporter shall take Balancing Actions in a non-discriminatory manner in accordance with Section 1.3 and this Code;

1.2.4 The Transporter shall undertake Balancing Actions under the Balancing Service Contract where the Transporter assesses that Market Balancing Transactions will not or are not likely to enable the Transporter to take Balancing Actions to meet the requirements of the Transportation System in a timely manner and in accordance with Section 1.2.1.

1.2.5 System Imbalance Charges shall be debited from or credited to the Disbursements Account in accordance with Section 1.4.

1.3 Trading Platform and Balancing Gas Contracts

1.3.1 The Transporter with the approval of the CRU may designate an electronic trading platform as the Trading Platform on which the Transporter may post and accept bids for Natural Gas for the purpose of undertaking Market Balancing Transactions under this Code and trades on such Trading Platform shall form the basis of calculation of certain Imbalance Charges.

1.3.2 The Transporter shall consult with Shippers before the Transporter consents to modification to the Trading Platform Participation Terms.

1.3.3 The Transporter shall enter into:

(a) Trading Platform Transaction Agreements with Shippers under which the Transporter may inter alia conclude with such Shipper Market Balancing Transactions.

(b) such Balancing Service Contract(s) as it considers necessary to facilitate Balancing Actions by way of Non Market Balancing Transactions during a Gas Year.

1.3.4 A Balancing Service Contract shall be awarded in accordance with a fair and non-discriminatory procedure and in certain circumstances pursuant to a process other than a public tender with the approval of the CRU.

1.3.5 The Transporter may make capacity available to facilitate submission of Entry Nomination(s) with respect to quantities of Balancing Gas

required by the Transporter pursuant to a Balancing Gas Buy under a Balancing Service Contract.

1.3.6 Where the person providing Balancing Gas pursuant to a Balancing Gas Buy is a Shipper (subject to Section 1.3.7 with respect to IBP Balancing Trades), Nominations with respect to Balancing Gas in respect of the Day shall be made separately and independently from any other Nominations made by such Shipper in respect of a Day. The Transporter shall for the purpose of Balancing Actions in respect of a Day be entitled to make Nominations and receive Allocations in respect of Balancing Gas.

1.3.7 Where the Transporter undertakes a Market Balancing Transaction under an TPTA each of the Transporter and the Shipper shall submit relevant IBP Nominations under Part D (*Nominations, Allocations and Supply Point Administration*) Section 1.2.5 and 1.2.5A and the Counterparty Trading Shipper shall submit all other Nominations in accordance with this Code.

1.4 Disbursements Account

1.4.1 The Transporter shall establish an account ("**Disbursements Account**") which shall be operated in accordance with this Section 1.4.

1.4.2 The Transporter shall have the right in the performance of its obligations hereunder to apply any amounts credited to the Disbursements Account for the purpose of discharging any payments due in respect of Balancing Gas, Balancing Charges, and Non-Compliant Gas together with any administration charges, including but not limited to bank fees and charges, and other costs arising in connection with any of the matters listed above together with any and all costs associated with Balancing Gas Contracts and participation on the Trading Platform and/or the administration (including audit) of the Disbursements Account.

1.4.3 The Transporter shall within four months, after the Due Date in respect of invoices issued in respect of a Month, calculate for that Month:

(a) the total amount received by the Transporter on or before the Due Date from Shippers and any other party in respect of Balancing Charges, , and any cash out with respect to any Operational Requirement or reconciliation of Natural Gas in the Transportation System pursuant to any applicable OBA or IP OBA Provisions in respect of the relevant Month and any Monthly Disbursements Liability (calculated in accordance with Section 1.4.6) received from a Shipper in respect of a previous Month subject to Section 1.4.3(c) below which shall be credited

to the Disbursements Account ("**Monthly Disbursements Account Receipts**"); and

(b) the total costs incurred by the Transporter which have not otherwise been recovered by the Transporter in respect of Balancing Gas, Balancing Charges Non-Compliant Gas [*and VIP Utilisation at the end or termination of a Shipper's I/C Inventory Space Booking Period*], and cash out or reconciliation of any Natural Gas in the Transportation System at the end of any applicable OBA or IP OBA Provisions together with any provision made by the Transporter in respect of such items payable in respect of the same Month and any other costs arising in connection with any of the matters listed above together with any and all costs associated with Balancing Gas Contracts and participation on the Trading Platform and any undischarged Monthly Disbursements Liability (calculated in accordance with Section 1.4.6) which has been outstanding for not less than three (3) Months ("**Monthly Disbursements Account Payments**").

(c) any amounts in respect of Balancing Charges, and any cash out with respect to any Operational Requirement or reconciliation of Natural Gas in the Transportation System pursuant to any applicable OBA or IP OBA Provisions for any Month received by the Transporter after the calculation by the Transporter of the Monthly Disbursement Account Receipts and the Monthly Disbursement Account Liabilities for the Month and any previously undischarged Monthly Disbursement Liability Amount which has been accounted for under Section 1.4.3(b) shall be accounted for in the Annual Disbursements Account calculations in accordance with clause 1.4.7 below.

For the avoidance of doubt the Transporter may calculate the Monthly Disbursement Account Receipts and the Monthly Disbursements Account Liabilities for any Month at any time after the Due Date in respect of Invoices issued in respect of a Month where the Transporter is satisfied that all amounts due or payable for the benefit of the Disbursement Account in respect of that Month have been discharged in full.

1.4.4 At the time of calculating the Monthly Disbursements Account Receipts and the Monthly Disbursements Account Payments for a Month, the Transporter shall calculate the amount of any Monthly Disbursements Account Excess for the relevant Month in accordance with Section 1.4.5 or the amount of any Monthly Disbursements Account Deficit for the relevant Month in accordance with Section 1.4.6. Each Shipper's share of such excess or deficit shall be the same

proportion as that which the Shipper's Final Entry Allocations, Final IP Entry Allocations (Final IP VEntry Allocations (but excluding any Final Sub-Sea I/C Offtake Allocations) and Final Exit Allocations bears to the aggregate of all Shippers' Final IP Entry Allocations Final Entry Allocations and Final Exit Allocations, (including IP VExit Allocations and Final IP CSEP Offtake Allocations but excluding Final Sub-Sea Offtake Allocations) respectively in that Month.

1.4.5 If the amount of Monthly Disbursements Account Receipts for a Month exceeds the Monthly Disbursements Account Payments for a Month ("**Monthly Disbursements Account Excess**") then the Transporter shall notify each Shipper of its share of the amount of such excess ("**Monthly Disbursements Credit**"). The Transporter shall:

(a) subject to paragraph (b) below pay to each Shipper the amount of such Shippers Monthly Disbursements Credit after the issue of the Monthly Invoice in respect of the Month in which the Monthly Disbursements Credit is calculated.

(b) retain the Monthly Disbursement Account Credit which would otherwise be due to an individual Shipper which Shipper has either:

(i) an outstanding Monthly Disbursement Liability; or

(ii) any outstanding amount due to payable to the Transporter in respect of any amount which if paid would be credited to the Disbursement Account.

Where a Shipper fails to discharge a Monthly Disbursements Liability such that the outstanding Monthly Disbursements Liability is included in the calculation of Monthly Disbursements Account Payments under section 1.4.3(b) the amount to which the Shipper would otherwise have been entitled shall be smeared among the other Shippers.

1.4.6 If the amount of Monthly Disbursements Account Receipts for a Month is less than the Monthly Disbursements Account Payments for that Month ("**Monthly Disbursements Account Deficit**") then each Shipper shall reimburse the Transporter for its share of the amount of such deficit ("**Monthly Disbursements Liability**") and the Transporter shall include such amount in the next Monthly Invoice to the Shipper in accordance with Part I (*Legal and General)* Section 11 (*Invoicing and Payment).*

1.4.7 The Transporter shall, after the end of each Gas Year, following the issue of an invoice/credit with respect to any Shipper's Additional Balancing Action Contribution, calculate for that Gas Year:

(a) the total amount received from all Shippers (including any payments received from any Shipper in respect of its Monthly Disbursements Liabilities and any Monthly Disbursements Credit which have been retained by the Transporter pursuant to Section 1.4.5 together with amounts received from Shippers in respect of any Shipper's Additional Balancing Action Contributions and any other amount in respect of Balancing Charges, and any cash out with respect to any Operational Requirement or reconciliation of Natural Gas in the Transportation System pursuant to any applicable OBA or IP OBA Provisions which shall be credited to the Disbursements Account ("**Annual Disbursements Account Receipts**"); and

(b) the total costs incurred by the Transporter in respect of Balancing Gas, Balancing Charges, Shipper's Balancing Action Refund(s), Non-Compliant Gas, any outstanding Monthly Disbursements Liability (which has not otherwise been recovered) and any cash out with respect to any Operational Requirement or reconciliation of Natural Gas in the Transportation System pursuant to any applicable OBA or IP OBA Provisions and any provision made by the Transporter in respect of such items payable in respect of the same Gas Year and any other costs arising in connection with any of the matters listed above ("**Annual Disbursements Account Payments**").

1.4.8 At the time of calculating the Annual Disbursements Account Receipts and Annual Disbursements Account Payments for a Gas Year, the Transporter shall calculate the amount of any Annual Disbursements Account Excess in accordance with Section 1.4.9 and the amount of any Annual Disbursements Account Deficit in accordance with Section 1.4.10. Each Shipper's share of such excess or deficit shall be calculated in accordance with Section 1.4.11.

1.4.9 If the amount of the Annual Disbursements Account Receipts for a Gas Year exceeds the Annual Disbursements Account Payments for a Gas Year ("**Annual Disbursements Account Excess**") then the Transporter shall notify each Shipper of its share of the amount of such excess.

1.4.10 If the amount of the Annual Disbursements Account Receipts for a Gas Year is less than the Annual Disbursements Account Payments for such Gas Year ("**Annual Disbursements Account Deficit**") then each

Shipper shall reimburse the Transporter for its share of the amount of such deficit.

1.4.11 The Transporter shall calculate each Shipper's credit from the Annual Disbursements Account Excess or contribution to the Annual Disbursements Account Deficit (as the case may be) in respect of such Gas Year as follows:

$$\frac{A}{B} * C$$

where:

A = the sum of a Shipper's aggregate Final IP Entry Allocations, Final Entry Allocations and aggregate Final Exit Allocations, Final IP VExit Allocations, Final IP VEntry Allocations and Final IP CSEP Offtake Allocations for a Gas Year (but excluding all Final Sub-Sea I/C Offtake Allocations);

B = the sum of the aggregate of all Shippers' Final IP Entry Allocations, Final Entry Allocations, Final IP VExit Allocations, Final IP VEntry Allocations and the aggregate of all Shippers' Final Exit Allocations and Final IP CSEP Offtake Allocations (but excluding all Final Sub-Sea I/C Offtake Allocations) for the Gas Year; or

C = in the case of an Annual Disbursements Account Excess the amount of such excess; and

in the case of an Annual Disbursements Account Deficit the amount of such deficit.

1.4.12 If there is an Annual Disbursements Account Excess, the Transporter shall, within twelve (12) days following notification to each Shipper of its share of such excess pursuant to Section 1.4.9, refund each such Shipper’s share of the amount of such excess to such Shipper.

1.4.13 If there is an Annual Disbursements Account Deficit, each Shipper shall pay to the Transporter the amount of such Shipper’s share of the deficit (plus any outstanding Monthly Disbursements Liability due by such Shipper), the Transporter shall issue to the Shipper an invoice in respect of its share of such deficit in accordance with Part I (*Legal and Miscellaneous*) Section 11 (*Invoicing and Payment*).

1.4.14 NOT USED

1.4.15 The Transporter shall, after the end of each Gas Year and prior to the Annual Disbursements Account Reconciliation referred to in Section 1.4.7, calculate, for that Gas Year, the total net annual cost of the Balancing Actions ("**Net Annual Balancing Action Cost**") undertaken by the Transporter in respect of the preceding Gas Year which cost may be negative amount.

1.4.16 Each Shipper's required contribution (the "**Shipper's Annualised Balancing Action Contribution**") to the Net Annual Balancing Action Cost shall be calculated according to the following formula:

$S = (X/Y) * Z$

Where:

S = the Shipper's Annualised Balancing Action Contribution;

X = the sum of a Shipper's aggregate Final IP Entry Allocations, Final Entry Allocations, Final IP VEntry Allocations and aggregate Final Exit Allocations, Final IP VExit Allocations and Final IP CSEP Offtake Allocations for a Gas Year (but excluding all Final Sub-Sea I/C Offtake Allocations);

Y = the sum of the aggregate of all Shippers' Final IP Entry Allocations, Final Entry Allocations, Final IP VEntry Allocations and the aggregate of all Shippers' Final Exit Allocations, Final IP VExit Allocations, and Final IP CSEP Offtake Allocations (but excluding all Final Sub-Sea I/C Offtake Allocations) for the Gas Year;

Z = the Net Annual Balancing Action Cost.

1.4.17 The Transporter shall review amounts received from and paid to each Shipper in respect of the cost of Balancing Actions in respect of the same Year through such Shipper's Monthly Disbursements Invoices to establish such Shipper's actual contribution to the cost of Balancing Actions in the relevant Gas Year as accounted for through the Monthly Disbursements Account mechanism ("**Shipper's Interim Balancing Action Contribution**");

1.4.18 Where a Shipper's Interim Balancing Action Contribution is less than the Shipper's Annualised Balancing Action Contribution the Transporter shall invoice the Shipper for the amount of the difference (the "**Shipper's Additional Balancing Action Contribution**").

1.4.19 Where the Shipper's Interim Balancing Action Contribution is in excess of the Shipper's Annualised Balancing Action Contribution then the Transporter shall account to the Shipper for such excess (the "**Shipper's Balancing Action Refund**") provided however that a Shipper shall not be entitled to a Shipper's Balancing Action Refund to the extent that the Shipper has (i) any undischarged Monthly Disbursements Liability; and (ii) any outstanding charges which if paid would be credited to the Disbursements Account; and/or (iii) the amount to which the Shipper would otherwise have been entitled shall be smeared among the other Shippers. A Shipper's Balancing Action Refund shall only be payable when all Shippers' Additional Balancing Action Contributions have been discharged in full.

1.5 Daily Imbalance Quantity Calculation

1.5.1 Each Shipper shall have attributed to it a quantity ("**Initial Daily Imbalance Quantity**" or "$\mathbf{IMB_{Initial}}$") for each Day, which shall be calculated by the Transporter after the Initial Allocations have been made on D+1 and which shall be calculated by subtracting a Shipper's Initial Outputs from its Initial Inputs on the Day in accordance with the following formula:

$$\mathbf{IMB_{Initial}} = \mathbf{Initial\ Inputs - Initial\ Outputs}$$

where:

$$\mathbf{Initial\ Inputs} = \mathbf{All_{InInitial} + IBP_{Buy};}$$

$$\mathbf{Initial\ Outputs} = \mathbf{All_{OutInitial} + IBP_{Sell},}$$

where:

$All_{InInitial}$ = the sum of a Shipper's Initial IP Entry Allocations plus Initial Entry Allocations plus Initial IP VEntry Allocations [*plus the Shipper's VIP Withdrawal Allocations] and minus the Shipper's VIP Injection Allocations* in respect of Day D;

IBP_{Buy} = the sum of a Shipper's IBP Buy Allocations in respect of Day D;

$All_{OutInitial}$ = the sum of a Shipper's Initial Exit Allocations (including Sub-Sea I/C Offtake Allocations and IP CSEP Offtake Allocations) and the Shipper's initial IP VExit Allocations in respect of Day D; and

IBP_{Sell} = the sum of a Shipper's IBP Sell Allocations in respect of Day D.

The Transporter shall notify to each Shipper the Initial Daily Imbalance Quantity in respect of such Shipper as soon as reasonably practicable, but not later than 17:30 hours on D+1. .

1.5.2 At any time between 17:30 hours on D+1 and 17:00 hours on M+7 a Shipper's Initial Daily Imbalance Quantity for a Day may become a Revised Daily Imbalance Quantity as a consequence of:

(a) an Entry Reallocation or IP Reallocation between 17:00 hours on D+1 and 16:00 hours on D+5; and/or

(b) an Exit Reallocation between 17:00 on D+1 and 16:00 on M+5; and/or

(c) an ADT Buy or ADT Sell in respect of Day D in accordance with Section 1.9.

1.5.3 Each Shipper shall have a quantity ("**Final Daily Imbalance Quantity**" or "**IMB_{Final}**") for each Day of the preceding Month which shall be determined by the Transporter after the Final Allocations have been made and which shall be calculated by subtracting a Shipper's Final Outputs from its Final Inputs on the Day in accordance with the following formula:

$$\mathbf{IMB_{Final}} = \mathbf{Final\ Inputs - Final\ Outputs}$$

where:

$$\mathbf{Final\ Inputs} = \mathbf{All_{InFinal} + IBP_{Buy} + ADT_{Buy;}}$$

$$\mathbf{Final\ Outputs} = \mathbf{All_{OutFinal} + IBP_{Sell} + ADT_{Sell,}}$$

where:

$All_{InFinal}$ = the sum of a Shipper's Final IP Entry Allocations and Final Entry Allocations and the Shipper's IP VEntry Allocations [*plus the Shipper's VIP Withdrawal Allocations*] [*and minus the Shipper's VIP Injection Allocations*] in respect of Day D;

IBP_{Buy} = the sum of a Shipper's IBP Buy Allocations in respect of Day D;

$All_{OutFinal}$ = the sum of a Shipper's Final Exit Allocations (including Sub-Sea I/C Offtake Allocations and Final IP CSEP

Offtake Allocations) and the Shipper's Final IP VExit Allocations in respect of Day D;

IBP_{Sell} = the sum of a Shipper's IBP Sell Allocations in respect of Day D;

ADT_{Buy} = the sum of a Shipper's ADT Buys in respect of Day D; and

ADT_{Sell} = the sum of a Shipper's ADT Sells in respect of Day D.

The Transporter shall notify to the Shipper the Final Daily Imbalance Quantity in respect of such Shipper as soon as reasonably practicable, but not later than 17:30 hours on M+7. .

1.5.4 A Shipper's Initial Daily Imbalance Quantity and/or Final Daily Imbalance Quantity can be either negative or positive according to the following:

(a) if the sum of a Shipper's Initial Inputs for a Day exceeds the sum of its Initial Outputs for that Day, the Shipper's Initial Daily Imbalance Quantity for that Day shall be positive;

(b) if the sum of a Shipper's Initial Outputs for a Day exceeds the sum of its Initial Inputs for that Day, the Shipper's Initial Daily Imbalance Quantity for that Day shall be negative;

(c) if the sum of a Shipper's Final Inputs for a Day exceeds the sum of its Final Outputs for that Day, the Shipper's Final Daily Imbalance Quantity for that Day shall be positive; and

(d) if the sum of a Shipper's Final Outputs for a Day exceeds the sum of its Final Inputs for that Day, the Shipper's Final Daily Imbalance Quantity for that Day shall be negative.

1.5.5 For the avoidance of doubt save in respect of IBP Balancing Trades an Entry Allocation or an IP Entry Allocation with respect to a nomination of Balancing Gas pursuant to a Balancing Gas Buy shall be excluded from a Shipper's Initial Inputs and Final Inputs for the purpose of the Daily Imbalance Quantity calculation. An Allocation or IP Allocation in respect of a quantity of Natural Gas nominated as a result of a Balancing Gas Sell shall be included in a Shipper's Initial Input and Final Input (respectively) for the purpose of the Daily Imbalance Quantity calculation.

1.6 Daily Imbalance Charges

1.6.1 For the purposes of this Code:

(a) Not Used

(b) Not Used;

(c) Not Used

;

(A)

(d) "**Imbalance Price**" means a price calculated as follows for each Day:

(i) where the Final Daily Imbalance Quantity is positive:

For a Day	Imbalance Price
on which there have been trades in Natural Gas on the Trading Platform, SAP (IBP) is published and either the Transporter has not undertaken any Balancing Actions for the Day or any such Balancing Actions have been pursuant to the Balancing Service Contract.	SMPsell (IBP)
on which there have not been any trades of Natural Gas on the Trading Platform, SAP (IBP) is not published and either the Transporter did not undertake any Balancing Actions and/or any such Balancing Actions have been taken under the Balancing Service Contract.	SAP (NBP) x 0.965.
on which the Transporter undertakes a Market Balancing Action(s) by way of Market Balancing Transaction(s).	IBP Marginal Sell Price

(ii) where the Final Daily Imbalance Quantity is negative:

For a Day:	Imbalance Price
on which there have been trades in Natural Gas on the Trading Platform, SAP (IBP) is published and either the Transporter has not undertaken any Balancing Actions for the Day or any such Balancing Actions have been pursuant to the Balancing Service Contract.	SMPbuy (IBP)

on which there are no trades in Natural Gas on the Trading Platform, SAP (IBP) is not published and either the Transporter did not undertake any Balancing Actions and/or any such Balancing Actions have been taken under the Balancing Service Contract.	SAP (NBP) x 1.035 plus Imbalance Gas Transportation Costs.
on which the Transporter undertakes a Market Balancing Action(s) by way of Market Balancing Transaction(s)	IBP Marginal Buy Price

(e) For the purpose of (c) and (d) above:

(i) **SAP (NBP)** means the UK OCM System Average Price published by NGG in respect of the Day.

(ii) "**SAP (IBP)"** means the average price of trades of Natural Gas at the IBP on the Trading Platform in respect of the Day as published by the Transporter;

(iii) "**SMP_{buy} (IBP)**" means SAP (IBP) x 1.035;

(iv) "**SMP_{sell} (IBP)"** means SAP (IBP) x 0 .965;

(v) "**IBP Marginal Buy Price**" is the greater of SMP_{buy} (IBP) and the highest price paid by the Transporter for a Market Balancing Transaction which is a Balancing Gas Buy on the Day;

(vi) "**IBP Marginal Sell Price**" is the lesser of SMP_{sell} (IBP)) and the lowest price paid by the Transporter for a Market Balancing Transaction which is a Balancing Gas Sell on the Day.

1.6.2 Where a Final Daily Imbalance Quantity for a Shipper is either positive or negative, a Daily Imbalance Charge calculated in accordance with this Section 1.6 shall be payable by or credited to a Shipper, as set out in Part I (*Legal and* General) Section 11 (*Invoicing and Payment*).

1.6.3 Where a Shipper:

(a) has a negative Final Daily Imbalance Quantity, it shall be liable to pay Daily Imbalance Charges calculated in accordance with Section 1.6.5;

(b) has a positive Final Daily Imbalance Quantity, it shall be entitled to a credit in respect of Daily Imbalance Charges calculated in accordance with Section 1.6.5.

1.6.4 Not Used

1.6.5 The Daily Imbalance Charge shall be calculated by the Transporter for each Shipper for each Day in accordance with the following formula:

DIC = (IQ x IP)

where:

DIC = the Shipper's Daily Imbalance Charge for the Day;

IQ = Imbalance Quantity for the Day; and

(IP) = the Imbalance Price for the Day calculated in accordance with Section 1.6.1(d)(i) where the Shipper's Final Daily Imbalance Quantity for the Day is positive and in accordance with Section 1.6.1(d)(ii) where the Shipper's Final Daily Imbalance Quantity is negative.

1.7 **Not Used**

1.8 **Not Used**

1.9 **After Day Trades**

1.9.1 A Shipper ("**Transferor Shipper**") may after a Day trade all or part of its Daily Imbalance Quantity in respect of such Day with another Shipper ("**Transferee Shipper**") which has an opposing Daily Imbalance Quantity for the same Day ("**After Day Trade**" or "**ADT**") in accordance with this Section 1.9.

For the avoidance of doubt, a Shipper with a Daily Imbalance Quantity shall only be permitted to trade any of its Daily Imbalance Quantity in respect of a Day with another Shipper that has an opposing Daily Imbalance Quantity with respect to the same Day.

1.9.2 "**After Day Trade Sell**" or "**ADT $_{Sell}$**" means an After Day Trade resulting in a reduction in a positive Initial Daily Imbalance Quantity (or, if relevant, a Revised Daily Imbalance Quantity) for a Shipper.

1.9.3 "**After Day Trade Buy**" or "**ADT $_{Buy}$**" means an After Day Trade resulting in a reduction in a negative Initial Daily Imbalance Quantity (or, if relevant, a Revised Daily Imbalance Quantity) for a Shipper.

1.9.4 In order to transact an ADT the Transferor Shipper shall submit a request ("**ADT Request**") to the Transporter which shall specify the information required by the Transporter to process the ADT Request as set out in Schedule 3 Part 1 including:

(a) the identity (including Shipper ID) of each of the Transferor Shipper and the Transferee Shipper;

(b) the Day for which the ADT is to be transacted; and

(c) the quantity (in kWh) of the Transferor Shipper's Daily Imbalance Quantity in respect of such Day to be traded.

1.9.5 The Transferor Shipper may submit an ADT Request to the Transporter at any time after 17:30 hours on D+1 and before 17:00 hours on M+7.

1.9.6 In order for the Transporter to process an ADT Request, the Transferee Shipper shall first notify the Transporter that it accepts the terms of the ADT request submitted by the Transferor Shipper.

1.9.7 The Transporter will reject an ADT Request for any of the following reasons:

(a) the information required pursuant to this Section 1.9 is not specified by the Transferor Shipper;

(b) the time of the submission of the ADT Request is before 17:30 hours on D+1 or after 17:00 hours on M+7;

(c) the Transferee Shipper has not notified the Transporter of its acceptance of the ADT Request by 17:00 hours on M+7;

(d) the ADT specifies a Daily Imbalance Quantity which is in excess of the Transferor's Daily Imbalance Quantity or the Transferee's Daily Imbalance Quantity in respect of the Day;

(e) the effect of the ADT would be to increase the Daily Imbalance Quantity of either the Transferor Shipper or the Transferee Shipper in respect of a Day; or

(f) if the effect of the ADT would be to convert the Daily Imbalance Quantity of either the Transferor Shipper or the Transferee Shipper from a positive imbalance to a negative imbalance, or vice versa.

1.9.8 If the Initial Daily Imbalance Quantity (or, if relevant, the Revised Daily Imbalance Quantity) of the Transferor Shipper or of the Transferee Shipper changes as a result of a change to either Shipper's

Entry Allocation or Exit Allocation between 16:00 hours on D+1 and 16:00 hours on D+5, then any ADT(s) transacted by the affected Shippers prior to any such change shall be cancelled by the Transporter without prejudice to such Shipper's right to re-submit such ADT(s). For the avoidance of doubt, the affected Shippers may resubmit an ADT Request up until 17:00 hours on M+7 in accordance with this Section 1.9.

1.9.9 The Transporter shall not be obliged in any way to assist Shippers in identifying any potential counterparties to ADTs.

1.9.10 The Transporter shall calculate and make available to Shippers the sum of the aggregate Final Daily Imbalance Quantities for all Shippers in respect of a Day. This sum shall be in the form of a single number representing the net imbalance for all Shippers on the Day together with an indication of whether the net imbalance is positive (long) or negative (short).

1.9.11 Where a Shipper has completed an ADT, such ADT shall not change any of the Shipper's Exit Allocations for the Day.

1.10 Scheduling Charges

1.10.1 Entry Scheduling Charges

(a) For the purposes of this Code:

(i) "**Entry Scheduling Charge**" means a charge calculated in accordance with Section 1.10.2 payable by each Shipper in respect of each such Shipper's Entry Scheduling Charge Quantities;

(ii) "**Entry Scheduling Quantity**" means a quantity equal to the absolute difference (in kWh) between a Shipper's Valid Entry Nomination, Valid VEntryP Nomination or Valid Entry Renomination or Valid VEntryP Renomination at an individual Entry Point or VEntryP and a Shipper's Final Entry Allocation for that Entry Point or CGI Gas Point or Final VEntryP Allocation at a VEntryP in respect of a Day;

(iii) "**Entry Scheduling Tolerance**" means a quantity of Natural Gas equal to three (3) per cent of the Valid Entry Nomination, Valid VEntryP Nomination or Valid Entry Renomination or Valid VEntryP Renomination at each Entry Point or VEntryP or CGI Gas Point made on a Day by a Shipper plus where applicable the quantity of Natural Gas equal to the applicable Entry Point

Variance Tolerance in respect of such Shipper at the relevant Entry Point or CGI Gas Point on the Day; and

(iv) "**Entry Scheduling Charge Quantity**" means a quantity of Natural Gas calculated by the Transporter for each Registered Shipper at each Entry Point or each CGI Gas Point for a Day in accordance with the following formulae:

(A) where a Shipper's Final IP Entry Allocation, Final Entry Allocation or Final IP VEntry Allocation for a Day at an IP Entry Point or at a an Entry Point or at an IPVEntry or at a CGI Gas Point is greater than the Shipper's IP Nomination Confirmed Quantity Valid Entry Nomination or Valid IPVEntry Nomination or Valid Entry Renomination or the IP VEntry or Valid IP VEntry Renomination at the Entry Point or at the CGI Gas Point for the Day (as the case may be):

$$\mathbf{ESCQ_{Entry} = (ALL_{Entry} - (NOM_{Entry} + TOL_{Entry}))}$$; or

(B) where a Shipper's IP Nomination Confirmed Quantity Valid Entry Nomination or IP VEntry Nomination Confirmed Quantity or Valid Entry Renomination or IP VEntry Renomination for a Day at an IP Entry Point or at an Entry Point or at an IPVEntry or at a CGI Gas Point is greater than the Shipper's Final IP Entry Allocation, Final Entry Allocation or Final IP VEntry Allocation (as the case may be) for the Day:

$$\mathbf{ESCQ_{Entry} = (NOM_{Entry} - (ALL_{Entry} + TOL_{Entry}))}$$

where:

$ESCQ_{Entry}$ = the Shipper's Entry Scheduling Charge Quantity for the Day at the IP Entry Point, the Entry Point or IP Ventry or at a CGI Gas Point;

ALL_{Entry} = the Shipper's Final IP Entry Allocation or Final IP VEntry Allocation for the Day at the IP Entry Point, or the IP VEntry (as applicable);

NOM_{Entry} = the Shipper's IP Entry Nomination Confirmed Quantity, Entry Nomination, IP VEntry Nomination Confirmed Quantity or Valid Entry Renomination or Valid IP VEntry Renomination for the Day at the Entry Point; and

TOL_{Entry} = the Entry Scheduling Tolerance applicable to the Shipper on the Day at the IP Entry Point or the IP VEntry.

1.10.2 The Entry Scheduling Charge payable by each Shipper at each Entry Point in respect of a Day shall be calculated by the Transporter in accordance with the following formula:

$$\mathbf{ESC_{Entry} = ESCQ_{Entry} * (5\%*SAP)}$$

where:

ESC_{Entry} = the Entry Scheduling Charge;

$ESCQ_{Entry}$ = a Shipper's Entry Scheduling Charge Quantity for the Day at an Entry Point; and

SAP = SAP (IBP) or, where SAP (IBP) is not published for the Day SAP (NBP).

1.10.3 Exit Scheduling Charges

(a) For the purposes of this Code:

(i) "**Exit Scheduling Charges**" means charges payable by each Shipper in respect of each Exit Allocation, Sub-Sea I/C Offtake Allocation and IP CSEP Offtake Allocation or IP VExit Allocation in respect of which such Shipper has an Exit Scheduling Charge Quantity, such charges to be calculated in accordance with Section 1.10.4;

(ii) "**Exit Scheduling Tolerance**" means a quantity of Natural Gas equal to the applicable percentage of the Valid Exit Nominations or the Valid Exit Renominations, the Valid Sub-Sea I/C Offtake Nominations or the Valid Sub-Sea I/C Offtake Renominations IP CSEP Nomination Confirmed Quantity or IP VExit Nomination Confirmed Quantity or IP VExit Renomination made in respect of a Day by

a Shipper. The applicable percentage shall be as set out in the following table:

Sector	**%**
LDM (including Multiple Shipper LDM)	10
DM	20
NDM	20
IP CSEP	3
Sub-Sea I/C Offtake	10

(iii) "**Exit Scheduling Charge Quantity**" means a quantity of Natural Gas calculated by the Transporter for each Shipper in accordance with the following formulae:

(A) where on a Day a Shipper's Final Exit Allocation or Final IP CSEP Offtake Allocation or Sub-Sea I/C Offtake Allocation or IP VExit Allocation is greater than its Valid Exit Nomination, Valid Exit Renomination, or Valid IPCSEP Offtake Nomination Confirmed Quantity or Valid Sub-Sea I/C Offtake Nomination or Valid Sub-Sea I/C Offtake Renomination:, IP VExit Nomination or IP VExit Renomination (a) for each LDM Offtake; or (b) in respect of such Shipper's DM Offtakes; or (c) in respect of the onward delivery of Natural Gas to such Shipper's NDM Supply Points; or (d) in respect of the IPCSEP or (e) in respect of the Sub-Sea I/C Offtake or (f) in respect of a IP VExit:

$$\mathbf{ESCQ_{EXIT}} = \mathbf{(ALL_{Exit} - NOM_{Exit}) - (Y\%* NOM_{Exit})}; \text{ or}$$

(B) where on a Day a Shipper's Final Exit Allocation, or Final IPCSEP Offtake Allocation or Final Sub-Sea I/C Offtake Allocation or Final IP VExit Allocation is less than its Valid Exit Nomination, Valid Exit Renomination, IP CSEP Offtake Nomination Confirmed Quantity, or Valid Sub-Sea I/C Offtake Nomination or Valid Sub-Sea I/C Offtake Renomination or IP VExit Nomination (a) for each LDM Offtake; or (b) in respect of such Shipper's DM Offtakes; or (c) in respect of the onward delivery of Natural Gas to such Shipper's NDM Supply Points; or (d) in respect of the IP CSEP; or (e) in respect of the Sub-Sea I/C Offtake, or (f) in respect of IP VExit:

$$\mathbf{ESCQ_{Exit} = (NOM_{Exit} - ALL_{Exit}) - (Y\ \% * NOM_{Exit})}$$

where:

$ESCQ_{Exit}$ = the Shipper's Exit Scheduling Charge Quantity for the Day in respect of the Shipper's LDM Offtake or in respect of the Shipper's DM Offtake(s), in respect of the onward delivery of Natural Gas to the Shipper's NDM Supply Points, IP CSEP, at the Sub-Sea I/C Offtake or at the IP VExit (as the case may be);

ALL_{Exit} = the Shipper's Final Exit Allocation for a Day in respect of the Shipper's LDM Offtake(s) or in respect of the Shipper's DM Offtake(s), in respect of the onward delivery of Natural Gas to the Shipper's NDM Supply Points, at the IP CSEP, at the Sub-Sea I/C Offtake or at the IP VExit (as the case may be);

NOM_{Exit} = the Shipper's Valid Exit Nomination Valid Exit Renomination, IP CSEP Offtake Nomination Confirmed Quantity or Valid Sub-Sea I/C Offtake Nomination or Valid Sub-Sea I/C Offtake Renomination or IP VExit Nomination Confirmed Quantity for a Day in respect of the Shipper's LDM Offtake(s) or in respect of the Shipper's DM Offtake(s), in respect of the onward delivery of Natural Gas to the Shipper's NDM Supply Points, at the IP CSEP, at the Sub-Sea I/C Offtake or at the IP VExit (as the case may be); and

Y% = the applicable Exit Scheduling Tolerance as set out in Section 1.10.3(a)(ii),

provided always that if a NDM Shipper has consistently achieved a Valid Exit Nominations and Valid Exit Renominations in accordance with the NDM Nomination Advice and NDM Renomination Advice(s) issued by the Transporter the Exit Scheduling Charge Quantity in respect of the relevant NDM Exit Allocation shall be zero.

1.10.4 The Exit Scheduling Charge payable by each Shipper in respect of a Day will be calculated by the Transporter in accordance with the following formula:

$$\mathbf{ESC_{Exit} = ESCQ_{Exit} * (5\% * SAP)}$$

where:

ESC_{Exit} = the Exit Scheduling Charge;

$ESCQ_{Exit}$ = a Shipper's Exit Scheduling Charge Quantity for a Day at an Exit Point; and

SAP = SAP (IBP) or, where SAP (IBP) is not published for the Day SAP (NBP).

1.11 **Publication of Information**

1.11.1 The Transporter shall, in respect of each month, publish the following information:

(a) the date, location and volume of Balancing Actions taken;

(b) the Imbalance Price;

(c) the Entry Scheduling Charge and Exit Scheduling Charge;

(d) the aggregate Daily Imbalance Charges applied; and

(e) the aggregate Balancing Charges incurred.

1.11.2 The information specified in Section 1.11.1 shall be published by the Transporter monthly in arrears.

1.11.3 Generalised balancing criteria shall be published by the Transporter from time to time.

2. SHRINKAGE

2.1 **Definitions**

For the purposes of this Code:

2.1.1 [Not Used]

2.1.2 "**Own Use Gas**" means Natural Gas which is used by the Transporter for the operation of the Transportation System or any localised part thereof including at compressor stations and/or for pre-heating and venting purposes;

2.1.3 "**Shrinkage Gas**" means Own Use Gas and/or Natural Gas required to replace Unaccounted For Gas;

2.1.4 "**Transmission System Shrinkage Gas**" means that Shrinkage Gas attributed to the Transmission System in accordance with this Section 2; and

2.1.5 "**Unaccounted For Gas**" means Natural Gas which is lost or otherwise unaccounted for from the Transportation System or any localised part thereof.

2.2 Shrinkage Gas Purchase/Sale

2.2.1 The Transporter shall purchase Shrinkage Gas (a "**Shrinkage Gas Buy**") for delivery to the Transportation System on or after the Day commencing on 1 October 2020 and may dispose of Shrinkage Gas so purchased (a "Shrinkage Gas Sell") for the purpose of this Code by posting and accepting bids on the Trading Platform or by such other commercial means and on such other terms as the Transporter thinks fit with the approval of the Commission and provided such terms include a requirement that the Transporter and the Shipper give effect to the sale and disposal of such Natural Gas by submitting IBP Nominations in accordance with Part D (*Nominations Allocations and NDM Supply Point Reconciliation*). The Transporter may for such purpose;

(a) submit IBP Nominations in accordance with Part D (*Nominations Allocations and NDM Supply Point Reconciliation*); provided the Transporter may only submit IBP Sell Nominations to give effect to a Shrinkage Gas Sell where the aggregate IBP Sell Nominations made by the Transporter (other than in respect of Market Balancing Actions) in respect of a Day is less than the aggregate IBP Buy Nominations made by the Transporter in respect of Shrinkage Gas in respect of that Day; and

(b) enter into or avail of Trading Platform Transactions Agreements

2.2.2 The Transporter may retain and make available Entry Capacity at an Entry Point or at a CGI Gas Point (which Entry Point or CGI Gas Point) shall be specified by the Transporter to facilitate Nominations, Renominations and deliveries of Shrinkage Gas to the Transportation System where Shrinkage Gas is not acquired at the IBP. For the avoidance of doubt Entry Capacity which the Transporter makes available to facilitate Nominations, Renominations and deliveries of Shrinkage Gas shall not form part of a Shipper's Active Entry Capacity but shall at all times be available only for the purpose of Nominations, Renominations and deliveries of Shrinkage Gas.

2.2.3 The Transporter shall use reasonable endeavours to avoid unnecessary costs associated with the acquisition or disposal of Shrinkage Gas and shall act as a Reasonable and Prudent Operator in carrying out such activities.

2.2.4 [Not Used]

2.3 Shrinkage Costs

2.3.1 Not Used,

2.4 Calculation of Shrinkage Gas

2.4.1 The Transporter shall determine the Shrinkage Gas required for the Day as follows:

(a) the quantity of Shrinkage Gas estimated by the Transporter to be required for the Day in respect of the Distribution System which shall be based on the Transporter's best estimate of the Distribution System consumption of Natural Gas for the Day multiplied by the applicable Distribution System Shrinkage Factor ("**Estimated Distribution System Shrinkage Gas**");

(b) the quantity of Shrinkage Gas estimated by the Transporter to be required for the Day in respect of the Transmission System which shall be based on the Transporter's best estimate of Own Use Gas and Unaccounted For Gas in respect of the Transmission System ("**Estimated Transmission System Shrinkage Gas**"); and

(c) the quantity of Shrinkage Gas estimated by the Transporter to be required for the Day in respect of the Transportation System ("**Estimated Transportation System Shrinkage Gas**") shall be the aggregate of the Estimated Distribution System Shrinkage Gas and the Estimated Transmission System Shrinkage Gas for the Day;

2.4.2 The Transporter shall use reasonable endeavours to purchase a quantity of Natural Gas equal to the Estimated Transportation System Shrinkage Gas in accordance with this Code.

2.4.3 **Shrinkage Gas Apportionment and Attribution**

(a) Where Shrinkage Gas is provided by a Shipper, Nominations with respect to Shrinkage Gas in respect of a Day shall be made separately and independently from any other Nominations made by such Shipper in respect of a Day. Where the person providing Shrinkage Gas is not a Shipper, the Transporter shall for the purposes of the provision of Shrinkage Gas to the Transportation System in respect of a Day be entitled to make Nominations and receive Allocations in respect of Shrinkage Gas. The Transporter shall, be entitled to submit Nominations in respect of Shrinkage Gas for and on behalf of the Shipper.

(b) The quantity of Natural Gas allocated with respect to Shrinkage Gas referred to shall be attributed to the Distribution System and the Transmission System in accordance with the remaining provisions of this Section 2.4.

(c) The quantity of Shrinkage Gas attributable to the Distribution System for a Day ("**Initial Distribution System Shrinkage Gas Attribution**") shall be calculated on D+1 by multiplying the actual quantity of Natural Gas consumed by the Distribution System for the Day (calculated in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.7.3(b)) by the Distribution System Shrinkage Factor.

(d) The quantity of Shrinkage Gas attributed to the Distribution System in respect of a Day shall be calculated by the Transporter on M+5 ("**Final Distribution System Shrinkage Gas Attribution**") by multiplying the actual quantity of Natural Gas consumed by the Distribution System for the Day by the Distribution System Shrinkage Factor.

(e) The quantity of Shrinkage Gas attributable to the Transmission System for a Day shall be calculated by the Transporter on D+1 ("**Initial Transmission System Shrinkage Gas Attribution**") and again on M+5 ("**Final Transmission System Shrinkage Gas Attribution**"), in each case in accordance with the following formula:

TS = SA - (DS + *VIPS*)

where:

TS = the Initial Transmission System Shrinkage Gas Attribution or the Final Transmission System Shrinkage Gas Attribution, as appropriate;

SA = the Allocation in respect of Shrinkage Gas on D+1 or M+5, as appropriate; and

DS = the Initial Distribution System Shrinkage Gas Attribution or the Final Distribution Shrinkage Gas Attribution, as appropriate and;

VIPS = *the quantity of Shrinkage Gas which the Transporter determines to have been utilised at or respect of the VIP.*

2.4.4 Not Used

2.4.5 Transmission System Shrinkage Gas Apportionment

For the purpose of calculating Transmission System Shrinkage Gas among Shippers:

(a) the Transmission System shall be deemed to be divided into the following two (2) components:

(i) that part of the Transmission System onshore in Scotland between the meters measuring the flow of Natural Gas into the Transmission System at the Moffat Entry Point and the meters measuring the flow of Natural Gas out of the Transmission System at Brighouse Bay and Twynholm ("**Onshore Scotland Transmission System**"); and

(ii) that part of the remainder of the Transmission System from and including the meter located at Brighouse Bay, including the whole of the Transmission System onshore in Ireland and any other Entry Points thereto ("**Sub-Sea and Ireland Transmission System**");

(b) the quantity of Transmission System Shrinkage Gas utilised for the Onshore Scotland Transmission System shall be apportioned pro rata, on a Monthly throughput basis:

(i) for onward transmission of Natural Gas to Northern Ireland ; and

(ii) for onward transmission utilising the Sub-Sea and Ireland Transmission System; and

(c) Not

(d) Shippers which are Registered Shippers at a RNG Entry Point shall be treated as Shippers on the Sub-Sea and Ireland Transmission System for the purpose of this Section 2.4.5.

2.5 Accounting for Shrinkage Gas

2.5.1 The Transporter shall keep full and accurate records in respect of the quantity of Natural Gas used each Month as Transmission System Shrinkage Gas and Distribution System Shrinkage Gas.

2.5.2 Not Used

2.5.3 The Transporter shall appoint an appropriate, internationally recognised professional entity as approved by the Commission and provide to such entity all reasonable information such as to allow such entity to audit:

(a) the quantities of Shrinkage Gas for the Transportation System and where relevant apportionment of Transmission System Shrinkage Gas pursuant to Section 2.4.5;

(b) the cost to the Transporter of securing (but not the price of) the Shrinkage Gas, recognising that such shrinkage gas will be in accordance with this Code.

2.5.4 The Transporter shall endeavour to complete the audit within eight months from the end of the Gas Year which is the subject of the audit and shall issue a summary of the audit report to Shippers no later than 12 (twelve) months following the end of the Gas Year under audit.

2.6 Distribution System Shrinkage Factor

2.6.1 The Transporter may recalculate the Distribution System Shrinkage Factor on an annual basis.

2.6.2 Where the Distribution System Shrinkage Factor is recalculated then it shall, with the approval of the Commission, apply from the start of the subsequent Gas Year.

2.6.3 The recalculation of the Distribution System Shrinkage Factor shall utilise data for the twelve (12) Month period to the end of July in the then current Gas Year.

2.6.4 The Distribution System Shrinkage Factor shall be calculated in accordance with a methodology approved by the Commission.

2.7 Publication of Shrinkage Information

The Transporter shall publish aggregate monthly volumes of Shrinkage Gas monthly in arrears.

SCHEDULE 3

Part 1

ADT Request

(a) the identity of the Transferor Shipper and the Transferee Shipper;

(b) the Day for which the ADT is to be transacted; and

(c) the quantity (in kWh) of the Transferor Shipper's Daily Imbalance Quantity in respect of such Day to be traded.

CODE OF OPERATIONS
PART F

ADMINISTRATION

VERSION 5.05

Comprises version 5.04 published as of May 2023 incorporating the following Modifications

(1) Modification A111: Oxygen Upper Limit

(2) Modification A113: Revision of Wobbe Index Parameters

(3) Modification A114: Classification of Gas Points with a design MHQ of 100,000 kWh

(4) Modification A115: Removal of Tolerances at RNG Entry Points

(5) Modification A116: Removal of Residual Tolerances

(6) Modification A117: Supplier of Last Resort (SoLR) Arrangements

(7) Modification A118: Central Grid Injection and RNG Entry Point Arrangements

Part F

1. JBP USER AND REGISTERED SHIPPER 1
2. CLASSIFICATION 16
3. OFFTAKE POINT ADMINISTRATION 19
4. GAS POINT REGISTER OPERATOR 22
5. METER DATA SERVICES 22
6. SITEWORKS 23
7. SOLR CAPACITY AND TRANSPORTATION 23
8. REVENUE PROTECTION PROCEDURES 24

APPENDIX 1 25

1. JBP USER AND REGISTERED SHIPPER

1.1 IP Approval

A Shipper shall apply to become a JBP User at an Interconnection Point in accordance with this Part F Section 1.16.

1.2 Registration

1.2.1 A Shipper shall apply to become a Registered Shipper at an IP Entry Point, an Entry Point, a CGI Entry Point, an IP CSEP, a Commissioning Connected System Point and IP VEntry, an IP VExit, an Exit Point, the Sub-Sea I/C Offtake and/or a Supply Point in accordance with this Part F.

1.2.2 **Number of Registered Shippers at an Offtake Point**

On any Day only a single Shipper shall be registered at any one TCDM Exit Point, DM Supply Point or NDM Supply Point. More than one Shipper may be registered at a Multiple Shipper LDM Offtake.

1.2.3 **Number of Registered Shippers at RNG Entry Point and CGI Entry Point.**

On any Day only a single Shipper shall be registered at:

(a) an RNG Entry Point.

(b) each CGI Gas Point configured within a CGI Entry Point;

provided always a Shipper may be registered at multiple CGI Gas Points within a CGI Entry Point.

1.3 Shipper Registration at an IP Entry Point and/or an Entry Point and/or a CGI Entry Point and Short Term Capacity Notification

1.3.1 A Shipper which is a JBP User shall apply to become a Registered Shipper at an IP Entry Point by applying for IP Entry Capacity at that IP Entry Point in accordance with Part C (*Capacity*) Section 2 (*IP Capacity*) and shall become a Registered Shipper at an IP Entry Point on the first Day of the IP Capacity Booking Period of such Shippers IP Entry Capacity Booking.

1.3.2 A Shipper shall apply to become a Registered Shipper at an Entry Point or a CGI Gas Point or a Proposed CGI Gas Point configured within a CGI Entry Point or within a Proposed CGI Entry Point by applying for Entry Capacity at that Entry Point or at a Proposed Entry Point or at a CGI Gas Point or at a Proposed CGI Gas Point in accordance with Part C (*Capacity*) Section 3.2 (*Entry Capacity Request and Booking*).

1.3.3 A Shipper shall become a Registered Shipper at an Entry Point or shall be deemed to have become a Registered Shipper at a RNG Entry Point or at a

CGI Gas Point on the first day of the Entry Capacity Booking Period of such Shipper's Entry Capacity Booking.

1.3.4 A Proposed Entry Point or a Proposed CGI Entry Point shall become an Entry Point or a CGI Entry Point (as the case may be) on the Day ("**the Entry Point Commencement Date**") certified by the Transporter as the Day upon which any facilities (including any facilities in any Connected System) required by the Transporter for the performance of its obligations pursuant to this Code are completed and operational and the Transporter has received all legal and regulatory approvals required to make the Entry Point or CGI Entry Point operational and accept deliveries of Shipper's Natural Gas at the Proposed Entry Point or at the Proposed CGI Entry Point (as the case may be). The Transporter shall notify each Shipper which has submitted an application for Entry Capacity:

(a) at a Proposed Entry Point of the date upon which the Proposed Entry Point becomes an Entry Point.

(b) at a Proposed CGI Gas Point configured within a Proposed CGI Entry Point of the Day upon which the Proposed CGI Entry Point becomes a CGI Entry Point.

It being noted that a Proposed CGI Gas Point shall become a CGI Gas Point in accordance with Section 1.3.4A.

1.3.4A A Proposed CGI Gas Point shall become a CGI Gas Point on the first Day of a Shippers Long Term Entry Capacity Booking at the Proposed CGI Gas Point or if later on the Day on which the Proposed CGI Entry Point within which the Proposed GNI Gas Point is configured becomes a CGI Entry Point.

1.3.4B Natural Gas may not be delivered at an Entry Point, at a RNG Entry Point or at a CGI Gas Point unless there is a Registered Shipper at the applicable Entry Point or RNG Entry Point, or in the case of a CGI Entry Point at a CGI Gas Point configured within the CGI Entry Point.

1.3.4C If there is no Registered Shipper at a RNG Entry Point or at a CGI Gas Point on any Day or Days and Natural Gas is delivered at such RNG Entry Point or CGI Gas Point on any Day or Days ("**Non Allocation Days**") the Transporter shall notify the relevant Connected System Operator that Non Allocation Days have occurred.

1.3.4D A Shipper may with the written consent of the applicable Third Party Shipper request the Transporter to implement a process whereby the Allocable Quantity on the Non Allocation Days may be attributed to the Shipper ("**Shipper Allocation Request**").

The Shipper Allocation Request shall:

(a) specify the Non Allocation Days to which the request relates;

(b) specify the reasons why a Shipper was not a Registered Shipper at the RNG Entry Point or CGI Gas Point on the Non Allocation Days;

(c) include the Third Party Shipper's written consent to the Shipper Allocation Request.

1.3.4E The Transporter may acting as an RPO following consideration of the Shipper Allocation Request and the terms of any Third Party Shipper consent notify the Shipper as to whether the Transporter is prepared to accept or reject the Shipper Allocation Request and shall specify the reason for the Transporter's decision;

1.3.4F Where the Transporter accepts the Shipper Allocation Request the Transporter shall notify to the Shipper:

(a) the process ("**Notified Process**") which the Transporter is prepared to implement;

(b) the charges which the Shipper will incur which may include Entry Capacity Charges and/or Overrun Charges, or such other charges as the Transporter, acting as an RPO considers appropriate.

1.3.4G The Shipper shall notify the Transporter in writing as to whether it is prepared to accept the Notified Process within seven days of receipt of notification in accordance with Section 1.3.4F.

1.3.4H If the Transporter does not receive a Shipper Allocation Request as referred to in Section 1.3.4D above by the end of the calendar month following the month in which the Non Allocation Day(s) occurs or if the Shipper has not notified to Transporter pursuant to Section 1.3.4G it is prepared to accept the Notified Process pursuant to Section 1.3.4 above within seven days of receipt of notification the Transporter shall and shall be entitled to treat the Allocable Quantity for the Non Allocation Day(s) as Unaccounted For Gas.

1.3.5 A Shipper which is not a Registered Shipper at an Entry Point shall, in order to have the right to apply for Short Term Capacity at that Entry Point submit a notice ("**Short Term Entry Capacity Notice**") to the Transporter. A Shipper shall not be entitled to and shall not, submit a Short Term Entry Capacity Notice in respect of a CGI Gas Point or at or in respect of a RNG Entry Point.

1.3.6 A Short Term Entry Capacity Notice shall include such information as shall be necessary to enable the Transporter to process the application including:

(a) the Shipper ID of the Shipper submitting the application;

(b) the date with effect from which the Shipper wishes to have the right to submit Short Term Entry Capacity Requests in accordance with Part C (*Capacity*) (Section 3) which shall not be less than (10) ten Business Days after submission of the notice.

(c) confirmation that the Shipper is the holder of such documentation as may be necessary at the relevant Entry Point (including such documentation as is specified in any applicable Entry Point Procedures);

1.3.7 The Transporter may reject a Short Term Entry Capacity Notice for any of the following reasons:

(a) the application has not been submitted in accordance with Section 1.3.6; or

(b) the Shipper is in breach of this Code or any Ancillary agreement.

The Transporter shall reject a Short Term Entry Capacity Notice submitted by a Shipper at or in respect of a CGI Gas Point or in respect of an RNG Entry Point.

1.3.8 If the Short Term Entry Capacity Notice is rejected in accordance with Section 1.3.7 above then the Transporter shall provide the reason therefor to the Shipper as soon as reasonably practicable but in any event within three Business days of such rejection;

1.3.9 If the Short Term Entry Capacity Notice is accepted by the Transporter then:

(a) the Transporter shall establish the Shipper on GNI (IT) Systems at the Entry Point (which is not a RNG Entry Point) to facilitate the Shipper's submission of Short Term Entry Capacity Requests in accordance with the Code; and

(b) the Shipper shall be entitled to submit Short Term Entry Capacity Requests with effect from the date specified in the Short Term Entry Capacity Notice or such other date as may be agreed with the Transporter.

1.4 Shipper Registration at a LDM Offtake or a Proposed LDM Offtake and Short Term Capacity Notification

1.4.1 A Shipper shall apply to become a Registered Shipper at a LDM Offtake or at a Proposed LDM Offtake by applying for LDM Exit Capacity in accordance with Part C (*Capacity*) Section 7.2 (*LDM Exit Capacity and LDM Capacity Application*).

1.4.2 A Shipper shall become a Registered Shipper at a LDM Offtake on the LDM Capacity Booking Effective Date of the Long Term LDM Capacity Booking.

1.4.3 A Proposed LDM Offtake shall become a LDM Offtake on the day certified by the Transporter as the day upon which any facilities (including any connecting pipelines upstream of such Proposed LDM Offtake) required by the Transporter for the performance of its obligations pursuant to this Code are completed and operational. The Transporter shall notify a Shipper which has submitted an application to become a Registered Shipper at a Proposed

LDM Offtake of the date upon which the Proposed LDM Offtake becomes a LDM Offtake.

1.4.4 More than one Shipper may apply to be, and may be, registered at a LDM Offtake.

1.4.5 Where a Shipper applies to become a Registered Shipper at an LDM Supply Point or a Proposed LDM Supply Point at or in respect of which Capacity Bookings have been terminated pursuant to a Shipper's Specific Termination Notice issued in accordance with Part I (*Legal and General*) Section 4.2.4(b); and

(a) the Capacity Booking the subject matter of the Shippers Specific Termination Notice was terminated within six (6) months prior to the date of the submission of the application by the Shipper to become Registered Shipper at or in respect of the Supply Point or the proposed Supply Point; and

(b) the End User at the relevant LDM Supply Point or proposed LDM Supply Point is one and the same as the End User at the LDM Supply Point when the Shipper's Specific Termination Notice issued (or an affiliate of such End User),

the Shipper submitting the application to become Registered Shipper at the relevant LDM Supply Point or Proposed LDM Supply Point shall discharge all applicable tariffs associated with the Capacity Bookings which were terminated at that LDM Supply Point pursuant to Part I (*Legal and General*) Section 4.2.4(b) as aforesaid up to a maximum of the lesser of six months Capacity Charges or the Capacity Charges which would otherwise have been payable up to the first day of the new Capacity Booking at or in respect of the LDM Supply Point or Proposed LDM Supply Point.

1.4.6 A Shipper which is not a Registered Shipper at an LDM Offtake shall, in order to have the right to apply for Short Term LDM Exit Capacity at that LDM Offtake submit a notice ("**Short Term LDM Capacity Notice**") to the Transporter.

1.4.7 A Short Term LDM Capacity Notice shall include such information as shall be necessary to enable the Transporter to process the application including:

(a) the Shipper ID of the Shipper submitting the application;

(b) the date with effect from which the Shipper wishes to have the right to submit Short Term LDM Exit Capacity Requests in accordance with Part C (*Capacity*) (Section 7.4) which shall not be less than ten (10) Business Days after submission of the notice; and

(c) confirmation that the End User at the LDM Offtake has consented to the Shippers application;

1.4.8 The Transporter may reject a Short Term LDM Capacity Notice for any of the following reasons:

(a) the application has not been submitted in accordance with Section1.4.7; or

(b) the Shipper is in breach of this Code or any Ancillary Agreement.

1.4.9 If the Short Term LDM Capacity Notice is rejected in accordance with Section 1.4.8 above then the Transporter shall provide the reason therefor to the Shipper as soon as reasonably practicable but in any event within three Business days of such rejection;

1.4.10 If the Short Term LDM Capacity Notice is accepted by the Transporter then:

(a) the Transporter shall establish the Shipper on GNI (IT) Systems at the LDM Offtake to facilitate the Shipper's submission of Short Term LDM Exit Capacity Requests in accordance with the Code; and

(b) the Shipper shall be entitled to submit Short Term LDM Exit Capacity Requests with effect from the date specified in the Short Term LDM Capacity Notice or such other date as may be agreed with the Transporter.

1.5 Request to become Registered Shipper to DM Offtake or Proposed DM Offtake

1.5.1 A Shipper shall apply to become the Registered Shipper at a Proposed DM Offtake by submitting to the Transporter a request for a Meter Fit.

1.5.2 A Shipper shall apply to become the Registered Shipper at a DM Offtake in accordance with the Change of Shipper Procedures.

1.5.3 A Shipper shall apply to become the Registered Shipper at a DM Offtake at which a Meter Lock has been undertaken and in respect of which there is no current Registered Shipper by submitting to the Transporter a request for a Meter Unlock.

1.5.4 A Shipper shall become the Registered Shipper at a:

(a) Proposed DM Offtake on the first Day of the calendar month in which the Meter Fit (requested by such Shipper at the Proposed DM Offtake, or, in respect of which such Shipper is designated to be the Registered Shipper at the Proposed DM Offtake) is completed;

(b) DM Offtake on the first Day of the calendar month following completion of a Change of Shipper in respect of such DM Offtake submitted by the Shipper; or

(c) DM Offtake at which a Meter Lock has been undertaken and in respect of which there is no Registered Shipper on the first Day of the calendar

month in which a Meter Unlock at such DM Offtake (requested by such Shipper, or, in respect of which such Shipper is designated to be the Registered Shipper at the DM Offtake) is completed.

1.5.5 For the avoidance of doubt, a Change of Shipper in respect of a DM Offtake shall not be completed until it is accepted by the Transporter following the expiry of any relevant notice periods.

1.5.6 A Proposed DM Offtake shall become a DM Offtake on and with effect from the Day on which a Shipper becomes the Registered Shipper to that DM Offtake.

1.6 **Request to become Registered Shipper to a NDM Supply Point or Proposed NDM Supply Point**

1.6.1 A Shipper shall apply to become the Registered Shipper at a Proposed NDM Supply Point by submitting to the Transporter a request for a Meter Fit.

1.6.2 A Shipper shall apply to become the Registered Shipper at a NDM Supply Point in accordance with the Change of Shipper Procedures.

1.6.3 A Shipper shall apply to become the Registered Shipper at a NDM Supply Point at which a Meter Lock has been undertaken and in respect of which there is no current Registered Shipper by submitting a request for a Meter Unlock.

1.6.4 A Shipper shall become the Registered Shipper at a:

(a) Proposed NDM Supply Point on the Day on which the Meter Fit at such Proposed NDM Supply Point (requested by such Shipper at the Proposed NDM Supply Point, or, in respect of which such Shipper is designated to be the Registered Shipper at the Proposed NDM Supply Point) is completed;

(b) NDM Supply Point on the Day on which the Change of Shipper at the NDM Supply Point submitted by such Shipper is completed; or

(c) NDM Supply Point at which a Meter Lock has been undertaken and in respect of which there is no current Registered Shipper on the Day on which the Meter Unlock (requested by such Shipper at such NDM Supply Point, or, in respect of which such Shipper is designated to be the Registered Shipper at such NDM Supply Point) is completed.

1.6.5 For the avoidance of doubt, a Change of Shipper at the NDM Supply Point shall not be completed until it is accepted by the Transporter following the expiry of any relevant notice periods.

1.6.6 A Proposed NDM Supply Point shall become a NDM Supply Point on and with effect from the Day on which a Shipper becomes the Registered Shipper at that NDM Supply Point.

1.6.7 A Shipper shall not be entitled to apply and shall not apply to become the Registered Shipper at a proposed NDM Supply Point or at a NDM Supply Point at which the End User is a household customer unless;

(a) `

(i) such Shipper has entered into the Shipper Prepayment Metering Agreements and such Shipper Prepayment Metering Agreements remain valid and subsisting; and

(ii) the FOSP appointed by the Shipper (together with the FOSP appointed by the Supplier (where applicable)) has delivered a Deed of Covenant to the Transporter (unless the Commission has issued an authorisation or exemption in respect of such Shipper as referred to in Section 1.6.7(b)) and such Deed of Covenant(s) is valid and subsisting and in respect of which notice of termination has not been terminated or suspended; or

(b) the Transporter has received an authorisation/exemption issued by the Commission with respect to the Shipper exempting such Shipper from the requirement to be a party to the Shipper Prepayment Metering Agreements.

1.6.7A A Shipper which applies to become or is the Registered Shipper at a Proposed NDM Supply Point or at an NDM Supply Point at which the End User is a household customer (unless the Commission has issued an authorisation or exemption in respect of such Shipper as referred to in Section 1.6.7(b)) warrants to the Transporter at the date of the application and for so long as the Shipper is the Registered Shipper at any one or more NDM Supply Points at which the End User is a household customer:

(i) that the Shipper has executed all Shipper Prepayment Metering Agreements and that such agreements are valid and subsisting; and

(ii) where the Shipper is not the Supplier at the relevant NDM Supply Point that the Supplier has also appointed an FOSP and executed all relevant Shipper Prepayment Metering Agreements with such FOSP, and such agreements are valid and subsisting.

(iii) that the FOSP appointed by the Shipper and the FOSP appointed by the Supplier have executed and delivered to the Transporter a valid and subsisting Deed of Covenant; and that the Shipper is not aware that any such Deed of Covenant has been suspended or is subject to termination notice.

(iv) that the Shipper (and Supplier where applicable) have lawfully authorised the FOSP to provide such information as the Transporter

may reasonably require, including pursuant to the Deed of Covenant, and to co-operate with the BOSP.

1.6.7B Each Shipper acknowledges that a Deed of Covenant shall not be valid and subsisting for the purpose of this section 1.6 if:

(i) there is a subsisting notice of termination or notice of suspension in respect of the Deed of Covenant; or

(ii) the Deed of Covenant does not specify relevant rights of termination and suspension and the consequence of each.

1.6.8 A Shipper which is the Registered Shipper at one or more NDM Supply Points at which the End User is a household customer shall (unless the Commission has issued an authorisation or exemption in respect of such Shipper as referred to at Section 1.6.7(b)) at all times be a party to the Shipper Prepayment Metering Agreements and confirms the warranties at Section 1.6.7.A are true and accurate in all respects.

1.6.9 In the event that the BOSP shall have ceased (other than on a temporary basis) to provide services (in whole or in part) to Shippers or as required pursuant to the relevant Transporter Prepayment Metering Agreements and particularly with respect to the provision of services to Shippers pursuant to the relevant Shippers Back Office Service Agreement, the Transporter shall use reasonable endeavours to secure that services which have so ceased so to be provided shall be available (on a limited basis) pending the appointment of new and alternative Back Office Service Provider. Shipper(s) shall enter into such arrangements as may be required by the Transporter with the approval of the Commission with respect to provision of these alternative services.

1.6.10 A Shipper(s) shall comply with the Prepayment Metering Procedures with respect to NDM Supply Points at which the End User is a household customer.

1.7 Capacity Register Recording of Registration

The Transporter shall record on the Capacity Register the Day on which the Shipper becomes Registered Shipper at an IP VEntry Point, an IP VExit Point, an IP CSEP, a VEntry, a VExit, a LDM Offtake, a DM Offtake or a NDM Supply Point respectively.

1.8 Deregistration

1.8.1 A Shipper shall cease to be:

(a) a Registered Shipper at an IP Entry Point at the end of the IP Entry Capacity Booking Periods of the Shipper at the relevant IP Entry Point, or as otherwise specified in this Code and/or any Ancillary Agreement.

(b) a Registered Shipper at an IP CSEP at the end of the IP CSEP Capacity Booking Period(s) of the Shipper at the relevant IP CSEP or as otherwise specified in this Code or any ancillary Agreement.

(c) a Registered Shipper at a IP VEntry or at an IP VExit at the end of the Capacity Booking Periods of the Shippers applicable Interruptible IP Capacity booking at the IP VEntry or the IP VExit as the case may be.

(d) a Registered Shipper at an Entry Point at the end of the Entry Capacity Booking Period(s) of all Entry Capacity Bookings of the Shipper at the relevant Entry Point or as otherwise specified in this Code and/or any Ancillary Agreement;

(e) a Registered Shipper at a LDM Offtake at the end of the LDM Capacity Booking Period of all relevant LDM Capacity Bookings or as otherwise specified in this Code;

(f) the Registered Shipper at a DM Offtake with effect from the Day:

(i) on which another Shipper becomes the Registered Shipper at the DM Offtake as a result of a completed Change of Shipper;

(ii) which is the first day of the calendar month following the month in which Isolation of the DM Offtake is completed; or

(iii) which is the first day of the calendar month which is:

(A) not less than six (6) months after the last Shipper Requested Lock at the relevant DM Offtake; and

(B) not less than ten (10) Business Days after submission of a Deregistration Application which is approved by the Transporter;

(g) the Registered Shipper at a NDM Supply Point with effect from the Day

(i) on which another Shipper becomes the Registered Shipper at the NDM Supply Point as a result of a completed Change of Shipper;

(ii) on which Isolation of the NDM Supply Point is completed; or

(iii) at a Tariff Exempt NDM Supply Point in accordance with the Deregistration Procedures; and

(h) the Registered Shipper at a CGI Gas Point at the end of the Entry Capacity Booking Period of all Entry Point Capacity Bookings of the Shipper at the relevant CGI Gas Point or as otherwise specified in this Code and/or any Ancillary Agreement.

(i) where the Registered Shipper is in breach of the Code and/or any Ancillary Agreement in accordance with the provisions of Part I (*Legal and General*) Section 4 (*Suspension and Termination*).

1.8.2 A Shipper may apply to the Transporter, in accordance with this Section 1.8.2 and the Deregistration Procedures to cease to be the Registered Shipper at a DM Offtake. A Shipper so applying to cease to be the Registered Shipper shall submit to the Transporter an application ("**Deregistration Application**") in accordance with the Deregistration Procedures. The Deregistration Application shall:

(a) where the Deregistration Application is with respect to a DM Offtake, be submitted not less than six (6) months after the last Shipper Requested Lock(s) has been completed at such DM Offtake;

(b) the Deregistration Application shall specify the information required pursuant to the Deregistration Procedures including:

(i) the SPRN in respect of the relevant Offtake Point;

(ii) the GPRN in respect of each Gas Point configured within such Offtake Point; and

(iii) the job number in respect of each Shipper Requested Lock undertaken at each Gas Point configured within the relevant Offtake Point at the request of such Shipper.

1.8.3

(a) A NDM Supply Point shall become a Tariff Exempt NDM Supply Point in accordance with the Deregistration Procedures.

(b) A Shipper shall not be obliged to pay Tariffs in respect of a Tariff Exempt NDM Supply Point.

(c) A Tariff Exempt NDM Supply Point shall cease to be a Tariff Exempt NDM Supply Point in accordance with Deregistration Procedures.

1.8.4 A Shipper that has ceased to be the Registered Shipper at an Offtake Point shall continue to be liable for all accrued payments or other amounts due to the Transporter notwithstanding that the Shipper ceases to be the Registered Shipper and any payments due and owing in respect of any Siteworks Agreement at or in respect of such Offtake Point shall become immediately due and payable.

1.9 **Not Used**

1.10 **Not Used**

1.11 **Not Used**

1.12 Sub-Sea I/C Offtake Registration

1.12.1 A Shipper shall apply to become a Registered Shipper at the Sub-Sea I/C Offtake by applying for Sub-Sea I/C Offtake Capacity in accordance with Part C (*Capacity*) Section 6.13 (*Sub-Sea I/C Offtake Capacity Application*).

1.12.2 A Shipper shall become a Registered Shipper at the Sub-Sea I/C Offtake on the Sub-Sea I/C Offtake Capacity Effective Date of the Sub-Sea I/C Offtake Capacity Booking.

1.12.3 A Shipper shall cease to be the Registered Shipper at the Sub-Sea I/C Offtake at the end of the Sub-Sea I/C Offtake Capacity Booking Period of all relevant Sub-Sea I/C Offtake Capacity Bookings of the Shipper or as otherwise specified in this Code.

1.13 Commissioning Connected System Point Registration

1.13.1 A Commissioning Shipper shall apply to become a Registered Shipper at a Commissioning Connected System Point by applying for capacity at that Commissioning Connected System Point in accordance with the applicable Commissioning Reverse Flow Arrangements.

1.13.2 A Commissioning Shipper shall become a Registered Shipper, and, shall cease to be a Registered Shipper at a Commissioning Connected Systems Point in accordance with the applicable Commissioning Reverse Flow Arrangements.

1.13.3 Charges in respect of capacity at a Commissioning Connected System Point shall comprise the capacity component of the applicable Tariff.

1.13.4 Registered Shippers at a Commissioning Connected System Point shall be liable to pay to the Transporter the commodity component of the applicable Tariff.

1.14 IP CSEP Registration

1.14.1 A Shipper which is a JBP User shall apply to become a Registered Shipper at an IP CSEP by applying for IP CSEP Offtake Capacity in accordance with Part C (*Capacity*) Section 2 (*IP Capacity*).

1.14.2 A Shipper shall become a Registered Shipper at the IP CSEP on the IP CSEP Capacity Effective Date of the IP CSEP Capacity Booking.

1.14.3 A Shipper shall cease to be a Registered Shipper at the IP CSEP at the end of the IP CSEP Capacity Booking Period of all relevant IP CSEP Capacity Bookings of the Shipper or otherwise specified in this Code.

1.15 Registered Shipper at IP VExit or IP VEntry

1.15.1 A Shipper which is a JBP User shall apply to become a Registered Shipper at

an IP VEntry or at an IP VExit by applying for Daily Interruptible IP VEntry Capacity or Daily Interruptible IP VExit Capacity in accordance with Part C (*Capacity*) Section 2.

1.15.2 A Shipper which is a JBP User shall become a Registered Shipper at the IP VEntry or the IP VExit (as the case may be) on the IP VEntry Capacity Booking Effective Date or IP VExit Capacity Booking Effective Date of the applicable IP VEntry Capacity Booking or IP VExit Capacity Booking as the case may be.

1.15.3 A Shipper shall cease to be a Registered Shipper at the IP VEntry or at the IP VExit at the end of each applicable IP VEntry Capacity Booking Period or IP VExit Capacity Booking Period of the Shipper or as otherwise specified in the Code.

1.15.4 A Shipper shall not apply to become a Registered Shipper at an IP VEntry or at an IP VExit unless such Shipper has submitted an IP Notification and paid the applicable IP Registration Fee in accordance with Section 1.17;

1.16 **JBP User Approval**

1.16.1 Shippers acknowledge that in order for a Shipper to become a JBP User:

(a) the Shipper must apply to the JBP Operator to register as a user on the JBP and be accepted by the JBP Operator in accordance with the JBP User's T & Cs;

(b) specify the Shipper's proposed JBP Nominated User; and

(c) the Transporter must consent to the Shipper becoming a JBP User and approve the proposed JBP Nominated User

for the purpose of this Code.

1.16.2 The Shipper shall procure that the JBP Operator shall notify the Transporter of:

(a) the application of the Shipper to become a JBP User; and

(b) proposed JBP Nominated User(s).

Notification to the Transporter in accordance with this Section 1.16.2 shall be made on the JBP.

1.16.3 The Transporter shall be entitled to request the Shipper to:

(a) verify the information which the Transporter has been provided in connection with the application to be a JBP User;

(b) verify the information in respect of the proposed JBP Nominated Users; and

(c) provide such additional information as the Transporter reasonably requires in order to consider the notice and/or to provide confirmation in accordance with Section 1.16.6.

1.16.4 The Transporter shall within 10 Business Days of receipt of notice of the Shipper's application in accordance with Section 1.16.2 above confirm to the JBP Operator that the Transporter approves the registration of the Shipper as a JBP User where:

(a) the application has been submitted by the Shipper in accordance with this Code and has been notified to the Transporter in accordance with this Code;

(b) the Shipper is not in breach of this Code or any ancillary agreement; and

(c) the Shipper which has submitted the application has provided all necessary information to enable the Transporter verify the information in accordance with the Transporter's request in accordance with Section 1.16.3.

1.16.5 The Transporter may notify the JBP Operator that the Shipper is not approved by the Transporter to become a JBP User if:

(a) the Transporter is not provided with sufficient information in order to enable the Transporter to consider the application;

(b) the Transporter has requested the Shipper to provide further information in connection with the application and the Transporter has not been provided with the required information;

(c) the Shipper identified in the application is not a Shipper in accordance with this Code;

(d) the Shipper is in breach of the Code or any ancillary agreement; or

(e) the Transporter does not approve the JBP Nominated User identified in the application.

1.16.6 The JBP User shall notify to the Transporter the identity of each person proposed by the Shipper to be a JBP Nominated User on behalf of the Shipper.

1.16.7 The Shipper shall notify the Transporter on the JBP of any proposal to:

(a) remove any previously approved JBP Nominated User;

(b) appoint a new JBP Nominated User.

1.16.8 The Transporter shall notify the Shipper if it does not approve of the proposed JBP Nominated User in which case the Shipper shall withdraw the proposal and submit the name of an alternative proposed JBP Nominated User to the

JBP Operator and this 1.16.8 shall apply to any such alternative proposed JBP Nominated User.

1.16.9 No person may be a JBP Nominated User on behalf of a Shipper unless the Transporter shall consent to such appointment.

1.16.10 The Transporter shall be entitled to provide to the JBP Operator on request such information as the JBP Operator may reasonably require in connection with:

(a) any application by a Shipper to become a JBP User;

(b) any JBP Nominated User(s) proposed by the Shipper (pursuant to the JBP Users T&C's); and

(c) any change in JBP Nominated Users notified by the JBP User to the JBP Operator.

1.16.11 The Transporter shall be entitled to rely on any information it may receive from the JBP Operator pursuant to this Section 1.16 and shall have no responsibility to verify the accuracy of any such information and the Transporter shall have no liability with respect to any information which it may provide to the JBP Operator.

1.16.12 The Transporter shall prior to approving a Shipper as a JBP User take such action as may be reasonably necessary to ensure that the Shipper is set up on GNI (IT) Systems in order to facilitate inter alia,

(a) receipt of notification of a JBP Users' IP Capacity Bookings;

(b) submission of IP Capacity Nomination;

(c) IP Capacity Trades.

1.17 IP Notification and IP Registration fee

1.17.1 A JBP User shall submit an IP Notification in accordance with Section 1.17.2 and pay any applicable fee (an "**IP Registration Fee**") to the Transporter prior to such Shipper submitting an application to become a Registered Shipper at an IP VEntry or an IP VExit in a Gas Year.

1.17.2 A Shipper which is a JBP User (or which has applied to become a JBP User) may submit a notification (an "**IP Notification**") to the Transporter that the Shipper may in respect of any Year apply to become a Registered Shipper at an IP VEntry or an IP VExit and which notification shall specify:

(a) the Year to which the notification relates;

(b) the Shipper EIC of the Shipper submitting the notification;

(c) the location of the IP VExit or IP VEntry to which the notification relates;

(d) the EIC of the Counterparty Shippers in respect of which the Shipper anticipates it may wish to submit an IP VExit or an IP VEntry Nomination.

For the avoidance of doubt a Shipper which has submitted an IP Notification may from time to time identify additional anticipated Counterparty Shippers and shall provide the relevant EIC of any new or additional such potential Counterparty Shippers.

1.17.3 The Transporter shall include in the next invoice issued to a Shipper which has submitted an IP Notification an Invoice item in respect of the applicable IP Registration Fee in respect of the IP VExit or the IP VEntry (or both) as the case may be to which the IP Notification relates.

1.17.4 The JBP User shall not seek to become a Registered Shipper at the applicable IP VEntry or IP VExit until such time as the Shipper shall have discharged the applicable IP Registration Fee:

1.17.5 If a JBP User applies for and is allocated Daily Interruptible IP VEntry Capacity and/or Daily Interruptible IP VExit Capacity in circumstances where:

(a) the Shipper has not submitted the IP Notification in respect of the IP VEntry or IP VExit (as the case may be); and/or

(b) has not paid the applicable IP Registration Fee,

the Transporter shall include in the next Monthly Invoice issued to the Shipper an invoice(s) item in respect of the applicable IP Registration Fee and an applicable IP Late Registration Fee in respect of each of the IP VExit and/or IP VEntry in respect of which the Shipper has applied to become a Registered Shipper.

2. CLASSIFICATION

2.1 Classification

2.1.1 Each Gas Point shall be classified as a LDM, a DM or a NDM ("**Gas Point Classification**"). Exit Points shall be classified as LDM or DM. Supply Points shall be classified as LDM, DM or NDM.

2.1.2 The Gas Point Classification shall be determined by the Annual Quantity associated with each Gas Point as follows:

(a) subject to paragraph (e) below and subject further to section 2.1.3 where the Annual Quantity on the first day of the Capacity Booking Period of a Long Term LDM Capacity Booking in respect of a Gas Point is

greater than or equal to fifty seven million five hundred thousand (57,500,000) kWh, the classification shall be "**LDM**" or "**Large Daily Metered**";

(b) subject to paragraph (d) below and subject further to Section 2.1.3 where the Annual Quantity in respect of a Gas Point is greater than or equal to five million five hundred and fifty thousand (5,550,000) kWh and less than fifty seven million five hundred thousand (57,500,000) kWh, the classification shall be "**DM**" or "**Daily Metered**";

(c) subject to Section 2.1.3 where the Annual Quantity in respect of a Gas Point is less than five million five hundred and fifty thousand (5,550,000) kWh, the classification shall be "**NDM**" or "**Non-Daily Metered**" and

(d) irrespective of the Annual Quantity for all Gas Points at End User Facilities which are CNG Installations the classification shall be “DM”.

(e) irrespective of the Annual Quantity at a Gas Point if the [design] MHQ at the Gas Point is greater than or equal to one hundred thousand (100,000) kWh the classification shall be LDM.

2.1.3 Where the Annual Quantity in respect of a Gas Point being:

(a) a Gas Point previously classified as LDM is less than fifty seven million, five hundred thousand (57,500,000) kWh (and such Gas Point is not otherwise classified as LDM by reference to Section 2.1.2(e) above) and the relevant Registered Shipper notifies the Transporter that such DM Gas Point should not be reclassified as DM, then provided that the Annual Quantity of such Gas Point is greater than or equal to fifty five million (55,000,000) kWh, the Transporter may maintain the LDM classification of such DM Gas Point; and

(b) a Gas Point previously classified as DM is less than five million five hundred and fifty thousand (5,550,000) kWh (and such Gas Point is not otherwise classified as LDM by reference to Section 2.1.2(e)) and the relevant Registered Shipper notifies the Transporter that such DM Gas Point should not be reclassified as NDM, then provided that the Annual Quantity in respect of such Gas Point is greater than or equal to 3,000,000 kWh, the Transporter may maintain the DM classification of such DM Gas Point.

2.1.4 An Offtake Point shall have the same classification as the Gas Point(s) which are configured within such Offtake Point.

2.2 Reclassification

2.2.1 Gas Points may be reclassified by the Transporter on an annual basis in accordance with Section 2.1.2 and the applicable Procedures.

2.2.2 The Transporter shall determine annually whether a Gas Point shall be reclassified in advance of the Gas Year and shall notify the Shipper if Siteworks are necessary in connection with such reclassification.

2.2.3 Gas Point reclassification shall become effective:

(a) on the first Day of a Gas Year following notification by the Transporter of reclassification to the Registered Shipper at the Offtake Point within which the Gas Point is configured; or

(b) on the first Day of a calendar month following the Month in which any Siteworks required at or in respect of the relevant Gas Point (configured within an Offtake Point) have been completed.

2.2.4 If Siteworks are required in connection with any reclassification and no application is submitted to the Transporter within two months of notification by the Transporter to the Shipper that such Siteworks are necessary then the Transporter shall be entitled to discontinue offtake of Natural Gas at the relevant Offtake Point on the first Day of the Gas Year following notification to the Shipper in accordance with Section 2.2 and may isolate the Gas Point.

2.2.5 Where a Gas Point configured within an Offtake Point is reclassified the Offtake Point shall be reconfigured pursuant to Section 2.

2.2.6 Where:

(a) there is only one Gas Point configured within an LDM Offtake; and

(b) that LDM Gas Point is reclassified from LDM to DM or is reclassified from LDM to NDM; and

(c) the LDM Capacity Booking Period of any LDM Capacity Booking at the relevant LDM Offtake extends beyond the Day which is or would otherwise be later than the Day with effect from which the LDM Gas Point is reclassified in accordance with this Code

then the following shall apply:

(i) the LDM Capacity Booking Period at such LDM Offtake shall be deemed to expire on the Day immediately prior to the Day with effect from which such reclassification takes place; and

(ii) any capacity transfers at or in respect of the LDM Offtake at which reclassification takes effect which extend or would otherwise extend beyond the Day on which the reclassification becomes effective shall be cancelled with effect from the Day on which the applicable LDM Capacity Booking Period shall be deemed to expire.

2.2.7 The provisions of Section 2.2.6 shall also apply to a LDM Offtake which incorporates more than one LDM Gas Point where all the LDM Gas Points configured within it are reclassified.

2.2.8 Subject to 2.2.6 where there is more than one Gas Point configured within an LDM Offtake and following reclassification one or more such Gas Points continue to be classified as LDM then the LDM Offtake shall remain as such incorporating only those Gas Point(s) which remain classified at LDM, and

(a) provided that the LDM Capacity Booking at or in respect of the LDM Offtake which remains following such reclassification and reconfiguration does not exceed the MDQ at or in respect of the LDM Offtake, the LDM Capacity Booking at or in respect of the LDM Offtake shall not be affected; or

(b) where the LDM Capacity Booking at or in respect of the LDM Offtake exceeds the MDQ in respect of the reconfigured LDM Offtake then the applicable LDM Capacity Booking shall be deemed reduced to the equivalent of the MDQ in respect of such LDM Offtake for the requisite LDM Capacity Booking Period (or as otherwise agreed with the Transporter); and

in either case it shall be a matter for the Shipper to cancel all Capacity Transfers at or in respect of the LDM Offtake which are affected by such reconfiguration or revised LDM Capacity Booking.

3. OFFTAKE POINT ADMINISTRATION

3.1 Configuration of Offtake Points

3.1.1 An Offtake Point which is a NDM Supply Point shall comprise one single Gas Point and all other Offtake Points shall comprise one or more Gas Points.

3.1.2 All the Gas Points within an Offtake Point must:

(a) have the same Gas Point Classification;

(b) be within a Common Curtilage;

(c) have the same End User;

(d) have the same Registered Shipper in respect of a DM Offtake; and

(e) have the same Registered Shipper(s) in the case of a LDM Offtake.

3.1.3 A Shipper may request a change to the configuration of Gas Points comprising a DM Offtake in respect of which the Shipper is the Registered Shipper by submitting a request (a "**Change of Configuration Request**") to the Transporter.

3.1.4 The Shipper submitting the Change of Configuration Request shall be the Registered Shipper for all DM Offtakes and/or NDM Supply Points affected by the Change of Configuration Request.

3.1.5 A Change of Configuration Request shall specify:

(a) the identity of the proposing Shipper;

(b) the date from which the change of configuration is required;

(c) each relevant Supply Point Registration Number ("**SPRN**");

(d) each relevant Gas Point Registration Number ("**GPRN**"); and

(e) details of the proposed reconfiguration.

3.1.6 The Transporter shall determine whether or not a Change of Configuration Request shall be accepted or rejected and shall inform the Registered Shipper of its determination.

3.1.7 Any reconfiguration that is to take place shall be subject to completion of any necessary Siteworks, in accordance with Section 6.

3.1.8 Where the Gas Point Classification of any Gas Point configured within a LDM Offtake or DM Offtake is reclassified in accordance with Section 2 the relevant LDM Offtake or DM Offtake (as the case may be) shall be reconfigured by the Transporter.

3.1.9 The Transporter shall amend the Capacity Register to reflect any changes in the configuration of a LDM Offtake or DM Offtake (as the case may be) pursuant to this Section 3.

3.1.10 A Change of Configuration Request that is accepted by the Transporter in respect of a DM Offtake shall be effective from the first day of the calendar month following reconfiguration pursuant to such Change of Configuration Request.

3.1.11 The Transporter shall reject any Change of Configuration Request where a Change of Shipper Request in respect of the same DM Offtake is being processed. Any reconfiguration required to facilitate a Change of Shipper must take place prior to the Change of Shipper Request being submitted.

3.1.12 For the avoidance of doubt, following a reconfiguration where a new SPRN is created, the Registered Shipper shall remain the Registered Shipper in respect of all DM Offtakes arising from such reconfiguration.

3.2 Gas Point Isolations

3.2.1 A Shipper may request the Transporter to carry out an Isolation of a Gas Point(s) within a DM Offtake or the Gas Point at a NDM Supply Point in

respect of which it is the Registered Shipper, subject to and in accordance with this Section 3.2.

3.2.2 A Shipper may only request an Isolation of all the Gas Points within a DM Offtake. If a Shipper wishes to request the Isolation of one or more Gas Points but not all of such Gas Points, the Shipper shall at or prior to submission of the request for Isolation submit a Change of Configuration Request to the Transporter. Any reconfiguration must take place prior to the Isolation of the DM Offtake.

3.2.3 Where a Shipper requests an Isolation, the Shipper warrants to the Transporter that it has complied with any Legal Requirement or code of practice relating to the cessation of supply at the DM Offtake or NDM Supply Point which is subject to the Isolation.

3.2.4 The Transporter shall not carry out the Isolation of a DM Offtake or NDM Supply Point in the event that the Shipper requesting the Isolation is not the Registered Shipper on the Day on which the Isolation is to be carried out.

3.2.5 The Shipper shall subject to Section 1.8 cease to be the Registered Shipper at a DM Offtake with effect from the end of the Month in which the Isolation requested by such Shipper is completed.

3.2.6 The Shipper shall subject to Section 1.8 cease to be the Registered Shipper at a NDM Supply Point with effect from the end of the Day on which the Isolation is completed.

3.2.7 The Transporter shall be entitled to carry out an Isolation or such other activity as the Transporter may consider appropriate at a DM Offtake or a NDM Supply Point in respect of which a Registered Shipper has submitted a Deregistration Application in accordance with Section 1.8.2.

3.2.8 Where an Isolation of a DM Offtake or a NDM Supply Point has been completed the relevant DM Offtake or NDM Supply Point may become a Proposed DM Offtake or a Proposed NDM Supply Point as the case may be.

3.2.9 The Transporter shall be entitled to carry out an Isolation at a LDM Gas Point in circumstances outlined in Section 2.2.4.

3A. Configuration of CGI Gas Points at CGI Entry Points

3A.1.1 The Transporter shall establish Proposed CGI Gas Points at a Proposed CGI Entry Point and or at a CGI Entry Point having regard to inter alia information provided to the Transporter pursuant to the applicable CSA at the Proposed CGI Entry Point or at the CGI Entry Point or by reference to such other process as may be published by the Transporter from time to time.

3A.1.2 Each CGI Gas Point shall be attributed:

(a) a unique CGI Gas Point ID; and

(b) a maximum capacity which may be booked at a CGI Gas Point (**"CGI Capacity Limit**") having regard inter alia to information provided to the Transporter pursuant to the applicable CSA or such other process as may be published by the Transporter from time to time.

3A.1.3 The Transporter shall configure CGI Gas Points within a CGI Entry Point in accordance with the process as set out in any applicable CSA or such other process as may be published by the Transporter from time to time.

3A.1.4 A CGI Entry Point shall comprise one or more CGI Gas Points;

3A.1.5 Subject to paragraph 3A.1.6 a CGI Gas Point or CGI Gas Points within a CGI Entry Point may be reconfigured within the same CGI Entry Point in accordance with the applicable CSA or any other process established by the Transporter from time to time.

3A.1.6 A CGI Gas Point at which a Shipper is Registered Shipper shall not be reconfigured without the consent of the Registered Shipper at all CGI Gas Point(s) affected by the proposed reconfiguration.

3A.1.7 The Transporter acting as an RPO shall not be obliged to establish a CGI Gas Point at a CGI Entry Point where the potential CGI Capacity Limit would in conjunction with the aggregate of the CGI Capacity Limits at each existing CGI Gas Point at that CGI Entry Point exceed the available Technical Capacity at the CGI Entry Point.

4. GAS POINT REGISTER OPERATOR

4.1 The Transporter shall establish, operate and maintain a service known as the Gas Point Registration Operator.

4.2 The GPRO shall establish and maintain a register of Gas Points (the "**Gas Point Register**" or "**GPR**"), which shall be administered in accordance with the GPRO Procedures.

4.3 The Transporter shall keep, maintain and publish the GPRO Procedures.

4.4 A Change of Shipper shall be conducted in accordance with the GPRO Procedures.

4.5 Each Shipper shall be responsible for updating any changes to the data in respect of an Offtake Point for which it is the Registered Shipper in accordance with the GPRO Procedures.

4.6 Each Shipper shall be required to comply with the GPRO Procedures.

5. METER DATA SERVICES

5.1 The provisions of this Section 5 shall only apply in respect of NDM Gas Points.

5.2 The Transporter shall keep, maintain and publish the Meter Data Services Procedures.

5.3 The provision by the Transporter of Meter Data Services shall be conducted in accordance with the Meter Data Services Procedures and this Section 5.

5.4 Any query in respect of a NDM Meter Read shall be dealt with in accordance with the Meter Read Query Resolution Policy.

5.5 Each Shipper shall be required to comply with the Meter Data Services Procedures.

5.6 Without prejudice to Sections 5.1 to 5.5 above the Prepayment Metering Procedure shall (also) apply in respect of NDM Supply Points at which the End User is a household customer.

6. SITEWORKS

6.1 The provisions of this Section 6 shall only apply in respect of TCDM Exit Points, DM Supply Points, DM Gas Points, NDM Supply Points and NDM Gas Points.

6.2 Each Shipper which is registered at a DM Offtake or a NDM Supply Point shall enter into a Siteworks Agreement known as a Shipper's Operational Siteworks Services Agreement with the Transporter pursuant to which certain Siteworks shall be requested and/or provided.

6.3 The Transporter may develop further Siteworks Procedures (which shall be in addition to the Operational Siteworks Services Procedures as referred to in the Operational Siteworks Services Agreement) with the approval of the Commission. The Transporter shall keep, maintain and publish the Siteworks Procedures.

6.4 Each Shipper shall be required to comply with the Siteworks Procedures.

7. SOLR CAPACITY AND TRANSPORTATION

7.1 The provisions of this Part F Section 7 including Appendix 1 hereto shall apply in the event of the issue by the Commission of a Last Resort Supply Direction. In the event of any conflict between the provisions of this Part F Section 7 (including Appendix 1) and the remaining provisions of the Code, the provisions of this Section 7 including Appendix 1 shall prevail over the provisions of Parts C to Part I (inclusive).

7.2 Each Shipper (including the SoLR) and the Transporter shall comply with Appendix 1 and with the SoLR Procedures.

7.3 The SoLR shall book or be deemed to have booked capacity and the Transporter shall make such capacity available in accordance with Appendix 1 to this Part F; and

7.4 The provisions of the Code of Operations shall apply (subject to this Part F Section 7 and save as expressly provided in Appendix 1) (including with respect to Nominations, Allocations, Balancing, Invoicing and otherwise) as if the SoLR in its capacity as SoLR is a separate Shipper and independent of all other bookings which may have been made by it (other than in its capacity as SoLR). The SoLR shall be entitled to participate in Capacity Transfers as a Transferee Shipper only (including in respect of capacity held by the SoLR other than in its capacity as such) provided always that such capacity transfers shall not extend beyond the SoLR Term End Day.

7.5 The SoLR shall not be required to provide financial security pursuant to the Financial Security Policy with respect to its bookings of capacity pursuant to this section 7 and/or the SoLR Procedures and any associated commodity charges provided however the

Transporter shall be cash neutral with respect to the SoLR including compliance with the provisions of this Section 7 and the SoLR Procedures.

8. REVENUE PROTECTION PROCEDURES

8.1 Each Shipper shall comply with the Revenue Protection Procedures.

APPENDIX 1

1. DEFINITIONS

Additional definitions required:

"**Failed Supplier**" shall have the meaning in the Code.

"**Last Resort Supply Direction**" shall have the meaning in the Code.

"**Last Resort Supply Direction Effective Date**" shall mean the start of the Day or Days specified by the Commission in a Last Resort Supply Direction as the Day or Days on and with effect from which the SoLR shall fulfil the function of Supplier of Last Resort with respect to End Users at Offtake Points referenced in the direction and where the Commission may specify separate Days in respect of LDM, DM and/or NDM Offtakes (or any one or more of them).

"**SoLR Affected Offtakes**" shall mean those Offtake Points referenced in the Last Resort Supply Direction at which the Failed Supplier is recorded as Supplier to the End User.

"**SoLR Affected Shipper**" shall mean the Shipper(s) which is the Registered Shipper at an Offtake Point(s) at which a Failed Supplier is recorded [by the GPRO] as the Supplier to the End User. A SoLR Affected Shipper may be one and the same as the Failed Supplier.

"**SoLR Capacity Charges**" shall have the meaning in this Part F Appendix 1 Section 4.1.3;

"**SoLR Exit Capacity Request**" shall have the meaning in this Part F Appendix 1 Section 3.3.4;

"**SoLR Procedures**" shall have the meaning in the Code

"**SoLR Term**" shall mean the period commencing on the applicable Last Resort Supply Direction Effective Date, in respect of which the SoLR is to fulfil the function of supply of Natural Gas to End Users of a Failed Supplier as specified in the Last Resort Supply Direction and ending at the end of the applicable SoLR Term End Day.

"**SoLR Term End Day**" means the Day or Days specified as such in the Last Resort Supply Direction; it being acknowledged that the last Resort Supply Direction may specify separate Days for LDM, DM and/or NDM Offtakes (or any one or more of them);

"**SoLR Notice**" means a notification issued by the SoLR to relevant End Users notifying them that a Last Resort Supply Direction has been issued in respect of such End User's Supplier.

"**Supplier**" shall have the meaning in the Code.

"**Supplier of Last Resort**" or "**SoLR**" shall have the meaning in the Code

2. SoLR ENTRY CAPACITY BOOKING

2.1 Registration and Entry Capacity

2.1.1 The SoLR shall with effect from the applicable Last Resort Supply Direction Effective Date ensure that it has sufficient Entry Capacity or IP Entry Capacity to fulfil its obligations with respect to SoLR Affected Offtakes.

3 REGISTRATION AND CAPACITY AT SoLR AFFECTED OFFTAKES

3.1 SoLR Registration

3.1.1 The SoLR shall on and with effect from the applicable Last Resort Supply Direction Effective Date be deemed to have applied to be and shall be deemed to be:

(a) a Registered Shipper at each LDM Offtake which is a SoLR Affected Offtake;

(b) the Registered Shipper at each DM Offtake which is a SoLR Affected Offtake; and

(c) the Registered Shipper at each NDM Supply Point which is a SoLR Affected Offtake.

3.1.2 The Transporter shall record the SoLR as Registered Shipper at each SoLR Affected Offtake as of the Last Resort Supply Direction Effective Date in accordance with the SoLR Procedures.

3.1.3 Where all of the Capacity Booking Periods at an LDM Offtake the SoLR is deemed to have booked pursuant to 3.2.1(a) below expire by effluxion of time during the SoLR Term the LDM Offtake shall cease to be an SoLR Affected LDM Offtake and the SoLR shall cease to be a Registered Shipper at such LDM Offtake in accordance with this Appendix 1 and the SoLR Procedures.

3.2 Capacity Bookings

3.2.1 The SoLR shall be deemed to have booked capacity pursuant to this Code at each SoLR Affected Offtake as follows:

(a) at each LDM Offtake which is a SoLR Affected Offtake the amount of Exit Capacity and where applicable Supply Point Capacity which was held by the SoLR Affected Shipper at the Last Resort Supply Direction Effective Date:

;

(b) at or in respect of each DM Offtake which is a SoLR Affected Offtake, the DM Exit Capacity and DM Supply Point Capacity which was held by the SoLR Affected Shipper immediately prior to the Last Resort Supply Direction Effective Date:

(c) the Transporter Determined NDM Supply Point Capacity and the Transporter Determined NDM Exit Capacity at or in respect of each NDM Supply Point which is a SoLR Affected Offtake.

and in each case effective as of the applicable Last Resort Supply Direction Effective Date and for the duration of the SoLR Term (or in the case of LDM Offtakes for the duration of the Failed Supplier's/SoLR Affected Shiper's Capacity Booking Periods if shorter) save as set out in this Appendix 1 or otherwise in accordance with the SoLR Procedures.

3.3 **Exit Capacity Booking at SoLR Affected Offtakes**.

3.3.1 The SoLR may with effect from the first Day of the calendar month which commences after the applicable Last Resort Supply Direction Effective Date on 2 days notice to the Transporter.

(a) terminate the SoLR LDM Capacity Booking at an SoLR Affected Offtake which the SoLR is deemed to have booked pursuant to clause 3.2(a) provided that the SoLR shall have applied for and booked LDM Exit Capacity (and where applicable LDM Supply Point Capacity) in respect of the specified SoLR Affected LDM Offtake.

(b) terminate any Short Term Exit Capacity booked in respect of any SoLR Affected LDM Offtake or in aggregate in respect of the SoLR Affected DM Offtake(s).

3.3.2 The SoLR shall be entitled to write to the Transporter for Exit Capacity in accordance with the following provisions of this Section 3.

3.3.3 The SoLR shall submit a separate application with respect to each SoLR Affected LDM Offtake in respect of which the SoLR wishes to reserve Exit Capacity;

3.3.4 The SoLR shall apply to book Exit Capacity in respect of SoLR Affected LDM Offtakes by submitting a request to the Transporter (**"SoLR Exit Capacity Request"**). The SoLR Exit Capacity Request shall specify the information required by the Transporter to process the application including;

(a) the relevant SoLR LDM Affected Offtake;

(b) the amount of Exit Capacity already reserved by the SoLR at the applicable SoLR Affected LDM Offtake pursuant to Section 3.2 or otherwise;

(c) the increase in the amount of Exit Capacity required (in kWh/Day) in respect of the relevant SoLR Affected LDM Offtake;

(d) the proposed amount of Exit Capacity as increased, (in kWh/Day) at or in respect of the SoLR Affected LDM Offtake;

(e) the requested Capacity Booking Period which shall not extend beyond the SoLR Term End Day;

(f) the required Day from which the requested capacity booking shall be effective (which Day shall be not earlier than the Day after the Day upon which the SoLR Capacity Request is received by the Transporter).

3.3.5 The Transporter will reject the SoLR Exit Capacity Request for any of the following reasons:-

(a) the SoLR Exit Capacity Request is not submitted by the SoLR in accordance with Section 3.3.4;

(b) the SoLR Exit Capacity Request specifies more than one SoLR Affected Offtake;

(c) the requested SoLR Exit Capacity Request specifies a requested Effective Day which is on or prior to the Day on which the request is received by the Transporter.

(d) the SoLR Exit Capacity Request is in respect of a SoLR Affected Offtake which is not an LDM Offtake; or

(e) the Requested Capacity Booking Period ends after the SoLR Tem End Day;

3.3.6 The Transporter may reject the SoLR Exit Capacity Request where the SoLR Exit Capacity Request has not been submitted on or before the day prior to the requested Effective Day specified in the SoLR Exit Capacity Request.

3.3.7 On approval by the Transporter of a SoLR Exit Capacity Request the primary LDM Exit Capacity, deemed to be reserved by SoLR at the relevant SoLR Affected LDM Offtake shall be deemed to be the amount of retained Exit Capacity specified in the SoLR Exit Capacity Request approved by the Transporter with effect from the required Day as specified in the SoLR Exit Capacity Request or as otherwise agreed with the Transporter.

3.3.8 The SoLR may apply to the Transporter for Short Term Aggregate DM Exit Capacity in accordance with the Code. The Transporter will reject an application submitted by the SoLR for Short Term Aggregate DM Exit Capacity where the requested Capacity Booking Period includes any Day or Days after the SoLR Term End Day.

3.3.8 For the avoidance of doubt the provisions of Part C (*Capacity*) shall apply with respect to Exit Capacity Requests including requests for Short Term Aggregate DM Exit Capacity submitted by the SoLR save as otherwise provided herein and in the event of any conflict between Part C (Capacity) and this Appendix 1 the provisions of this Appendix 1 shall prevail.

4. SoLR TERM

4.1 The following provisions shall apply in respect of the SoLR Term:

4.1.1 the SoLR shall be entitled to submit, in respect of each Day within the SoLR Term, Nominations in accordance with Part D (*Nominations, Allocations and Supply Point Reconciliation*) and the SoLR Procedures to include:

(a) Exit Nominations at or in respect of each SoLR Affected LDM Offtake; and

(b) Exit Nominations in aggregate in respect of all SoLR Affected DM Offtakes; and

(c) a single aggregate Exit Nomination in aggregate in respect of all SoLR Affected NDM Supply Points and all other NDM Supply Points at which it is Registered Shipper.

all such Nominations shall be submitted utilising the GTMS Access of the SoLR Affected Shipper or that of the SoLR as set out in the SoLR Procedures.

4.1.2 Capacity Charges in respect of Long Term Exit Capacity during the SoLR Term (**SoLR Capacity Charges**) shall comprise the capacity component of the applicable Tariff, capacity charges in respect of all other capacity shall be the applicable Tariff.

4.1.3 **Balancing**
Blaancing and related Shipper Imbalances and Daily Imbalance Charges in respect of SoLR Affected Offtakes shall apply in accordance with the Code and SoLR Procedures.

4.1.4 the SoLR will be liable to pay to the Transporter SoLR Capacity Charges in respect of each Day as follows:

(a) in respect of each SoLR Affected LDM Offtake SoLR Capacity Charges for the greater of:

(i) the LDM Exit Capacity reserved by the SoLR in respect of each Day; or

(ii) in respect of all Natural Gas allocated as offtaken by the SoLR at each such LDM Offtake on each Day during the SoLR;

(b) in respect of all SoLR Affected DM Offtakes SoLR Capacity Charges for the greater of:

(i) the aggregate DM Exit Capacity reserved by the SoLR in respect of all SoLR Affected DM Offtakes in respect of each Day; or

(ii) all Natural Gas allocated as offtaken by the SoLR in respect of all SoLR Affected DM Offtakes.

(c) SoLR Capacity Charges in respect of NDM Exit Capacity as calculated in accordance with the Code of Operations; and

(d) all Supply Point Capacity Charges as calculated and payable in accordance with the Code;

(e) overrun charges shall only apply at a SoLR Affected Offtake if the SoLR has reduced the amount of Exit Capacity at such SoLR Affected Offtake; for the avoidance of doubt termination (but not expiry) of Short Term Exit Capacity in accordance with Section 3.3.1 of this Appendix 1 shall be treated as a reduction in Exit Capacity for the purpose of this Section 4.1.4(e).

in addition to the foregoing the SoLR shall be responsible for the commodity component of the applicable Tariff in respect of all Natural Gas allocated as offtaken by the SoLR at and in respect of all SoLR Affected Offtake Points on a Day.

Subject to the foregoing the SoLR shall be responsible for and shall be liable to discharge all other charges (including commodity charges) as payable in accordance with the Code.

All charges associated with the SoLR Affected Offtakes shall be invoiced and payable in accordance with the SoLR Procedures and the Code.

5. EXPIRY OF SoLR TERM

5.1 The SoLR Term shall expire with respect to each SoLR Affected Offtake or each class of offtake at the end of the Day which is the the applicable SoLR Term End Day:

5.2 At the end of the applicable SoLR Term End Day:

5.2.1 the SoLR shall cease to be a Registered Shipper at each LDM Offtake which is a SoLR Affected Offtake;

5.2.2 the SoLR shall remain the Registered Shipper at DM Offtakes and at NDM Supply Point which are SoLR Affected Offtakes unless there is a successful Change of Shipper pursuant to the GPRO Procedures in respect of such Offtake Points.

5.2.3 the SoLR shall cease to utilise the GTMS access of the SoLR Affected Shipper on the expiry of the SoLR Term save to the extent that such access relates solely to transactions/actions during the SoLR Term.

5.3 If, at the expiry of the SoLR Term the SoLR remains Registered Shipper at a DM Offtake and/or at a NDM Supply Point which was a SoLR Affected Offtake the relevant DM Offtake or NDM Supply Point (as the case may be) shall cease to be designated a SoLR Affected Offtake, notwithstanding that the SoLR shall remain Registered Shipper at such Offtake Point and the provisions of Part F Section 7 and this Appendix 1 and the SoLR Procedures shall cease to apply with respect to said Offtake Point(s).

6. ADMINISTRATION OF LAST SUPPLY DIRECTION AND SoLR

6.1 The Transporter shall ensure that the SoLR becomes:

(a) a Registered Shipper at each SoLR Affected LDM Offtake; and

(b) the Registered Shipper at each SoLR Affected DM Offtake; and

(c) the Registered Shipper at each SoLR Affected NDM Supply Point;

and in each case with effect from the applicable Last Resort Supply Direction Effective Date and in accordance with the Code and the SoLR Procedures. The Transporter shall ensure that the SoLR is recorded as holding the amount of Exit Capacity and Supply Point Capacity as is provided for pursuant to this Code and the SoLR Procedures.

6.2 A Shipper shall be entitled to submit a Change of Shipper Request with respect to a DM Offtake or NDM Supply Point which is an SoLR Affected Offtake to take effect within the SoLR Term subject to the SoLR Procedures and effective on the first Day of a calendar month, or otherwise as specified by the CRU.

7. EFFECT ON SoLR AFFECTED SHIPPER(S) AND OTHER SHIPPERS

7.1 On and with effect from the Last Resort Supply Direction Effective Date the following provisions shall apply with respect to each SoLR Affected Shipper:

7.1.1 each SoLR Affected Shipper shall cease to be registered at each SoLR Affected LDM Offtake and all Capacity Bookings of such SoLR Affected Shipper at or in respect of such LDM Offtake shall and shall be deemed to have terminated as of the end of the Day prior to the Last Resort Supply Direction Effective Date;

7.1.2 each SoLR Affected Shipper shall cease to be the Registered Shipper at each DM Offtake or NDM Supply Point which is a SoLR Affected Offtake at the end of the Day prior to the Last Resort Supply Direction Effective Date.

7.1.3 Each SoLR Affected Shipper shall be responsible for charges applicable in respect of SoLR Affected Offtakes in accordance with the Code including clause 8 below in respect of the period up to the Last Resort Supply Direction Effective Date.

7.2 The Transporter shall have the right to:

7.2.1 suspend some or all of the SoLR Affected Shipper's rights under the Code of Operations (including but not limited to the right to book capacity, submit nominations, participate in IBP Trades);

7.2.2 limit or restrict the SoLR Affected Shipper's GTMS Access in whole or in part;

7.2.3 grant to the SoLR Affected Shipper access to the SoLR Affected Shiper's GTMS Account. The foregoing rights are in addition to and without prejudice to any other rights of the Transporter pursuant to the Code.

[7.2 For the avoidance of doubt and save as otherwise agreed with GNI Entry Capacity Bookings of the SoLR Affected Shipper(s) shall not be affected by the Last Resort Supply Direction unless the SoLR Affected Shipper is also the Failed Supplier.]

8. LIABILITY FOR CHARGES AND INVOICING

8.1 Notwithstanding any termination of the Capacity Booking of SoLR Affected Shippers at or in respect of SoLR Affected Offtakes each SoLR Affected Shipper shall be responsible for all payments due, accrued or outstanding to the Transporter under the Code or any Ancillary Agreement at the time of termination of such Capacity Bookings and such amounts shall immediately be due and payable by each SoLR Affected Shipper to the Transporter and invoiced in accordance with Part I (*Legal and General*). Such payments shall include the following:

8.1.1 payment of all amounts payable in respect of capacity reserved at or in respect of a DM Offtake and/or a NDM Supply Point which is a SoLR Affected Offtake for a period commencing at the time of the relevant Capacity Booking and ending on the Day prior to the Last Resort Supply Direction Effective Date;

8.1.2 payment of any and all amounts which may be due with respect to any LDM Capacity Booking from commencement of such Capacity Booking up and until including the Day prior to the Last Resort Supply Direction Effective Date;

8.1.3 any payments due and owing pursuant to any Operational Siteworks Agreement and/or Siteworks Connection Agreement entered into by a SoLR Affected Shipper in respect of any SoLR Affected Offtake; and

8.1.4 any other payment (including for the avoidance of doubt any liabilities or otherwise associated with the Disbursements Account pursuant to Part E (*Balancing and Shrinkage*) due pursuant to this Code or any Ancillary Agreements.

8.2 In addition to the foregoing where the SoLR Affected Shipper is also the Failed Supplier such SoLR Affected Shipper shall, in addition to the payments referred to above, be liable for the payment of any and all amounts which may be due or which would have been due pursuant thereto had it not been terminated prematurely (pursuant to the provisions of the Last Resort Supply Direction and this Code) under or in respect of an LDM Capacity Booking in respect of the remainder of the LDM Capacity Booking for the LDM Offtake and any such outstanding amounts shall, where relevant, be accelerated such as to become due and payable immediately upon such termination.

8.3 Termination of the Capacity Bookings of a SoLR Affected Shipper (which is also the Failed Supplier) pursuant to the provisions of this Code shall not relieve such SoLR Affected Shipper from any accrued rights or obligations pursuant to the Code of Operations or any ancillary Agreement.

8.4 The SoLR shall be liable for the applicable Tariff with respect to all capacity booked or deemed to have been booked by the SoLR and shall be liable for all other charges pursuant to the Code (including Capacity Charges the commodity component of any applicable Tariff, Balancing Charges and other charges (if any) in accordance with the Code).

8.5 Amounts payable in respect of or attributable to SoLR Affected Offtake(s) may be calculated and invoiced in accordance with Part I (*Legal and General*) (Section 11) this Appendix 1 and the SoLR Procedures.

CODE OF OPERATIONS
PART G

TECHNICAL

VERSION 5.05

Comprises version 5.04 published as of May 2023
incorporating the following Modifications

(1) Modification A111: Oxygen Upper Limit

(2) Modification A113: Revision of Wobbe Index Parameters

(3) Modification A114: Classification of Gas Points with a design MHQ of 100,000 kWh

(4) Modification A115: Removal of Tolerances at RNG Entry Points

(5) Modification A116: Removal of Residual Tolerances

(6) Modification A117: Supplier of Last Resort (SoLR) Arrangements

(7) Modification A118: Central Grid Injection and RNG Entry Point Arrangements
s

Part G

1. Specifications: Quality And Pressure 1

1.1 Quality 1
1.2 Pressure 1
1.3 Non-Compliant Gas 5
1.4 Shippers' Natural Gas Deliveries 7
1.5 Off-Spec Gas 7
2. System Planning 10

2.1 Estimates 10
2.2 Additional Information 11
3. Measurement 13

3.1 General 13
3.2 Measurement Equipment 15
3.3 Entry Point Measurement, South-North IP CSEP Measurement And Sub-Sea I/C Offtake Measurement And CGI Gas Point Measurement 15
3.4 LDM Offtake Measurement 16
3.5 Absence Of Valid Reads At LDM Offtakes 16
3.6 DM Offtake Measurement 16
3.7 Absence Of Valid Meter Reads At DM Offtakes 17
3.8 NDM Supply Point Measurement 17
3.9 Meter Data Cleansing 17
3.10 Sub-Sea I/C Offtake Measurement 17
3.11 Absence Of Reliable Readings From The Measurement Equipment With Respect To The Sub-Sea I/C Offtake Or The South-North IP CSEP 18
3.12 Interpretation Of Standards 18
4. Measurement Equipment Verification 19

4.1 General 19
4.2 Measurement Equipment Uncertainty 19
4.3 Secondary Instrumentation Uncertainty 20
4.4 Shipper Access To Measurement Equipment 20
4.5 Verification Of Entry Point Measurement 20
4.6 Verification Of Secondary Instrumentation 23
4.7 Full Verification Of Measurement Equipment 25
4.8 Damage To Measurement Equipment 27
4.9 Adjustment To Metered Quantity And Associated Charges 27
4.10 Verification Of Measurement Equipment At NDM Supply Points 28
5. Maintenance AND SYSTEM UPGRADE 28

5.1 General 28
5.2 Maintenance 29
5.3 Maintenance Planning 29
5.4 Timetable 30
5.5 Transporter's Obligations 30
5.6 Maintenance Limits 31
5.7 Capacity 32
5.8 Maintenance At LDM Offtake 32
5.9 Maintenance At The Sub-Sea I/C Offtake 33
5.10 IP Entry Capacity And Entry Capacity Tariff Rebate 33

APPENDIX 1 Quality Specification Of Natural Gas At IP Entry Points And Entry Points 36
APPENDIX 2 Quality Specification Of Natural Gas At Offtake Points Or CSEP 38

1. SPECIFICATIONS: QUALITY AND PRESSURE

1.1 Quality

1.1.1 Natural Gas delivered to, or tendered for delivery at, an IP Entry Point or an Entry Point shall (notwithstanding the provisions of any Interconnection Agreement or CSA) comply with the specification for Natural Gas entering the Transportation System as outlined in Appendix 1 ("**Entry Specification**"). A CSA may specify additional gas quality parameters (which may for the avoidance of doubt be subsets of the parameters set out in Appendix 1) and associated limits in respect of such parameters to apply at an individual RNG Entry Point or a category of RNG Entry Point(s) or CGI Gas Point in which case the Entry Specification in respect of such RNG Entry Points or CGI Gas Point (as the case may be) shall include gas quality parameters so specified in addition to the parameters set out in Schedule 1). Where an Interconnection Agreement or a CSA in respect of any IP Entry Point, Entry Point or Bi-Directional CSP provides for a gas quality specification which is more restrictive than that outlined in Appendix 1 then the Entry Specification with respect to such IP Entry Point, Entry Point or Bi-Directional CSP shall be as specified in the applicable Interconnection Agreement, or CSA as notified by the Transporter to Shippers.

1.1.2 Natural Gas made available by the Transporter for offtake at an Offtake Point, at a Connected System Exit Point, at an IP CSEP or at the Sub-Sea I/C Offtake shall comply with the Offtake Specification for Natural Gas offtaken from the Transportation System outlined in Appendix 2 ("**Offtake Specification**").

1.1.3 Each Shipper shall use all reasonable endeavours to procure that the appropriate contractual arrangements are in place and to procure implementation of any quality control measures requested by the Transporter to ensure that the quality of all Natural Gas tendered for delivery by a Shipper to the Transportation System when delivered at the Entry Point or at an IP Entry Point or at a CGI Gas Point accords to the Entry Specification as specified in Section 1.1.1.

1.1.4 Shippers acknowledge that the quality of Natural Gas delivered to or tendered for delivery at an IP Entry Point and/or at an Entry Point and or at a CGI Gas Point shall be monitored by the Transporter including in accordance with the Natural Gas Emergency Plan and any applicable Procedure for the Monitoring and Management of Gas Quality.

1.2 Pressure

1.2.1 The Transporter shall make Natural Gas available for offtake from the Transmission System at an Exit Point and/or the IP CSEP and/or at the Sub-Sea I/C Offtake at a minimum pressure ("**Transmission Minimum**

Pressure") (as measured at the relevant Exit Point, the IP CSEP or Sub-Sea I/C Offtake as the case may be) of not less than:

(a) eight (8) bar off the nineteen (19) bar system;

(b) nineteen (19) bar off the seventy (70) bar system (subject to (d) below);

(c) fifty (50) bar at the Sub-Sea I/C Offtake; and

(d) in accordance with the Interconnection Agreement at the IP CSEP.

1.2.2 The Transporter shall make Natural Gas available for offtake from the Distribution System at a pressure that is not less than the pressure required to ensure the safe operation of a Natural Gas Appliance.

1.2.3 The Transporter shall not be obliged to make Natural Gas available for offtake by a Shipper from the Transmission System at a pressure in excess of the Transmission Minimum Pressure. However, where a Shipper or End User requests Natural Gas to be made available for offtake at a pressure in excess of the Transmission Minimum Pressure then the Transporter may, if the Transporter agrees to provide such excess pressure, require the relevant Registered Shipper to enter into an agreement with the Transporter in respect of the provision of such excess pressure.

1.2.4 Where the pressure of Natural Gas immediately downstream of any or at the IP CSEP, the Sub-Sea I/C Offtake, LDM Exit Point or a TCDM Exit Point is in excess of the Transmission Minimum Pressure, the Transporter shall not be obliged to make Natural Gas available for offtake at such Offtake Point at the IP CSEP or at the Sub-Sea I/C Offtake and any such failure to make such Natural Gas available shall not be considered a breach of this Code and/or any Ancillary Agreement.

1.2.5 Where the pressure of Natural Gas immediately downstream of any Supply Point is in excess of the prevailing pressure in the relevant part of the Distribution System, the Transporter shall not be obliged to make Natural Gas available for offtake at such Supply Point and any such failure to make such Natural Gas available shall not be considered a breach of this Code and/or any Ancillary Agreement.

1.2.6 The Transporter may make Natural Gas available for offtake at the IP CSEP, the Sub-Sea I/C Offtake, LDM Exit Point or TCDM Exit Point at a pressure in excess of the Transmission Minimum Pressure and may make Natural Gas available for offtake from the Distribution System at a pressure in excess of the pressure referred to in Section 1.2.2.

1.2.7 Without prejudice to any other provisions of this Section 1, the availability of Natural Gas at any pressure shall be subject to the:

(a) MHQ and ramp rate for any LDM Offtake or the Sub-Sea I/C Offtake as the case may be not being exceeded;

(b) MHQ for any DM Offtake not being exceeded;

(c) relevant Shipper acting in accordance with the provisions of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1 (*Nominations and Renominations*);

(d) provisions of Part H (*Operations*) Sections 1 (*Emergencies*) and 2 (*Congestion Management)*;

(e) the status of the valves at the South-North Interconnection Point or such other provisions with respect to the South-North Interconnection Point as notified by the Transporter to Shippers;

(f) provisions with respect to an IP CSEP as notified by the Transporter to Shippers;

(g) provisions with respect to the Sub-Sea I/C Offtake (including the Sub-Sea I/C Offtake Agreement(s)) as notified by the Transporter to Shippers; and/or

(h) the availability of pressure under the Use of System Agreement.

1.2.8 The Transporter shall be relieved of its obligations under this Section 1.2 if:

(a) in order to maintain the Transmission Minimum Pressure, it is required to undertake works to the Transportation System or other system enhancement measures as a result of building, mining or engineering developments of third parties or changes in population density which have occurred in the vicinity of the Transportation System, or any localised part thereof, and the works or other measures would be necessary in order to comply with the recommendations or standards recognised or promulgated pursuant to the Transportation Licences or by any independent standard making authority or professional engineering institution of Ireland and/or the United Kingdom concerning the maximum permissible operating pressure of Natural Gas pipelines; or

(b) it is not or ceases or shall cease to be feasible or safe or in accordance with the applicable standard to maintain at any LDM Exit Point, IP CSEP, the Sub-Sea I/C Offtake or TCDM Exit Point a pressure of at least the Transmission Minimum Pressure specified in Section 1.2, and the Transporter has, as soon as reasonably practicable after becoming aware that such Transmission Minimum Pressure cannot be maintained, informed the Shipper specifying the date with effect from which it shall be necessary to reduce such pressure and the reduced pressure which can (after such date) be so maintained.

1.2.9 With effect from the date specified by the Transporter pursuant to Section 1.2.8(b), the reduced pressure as specified by the Transporter shall be the revised Transmission Minimum Pressure.

1.2.10 The Transporter shall be relieved of its obligations to make Natural Gas available for offtake at a Supply Point if:

(a) in order to maintain the pressure as referred to in Section 1.2.2 upstream of the Supply Point to facilitate the offtake of Natural Gas at such Supply Point, it is required to undertake works to the Transportation System or other system enhancement measures as a result of building, mining or engineering developments of third parties or changes in population density which have occurred in the vicinity of the Transportation System, or any localised part thereof, and the works or other measures would be necessary in order to comply with the recommendations or standards recognised or promulgated pursuant to the Transportation Licences or by any independent standard making authority or professional engineering institution of Ireland and/or the United Kingdom concerning the maximum permissible operating pressure of Natural Gas pipelines; or

(b) it is not or ceases or shall cease to be feasible or safe or in accordance with the applicable standard to maintain the pressure upstream of any Supply Point to facilitate the offtake of Natural Gas at such Supply Point and the Transporter has, as soon as reasonably practicable after becoming aware that such pressure cannot be maintained, informed the Shipper specifying the date with effect from which it shall be necessary to reduce such pressure and the reduced pressure which can (after such date) be so maintained.

1.2.11 Subject to Section 5 (*Maintenance*), the Transporter shall not knowingly schedule operations which it believes would result in the pressure of the Transmission System or any localised part thereof falling below the levels specified in Section 1.2.1 above or which would otherwise jeopardise the integrity of the Transmission System or any localised part thereof and the ability of the Transporter to provide transmission services.

1.2.12 The Transporter and each Shipper acknowledge that Natural Gas delivered at any Entry Point shall be at the delivery pressure prevailing at those points from time to time.

1.2.13 Where Natural Gas is made available for offtake from the Transmission System at a Proposed Entry Point or at an Entry Point pursuant to any applicable Commissioning Reverse Flow Arrangements or Operational Reverse Flow Arrangements, such Natural Gas shall be made available for offtake at the prevailing pressure at such part of the Transportation System from time to time. For the avoidance of doubt the Transmission Minimum Pressure shall not apply with respect to such offtake of Natural Gas.

1.3 Non-Compliant Gas

1.3.1 Each Shipper shall use all reasonable endeavours (including ensuring that appropriate contractual arrangements are in place) to ensure that Natural Gas tendered for delivery at an Entry Point or an IP Entry Point or CGI Gas Point shall conform with the relevant Entry Specification. Without prejudice to the foregoing if Natural Gas delivered by a Shipper forms part of a commingled stream, and if the commingled stream fails to conform to the relevant Entry Specification, then whatever may be the reason for such failure, all Natural Gas tendered for delivery by the Shippers at the Entry Point or IP Entry Point shall be deemed to have failed to conform to the Entry Specification.

1.3.2 If Natural Gas tendered for delivery at the IP Entry Point or the Entry Point or at a CGI Gas Point fails to conform to the Entry Specification ("**Non-Compliant Gas"**), the Transporter shall comply with the Natural Gas Emergency Plan (where applicable) and with the Procedure for the Monitoring and Management of Gas Quality (where applicable) and subject thereto the Transporter may:

(a) refuse to accept delivery or continued delivery of such Non-Compliant Gas or any part thereof;

(b) (subject to any Legal Requirement) accept delivery of all or part of such Non-Compliant Gas; and/or

(c) take any steps available to it to limit the rate at which such Non-Compliant Gas is delivered to the Transportation System or to secure that such Non-Compliant Gas is not so delivered or is treated in such a way as to enable it to comply with the Entry Specification.

1.3.3 Where Non-Compliant Gas is delivered by a Shipper to the Transportation System, irrespective of whether such Non-Compliant Gas is accepted pursuant to Section 1.3.2 (including the Natural Gas Emergency Plan and/or the Procedure for the Monitoring and Management of Gas Quality) or where the Transporter becomes aware that such Natural Gas is Non-Compliant Gas after the delivery of such Natural Gas to the Transportation System, then in such event the Shipper(s) who delivered such Non-Compliant Gas shall, subject to the limitation of liabilities under Section 1.3.5, indemnify the Transporter for all costs and expenses properly incurred by it as a consequence of the delivery of such Non-Compliant Gas, including costs and expenses incurred in taking whatever measures it considers are reasonably required:

(a) in cleaning all or any part of the Transportation System or rectifying any other damage thereto caused by the delivery of such Non-Compliant Gas;

(b) to ensure that the Transportation System can continue to be operated in accordance with the provisions of this Code notwithstanding the delivery or continued delivery of such Non-Compliant Gas; and/or

(c) to bring such Natural Gas within the Entry Specification.

1.3.4 Where:

(a) Non-Compliant Gas is delivered to the Transportation System at an IP Entry Point or at an Entry Point or at a CGI Gas Point then (without prejudice to section 1.3.3) the Transporter may take such steps as may be available to it to dispose of such Non-Compliant Gas including where practicable by procuring the return of it at the Entry Point or IP Entry Point at which it was delivered.

(b) [Any Non-Compliant Gas delivered to the Transportation System at an Entry Point (other than an RNG Entry Point) or at an IP Entry Point on a Day which is disposed of by the Transporter pursuant to Section 1.3.4 is not and shall not be treated as Natural Gas delivered to the Transportation System in the relevant Day and accordingly, shall not be allocated pursuant to Part D (*Nominations, Allocations and Supply Point Reconciliation*) and the Allocable Quantity in respect of such Day shall (where necessary) be adjusted accordingly.]

(c) Without prejudice to section 1.3.2 all Natural Gas tendered for delivery to the Transportation System at an RNG Entry Point and/or at a CGI Gas Point and which on initial analysis meets the Entry Specification] shall once metered as delivered be allocated in accordance with Part D (*Nominations, Allocations and Supply Point Reconciliation*) notwithstanding that following further analysis including within the CGI and or comingling within the CGI such gas may be rerouted or otherwise disposed of by the Transporter and the Allocable Quantity will not be affected.

1.3.5 The costs and expenses incurred in accordance with Section 1.3.3 shall be recovered from each Shipper responsible, or deemed responsible, for such Non-Compliant Gas pro rata to their respective Final IP Entry Allocation(s) or Final Entry Allocation(s) at the IP Entry Point or Entry Point (as the case may be) on the Day, provided always that the Shipper's liability to the Transporter under Section 1.3.3 shall not, in respect of each delivery of Non-Compliant Gas, exceed ten (10) per cent of the amount determined by the Transporter as the Shipper’s proportion of the total quantity of Non-Compliant Gas delivered to the Transportation System at the relevant IP Entry Point or Entry Point on the relevant Day multiplied by the Imbalance Price for that Day.

1.3.6 Each Shipper acknowledges, for the purposes of this Section 1.3, that the volume, quantity and Delivery Characteristics of Natural Gas delivered to the

Transportation System at an IP Entry Point and/or at an Entry Point, and/or at a CGI Gas Point and the compliance or non-compliance with the applicable Entry Specification in respect thereof, will be determined by the Transporter.

1.4 Shippers' Natural Gas Deliveries

1.4.1 Subject to Section 1.4.3 where on a Day more than one Shipper delivers Natural Gas or tenders Natural Gas for delivery to the Transmission System at an Entry Point or at an IP Entry Point:

(a) each such Shipper shall be treated as delivering, or tendering for delivery, at such Entry Point, or IP Entry Point Natural Gas of the same Delivery Characteristics as that delivered, or tendered for delivery, at such Entry Point or IP Entry Point by each other Shipper; and

(b) subject to Part H (*Operations*) Section 3.8 (*Administrative Procedures at an Entry Point*) subject to any applicable OBA or IP OBA Provisions the Natural Gas delivered, or tendered for delivery, at each Entry Point or IP Entry Point at any time on such Day shall, irrespective of differences in Delivery Characteristics at such Entry Point, or IP Entry Point be treated as delivered, or tendered for delivery, by each Shipper in proportion to each Shipper's Nominated Quantity.

1.4.2 Subject to Section 1.4.3 all Natural Gas delivered or tendered for delivery to the Transmission System at an Entry Point or at an IP Entry Point on a Day by, or on behalf of, a Shipper shall be deemed to be delivered, or tendered for delivery (as the case may be) to the Transportation System, by such Shipper irrespective of any act or omission of the Connected System Operator or any other person, including any Counterparty IP Shipper, Third Party Shipper or the Transporter.

1.4.3 Section 1.4.1 and 1.4.2 above shall not apply at an RNG Entry Point(s) or at CGI Gas Point(s).

1.5 Off-Spec Gas

1.5.1 If Natural Gas fails to conform to the Offtake Specification when made available for offtake by the Transporter at an Offtake Point, or the Sub-Sea I/C Offtake ("**Off-Spec Gas**") then, until such time as the Transporter is able to make available for offtake Natural Gas in accordance with the Offtake Specification, the Shipper may, in its discretion, either:

(a) offtake or continue to offtake such Off-Spec Gas; or

(b) decline to offtake, or to continue to offtake, such Off-Spec Gas.

1.5.2 Where Off-Spec Gas has been offtaken on any Day from the Transmission System at an Exit Point, IP CSEP or at the Sub-Sea I/C Offtake, the Transporter shall only be liable to each Shipper for an amount determined in

accordance with Section 1.5.3 save that if the Transporter shall have advised the Shipper that such Natural Gas was Off-Spec Gas prior to making the same available for offtake (such advice to be given to the Shippers by the Transporter as soon as is reasonably practicable following the Transporter becoming aware of the existence of Off-Spec Gas) the Transporter shall have no liability to the Shipper(s) as a consequence of the delivery of such Off-Spec Gas (whether or not such Off-Spec Gas was offtaken by the Shipper at such Exit Point, IP CSEP, or the Sub-Sea I/C Offtake) or in respect of the non-availability for offtake of Natural Gas (where the same was nonetheless available for offtake at such Exit Point, IP CSEP, or Sub-Sea I/C Offtake notwithstanding the Transporter's expectation that Off-Spec Gas would be available) or otherwise howsoever arising including as a result of the advice given by the Transporter in this Section 1.5.2.

1.5.3 Subject to Section 1.5.2, the Transporter's only liability to a Shipper under this Code for Off-Spec Gas shall be the costs and expenses properly incurred by the Shipper as a direct consequence of the offtake of the Off-Spec Gas, including costs and expenses incurred in taking whatever measures are reasonably required to ensure that:

(a) the Off-Spec Gas can be made fit for use in the relevant End User's Facility; and/or

(b) Not Used

(c) in the case of the IP CSEP at the South-North IP to ensure that the Interconnected System may accept such Off-Spec Gas (where practicable),

provided that the Transporter shall not be liable for any damage or loss caused to or suffered by any property of, or used by, the Shipper or any Connected System Operator (and the Shipper shall indemnify the Transporter with respect to any claim by an End User or Connected System Operator or Third Party Shipper in connection with such damage or loss), and further provided always that the Transporter's liability to a Shipper hereunder shall not exceed ten (10) per cent of the amount calculated as the Shipper's proportion of the total quantity of Off-Spec Gas offtaken from the Transmission System at the relevant Exit Point, the IP CSEP, or Sub-Sea I/C Offtake as the case may be on the relevant Day multiplied by the Imbalance Price for that Day and subject always to, and only up to the extent specified in, Part I (*Legal and General*) Section 2 (*Liabilities and Indemnities*).

1.5.4 Where a Shipper incurs costs and expenses in accordance with this Section 1.5, the Shipper shall as soon as reasonably practicable notify the Transporter specifying:

(a) the relevant Exit Point, IP CSEP or Sub-Sea I/C Offtake and the Day or Days at, and on which, Off-Spec Gas was offtaken by the Shipper from the Transmission System;

(b) the total quantity of Off-Spec Gas offtaken by the Shipper at such Exit Point, the IP CSEP, or Sub-Sea I/C Offtake and reasonable details of the respect(s) in which the Off-Spec Gas did not comply with the Offtake Specification;

(c) reasonable details of the steps taken to make the Off-Spec Gas fit for use in an End User's Facility and the costs and expenses of this procedure;

(d) the identity of the Shipper(s); and

(e) in respect of Shippers to Multiple Shipper LDM Exit Points, the Shipper's offtake proportion of such Off-Spec Gas.

1.5.5 The Transporter shall not be liable to a Shipper for any damage or loss suffered as a result of the offtake of any Off-Spec Gas from the Distribution System. Each Shipper shall indemnify the Transporter for any action, cost, claim, damage or loss caused to or suffered by any End User as a result of the offtake of Off-Spec Gas from the Distribution System.

1.5.6 Failure to comply with the pressure requirements of Section 1.2.1 shall not render (or be deemed to render) Natural Gas as being Off-Spec Gas for the purposes of this Section 1.5 and the Transporter shall not be liable hereunder as a result thereof.

1.5.7 Each Shipper acknowledges that the compliance or non-compliance of Natural Gas, offtaken from the Transportation System at an Offtake Point, IP CSEP or the Sub-Sea I/C Offtake, with the Offtake Specification in respect thereof will be determined by the Transporter.

2. SYSTEM PLANNING

2.1 Estimates

2.1.1 For planning purposes, each Shipper shall supply the Transporter with such bona fide estimates of its anticipated short, medium and long-term capacity requirements at each Entry Point and at each Exit Point and/or Supply Point at which it is a Registered Shipper as may be practically possible. The estimates shall not be binding on a Shipper nor shall they impose any obligations on that Shipper or the Transporter.

2.1.2 Not later than the first Day of June in any year, each Shipper shall notify the Transporter of the Shipper's bona fide estimate of its maximum energy requirements (expressed in kWh/Day) and its maximum Flow Rate requirements (expressed in kW) for the following ten (10) Gas Years at:

(a) each IP Entry Point and each Entry Point;

(b) each Exit Point;

(c) each Gas Point within a Supply Point;

(d) each CGI Gas Point within a CGI Entry Point;

(e) each IP CSEP; and

(f) the Sub-Sea I/C Offtake,

at which the Shipper is then a Registered Shipper for each Gas Year in such following ten (10) year period.

2.1.3 Not later than the first Day of June in any year, each Shipper shall notify the Transporter of the Shipper's bona fide estimate of its maximum energy requirements (expressed in kWh/Day) and its maximum Flow Rate requirements (expressed in kW) to be:

(a) delivered at each IP Entry Point and at each Entry Point;

(b) offtaken at each Exit Point;

(c) offtaken at each Gas Point within a Supply Point;

(d) offtaken at the Sub-Sea I/C Offtake;

(e) delivered at a CGI Gas Point;

(f) Not Used and

(g) at the South-North IP CSEP,

at which the Shipper is then a Registered Shipper, for each month of the immediately following Gas Year.

2.1.4 Not later than 31 August in any year, and, thereafter, thirty (30) Days before the first Day of each subsequent Quarter of a Gas Year, each Shipper shall notify the Transporter of the Shipper's bona fide estimate of its maximum energy requirements (expressed in kWh/Day) and of its maximum Flow Rate requirements (expressed in kW) to be:

(a) delivered at each IP Entry and at each Entry Point;

(b) offtaken at each Exit Point;

(c) offtaken at each Gas Point within a Supply Point;

(d) the Sub-Sea I/C Offtake;

(e) delivered at each CGI Gas Point; and

(f) at the IP CSEP,

at which the Shipper has reserved capacity, on each Day (expressed as a maximum daily quantity) during each such subsequent Quarter.

2.1.5 No later than 10:00 hours on Wednesday of each week during the Gas Year, each Registered Shipper shall notify the Transporter of the Shipper's bona fide estimate of its maximum energy requirements (expressed in kWh/Day) for each Day of the following week, commencing on 06:00 hours on the following Sunday for:

(a) delivery at each Entry Point and at each CGI Gas Point at which the Shipper is a Registered Shipper;

(b) offtake at each LDM Offtake(s) at which the Shipper is a Registered Shipper setting out an hourly profile of the flow required;

(c) offtake (in aggregate) at the DM Offtake(s) at which the Shipper is the Registered Shipper;

(d) offtake at the Sub-Sea I/C Offtake at which the Shipper is the Registered Shipper; and

(e) offtake at the IP CSEP.

2.2 Additional Information

2.2.1 Each Shipper shall use all reasonable endeavours to provide any additional information reasonably requested by the Transporter that would aid the Transporter in planning the future deliveries of Natural Gas to, or offtake of Natural Gas from, the Transportation System. The Transporter shall notify Shippers on an annual basis of the type of additional information it requires for the purposes of this Section 2.2.

2.2.2 For the purposes only of enabling the Transporter to fulfil any statutory or regulatory duty to furnish such information to any Competent Authority (including HM Customs and Excise as required by the Customs and Excise Management Act 1979 of the United Kingdom) each Shipper shall be required to provide the Transporter, in respect of and in advance of each Month, with details of its Third Party Shippers including its Third Party Shippers on each Day of such Month and such other details concerning such Third Party Shippers as the Transporter may be required by law or regulation to furnish to such Competent Authority. Such information shall be provided no later than the fifteenth Day of the Month preceding such Month whenever practicable and shall subsequently be confirmed on each Day of the Month.

2.2.3 The fact that a Shipper has provided the Transporter with information in accordance with this Section 2 shall not relieve such Shipper from an obligation to provide the Transporter with the same information in accordance with any other provision of this Code and/or any Ancillary Agreement.

3. MEASUREMENT

3.1 General

3.1.1 The provisions of this Section 3 shall apply to all Entry Points and Offtake Points except where otherwise stated.

3.1.2 "**Measurement Provisions**" means the procedures, methods and standards by which:

(a) Natural Gas delivered to or tendered for delivery at IP Entry Point(s), Entry Points at CGI Gas Points or made available for offtake at an Entry Point pursuant to any Commissioning Reverse Flow Arrangements or Operational Reverse Flow Arrangements is measured, sampled and analysed;

(b) Natural Gas offtaken at an Offtake Point or the Sub-Sea I/C Offtake or the South-North IP CSEP is measured and, where relevant, sampled and analysed; and

(c) the standard volume and Calorific Value of such Natural Gas are measured or determined.

3.1.3 Measurement Provisions may include:

(a) standards of accuracy and procedures for testing and calibration of Measurement Equipment;

(b) terms by which volume, quantity, or any Delivery Characteristic of Natural Gas delivered to, or tendered for delivery at an IP Entry Point or at an Entry Point or at a CGI Gas Point to the Transportation System may be estimated in the case of failure or defect of any Measurement Equipment, non-compliance with any of the Measurement Provisions of the IP Entry Point or the Entry Point, or otherwise;

(c) terms upon which any difference or dispute between the Upstream Operator any Adjacent TSO and the Transporter as to the volume, quantity or Delivery Characteristics of Natural Gas delivered or tendered for delivery and/or with respect to the offtake of Natural Gas from the Transportation System shall be resolved (which may include resolution by agreement between them); or

(d) terms by which volume, quantity or characteristics of Natural Gas offtaken from the Transportation System at an Offtake Point or the Sub-Sea I/C Offtake or the South-North IP CSEP may be estimated or determined in the case of failure or defect of any Measurement Equipment (or part thereof) or non-compliance with any of the Measurement Provisions at an Offtake Point, or otherwise.

3.1.4 Each Shipper acknowledges that the volume, quantity and Delivery Characteristics of Natural Gas which it delivers to, or tenders for delivery to the Transportation System at, an IP Entry Point or at an Entry Point (by Shippers in aggregate) including at any RNG Entry Point or at a CGI Gas Point by the Shipper registered at such RNG Entry Point or CGI Gas Point including as set out in any applicable Interconnection Agreement, or CSA and the compliance or non-compliance with the applicable Entry Point Requirements or Entry Specification in respect thereof, shall be established in accordance with the Natural Gas Emergency Plan and/or the Procedure for the Monitoring and Management of Gas Quality (as applicable) and subject thereto by the Transporter and the Adjacent TSO (in accordance with the Interconnection Agreement) or Upstream Operator or Connected System Operator (pursuant to the Entry Point Requirements set out in Part H (*Operations*) Section 3.1 (*Entry Point Requirements*) or Section 5.2 (*Bi-Directional CSP Requirements*)) as the case may be in accordance with the applicable Measurement Provisions at the IP Entry Point or Entry Point or CGI Gas Point and by means of the Measurement Equipment, and each Shipper shall be bound (for the purposes of this Code) by what is so established.

3.1.5 The Shipper acknowledges that the volume quantity and Delivery Characteristics of Natural Gas offtaken at the Sub-Sea I/C Offtake or the IP CSEP may be determined by the Transporter and the Adjacent TSO, operator of the Spur Pipeline or the operator of any Relevant Offtake Facility (pursuant to the Sub-Sea I/C Offtake Point Arrangements as referred to in Part H (*Operations*) Section 6 (*Sub-Sea I/C Offtake Agreement*) as the case may be in accordance with the applicable Measurement Provisions and by means of the Measurement Equipment and each Shipper shall be bound (for the purposes of this Code) by what is so established.

3.1.6 The Shipper acknowledges that the volume, quantity and Delivery Characteristics of Natural Gas offtaken at an Entry Point pursuant to any commissioning Reverse Flow Arrangements and/or Operational Reverse Flow Arrangements may be determined by the Transporter and the Operator of the Connected System upstream of such Entry Point in accordance with the applicable Measurement Provisions and by means of the Measurement Equipment and each Shipper shall be bound (for the purpose of this Code) by what is so established.

3.1.7 The procedures, methods and standards referred to in Section 3.1.2 shall be interpreted in accordance with:

(a) the Transporter's standards and policies;

(b) the relevant standards of CEN, NSAI and the ISO code; and/or

(c) applicable Legal Requirement(s) (if any).

3.2 Measurement Equipment

3.2.1 "**Measurement Equipment**" means that equipment installed, or required by the Transporter to be so installed, at an IP Entry Point, an Entry Point a CGI Entry Point, or at an Offtake Point or at or in respect of the Sub-Sea I/C Offtake for the purpose of measuring the volume of Natural Gas delivered to or offtaken from the Transportation System (as the case may be) comprising the primary metering equipment for measuring the primary gas flow and where applicable, secondary instrumentation. For the avoidance of doubt Measurement Equipment shall include Prepayment Meters (where applicable).

3.2.2 The Transporter shall ensure, or shall procure, the installation of Measurement Equipment at each IP Entry Point, Entry Point CGI Entry Point and at the IP CSEP and in respect of the Sub-Sea I/C Offtake.

3.2.3 The Transporter shall ensure, or shall procure, the installation of appropriate Measurement Equipment at each Offtake Point and shall operate and maintain and/or shall procure, the operation and maintenance of Measurement Equipment at each Offtake Point. The Measurement Equipment at a CGI Entry Point shall include CGI Metering

3.2.4 The Measurement Equipment in respect of the Sub-Sea I/C Offtake is located at the point after the outlet Fire Valve 070.HV.01 at which Natural Gas is offtaken from the Spur Pipeline and is located at the most easterly boundary of the shore station at the Isle of Man.

3.3 Entry Point Measurement, South-North IP CSEP Measurement and Sub-Sea I/C Offtake Measurement and CGI Gas Point Measurement

3.3.1 The quantity of Natural Gas delivered to an IP Entry Point or Entry Point or CGI Gas Point and offtaken at the South-North IP CSEP or at the Sub-Sea I/C Offtake shall be the aggregate volume measured by the Measurement Equipment multiplied by the Calorific Value at such IP Entry Point, Entry Point or CGI Gas Point or the South-North IP CSEP or at the Sub-Sea I/C Offtake as the case may be and shall be allocated in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2 (*Allocations*) and Section 3 (*Interconnection Point Allocation*).

3.3.2 Where Natural Gas is offtaken at an Entry Point pursuant to arrangements entered into under Part H (*Operations*) Sections 3.8 the quantity of Natural Gas so offtaken at such Entry Point shall be the aggregate volume measured by the Measurement Equipment multiplied by the Calorific Value at such Entry Point and shall be allocated in accordance with the applicable agreements entered into by the Transporter (with the approval of the Commission) in accordance with Part H (*Operations*) Sections 3.8.

3.3.3 In the absence of a Valid Meter Read in respect of a Day at CGI Entry Point or at any CGI Gas Point or at any of the Measurement Equipment at a CGI Entry Point, the quantity of Natural Gas delivered to the Transportation System at such CGI Entry Point or at any affected CGI Gas Point configured within the CGI Entry Point, the Transporter shall determine reasonably the most appropriate solution to determine the quantity and inform the Shipper.

3.4 LDM Offtake Measurement

3.4.1 The quantity of Natural Gas offtaken by a Shipper at a LDM Offtake on a Day shall be the volume of Natural Gas metered or determined by the Transporter as having been offtaken at such LDM Offtake on such Day multiplied by the applicable Calorific Value of such Natural Gas and shall be allocated in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation)* Section 2 (*Allocations*).

3.4.2 If requested by a Shipper, the Transporter shall provide the Shipper, subject to such Shipper reimbursing the Transporter for its reasonable costs in providing such information, with the following data from the LDM Offtake at which the Shipper is offtaking Natural Gas, in respect of such offtaken Natural Gas, and as soon as the same is reasonably available:

(a) Instantaneous Flow Rate;

(b) cumulative volume;

(c) Instantaneous Energy Rate;

(d) cumulative energy; and

(e) Calorific Value or applicable Calorific Value where relevant.

3.5 Absence of Valid Reads at LDM Offtakes

In the absence of a Valid Meter Read(s) from the Measurement Equipment at a LDM Offtake in respect of a Day, the Transporter may determine the quantity of Natural Gas flowing through such Measurement Equipment by either:

(a) using appropriate Natural Gas engineering technology; or

(b) estimating such quantities by flowing Natural Gas through the same Measurement Equipment under similar conditions.

3.6 DM Offtake Measurement

The quantity of Natural Gas offtaken by a Shipper at a DM Offtake on a Day shall be the volume of Natural Gas metered or determined by the Transporter as having been offtaken at such DM Offtake on such Day multiplied by the applicable Calorific Value of such Natural Gas.

3.7 Absence of Valid Meter Reads at DM Offtakes

3.7.1 If a Valid Meter Read is unavailable at a DM Offtake in respect of a Day, a quantity of Natural Gas shall be allocated in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2 (*Allocations)*.

3.7.2 If a Valid Meter Read from a DM Offtake is unavailable for more than five (5) consecutive Days, the Transporter shall reasonably determine the most appropriate solution and inform the Shipper within two (2) Days.

3.8 NDM Supply Point Measurement

The quantity of Natural Gas offtaken at a NDM Supply Point in respect of a period shall be the volume of Natural Gas metered or determined by the Transporter (in accordance with Part F (*Administration*) Section 5 (*Meter Data Services*) and the Meter Data Services Procedures) as having been offtaken at such NDM Supply Point during such period multiplied by the applicable Calorific Value.

3.9 Meter Data Cleansing

3.9.1 The Transporter may, following the end of each Month and prior to the issue of a Monthly Invoice(s) which includes an Invoice Item(s) calculated by reference to meter data (or, in the absence of relevant meter data, pursuant to Sections 3.4, 3.5, 3.6 or 3.7), review such meter data and undertake a meter data cleansing process. Following such meter data cleansing process, Monthly Invoice(s) may include an Invoice Item with respect to the adjustment of the commodity component of the applicable Tariff(s) payable by Shippers to reflect the outcome of such meter data cleansing process. For the avoidance of doubt a meter data cleansing process may also apply at RNG Entry Points and CGI Gas Points.

For the avoidance of doubt, an adjustment of the commodity component of the Tariff to reflect any adjustment to the quantity of Natural Gas delivered to or offtaken from the Transportation System as a result of the meter data cleansing process shall not affect Shippers' Final Allocations. The Transporter shall (where applicable), when undertaking reconciliation in accordance with the Reconciliation Procedures, take account of any such adjustment.

3.10 Sub-Sea I/C Offtake Measurement

3.10.1 The quantity of Natural Gas offtaken at the Sub-Sea I/C Offtake shall be the volume of Natural Gas metered or determined by the Transporter as having been offtaken at the Sub-Sea I/C Offtake on such Day multiplied by the applicable calorific value of such Natural Gas and shall be allocated in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2 (*Allocations*).

3.10.2 If requested by a Shipper registered at the Sub-Sea I/C Offtake the Transporter shall provide such Shipper, subject to such Shipper reimbursing the Transporter for its reasonable costs in providing such information, the following data from the Sub-Sea I/C Offtake in respect of such offtake of Natural Gas, and as soon as same is reasonably available:

(a) instantaneous flow rate;

(b) cumulative volume;

(c) instantaneous energy rate;

(d) cumulative energy; and

(e) calorific value.

3.11 Absence of reliable readings from the Measurement Equipment with respect to the Sub-Sea I/C Offtake or the South-North IP CSEP

3.11.1 In the absence of reliable readings from any Measurement Equipment in respect of the Sub-Sea I/C Offtake or the South-North IP CSEP or in the event that any of such Measurement Equipment is not functioning from time to time, the Transporter may calculate the quantity of Natural Gas flowing through such Measurement Equipment by either:

(a) using appropriate gas engineering technology; or

(b) estimating such quantities by flowing Natural Gas through the same Measurement Equipment under similar conditions during other periods.

3.12 Interpretation of Standards

The Transporter shall be responsible for the interpretation of standards, guidelines and specifications used in the design, installation, operation and maintenance of the Measurement Equipment.

4. MEASUREMENT EQUIPMENT VERIFICATION

4.1 General

This Section 4 includes the standards of accuracy and the procedures for the testing and calibration of Measurement Equipment and the terms upon which any difference or dispute between the Transporter and a Shipper as to volume, Calorific Value or quantity of Natural Gas delivered is resolved.

4.2 Measurement Equipment Uncertainty

4.2.1 The uncertainty in the Measurement Equipment shall in all steady-state flow conditions not exceed:

(a) with respect to an IP Entry Point, or Entry Point or CGI Entry Point or the South-North IP CSEP, that uncertainty specified in the relevant Interconnection Agreement or CSA, and if the uncertainty is not specified in the applicable Interconnection Agreement, or CSA, +/- 1 per cent (volume) and +/- 1.1 per cent (energy) over the range of 20 - 100 per cent of the Maximum Flow Rate for such IP Entry Point, Entry Point, or South-North IP CSEP as the case may be;

(b) with respect to a LDM Offtake, +/- 1 per cent (volume) and +/-1.1 per cent (energy) over the range of 20 - 100 per cent of the Maximum Flow Rate for such offtakes;

(c) with respect to a DM Offtake, +/- 1 per cent (volume) and +/- 1.1 per cent (energy) over the range of 20 - 100 per cent of the Maximum Flow Rate for such offtakes;

(d) with respect to a NDM Supply Point, +/- 3 per cent (volume) over the range of 20 - 100 per cent of the Maximum Flow Rate for NDM Supply Points; and

(e) with respect to the Sub-Sea I/C Offtake, the uncertainty specified in the Sub-Sea I/C Offtake Agreement, and if the uncertainty is not so specified in the Sub-Sea I/C Offtake Agreement, +/- 1% (volume) and +/- 1.1% (energy) over the range of 20 – 100 per cent of the Maximum Flow Rate for the Sub-Sea I/C Offtake,

(each of (a), (b), (c), (d) and (e) being the "**Permitted Range**" and together, the "**Permitted Ranges**").

4.2.2 The levels of uncertainty specified in Section 4.2.1 shall be calculated:

(a) with respect to IP Entry Points, Entry Points, IP CSEP, CGI Entry Point(s), the Sub-Sea I/C Offtake or LDM Offtakes, using the method specified in ISO 5167/5168 for orifice plate meters, BS 7965:2000 for ultrasonic meters and/or EN 12261 for turbine meters and/or EN12480 for displacement rotary meters (as appropriate); and/or

(b) with respect to DM Offtakes, using the method specified in EN 12261 for turbine meters and/or EN 12480 for rotary displacement meters (as appropriate); and/or

(c) with respect to NDM Supply Points, using the method specified in EN 12261 for turbine meters, EN 12480 for rotary displacement meters and/or EN 1359 for diaphragm meters (as appropriate),

for the determination of uncertainties of the measurement of those volume flow rates that are used to compute flow rates.

4.3 **Secondary Instrumentation Uncertainty**

The uncertainty of Secondary Instrumentation shall not exceed the level of uncertainty published by the Transporter from time to time.

4.4 **Shipper Access to Measurement Equipment**

A Shipper shall have a right of access, on giving reasonable notice to the Transporter, to the Measurement Equipment at an Offtake Point at which such Shipper is offtaking Natural Gas and is the Registered Shipper provided that such Shipper utilises such access rights at reasonable times and at such Shipper's own risk.

4.5 **Verification of Entry Point Measurement**

4.5.1 Following a verification in accordance with this Section 4, if the Measurement Equipment at an IP Entry Point, an Entry Point or at a CGI Entry Point or the South-North IP CSEP or in respect of the Sub-Sea I/C Offtake is found to register outside the Permitted Range, the Measurement Equipment shall be assumed to have registered outside the Permitted Range during the latter half of the period since the date on which the Measurement Equipment was last verified and found to produce readings within the Permitted Range except where there is satisfactory evidence which indicates that the Measurement Equipment commenced to register outside the Permitted Range on some other date it being acknowledged information derived from any further or other meters installed by the Transporter downstream of a RNG Entry Point or a CGI Entry Point may be treated by the Transporter as providing satisfactory evidence as to when the Measurement Equipment commenced to register outside the Permitted Range.

4.5.2 At:

(a) the Moffat IP Entry Point, the Moffat Measurement Equipment is operated and maintained by NGG, the Adjacent TSO. The Transporter shall procure that NGG, the Adjacent TSO carries out verification of the Measurement Equipment at the Moffat IP Entry Point in accordance with the Moffat Interconnection Agreement. The Beattock Measurement Equipment at the Moffat IP Entry Point is operated and maintained by the Transporter. The Transporter shall carry out

verification of the Beattock Measurement Equipment in accordance with the Moffat Interconnection Agreement;

(b) Not used.

(c) The Bellanaboy Entry Point the Measurement Equipment is operated and maintained by the Bellanaboy Connected System Operator. The Transporter shall verify, or shall procure that the Bellanaboy Connected System Operator carries out verification of the Measurement Equipment at the Bellanaboy Entry Point in accordance with any applicable CSA;

(d) any new Entry Point or IP Entry Point, or CGI Entry Point the Measurement Equipment shall be operated and maintained in accordance with the provisions of the relevant CSA or Interconnection Agreement as appropriate. The Transporter shall procure that verification of Measurement Equipment at a new Entry Point or a new CGI Entry Point is carried out;

(e) at the Sub-Sea I/C Offtake, the Measurement Equipment shall be operated and maintained pursuant to the Sub-Sea I/C Offtake Agreement; and

(f) at the South-North IP CSEP the Measurement Equipment shall be operated and maintained in accordance with the relevant Interconnection Agreement. The Transporter shall verify or procure the verification of the Measurement Equipment at the South-North IP CSEP in accordance with any applicable Interconnection Agreement.

4.5.3 The Transporter shall, where relevant, use reasonable endeavours to exercise its rights under the relevant CSA or Interconnection Agreement in relation to the verification of any Measurement Equipment at an IP Entry Point or Entry Point or CGI Entry Point. The Transporter shall where relevant use reasonable endeavours to exercise its rights under the relevant Sub-Sea I/C Offtake Agreement in relation to the verification of the Measurement Equipment at the Sub-Sea I/C Offtake.

4.5.4 The quantities of Natural Gas registered as being delivered at an IP Entry Point or Entry Point or at an affected CGI Gas Point at a CGI Entry Point during the period when Measurement Equipment at such Entry Point or CGI Entry Point) is assumed, or evidenced, to have registered outside the Permitted Range shall be adjusted by a quantity corresponding to the quantity by which the Measurement Equipment at such IP Entry Point or Entry Point or CGI Entry Point was found on verification to register outside the Permitted Range ("**Entry Point Adjustment Quantity**"). The Entry Point Adjustment Quantity shall exclude any quantity which is addressed in accordance with any applicable IP OBA Provisions or any applicable OBA.

4.5.5 Each Shipper's share of the Entry Point Adjustment Quantity at the relevant Entry Point or at the relevant CGI Gas Point shall be shown in the next monthly statement rendered by the Transporter. Notwithstanding the deadline of D+5 for determining Final Allocations (as referred to in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2 (*Allocations*) and Section 3 (*IP Allocations*)), in the event of an Entry Point Adjustment Quantity having to be made, an appropriate adjustment shall be made to what would otherwise have been such Final Allocation amount to reflect the corrected meter readings as set forth in this Section 4 and the Unaccounted For Gas shall be adjusted accordingly. For the avoidance of doubt, any such adjustment shall not affect such Shipper's Daily Imbalance Quantity and/or Overrun Quantity.

4.5.6 The quantities of Natural Gas registered as being offtaken at the South-North IP CSEP during the period when Measurement Equipment at such IP CSEP is assumed, or evidenced, to have registered outside the Permitted Range shall be adjusted by a quantity corresponding to the quantity by which the Measurement Equipment at the IP CSEP was found on verification to register outside the Permitted Range ("**CSEP Adjustment Quantity**"). The CSEP Adjustment Quantity shall exclude any quantity which is otherwise addressed in accordance with any applicable IP OBA provisions or OBA.

4.5.7 Each Shipper's share of the CSEP Adjustment Quantity at the relevant IP CSEP shall be shown in the next monthly statement rendered by the Transporter. Notwithstanding the deadline of D+5 for determining Final Allocations (as referred to in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2 (*Allocations*)), in the event of a CSEP Adjustment Quantity having to be made, an appropriate adjustment shall be made to what would otherwise have been such Final Allocation amount to reflect the corrected meter readings as set forth in this Section 4 and the Unaccounted For Gas shall be adjusted accordingly. For the avoidance of doubt, any such adjustment shall not affect such Shipper's Daily Imbalance Quantity and/or Overrun Quantity.

4.5.8 The quantities of Natural Gas registered as having been offtaken at the Sub-Sea I/C Offtake during the period when Measurement Equipment at the Sub-Sea I/C Offtake is assumed, or evidenced, to have registered outside the Permitted Range shall be adjusted by a quantity corresponding to the quantity by which the Measurement Equipment at the Sub-Sea I/C Offtake was found on verification to register outside the Permitted Range ("**Sub-Sea I/C Offtake Adjustment Quantity**"). Each Shippers share of the Sub-Sea I/C Offtake Adjustment Quantity at the Sub-Sea I/C Offtake shall be shown in the next monthly statement rendered by the Transporter. Notwithstanding the deadline of D + 5 for determining Final Allocations (as referred to in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2 (*Allocations*)), in the event of a Sub-Sea I/C Offtake Adjustment Quantity having to be made, an appropriate adjustment shall be made to what would

otherwise have been such Final Allocation amount to reflect the corrected meter readings as set forth in this Section 4 and the Unaccounted For Gas shall be adjusted accordingly. For the avoidance of doubt, any such adjustment shall not affect such Shipper's Daily Imbalance Quantity and/or Overrun Quantity.

4.5.9 The quantities of Natural Gas registered as having been offtaken at an Entry Point pursuant to any agreements entered into pursuant to Part H (*Operations*) Sections 3.8 and/or 5.5 during the period when any applicable Measurement Equipment is assumed, or evidenced, to have registered outside the Permitted Range shall be adjusted by a quantity corresponding to the quantity by which the applicable Measurement Equipment was found on verification to registered outside the Permitted Range ("**Entry Point Offtake Adjustment Quantity**"). The Entry Point Offtake Adjustment Quantity shall be allocated in accordance with the Agreements entered into pursuant to Part H (*Operations*) Sections 3.8 .

4.5.10 Each Shipper's share of an Entry Point Adjustment Quantity or of a CSEP Adjustment Quantity or of an Entry Point Offtake Adjustment Quantity shall be processed in accordance with Section 4.9.

4.6 Verification of Secondary Instrumentation

4.6.1 The Transporter shall verify the Secondary Instrumentation with respect to Measurement Equipment at each LDM Offtake at least twice in each Gas Year. The Transporter shall verify the Secondary Instrumentation with respect to Measurement Equipment at each RNG Entry Point, CGI Entry Point and DM Offtake at least once in each Gas Year.

4.6.2 Subject to Section 4.8, where the Transporter of its own accord completes a verification of the Secondary Instrumentation with respect to Measurement Equipment at a RNG Entry Point, CGI Entry Point, LDM Offtake or a DM Offtake, the Transporter shall bear the cost of such verification.

4.6.3 A Shipper may at any time request that the Transporter carries out a verification of the Secondary Instrumentation with respect to Measurement Equipment at any LDM Offtake or DM Offtake at which such Shipper is offtaking Natural Gas and is the Registered Shipper.

4.6.4 Where the Transporter's verification in accordance with Section 4.6.1 was in the case of a LDM Offtake less than six (6) Months or, in the case of a DM Offtake less than twelve (12) Months prior to the date of the receipt by the Transporter of the request for such verification pursuant to Section 4.6.3, the Shipper shall be required to pay the cost of such verification to the Transporter.

4.6.5 The Transporter shall carry out a verification requested in accordance with Section 4.6.3 as soon as practicable after receipt by the Transporter of such

request and (where required) payment of the cost of such verification in accordance with Section 4.6.4.

4.6.6 If a Shipper has requested that the Transporter carries out a verification of the Secondary Instrumentation in accordance with Section 4.6.3 and the Shipper has paid the cost of such verification pursuant to Section 4.6.4 and the verification proves that the Secondary Instrumentation is outside the level of uncertainty published by the Transporter pursuant to Section 4.3, then subject to Section 4.8, the Transporter shall credit such costs to the Shipper in the next Monthly Invoice.

4.6.7 Following verification in accordance with this Section 4.6, the Secondary Instrumentation of the Measurement Equipment shall, where found to read outside of the level of uncertainty published by the Transporter pursuant to Section 4.3, be adjusted, repaired or replaced to read centrally. Subject to Section 4.8, where such adjustment, repair or replacement is required, the Transporter shall bear the cost.

4.6.8 Any verification of the Secondary Instrumentation of the Measurement Equipment at LDM Offtakes and DM Offtakes in accordance with Section 4.6.3 shall be conducted by or on behalf of the Transporter. The Transporter shall give at least fourteen (14) Days' notice of such verification to the Shipper who shall be entitled to be present or be represented. The Shipper shall be liable for its own costs of attending any such verification of Secondary Instrumentation of the Measurement Equipment at a LDM Offtake or DM Offtake. The Transporter shall provide a verification report to the Shipper within ten (10) Business Days of the completion of any verification pursuant to Section 4.6.3 stating the results of the verification. The results of such verification shall be binding on both the Transporter and the Shipper unless the Shipper disputes the accuracy of the verification in a written notice to the Transporter within fifteen (15) Business Days of notification of the results of the verification. In the event that such dispute is not resolved within fifteen (15) Business Days of the Shipper serving such notice on the Transporter, either party may refer the matter for determination in accordance with Part I (*Legal and General)* Section 6 (*Dispute Resolution*).

4.6.9 Following a verification in accordance with this Section 4.6, if the Secondary Instrumentation of the Measurement Equipment at a RNG Entry Point, or CGI Entry Point LDM Offtake or DM Offtake is found to be outside the level of uncertainty published by the Transporter pursuant to Section 4.3, such Secondary Instrumentation shall be assumed to be outside the level of uncertainty during the lesser of: (a) the previous six (6) Month period; or (b) the latter half of the period of time since the last verification of the Secondary Instrumentation in accordance with Section 4.6, except where it is proved that the Secondary Instrumentation commenced to register outside the level of uncertainty on some other date and in the case of a RNG Entry Point or a CGI Gas Point information derived from other meters installed by the Transporter

may be treated by the Transporter as providing satisfactory evidence as to the date the Secondary Instrumentation commenced to register outside the level of uncertainty.

4.6.10 The quantities of Natural Gas registered as offtaken during the lesser of the period since:

(a) the Measurement Equipment is assumed or is proved to have registered outside the level of uncertainty pursuant to Section 4.6.9; or

(b) the Shipper became the Registered Shipper at such LDM Offtake or DM Offtake,

shall, notwithstanding the deadline of D+5 for determining Final Allocations (as referred to in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2 (*Allocations*)) be adjusted by increasing or decreasing the metered quantity of Natural Gas at the Offtake Point for such period by a quantity corresponding to the quantity by which the Measurement Equipment was found on verification to register outside the applicable level of uncertainty and such adjustment shall be processed in accordance with Section 4.9.

4.7 Full Verification of Measurement Equipment

4.7.1 The Transporter shall have the right to conduct a verification of Measurement Equipment at an Offtake Point (including the primary and secondary elements) at any time. Where the Transporter of its own accord completes a verification of Measurement Equipment at a LDM Offtake or DM Offtake, the Transporter shall bear the cost of such verification.

4.7.2 A Shipper may at any time request that the Transporter carries out a verification of Measurement Equipment (including the primary and secondary elements) at any LDM Offtake or DM Offtake at which such Shipper is offtaking Natural Gas and is the Registered Shipper. The Shipper shall be required to pay the cost of such verification to the Transporter.

4.7.3 The Transporter shall carry out the verification requested in accordance with Section 4.7.2 as soon as practicable after receipt by the Transporter of such verification request.

4.7.4 Where a Shipper has requested the Transporter to verify the Measurement Equipment pursuant to Section 4.7.2, the Shipper shall be obliged to pay the costs of such verification notified by the Transporter prior to the Transporter undertaking the verification, provided that, subject to Section 4.8, should the results of the verification prove that the Measurement Equipment recorded outside the Permitted Range, the Transporter shall be required to credit such costs previously paid by the Shipper to such Shipper in the next Monthly Invoice.

4.7.5 Any verification of the Measurement Equipment at LDM Offtakes and DM Offtakes in accordance with Section 4.7.2 shall be conducted by or on behalf of the Transporter. The Transporter shall give at least fourteen (14) Days' notice of such verification to the Shipper who shall be entitled to be present or be represented. The Shipper shall be liable for its own costs of attending any such verification of the Measurement Equipment at a LDM Offtake or DM Offtake. The Transporter shall provide a verification report to the Shipper within ten (10) Business Days of the completion of a verification stating the results of the verification requested in accordance with Section 4.7.2. The results of such verification shall be binding on both the Transporter and the Shipper unless the Shipper disputes the accuracy of the verification in a written notice to the Transporter within fifteen (15) Business Days of notification of the results of the verification. In the event that such dispute is not resolved within fifteen (15) Business Days of the Shipper serving such notice on the Transporter, either party may refer the matter for determination in accordance with Part I (*Legal and General)* Section 6 (*Dispute Resolution*).

4.7.6 Following verification in accordance with this Section 4.7, the Measurement Equipment at a LDM Offtake or DM Offtake shall, where found to read outside the Permitted Range, be adjusted, repaired or, if necessary, replaced with Measurement Equipment which reads within the Permitted Range. Subject to Section 4.8, where such adjustment, repair or replacement is required, the Transporter shall bear the cost.

4.7.7 Following a verification in accordance with this Section 4.7, if the Measurement Equipment at a LDM Offtake or DM Offtake is found to register outside the Permitted Range, such Measurement Equipment shall be assumed to have registered outside the Permitted Range during the lesser of: (a) the previous six (6) Month period; (b) the latter half of the period of time since the last verification of the Measurement Equipment in accordance with Section 4.7; or (c) the period since the last Valid Meter Read, except where it is proved that the Measurement Equipment commenced to register outside the Permitted Range on some other date.

4.7.8 The quantities of Natural Gas registered as offtaken during the lesser of the period since:

(a) the Measurement Equipment is assumed or is proved to have registered outside the Permitted Range pursuant to Section 4.7.7; or

(b) the Shipper became the Registered Shipper at such LDM Offtake or DM Offtake,

shall, notwithstanding the deadline of D+5 for determining Final Allocations (as referred to in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation)* Section 2 (*Allocations*)) be adjusted by increasing or decreasing the metered quantity of Natural Gas at such offtake for such period by a quantity corresponding to the quantity by which the Measurement

Equipment was found on verification to register outside the Permitted Range and such adjustment shall be processed in accordance with Section 4.9.

4.8 **Damage to Measurement Equipment**

If the Transporter determines that the Measurement Equipment or any part thereof requires adjustment, replacement or repair due to any act, omission, negligence or default of any person other than the Transporter, the Shipper shall indemnify the Transporter for the costs of verification, adjustment, replacement and/or repair.

4.9 **Adjustment to Metered Quantity and associated charges**

4.9.1 Any adjustment to the Metered Quantity of Natural Gas offtaken as referred to in Section 4.5, 4.6.10 or Section 4.7.8 a "**Metered Quantity Adjustment**" and the associated charge (the "**Metered Quantity Adjustment Charge**") calculated in accordance with Section 4.9.4 by reference to the Metered Quantity Adjustment Price shall be shown in the Monthly Invoice rendered by the Transporter to the Registered Shipper following the determination of the Metered Adjustment Quantity and calculation of the Metered Quantity Adjustment Charge; Unaccounted For Gas shall be adjusted accordingly.

4.9.2 A Metered Quantity Adjustment can be either negative or positive according to the following:

(a) If the quantity of Natural Gas registered as offtaken at an Offtake Point is increased pursuant to Section 4.6.10 or Section 4.7.5 the Metered Adjustment Quantity is negative;

(b) If the quantity of Natural Gas registered as offtaken at an Offtake Point is decreased pursuant to Section 4.6.10 or Section 4.7.5 the Metered Adjustment Quantity is positive;

(c) If the quantity of Natural Gas registered as delivered at an Entry Point (or CGI Gas Point) is increased the Metered Adjustment Quantity is positive

(d) If the quantity of Natural Gas registered as delivered at an Entry Point or CGI Gas Point is decreased the Metered Adjustment Quantity is negative.

4.9.3 The price ("**Metered Quantity Adjustment Price**") means a price calculated as follows:

(a) where the Metered Adjustment Quantity is positive the average Imbalance Price for a positive Imbalance Quantity over the Adjustment Period; and

(b) where the Metered Quantity Adjustment is negative the average Imbalance Price in respect of a negative Imbalance Quantity over the Adjustment Period; and

4.9.4 The Metered Quantity Adjustment Charge shall be calculated as follows:

MQC = MQA x MOP

Where:

MQC means the Metered Quantity Adjustment Charge.

MQA means the Metered Quantity Adjustment.

MQP means the Metered Quantity Adjustment Price.

4.9.5 Notwithstanding the foregoing a Metered Quantity Adjustment shall not affect a Shipper's Daily Imbalance Quantity and/or Overrun Quantity.

4.10 Verification of Measurement Equipment at NDM Supply Points

4.10.1 The validation of a Meter Read with respect to a NDM Supply Point shall be conducted in accordance with the Meter Data Services Procedures.

4.10.2 A Shipper may request the testing of Measurement Equipment at a NDM Supply Point by making a request to the Transporter pursuant to any applicable procedures.

4.10.3 A Shipper may query a Meter Read with respect to a NDM Supply Point by submitting a query to the Transporter in accordance with the Meter Read Query Resolution Policy.

5. MAINTENANCE AND SYSTEM UPGRADE

5.1 General

5.1.1 The Transporter shall operate, maintain and repair the Transportation System in accordance with the provision of this Code. The Use of System Agreement governs the operation, maintenance and repair of the GNI (UK) System and the capacity held under the Use of System Agreement and the remaining provisions of this Section 5 shall be construed accordingly.

5.1.2 In maintaining the Transportation System, the Transporter shall comply fully with all Legal Requirements that are in force in the jurisdiction where the Transportation System is situated.

5.1.3 For the purposes of this Code:

(a) "**Maintenance**" includes any inspection, overhaul, modification, repair, replacement, reinstatement, recommissioning, upgrade or extension of any part of the Transportation System and includes any works preparatory to such maintenance or required for the return to service of any part of the Transportation System after such maintenance;

(b) "**Maintenance Days**" means the Days, whether consecutive or not, nominated by the Transporter pursuant to this Section 5 as Days during

which (i) acceptance of Natural Gas for delivery to that part of the Transportation System as may be subject to Maintenance, or (ii) making Natural Gas available for offtake from that part of the Transportation System as may be affected by Scheduled Maintenance, may be reduced (if necessary down to zero) due to Maintenance on the Transportation System (and "**Maintenance Day**" shall be construed accordingly); and

(c) "**Scheduled Maintenance**" means planned Maintenance which is routine in nature and which an RPO would reasonably be expected to schedule in annual maintenance planning and that would affect or limit the Transporter's ability to transport Natural Gas through the Transportation System or localised part thereof.

5.2 Maintenance

5.2.1 The Transporter shall carry out Scheduled Maintenance on the Transportation System during a Maintenance Day.

5.2.2 The Transporter shall determine the Maintenance required in respect of the Transportation System.

5.2.3 Subject to the limitation of the number of permitted Maintenance Days with respect to the Transportation System set out in Section 5.6.1, the Transporter shall be permitted to carry out Scheduled Maintenance on the Transportation System on any Day in a Gas Year.

5.3 Maintenance Planning

5.3.1 Each Shipper shall provide the Transporter as soon as reasonably practicable with the information the Transporter may require to:

(a) plan the Maintenance of the Transportation System;

(b) comply with its obligations in respect of the Legal Requirements in relation to the Maintenance of the Transportation System; and

(c) prepare Maintenance Programmes.

5.3.2 The Transporter shall establish a provisional maintenance programme ("**Maintenance Programme**") which the Transporter shall make available to Shippers in respect of each Gas Year. The Maintenance Programme shall specify such maintenance as may affect delivery of Natural Gas to, or offtake of Natural Gas from, the Transportation System.

5.3.3 The Transporter shall plan the Scheduled Maintenance to minimise disruption to the Transportation System during Maintenance Days in as cost-effective, efficient and commercially prudent a manner as possible and to reconcile maintenance on any Connected Systems, Exit Points and Supply Points by co-ordinating where possible the Maintenance Days with the maintenance of any Connected Systems, Exit Points and Supply Points.

5.3.4 The Transporter may agree to exchange information with any Adjacent TSO or Connected System Operator as to the plans for maintenance and to take reasonable steps to co-ordinate plans for maintenance of parts of the Transportation System adjacent to the Interconnection Point or Connected System Point.

5.4 Timetable

5.4.1 The timetable for preparation of the Maintenance Programme for each Gas Year shall be as follows:

(a) the Shippers will meet with the Transporter to discuss the Maintenance Programme for the following Gas Year during February and March of the preceding Gas Year and such consultations shall conclude before 30 April of such preceding Gas Year; and

(b) the Transporter shall notify the Shippers of Scheduled Maintenance for the following Gas Year by 31 May of the preceding Gas Year.

5.4.2 For each Gas Year, the Shippers will notify the Transporter of the maintenance requirements of their plant or systems (including any End User's Facilities) prior to 30 April of the preceding Gas Year.

5.4.3 The Transporter may revise the nature, timing and duration of any Maintenance Days notified to the Shippers as a result of circumstances that a Reasonable and Prudent Operator is unlikely to have foreseen by providing for additional Maintenance and/or by varying the dates or period(s) of any Scheduled Maintenance by giving affected Shippers:

(a) which are the Registered Shipper at an affected IP Entry Point and/or at an affected Entry Point and/or at CGI Gas Point or CGI Entry Point not less than seven (7) days notice;

(b) which are Registered Shippers at affected LDM Exit Points or TCDM Exit Points not less than thirty (30) days notice;

(c) which are Registered Shippers at affected LDM Supply Points or DM Supply Points not less than seven (7) days' notice; and

(d) which are Registered Shippers at the Sub-Sea I/C Offtake not less than thirty (30) days notice;

and in either case subject to a shorter period of notice being agreed between the Transporter and the affected Shippers.

5.5 Transporter's Obligations

To the extent that the Transporter cannot make Natural Gas available for offtake or accept into the Transportation System Natural Gas tendered for delivery at an Entry

Point or at an IP Entry Point as a direct result of Maintenance, the Transporter will be relieved of its obligations to transport Natural Gas including under this Code.

5.6 **Maintenance Limits**

5.6.1 Subject to Part I (*Legal and General*) Section 3 (*Force Majeure)*, the Transporter will be limited to a maximum number of Maintenance Days for the carrying out of Scheduled Maintenance on the Transportation System or any localised part thereof as follows:

(a) in respect of each Interconnection Point or Entry Point or CGI Entry Point a maximum of five (5) Maintenance Days in aggregate in any Gas Year, provided that, in addition to such Maintenance Days, the Transporter may take such additional Maintenance Days in respect of an Interconnection Point or Entry Point or CGI Entry Point as are permitted in the relevant Interconnection Agreement or CSA to carry out Scheduled Maintenance;

(b) in respect of each LDM Exit Point, a maximum of five (5) Maintenance Days in aggregate in any Gas Year, provided that in addition to such Maintenance Days, the Transporter may take such additional Maintenance Days in respect of the LDM Exit Point as may be notified by the Transporter to the Shipper(s) from time to time;

(c) in respect of each LDM Supply Point, a maximum of eight (8) Maintenance Days in aggregate in any Gas Year and twenty (20) Maintenance Days in aggregate in any three (3) consecutive Gas Years, provided that in addition to such Maintenance Days, the Transporter may take such additional Maintenance Days in respect of such LDM Supply Point as may be notified by the Transporter to the Shipper(s) from time to time;

(d) in respect of DM Offtakes, to a maximum of eight (8) Maintenance Days in aggregate in any Gas Year and twenty (20) Maintenance Days in aggregate in any three (3) consecutive Gas Years at each DM Offtake;

(e) in respect of NDM Supply Points, to a maximum of eight (8) Maintenance Days in aggregate in any Gas Year and twenty (20) Maintenance Days in aggregate in any three (3) consecutive Gas Years at each NDM Supply Point; and

(f) in respect of the Sub-Sea I/C Offtake a maximum of five (5) Maintenance Days in aggregate in any Gas Year provided that, in addition to such Maintenance Days, the Transporter may take such additional Maintenance Days in respect of the Sub-Sea I/C Offtake as may be permitted or required pursuant to the Sub-Sea I/C Offtake

Agreement(s) or be notified by the Transporter to the Shippers from time to time.

5.6.2 The limitations set out in Section 5.6.1 above shall be without prejudice to the rights of the Transporter to carry out any unscheduled Maintenance or maintenance due to unforeseen circumstances which may be considered by the Transporter to be necessary and/or prudent in order to ensure the operational integrity and security of the Transportation System, subject to the Transporter having given each affected Shipper such notice as is reasonably practicable, recognising that such maintenance is unscheduled or as a result of unforeseen circumstances.

5.7 Capacity

5.7.1 Subject to Section 5.10 Shippers shall remain liable to pay the applicable Tariff during Maintenance Days and any other periods during which the acceptance of the delivery of Natural Gas to the Transportation System or the offtake of Natural Gas from the Transportation System is affected in accordance with the provisions of this Code and/or any Ancillary Agreement.

5.7.2 The Transporter shall apply any reduction of capacity in the Transportation System resulting from Maintenance (or maintenance as referred to in Section 5.6.2) amongst any or all of the Shippers directly affected by such Maintenance on a fair, open (subject to relevant confidentiality obligations) and not unduly discriminatory basis. In applying any reduction in capacity between Shippers, the Transporter shall have regard to the order of priority set out in Part H (*Operations*) Section 1.9 (*Offtake Point Control*) and where a Restricted Capacity Day is declared in accordance with Part H (*Operations*) Section 2.3 the Restricted Capacity at an Affected IP Entry Point and/or an Affected Entry Point shall be applied in accordance with Part H (*Operations*) Section 2.5.

5.7.3 The Transporter shall apply any reduction in capacity affecting part of the Transportation System arising as a result of Maintenance amongst Shippers utilising that part of the Transportation System on a fair, open (subject to relevant confidentiality obligations) and not unduly discriminatory basis.

5.7.4 The Shippers shall assist the Transporter in its Scheduled Maintenance by using reasonable endeavours to offtake Natural Gas at an offtake in the manner requested by the Transporter.

5.8 Maintenance at LDM Offtake

The Transporter shall consult directly with each Registered Shipper at a LDM Offtake with respect to the effect of Maintenance on that part of the Transportation System in which the LDM Offtake is located.

5.9 Maintenance at the Sub-Sea I/C Offtake

The Transporter shall be entitled to consult with the operator of the Spur Pipeline with respect to maintenance at the Sub-Sea I/C Offtake and with respect to the effect of maintenance in that part of the Transmission System in which the Sub-Sea I/C Offtake is located.

5.10 IP Entry Capacity and Entry Capacity Tariff Rebate

5.10.1 Registered Shippers at an Affected IP Entry Point or an Affected Entry Point or an Affected CGI Gas Point shall be entitled to rebate of the Capacity Charges (a "**Capacity Charge Rebate**") in respect of an amount of capacity held by the Shipper at an IP Entry Point and/or at an Entry Point or at a CGI Gas Point (as the case may be) (calculated in accordance with the remaining provisions of this Section 5.10).

5.10.2 A Capacity Charge Rebate shall apply where:

(a) the Transporter declares a Restricted Capacity Day at an IP Entry Point (an "Affected IP Entry Point") or at an Entry Point (an "Affected Entry Point") or at a CGI Gas Point(s) (an "Affected CGI Gas Point); and

(b) the Restricted Capacity Day is declared to facilitate or as a result of Scheduled Maintenance which affects the availability of capacity at the Affected IP Entry Point or at the Affected Entry Point or the Affected CGI Gas Point (as the case may be);

(c) the Restricted Capacity Day is not within the Maintenance limits as outlined in Section 5.6.1(a) at the Affected IP Entry Point or the Affected Entry Point (as the case may be) or the CGI Entry Point within which the Affected CGI Gas Point is configured in the applicable Year; and for the avoidance of doubt where the Transporter revises the date or dates for Scheduled Maintenance but does not give the required notice under Section 5.4.3(a) such revised date or dates shall not be treated as within the Maintenance Limits outlined in Schedule 5.6.1(a); and

(d) the availability of capacity at the Affected IP Entry Point or at the Affected Entry Point or at the Affected CGI Gas Point is not otherwise reduced or adversely affected for any reason other than the relevant Maintenance.

5.10.3 Where the Shipper's Available Active IP Entry Capacity or Active Entry Capacity at the Affected IP Entry Point or Affected Entry Point comprises capacity booked for different durations (and accordingly subject to different applicable Tariffs) then the Transporter shall:

(a) determine the proportion of the Shipper's Active IP Entry Capacity and/or Active Entry Capacity (as the case may be) to which different applicable Tariffs apply; and

(b) treat the amount of capacity in respect of which a rebate is to be applied as being held in the same proportions as the Shipper's Active Capacity;

and the applicable Tariff for the purpose of the rebate shall be applied to each amount of capacity (as calculated in accordance with this Section 5.10) for which the rebate applies in the same proportions.

5.10.4 The amount of the Shipper's Capacity Charge Rebate shall be calculated as follows:

$CR = AC_R \times RT$

Where:

CR = The financial amount of the Capacity Charge Rebate to which the Shipper is entitled

AC_R = The amount of the Shipper's capacity which qualifies for a rebate being

(i) in the case of an IP Entry Point the difference between the Shipper's Active IP Entry Capacity and the Shipper's Available Active IP Entry Capacity at the Affected IP Entry Point on the Day; and

(ii) in the case of an Entry Point the difference between the Shipper's Active Entry Capacity and the Shipper's Available Active Entry Capacity at the Affected Entry Point or Affected CGI Gas Point (as the case may be) on the Day.

RT = The applicable Tariff (as determined in accordance with Section 5.10.3 and this Section 5.10.4).

and such that where the amount of capacity held by the Shipper which qualifies for a rebate is subject to more than one applicable Tariff the above calculation shall be undertaken separately in respect of each amount of capacity to which a separate Tariff applies, and the Shipper's Capacity Charge Rebate for the Day shall be the sum of such calculations.

Any Capacity Charge Rebate shall be included in the invoice in respect of the Month following the Month in which the relevant Restricted Capacity Day occurs.

5.10.5 For the avoidance of doubt a Capacity Charge Rebate shall only apply at an Affected Entry Point or at an Affected IP Entry Point and as provided in Section 5.10.1 and shall not apply in respect of the unavailability of capacity (in whole or in part) for any other reason including:

(a) for any Maintenance Day which is scheduled in accordance with Section 5.4 and is within the Maintenance limits specified in Section 5.6.1;

(b) due to Maintenance on a Day or Days on which capacity is otherwise unavailable at the relevant Entry Point or IP Entry Point;

(c) due to Force Majeure;

(d) as a result of an Emergency; or

(e) where the Maintenance takes place on a Day on which any Connected System or Upstream Facilities are unavailable to facilitate the offtake of Natural Gas from the Connected System or Upstream Facilities and delivery to the Transportation System.

(f) where a Restricted Capacity Day is declared other than due to Scheduled Maintenance.

APPENDIX 1
QUALITY SPECIFICATION OF NATURAL GAS AT IP ENTRY POINTS AND ENTRY POINTS

Appendix 1
QUALITY SPECIFICATION OF NATURAL GAS AT ENTRY POINTS

Parameter	Entry
Total Sulphur	< 50mg/m^3 (including H_2S)
Oxygen	≤ 0.2 mol% * See Renewable Natural Gas Notes
Carbon Dioxide	≤ 2.5 mol % See Note 1
Hydrogen Sulphide	≤ 5mg/m^3
Water Content	≤ 50mg/m^3
Gross Calorific Value (Real Gross Dry)	36.9 - 42.3 MJ/m^3
Wobbe Index (Real Gross Dry)	46.5 – 51.41 MJ/m^3
Contaminants & Odour	See Notes 2 and 3
Relative Density (RD)	< 0.7
Delivery Temperature	1°C to 38°C
Hydrogen	< 0.1 mol%
Organo Halides	< 1.5 mg/m^3
Radioactivity	< 5 Becquerels/g
Ethane	< 12 mol%
Nitrogen	≤ 5 mol %
Hydrocarbon Dewpoint	≤ - 2°C up to 85 barg

Reference Conditions
All measurements at 15º Celsius and 101.325kPa

Note 1 The CO2 limit of 2.5% will not be considered breached if the total inerts (including CO2) in the gas is less than 8% where:
"inerts" in natural gas means carbon dioxide(CO2), nitrogen(N2), helium(He), argon(Ar), and oxygen(O2).

Note 2 Natural Gas shall not contain solid liquid or gaseous material which may interfere with the integrity or operation of pipes or any Natural Gas appliance which a consumer or transporter could reasonably be expected to operate. With respect to Mist, Dust, Liquid, gas delivered shall be technically free in accordance with BS3156 11.0

[1998].

Note 3 Natural Gas shall have no odour that might contravene the obligation of the Transporter to transmit gas which possesses a distinctive and characteristic odour. Where the Transporter requires gas to be odourised, the gas shall be odourised in accordance with the following specification:
- Odour intensity of 2 olfactory degrees on the SALES Scale (Ref-IGE/SR/16/1989), or
- such other specification determined by the Transporter acting as an RPO

Emergency Gas Quality Specification
In the event of an Emergency, and at the sole discretion of the National Gas Emergency Manager, gas outside of the Entry Specification may be admitted to the system. Without prejudice to the generality of this, the emergency limits as outlined in the Natural Gas Emergency Plan NGEP may be adopted by the Transporter.

Renewable Natural Gas Notes

1. Oxygen content for gas derived from Renewable Natural Gas at an RNG Entry Point
    a. connected to the Distribution System shall be ≤ 1 mol%; and
    b. connected to the Transmission System shall be ≤ 0.5 mol%

    in each case where there is provision for automatic discontinuation of gas flows for non-compliance with the applicable Entry Specification. Such automatic discontinuation shall comprise of the discontinuation of gas flow based on preprogrammed criteria, such criteria determined by the Transporter and embodied in an automated process, all as outlined in the applicable CSA or other applicable agreement.

2. The CSA or other applicable agreement in respect of any RNG Delivery Facility may subject to the approval of the Commission specify additional gas quality parameters (which may for avoidance of doubt be subsets of the parameters set out above) and associated limits in respect of such parameters to apply at the individual RNG Entry Point or category of RNG Entry Point in which case the gas quality parameters so specified shall (subject to Renewable Natural Gas Note 1 above) apply at such RNG Entry Point(s) in addition to the parameters set out above. [**Note: Refer Part G (*Technical*) Section 1.1.1**]

3. To avail of the oxygen content upper limit for Renewable Natural Gas at an RNG Entry Point on the Transmission Network the Transporter must be of the reasonable opinion that an increased oxygen content in respect of RNG delivered, or tendered for delivery, to the Transmission Network would not adversely impact the End User operational facilities (save to the extent any potential adverse impact could, in the opinion of the Transporter, be reasonably mitigated by the End User) and would not adversely affect the Transmission Network.

APPENDIX 2

QUALITY SPECIFICATION OF NATURAL GAS AT OFFTAKE POINTS OR CSEP

(A) Gas Combustion Characteristics

Type of Gas	2nd Family Group H
Wobbe Index	45.7 to 54.7MJ /m^3 (Real Gross Dry)

(B) Upper Limits of Natural Gas Impurities

Hydrogen Sulphide Content	Not more than 5mg/m^3
Total Sulphur Content	Not more than 50mg/m^3
Oxygen Content	(i) Not more than 0.2% (molar) (for Offtake Points and CSEP's connected to the Transmission System) (ii) Not more than 1.0% (molar) for Offtake Points connected to the Distribution System.
Contaminants	Natural Gas shall not contain solid matter which would have a material adverse impact on the ability to use Natural Gas at an Offtake Point.

(C) Reference Conditions

All measurements at 15ºCelsius and 101.325kPa.

CODE OF OPERATIONS
PART H

OPERATIONS

VERSION 5.05

Comprises version 5.04 published as of May 2023
incorporating the following Modifications

(1) Modification A111: Oxygen Upper Limit

(2) Modification A113: Revision of Wobbe Index Parameters

(3) Modification A114: Classification of Gas Points with a design MHQ of 100,000 kWh

(4) Modification A115: Removal of Tolerances at RNG Entry Points

(5) Modification A116: Removal of Residual Tolerances

(6) Modification A117: Supplier of Last Resort (SoLR) Arrangements

(7) Modification A118: Central Grid Injection and RNG Entry Point Arrangements

TABLE OF CONTENTS

1. EMERGENCIES....1
1.1 EMERGENCY AND EXCEPTIONAL EVENT....1
1.2 EMERGENCY STEPS....2
1.3 INTERCONNECTED SYSTEM AND CONNECTED SYSTEM....3
1.4 EMERGENCY PREPAREDNESS....4
1.5 SHIPPER CONTACTS (EMERGENCIES AND EXCEPTIONAL EVENTS)....4
1.6 EMERGENCY CONTACTS AT LDM OFFTAKES AND DM OFFTAKES....4
1.7 OCCURRENCE OF AN EMERGENCY....5
1.8 ENTRY CONTROL, IP VENTRY CONTROL AND IP VEXIT CONTROL INTERCONNECTION POINT CONTROL....6
1.9 OFFTAKE POINT AND SUB-SEA I/C OFFTAKE CONTROL....7
1.10 CONSEQUENCES OF EMERGENCY....9
1.11 COSTS....9
1.12 REPORT AND AUDIT....10
2. PHYSICAL CONGESTION....12
2.1 OPERATIONAL FLOW ORDER....12
2.2 DIFFICULT DAY....12
2.3 RESTRICTED CAPACITY DAY....13
2.4 NOT USED....13
2.5 RESTRICTED CAPACITY AT AN IP ENTRY POINT, AN ENTRY POINT AND/OR AT THE SOUTH-NORTH IP CSEP....13
2.6 TRADE OF IP CAPACITY OR ENTRY CAPACITY ON A RESTRICTED CAPACITY DAY....17
2.7 RESTRICTED CAPACITY AT LDM OFFTAKES AND DM OFFTAKES AND AT THE SUB-SEA I/C OFFTAKES....18
2.8 TRANSFER OF EXIT POINT/SUPPLY POINT CAPACITY ON A RESTRICTED CAPACITY DAY....21
2.9 EFFECT OF A RESTRICTED CAPACITY DAY AT NDM SUPPLY POINTS....21
2.10 NOT USED....21
2.11 NOMINATIONS ON A RESTRICTED CAPACITY DAY....21
2.12 OFFTAKE OF NATURAL GAS ON A RESTRICTED CAPACITY DAY....23
2.13 CAPACITY OVERRUNS ON A RESTRICTED CAPACITY DAY....23
2.14 RESTRICTED CAPACITY DAY REPORT....24
2.15 IP PROCESSED QUANTITIES – EXCEPTIONAL EVENTS/RESTRICTED CAPACITY DAYS 24
2.16 INTERRUPTION AT THE IP VEXIT OR THE IP VENTRY....26
2 A CONTRACTUAL CONGESTION 27
2 A.1. CONTRACTUAL CONGESTION AT INTERCONNECTION POINTS....27
2 A.2. ANNUAL ASSESSMENT....30
2 A.3. NOTIFICATION OF CONTRACTUAL CONGESTION....31
2 A.4. SURRENDER OF CONTRACTED CAPACITY....32
2 A.5. CAPACITY SURRENDER REQUESTS....33
2 A.6. ACCEPTANCE OF SURRENDER....38
2 A.7. CONSEQUENCE OF CAPACITY SURRENDER ACCEPTANCE....39
2 A.8. CAPACITY USAGE MONITORING AND LONG TERM USE IT OR LOSE IT - GENERAL39
2 A.9. MONITORING AND MONITORING REPORTS....39
2 A.10. NOTICE OF SYSTEMATIC UNDERUTILISATION OF CAPACITY....40
2 A.11. UNDERUTILISATION NOTICE REFERRAL....42
2 A.12. WITHDRAWAL OF CAPACITY PURSUANT TO UNDERUTILISATION NOTICE....43
2 A.13. WITHDRAWAL OF UNDERUTILISED CAPACITY....44
2 A.14. OVERSUBSCRIPTION AND BUYBACK....45
2 A.15. OVERSUBSCRIPTION CAPACITY....46
2 A.16. CAPACITY BUYBACK....47
2 A.17. CAPACITY AVAILABILITY AND IP CAPACITY CHARGES - TRANSPORTER'S OBLIGATIONS TO MAKE CAPACITY AVAILABLE....50
2 A.18. CAPACITY ALLOCATION PRIORITY ORDER....51
2 A.19. CAPACITY CHARGES....51

3. ENTRY POINTS AND VIRTUAL ENTRY POINTS....52
3.1 ENTRY POINT REQUIREMENTS....52
3.2 RNG ENTRY POINTS....54
3.3 CGI ENTRY POINTS....54
3.4 NOT USED....**ERROR! BOOKMARK NOT DEFINED.**
3.5 BELLANABOY ENTRY POINT....55
3.6 NEW ENTRY POINTS AND COMMISSIONING CONNECTED SYSTEM POINT(S)....56
3.7 ADMINISTRATIVE PROCEDURES AT AN ENTRY POINT....57
38 OFFTAKE PROFILE NOTICE AT ENTRY POINTS....58
3.9 OPERATIONAL BALANCING AGREEMENT....59
3.10 OFFTAKE OF NATURAL GAS AT ENTRY POINTS....59
4. OFFTAKE POINTS....60
4.1 GENERAL....60
4.2 OFFTAKE REQUIREMENTS....60
4.3 GENERAL PROVISIONS RELATING TO OFFTAKE....61
4.4 NATURAL GAS OFFTAKEN AT AN OFFTAKE POINT: COMPRESSORS....61
4.5 DISCONTINUANCE OF SUPPLY AT AN OFFTAKE POINT....62
4.6 NOT USED....63
5. NOT USED....63
5.1 NOT USED....63
5.2 NOT USED....63
5.3 NOT USED....63
5.4 NOT USED....63
5.5 NOT USED....63
5.6 NOT USED....63
5.7 NOT USED....63
5.8 NOT USED....63
6. SUB-SEA I/C OFFTAKE....63
6.1 SUB-SEA I/C OFFTAKE ARRANGEMENTS....63
6.2 SUB-SEA I/C OFFTAKE REQUIREMENTS....63
6.3 GENERAL PROVISIONS RELATING TO OFFTAKE AT THE SUB-SEA I/C OFFTAKE....64
7. INTERCONNECTION POINTS....65
7.1 GENERAL....65
7.2 INTERCONNECTION AGREEMENT(S)....65
7.3 JOINT BOOKING PLATFORM (JBP) AND JBP OPERATOR....68
7.4 MOFFAT INTERCONNECTION POINT....70
7.5 SOUTH NORTH INTERCONNECTION POINT....71
7.6 IP VENTRY CAPACITY INTERRUPTION AND FAILURE TO INTERRUPT CHARGES....72
7.7 IP VEXIT CAPACITY INTERRUPTION AND FAILURE TO INTERRUPT CHARGES....73
7.8 IMPLEMENTATION OF PROCEDURES AT INTERCONNECTION POINTS....75
7.9 PROFILE NOTICE(S) AT INTERCONNECTION POINT(S)....75
8. INCREMENTAL CAPACITY....76
8.1 GENERAL....76
8.2 DEMAND INDICATIONS....77
8.3 DEMAND ASSESSMENT REPORT....80
8.4 DESIGN PHASE....82
8.5 REGULATORY APPROVAL....83
8.6 REGULATORY APPROVAL....85
8.7 DIF....85
8.8 AUCTIONING OF INCREMENTAL CAPACITY....86

1. EMERGENCIES

1.1 Emergency and Exceptional Event

1.1.1 "**Emergency**" means a Natural Gas Emergency or any event or circumstance or combination of events or circumstances which have occurred or may occur and which in the opinion of the Transporter adversely affects, or may adversely affect, the safety or operational integrity of the Transportation System or any localised part thereof or which results or may result in the safety of life, property or the environment being at risk, and, where the context requires, a reference to an Emergency includes the event or circumstance which gives rise to such Emergency.

1.1.2 "**Exceptional Event**" means any unplanned event that is not reasonably controllable or preventable by the Transporter and may cause for a limited period, capacity reductions, affecting the quantity or quality of gas at an Interconnection Point and which may have consequential effects on interactions between the Transporter (or its Affiliate) and the Adjacent TSO and on interactions between the Transporter and Shippers.

1.1.3 An Emergency may include:

(a) the safe conveyance of Natural Gas by the Transportation System or any localised part thereof being significantly at risk;

(b) Natural Gas conveyed by the Transportation System being at such a pressure or of such a quality as to constitute, when offtaken from the Transportation System or any localised part thereof, a danger to life, property or the environment;

(c) an Exceptional Event;

(d) an escape or suspected escape of Natural Gas;

(e) the Transporter's ability to maintain safe pressures within the Transportation System or any localised part thereof being affected or threatened by an interruption or disruption to the Transportation System or a Connected System;

(f) events or circumstances in a Connected System (either upstream or downstream of the Transportation System);

(g) an insufficiency of deliveries of Natural Gas to the Transportation System (including from any Connected System or Interconnected System); and/or

(h) any actual or potential failure of or damage to the Transportation System or any localised part thereof.

1.1.4 The existence of an Emergency and/or an Exceptional Event shall be

determined by the Transporter, irrespective of the cause of the Emergency and/or the Exceptional Event and of whether the Transporter or any other person may have caused or contributed to the Emergency or Exceptional Event provided always that a Natural Gas Emergency shall only be declared with the approval of the National Gas Emergency Manager and in accordance with the provisions of the Natural Gas Emergency Plan.

1.1.5 An Emergency and/or an Exceptional Event shall continue until such time as the Transporter determines that the circumstances referred to in this Section 1.1 no longer apply, that no further Emergency Steps are required and that normal operation of the Transportation System and full implementation of this Code may be resumed provided always that a Natural Gas Emergency or an Exceptional Event shall continue until such time as it is declared to have ended and (in the case of an Emergency only) in accordance with the provisions of the Natural Gas Emergency Plan (where applicable).

1.1.6 The Transporter shall take such steps as it considers necessary to restore Natural Gas transportation and normal operation of the Transportation System as soon as reasonably practicable after an Emergency or Exceptional Event.

1.1.7 The Transporter has been designated as the National Gas Emergency Manager and has developed the Natural Gas Emergency Plan, in the event of any conflict between the Natural Gas Emergency Plan and the provisions of this Code of Operations the provisions of the Natural Gas Emergency Plan shall prevail.

1.2 **Emergency Steps**

1.2.1 The Transporter (including when acting in its capacity as National Gas Emergency Manager), to the extent that it considers necessary, and/or as required by the National Gas Emergency Manager may take steps and may require Shippers to take steps to avert and/or reduce the likelihood of, or likely scale of, an Emergency or to overcome or contain an Emergency and/or to avert or reduce the hazard presented by an Emergency and/or to restore Natural Gas supply and normal operation of the Transportation System (including through the possible sale or purchase of Natural Gas) in the course of and/or following the taking of any such steps ("**Emergency Steps**"). Emergency Steps may include action to be taken or not to be taken as the case may be by the Transporter or a Shipper (as instructed by the Transporter).

1.2.2 The Transporter and each Shipper acknowledge that in an Emergency their respective interests shall be subordinated to the need to take Emergency Steps in accordance with this Section 1.

1.2.3 In view of the importance of co-ordination of Emergency Steps subject and without prejudice to the obligation of Shippers and the Transporter to comply with the instructions of the National Gas Emergency Manager, a Shipper shall

only take Emergency Steps in accordance with this Section 1 and in accordance with an instruction given by the Transporter.

1.2.4 No Emergency Steps taken, or steps taken as a consequence of such Emergency Steps including Emergency Steps taken at the request or by the direction of the National Gas Emergency Manager, by the Transporter or any Shipper in compliance with any requirements of this Section 1 shall be a breach of any provision of this Code or any Ancillary Agreement. 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 Interconnection Point or at an Entry Point or to make Natural Gas available for offtake from the Transportation System to the extent that, as a result of any Emergency Steps taken, Natural Gas tendered for delivery is not accepted or Natural Gas is not made available for offtake.

1.2.5 Nothing in this Section 1 shall relieve a Shipper from any of its financial obligations arising under this Code or any Ancillary Agreement.

1.3 **Interconnected System and Connected System**

The Transporter or its Affiliate may subject always to the Natural Gas Emergency Plan and any instructions of the NGEM agree with each Connected System Operator the Emergency procedures to be taken with respect to Connected Systems, setting out the steps to be taken in the event of an Emergency by the Connected System Operator.

The Transporter may agree with the operator of the Spur Pipeline downstream of the Sub-Sea I/C Offtake the Emergency procedures to be taken with respect to such Connected System setting out the steps to be taken in the event of an Emergency.

The Transporter or its Affiliate may agree with the Adjacent TSO and where applicable any other affected system operator at an Interconnection Point:

1.3.1 Emergency procedures to be taken with respect to the Interconnected System setting out steps to be taken in the event of an Emergency or in the event of an emergency on the Interconnected System;

1.3.2 Procedures or steps to be taken if there is an Exceptional Event or if there is an exceptional event affecting the Interconnected System.

The Transporter may agree with the Adjacent TSO at the South-North IP CSEP emergency procedures to be taken with respect to the Interconnected System setting out steps to be taken in the event of an Emergency or Exceptional Event or in the event of an emergency or an exceptional event on the Interconnected System. Where the Interconnection Agreement at the Moffat Interconnection Point is executed by an Affiliate of the Transporter any reference to any matter or thing to be done by or for or information to be disclosed or received by the Transporter as party to an applicable Interconnection Agreement shall and shall be deemed to include a reference to such Affiliate and the Transporter shall be entitled to notify information to or receive

information from such Affiliate for such purpose.

1.4 **Emergency Preparedness**

In the event of an Emergency and in addition to the measures referenced in this Section 1, the Transporter shall implement, to the extent relevant, its Transmission System Emergency procedures and/or Distribution System Emergency procedures, and pursuant to the instructions of, or with the approval of, the NGEM, the Natural Gas Emergency Plan.

1.5 **Shipper Contacts (Emergencies and Exceptional Events)**

1.5.1 Each Shipper shall provide to the Transporter and to the National Gas Emergency Manager contact details at which the Shipper or its Authorised Representative shall be contactable twenty four (24) hours a day in the event of an Emergency or an Exceptional Event. The contact details to be provided shall be a single telephone number (and a back-up single landline telephone number), a single mobile telephone number (and a single back-up mobile telephone number), a single facsimile number (and a single back-up facsimile number), a single email address (and a single back-up email address) and the job title(s) of relevant personnel.

1.5.2 The details required under this Section 1.5 shall be kept up to date and for these purposes a Shipper shall notify the Transporter of any change in such details promptly and, in any event, not later than five (5) Business Days in advance of effecting such change.

1.5.3 If a Shipper does not provide the required details or maintain such details up to date, or if the Authorised Representative cannot be contacted at any time at the contact details provided by the Shipper in accordance with Section 1.5.1, then, without prejudice to any other rights which the Transporter has under this Code, the Transporter may (notwithstanding that an Emergency does not then exist) suspend (in whole or in part) the Shipper's rights under this Code by notice to the Shipper in accordance with Part I (*Legal and General*) Section 4 (*Suspension and Termination*) until such time as the Transporter confirms that the Shipper has complied with its obligations under this Section 1.5. In such circumstances, the Transporter shall not be liable to any such Shipper for any costs, losses or expenses incurred in connection with any such suspension of rights and the Shipper shall indemnify the Transporter in respect of any such costs, losses or expenses incurred in respect of any such suspension of rights and the Shipper shall indemnify the Transporter in respect of any actions, costs or claims arising as a result thereof.

1.6 **Emergency Contacts at LDM Offtakes and DM Offtakes**

1.6.1 Each Shipper shall provide to the Transporter and the National Gas Emergency Manager, in respect of any LDM Offtake or DM Offtake at which the Shipper is the Registered Shipper, contact details in a form specified by

the Transporter, where such information is not provided to the Transporter pursuant to an End User Agreement. Each Shipper shall advise the Transporter and the National Gas Emergency Manager of any changes in their contact details.

1.6.2 The details required under this Section 1.6 shall be provided by a Shipper at the time at which the Shipper becomes the Registered Shipper at the LDM Offtake and/or DM Offtake and shall at all times be maintained up to date. For these purposes, a Shipper shall require the End User to notify the Shipper of any change in details in advance of any such change and the Shipper shall notify the Transporter of any change in such details promptly and, in any event, not later than five (5) Business Days in advance of effecting such change.

1.6.3 If a Shipper does not in accordance with Section 1.6.1 and/or Section 1.6.2 provide the required contact details or maintain such details up to date or if the End User's Authorised Representative at or in respect of an Offtake Point cannot be contacted at any time at the contact details provided by the Shipper in accordance with Section 1.6.1, or provided pursuant to any applicable End User Agreement then, without prejudice to any other rights which the Transporter has under this Code, the Transporter may (notwithstanding that an Emergency does not then exist) suspend (in whole or in part) the Shipper's rights under this Code in respect of the relevant Offtake Point by notice to the Shipper in accordance with Part I (*Legal and General*) Section 4 (*Suspension and Termination*) until such time as the Transporter confirms that the Shipper has complied with its obligations under this Section 1.6. In such circumstances, the Transporter shall not be liable to any such Shipper for any costs, losses or expenses incurred in connection with any such suspension of rights in respect of the relevant Offtake Point and the Shipper shall indemnify the Transporter in respect of any such costs, losses or expenses incurred in respect of any such suspension of rights and the Shipper shall indemnify the Transporter in respect of any actions, costs or claims arising as a result thereof.

1.7 Occurrence of an Emergency

1.7.1 Where an Emergency arises, the Transporter shall inform all Shippers of the commencement and (so far as practicable) the nature, extent and expected duration of the Emergency by such means as is reasonably available to the Transporter at the time. The Transporter shall (so far as practicable) thereafter keep the Shippers informed of any material changes and developments in respect of the Emergency and, subject to Section 1.9.7, shall notify the Shippers as soon as reasonably practicable of the time at which the Transporter considers the Emergency has ceased.

1.7.2 Where an Exceptional Event occurs and affects an Interconnection Point the Transporter shall notify all Shippers at the Interconnection Point

(a) of the Exceptional Event; and:

(b) the expected duration of the Exceptional Event and;

(c) the anticipated and actual termination of the Exceptional Event.

1.7.3 The Transporter shall notify Shippers at an Interconnection Point of an exceptional event affecting the Interconnected System as soon as reasonably practical after the Transporter is notified of it by the Adjacent TSO.

1.7.4 During an Emergency each Shipper shall:

(d) comply with the Emergency Steps as instructed by the Transporter and co-operate with the Transporter to the extent possible so as to enable the Transporter to take Emergency Steps;

(e) procure compliance by the End User or Third Party Shipper with any such Emergency Steps instructed by the Transporter to the Shipper save to the extent that there is any conflict between such Emergency Steps and the obligation of the End User to the Transporter pursuant to this Code or any applicable End User Agreements;

(f) notify the Transporter of all actions taken by the Shipper and the End User to comply with the Emergency Steps; and

(g) comply with directions issued by the Transporter to bring an Emergency to an end or to prevent an Emergency (as the case may be).

1.7.5 In addition to the right of the Transporter to require a Shipper to take Emergency Steps pursuant to this Section 1 and the Shipper's obligations pursuant to Section 1.7.4, the Transporter shall at all times during an Emergency retain the absolute right to impose upon any Shipper by way of notice to such Shipper any obligation and/or responsibility that it considers may be reasonable or necessary to resolve and/or to mitigate the impact of such Emergency and each Shipper shall comply with any such obligation and/or responsibility upon receipt of such notice from the Transporter.

1.7.6 The provisions of this section 1.7 are subject to and without prejudice to the Natural Gas Emergency Plan and any instructions of the NGEM.

1.8 Entry Control, IP VEntry Control and IP VExit Control Interconnection Point Control

Without prejudice to the obligations set out in Section 1.7.4 and where an Exceptional Event occurs and in any case without prejudice to Part D Section 1.4.12, where Emergency Steps (or such other steps as may be required by the Transporter) include increasing or decreasing the delivery and/or rate of flow of Natural Gas to or from an IP Entry Point or Entry Point or CGI Gas Point and/or IP VEntry and/or IP VExit the

Transporter may issue appropriate instructions in respect of such increase or decrease to the Shippers utilising such IP Entry Point and/or IP VEntry and/or IP VExit or Entry Point or CGI Gas Point, who in turn will exercise their nomination rights under their respective agreements with their Natural Gas suppliers or under their agreements with those parties with whom they have contracted for Natural Gas at the IP Entry Point, IP CSEP, IP VEntry and/or IP VExit as necessary and/or as requested by the Transporter to the extent practical but at all times using all reasonable endeavours.

1.9 **Offtake Point and Sub-Sea I/C Offtake Control**

1.9.1 Where Emergency Steps include the reduction or discontinuance of offtake of Natural Gas at any Offtake Point(s) on the Transportation System (or any localised part thereof) and/or at the Sub-Sea I/C Offtake, the Transporter may, where practicable, first seek voluntary reductions of offtake by Shippers and if the Transporter cannot achieve the requisite reduction of offtake voluntarily in a timely manner, the Transporter may require a Shipper or Shippers to reduce demand for Natural Gas on the Transportation System (or any localised part thereof) (so far as the Transporter considers practicable and necessary). The Transporter shall subject to the provisions of the Natural Gas Emergency Plan and any directions of the NGEM (where applicable) identify those Offtake Points or classes of Offtake Point (as identified below) and/or the Sub-Sea I/C Offtake (as appropriate) in respect of which it requires a reduction in offtake and shall have regard to the following order of priority (subject to the Interconnector Treaties and any future Directive impacting upon such order and requiring compliance by the Transporter and any subsequent modification resulting therefrom):

(a) first, any LDM Offtake which has an Annual Quantity greater than 1,500,000,000 kWh;

(b) second, any LDM Offtake which has an Annual Quantity greater than 260,000,000 kWh and less than or equal to 1,500,000,000 kWh;

(c) third, any LDM Offtake which has an Annual Quantity less than or equal to 260,000,000 kWh;

(d) fourthly, any DM Offtake (but excluding DM Offtake(s) at which the End User is a Priority Customer);

(e) fifthly, NDM Supply Points at which Natural Gas is offtaken from the Distribution System for consumption by non-household customers (but excluding NDM Offtakes at which the End User is a Priority Customer); and

(f) lastly, NDM Supply Points at which Natural Gas is offtaken from the Distribution System for consumption by household customers and DM Offtakes and NDM Supply Points at which the End Users are Priority Customers.

The Shipper(s) at the Sub-Sea I/C Offtake shall in a timely manner and from time to time as requested by the Transporter notify to the Transporter the amount of the Annual Consumption and/or offtake at the Sub-Sea I/C Offtake which is for the purpose of power generation and that which is for the purposes of non-power generation. Where the Transporter requires a reduction in demand or offtake from the Transportation System (or any localised part thereof) including the Sub-Sea I/C Offtake then the Sub-Sea I/C Offtake shall be treated

(i) with respect to that part of the Annual Consumption or demand at the Sub-Sea I/C Offtake which is in respect of power generation as an equivalent LDM Offtake;

(ii) with respect to the Annual Consumption or demand which is for non power generation in the same manner as those offtakes in category (f).

1.9.2 In so reducing demand at LDM Exit Points in accordance with Section 1.9.1 the Transporter will comply with any operational procedures for the control of Emergencies (including any such procedures as may be agreed by the Transporter with any Adjacent TSO), subject to the Natural Gas Emergency Plan and the directions of the NGEM, give due consideration, upon notice from a Shipper and in a timely fashion (including at the time of submission of the Long Term LDM Capacity Request) and where practicable as to enable End Users to discontinue offtake in such a manner as to protect so far as possible essential or major capital items of plant, or to allow the End User to change to alternative fuels (where practicable).

1.9.3 Where, pursuant to an Emergency, the Transporter instructs a Shipper to give any notification or communication to an End User or supplier, the Shipper shall comply with such instruction and procure that the End User or supplier complies with such instruction save to the extent that there is any conflict between a notification or communication to the End User or supplier which the Shipper issues on the instruction of the Transporter and the obligation of the End User or supplier to the Transporter pursuant to this Code or any applicable End User Agreement. .

1.9.4 Without prejudice to the Transporter's ability to take any Emergency Steps and any other rights which the Transporter may have under this Code, the Transporter may, discontinue the offtake of Natural Gas at and/or disconnect, any Offtake Point at which a Registered Shipper and/or the End User do not comply with any instruction given under this Section 1.

1.9.5 The order in which, following an Emergency, offtake of Natural Gas at Offtake Points is restored shall (so far as is practicable) be the inverse of that under Section 1.9.1.

1.9.6 The Transporter shall not unduly discriminate between Offtake Points within each of the above categories listed in Section 1.9.1 in reducing demand on the Transportation System.

1.9.7 For the purposes of calculating Balancing Charges in accordance with Part E (*Balancing and Shrinkage*) Section 1 (*Balancing*), an Emergency shall be deemed to cease only with effect from the start of the Day (i.e. 05:00 hours) which commences after the time notified by the Transporter to the relevant Shippers as the time that the Emergency has ceased. For all other purposes the Emergency shall be deemed to cease at the time specified in the notice issued by the Transporter in accordance with Section 1.7.1.

1.10 Consequences of Emergency

1.10.1 In the event of an Emergency, the Transporter may suspend any of the provisions of this Code and/or any Ancillary Agreement (save for the financial obligations of a Shipper under this Code and/or any Ancillary Agreement) with respect to any Shipper. The provisions of the Code that may be suspended include those in relation to the balancing regime (and associated Balancing Charges and Scheduling Charges) and Capacity Overrun Charges.

1.10.2 The Transporter and each Shipper 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 respective abilities subsequently to perform their respective obligations (other than any financial obligations) pursuant to this Code and any Ancillary Agreement and acknowledge that any such impairment resulting from such diversion of resources shall not constitute a breach of this Code or any Ancillary Agreement, but may constitute Force Majeure pursuant to Part I (*Legal and General*) Section 3 (*Force Majeure*).

1.11 Costs

1.11.1 The Transporter shall:

(a) not be liable for any costs incurred by a Shipper which arise out of an Emergency or as a result of taking any Emergency Steps or any other steps imposed by the Transporter in accordance with Section 1.7.5; and

(b) be Cash Neutral with regard to any costs incurred by the Transporter in respect of an Emergency or as a result of taking any Emergency Steps or any other steps imposed by the Transporter in accordance with Section 1.7.5, which costs shall be charged to the Disbursements Account.

1.11.2 Each Shipper shall be liable for its own costs incurred in respect of an Emergency save, however, that if the offtake of Natural Gas by a Shipper

("**First Shipper**") is reduced pursuant to Section 1.9 (*Offtake Point Control*) with the effect that the First Shipper's Natural Gas is offtaken by another Shipper ("**Benefiting Shipper**"), the Benefiting Shipper shall pay the Imbalance Price (Non RNG) for that quantity of the First Shipper's Natural Gas offtaken by such Benefiting Shipper to the Transporter on behalf of the First Shipper and the Transporter shall pay such sums so received to the First Shipper.

1.12 **Report and Audit**

1.12.1 The Transporter shall, following each Emergency other than a Natural Gas Emergency prepare a report ("**Emergency Report**") in respect of such Emergency and shall provide a copy of such Emergency Report to the Commission.

1.12.2 In the event of an Emergency, either the Commission and/or the affected Shippers may require within six (6) Months of the end of such Emergency that 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.

1.12.3 Where the Commission or the affected Shippers require appointment of an independent expert in accordance with Section 1.12.2, the Transporter shall appoint an appropriate, internationally recognised professional entity approved by the Commission and provide to such entity all reasonable information such as to allow such entity to establish:

(a) the cause of the Emergency; and

(b) where relevant, the remedial actions that need to be taken to minimise the likelihood of such Emergency arising again.

1.12.4 A copy of the audit report ("**Audit Report**") prepared pursuant to Section 1.12.3 shall be provided to the Commission. A summary of the audit report shall be made available to such Shippers who have paid for such review in accordance with Section 1.12.5.

1.12.5 The cost of such audit, if requested by Shippers, shall be shared between the Shippers that requested the audit. The cost of any remedial measures, if any, effected by the Transporter and resulting from the audit, shall be recoverable from all Shippers in such manner as may be determined by the Transporter with the approval of the Commission taking into account the nature and scope of any such remedial measures.

1.12.6 In the event that the audit determines that the Emergency would not have occurred but for the Wilful Misconduct of the Transporter, then the Transporter shall be entitled to dispute such determination in accordance with Part I (*Legal and General*) Section 6 (*Dispute Resolution*). The Transporter

shall only be liable to any Shipper, in any event, to the extent specified in Part I (*Legal and General*) Section 2 (*Liabilities and Indemnities*).

2. PHYSICAL CONGESTION

2.1 Operational Flow Order

2.1.1 "**Operational Flow Order**" or "**OFO**" means an order issued by the Transporter to Shippers on or before a Difficult Day or a Restricted Capacity Day (as the case may be), or in anticipation of a Difficult Day or a Restricted Capacity Day (as the case may be), to prevent a Difficult Day or a Restricted Capacity Day (as the case may be) occurring in respect of the Transportation System or any localised part thereof, instructing Shippers in accordance with this Section 2.

2.1.2 Each Shipper at an IP Entry Point and/or an IP CSEP or registered at an Entry Point at a CGI Gas Point, at the Sub-Sea I/C Offtake at a LDM Exit Point or at a TCDM Exit Point shall comply with an OFO as soon as reasonably practicable and in any event within:

(a) six (6) hours if the OFO is issued at or before 18:00 hours on D-1; and

(b) three (3) hours if the OFO is issued after 18:00 hours on D – 1;

(c) one (1) hour if the OFO is issued on D.

2.1.3 Each Shipper registered at a LDM or DM Supply Point shall comply with an OFO as soon as reasonably practicable and in any event within:

(a) six (6) hours if the OFO is issued on or before 18:00 hours on D – 1;

(b) three (3) hours if the OFO is issued after 18:00 on D – 1; and

(c) one (1) hour if the OFO is issued on D.

2.2 Difficult Day

2.2.1 "**Difficult Day**" means a Day declared by the Transporter where there is insufficient flexibility available on the Transportation System or any localised part thereof to accommodate Shippers' within-day profiles at LDM Offtake(s), other than those profiles which specify a uniform offtake rate.

2.2.2 The Transporter may declare a Difficult Day and instruct the Shippers affected by the Difficult Day by issuing an initial OFO and each such Shipper shall be required to comply with the OFO in accordance with its terms.

2.2.3 The Transporter may through the issuance of an OFO on a Difficult Day:

(a) require a Registered Shipper to offtake from a LDM Offtake, its Nominated Quantity or Renominated Quantity (or that part of such quantity of Natural Gas which has not already been offtaken) at a uniform rate but without prejudice to the Shipper's right to make a Renomination in accordance with the provisions of Part D (*Nominations, Allocations*

and NDM Supply Point Reconciliation) Section 1 (*Nominations and Renominations*) and the relevant ramp rates and notice periods as outlined in this Code and/or as otherwise notified by the Transporter to the Shipper; and/or

(b) without prejudice to Section 1 (*Emergencies*) and this Section 2, take any available steps to ensure that Natural Gas is offtaken at a uniform rate at each LDM Offtake.

2.2.4 The declaration of a Difficult Day shall not affect the percentage tolerance levels specified in Part E (*Balancing and Shrinkage*) Section 1 (*Balancing*).

2.3 Restricted Capacity Day

2.3.1 "**Restricted Capacity Day**" means a Day declared by the Transporter on which a Shipper is unable to deliver to the Transportation System or offtake from the Transportation System its Nominated Quantity, IP Nominated Quantity, Renominated Quantity or IP Renominated Quantity, as the case may be, including as a result of Maintenance and where:

(a) there is reduced capacity on the Transportation System or any localised part thereof for reasons of physical or operational constraint, or

(b) the inability to deliver or offtake is at an Interconnection Point which is Contractually Congested and the Transporter anticipates that it may not be in a position to buyback capacity from Shippers at all or in sufficient quantities or within an appropriate time period.

2.3.2 The Transporter may declare a Restricted Capacity Day and instruct each Shipper affected by the Restricted Capacity Day by issuing an OFO(s) and each Shipper shall be required to comply with an OFO in accordance with its terms.

2.3.3 The Transporter may issue an OFO(s) before and/or during a Restricted Capacity Day and shall specify in any such OFO if the Restricted Capacity Day is due to Maintenance at an Entry Point at a CGI Entry Point or at an IP Entry Point.

2.4 NOT USED

2.5 Restricted Capacity at an IP Entry Point, an Entry Point and/or at the South-North IP CSEP

2.5.1 Where the Transporter has issued an initial OFO declaring a Restricted Capacity Day in respect of an IP Entry Point, an Entry Point or the South-North IP CSEP, it shall as soon as is reasonably practicable thereafter, issue a further OFO which shall identify each Shipper's Available Active IP Entry Capacity, Available Active Entry Capacity or Available Active IP CSEP Offtake Capacity at such affected IP Entry Point, Entry Point or the South-

North IP CSEP (as the case may be) on such Day calculated in accordance with Section 2.5.2 (b).

2.5.2 The Transporter shall subject to paragraph (d) below determine the Restricted Capacity Percentage in accordance with Section (a) which, when applied to a Shipper's Active IP Entry Capacity, Active Entry Capacity or the Shipper's Active IP CSEP Offtake Capacity on the Restricted Capacity Day, shall give the available IP Entry Capacity for such Restricted Capacity Day ("**Available Active IP Entry Capacity")** available Entry Capacity for such Restricted Capacity Day ("**Available Active Entry Capacity**") or available IP CSEP Offtake Capacity (the "**Available Active IP CSEP Offtake Capacity**") (as the case may be) for each Shipper registered as holding IP Entry Capacity, Entry Capacity or IP CSEP Offtake Capacity at the affected IP Entry Point, Entry Point, CGI Gas Point or IP CSEP (as the case may be) calculated in accordance with Section 2.5.2 (b) or Section 2.5.2(c) (as the case may be):

(a) "**Restricted Capacity Percentage**" means the percentage calculated by the Transporter in accordance with the following formula:

$$\mathbf{RCP_D = (TAC_D / TPC_D) * 100}$$

where:

RCP_D = the Restricted Capacity Percentage for a Restricted Capacity Day;

TAC_D = the Transporter's estimate of the total amount of IP Entry Capacity or IP CSEP Offtake Capacity available at an affected IP Entry Point, Entry Point, CGI Gas Point or IP CSEP on a Restricted Capacity Day ("**Total Available IP Entry Capacity**" or **Total Available Entry Capacity**" or "**Total Available IP CSEP Offtake Capacity**" (as the case may be)); and

TPC_D = the aggregate Primary Entry Capacity held by Shippers registered at the IP Entry Point or the Entry Point at all CGI Gas Points configured within the same CGI Entry Point on a Restricted Capacity Day or the aggregate IP CSEP Offtake Capacity held by Shippers at the IP CSEP on a Restricted Capacity Day.

The Restricted Capacity Percentage shall save in respect of CGI Gas Points at an Affected CGI Entry Point be equal for all Shippers holding Active IP Entry Capacity and/or Active Entry Capacity(or Active IP

CSEP Offtake Capacity on a Restricted Capacity Day at an affected IP Entry Point, Entry Point or the IP CSEP (as the case may be it being acknowledged that the Transporter shall determine the Restricted Capacity Percentage at or in respect of a CGI Gas Point having due regard to the provisions of paragraph 2.5.2(d) below); and

(b) each Shipper's Available Active IP Entry Capacity or Available Active Entry Capacity shall be calculated by the Transporter in accordance with the following formula:

$$\mathbf{AAEC_D = AEC_D * RCP_D}$$

where:

$AAEC_D$ = the Available Active IP Entry Capacity or Available Active Entry Capacity in respect of the Shipper on a Restricted Capacity Day;

AEC_D = the Active IP Entry Capacity or Active Entry Capacity held by the Shipper at an affected Entry Point on a Restricted Capacity Day; and

RCP_D = the Restricted Capacity Percentage for a Restricted Capacity Day calculated in accordance with Section (a).

(c) Each Shipper's Available Active IP CSEP Offtake Capacity shall be calculated in accordance with the following formula:

$$AAS/NC_D = \mathbf{SNC_D * RCP_D}$$

where:

AAS/NC_D = the Available Active IP CSEP Offtake Capacity in respect of the Shipper on a Restricted Capacity Day;

SNC_D = the IP CSEP Offtake Capacity held by the Shipper in respect of the IP CSEP on a Restricted Capacity Day;

RCP_D = the Restricted Capacity Percentage for a Restricted Capacity Day calculated in accordance with Section (a).

(d) The Transporter shall take into account the specificities of CGI Entry Points when determining the form and content of an OFO in respect of a CGI Gas Point configured within an affected CGI Entry Point when

determining the Total Available Capacity at a CGI Entry Point and each CGI Gas Point configured within it and the Restricted Capacity Percentage in respect of each CGI Gas Point at the CGI Entry Point.

Where reasonably practicable the Transporter shall engage with the Connected System Operator at the CGI Entry Point to facilitate calculation of the Restricted Capacity Percentage and Available Active Entry Capacity at each CGI Gas Point and at an affected CGI Entry Point.

2.5.3 Each Shipper that receives an OFO in respect of a Restricted Capacity Day at an IP Entry Point or at an IP CSEP or at an Entry Point shall be required to submit a revised IP Nomination, IP Renomination, Nomination(s) or a Renomination(s), as appropriate, so that such:

(a) a Shipper's IP Nomination Confirmed Quantities at the affected IP Entry Point do not in aggregate exceed the Shipper's Available Active IP Entry Capacity at the affected IP Entry Point and/or

(b) the Shipper's IP CSEP Offtake Nomination Confirmed Quantities at the affected IP CSEP do not in aggregate exceed the Shipper's Available Active IP CSEP Offtake Capacity; and/or

(c) a Shipper's Valid Entry Nomination or Valid Entry Renomination in respect of the affected Entry Point in respect of a Restricted Capacity Day is less than, or equal to, its Available Active Entry Capacity.

2.5.4 The Transporter shall reject any IP Entry Nomination which specifies an IP Nominated Quantity which is (or is in aggregate with any other IP Nomination Confirmed Quantity for that Shipper for the same Day at the IP Entry Point) in excess of the Shipper's Available Active IP Entry Capacity at the affected IP Entry Point and shall reject any Nomination or Renomination in respect of an affected Entry Point which specifies a Nominated Quantity or a Renominated Quantity in excess of a Shipper’s Available Active Entry Capacity at the affected Entry Point in respect of a Restricted Capacity Day. The Transporter shall reject any Nomination or Renomination in respect of the IP CSEP which specifies a IP Nominated Quantity in excess of a Shipper’s Available Active IP CSEP Offtake Capacity in respect of a Restricted Capacity Day.

2.5.5 The Transporter may, at any time, issue further OFOs revising each Shipper’s Available Active IP Entry Capacity, Available Active Entry Capacity or Available Active IP CSEP Offtake Capacity if it updates the Restricted Capacity Percentage at the IP Entry Point, Entry Point or the IP CSEP (as applicable) for the Restricted Capacity Day. Following receipt of any such OFO, a Shipper shall be required to submit an IP Renomination or a Renomination in order to secure that such Shipper's aggregate IP Nomination Confirmed Quantities at the affected Interconnection Point and/or a Valid

Entry Nomination or Valid Entry Renomination at the affected Entry Point or the Shipper's aggregate IP CSEP Offtake Nomination Confirmed Quantities at the IP CSEP in respect of the Restricted Capacity Day is less than or equal to its Available Active IP Entry Capacity, Available Active Entry Capacity or Available Active IP CSEP Offtake Capacity (as the case may be).

2.6 **Trade of IP Capacity or Entry Capacity on a Restricted Capacity Day**

2.6.1 All trading of IP Entry Capacity and/or Entry Capacity and/or IP CSEP Offtake Capacity in respect of an affected IP Entry Point or Entry Point or IP CSEP on or in respect of a Restricted Capacity Day will be suspended until such time as the Transporter has informed Shippers of their Available Active IP Entry Capacity and/or Available Active Entry Capacity and/or Available Active IP CSEP Offtake Capacity in accordance with Section 2.5 where the Transporter issues:

(a) an initial OFO; and/or

(b) any subsequent OFO that advises Shippers that the Transporter proposes to recalculate the Restricted Capacity Percentage.

2.6.2 An Entry Capacity Trade Request submitted in respect of Entry Capacity at an affected Entry Point or an IP Trade Proposal submitted at an affected Interconnection Point but not accepted prior to the issuance of an OFO or as referred to in Section 2.6.1 shall be rejected. A Shipper whose Entry Capacity Trade Request or IP Trade Proposal is so rejected shall be entitled to submit an amended Entry Capacity Trade Request or IP Trade Proposal received a subsequent OFO specifying its Available Active Entry Capacity or applicable Available Active IP Capacity.

2.6.3 Subject to Sections 2.6.1, 2.6.2 and 2.6.5, a Shipper registered at an affected Interconnection Point Entry Point or at an Entry Point shall be permitted to trade IP Entry Capacity or Entry Capacity in accordance with Part C (*Capacity*) Section 5 (*IP Capacity Trades*) or Section 4 (*Entry Capacity Trades*) throughout the Restricted Capacity Day.

2.6.4 An IP Trade Proposal or an Entry Capacity Trade that is accepted by the Transporter subsequent to the issue of an OFO specifying the Available Active IP Capacity or Available Active Entry Capacity shall reduce the Available Active IP Capacity or Available Active Entry Capacity of the Transferor Shipper and increase the Available Active IP Capacity or Available Active Entry Capacity of the Transferee Shipper by the amount of the Available Active IP Capacity or Available Active Entry Capacity (as the case may be) that is the subject matter of any accepted IP Capacity Trade or Entry Capacity Trade submitted after the issue of an OFO in respect of a Restricted Capacity Day.

2.6.5 The Transporter shall reject an IP Trade Proposal or Entry Capacity Trade

Request in respect of an affected IP Entry Point or an affected Entry Point on a Restricted Capacity Day, which requests a trade of an amount of IP Entry Capacity or an Entry Capacity Trade Quantity amount greater than the amount of Entry Capacity determined by multiplying the Restricted Capacity Percentage by the portion of the Transferor Shipper's Active IP Capacity or Active Entry Capacity.

2.7 Restricted Capacity at LDM Offtakes and DM Offtakes and at the Sub-Sea I/C Offtakes

2.7.1 Where the Transporter has declared a Restricted Capacity Day which affects the offtake of Natural Gas from the Transportation System or any localised part thereof, the Transporter shall allocate the capacity on the Transportation System or affected localised part thereof ("**Restricted Capacity**") among Shippers in accordance with Sections 2.7.2, 2.7.3 and 2.7.4.

2.7.2 The Transporter shall allocate Restricted Capacity on the Transportation System or any localised part thereof among Shippers in a fair and not unduly discriminatory manner and in an order of priority which is the inverse of that set out in Section 1.9.1.

2.7.3 In addition to Section 2.7.2 and only with respect to Registered Shippers at LDM Exit Points or the Sub-Sea I/C Offtake, the Transporter shall, where practicable, have regard to:

(a) an individual Shipper's or End User's requirements to enable such Shipper or End User to discontinue offtake in a manner which allows them to preserve essential or major capital items of plant where any such Shipper or End User has notified the Transporter of its requirement in a timely fashion;

(b) where a Shipper or End User has a facility to change to alternative fuels and has notified the Transporter accordingly, to allow any such Shipper or End User to effect such change; and

(c) the potential to mitigate serious adverse consequences for any Shipper or End User (which has identified such potential consequences to the Transporter in a timely fashion including at the time of submission of the Long Term LDM Capacity Request) having regard to the requirements of the Transportation System or any localised part thereof.

2.7.4 The Transporter shall issue to each Registered Shipper at an affected LDM Offtake or DM Offtake, an OFO instructing such Shipper as to its share of the Restricted Capacity in respect of each affected Offtake Point at which the Shipper is a Registered Shipper.

2.7.5 For the purposes of this Code:

(a) "**Available Active LDM Exit Capacity**" means the amount of Active LDM Exit Capacity available to a Registered Shipper at or in respect of an individual LDM Offtake Point on or in respect of a Restricted Capacity Day as notified to such Shipper by the Transporter in an OFO issued pursuant to Section 2.7.4;

(b) "**Available DM Exit Capacity**" means the amount of DM Exit Capacity available to a Registered Shipper at or in respect of an individual DM Offtake Point on or in respect of a Restricted Capacity Day as notified to such Shipper by the Transporter in an OFO issued pursuant to Section 2.7.4;

(c) "**Available Active LDM Supply Point Capacity**" means the amount of LDM Supply Point Capacity available to a Registered Shipper at or in respect of a LDM Supply Point on or in respect of a Restricted Capacity Day as notified to such Shipper by the Transporter in an OFO issued pursuant to Section 2.7.4;

(d) "**Available DM Supply Point Capacity**" means the amount of DM Supply Point Capacity available to a Registered Shipper at an individual DM Supply Point on or in respect of a Restricted Capacity Day as notified to such Shipper by the Transporter in an OFO issued pursuant to Section 2.7.4; and

(e) "**Available Aggregate Primary DM Exit Capacity**" means the amount of Aggregate Primary DM Exit Capacity available to a Shipper on a Restricted Capacity Day at or in respect of the DM Offtakes at which it is the Registered Shipper, which shall be the sum of such Shipper's:

(i) Available DM Exit Capacity at or in respect of the relevant affected DM Offtake(s) (as notified to the Shipper in the relevant OFO pursuant to Section 2.7.4) on the Restricted Capacity Day; and

(ii) the sum of the DM Exit Capacity held at or in respect of DM Offtakes on the Restricted Capacity Day not affected by an OFO,

(f) "**Available Sub-Sea I/C Offtake Capacity**" means the amount of Sub-Sea I/C Offtake Capacity available to a Registered Shipper at the Sub-Sea I/C Offtake on or in respect of a Restricted Capacity Day as notified to such Shipper by the Transporter in an OFO issued pursuant to Section 2.7.4.

2.7.6 Each Shipper that receives an OFO pursuant to Section 2.7.4 that refers to LDM Exit Capacity in respect of a LDM Offtake(s), shall be required to submit a revised Nomination or a Renomination, as appropriate, so that such

Shipper's Valid Exit Nomination or Valid Exit Renomination at the affected LDM Offtake(s) on the Restricted Capacity Day is less than or equal to such Shipper's Available Active LDM Exit Capacity(ies) in respect of such LDM Offtake(s).

Each Shipper that receives an OFO pursuant to Section 2.7.4 that refers to Sub-Sea I/C Offtake Capacity in respect of the Sub-Sea I/C Offtake shall be required to submit a revised Nomination or a Renomination, as appropriate, so that such Shipper's Valid Sub-Sea I/C Offtake Nomination or Valid Sub-Sea I/C Offtake Renomination at the Sub-Sea I/C Offtake on the Restricted Capacity Day is less than or equal to such Shippers Available Sub-Sea I/C Offtake Capacity at the Sub-Sea I/C Offtake.

2.7.7 Each Shipper that receives an OFO pursuant to Section 2.7.4 that refers to DM Exit Capacity at or in respect of a DM Offtake(s) shall be required to submit a revised Nomination or a Renomination, as appropriate, so that such Shipper's Valid Exit Nomination or Valid Exit Renomination at or in respect of the DM Offtake(s) at which it is the Registered Shipper for the Restricted Capacity Day is less than or equal to such Shipper's Available Aggregate Primary DM Exit Capacity.

2.7.8 The Transporter may issue further OFOs to Shippers at any time revising such Shippers' Available Active LDM Exit Capacity, Available Aggregate Primary DM Exit Capacity or Available Active LDM Supply Point Capacity or Available DM Supply Point Capacity (as the case may be) at, or in respect of, the relevant Offtake Point(s) on the Restricted Capacity Day. Following receipt of any such OFO, Shippers shall be required to make a Renomination if their Valid Exit Nomination or Valid Exit Renomination in respect of the LDM Offtake(s) and the DM Offtake(s) at which it is the Registered Shipper for the Restricted Capacity Day exceeds the revised Available Active LDM Exit Capacity or Available Aggregate Primary DM Exit Capacity, as appropriate, specified in the OFO.

2.7.9 The Transporter shall reject any Nomination or Renomination in respect of an affected Offtake Point(s) which specifies a Nominated Quantity or a Renominated Quantity in excess of such Shipper's Available Active LDM Exit Capacity, Available Sub-Sea I/C Offtake Capacity or Available Aggregate Primary DM Exit Capacity (as the case may be) in respect of a Restricted Capacity Day.

2.7.10 Where a Shipper fails to achieve a Valid Nomination or a Valid Renomination in accordance with Sections 2.7.6, 2.7.7 or 2.7.8, the Transporter shall be entitled to exercise its right to revoke or limit a Valid Nomination or a Valid Renomination in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.5 (*Revocation of Valid Nominations*) in respect of such Shipper's Valid Exit Nomination or Valid Exit Renomination, or Valid Sub-Sea I/C Offtake

Nomination or Valid Sub-Sea I/C Offtake Renomination on the basis that such Shipper is not entitled to have a Valid Nomination or a Valid Renomination which specifies a Nominated Quantity in excess of its Available Active LDM Exit Capacity, Available Sub-Sea I/C Offtake Capacity or Available Aggregate Primary DM Exit Capacity, as appropriate.

2.8 **Transfer of Exit Point/Supply Point Capacity on a Restricted Capacity Day**

2.8.1 An Exit Capacity Transfer Request in respect of LDM Exit Capacity or a LDM Supply Point Capacity Title Transfer Request, in respect of LDM Supply Point Capacity submitted by a Shipper, but not accepted by the Transporter prior to the issue of an OFO in respect of the Transportation System or any localised part thereof, shall be rejected if it relates to an Offtake Point(s) which is affected by a Restricted Capacity Day or a category of Exit Capacity or Supply Point Capacity which is affected by a Restricted Capacity Day.

2.8.2 The Transporter shall reject any Exit Capacity Transfer Request or LDM Supply Point Capacity Title Transfer Request, as appropriate, in respect of a LDM Offtake affected by a Restricted Capacity Day submitted following the issue of an OFO.

2.9 **Effect of a Restricted Capacity Day at NDM Supply Points**

If a Restricted Capacity Day has an impact on any NDM Supply Point the Transporter may declare an Emergency according to the provisions of Section 1 (*Emergencies*).

2.10 **Not Used**

2.11 **Nominations on a Restricted Capacity Day**

On a Restricted Capacity Day:

2.11.1 Without prejudice to the Transporters right to determine and submit IP Nomination Processed Quantities for a Shipper in accordance with Section 2.15; each Shipper shall ensure the IP Nominated Quantity specified in such Shipper's IP Entry Nomination(s) or IP CSEP Offtake Nominations are in aggregate less than or equal to the Shipper's Available Active IP Entry Capacity or Available Active IP CSEP Offtake Capacity at the applicable IP Entry Point or IP CSEP Offtake (as the case may be).

2.11.2 Each Shipper shall ensure that the Nominated Quantities or Renominated Quantities specified in such Shipper's Nominations or Renominations, are less than or equal to such Shipper’s relevant Available Active Entry Capacity or Available Active LDM Exit Capacity or Available Sub-Sea I/C Offtake Capacity or Available Aggregate Primary DM Exit Capacity (as the case may be).

2.11.3 The provisions of Part D (*Nominations, Allocations and NDM Supply Point*

Reconciliation) Section 1 (*Nominations and Renominations*) shall be read and construed as if all references therein to a Shipper's Active IP Entry Capacity, Active Entry Capacity, Active LDM Exit Capacity, Sub-Sea I/C Offtake Capacity, Active IP CSEP Offtake Capacity or Aggregate Primary DM Exit Capacity, are references to such Shipper's Available Active IP Entry Capacity or Available Active Entry Capacity or Available Active LDM Exit Capacity or Available Sub-Sea I/C Offtake Capacity or Available Active IP CSEP Offtake Capacity or Available Aggregate Primary DM Exit Capacity (as the case may be) and each of the Shipper's and the Transporter's rights and obligations shall be read and construed accordingly.

2.11.4 The Transporter shall reject any Nominations or Renominations submitted by a Shipper which are in excess of such Shipper's Available Active Entry Capacity or Available Active LDM Exit Capacity or Available Sub-Sea I/C Offtake Capacity or Available Active IP CSEP Offtake Capacity or Available Aggregate Primary DM Exit Capacity (as the case may be) and shall also reject any Nominations or Renominations by any Shipper in excess of such Shipper's Active Capacity or Available Aggregate Primary DM Exit Capacity (as the case may be) on the Restricted Capacity Day unless the effect of such Nomination or Renomination would be to alleviate the effect of the Restricted Capacity Day.

2.11.5 Without prejudice to Section 2.15 on a Restricted Capacity Day the Transporter may for a Shipper determine an IP Nomination Processed Quantity which is the lesser of:

(1) the Shippers IP Nominated Quantity;

(2) the Shippers applicable Available Active Capacity;

and where a Shipper has more than one IP Entry Nomination and/or more than one IP CSEP Offtake Nomination for the Restricted Capacity Day the Transporter may apply the Shippers Available Active IP Capacity among the Shipper's applicable IP Nominations pro rata to the relevant IP Nominated Quantities in such IP Nominations.

2.11.6 On notification by the Transporter to the Shipper a Shipper shall not be entitled to submit Interruptible Nominations or Interruptible IP Nominations to the Transporter and the Transporter shall be entitled to reject any such Interruptible Nominations or Interruptible IP Nominations it receives. Where a Shipper has an IP Nomination Confirmed Quantity in respect of an Interruptible IP Nomination or Valid Nomination, Valid Renomination which is Interruptible in accordance with the Code, then such Shipper shall renominate such that the Shipper's Valid Nomination or IP Nomination Confirmed Quantity in respect of the Interruptible IP Nomination shall be zero.

2.12 Offtake of Natural Gas on a Restricted Capacity Day

On a Restricted Capacity Day a Shipper:

(a) registered at a LDM Offtake shall not offtake Natural Gas in excess of such Shipper's Available Active LDM Exit Capacity(ies) or Available Active LDM Supply Point Capacity (as the case may be) in respect of such LDM Offtake;

(b) registered as holding DM Exit Capacity shall not offtake:

(i) quantities of Natural Gas in excess of such Shipper's Available Aggregate Primary DM Exit Capacity;

(ii) at any one TCDM Exit Point, quantities of Natural Gas in excess of such Shipper's Available DM Exit Capacity in respect of such TCDM Exit Point; and/or

(iii) at a DM Supply Point, quantities of Natural Gas in excess of such Shipper's Available DM Supply Point Capacity in respect of such DM Supply Point;

(a) registered as holding NDM Exit Capacity shall not offtake at any NDM Supply Point Natural Gas in excess of such Shipper's Supply Point Capacity in respect of such NDM Supply Point;

(b) not used;

(c) registered at the Sub-Sea I/C Offtake shall not offtake Natural Gas in excess of such Shipper's Available Sub-Sea I/C Offtake Capacity; and

(d) registered at the IP CSEP shall not offtake Natural Gas in excess of such Shipper's Available Active IP CSEP Offtake Capacity.

2.13 Capacity Overruns on a Restricted Capacity Day

2.13.1 For the purposes of determining any Capacity Overruns or IP Capacity Overruns applicable to a Shipper on a Restricted Capacity Day, a Shipper's:

(a) Active IP Entry Capacity at an affected IP Entry Point shall be deemed to be equal to the Shipper's Available Active IP Entry Capacity;

(b) Active Entry Capacity at an affected Entry Point or at an affected CGI Gas Point shall be deemed to be equal to a Shipper's Available Active Entry Capacity, adjusted for any Entry Capacity Trades;

(c) Active LDM Exit Capacity at or in respect of affected LDM Offtake Points shall be deemed to be equal to such Shipper's Available Active LDM Exit Capacity;

(d) Aggregate Primary DM Exit Capacity shall be deemed to be equal to such

Shipper's Available Aggregate Primary DM Exit Capacity;

(e) Active LDM Supply Point Capacity shall be deemed to be such Shipper's Available Active LDM Supply Point Capacity;

(f) DM Supply Point Capacity shall be deemed to be such Shipper's Available DM Supply Point Capacity;

(g) Sub-Sea I/C Offtake Capacity shall be deemed to be such Shipper's Available Sub-Sea I/C Offtake Capacity; and

(h) IP CSEP Offtake Capacity shall be deemed to be such Shipper's Available Active IP CSEP Offtake Capacity.

2.13.2 Where a Registered Shipper at a TCDM Exit Point affected by a Restricted Capacity Day offtakes Natural Gas at such TCDM Exit Point at a rate or quantity which is in breach of an OFO then, without prejudice to the provisions of Part I (*Legal and General*) Section 4 (*Suspension and Termination*), such Shipper shall be in breach of this Code and shall incur an Exit Capacity Overrun Charge calculated in accordance with Part C (*Capacity*) Section 10.4.5 (*Exit Capacity Overrun Charge*) for which the Exit Capacity Overrun Quantity shall be the difference between the quantity of Natural Gas offtaken by such Shipper at such TCDM Exit Point and such Shipper's Available DM Exit Capacity in respect of such TCDM Exit Point in respect of such Day.

2.14 Restricted Capacity Day Report

2.14.1 The Transporter shall act to mitigate the effects of a Restricted Capacity Day and, consistent with the other provisions of this Code, will not knowingly act in any manner which the Transporter would expect to result in an increase in the probability of a Restricted Capacity Day occurring. The Transporter shall issue a report following each Restricted Capacity Day (or series of Days) to the Commission and the affected Shippers after issuing an OFO in respect of a Restricted Capacity Day(s).

2.14.2 The Transporter shall not be liable for any costs incurred by a Shipper arising out of a Difficult Day or a Restricted Capacity Day, howsoever incurred.

2.15 IP Processed Quantities – Exceptional Events/Restricted Capacity Days

2.15.1 Where an Exceptional Event is notified by the Transporter and affects an IP Entry Point and/or an IP CSEP subject to 2.15.3 the Transporter may:

(i) in respect of each Shipper at the affected IP Entry Point or IP CSEP Offtake which submits an IP Entry Nomination or IP CSEP Offtake Nomination develop an IP Nomination Processed Quantity which is the lesser of:

(a) the applicable IP Nominated Quantity specified in the Shipper's IP Entry Nomination or IP CSEP Offtake Nomination; or;

(b) such quantity as shall when aggregated with any other IP Nominated Quantity in such Shippers IP Entry Nomination(s) or such Shippers IP CSEP Offtake Nomination(s) (as applicable) for the Day shall be not more than the Shipper's Available Active IP Entry Capacity or Available Active IP CSEP Offtake Capacity (as the case may be);

(ii) in respect of a Shipper which has a prevailing IP Nomination Confirmed Quantity for the Day at the IP Entry Point or at the IP CSEP, develop an IP Nomination Processed Quantity which is the lesser of:

(a) the Shipper prevailing IP Nomination Confirmed Quantity; or

(b) such quantity as shall when aggregated with any other IP Nominated Quantity in such Shippers IP Entry Nomination(s) or IP CSEP Offtake Nomination(s) (as applicable) for the Day shall be not more than the Shippers Available Active IP Entry Capacity, or Available Active IP CSEP Offtake Capacity (as the case may be)

and in each case:

(1) shall submit such IP Nomination Processed Quantity to the IP Matching Procedure; and

(2) notify the Shipper of any revised IP Nomination Confirmed Quantity;

2.15.2 Where the Transporter is notified by an Adjacent TSO of the occurrence of an exceptional event affecting the Interconnected System for a Day at an Interconnection Point, the Transporter shall in respect of each Shipper with an IP Nomination Confirmed Quantity in respect of that Day generate an IP Nomination Processed Quantity for each such Shipper and submit that IP Nomination Processed Quantity to the Matching Procedure in the next available Matching Cycle unless the Shipper itself submits an IP Nomination at the affected Interconnection Point for that Matching Cycle. Where the Transporter generates an IP Nomination Processed Quantity for a Shipper pursuant to this Section 2.15.2 it shall reflect the Shipper's prevailing IP Nomination Processed Quantity.

2.15.3 Where an Exceptional Event affects an Interconnection Point, and the Transporter is also notified of an exceptional event affecting the Interconnected System Section 2.15.1 will apply.

2.15.4 Whereas Emergency (including any Exceptional Event which is declared as,

or results in an Emergency) affects an Interconnection Point then the Transporter may in respect of each Shipper submitting an IP Entry Nomination or IP CSEP Offtake Nomination, and in respect of each Shipper with a prevailing IP Nomination Confirmed Quantity develop an IP Nomination Processed Quantity in an amount which the Transporter considers may alleviate the Emergency and submit such IP Nomination Processed Quantity to the Matching Procedure.

2.15.5 The Transporter shall notify the Shipper of any revised IP Nomination Confirmed Quantity following the IP Matching Procedure.

2.16 Interruption at the IP VExit or the IP VEntry

2.16.1 Where there is an Interruption (or an interruption notified by the Adjacent TSO) at the IP VEntry or at the IP VExit.

(a) a revised IP Nomination Processed Quantity shall be calculated in respect of each Shipper which has;

(i) submitted an IP Nomination prior to the IP Nomination Deadline; and/or

(ii) a prevailing IP Nomination Confirmed Quantity at the applicable IP VEntry and/or IP VExit (and notwithstanding that such Shipper has not submitted an IP Renomination at the affected IP VEntry or IP VExit); and

the applicable IP Nomination Processed Quantity in respect of each such Shipper shall be calculated in accordance with Part D (*Nominations, Allocations and Supply Point Administration*) clause 1.4.13

(b) The Transporter shall notify each Shipper of any revised IP Nomination Confirmed Quantity following the applicable IP Matching Procedure.

2 A CONTRACTUAL CONGESTION

2 A.1. Contractual Congestion at Interconnection Points

2 A.1.1. For the purpose of this Code:

(a) "**Advance Buyback Agreement**" has the meaning in Section 2.A.16.2;

(b) **"Assessment Period**" means a period commencing at 05.00 hours on 1 April in a Gas Year and ending 04.59 on 1 April in the subsequent Gas Year;

(c) **"Buyback Offer Close Time"** has the meaning in Section 2.A.16.3**;**

(d) "**Capacity Surrender Acceptance Notice**" has the meaning in Section 2.A.6.1;

(e) "**Capacity Surrender Availability Period**" means a continuous period of one or more Months commencing on the first Day of a Month and ending on the last Day of that or a subsequent Month;

(f) "**Capacity Surrender Available Amount**" has the meaning in Section 2.A.5.1;

(g) "**Capacity Surrender Request**" has the meaning in 2.A.5.1;

(h) "**Capacity Surrender Window**" means a period of seven days commencing at 05.00 hours on the first Day of the calendar month which is two months prior to the first day of a Capacity Surrender Availability Period specified in a Capacity Surrender Request and ending at 04.59 hours on the seventh day after the opening of that Capacity Surrender Window;

(i) "**Contractual Congestion**" means in respect of a Interconnection Point that the level of demand for firm capacity exceeds the technical capacity (i) as determined in accordance with Section 2.A.2.2 or (ii) as determined by the Transporter (with approval of the Commission) by reference to the Monitoring Report published by ACER in accordance with Annex 1 (paragraph 2.2.1(3) of Regulation (EC) No. 715/2009 as amended) at the IP Entry Point or at the IP CSEP at that Interconnection Point and "**Contractually Congested**" shall be construed accordingly;

(j) **Contractually Congested Point**" means an IP Entry Point or a IP CSEP [ ] which is Contractually Congested and shall where the context so requires include a Deemed Contractually Congested Point;

(k) "**Contractual Congestion Effective Date**" shall mean the date as published by the Transporter with the approval of the Commission

and which date shall not be later than the first Day of the Gas Year which commences following the relevant Assessment Period;

(l) "**Deemed Contractually Congested Point**" shall have the meaning in Section 2.A.1.4;

(m) "**Interconnection Point Capacity Report**" has the meaning in Section 2A.3.1;

(n) "**Minimum Surrender Amount**" has the meaning in Section 2.A.5.1(g);

(o) "**Monitoring Report**" has the meaning in Section 2.A.9.1;

(p) "**Monitoring Period**" has the meaning in Section 2.A.9.2;

(q) "**Pre Auction Period**" shall in respect of any Capacity Surrender Request be five (5) Business Days prior to the date by which the Transporter must in accordance with Part C (*Capacity*) Section 2.2.5 notify the amount of Available IP Entry Capacity or IP CSEP Offtake Capacity (as the case may be) for that Capacity Auction;

(r) "**Offering Shipper**" has the meaning in Section 2.A.16.5;

(s) "**Oversubscription and Buyback Scheme**" has the meaning in Section 2.A.14.1;

(t) "**Oversubscription Capacity**" has the meaning in Section 2.A.14;

(u) "**Prescribed Unexpired Booking Period**" shall mean a period of one calendar year after the last day of a Monitoring Period and which period may extend over two consecutive Long Term Capacity Bookings;

(v) "**Revised Underutilisation Notice**" has the meaning in Section 2.A.10.8;

(w) "**Surrendered Capacity**" means IP Entry Capacity or IP CSEP Offtake Capacity in respect of which the Transporter has accepted the Shipper's Capacity Surrender Request as specified in a Capacity Surrender Acceptance Notice;

(x) "**Surrendered Capacity Acceptance Amount**" has the meaning in Section 2.A.6.2;

(y) "**Surrendered Capacity Duration**" means the period or periods as specified in a Capacity Surrender Acceptance Notice in respect of which the Transporter accepts a Shippers Valid Capacity Surrender Request;

(z) "**Surrendering Shipper**" means a Shipper which has submitted a Valid Capacity Surrender Request;

(aa) "**Systematically Underutilised Capacity**" has the meaning in Section 2.A.10.2;

(bb) "**Unbooked Capacity**" means the difference between the technical capacity at a Contractually Congested Point and the aggregate capacity booked by Shippers at that Contractually Congested Point;

(cc) "**Underutilisation Notice**" shall have the meaning in Section 2.A.10.3 and shall include a Revised Utilisation Notice where the context so requires;

(dd) "**Underutilising Shipper**" means a Shipper at a Contractually Congested Point in respect of where an Underutilisation Notice or a Revised Underutilisation Notice has been issued and not withdrawn;

(ee) "**Valid Buyback Offer**" has the meaning in Section 2.A.16.6;

(ff) "**Valid Capacity Surrender Request**" has the meaning in Section 2.A.5.6;

(gg) "**Withdrawable Capacity**" means that amount of a Shippers Systematically Underutilised Capacity which the Transporter reserves the right to withdraw from a Shipper in accordance with Section 2.A.12 and which shall be calculated as the difference between the Shippers Systematically Underutilised Capacity during the relevant Monitoring Period and the Shipper's peak day allocation plus 5% of such peak day allocation;

(hh) "**Withdrawal Availability Period**" has the meaning in Section 2.A.10.4(e);

(ii) "**Withdrawal Notice**" has the meaning in Section 2.A.13.

(jj) "**Withdrawal Period**" has the meaning in Section 2.A.13;

(kk) "**Withdrawn Capacity**" has the meaning in Section 2.A.13.

2 A.1.2. The Transporter shall, with the approval of the Commission, decide whether the level of demand for firm capacity at an Interconnection Point exceeds the technical capacity at that Relevant Interconnection Point in accordance with Section 2.A.2.2.

2 A.1.3. The provisions of this Part H (*Operations*) Section 2A (*Contractual Congestion*) shall apply only with respect to an IP Entry Point and/or a IP CSEP. An IP VEntry or an IP VExit may not be a Contractually Congested Point for so long as there is no firm Capacity available at such IP VEntry or IP VExit respectively notwithstanding that such IP VEntry or IP VExit may be located at an Interconnection Point which is Contractually Congested.

2 A.1.4. The Transporter may with the approval of the Commission decide that one or more of the provisions of Sections 2 A.4 to 2 A.7 (inclusive) shall apply with respect to an IP Entry Point or a IP CSEP located at an Interconnection Point notwithstanding that such Interconnection Point is not Contractually Congested (each a "**Deemed Contractually Congested Point**").

2 A.1.5. An IP Entry Point or an IP CSEP at an Interconnection Point shall become and/or shall cease to be a Contractually Congested Point with effect from such Day as the Transporter with the approval of the Commission may determine in accordance with this Code.

2 A.1.6. The Transporter shall give effect to the provision of this Part H (*Operations*) Section 2A (*Contractual Congestion*) so as to ensure that Capacity Surrender Available Amounts, Withdrawable Capacity and Oversubscription Capacity may be made available to Shippers pursuant to the relevant provisions of Part C (*Capacity*) with effect from the applicable Contractual Congestion Effective Date.

2 A.1.7. Nothing in this Section 2A shall affect the Transporter's right to give effect to the provision of Part H (Operations) Section 2 (*Physical Congestion*) and without prejudice to the generality of the foregoing the Transporter shall not be required to buyback capacity in accordance with Section 2.A.16 prior to issue of an Operational Flow Order, or prior to declaring a Difficult Day or a Restricted Capacity Day or an Exceptional Event at a Contractually Congested Point.

2 A.2. **Annual Assessment**

2 A.2.1. The Transporter shall conduct an annual assessment of IP Capacity Bookings and Shippers applications for firm capacity at each IP Entry Point and at each IP CSEP at an Interconnection Point to determine whether the level of demand for capacity at that IP Entry Point or IP CSEP exceeds the applicable technical capacity.

2 A.2.2. The demand for firm capacity at an IP Entry Point or at a IP CSEP at an Interconnection Point shall be deemed to exceed the applicable technical capacity where:

(a) the aggregate amount of

(i) IP Entry Capacity booked by Shippers at the relevant IP Entry Point; or

(ii) IP CSEP Offtake Capacity booked by Shippers at the relevant IP CSEP (as the case may be); and

in each case the amount of Capacity requested by Shippers at the same IP Entry Point and/or IP CSEP (as the case may be) exceeds the applicable technical capacity at such point for a period of fifteen (15) or more Gas Days (of which not less than five (5) shall be consecutive Gas Days) in an Assessment Period; or

(b) the aggregate firm capacity booked by Shippers at the relevant IP Entry Point or IP CSEP (as the case may be) exceeded ninety five per cent (95%) of the applicable technical capacity for more than thirty one (31) Gas Days of which not less than fifteen (15) were consecutive Gas Days in an Assessment Period; and

in each case excluding any Days in respect of which an Emergency or an Exceptional Event has been declared or is continuing and in either case the Transporter reasonably expects that such IP Capacity Bookings with respect to firm capacity and/or requests for capacity as referred to at (a) or (b) may recur or be exceeded in the next Assessment Period having due regard to:

(i) the forecast demand for firm capacity at the relevant IP Entry Point or IP CSEP; and

(ii) any contributory factors associated with the level of demand for firm capacity in the Assessment Period referred to at (a) and/or (b) and the likelihood of the recurrence of such factors.

2 A.3. **Notification of Contractual Congestion**

2 A.3.1. The Transporter shall produce a report (a "**Interconnection Point Capacity Report**") of each Annual Assessment undertaken pursuant to 2.A.2.1 and deliver it to the Commission not later than twenty (20) Business Days after the end of each Assessment Period. Each Interconnection Point Capacity Report shall identify:

(a) the Interconnection Point to which it relates;

(b) the IP Entry Point or IP CSEP (if any) referred to in the Interconnection Point Capacity Report which is Contractually Congested;

(c) the IP Entry Point or IP CSEP (if any) which in the Transporters opinion should be regarded as Contractually Congested or Deemed Contractually Congested Point(s); and

(d) which (if any) Contractually Congested Point(s) have ceased to be or should cease to be a Deemed Contractually Congested;

2 A.3.2. The Commission shall within 2 weeks after receipt of the Interconnection Point Capacity Report confirm to the Transporter the Commissions agreement or otherwise as to whether:

(a) a specified IP Entry Point orIP CSEP, as referred to in the Interconnection Point Capacity Report at which the Transporter considers the demand for firm capacity exceeds the technical capacity and accordingly is a Contractually Congested Point;

(b) which (if any) IP Entry Point or IP CSEP referred to in the Interconnection Point Capacity Report and should be a Deemed Contractually Congested Point; and/or

(c) any Contractually Congested Point should cease to be a Contractually Congested Point.

2 A.3.3. Where an IP Entry Point or IP CSEP is a Contractually Congested Point, the Interconnection Point at which the Contractually Congested Point is located shall be Contractually Congested.

2 A.3.4. The Transporter shall with the approval of the Commission notify Shippers of any decision that any Interconnection Point is Contractually Congested, the location of any Contractually Congested Point(s) and the applicable Contractual Congestion Effective Date.

2 A.4. Surrender of Contracted Capacity

2 A.4.1. The Transporter shall as soon as practicable after a decision has been made (with the approval of the Commission) that an Interconnection Point is Contractually Congested notify Shippers that requests by Shippers to surrender capacity at the Contractually Congested Point at that Interconnection Point may be submitted in accordance with Section 2.A.5.

2 A.4.2. Primary Capacity held by a Shipper for a duration which is Yearly, Quarterly or Monthly at a Contractually Congested Point may be offered for surrender pursuant to Section 2.A.5; IP Capacity held for a duration which is Daily or which is Secondary IP Capacity may not be the subject matter of a Capacity Surrender Request.

2 A.4.3. The Transporter shall in accordance with Section 2.A.5.10 include Capacity Surrender Available Amount(s) as specified in a Valid Capacity Surrender Request(s) in the capacity available to be booked by Shippers in accordance with Part C (*Capacity*) at the relevant Contractually Congested Point the Transporter shall not and shall not be required to publish the extent to which capacity made available is specifically as a result of Valid Capacity Surrender Request(s).

2 A.4.4. The Transporter may accept (in whole or in part) the surrender of Shipper's Capacity pursuant to a Shipper's Valid Capacity Surrender Request in order to allocate capacity to Shippers who have requested capacity at the relevant Contractually Congested Point where there is insufficient Unbooked Capacity available to meet a Shipper's request for IP Capacity at that Contractually Congested Point.

2 A.4.5. Shippers rights and obligations in relation to capacity which is the subject matter of a Valid Capacity Surrender Request shall continue in full force and effect save as otherwise provided pursuant to this Code.

2 A.4.6. A Shipper shall not reduce such Shippers Retained Primary IP Entry Capacity or IP CSEP Offtake (as the case may be) below the Capacity Surrender Available Amount for the Surrendered Capacity Availability Period in that Shipper's Valid Capacity Surrender Request or any part of it.

The Shipper's rights and obligations with respect to Surrendered Capacity shall be suspended for the Surrendered Capacity Duration save as otherwise expressly provided.

2 A.4.7. The Transporter may limit the number of Capacity Surrender Requests which the Transporter may accept at a Contractually Congested Point to not more than ten Capacity Surrender Requests at each Contractually Congested Point in respect of each Surrendered Capacity Duration.

2 A.4.8. Where the Transporter notifies the Adjacent TSO at an Interconnection Point that an IP Entry Point or an IP CSEP Offtake is Contractually Congested then:

(a) a Capacity Surrender Request in respect of Bundled IP Capacity submitted on the JBP is both a Capacity Surrender Request pursuant to this Code and a request to surrender Corresponding Adjacent System IP Capacity pursuant to the Interconnected System Transportation Arrangements; and

(b) a request to surrender capacity on the Interconnected System which is Bundled with IP Capacity pursuant to the applicable Interconnected System Transportation Arrangements may constitute an application to surrender IP Capacity with which it is Bundled pursuant to his Code.

This Code governs the Shipper's Capacity Surrender Request in respect of IP Capacity and does not govern the Shipper's application for surrender of Corresponding Adjacent System IP Capacity which application is made in accordance with the applicable Interconnected System Transportation Arrangements.

2 A.4.9. A Shipper shall submit separate Capacity Surrender Request for Bundled IP Capacity and for Unbundled IP Capacity;

2 A.5. **Capacity Surrender Requests**

2 A.5.1. A Shipper at a Contractually Congested Point may submit on the JBP a request (a "**Capacity Surrender Request**") to surrender capacity at a Contractually Congested Point which shall specify the information required by the Transporter to process the Capacity Surrender Request including:

(a) the identity (including Shipper EIC) of the Shipper;

(b) the Contractually Congested Point in respect of which the Capacity Surrender Request is submitted

which shall be the Moffat IP Entry Point or the South-North IP CSEP;

(c) the Interconnection Point;

(d) the duration and IP Capacity Booking reference of the IP Entry Capacity or South/North IP CSEP Offtake Capacity (as the case may be) which is proposed to be surrendered;

(e) the amount of IP Entry Capacity or IP CSEP Offtake Capacity (in kWh/day) which is available to the Transporter for acceptance by way of surrender (the "**Capacity Surrender Available Amount**") which shall not be less than 100,000 kWh/day;

(f) whether the Capacity Surrender Available Amount is Bundled IP Capacity or Unbundled IP Capacity;

(g) the minimum amount of Capacity ("**Minimum Surrender Amount**") the Shipper is prepared to surrender and which amount shall not be less than 100,000 kWh/day;

(h) the proposed Capacity Surrender Availability Period which shall be a Month or a whole number of consecutive Months;

(i) the first Day of the proposed Capacity Surrender Availability Period which shall be the first Day of a calendar month;

(j) the last Day of the proposed Capacity Surrender Availability Period which shall be the last Day of a calendar month;

2 A.5.2. The submission by the Shipper of a Capacity Surrender Request shall constitute an undertaking by the Shipper to hold not less than the Capacity Surrender Available Amount as Retained Primary IP Entry Capacity or IP CSEP Offtake Capacity (as the case may be) available for acceptance by the Transporter at the specified Contractually Congested Point for the duration of the Capacity Surrender Availability Period or any part of it save:

(a) where the Transporter rejects the Capacity Surrender Request or

(b) in respect of any period for which the Capacity Surrender Available Amount can no longer be allocated by the Transporter pursuant to the Annual Yearly IP Capacity Auction, the Annual Quarterly IP Capacity Auction, a Rolling Monthly IP Capacity

Auction or a Rolling Day Ahead IP Capacity Auction.

2 A.5.3. The Transporter will reject a Capacity Surrender Request for any of the following reasons:

(a) the Capacity Surrender Request is not submitted in accordance with Section 2 A.5.1;

(b) the Capacity Surrender Request is not submitted within the applicable Capacity Surrender Window;

(c) the Capacity Surrender Request specifies a proposed Capacity Surrender Availability Period which does not commence on the first Day of a calendar month and/or end on the last Day of a calendar month;

(d) the Capacity Surrender Request does not specify a Capacity Surrender Availability Period comprising one or more consecutive calendar months;

(e) the Capacity Surrender Request specifies a Capacity Surrender Available Amount which is in excess of the Retained Primary IP Entry Capacity or the South-North IP CSEP Offtake Capacity held by the Shipper (and disregarding such Shippers Daily IP Capacity) at the Contractually Congested Point in respect of the specified Capacity Surrender Availability Period;

(f) the Capacity Surrender Available Amount is less than 100,000 kWh/day;

(g) the request does not relate to a Contractually Congested Point:

(h) the Capacity Surrender Request specifies (in whole or in part) IP a capacity which is not held for a duration which is Multi-Annual, Annual Yearly, Quarterly or Monthly;

(i) the Capacity Surrender Availability Period specified in the Capacity Surrender Request is such that the relevant capacity cannot be made available in any applicable Capacity Auction;

(j) the Capacity Surrender Request is in respect of Bundled IP Capacity and the Adjacent TSO has rejected the corresponding request pursuant to the Interconnected System Transportation Arrangements;

(k) the Capacity Surrender Request refers to both Bundled IP Capacity and Unbundled IP Capacity;

(l) the Shipper is in breach of the Code or any Ancillary Agreement.

2 A.5.4. Subject as hereinafter provided the Transporter will process any Capacity Surrender Request within three (3) Business Days after receipt of the Capacity Surrender Request.

2 A.5.5. A Capacity Surrender Request which is not submitted in accordance with 2.A.5.1 may be automatically rejected on the JBP. Where a Capacity Surrender Request is rejected for any other reason, the Transporter shall notify the Shipper of the reason for rejection of any Capacity Surrender Request as soon as reasonably practicable and in any event not later than three (3) Business Days after closure of the applicable Capacity Surrender Window.

2 A.5.6. Where the Transporter approves a Capacity Surrender Request the Transporter shall notify the Shipper of such approval. A Capacity Surrender Request approved by the Transporter shall be a valid Capacity Surrender Request (a "**Valid Capacity Surrender Request**").

2 A.5.7. A Surrendering Shipper shall save as otherwise provided pursuant to this Code retain full rights and obligations with respect to the Capacity Surrender Available Amount (including with respect to the submission of IP Nominations) save that the Surrendering Shipper:

(a) shall not reduce its Retained Primary Capacity at the Entry Point or its Primary IP CSEP Offtake Capacity (as the case may be) below the Capacity Surrender Available Amount;

(b) may not submit relevant IP Nominations utilising the Surrender Available Amount for any Day or Days within or forming part of the Capacity Surrender Availability Period. The restriction on a Shipper's right to submit IP Nominations utilising the IP Capacity which is part of a Capacity Surrender Available Amount shall cease to apply for any part of the Capacity Surrender Availability Period for which the relevant capacity amount cannot be made available pursuant to Part C (*Capacity*) and Section 2A.5.10.

2 A.5.8. A Shipper may withdraw a Capacity Surrender Request at any time before the Capacity Surrender Request becomes a Valid Capacity Surrender Request.

2 A.5.9. [**Not used**]

2 A.5.10. The Transporter shall make the Capacity Surrender Available Amount specified in each Shipper's Valid Capacity Surrender

Request (in each case as amended pursuant to any Capacity Surrender Update submitted prior to the applicable Pre Auction Period and accepted by the Transporter in accordance with this Code) available to be booked by Shippers at the relevant Contractually Congested Point in an Annual Yearly IP Capacity Auction, the Annual Quarterly IP Capacity Auctions and/or the Rolling Monthly IP Capacity Auction(s) or the Rolling Day Ahead Daily IP Capacity Auction provided always that the Capacity Surrender Available Amount; and

(a) shall only be included in any Capacity Auction which is in respect of IP Capacity of a duration which is within the Capacity Surrender Availability Period,; and

(b) in accordance with Part C (*Capacity*) provided that such capacity shall not be made available by way of Within Day IP Capacity.

2 A.5.11. The Shipper may request the amendment or withdrawal of a Valid Capacity Surrender Request by submitting an update request ("**Capacity Surrender Update**") which shall specify the information required by the Transporter to process the request including:

(a) the reference of the Capacity Surrender Request to which the Capacity Surrender Update relates

(b) the revised Capacity Surrender Available Amount specified in kWh/d (which may be the same as the prevailing Capacity Surrender Available Amount where the update is in respect of the Capacity Surrender Availability Period); and

(c) the revised Capacity Surrender Availability Period (which may be the same as the prevailing Capacity Surrender Availability Period if the Capacity Surrender Update is to amend the Capacity Surrender Availability Amount).

2 A.5.12. The Transporter shall reject a Capacity Surrender Update if:

(a) the Capacity Surrender Update is not submitted in accordance with Section 2.A.5.11; or

(b) the Capacity Surrender Update is submitted after the commencement of a Pre Auction Period in respect of any Capacity Auction in which the Capacity Surrender Available Amount has been included by the Transporter; or

(c) the Capacity Surrender Update refers to Bundled IP Capacity and the Adjacent TSO has rejected the update in accordance with the Interconnected System Transportation Arrangements.

2 A.5.13. The Transporter shall notify the Shipper of its acceptance or rejection of a Capacity Surrender Update within three Business Days after receipt of the Capacity Surrender Update by the Transporter;

2 A.5.14. Where the Transporter notifies the Shipper of the rejection of its Capacity Surrender Update it shall notify the Shipper of the reason for rejection of the Capacity Surrender Update.

2 A.6. **Acceptance of Surrender**

2 A.6.1. The Transporter shall issue a notice (a "**Capacity Surrender Acceptance Notice**") to a Surrendering Shipper of the acceptance by the Transporter of a surrender of a Capacity Surrender Available Amount specified in any Valid Capacity Surrender Request. A Capacity Surrender Acceptance Notice may be in respect of all or part of a Capacity Surrender Available Amount or for any Year, Quarter, Month or Day, Day or number of consecutive Days within the Capacity Surrender Availability Period.

2 A.6.2. A Capacity Surrender Acceptance Notice shall specify:

(a) the Shipper's Valid Capacity Surrender Request to which the notice relates;

(b) the amount of capacity (the "**Surrendered Capacity Acceptance Amount**") in respect of which the acceptance is made and which amount shall not exceed the Capacity Surrender Available Amount specified in the Valid Capacity Surrender Request, and shall not be less than the Minimum Surrender Amount;

(c) the period in respect of which the Capacity Surrender Acceptance Notice is made (the "**Surrendered Capacity Duration**") which shall be a Year, Quarter, Month or Day or number of consecutive Days or a Month within the Capacity Surrender Availability Period as specified in the Valid Capacity Surrender Request.

2 A.6.3. Where there are a number of Valid Capacity Surrender Requests which could be accepted in order to meet Shippers requests for capacity pursuant to Part C (*Capacity*), the Transporter shall select the Valid Capacity Surrender Requests in the order in which they were received by the Transporter as determined by reference to the time stamp of the Valid Capacity Surrender Request.

2 A.6.4. The Transporter may issue multiple Capacity Surrender Acceptance Notices with respect to the same Valid Capacity Surrender Request.

2 A.6.5. A Capacity Surrender Acceptance Notice shall be issued to the Shipper not later than two hours after closure of the Capacity Auction in which the relevant IP Capacaity was allocated.

2 A.7. Consequence of Capacity Surrender Acceptance

2 A.7.1. Where the Transporter issues a Capacity Surrender Acceptance Notice:

(a) the Shippers Retained Primary IP Capacity and Active IP Capacity at the Contractually Congested Point shall be reduced by the Surrendered Capacity Acceptance Amount and for the Surrendered Capacity Duration;

(b) all of the Shippers rights and obligations (including IP Capacity Charges) with respect to the Surrendered Capacity Acceptance Amount shall be suspended for the Surrendered Capacity Duration;

(c) if the IP Capacity in respect of which the Capacity Surrender Acceptance Notice was issued is Bundled IP Capacity the Transporter may notify the Adjacent TSO of such acceptance.

2 A.8. Capacity Usage Monitoring and Long Term Use It or Lose It - General

2 A.8.1. The Transporter shall monitor the use of IP Capacity by Shippers at each IP Entry Point and each IP CSEP and shall produce Monitoring Reports with respect to the usage of such capacity in accordance with Section 2 A.9.

2 A.8.2. The Transporter shall determine in accordance with Section 2.A.9 to 2.A.13 the amount (if any) of a Registered Shipper's Booked IP Capacity held at a Contractually Congested Point which may be withdrawn in the event that capacity at that Contractually Congested Point is required by other Shippers, and there is insufficient capacity otherwise available by way of Unbooked Capacity or Capacity Surrender Available Amounts to meet such Shippers capacity requests.

2 A.9. Monitoring and Monitoring Reports

2 A.9.1. The Transporter shall monitor the extent to which a Registered Shipper utilises Yearly or Quarterly Primary IP Capacity booked by the Shipper at an Entry Point and/or at a

IP CSEP located at a Interconnection Point and which capacity has a Prescribed Unexpired Booking Period and shall produce a report of such usage (a "**Monitoring Report**").

2 A.9.2. Each Monitoring Report shall be in respect of the six month period from 1 October until 31 March or from 1 April to 30 September (each a "**Monitoring Period**").

2 A.9.3. The Transporter shall within six weeks following the end of each such Monitoring Period submit the Monitoring Report to the Commission.

2 A.10. **Notice of Systematic Underutilisation of Capacity**

2 A.10.1. The Transporter shall make a preliminary determination as to whether a Shipper's IP Entry Capacity or IP CSEP Offtake Capacity (as the case may be) which is held for a duration of a year or of a Quarter at a Contractually Congested Point is systematically underutilised in accordance with Section 2.A.10.2 and based on, inter alia, the information contained in the Monitoring Reports produced in accordance with Section 2.A.9.

2 A.10.2. A Shipper's IP Capacity Booking at a Contractually Congested Point shall be considered to be systematically underutilised ("**Systematically Underutilised Capacity**") where: the Shipper's Capacity is held pursuant to one or more continuous Long Term Capacity Booking(s) and in each of two consecutive Monitoring Reports the IP Nominations in respect of such capacity were on average less than eighty per cent (80%) of the Shipper's average Capacity; or

2 A.10.3. Not Used.

2 A.10.4. The Transporter shall issue a notice on GNI (IT) Systems (an "**Underutilisation Notice**") to a Shipper of the Transporter's preliminary determination that the Shipper's Long Term Capacity has been determined to be systematically underutilised at a Contractually Congested Point and which Underutilisation Notice shall specify:

(a) the Shipper ID of the Shipper to which the Underutilisation Notice relates;

(b) the Contractually Congested Point to which the Underutilisation Notice relates;

(c) the IP Capacity Booking reference(s) of the Shipper's Long Term IP Capacity Bookings to which the Underutilisation Notice relates;

(d) the Withdrawable Capacity; and

(e) the period within which the Withdrawable Capacity may be withdrawn by the Transporter (the "**Withdrawal Availability Period**").

2 A.10.5. The Shipper may within one month of the date of the Underutilisation Notice make submissions to the Transporter:

(a) as to why the Shipper's nonutilisation of the specified Systematically Underutilised Capacity is justified; and/or

(b) where the Underutilisation Notice relates to IP Entry Capacity provide evidence that the Shipper has offered under reasonable conditions the Shippers Systematically Underutilised Capacity by way of IP Entry Capacity Trade, Advance Buyback Agreement or Valid Capacity Surrender Request; and/or

(c) that the Shipper accepts that the Shipper's IP Capacity is Systematically Underutilised but is of the view that the amount of the Withdrawable Capacity should be reduced in which case the Shipper shall specify the amount of the Shipper's Capacity which the Shipper considers Withdrawable Capacity.

2 A.10.6. The Transporter shall review any submissions made by a Shipper in accordance with Section 2 A.10.5 and shall notify the Shipper of the Transporter's acceptance and/or rejection of the Shippers submissions.

2 A.10.7. Where the Transporter rejects the Shipper's submissions the Transporter shall confirm the Underutilisation Notice as issued and shall specify the reasons for the Transporter's rejection of the Shipper's submissions.

2 A.10.8. Where the Transporter accepts the Shipper's submissions in whole or in part then the Transporter may either cancel the Underutilisation Notice or issue to the Shipper a revised Underutilisation Notice (a "**Revised Underutilisation Notice**") which shall:

(a) identify the Underutilisation Notice to which the Revised Underutilisation Notice relates;

(b) specify the amount of Withdrawable Capacity (which may be the same as the amounts specified in the Underutilisation Notice or may be a revised amount);

(c) specify the Withdrawal Availability Period (which may be the same as the period in the Underutilisation Notice); and

(d) specify, where applicable, the reasons why the Transporter has rejected any part or parts of the Shipper's submission.

2 A.11. **Underutilisation Notice Referral**

2 A.11.1. The Shipper may, within 10 days of the date of the issue of a Transporter's rejection (in whole or in part) of a Shipper's submission in response to an Underutilisation Notice, refer the Underutilisation Notice, the Shipper's submissions made in response to the Underutilisation Notice (including any Revised Underutilisation Notice) and the Transporter response to the Shippers submissions to the Commission and the Shipper shall provide a copy of such referral to the Transporter.

2 A.11.2. The Commission may request each of the Transporter and the Shipper to provide such information as the Commission may reasonably require in order to make a decision as to whether:

(a) the Underutilisation Notice or Revised Underutilisation Notice should be cancelled; or

(b) the Underutilisation Notice or Revised Underutilisation Notice should be confirmed; or

(c) the Underutilisation Notice or Revised Underutilisation Notice should be amended;

and the Commission may notify each of the Transporter and the Shipper of its decision as soon as practical.

2 A.11.3. Where the Commission notifies the Transporter and the Shipper that the Underutilisation Notice or Revised Underutilisation Notice should be withdrawn, or amended the Transporter shall:

(a) notify the Shipper of the withdrawal of the Underutilisation Notice or Revised Underutilisation Notice;

(b) issue a Revised Underutilisation Notice;

in each case in accordance with the decision of the Commission as notified.

A Revised Underutilisation Notice shall supercede any previously issued Underutilisation Notice or Revised Underutilisation Notice.

2 A.11.4. If the Commission is not in a position to make a determination in respect of any Underutilisation Notice which is referred to the Commission under this Section 2.A.11

within three months of the date of the Underutilisation Notice, the Commission may on one or more occasions extend the period in which the determination may be made by a period or periods of one or more calendar months.

2 A.12. **Withdrawal of Capacity pursuant to Underutilisation Notice**

2 A.12.1. The Transporter may in accordance with this Code withdraw any Withdrawable Capacity in accordance with the then applicable Underutilisation Notice or Revised Underutilisation Notice after the expiry of three months (or such longer period as may be specified by the Commission in a notice issued under Section 2.A.11.4) following the date on which the Underutilisation Notice is first issued (notwithstanding that the first Underutilisation Notice has been superceded by a Revised Underutilisation Notice, or that the Underutilisation Notice or Revised Underutilisation Notice has been referred to the Commission in accordance with Section 2.A.11) unless:

(a) the Commission has determined that the Underutilisation Notice or Revised Underutilisation Notice should be cancelled or withdrawn; or

(b) the Commission has determined that a further Revised Underutilisation Notice be issued in which case the Transporter may proceed with the withdrawal of capacity in accordance with any Revised Underutilisation Notice issued in accordance with the decision of the Commission.

2 A.12.2. A Shipper shall not reduce its [Retained] Primary IP Capacity at the IP Entry Point or Shippers IP CSEP Offtake Capacity at the Contractually Congested Point to less than the amount of the Withdrawable Capacity for the specified Withdrawal Availability Period.

2 A.12.3. An Underutilising Shipper shall retain its rights and obligations with respect to Withdrawable Capacity save in respect of any Withdrawn Capacity specified by the Transporter is a Withdrawal Notice and for the specified Withdrawal Period.

2 A.12.4. Where the Transporter is entitled to withdraw any Withdrawable Capacity in accordance with this Section 2A.12, then the Transporter shall include the relevant Withdrawable Capacity in the amount of IP Capacity notified by the Transporter in accordance with Part C (*Capacity*) Section 2.2.5 and the Withdrawable Capacity shall then be included in the relevant Capacity Auction in respect of each duration within the Withdrawal Availability Period.

2 A.13. **Withdrawal of Underutilised Capacity**

2 A.13.1. Where Shippers have applied for Capacity at a Contractually Congested Point and the Transporter requires to withdraw any Shipper's Withdrawable Capacity in whole or in part in order to allocate capacity to a Shipper requesting capacity the Transporter shall issue a notice (a "**Withdrawal Notice**") to an Underutilising Shipper which notice shall include the following information:

(a) the Shipper ID of the Underutilising Shipper;

(b) the Underutilisation Notice or the Revised Underutilisation Notice to which the Withdrawal Notice relates;

(c) the applicable Contractually Congested Point;

(d) the amount of Withdrawable Capacity which is being withdrawn (the "**Withdrawn Capacity**") which shall not be greater than the Withdrawable Capacity or less then 100,000 kWh;

(e) the period ("**Withdrawal Period**") for which the Capacity is withdrawn (which shall be within the Withdrawal Availability Period) and shall be a number of consecutive Days or a Month or a number of consecutive Months shall be for any duration within the Withdrawal Availability Period.

2 A.13.2. A Withdrawal Notice shall be issued to the Underutilising Shipper:

(a) where the Withdrawal Period is for a duration other than a Day , not later than the close of business on the day which is two days Business Days after the closing of the Capacity Auction in which the Withdrawn Capacity;

(b) where the Withdrawal Period is a Day not later than 17:00 hours on D-1.

2 A.13.3. Without prejudice to the Transporters right to issue a Withdrawal Notice within a Withdrawal Availability Period the Transporter shall not issue a Withdrawal Notice in respect of a period if there is sufficient Unbooked Capacity, and or Capacity available pursuant to Valid Capacity Surrender Requests to meet the requirements of a Shipper(s) requesting capacity in respect of that period.

2 A.14. **Oversubscription and Buyback**

2 A.14.1. The Transporter shall develop and propose to the Commission an incentive based mechanism (an "**Oversubscription and Buyback Scheme**") whereby the Transporter is financially incentivised to make capacity ("**Oversubscription Capacity**") in excess of the technical capacity available to be booked by Shippers at an IP Entry Point or IP CSEP located at a Interconnection Point which is Contractually Congested and whereby the Transporter may buy IP Capacity from Shippers at that Relevant Interconnection Point.

2 A.14.2. The Oversubscription and Buyback Scheme shall be implemented in such form as may be approved by the Commission and may be varied from time to time with the approval of the Commission.

2 A.14.3. The capacity component of any tariff paid by any Shipper who has booked Oversubscription Capacity and any costs incurred by the Transporter in connection with the buyback of capacity in accordance with the Oversubscription and Buyback Scheme shall be shared between Shippers and the Transporter in accordance with the Oversubscription and Buyback Scheme.

2 A.14.4. Oversubscription Capacity shall only be made available as Daily IP Capacity in accordance with Part C (*Capacity*) and this Part H (*Operations*) Section 2A (*Contractual Congestion*).

2 A.14.5. Oversubscription Capacity shall be allocated to Shippers requesting capacity at a Contractually Congested Point where there is insufficient capacity otherwise available (including any Capacity Surrender Available Amounts and Withdrawable Capacity to allocate capacity to Shipper's at that Contractually Congested Point.

2 A.14.6. The Transporter shall prior to buying back any IP Capacity in accordance with this Code assess whether it may maintain the integrity of the Transportation System (in whole or in part) in a more cost efficient manner through other operational or commercial means.

2 A.14.7. If the Transporter is unable, either through exercise of its rights pursuant to an Advance Buyback Agreement or through the acceptance of Valid Buyback Offers to buy back from Shippers a sufficient amount of Capacity to maintain the integrity of the Transportation System or any localised part thereof the Transporter may be required to apply certain of the provisions of Part H (*Operations*) Section 2 (*Physical Congestion*).

2 A.15. **Oversubscription Capacity**

2 A.15.1. The Transporter shall, for each Day with effect from the Contractual Congestion Effective Date calculate (in accordance with the Oversubscription and Buyback Scheme) the amount of Oversubscription Capacity which the Transporter acting as a Reasonable and Prudent Operator can make available at a Contractually Congested Point in respect of such Day. The amount of Oversubscription Capacity which the Transporter may make available in respect of a Day:

(a) shall not exceed the maximum amount (if any) of Oversubscription Capacity as prescribed pursuant to the Oversubscription and Buyback Scheme;

(b) may in respect of any Day, having regard to the prevailing circumstances, be zero;

(c) shall on a Difficult Day, Restricted Capacity Day, an Exceptional Event or in case of an Emergency be zero.

2 A.15.2. The Transporter:

(a) shall notify the amount of Oversubscription Capacity which it shall make available in respect of a Day by 14.00 hours on D – 1; and

(b) may vary the amount of Oversubscription Capacity so notified at any time.

2 A.15.3. The Transporter shall notify Shippers after the end of each Quarter of:

(a) the aggregate amount of Oversubscription Capacity made available in the previous Quarter; or any part thereof; and

(b) the aggregate amount of Oversubscription Capacity booked by Shippers in the relevant Quarter or any part thereof.

2 A.15.4. Oversubscription Capacity shall be made available to Shippers by the Transporter in accordance with Part C (*Capacity*) and the Transporter shall not and shall not be required to identify specifically IP Capacity which is made available pursuant to Part C (*Capacity*) by way of Oversubscription Capacity. Oversubscription Capacity shall be sold as Primary Capacity and shall as regards the Shipper booking that Capacity be indistinguishable from any other Primary Capacity booked by a Shipper.

2 A.16. **Capacity Buyback**

2 A.16.1. Where the Transporter has made Oversubscription Capacity available to Shippers in respect of a Day then the Transporter may purchase Capacity from Shippers for that Day at the Contractually Congested Point in order to maintain the operational integrity of the Transportation System or any localised part thereof.

2 A.16.2. The Transporter may invite Shippers through a tender process (a "**Buyback Tender**") to commit to sell to the Transporter IP Capacity at a Contractually Congested Point at a price to be calculated in accordance with agreement to be entered into with the Transporter (the "**Advance Buyback Agreement**") for any Day or Days within a defined period of time.

2 A.16.3. The Transporter may in respect of any Day which the Transporter requires to buy IP Capacity at a Contractually Congested Point, notify Shippers of the Transporter's requirement to buyback Capacity and shall publish an invitation (a "**Buyback Invitation**") to Shippers to submit an offer to the Transporter to sell IP Capacity to the Transporter. The Buyback Invitation shall specify such information as the Transporter may require to process the offer including:

(a) the Contractually Congested Point;

(b) the Day in respect of which the IP Capacity is required by the Transporter;

(c) the total amount of IP Capacity which the Transporter wishes to buy at the Contractually Congested Point;

(d) the minimum IP Capacity amount which a Shipper may specify in a Buyback Offer;

(e) the time (the "**Buyback Offer Close Time**") by which any Buyback Offer in response to the Buyback Invitation must be submitted to the Transporter.

2 A.16.4. A Buyback Invitation may be published at any time up to 18.00 hours on the Day in respect of which the Capacity is required.

2 A.16.5. Registered Shippers at a Contractually Congested Point may in response to a Buyback Invitation submit an offer (a "**Buyback Offer**") which shall specify:

(a) the Shipper ID of the Shipper submitting the offer ("**Offering Shipper"**);

(b) the Contractually Congested Point at which the Shipper is offering the capacity;

(c) the Buyback Invitation to which the Buyback Offer relates;

(d) the amount of capacity which the Shipper is offering to the Transporter (which shall not be less than the minimum amount as specified in the Buyback Invitation);

(e) the Capacity Booking reference of the Shipper's Capacity Booking from which the Capacity is offered;

(f) confirmation that the Shipper has Retained Primary IP Capacity at the Contractually Congested Point equal to or in excess of the amount of capacity specified by the Shipper pursuant to paragraph (d) and for the Day or Days specified in the Buyback Invitation;

(g) the price in c/kWh (the "**Buyback Offer Price**") at which the Shipper offers the capacity for sale to the Transporter.

2 A.16.6. A Buyback Offer which:

(a) is submitted in accordance with Section 2A.16.5; and

(b) meets the requirements of the Buyback Invitation;

shall be a valid Buyback Offer (a "**Valid Buyback Offer**").

A Shipper which is a party to an Advance Buyback Agreement at the Contractually Congested Point shall be deemed to have submitted a Valid Buyback Offer where the Advance Buyback Agreement relates to the Day or Days specified in the Buyback Invitation.

2 A.16.7. The Transporter shall notify a Shipper if the Buyback Offer is not a Valid Buyback Offer not later than 30 minutes after Buyback Offer Close Time where the Transporter does not notify the Shipper of the rejection or otherwise of a Buyback Offer by within a said period of thirty (30) minutes after the Buyback Offer Close Time then the Buyback Offer shall be deemed to be rejected.

2 A.16.8. The Transporter may decide to purchase capacity pursuant to an Advance Buyback Agreement and/or pursuant to a Valid

Buyback Offer. (including pursuant to a Valid Buyback Offer deemed to be submitted pursuant to Section 2A.16.6). The Transporter shall select which (if any) Valid Buyback Offers it shall accept (in whole or in part) and/or the amount of Capacity which it shall purchase pursuant to an Advance Buyback Agreement having due regard to:

(a) the amount of capacity which the Transporter requires; and

(b) the financial implications pursuant to the available Advance Buyback Agreement(s) and/or any applicable Valid Buyback Offers.

2 A.16.9. The Transporter may accept a Valid Buyback Offer in whole or in part and in particular the Transporter may without limitation accept a Valid Buyback Offer in respect of part only of the Capacity specified in the Valid Buyback Offer.

2 A.16.10. Where the Transporter accepts a Valid Buyback Offer or capacity available to the Transporter pursuant to an Advance Buyback Agreement (in whole or in part) the Transporter shall notify (a "**Buyback Notification**") the Shipper of such acceptance not later than 21.00 hours on Day D or, if later, one hour after the applicable Buyback Offer Close Time.

2 A.16.11. A Buyback Notification shall include the following information:

(a) the Shipper ID of the Shipper;

(b) the Buyback Offer or Advance Buyback Agreement to which the Buyback Notification relates;

(c) the Contractually Congested Point at which the capacity is required;

(d) the Day in respect of which the Buyback Offer is accepted;

(e) the amount of capacity in respect of which the Buyback Offer is accepted; and

(f) the unit price (in c/kWh) which the Transporter shall pay to the Shipper which shall be equal to the Buyback Offer Price as specified in the Shipper's Buyback Offer, or the price as calculated in accordance with the Advance Buyback Agreement (as the case may be).

2 A.16.12. The total aggregate amount of capacity specified in Buyback Notification(s) issued by the Transporter in respect of any Day may vary from the amount requested in the Buyback Invitation(s) issued by the Transporter in respect of that Day.

2 A.16.13. Where the Transporter issues a Buyback Notification or accepts capacity pursuant to an Advance Buyback Agreement the Transporter shall reduce the Offering Shipper's Primary IP Capacity held by the Shipper at the Contractually Congested Point by the amount specified in the Buyback Notification and for the Day specified in the Buyback Notification.

2 A.17. Capacity Availability and IP Capacity Charges - Transporter's obligations to make Capacity available

2 A.17.1. The Transporter shall include:

(a) Each Shipper's Capacity Surrender Available Amount(s) as specified in each Valid Capacity Surrender Request;

(b) Each Shippers Withdrawable Capacity; and

(c) Oversubscription Capacity

in the Capacity made available to Shippers in accordance with the relevant provisions of Part C (*Capacity*) provided always:

(i) an individual Shipper's Capacity Surrender Available Amount shall only be made available in a Capacity Auction which takes place after the expiry of the Pre Auction Period and for a duration within the applicable Capacity Surrender Availability Period;

(ii) an individual Shipper's Withdrawable Capacity shall be made available in accordance with Section 2.A.12.4 for a period up to the applicable Withdrawal Availability Period; and

(iii) Oversubscription Capacity shall be only made available as Daily Capacity; and

the Transporter shall and shall be entitled, when determining the amount of capacity which may be made available to Shippers pursuant to Part C (*Capacity*) and the duration in respect of which such capacity shall be so made available, be entitled to have regard to all Shippers' Capacity Surrender Available Amounts, all Shippers' Withdrawable Capacity, the applicable Capacity Surrender Availability Periods and the Withdrawal Availability Period(s) in aggregate.

2 A.17.2. The Transporter shall not when making capacity available pursuant to Part C (*Capacity*) be obliged to identify the extent to which such capacity made available is or forms part of any other Shipper's Capacity Surrender available Amounts and/or Shippers' Withdrawable Capacity or Oversubscription Capacity.

2 A.18. **Capacity Allocation Priority Order**

2 A.18.1. At a Contractually Congested Point capacity made available by the Transporter shall be deemed to have been booked by Shippers as follows:

(a) where the amount of capacity applied for by Shippers is less than the Unbooked Capacity at the relevant Contractually Congested Point all capacity booked by Shippers shall be deemed to be allocated out of Unbooked Capacity;

(b) where the amount of Capacity applied for by Shippers is in excess of the Unbooked Capacity at the Contractually Congested Point then the Transporter shall be deemed to have allocated capacity to Shippers as follows:

i. firstly, utilising the Unbooked Capacity;

ii. secondly, utilising IP Capacity available by reference to Shippers' Capacity Surrender Available Amounts;

iii. thirdly, utilising IP Capacity made available by reference to Shippers' Withdrawable Capacity; and

iv. fourthly, (with respect to Daily Capacity only) utilising Oversubscription Capacity;

and to the relevant periods for which Capacity Surrender Available Amounts and Withdrawable Capacity are available for allocation by the Transporter.

2 A.19. **Capacity Charges**

2 A.19.1. The Shipper shall be relieved of the capacity component of the applicable tariff in respect of such Shipper's Surrendered Capacity, Withdrawn Capacity and/or the amount of capacity in respect of which a Shipper's Buyback Offer is accepted by the Transporter in accordance with this Code.

2 A.19.2. Where the Transporter has issued a Buyback Notification to a Shipper there shall be included in any applicable Invoice issued to the Shipper an Invoice Item in respect of the difference between:

(a) the capacity component of applicable tariff in respect of the amount of capacity in respect of which a Shipper's Buyback Offer is accepted; and

(b) the applicable Buyback Offer Price or the price as calculated in accordance with the Advance Buyback Agreement (as the case may be).

and such Invoice Item shall be included in the Invoice with respect to the month in which the Buyback Notification is issued.

3. ENTRY POINTS AND VIRTUAL ENTRY POINTS

3.1 Entry Point Requirements

3.1.1 A Registered Shipper shall deliver or tender for delivery Natural Gas to the Transportation System at an Entry Point in accordance with the Entry Point Requirements applicable to such Entry Point provided always that where an Entry Point is configured within a Bi-Directional CSP then Section 5 of this Part H shall also apply.

3.1.2 The provisions of Section 7 (Interconnection Point) of this Part H shall apply to IP Entry Points. Each Shipper registered at an Entry Point shall be provided by the Transporter with details of the requirements for the delivery of Natural Gas to such Entry Point or CGI Entry Point ("**Entry Point Requirements**"), including:

(a) the location of the Entry Point or the location of the CGI Entry Point (as the case may be);

(b) the conditions applicable to that Entry Point or to CGI Gas Points at the CGI Entry Point as to the pressure and specification of Natural Gas delivered or tendered for delivery to the Transportation System at the Entry Point or CGI Gas Point(s) at the CGI Entry Point (including those matters referenced in Part G (*Technical*) Section 1 (*Specifications: Quality and Pressure*);

(c) the Measurement Provisions with respect to an Entry Point or CGI Entry Point as described in Part G (*Technical*) Section 3 (*Measurement*) ("**Entry Point Measurement Provisions**");

(d) the requirements for the delivery of Natural Gas to such Entry Point or CGI Gas Points at the CGI Entry Point contained in any CSA where a CSA is in existence for such Entry Point;

(e) the existence of any Entry Point Procedures; and

(f) the existence of any OBA.

3.1.3 The Entry Point Requirements referenced in this Section 3.1 shall be subject

to and reflect:

(a) the provisions of any applicable CSA subject always to the requirements of Part G (*Technical*) Section 1 (*Specifications Quality and Pressure*); or

(b) in the absence of a CSA or to the extent the CSA does not include all of the information referred to in Section 3.1.2, the provisions of Part G (*Technical*) Section 1 (*Specifications: Quality and Pressure*) and Section 3 (*Measurement*) in respect of each relevant Entry Point.

(c) the provisions of any OBA.

3.1.4 The Transporter shall, only to the extent that such requirements are not already made available pursuant to obligations elsewhere in this Code, make available to Shippers the relevant Entry Point Requirements.

3.1.5 In the event that a Registered Shipper fails to comply with the Entry Point Requirements applicable to an Entry Point at which the Registered Shipper is delivering or tendering for delivery Natural Gas, the Shipper shall indemnify the Transporter for all costs, losses and expenses arising as a result of any such failure, which shall include all claims, charges, demands, costs, losses and/or payments due or arising in respect of a Connected System and/or generally upstream of an Entry Point made by any person (including such Shipper or any third party) delivering, directly or indirectly, Natural Gas to the Transmission System at an Entry Point. Such indemnity shall include any claim with respect to the cost of Capacity Charges, the commodity element of the Tariff, Scheduling Charges, Overrun Charges, Balancing Charges and Failure to Interrupt Charges.

3.1.6 The Registered Shippers shall not be liable to the Transporter in respect of any material claims, charges, demands, costs, losses and/or payments arising as aforesaid to the extent that they result from a failure by the Transporter to act as a RPO in the performance of its obligations under a CSA.

3.1.7 The existence of a CSA shall not relieve Shippers or the Transporter of any obligations under this Code and the Transporter shall not be required (for itself or for the benefit of any Shipper) to secure in a CSA any remedy against the Upstream Operator nor to take steps to enforce any provisions of a CSA.

3.1.8 Without prejudice to a Shipper's obligations pursuant to Section 3.1.5 above, to the extent that:

(a) a Registered Shipper fails to comply with the Entry Point Requirements applicable to an Entry Point other than as a result of failure by the Transporter to perform any requirement under the CSA applicable to such Entry Point; and

(b) such failure by the Registered Shipper adversely affects the ability of the

Transporter to operate the Transportation System, or any localised part thereof, or to comply with any Legal Requirement or any provision (other than a provision with which the failure to comply has no significant consequences for the Transporter or any Shipper) of this Code,

then the Transporter shall be entitled to refuse (until such time as the Transporter is reasonably satisfied that such non-compliance has been remedied) to accept delivery by a Registered Shipper, to the Transportation System, of Natural Gas at the relevant Entry Point, in which case the Transporter shall notify all affected Shippers of such refusal and (subject to any duties of confidentiality) of the relevant circumstances therefor.

3.1.9 To the extent that any changes to the Entry Point Requirements for each Entry Point are required in order to comply with any new or changed Legal Requirement, in respect of Natural Gas conveyed by means of, or tendered for delivery to, the Transportation System, the Entry Point Requirements shall be deemed to incorporate any such changes with effect from the time at which the Legal Requirement comes into force (unless expressly provided otherwise under any special delivery arrangements) and, as soon as reasonably practicable thereafter, the Transporter shall notify the Registered Shippers at such Entry Point of any amendments made to the Entry Point Requirements.

3.1.10 The Transporter shall be entitled to refuse to accept quantities of Natural Gas tendered for delivery at an Entry Point or at CGI Gas Point on a Day on which there are no Registered Shippers at the Entry Point or at the CGI Gas Point.

3.2 RNG Entry Points

3.2.1 RNG Entry Points may be connected to the Transmission System or may be connected to the Distribution System.

3.2.2 Natural gas shall be deemed to enter the Transportation System at a RNG Entry Point.

3.2.3 The Transporter will not enter into any OBAs at RNG Entry Points.

3.2.4 The Transporter does not anticipate the development of offtake profile notices at RNG Entry Points. The Transporter may enter into agreements with the operator of an RNG Delivery Facility in connection with the determination of the quantities of Natural Gas to be delivered to the Transportation System at an RNG Entry Point for any Day.

3.2.5 The provisions of Section 3.8 (*Administrative Procedures at an Entry Point*) shall not apply to RNG Entry Points.

3.3 CGI Entry Points

3.3.1 CGI Entry Points may be connected to the Transmission System or may be connected to the Distribution System.

3.3.2 Natural Gas shall be deemed to enter the Transportation System at a CGI Gas Point(s).

3.3.3 Natural Gas may not be delivered at a CGI Entry Point unless and until there is a Registered Shipper at the CGI Gas Point configured within the CGI Entry Point.

3.3.4 The Transporter will not enter into any OBAs at CGI Entry Points or at CGI Gas Points.

3.3.5 The Transporter does not anticipate the development of offtake profile notices at RNG Entry Points, CGI Entry Points or at CGI Gas Points. The Transporter may enter into agreements with the Connected System Operator at a CGI Entry Point in connection with the determination of the quantities of Natural Gas to be delivered to the Transportation System at each CGI Gas Point configured within the CGI Entry Point for any Day or delivered in aggregate at all CGI Gas Points configured at the CGI Entry Point.

3.3.6 The provisions of Section 3.8 (*Administrative Procedures at an Entry Point*) shall not apply to CGI Entry Points.

3.3.7 GNI may be the Connected System Operator at a CGI Entry Point other than in its capacity as Transporter; the Transporter and GNI as CGI Administrator shall publish a CGI Statement of Terms at such CGI Entry Point(s) in accordance with Section 3.6.2.

3.3.8 Where GNI enter into arrangements with the parties upstream of any new CGI Entry Point, including arrangements with Third Party Shippers or producers of RNG which will be tendered for delivery at the CGI Entry Point it does so other than in its capacity as Transporter pursuant to this Code.

3.4 Not Used

3.5 Bellanaboy Entry Point

3.5.1 The Proposed Bellanaboy Entry Point is located at Bellanaboy Bridge, Co. Mayo.

3.5.2 The Proposed Bellanaboy Entry Point shall become the Bellanaboy Entry Point in accordance with Part F (*Administration*) Section 1.3.

3.5.3 Natural Gas shall be deemed to enter the Transportation System at the Bellanaboy Entry Point.

3.5.4 The Proposed Bellanaboy Entry Point shall become a Commissioning Connected System Point in accordance with Section 3.7.4 and the Transporter

shall publish Commissioning Reverse Flow Arrangements in respect of it in accordance with Section 3.7.5.

3.5.5 Natural Gas offtaken pursuant to any applicable Commissioning Reverse Flow Arrangements or Operational Reverse Flow Arrangements shall be deemed to be offtaken from the Transportation System at the Commissioning Connected System Point or the Bellanaboy Entry Point (as the case may be).

3.6 New Entry Points and Commissioning Connected System Point(s)

3.6.1 The Transporter shall, subject to Sections 3.7.2 and 3.7.3, facilitate new Entry Points and new CGI Entry Points to the Transmission System when and wherever practicable and where commercially and technically feasible in order to secure as diverse, safe, economic and secure a supply of Natural Gas as possible to the Transportation System.

3.6.2 The Transporter shall enter into good faith negotiations for CSA(s) in respect of any proposed new Entry Point(s) and proposed new CGI Entry Point(s) on appropriate terms. Natural Gas shall be delivered or tendered for delivery to the Transmission System from such new Entry Point(s) or new CGI Entry Point(s) in accordance with the provisions of the relevant CSA for such new Entry Point(s) or new CGI Entry Point(s) and this Code.

Where Gas Networks Ireland (GNI) is or will be the CGI Administrator at any proposed new CGI Entry Point, the Transporter and GNI shall publish a statement of terms ("**CGI Statement of Terms**") on substantially equivalent terms to the terms of a CSA which will apply as between GNI acting in its capacity as CGI Administrator and GNI acting in its capacity as Transporter pursuant to this Code at the applicable CGI Entry Point.

3.6.3 The Transporter will not enter into any CSA(s) which would in the reasonable opinion of the Transporter have a material adverse impact on Shippers in general without first advising Shippers of the provision which the Transporter believes will have such material effect. Subject to the agreement of the other contracting parties thereto, any CSA for a new Entry Point or new CGI Entry Point shall be made publicly available by the Transporter following its execution and the Shippers shall, in any event, not be liable in respect of any obligations which they may incur in respect of a CSA of which they were unaware.

3.6.4 The Transporter may, (at the request of the relevant Connected System Operator and with the approval of the Commission) and where operationally and technically feasible and in orders to facilitate new Entry Points and new CGI Entry Points (or any enhancement to accommodate additional capacity or additional CGI Gas Points at a CGI Entry Point), designate a new Entry Point or a Proposed Entry Point or a CGI Entry Point or Proposed CGI Entry Point at which Natural Gas is required to be delivered to or offtaken from the

Transportation System to facilitate commissioning of Upstream Facilities, including commissioning of a Connected System Point ("**Commissioning Connected System Point**").

3.6.5 Without prejudice to the generality of Section 3.6.1 the Transporter shall (including where so requested by the Connected Systems Operator at a Commissioning Connected System Point) and with the approval of the Commission enter into arrangements to facilitate the delivery of Gas (Commissioning Arrangements) or offtake of Natural Gas (Commissioning Reverse Flow Arrangements) by Commissioning Shippers at a Commissioning Connected System Point in order to facilitate commissioning of facilities at or immediately upstream or immediately downstream of the Commissioning Connected System Point.

3.6.6 The Transporter may where technically and operationally feasible and in order to facilitate new RNG Entry Point(s) (and/or new CGI Entry Point(s) or new CGI Gas Points) enter into such arrangements as the Transporter acting as a Reasonable and Prudent Operator considers appropriate to facilitate the commissioning of any proposed new RNG Entry Point, CGI Entry Point or CGI Gas Point.

3.6.7 Shippers notified in writing to the Transporter by the Connected System Operator at a Commissioning Connected System Point ("**Commissioning Shippers**") may reserve capacity to facilitate the offtake of Natural Gas at a Commissioning Connected System Point in accordance with this Code and applicable Commissioning Reverse Flow Arrangements. A Commissioning Shipper shall comply with the applicable Commissioning Reverse Flow Arrangements which shall constitute a part of this Code as if set out fully herein provided however, in the event of any conflict between the applicable Reverse Flow Arrangements and the remaining provisions of this Code the Code shall prevail.

3.7 Administrative Procedures at an Entry Point

3.7.1 Procedures ("**Entry Point Procedures**") for the management of the matching of Nominations made by a Third Party Shipper and the relevant Registered Shipper at an Entry Point, and/or Allocations at an Entry Point (other than a RNG Entry Point) may be proposed to the Transporter by all Shippers who have Entry Capacity reserved at the same Entry Point or all Shippers who have been certified by the Connected System Operator at a Proposed Entry Point, as constituting all of the Shippers who have an entitlement to Natural Gas upstream of the Proposed Entry Point provided one or more of them have submitted Entry Capacity Requests in respect of the Proposed Entry Point and which requests have been accepted by the Transporter.

3.7.2 Entry Point Procedures may be introduced either at the time of, or prior to, or as soon as possible following, the implementation of this Code and may

outline principles to be established in respect of the matching of nominations ((a) above), and/or the allocation procedures ((b) above) and any related activities at an Entry Point. For the avoidance of doubt where the Transporter accepts Entry Point Procedures in respect of a Proposed Entry Point such Entry Point Procedures shall apply only with effect from the date upon which the Proposed Entry Point becomes an Entry Point in accordance with this Code. If the proposed Entry Point Procedures referred to in Section 3.8.1 are acceptable to the Transporter, the Transporter shall notify all relevant Shippers of its acceptance of such Entry Point Procedures and the date from which the same shall be effective and all relevant Shippers shall be bound by such Entry Point Procedures from such effective date.

3.7.3 Agreement by and between relevant Shippers and the Transporter with respect to Entry Point Procedures shall constitute an authority to the Transporter from all relevant Shippers to accept Allocations or such other information as may be authorised to be provided to the Transporter pursuant to such Entry Point Procedures and to provide information in accordance with such Entry Point Procedures. The Transporter shall not be liable to such Shippers, or any of them, in respect of any consequence of the acceptance by the Transporter of such Entry Point Procedures or the implementation thereof. All relevant Shippers hereby waive any and all rights of action against the Transporter in respect of any loss, damage or otherwise that may be suffered by any such Shipper as a result of such Entry Point Procedures and the reliance by the Transporter thereon and on any information received pursuant thereto.

3.7.4 Where Entry Point Procedures have been proposed by Shippers and accepted by the Transporter in accordance with this Section 3.8, all Shippers with Entry Capacity registered at such Entry Point or applying for Entry Capacity at such Entry Point shall adhere to and comply with such Entry Point Procedures together with any subsequent arrangements modifying the same and such Entry Point Procedures (and modifications thereof) shall be applied by the Transporter.

3.7.5 The Transporter is under no obligation, express or implied, to verify that the relevant Entry Point Procedures have been complied with and no action by the Transporter should be construed as such.

3.7.6 Where a Shipper does not adhere to such Entry Point Procedures the Transporter shall suspend such Shipper's right to make Nominations or Renominations in respect of such Entry Point until such time as the Shipper shall have adhered to such Entry Point Procedures.

3.8 Offtake Profile Notice at Entry Points

3.8.1 The Transporter may develop and make available to the Connected System Operator in relation to any Entry Point offtake profile notices relating to the

delivery of Natural Gas at an Entry Point on any Day. The Transporter may enter into such agreements with Connected System Operators, Shippers, Third Party Shippers and other Third Parties relating to the provision of offtake profile notices as the Transporter may consider appropriate.

3.8.2 The Transporter shall not be liable to the Shippers, or any of them, in respect of the development and provision of any such offtake profile notice or the failure to develop and/or provide such offtake profile notice other than in accordance with the terms and conditions of such agreement(s) as may be developed and agreed between the Transporter and Shippers in connection with offtake profile notices. Each Shipper hereby waives any and all rights of action against the Transporter in respect of any loss, damage or otherwise that may be suffered by any Shipper as a result of the development and provision of such offtake profile notices or the failure to provide such notices in respect of rights of action expressly contained in such agreement(s) as may be developed and agreed between the Transporter and Shippers in connection with offtake profile notices.

3.9 Operational Balancing Agreement

3.9.1 Without prejudice to section 3.2 and section 3.3 The Transporter may enter into an OBA with a Connected System Operator at an Entry Point or at a Proposed Entry Point.

3.9.2 The Transporter will not enter into any OBA(s) without first advising Shippers of the terms of the OBA.

3.9.3 An OBA shall be made publicly available by the Transporter prior to its execution. Shippers acknowledge that the provisions of OBA(s) may impact on the quantity of Natural Gas to be allocated to Shippers at the Entry Point to which such OBA relates in respect of a Day.

3.10 Offtake of Natural Gas at Entry Points

3.10.1 The Transporter may where technically and operationally feasible enter into arrangements ("**Operational Reverse Flow Arrangements")** to make quantities of Natural Gas available for offtake at an Entry Point connected to a Gas Source in order to facilitate operational start up requirements of facilities upstream of the Entry Point and where there is no alternative source of Natural Gas available to meet the operational requirements of such upstream facilities. Any such Natural Gas shall be made available for offtake on such terms as may be agreed by the Transporter with the approval of the Commission and which terms may be included in an OBA (where appropriate).

3.10.2 For the avoidance of doubt, the offtake of Natural Gas for commissioning facilities upstream of a new Entry Point or a Proposed Entry Point as contemplated by Section 3.7 or for operational reasons pursuant to 3.11 shall

not mean or imply that an Entry Point shall be an Exit Point (or a Bi Directional CSP) within the meaning of this Code.

4. OFFTAKE POINTS

4.1 General

4.1.1 The Transporter and each Shipper acknowledge that an Exit Point from the Transmission System may also (subject to any Modifications which may be required by the Transporter) become an Entry Point for the purposes of this Code and vice versa.

4.2 Offtake Requirements

4.2.1 On any Day, a Shipper shall be entitled to offtake Quantities in accordance with, and subject to, the provisions of the Code.

4.2.2 Where in the Transporter's opinion:

(c) Natural Gas is being offtaken from the Transportation System:

(i) in the case of a LDM Offtake, at a quantity and/or rate which exceeds the MHQ and/or ramp rate or where the notice period has not expired;

(ii) in the case of a TCDM Exit Point, at a quantity and/or rate which exceeds the MHQ;

(iii) in the case of a DM Supply Point, at a quantity and/or rate which exceeds the MHQ; or

(iv) in the case of a NDM Supply Point, at a rate which exceeds the relevant offtake limits; and

(d) the integrity of the Transportation System or any localised part thereof is prejudiced as a result or where the service to other Shippers is likely to be adversely affected or compromised,

the Transporter may take any appropriate steps available to it to secure the required reduction in the rate of flow of, or the discontinuance of, the offtake of Natural Gas from the Transportation System at the relevant Offtake Point.

4.2.3 The steps referred to in Section 4.2.2 may, following (where practicable) appropriate notice, include the disconnection of the equipment or facilities at the relevant Offtake Point but (without prejudice to any other provision of this Code (including any rights which the Transporter may have pursuant to Part I (*Legal and General*) Section 4 (*Suspension and Termination*)) the Transporter shall endeavour not to take this step where in its opinion alternative steps are available and adequate in the circumstances.

4.2.4 The Shipper acknowledges that it shall be the obligation of the Shipper to

procure a copy of any applicable End User Agreement from the End User prior to such Shipper becoming Registered Shipper at the LDM Offtake or the DM Offtake (as the case may be). The Transporter shall on request provide an End User Agreement to a Shipper only when:

(a) the Shipper is a Registered Shipper at the relevant Offtake Point; or

(b) with the prior written consent of the relevant End User.

4.3 General Provisions Relating to Offtake

4.3.1 Where under this Code or any Ancillary Agreement or under any applicable Legal Requirement, the Transporter is not required to connect to, or to maintain a connection in respect of, or has exercised or is entitled to exercise any right to disconnect, or is required to disconnect, any equipment or facilities at the Offtake Point in order to prevent the flow of Natural Gas to any End User's Facilities, or (having carried out any such disconnection) is not required to reconnect any such equipment or facilities to allow the flow of Natural Gas to any End User's Facilities, the Transporter shall not be in breach for failing to comply with its obligation to make Natural Gas available for offtake from the Transportation System at the relevant Offtake Point.

4.3.2 A Shipper's obligation to make any payments to the Transporter in connection with the transportation of Natural Gas shall not be affected by the existence of any circumstances under which, in accordance with this Code and/or any Ancillary Agreement, the Transporter is not obliged, or is relieved of its obligations, to make Natural Gas available for offtake from an Offtake Point.

4.3.3 Each Shipper shall indemnify the Transporter against all claims, charges, demands and payments due or arising downstream of an Offtake Point in respect of any person (including itself and any End User) offtaking, directly or indirectly, Natural Gas at the relevant Offtake Point.

4.3.4 The Transporter will not be obliged under any provision of this Code and/or any Ancillary Agreement to make Natural Gas available for offtake from the Transportation System by a Shipper at an Offtake Point:

(a) at any time, at a rate which exceeds the MHQ; and/or

(b) on any Day, of a quantity which exceeds the Shipper's Nominated Quantity and/or the Shipper's Active Capacity.

4.4 Natural Gas Offtaken at an Offtake Point: Compressors

4.4.1 Where Natural Gas is offtaken for supplying a compressor, the Transporter may, by notice to the relevant Shipper, require the relevant Shipper to procure that an appliance is installed and kept in use to effectively prevent pressure fluctuation in the Transportation System or any localised part thereof and to prevent any other inconvenience or danger which may be caused to the

Transporter and/or End Users or Shippers of Natural Gas. The Shipper shall comply with, or procure compliance with, any such notice and shall be responsible for paying, or procuring the payment of, all costs associated with such compliance.

4.4.2 Where a Shipper is required by this Section 4.4 to keep in use any such appliance, or procure that any such appliance is kept in use, the Shipper shall, keep or procure that such appliance is kept in proper order and repair and replace or repair it if it is not in proper order or shall procure that an End User will do so. The Shipper shall be responsible for paying, or procuring the payment of all costs associated with compliance or procuring compliance with this Section 4.4.2.

4.4.3 Without prejudice to any rights which the Transporter may have pursuant to this Code, and in particular Part I (*Legal and General*) Section 4 (*Suspension and Termination*), if a Shipper defaults in complying with any provision of this Section 4.4, the Transporter may suspend offtake of Natural Gas by such Shipper at the relevant Offtake Point and shall not be required to resume the supply of such Natural Gas until the default has been remedied to the reasonable satisfaction of the Transporter.

4.5 Discontinuance of Supply at an Offtake Point

4.5.1 Without prejudice to any rights which the Transporter may have pursuant to Part I (*Legal and General*) Section 4 (*Suspension and Termination*), if the Transporter has reason to believe that any Shipper (or End User for whom the Shipper has procured Natural Gas) has offtaken Natural Gas other than in accordance with this Code and/or any relevant Ancillary Agreement, or has offtaken Natural Gas so as to prejudice the integrity of the Transportation System (or any localised part thereof) or has interfered with the offtake of Natural Gas elsewhere on the Transportation System, the Transporter may following notification to the Shipper that the Transporter has reason to believe that Natural Gas has been offtaken, or that Natural Gas has been offtaken, as aforesaid discontinue the supply of Natural Gas to the relevant Offtake Point until such breach of this Code and/or any Ancillary Agreement is remedied and/or such interference has ceased and been remedied and/or the integrity of the Transportation System (or any localised part thereof) is restored to the reasonable satisfaction of the Transporter. There shall be no obligation on the Transporter to provide a notice of such discontinuance in those circumstances where the Transporter deems it necessary to effect such discontinuance without notice.

4.5.2 Notwithstanding discontinuance of the supply of Natural Gas under this Section 4.5, the Shipper will remain liable for all charges pursuant to this Code in respect of the Offtake Point for so long as the Shipper is the Registered Shipper at that Offtake Point and the Shipper shall indemnify the Transporter in respect of any claim by an End User with respect to such

discontinuance.

4.6 **Not Used**

5. **NOT USED**

5.1 **Not Used**

5.2 **Not Used**

5.3 **Not Used**

5.4 **Not Used**

5.5 **Not Used**

5.6 **Not Used**

5.7 **Not Used**

5.8 **Not Used**

6. **SUB-SEA I/C OFFTAKE**

6.1 **Sub-Sea I/C Offtake Arrangements**

6.1.1 The Transporter may, subject to Section 6.2.5, enter into such agreements (the "**Sub-Sea I/C Offtake Agreement(s)**") with respect to the offtake of Natural Gas at the Sub-Sea I/C Offtake including with respect to access to ownership, operation and/or maintenance of facilities and the provision of information from time to time to the Transporter.

6.2 **Sub-Sea I/C Offtake Requirements**

6.2.1 On any Day a Shipper shall be entitled to offtake quantities at the Sub-Sea I/C Offtake in accordance with, and subject to, the provisions of the Code and the provisions of the Sub-Sea I/C Offtake Agreement(s). On any Day the Transporter shall subject to the Sub-Sea I/C Offtake Agreement(s) make available for offtake at the Sub-Sea I/C Offtake quantities in accordance with and subject to the provisions of the Code.

6.2.2 Each Shipper registered at the Sub-Sea I/C Offtake shall be provided by the Transporter with details of the requirements for the offtake of Natural Gas at the Sub-Sea I/C Offtake ("**Sub-Sea I/C Offtake Requirements**") including:

(a) the location of the Sub-Sea I/C Offtake;

(b) the conditions applicable to the Sub-Sea I/C Offtake as to the pressure and specification of Natural Gas made available for offtake from the Transportation System at the Sub-Sea I/C Offtake (including those matters referenced in Part G (*Technical*) Section 1 (*Specifications,*

Quality and Pressure);

(c) the measurement provisions with respect to the Sub-Sea I/C Offtake as described in Part G (*Technical*) Section 3 (*Measurement*) ("**Sub-Sea I/C Offtake Measurement Provisions**"); and

(d) those requirements for the offtake of Natural Gas at the Sub-Sea I/C Offtake contained in Sub-Sea I/C Offtake Agreement(s) (if any) with which the Shipper must comply.

6.2.3 The Sub-Sea I/C Offtake Requirements referenced in this Section 6 shall be subject to and reflect:

(a) the provisions of any applicable Sub-Sea I/C Offtake Agreement(s); and

(b) to the extent that the Sub-Sea I/C Offtake Agreement(s) does not include all of the information referenced in Section 6.2.2, provisions of Part G (*Technical*) Section 1 (*Specifications, Quality and Pressure*) and Section 3 (*Measurement*) in respect of the Sub-Sea I/C Offtake.

6.2.4 In the event of any failure or non-compliance by any party with the provisions of the Sub-Sea I/C Offtake Agreement(s) (or any of them) then the Transporter shall be entitled to refuse (until such time as the Transporter is reasonably satisfied that such non-compliance has been remedied) to make available for offtake by a Registered Shipper at the Sub-Sea I/C Offtake, in which case the Transporter shall notify all affected Shippers of such refusal and (subject to any duties of confidentiality) of the relevant reasons therefor.

6.2.5 The Transporter will not enter into any Sub-Sea I/C Offtake Agreement(s)which would, in the reasonable opinion of the Transporter, have a material adverse effect on Shippers at the Sub-Sea I/C Offtake without first advising such Shippers of the provision which the Transporter believe will have such material effect.

6.2.6 The Transporter shall not be obliged to make the provisions of the Sub-Sea I/C Offtake Agreement(s) publicly available.

6.2.7 The Transporter shall not be obliged to seek any remedy with respect to the non-compliance by any party with the Sub-Sea I/C Offtake Agreement(s) nor shall the Transporter be obliged to seek to enforce any provisions of the Sub-Sea I/C Offtake Agreement(s) or require any third party to do so.

6.3 General Provisions relating to Offtake at the Sub-Sea I/C Offtake

6.3.1 The Transporter shall be entitled but not obliged to rely on any information provided to the Transporter pursuant to the Sub-Sea I/C Offtake Agreement(s) and shall have no responsibility to investigate or verify any quantity or information provided pursuant thereto.

6.3.2 A Shipper's obligations to make any payment to the Transporter in connection with the transportation of Natural Gas shall not be affected by the existence of any circumstances which in accordance with the Code and/or any Ancillary Agreements, the Transporter is not obliged, or is relieved of its obligation, to make Natural Gas available for offtake at the Sub-Sea I/C Offtake.

6.3.3 The Transporter will not be obliged under any provisions of this Code and/or any Ancillary Agreement(s) to make Natural Gas available for offtake at the Sub-Sea I/C Offtake:

(a) at any time at a rate which exceeds the MHQ; and/or

(b) on any Day, of a quantity which exceeds the Shipper's Nominated Quantity; and/or

(c) the Shipper's Sub-Sea I/C Offtake Capacity or Available Sub-Sea I/C Offtake Capacity (as the case may be).

7. INTERCONNECTION POINTS

7.1 GENERAL

7.1.1 A Shipper may:

(a) deliver or tender for delivery of Natural Gas to the Transportation System at an IP Entry Point; and/or

(b) offtake Natural Gas from the Transportation System at an IP CSEP Offtake;

in each case consistent with the provisions of this Code and the applicable Interconnection Agreement.

7.1.2 The Transporter (or its Affiliate) shall enter into an agreement (the "**Interconnection Agreement**") at each Interconnection Point.

7.1.3 The Transporter shall make the relevant terms of each Interconnection Agreement available to Shippers at the Interconnection Point.

7.1.4 At an Interconnection Point JBP Transactions will, in accordance with this Code be performed on the JBP by the JBP Operator in accordance with the JBP Processes the JBP Users T&C's and the arrangements between the Transporter and the JBP Operator. A Shipper must be a JBP User in order to participate in and/or perform JBP Transactions.

7.2 INTERCONNECTION AGREEMENT(S)

7.2.1 Each Interconnection Agreement shall include the following:

(a) the location of the IP Entry Point or the IP CSEP located at the Interconnection Point;

(b) the direction of physical flow at the Interconnection Point (where the Interconnection Point is unidirectional);

(c) provisions for flow control at the Interconnection Point;

(d) provisions for the IP Matching Procedure for the Interconnection Point;

(e) any applicable IP OBA Provisions;

(f) the conditions applicable at that Interconnection Point as to the pressure and specification of Natural Gas delivered or tendered for delivery to the Transportation System at any IP Entry Point located at the Interconnection Point or the pressure and specification of Natural Gas offtaken or made available for offtake from the Transportation System at the IP CSEP Offtake (including those matters referenced in Part G (*Technical*) Section 1 (*Specifications; Quality and Pressure*);

(g) such further ancillary matters as may be agreed with the Adjacent TSO.

7.2.2 If a Shipper fails to comply with those provisions of an Interconnection Agreement in respect of the delivery or tender for delivery or offtake or making available for offtake of Natural Gas at an Interconnection Point the Shipper shall indemnify the Transporter for all costs, losses and expenses arising as a result of any such failure which shall include all claims, charges, demands, costs, losses and/or payments due or arising in respect of an Interconnected System made by any person (including such Shipper or Interconnected System Shipper). Such indemnity shall include any claim with respect to any cost of IP Capacity Charges, the commodity element of any applicable tariff, scheduling charges, IP Overrun Charges, Balancing Charges and Failure to Interrupt Charges (including imbalance or corresponding charges arising under the Interconnected System Transportation Arrangements).

7.2.3 The Transporter shall not be required (for itself or for the benefit of any Shippers) to secure in any Interconnection Agreement any remedy against the Adjacent TSO nor to take steps to enforce any provision of an Interconnection Agreement. The Transporter or its Affiliate may agree pursuant to any applicable Interconnection Agreement to indemnify the Adjacent TSO on demand in respect of any costs, losses or damages incurred by the Adjacent TSO as a result of a relevant claim made by a Shipper against the Adjacent TSO arising out of any failure (whether negligent or otherwise) by the Adjacent TSO to comply with any provision of the Interconnection Agreement in respect of the delivery or receipt of gas or the specification of gas made available for delivery at the Interconnection Point.

7.2.4 Where the Interconnection Agreement includes provision for indemnification in accordance with Section 7.2.3 or otherwise each Shipper:

(a) waives each and every such claim against the Adjacent TSO to the extent that the Transporter (or its Affiliate) would otherwise be obliged pursuant to the Interconnection Agreement to indemnify the Adjacent TSO in respect of any costs, losses or damages as a result of any such claim; and

(b) shall indemnify and keep indemnified the Transporter from and against any payment which the Transporter is obliged to make to the Adjacent TSO pursuant to an indemnity as referred to in Section 3.2.3 as a result of any claim by the Shipper;

nothing in this section 7.2.4 shall extend to or affect a Shipper's claim to the extent that the Shipper is also a shipper pursuant to the Interconnected System Transportation Arrangements and makes or is entitled to make a relevant claim pursuant to the Interconnected System Transportation Arrangements.

7.2.5 Without prejudice to a Shipper's obligations pursuant to this Section 3 to the extent that:

(a) a Shipper fails to comply with any applicable provisions at an Interconnection Point other than as a result of a failure by the Transporter to perform any requirement under the Interconnection Agreement applicable at such Interconnection Point; and

(b) such failure by the Shipper adversely affects the ability of the Transporter or its Affiliate to operate the Transportation System, or any localised part thereof, or to comply with any Legal Requirement or any provision (other than a provision with which the failure to comply has no significant consequences for the Transporter or any Shipper) of the Interconnection Agreement or this Code,

then the Transporter shall be entitled to refuse until such time as the Transporter is reasonably satisfied that such non-compliance has been remedied to facilitate delivery of or offtake by the Shipper of Natural Gas to or from the Transportation System at the Interconnection Point in which case the Transporter may notify all affected Shippers of such refusal and (subject to any duties of confidentiality) of the relevant circumstances therefor.

7.2.6 To the extent that any changes to an Interconnection Agreement at an Interconnection Point are required in order to comply with any new or changed Legal Requirement, the requirements of any such Legal Requirement shall and may be met by the Transporter at the relevant Interconnection Point including pending amendment of the Interconnection Agreement and any such compliance by the Transporter shall not be a breach of any provision of this Code. The Transporter shall as soon as reasonably practicable thereafter

notify Shippers at the Interconnection Point of any amendments made to the Interconnection Agreement.

7.2.7 The Transporter shall consult with Shippers prior to agreeing any changes to an Interconnection Agreement in relation to:

(a) the IP Matching Procedure at the Interconnection Point;

(b) rules for the allocation of gas quantities to the extent that such rules do not form part of the IP Matching Procedure;

(c) procedures for communications in connection with Exceptional Events, or exceptional events on the Interconnected System;

(d) any provision which might adversely affect the Shipper's potential liability pursuant to any applicable indemnity.

each a "**Consultation Interconnection Provision**".

7.3 Joint Booking Platform (JBP) and JBP Operator

7.3.1 The Transporter shall and each Shipper which wishes to participate in JBP Transactions shall enter into and make such arrangements as may be necessary for access to and use of the JBP. Without prejudice to the generality of the foregoing a Shipper shall apply to become a JBP User for the purpose of this Code in accordance with Part F (*Administration*) Section 1.16; nothing in this Code shall be treated as creating or conferring on any Shipper or on the Transporter any entitlement to use of or access to the JBP or any rights against or relationship with the JBP Operator.

7.3.2 The Transporter has entered into an agreement with the JBP Operator as required under Section 3.3.1.

7.3.3 The Transporter and Shippers agree and acknowledge that

(a) the rules, algorithms, systems and processes (the "**JBP Processe**s") established from time to time by the JBP Operator in connection with each Interconnection Point are those which apply to and govern JBP Transactions and the Shipper acknowledges that JBP Transactions shall be performed in accordance with the JBP Process under the JBP Users T&C's.

(b) the Transporter and Shippers shall be bound for the purpose of this Code by the result of the application of the JBP Processes.

(c) no party shall have any liability to another party under this Code in respect of the carrying out of or any failure to carry out any such activities in accordance with the JBP Processes;

(d) the provisions of this Code which relate to the JBP Transactions are understood to reflect the JBP Processes; if there is any conflict between the JBP Processes and the provisions of this Code the JBP Processes will prevail.

7.3.4 It is further agreed and acknowledged that:

(a) communications between the Transporter or any Shipper and the JBP Operator in connection with activities pursuant to this Code including the JBP Transactions the format of such communications, access to and availability of any systems for such communications and any question as to the authority of any person to give or receive such communication or the validity or time of giving or receipt of such communication shall be governed by and determined in accordance with the JBP User's T&C's;

(b) the rights and obligations of Shippers and/or the JBP Operator in respect of confidentiality and disclosure of information shall be in accordance with the JBP Processes and the JBP User's T&C's.

Any other question or dispute arising as to the performance of activities on the JBP or the JBP Processes shall be determined in accordance with the JBP User's T&C's and/or the JBP Processes (as the case may be).

7.3.5 The following communications with Shippers shall be undertaken by the JBP Operator as agent for and on behalf of the Transporter utilising the JBP:

(a) publication of information for Capacity Auctions;

(b) receipt of Bids from Shippers and notifying acceptance or rejection of Bids;

(c) receipt of IP Trade Proposal(s) and notifying acceptance or rejection of such IP Trade Proposal(s) as referenced to in Part C (*Capacity*);

(d) receipt of Capacity Surrender Requests from Shippers as referred to in Part H (*Operations*) Section 2A and notifying acceptance or otherwise of such Capacity Surrender Requests;

(e) such other communications under this Code as may be notified by the Transporter to Shippers from time to time.

Part I (*Legal and* General) Section 9 shall not apply with respect to communications referred to in this Section 3.3.4 and 3.3.5 nor in relation to any other communication to be made between any Shipper and the JBP Operator which shall be in accordance with the JBP User's T&C's.

7.3.6 The Transporter shall:

(a) in connection with an application by Shipper to become a JBP User in accordance with Part F (*Administratio*n) Section 1.16 provide information to and receive information from the JBP Operator in accordance with Part F (*Administration*) Section 1.16.

(b) in connection with Capacity Auctions at an Interconnection Point:

(i) send to the JBP Operator information with respect to the Auctionable Capacity as determined pursuant to Part C (*Capacity*) Section 2.4 to enable the JBP Operator to determine the Auctionable Capacity and to determine the applicable Auctionable Capacity which can be made available as Bundled IP Capacity;

(ii) inform the JBP Operator if a Shipper's Bid pursuant to Capacity Auction is a Bid which should be accepted or rejected for the purpose of this Code;

(iii) increase or decrease the Shipper's IP Capacity on the basis of the result of such Capacity Auction(s) as notified by the JBP Operator to the Transporter;

(c) in connection with IP Capacity Surrenders inform the JBP Operator as to whether Capacity Surrender Requests are valid and/or accepted in accordance with Part H (*Operations*) Section 2A (*Congestion Management*):

(d) in connection with IP Capacity Trades:

(i) notify the JBP Operator whether such proposed IP Capacity Trades are accepted or rejected in accordance with Part C (*Capacity*) Section 5; or

(ii) adjust a Shipper's Active IP Capacity on the basis of any IP Capacity Trades notified by the JBP Operator to the Transporter.

7.4 Moffat Interconnection Point

7.4.1 The Moffat Interconnection Point is located in South West Scotland, is unidirectional and comprises;

(a) the Moffat IP Entry Point; and

(b) the Moffat IP VExit.

7.4.2 The physical flow at the Moffat Interconnection Point is forward flow such that Natural Gas is physically offtaken from the Interconnected System and delivered to the Transportation System at the Moffat IP Entry Point.

7.4.3 Natural Gas shall be deemed to enter the Transportation System at the Moffat IP Entry Point; Natural Gas shall be deemed to be offtaken from the Transportation System at the Moffat IP VExit.

7.4.4 Natural Gas may be nominated for and allocated as offtaken from the Transportation System at the Moffat Interconnection Point on a Day only to the extent that there are (in aggregate) IP Nominations and IP Allocations of equal or greater quantities as delivered at the Moffat IP Entry Point for that Day;

7.4.5 At the Moffat Interconnection Point:

(a) the Moffat Interconnection Agreement is entered into by NGG and GNI (UK) Limited, an Affiliate of the Transporter; and

(b) the GNI Tripartite Agreement is entered into by NGG, GNI (UK) Limited (the Affiliate of the Transporter) and the Transporter.

7.4.6 The Moffat Interconnection Agreement refers to processes including with respect to bundling of capacity, aspects of the Matching Procedure and Allocations which are supported by and/or provided in whole or in part pursuant to the GNI Tripartite Agreement. References in this Code to the Moffat Interconnection Agreement shall include and be deemed to include references to the GNI Tripartite Agreement where the context so admits or requires.

7.5 South North Interconnection Point

7.5.1 The South-North Interconnection Point is located at Gormanston County Meath; and.

(a) comprises the: the South-North IP CSEP; and

(i) the South-North IP VEntry.

(b) the physical flow at the South North Interconnection Point is reverse flow such that Natural Gas is physically offtaken from the Transportation System for delivery to the Interconnected System.

7.5.2 The South-North Interconnection Point is unidirectional and Shippers may nominate and be allocated gas as delivered to the Transportation System at the South-North IP VEntry on a Day only to the extent that there are in aggregate IP Nomination(s) and IP Allocations of equal or greater quantities as offtaken from the Transportation System at the South-North IP CSEP for that Day.

7.5.3 Subject to section 7.5.4 Natural Gas shall be offtaken from the Transportation System at the IP CSEP and shall be deemed to enter the Transportation System at the IP VEntry at the South-North Interconnection Point.

7.5.4 Section 7.5(3) shall not apply to Natural Gas transported pursuant to the Use of System Agreement and such Natural Gas shall remain in the Transportation System.

7.6 IP VEntry Capacity Interruption and Failure to Interrupt Charges

7.6.1 Without prejudice to any other rights which the Transporter may have pursuant to the Code the Transporter may for operational reasons reduce the amount of Available Daily Interruptible IP VEntry Capacity at the IP VEntry in respect of a Day and shall notify Shippers of such reduction by way of a notice ("**IP VEntry Capacity Interruption Notice**").

7.6.2 The IP VEntry Capacity Interruption Notice shall specify:

(a) the IP VEntry to which the notice relates;

(b) the Day to which the notice applies;

(c) the amount of the reduced Available Daily Interruptible IP VEntry Capacity (the "**Reduced Available Daily Interruptible IP VEntry Capacity**") at the IP VEntry in respect of the affected Day(s).

7.6.3 Where the Transporter publishes the Reduced Available Daily Interruptible IP VEntry Capacity in respect of a Day before a Rolling Day Ahead Interruptible IP Capacity Auction with respect to such Day. The Reduced Available Daily Interruptible IP VEntry Capacity shall be the applicable Auctionable Capacity for such Capacity Auction..

7.6.4 Where the Transporter publishes the Reduced Available Daily Interruptible IP VEntry Capacity in respect of a Day after the close of the Rolling Day Ahead Interruptible IP Capacity Auction with respect to that Day and where the aggregate of the Booked Daily Interruptible IP VEntry Capacity of all Shippers at the IP VEntry exceeds the Reduced Available Daily Interruptible IP VEntry Capacity in respect of that Day then the Transporter shall allocate the Reduced Available Daily Interruptible IP VEntry Capacity among Shippers pro rata to such Shipper's Booked Daily Interruptible IP VEntry Capacity and shall notify each Shipper at the IP VEntry of such Shipper's share of the Reduced Available Daily Interruptible IP VEntry Capacity in respect of the Day (the "**Reduced Daily Interruptible IP VEntry Capacity**").

7.6.5 A Shipper registered at a IP VEntry shall be liable to a charge ("**IP VEntry Failure to Interrupt Charge**") calculated in accordance with this Section 3 for a Day in respect of which the Transporter has notified the Shipper of a Shipper's Reduced Daily Interruptible IP VEntry Capacity and the Shipper does not renominate such that the Shipper's prevailing IP Nomination Confirmed Quantity does not exceed the Shipper's Reduced Daily Interruptible IP VEntry Capacity at the IP VEntry.

7.6.6 The Failure to Interrupt Charge will be calculated in accordance with the following formula:

FTIc = (NOMq **– Rcap) * M * T**

where:

FTIc	=	the Failure to Interrupt Charge;
NOMq	=	the IP Nomination Confirmed Quantity in the Shipper's prevailing Valid IP Nomination at the IP VEntry;
Rcap	=	the Shipper's Reduced Daily Interruptible IP VEntry Capacity.
M	=	8
T	=	the applicable Capacity Charges with respect to the IP CSEP Offtake Capacity at the applicable IP CSEP.

7.6.7 A Shipper's liability for IP VEntry Failure to Interrupt Charges shall continue notwithstanding that the Transporter may have exercised its entitlement to revoke or limit a Shipper's IP VEntry Nomination in accordance with Part D (*Nominations, Allocations and Supply Point Reconciliation*).

7.6.8 A Shipper's liability with respect to Failure to Interrupt Charge shall be in addition to any liability which a Shipper may have with respect to a IP VEntry Capacity Overrun in respect of the Day.

7.6.9 Notwithstanding that a Shipper shall be notified of a Reduced Daily Interruptible IP VEntry Capacity in respect of a Day the Shipper shall remain liable to pay all charges with respect to the Shipper's Booked Daily Interruptible IP VEntry Capacity in respect of the Day.

7.7 IP VExit Capacity Interruption and Failure to Interrupt Charges

7.7.1 Without prejudice to any other rights which the Transporter may have pursuant to the Code the Transporter may for operational reasons reduce the amount of Available Daily Interruptible IP VExit Capacity at an IP VExit in respect of a Day and shall notify Shipper(s) of such reduction by way of a notice ("**IP VExit Capacity Interruption Notice**").

7.7.2 The IP VExit Capacity Interruption Notice shall specify:

(h) the IP VExit to which the notice relates.

(i) the affected Day(s) to which the notice applies;

(j) the amount of the reduced Available Daily Interruptible IP VExit Capacity (the "Reduced Available Daily Interruptible IP VExit Capacity") at the IP VExit in respect of the affected Day(s).

7.7.3 Where the Transporter publishes the Reduced Available Daily Interruptible IP VExit Capacity in respect of a Day before the applicable Rolling Daily Interruptible IP Capacity Auction for such Day then the Reduced Daily Interruptible IP VExit Capacity shall be the applicable Auctionable Capacity for such Capacity Auction.

7.7.4 Where the Transporter publishes the Reduced Available Daily Interruptible IP VExit Capacity in respect of a Day after the close of the Rolling Daily Interruptible IP Capacity Auction for that Day and where the aggregate of the Booked Daily Interruptible IP VExit Capacity of all Shippers at the IP VExit exceeds the Reduced Available Daily Interruptible IP VExit Capacity in respect of that Day then the Transporter shall allocate the Reduced Available Daily Interruptible IP VExit Capacity among Shippers pro rata to such Shippers Booked Daily Interruptible IP VExit Capacity and shall notify each Registered Shipper at the IP VExit of such Shipper's share of the Reduced Available Daily Interruptible IP VExit Capacity in respect of the Day (the "**Reduced Daily Interruptible IP VExit Capacity**").

7.7.5 A Shipper at an IP VExit shall be liable to a charge ("**IP VExit Failure to Interrupt Charge**") calculated in accordance with this Section 3.4 for a Day in respect of which the Transporter has notified the Shipper of a Shipper's Reduced Daily Interruptible IP VExit Capacity where the Shipper does not Renominate such that the Shippers prevailing IP VExit Renomination is in respect of an IP Nomination Confirmed Quantity which does not exceed the Shipper's Reduced Daily Interruptible IP VExit Capacity.

7.7.6 The Failure to Interrupt Charge will be calculated according to the following formula:

$$\mathbf{FTIc} = \mathbf{(Nom_q - R_{cap}) \times M \times T}$$

where:

FTI**c** = the failure to interrupt charge;

Nom_q = the IP Nomination Confirmed Quantity in the Shipper's prevailing IP VExit Renomination

R_{cap} = the Shipper's Reduced Daily Interruptible IP VExit Capacity.

M	=	8
T	=	the applicable Entry Capacity Charges with respect to Daily IP Entry Capacity at the Interconnection Point at which the IP VExit is located.

7.7.7 The Shipper's liability for a IP VExit Failure to Interrupt Charge shall continue notwithstanding the Transporter may have exercised its entitlement to revoke or limit a Shipper's Valid IP VExit Nomination in accordance with Part D (*Nominations, Allocations and Supply Point Reconciliation*).

7.7.8 A Shipper's liability with respect to Failure to Interrupt Charge shall be in addition to any liability which a Shipper may have with respect to a IP VExit Capacity Overrun in respect of the Day.

7.7.9 Notwithstanding that a Shipper shall be notified of a Reduced Daily Interruptible IP VExit Capacity in respect of a Day the Shipper shall remain liable to pay all charges with respect to the Shippers Booked Daily Interruptible IP VExit Capacity in respect of the Day.

7.8 Implementation of Procedures at Interconnection Points

7.8.1 The Transporter shall not be liable to Shippers, or any of them, in respect of any consequence of the implementation of any applicable IP Matching Procedure(s) and/or IP OBA Provisions. All relevant Shippers hereby waive any and all rights of action against the Transporter in respect of any loss, damage or otherwise that may be suffered by any such Shipper as a result of such IP Matching Procedures and/or IP OBA Provisions and the reliance by the Transporter thereon and on any information received pursuant thereto.

7.8.2 The Transporter is under no obligation, express or implied, to verify that the relevant IP Matching Procedures or IP OBA Provisions have been complied with and no action by the Transporter should be construed as such.

7.9 Profile Notice(s) at Interconnection Point(s)

7.9.1 The Transporter may pursuant to the applicable Interconnection Agreement make arrangements for the development and making available of offtake profile notices (otherwise Exit Flow Profiles) relating to the

(a) delivery of Natural Gas to the Transportation System at an IP Entry Point on any Day and/or

(b) the offtake of Natural Gas at an IP CSEP on any Day.

as the Transporter may consider appropriate;

7.9.2 The Transporter shall not be liable to Shippers, or any of them, in respect of the development and provision of any such offtake profile notice or the failure to develop and/or provide such offtake profile notice in accordance with the terms and conditions of the applicable Interconnection Agreement or as referred to therein (as may be developed and agreed between the Transporter (or its Affiliate) and any Adjacent TSO and Shippers in connection with offtake profile notices) or otherwise. Each Shipper hereby waives any and all rights of action against the Transporter and/or any Adjacent TSO in respect of any loss, damage or otherwise that may be suffered by any Shipper as a result of the development and provision of such offtake profile notices or the failure to provide such notices in respect of rights of action expressly contained in such agreement(s) as may be developed and agreed between the Transporter and the Adjacent TSO in connection with offtake profile notices.

7.9.3 Where the Interconnection Agreement is executed by an Affiliate of the Transporter any reference to any matter or thing to be done by or for and indemnification or relief of liability for the benefit of or information to be disclosed or received by, the Transporter as party to an applicable Interconnection Agreement shall and shall be deemed to include a reference to such Affiliate and the Transporter shall be entitled to notify information to or receive information from such an Affiliate for such purpose; and the Affiliate shall be entitled to the benefit of any indemnity, relief from or limitation of liability which is expressed to be for the benefit of the Transporter.

For the purpose of this Section 3.9.3 Affiliate shall exclude GNI (UK) acting as Adjacent TSO at the South-North Interconnection Point. Each Shipper shall indemnify the Transporter against all claims, charges, demands and payments due or arising upstream or downstream of the Interconnection Point in respect of any person (including itself and any Adjacent TSO).

7.9.4 The Transporter shall be entitled but not obliged to rely on any information provided to the Transporter pursuant to the Interconnection Agreement and/or in the case of the Moffat Interconnection Point, the GNI Tripartite Agreement and shall have no responsibility to investigate or verify any information so notified.

For the avoidance of doubt the quantities of Natural Gas profiled for delivery to or offtake from the Transportation System on a Day may differ from the quantity nominated by Shippers for delivery to or offtake from the Transportation System in respect of that Day (and may differ from the net quantities so nominated).

8. INCREMENTAL CAPACITY

8.1 General

8.1.1 The Transporter shall undertake a process ("**Incremental Capacity Process**") for the assessment of demand for, and where applicable the development and offer of Incremental Capacity, as required under the CAM Code on a biannual basis in accordance with this Section 8. The Transporter shall co-operate with the Adjacent TSO in the assessment of demand for Incremental Capacity at their joint Interconnection Points.

The Transporter may initiate interim Incremental Capacity Processes in addition to the biannual process in accordance with this Section 8 subject to agreement of any applicable Adjacent TSO.

Each Incremental Capacity Process shall comprise the phases (i) and (ii) and where applicable (iii) and/or (iv) and/or (v) (as applicable) described below:

(i) a Market Demand Assessment in accordance with Section 8.2;

(ii) production of a Demand Assessment Report in accordance with Section 8.3;

(iii) subject to the Demand Assessment Report a design phase;

(iv) project regulatory approval in accordance with Section 8.5 (where applicable); and

(v) the allocation of Incremental Capacity in accordance with this Code or any alternative allocation mechanism as referred to in Section 8.6.

In the event of any inconsistency between the provisions of this Section 8 and the provisions of Part C (*Capacity*) in relation to the allocation of Incremental Capacity at an Interconnection Point the provisions of this Section 8 shall prevail to the extent of such inconsistency.

The Transporter shall publish Incremental Capacity Process requirements to which interested third parties (and where applicable Shippers) shall adhere. Notwithstanding that interested third parties may submit Demand Indications (and shall be obliged to discharge a DIF in accordance with any such requirement published by the Transporter) only Shippers may be allocated Incremental Capacity under this Code and/or any alternative allocation mechanism.

8.2 Demand Indications

8.2.1 Shippers and/or interested third parties may submit a demand indication(s) ("**Demand Indication**") to the Transporter in accordance with this Section 8.2. Demand Indications may be submitted at any time however, they must be submitted within a period of eight (8) weeks after the date the Annual Yearly Capacity Auction opens in each odd numbered year in order to ensure inclusion in the Demand Assessment Report for that year contemplated by

Section 8.3. The first year in which Demand Indications may be submitted is 2017.

Valid Demand Indication(s) submitted in accordance with this Section 8.2 shall be included in a Demand Assessment Report as determined under Section 8.2.5.

8.2.2 Demand Indications shall be non-binding and shall be submitted in such form and in accordance with such process as may be prescribed by the Transporter from time to time and in any event shall include the following information:

(i) the Interconnected System located at the Interconnection Point at which demand for Incremental Capacity is indicated;

(ii) the Gas Year(s)for which demand for Incremental Capacity is expressed;

(iii) the class and direction of capacity for which demand is expressed;

(iv) confirmation whether a corresponding demand indication is submitted to the Adjacent TSO for the Interconnected System;

(v) additional information on corresponding demand indications which are or will be submitted to the Adjacent TSO or operators of other transmission systems where the demand indications are linked, including demand for capacity at related interconnection points;

(vi) whether the Demand Indication is subject to any of the following conditions:

(a) the demand is linked to demand at other proposed Interconnection Points or interconnection points on other transmission systems;

(b) the demand is linked to demand expressed across a number of different Gas Years;

(c) the demand is linked to specific or minimum acceptable quantities.

(vii) evidence of identity of the party submitting the Demand Indication together with appropriate contact details, together with the Shipper ID or the EIC of the Shipper submitting the application (where applicable).

Where the Demand Indication is in respect of the Transportation System and more than one Interconnected System, or at more than one Interconnection Point or proposed interconnection point the information

(as set out in (ii) to (vii) above shall be set out separately in respect of each such Interconnection Point, or proposed interconnection point.

8.2.3 The Transporter shall when responding to a Demand Indication in accordance with Section 8.2.7 notify the Shipper (or interested party which submitted the Demand Indication as appropriate) whether the Demand Indication is valid (a "**Valid Demand Indication**").

A Demand Indication is valid where it is submitted in accordance with Section 8.2.2 (including any process prescribed by the Transporter as referred to in Section 8.2.2) and the DIF has been paid in full.

8.2.4 Where the Transporter does not consider a Demand Indication is valid it shall notify the party submitting the Demand Indication accordingly and the reason the Demand Indication is not valid.

8.2.5 Valid Demand Indications submitted in accordance with this Section 8.2:

(i) received within eight (8) weeks after the 6 April 2017 shall be included in the Demand Assessment Report for 2017;

(ii) within eight (8) weeks after the Annual Yearly Capacity Auction in an odd year shall be included in the Demand Assessment Report for that year;

(iii) all other Valid Demand Indications received by the Transporter shall be included:

(a) where reasonably practicable in any then existing Incremental Capacity Process; or

(b) in any other Incremental Capacity Process (other than the biannual process) initiated by the Transporter subject to the agreement of any applicable Adjacent TSO; and/or

(c) the next available biannual Market Demand Assessment.

8.2.6 Where the Transporter receives a Valid Demand Indication within eight (8) weeks after the start of the Annual Yearly Capacity Auction in any even numbered year the Transporter may agree to conduct a Market Demand Assessment in that even numbered year provided that:

(i) the Market Demand Assessment and applicable Incremental Capacity Process can be completed prior to the next biannual Incremental Capacity Process; and

(ii) the ENTSOG Auction Calendar is respected.

8.2.7 The Transporter shall respond to Demand Indications:

(i) within sixteen weeks after the start of the Annual Yearly Capacity Auction or within eight (8) weeks of receipt of Demand Indications.

(ii) Without prejudice to Section 8.2.3 the Transporter shall in respect of Valid Demand Indications notify the relevant Shipper or interested third party:

(a) whether the Demand Indication shall be considered by the Transporter in any ongoing process; or

(b) whether in the case of Demand Indications received in accordance with Section 8.2.6 they are sufficient subject to the agreement of the Adjacent TSO to consider the initiation of Incremental Capacity Process according to Section 8.2.6; or

(c) if the Demand Indication cannot be considered under (a) or (b) above in which Demand Assessment Report according to paragraph 8.2.5(iii) the indicated demand will be assessed.

The Transporter shall in its response advise the reason the Demand Indication cannot be considered under Section 8.2.7 (ii) (a) or (b) as applicable.

8.3 Demand Assessment Report

8.3.1 The Transporter shall as part of the biannual Incremental Capacity Process produce and publish a report (**a "Demand Assessment Report")** in accordance with this Section 8.3; where the Transporter has decided to undertake an Incremental Capacity Process other than the biannual process the provisions of this Section 8.3 (other than 8.3.2) shall also apply.

8.3.2 The Demand Assessment Report shall be published by the Transporter within sixteen (16) weeks after the start of the applicable Annual Yearly Capacity Auction.

8.3.3 The Transporter in developing a Demand Assessment Report shall take into account all of the following criteria (but shall not be limited to such criteria):

(a) whether the 10 year Network Development Plan developed pursuant to the provisions of Regulation 715/2009 identifies that there is insufficient capacity at a relevant Interconnection Point to meet system demand for gas flows at that Interconnection Point and

i. as a result of that insufficiency there is a shortfall in the availability of Natural Gas for offtake from the Transmission System or any localised part thereof;

ii. the shortfall could be addressed by Incremental Capacity.

(b) whether no Yearly Standard Capacity Product at the Interconnection Point or the proposed interconnection point is available in the Annual Yearly Capacity Auction for the Gas Years in which Incremental Capacity could be offered for the first time and in the three subsequent Gas Years because all relevant capacity has been contracted or no such capacity exists.

(c) whether Valid Demand Indications were received requesting Incremental Capacity for a sustained number of Gas Years and all other economically efficient means for maximising the availability of existing relevant capacity have been exhausted.

8.3.4 The Demand Assessment Report shall include at least the following:

(a) a conclusion on whether to initiate an Incremental Capacity Project; or a decision as to whether it is appropriate to proceed to the design phase in accordance with Section 8.4.

(b) the aggregate Valid Demand Indications received in accordance with Section 8.2.5(i) or 8.2.5(ii);

(c) the aggregate of the Valid Demand Indications which the Transporter has agreed to consider as referred to in Section 8.2.7(ii)(a);

(d) the aggregate Demand Indications which the Transmission System Operator has decided under Section 8.2.7(ii)(c) to consider in the applicable Market Demand Assessment;

(e) an assessment of the expected amount direction and duration of demand for Incremental Capacity at each Interconnection Point and each proposed interconnection point;

(f) where available the aggregate level of any Demand Indications which are subject to any one or more of the conditions referred to in Section 8.2.2(vi);

(g) a conclusion on whether, and for which Interconnection Points, technical studies for potential Incremental Capacity Projects will be progressed;

(h) provisional timelines for the Incremental Capacity Project including technical studies and the consultation referred to in Section 8.4;

(i) a conclusion on what fees (if any) will apply in accordance with Section 8.5.2(c);

(j) the Transporter's intention with regard to the availability (if any) of Incremental Capacity in the Annual Yearly Capacity Auctions during the Incremental Capacity Process.

8.3.5 The Transporter shall publish a point of contact for Incremental Capacity Projects on publication of a Demand Assessment Report and shall update such information from time to time.

8.4 Design Phase

8.4.1 If the Demand Assessment Report concludes that an Incremental Capacity Project should be initiated the Transporter shall the day after the publication of the Demand Assessment Report commence the activities and processes outlined in this section 8.4.

8.4.2 The Transporter shall conduct technical studies (as required) for the design of the Incremental Capacity Project and co-ordinate Offer Levels of Incremental Capacity based on technical feasibility and the Demand Assessment Report with the intent to produce a draft proposal for the Incremental Capacity Project.

8.4.3 Not later than 12 weeks after the start of the design phase in accordance with Section 8.4.1 the Transporter and the Adjacent TSO shall issue a joint public consultation document on the draft proposal for the Incremental Capacity Project. The consultation period shall be a minimum of one (1) month and no longer than two (2) months and the Transporter and the Adjacent TSO shall take all reasonable steps to ensure cross-border co-ordination.

8.4.4 The consultation document shall address the following:

(a) a description of the proposed Incremental Capacity Project;

(b) a cost estimate in respect of the Incremental Capacity Project;

(c) the potential Offer Levels for proposed Bundled capacity products at the Interconnection Point;

(d) where relevant and having regard inter alia to any conditional Demand Indications received the Transporter's proposed alternative allocation mechanism (if any) and the reasons for such proposed alternative allocation mechanism;

(e) the provisional anticipated timelines of the Incremental Capacity Project;

(f) an outline of the general rules and conditions that a Shipper must accept in order to participate in and access capacity in any binding capacity allocation phase of the Incremental Capacity Process, including a description of any financial security or collateral to be provided by Shippers and a proposal on how delays in the availability of Incremental Capacity or in the event of disruption to the Incremental Capacity Project will be dealt with contractually;

(g) where a fixed price approach is followed for the Incremental Capacity Project the elements of RP and IND.

(h) the level of binding Shipper commitment (if any) expressed as an estimate of the f factor which is proposed subject to the approval of the Commission.

(i) any additional demand indications which a Transporter may have received after the eight (8) week window;

(j) an indication as whether in the reasonable opinion of the Transporter the Incremental Capacity is likely to result in a sustained, significant decrease in the utilisation of other non-depreciated gas infrastructure in the Transportation System and Interconnected System or along the same gas transport route.

8.5 Regulatory Approval

8.5.1 Following completion of the consultation process referred to in Section 8.4 the Transporter and (if relevant) the relevant Adjacent TSO(s) shall prepare a joint project proposal for submission to the Commission and any other relevant regulatory authority and shall publish the project proposal which shall include the following information:

(a) all Offer Levels of capacity, reflecting the range of expected demand for Incremental Capacity at the relevant Interconnection Points as determined, inter alia, having regard to the consultation process referred to in Section 8.4;

(b) general rules and conditions that a Shipper must accept to participate in and access capacity in the binding capacity allocation phase of the Incremental Capacity Process including any collateral or financial security to be provided by the Shipper and how possible delays in the provision of capacity, in the event of a disruption to the Incremental Capacity Project are intended to be dealt with contractually;

(c) proposed timelines of the Incremental Capacity Project implementation, including any changes subsequent to the

consultation referred to in Section 8.4 and measures to prevent delays in project implementation and to minimise the impact of delays;

(d) the parameters to be used in the Economic Test being

(i) the present value of binding commitments of Shippers to contract capacity which is calculated as the discounted sum of:

(1) the sum of the respective estimated, Reference Prices and potential Auction Premia and a potential mandatory minimum auction premium multiplied by the amount of contracted Incremental Capacity;

(2) the sum of a potential Auction Premium and a potential mandatory minimum auction premium multiplied by the amount of available capacity that was contracted in combination with the Incremental Capacity; and

(iii) the present value of the estimated increase in the allowed or target revenue of the Transporter associated with the Incremental Capacity included with the respective Offer Level as approved by the Commission;

(iv) the f factor.

(e) Whether an exceptionally extended time horizon for contracting capacity for an additional period of up to five years beyond the allocation of up to fifteen years after the start of the operational use of the Incremental Capacity may be required;

(f) Where applicable the proposed alternative allocation mechanism, including the reasons why such alternative allocation mechanism is required together with the conditions which the Transporter proposes pursuant to the alternative allocation mechanism;

(g) Where a fixed price approach is followed the elements of IND and RP;

((i) IND: the chosen index; and

(iii) RP: the risk premium to be applied.)

8.5.2 When the Commission and any other relevant national regulatory authority publishes their decision on the Incremental Capacity Project the Transporter and any relevant Adjacent TSOs shall prepare and publish jointly a notice of such decision. If the decision of the Commission and

any other relevant national regulatory authority is to approve the Incremental Capacity Project, the notice shall include the following minimum information:

(a) the information referred to in Section 8.5.1;

(b) a template of the proposed contracts in relation to the Incremental Capacity;

(c) the actual costs incurred by the Transporter in completing the design work and whether there is any corresponding adjustment in the DIF; and

(d) whether there is any need for reinforcement works in respect of the Transportation System or any localised part thereof;

8.5.3 The notice referred to in Section 8.5.2 shall be published by no later than two months before the offer of Incremental Capacity in the Annual Yearly Capacity Auction (if any) subject to the decision of the Commission and any other national regulatory authority having been issued in a timely manner.

8.6 **Regulatory Approval**

8.6.1 The draft project proposal for the Incremental Capacity Project published pursuant to Section 8.4 shall state the proposed alternative allocation mechanism (if any) and the project proposal submitted for regulatory approval pursuant to Section 8.5 shall include the rules for allocation via the alternative allocation mechanism.

8.6.2 Following approval of the Commission and any other relevant national regulatory authorities the alternative capacity allocation provisions in the relevant approved project proposal shall be treated as incorporated into and forming part of the Code and binding pursuant to this Section 8;

Any capacity booked in accordance with such approved alternative allocation mechanism shall be subject to satisfaction of any applicable conditions in all respects treated as booked in accordance with the provisions of this Code of Operations and all provisions of the Code shall apply to such capacity accordingly;

8.7 **DIF**

8.7.1 The DIF must be discharged in full in respect of each Demand Indication before such Demand Indication can be included in any Market Demand Assessment.

8.7.2 The DIF shall be published by the Transporter from time to time.

8.7.3 The DIF will be repaid in full if:

(a) an Incremental Capacity Project is not initiated following publication of the Demand Assessment Report; or
(b) the economic test for an Incremental Capacity Project is positive.

8.7.4 The DIF will be retained by the Transporter if the Economic Test for an Incremental Capacity Project is negative. For the avoidance of doubt this includes where there are no binding capacity applications that could be considered for the purpose of an Economic Test.

8.8 Auctioning of Incremental Capacity

8.8.1 Unless an alternative allocation mechanism has been proposed and approved as provided in this Section 8, the Incremental Capacity shall be offered together with the respective available capacity in the Annual Yearly Capacity Auction in accordance with Part C (*Capacity*) Section 2.

8.8.2 The auctions for the Incremental Capacity and its respective Offer Levels shall be conducted in parallel with, but independently from each other, in accordance with Part C (*Capacity*) Section 2. Only offers of Incremental Capacity co-ordinated with the Adjacent TSO shall be offered; the provisions of Part C (*Capacity*) Section 2 shall apply mutatis mutandis to each such auction in respect of Incremental Capacity.

8.8.3 In order to minimise potential auction premia and to achieve a positive economic test outcome for the highest possible Offer Level a new auction may be initiated once only if:

(a) there were at least two Offer Levels set by the Transporter and the Adjacent TSO before the Annual Yearly Capacity Auction in respect of which the offer was initially made; and

(b) at least one Offer Level was unsuccessful and resulted in a negative Economic Test; and

(c) the next smaller Offer Level of the lowest unsuccessful Offer Level resulted in a positive economic test and cleared with an auction premium for at least one yearly standard capacity product.

If the new auction does not result in a positive Economic Test outcome the allocation results of the original auction referred to in point (c) shall prevail.

All capacity allocated pursuant to an auction in respect of Incremental Capacity shall be conditional upon a satisfactory Economic Test and such other conditions as may be prescribed by the Transporter including in any alternate allocation mechanism.

CODE OF OPERATIONS
PART I

LEGAL AND GENERAL

VERSION 5.05

Comprises version 5.04 published as of May 2023 incorporating the following Modifications

(1). Modification A111: Oxygen Upper Limit

(2). Modification A113: Revision of Wobbe Index Parameters

(3). Modification A114: Classification of Gas Points with a design MHQ of 100,000 kWh

(4). Modification A115: Removal of Tolerances at RNG Entry Points

(5). Modification A116: Removal of Residual Tolerances

(6). Modification A117: Supplier of Last Resort (SoLR) Arrangements

(7). Modification A118: Central Grid Injection and RNG Entry Point Arrangements

Part I

1. MODIFICATIONS 1
1.1 Modifications 1
1.2 Establishment of the Code Modification Forum 1
1.3 Proposed Modifications 2
1.4 Effective Date of Modifications 6
2. LIABILITIES AND INDEMNITIES 8
2.14 Affiliate 14
2.15 Interpretation 15
3. FORCE MAJEURE 16
3.1 Meaning of Force Majeure 16
3.2 Effect of Force Majeure 17
3.3 Extent of Relief 18
3.4 Information 18
3.5 Resumption of Performance 19
3.6 Notice to the Commission 19
4. SUSPENSION AND TERMINATION 20
4.1 Suspension 20
4.2 Specific Termination 23
4.3 Consequences of Specific Termination 27
4.4 General Termination Rights 30
4.5 Consequences of General Termination 33
4.6 Change in Control of the Shipper 35
4.7 Shipper Discontinuance 35
4.8 Interpretation 36
4.9 Notice to the Commission 36
4.10 Notice to JBP Operator 36
5. CREDIT REQUIREMENTS 37

6. DISPUTE RESOLUTION 38
6.1 Overview 38
6.2 Determination by the Commission 41
6.3 Alternative Dispute Resolution 41
7. DELIVERY OF GAS: TITLE and RISK 47
7.1 Overview 47

8. NOTICES 49
9. CONFIDENTIALITY AND DATA PROTECTION 52
9.1 Definitions 52
9.2 Interpretation 55
9.3 Obligations to keep confidential 55
9.4 Exceptions 55
9.5 Survival 57
9.6 Data & Data Protection 58
9.7 Transfer of Data outside of the EEA 63
9.8 Confidential Information under Previous Codes 65
9.9 JBP Operator and JBP 65
10. TAXES AND DUTIES 66
11. INVOICING AND PAYMENT 67
11.1 Introduction 67
11.2 Content 67
11.3 Monthly Invoice and Annual Invoice 67

11.4 Payments....69
11.5 Taxes....70
11.6 Interest and Payment Default....70
11.7 Disputes....71
12. GENERAL....73
12.1 Application to be a Shipper....73
12.2 Application for Shipper ID....75
12.3 Operating Actions....76
12.4 GNI (IT) Systems....76
12.5 Assignment and Subcontracting....83
12.6 Waiver....88
12.7 Severance....89
12.8 Entire Agreement....89
12.9 Publication of Documents....89
12.10 Governing Law....90

1. MODIFICATIONS

1.1 Modifications

1.1.1 For the purposes of this Code, "Modification" means a revision, amendment, variation or modification to the Code (excluding the Schedules and the Procedures) or to any Consultation Interconnection Provision and "Modify" and "Modified" shall be construed accordingly.

1.1.2 The Transporter shall only Modify the Code:

(a) upon and in accordance with a direction of the Commission in accordance with its statutory rights; or

(b) with the prior written approval of the Commission in accordance with the provisions of Section 1.3 below.

1.1.3 The Commission may in accordance with its Statutory Rights direct the Transporter to Modify the Code:

(a) without a Modification having first been proposed or processed in accordance with Section 1.3; or

(b) in a manner which varies any Modification which has been proposed pursuant to Section 1.3.

1.1.4 The Transporter shall amend any Schedule or Procedure with the prior written approval of the Commission or in accordance with any direction of the Commission issued in accordance with its any legal or statutory entitlement of the Commission and not otherwise.

1.1.5 The Transporter may consult with Shippers regarding any modification of any Consultation Interconnection Provision in accordance with this Section 1 or such other process as may be determined by the Transporter with the approval of the Commission.

1.2 Establishment of the Code Modification Forum

1.2.1 There is hereby established a forum for the purposes of considering proposed Modifications and undertaking such other functions as the Commission may from time to time determine (the "Forum"). The Forum shall consist of:

(a) a chairperson appointed in accordance with Section 1.2.2, or his or her nominee;

(b) the Transporter;

(c) the Shippers; and

(d) such Third Parties and other parties as the Commission shall from time to time direct.

1.2.2 The chairperson of the Forum shall be appointed by the Commission, and may be removed by the Commission.

1.3 Proposed Modifications

1.3.1 A Modification may be proposed pursuant to this Section 1.3 by the Commission, the Transporter, a Shipper or a Third Party. The Parties shall at all times comply with this Section 1.3 in proposing Modifications.

1.3.2 A proposed Modification shall:

(a) be in writing in a format recommended by the Transporter and approved by the Commission;

(b) set out in sufficient detail the nature and purpose of, and rationale for, the proposed Modification;

(c) specify whether the Modification is in relation to a Consultation Interconnection Provision(s);

(d) identify the proposer and nominate an individual as the proposer's representative in relation to the proposed Modification;

(e) identify the date by which the proposer believes the Modification is required to be implemented (if any) and, where a date has been identified, provide the reasons for identifying such date; and

where a Modification relates to a Consultation Interconnection Provision the proposed Modification may identify alternate proposals whereby the objective of the proposed Modification may be achieved.

1.3.3 A copy of a proposed Modification shall be provided by the proposer to both the Commission (unless proposed by the Commission) and the Transporter (unless proposed by the Transporter).

1.3.4 If the Commission determines that a Modification is urgently required, the Commission may direct, and, in the case of a modification related to a Consultation Interconnection Provision the Commission may authorise the Transporter to implement the Modification (including any modification to a Consultation Interconnection Provision) within such timeframe as the Commission directs and, in accordance with Section 1.1.2 the Transporter shall implement or be authorised to implement (as the case may be) such Modification accordingly.

1.3.5 Subject to Section 1.3.4, the Transporter shall, as soon as is reasonably practicable but in any event within five (5) Business Days of receipt of a

proposed Modification, acknowledge receipt of the proposed Modification and determine whether it complies with Section 1.3.2 and:

(a) if the Transporter determines that the proposed Modification complies with Section 1.3.2, the Transporter shall:

(i) allocate a number to the proposed Modification;

(ii) circulate the proposed Modification to the Forum;

(iii) attach to the proposed Modification the date upon which it was published; and

(iv) table the proposed Modification on the agenda of the next meeting of the Forum that takes place not less than ten (10) days after circulation of the proposed Modification in (ii) above; or

(b) if the Transporter determines that the proposed Modification does not comply with Section 1.3.2, the Transporter shall notify the proposer and the Commission in writing why it was determined that the proposed Modification does not comply with Section 1.3.2.

The Transporter shall publish a proposed Modification which complies with Section 1.3.2 on the Transporter's website within ten (10) Business Days of the receipt by the Transporter of the proposed Modification;

1.3.6 The proposer shall present the proposed Modification at the meeting of the Forum referred to in Section 1.3.5(a)(iv), or such later date as agreed by the Forum.

1.3.7 The Forum shall undertake such further consultation in relation to any proposed Modification as the Commission may determine and may undertake such other consideration of the proposed Modification as the Forum considers is appropriate, including:

(a) consulting with any third party that the Forum deems appropriate; and/or

(b) establishing working groups to consider the Modification or any specific issues relating thereto and reporting back as appropriate together with the provision of any report relating thereto.

1.3.8 The Transporter shall receive comments from any person in relation to a proposed Modification at any time up to fifteen (15) Business Days after the meeting of the Forum at which it is initially presented (or such other period directed by the Commission or, in the absence of a direction from the Commission, such other period as is agreed at the meeting of the Forum at which the proposed Modification is initially presented) (and where the Modification includes alternative proposals comments in respect of each alternative proposal shall be identified separately).

1.3.9 Comments received by the Transporter pursuant to Section 1.3.8 shall be:

(a) provided to the Commission by the Transporter and advised to the Forum within five (5) Business Days after the last day for receipt of comments; and

(b) to the extent legally permissible and taking into account any commercially sensitive information published on the Transporter's website within ten (10) Business Days after the last day for receipt of comments.

1.3.10 The Transporter shall, at the request of the Commission, provide a preliminary report to the Forum in relation to the impact on the system, implementation timeframe and costs of any proposed Modification, such report to be provided as soon as is reasonably practicable following its request.

1.3.11 The proposer, if instructed to do so by the Commission shall within a timeframe directed by the Commission:

(a) clarify in writing, or in such other manner as the Commission directs, any aspect of a proposed Modification including each alternative proposal;

(b) convene meetings of and/or chair meetings of any working groups in relation to the proposed Modification;

(c) prepare a written response to issues raised at the meeting at which the proposed Modification was initially presented; as part of the consultation undertaken pursuant to Section 1.3.7; in the comments published pursuant to Section 1.3.9; and/or in the report provided by the Transporter pursuant to Section 1.3.10; and/or

(d) undertake such other actions as the Commission reasonably directs in connection with the consideration of the proposed Modification.

1.3.12 Any response prepared pursuant to Section 1.3.11(c) shall be provided in writing to the Commission and the Transporter (unless prepared by the Transporter) and the Transporter shall publish a copy of such response on its website as soon as possible following receipt or provision of such response to the Commission and the Transporter, as applicable, and notify Forum members of the website update by email.

1.3.13 A proposed Modification may, subject to 1.3.14, be withdrawn by the proposer at any time, by notice in writing to the Commission and the Transporter. The Transporter shall publish any such notice on its website as soon as possible following receipt and the Transporter shall notify Forum members of the website update by email.

1.3.14 In the event that an amendment is sought to a proposed Modification by the Commission, the Transporter, a Shipper or a Third Party, the Forum shall comply with any directions of the Commission in relation to the process for consideration of the suggested amended proposed Modification.

1.3.15 The Transporter may, and in any event if directed to do so by the Commission shall within a timeframe determined by the Commission in consultation with the Transporter, prepare and submit a final report to the Commission including:

(a) a statement as to the consultation which has taken place in relation to the proposed Modification;

(b) a recommendation to the Commission in relation to the proposed Modification where the Forum has reached a consensus;

(c) an outline of the submissions received in relation to the proposed Modification and the views of the members of the Forum where the Forum has not reached a consensus; and

(d) any issues of a technical, operational or financial nature raised by the Transporter.

1.3.16 The Transporter shall publish a copy of any report prepared pursuant to Section 1.3.15 on the Transporter's website immediately following provision to the Commission and notify Forum members of the website update by email. Forum members may make representations to the Commission if they feel their positions have not been accurately represented in such report. Any such representations may be published.

1.3.17 If the Transporter is directed to do so by the Commission, it shall prepare legal drafting, setting out the detailed amendments required to the Code, required by a proposed Modification. Such legal drafting shall be:

(a) prepared within such time period as may reasonably be directed by the Commission or, in the absence of any time period being specified, the Transporter shall use reasonable endeavours to issue legal drafting to the Commission within fifteen (15) Business Days of receipt of the Commissions direction (taking into account the complexity of the drafting thereof);

(b) when directed by the Commission, published on the Transporter's website and the Transporter shall notify Forum members of the website update by email.

1.3.18 The legal drafting in connection with a Consultation Interconnection Provision shall be determined in accordance with the provision of the

applicable Interconnection Agreement (or in the case of the Moffat Interconnection Agreement and the GNI Tripartite Agreement.

1.3.19 Legal drafting in relation to a proposed Modification may, at the request of any member of the Forum, be discussed at the next meeting of the Forum which takes place not less than ten (10) days following publication. The Forum shall undertake such further consultation in relation to any proposed Modification as the Commission may direct or, in the absence of such direction, as the Forum considers is appropriate.

1.3.20 If the Transporter is directed by the Commission to implement a Modification or is notified by the Commission that it approves the implementation of a Modification, whether or not such consent is subject to any conditions, the Transporter shall immediately publish the Modification and a copy of the Commission's direction or approval, as the case may be, on the Transporter's website and the Transporter shall notify Forum members of the website update by email.

1.3.21 If the Forum is notified by the Commission that it has rejected a proposed Modification, the Modification shall be rejected and the Forum shall take no further action. The Commission may reject any Modification

1.3.22 If the Transporter (or its Affiliate) is obliged in accordance with any applicable Interconnection Agreement (and/or in the case of the Moffat Interconnection Point in accordance with the GNI Tripartite Agreement) to give effect to any matter the subject matter of the Modification the Transporter shall or shall be authorised (as the case may be) to give effect to such Modification.

1.4 Effective Date of Modifications

1.4.1 A Modification shall subject to section 1.4.2 be implemented with effect from the day specified by the Commission following an appropriate notice period.

1.4.2 A Modification in respect of a Consultation Interconnection Provision shall be implemented with effect from the earlier of the date:

(a) with effect from which the Transporter (or its Affiliate) is legally obliged (in any applicable jurisdiction) to give effect to such Modification;

(b) the day specified by the Commission

subject always where applicable to the agreement of and the date on which any relevant Adjacent TSO is obliged to give effect to the equivalent provision in accordance with the Interconnected System Transportation Arrangements.

1.4.3 Each Party shall comply with the Code insofar as is applicable and as modified from time to time, from the date and time that any such Modification becomes effective.

2. LIABILITIES AND INDEMNITIES

2.1 Subject to Section 2.16, neither the Transporter nor a Shipper nor any of their respective officers, employees or agents shall in any circumstances be liable, whether for breach of contract, tort or otherwise, for any Consequential Loss.

2.2 Save as expressly provided elsewhere in this Code, each Shipper shall indemnify and keep indemnified the Transporter from and against all actions, proceedings, suits, claims, demands, damages, losses, costs, charges, expenses and fines arising from:

2.2.1 personal injury to, illness or death of, any of the Shipper's own officers, directors, employees and agents and/or those of its Affiliates, contractors and/or sub-contractors; and

2.2.2 loss of or damage to the Shipper's own property (including IT systems) or the property of its Affiliates, contractors and/or sub-contractors and/or its and/or their respective officers, directors, employees and agents,

howsoever arising from the Transporter's breach of any of its obligations under or in connection with this Code and/or the Framework Agreement and/or any Ancillary Agreement entered into by the Shipper or from the Transporter's negligent act or omission save to the extent that any liability, loss or damage arises or results from Wilful Misconduct on the part of the Transporter.

2.3 Save as expressly provided elsewhere in this Code and/or any Ancillary Agreement, the Transporter shall indemnify and keep indemnified each Shipper from and against all actions, proceedings, suits, claims, demands, damages, losses, costs, charges, expenses and fines arising from:

2.3.1 personal injury to, illness or death of, any of the Transporter's own officers, directors, employees and agents and/or those of its Affiliates, contractors and/or sub-contractors; and

2.3.2 loss of or damage to the Transporter's own property (including IT systems) or to the Transportation System or to the property of the Transporters Affiliates, contractors and/or sub-contractors and/or its or their respective officers, directors, employees and agents,

howsoever arising from a Shipper's breach of any of its obligations under or in connection with this Code and/or the Framework Agreement and/or any Ancillary Agreement entered into by the Shipper or from a Shipper's negligent act or omission save to the extent that any liability, loss or damage arises or results from Wilful Misconduct on the part of a Shipper.

2.4 Subject to Sections 2.15, 2.1, 2.3, 2.12.1 and 9.4.7 (and other than as expressly provided in Part G (*Technical*) Section 5.10 (*Capacity Charge Rebate*) and in Part G (*Technical*) Section 1.5 (*Off-Spec Gas*)), under no circumstances shall the

Transporter be liable to a Shipper under this Code and/or the Framework Agreement and/or any Ancillary Agreement entered into by the Shipper for any loss or damage howsoever arising and by whomsoever caused whether for breach of contract, tort or generally at common law, equity or otherwise howsoever else arising in respect of the Transporter's acts or omissions, (whether under this Code and/or the Framework Agreement and/or any applicable CSA, Interconnection Agreement or IP OBA Provisions and/or any Ancillary Agreement entered into by the Shipper) (including, for the avoidance of doubt, in respect of any liability which may otherwise arise in respect of any incorrect, incomplete or inaccurate information) save for:

2.4.1 Not Used

2.4.2 any losses incurred by a Shipper directly arising from a failure by the Transporter to act as a Reasonable and Prudent Operator (i) in performing its obligations under this Code and/or any Ancillary Agreement or any Interconnection Agreement to accept quantities of Natural Gas made available for delivery to the Transportation System by or for a Shipper in accordance with the terms of this Code and/or any Ancillary Agreement and/or (ii) in performing its obligations under this Code and/or any Ancillary Agreement to make Natural Gas available for offtake by a Shipper in accordance with the terms of this Code and/or any Ancillary Agreement other than quantities of Natural Gas to be offtaken pursuant to or IP Nominations which are Interruptible in accordance with this Code, provided that:

(a) the Transporter’s liability for such losses shall be subject to a minimum period of continuous interruption of fifteen (15) minutes (and disregarding any such period of interruption for operational reasons and/or in accordance with any applicable Interconnection Agreement) in the case of any such failure of the Transporter in relation to an Interconnection Point, an Entry Point, a CGI Gas Point? connected to the Transmission System, a LDM Exit Point or the Sub-Sea I/C Offtake;

(b) the Transporter's liability for such losses shall be subject to a minimum period of continuous interruption of fifteen (15) minutes (following notification by a Shipper) in the case of any such failure of the Transporter in relation to a TCDM Exit Point and provided further that any such liability shall not exceed the amount of Capacity Charges which the Transporter calculates as being payable by the Shipper in relation to DM Exit Capacity held by the Shipper in respect of the affected TCDM Exit Point on the Day(s) on which the continuous interruption of fifteen (15) minutes occurs and on the basis of such Capacity Charges being calculated as being payable on a daily basis;

(c) the Transporter's liability for such losses shall be subject to a minimum period of continuous interruption of forty eight (48) hours (following

notification by a Shipper) in the case of any such failure by the Transporter in relation to a Supply Point or RNG Entry Point or CGI Gas Point connected to the Distribution System and provided further that where the continuous interruption continues in excess of forty eight (48) hours any such liability shall not exceed the amount of Capacity Charges which the Transporter calculates as being payable by the Shipper in relation to the affected Supply Point Capacity held by the Shipper in respect of such Supply Point for any period of continuous interruption which exceeds forty eight (48) hours and on the basis of such Capacity Charges being calculated as being payable on a daily basis; and

(d) the Transporter's liability to each Shipper in respect of each incident (or series of related incidents) arising as a result of a failure by the Transporter to act as a Reasonable and Prudent Operator (and taking into account and including such other liabilities as the Transporter may be liable for, to such Shipper under this Code and/or any Ancillary Agreement in respect of any such incident (or series of related incidents)) shall not exceed a total limitation sum of one hundred and twenty six thousand nine hundred and seventy four Euro (€126,974) (adjusted annually in accordance with CPI); and

2.4.3 any losses incurred by a Shipper directly arising as a result of the Wilful Misconduct of the Transporter (i) in performing its obligations under this Code and/or any Ancillary Agreement to accept quantities of Natural Gas made available for delivery to the Transportation System by a Shipper in accordance with the terms of this Code and/or any Ancillary Agreement and/or (ii) in performing its obligations under this Code and/or any Ancillary Agreement to make Natural Gas available for offtake by a Shipper in accordance with the terms of this Code and/or any Ancillary Agreement, other than Natural Gas nominated pursuant to IP Nominations which are Interruptible in accordance with this Code provided that:

(a) the Transporter's liability for such losses shall be subject to a minimum period of continuous interruption of fifteen (15) minutes (and disregarding any periods of interruption for operational reasons and/or interruption as contemplated by any applicable Interconnection Agreement) in the case of any such failure of the Transporter in relation to an IP Entry Point or Entry Point or CGI Gas Point connected to the Transmission System, a LDM Exit Point or the Sub-Sea I/C Offtake;

(b) the Transporter's liability for such losses shall be subject to a minimum period of continuous interruption of fifteen (15) minutes (following notification by a Shipper) in the case of any such failure of the Transporter in relation to a TCDM Exit Point and provided further that any such liability shall not exceed the amount of

Capacity Charges which the Transporter calculates as being payable by the Shipper in relation to DM Exit Capacity held by the Shipper in respect of the affected TCDM Exit Point on the Day(s) on which the continuous interruption of fifteen (15) minutes occurs and on the basis of such Capacity Charges being calculated as being payable on a daily basis;

(c) the Transporter's liability for such losses shall be subject to a minimum period of continuous interruption of forty eight (48) hours (following notification by a Shipper) in the case of any such failure by the Transporter in relation to a Supply Point or RNG Entry Point or a CGI Gas Point connected to the Distribution System and provided further that where the continuous interruption continues in excess of forty eight (48) hours any such liability shall not exceed the amount of Capacity Charges which the Transporter calculates as being payable by the Shipper in relation to the affected Supply Point Capacity held by the Shipper in respect of such Supply Point for any period of continuous interruption which exceeds forty eight (48) hours and on the basis of such Capacity Charges being calculated as being payable on a daily basis; and

(d) the Transporter’s liability to each Shipper in respect of each incident (or series of related incidents) arising as a result of the Wilful Misconduct of the Transporter (and taking into account and including such other liabilities as the Transporter may be liable for, to such Shipper under this Code and/or any Ancillary Agreement in respect of such incident (or series of related incidents)) shall not exceed a total limitation sum of four hundred and forty four thousand four hundred and eight Euro (€444,408) (adjusted annually in accordance with CPI).

2.5 The aggregate liability of the Transporter in any one Gas Year howsoever arising out of or in connection with this Code, including Framework Agreements and Ancillary Agreements, whether for breach of contract, tort or otherwise including for the avoidance of doubt any liabilities in relation to Part G (*Technical*) Section 1.5 (*Off-Spec Gas*) and Sections 2.4.1, 2.4.2 and 2.4.3 and 2.8 of this Part I) including interest in accordance with Section 2.7 and irrespective of the number of incidents shall not exceed in any one (1) Gas Year a total limitation sum of three million eight hundred and nine thousand and two hundred and fourteen Euro (€3,809,214) (adjusted annually in accordance with CPI) (the "Annual Liability Cap").

2.6 The Transporter shall, to the extent that any sums due to Shippers in respect of any one Gas Year (including any interest in accordance with Section 2.7) would otherwise in aggregate exceed the Annual Liability Cap for that Gas Year, only be obliged to pay each Shipper a proportion of the sum which would otherwise be payable to the Shipper, such that the total payments to Shippers in respect of

the Gas Year do not exceed the Annual Liability Cap. The proportion referred to in this Section 2.6 shall be the same as the proportion which a Shipper's Capacity Booking(s) in respect of which the Transporter has incurred liability under this Code and/or any Ancillary Agreement and/or any Framework Agreement in a Gas Year bears to the aggregate of all Shippers' Capacity Bookings in respect of which the Transporter has incurred such liability in the Gas Year.

2.7 If the Transporter agrees in writing, or if it is determined pursuant to Section 6 (*Dispute Resolution*) that the Transporter has incurred a liability to a Shipper in respect of a matter referred to in this Section 2 in a Gas Year, interest on such liability shall accrue from the date of such agreement or determination until such time as the Transporters liability to the Shipper is finally determined in accordance with Section 2.8. The rate of interest payable in respect of any such liability shall be equivalent to the deposit interest rate payable by such bank in Ireland as the Transporter may specify to Shippers pursuant to Section 11.4.3 in respect of a deposit equivalent to the amount of such liability. The Transporter and each Shipper agrees that such liability shall be discharged in accordance with Section 2.8.

2.8 The Transporter shall pay any such sums properly due to a Shipper in respect of any liability incurred and properly due and payable under Section 2.7 as soon as reasonably practicable after the aggregate liability of the Transporter in respect of a Gas Year has been ascertained and after having determined the amounts properly due to each Shipper having due regard to Section 2.6. Any such sums shall be paid within twenty eight (28) days after the amount of the Transporter's liability to such Shipper has been fully ascertained in accordance with Section 2.6. If the Transporter fails to make a payment to the Shipper within such period of twenty eight (28) days such overdue payment shall bear interest from the expiry of the twenty eight (28) day period until the date upon which payment is made at (a rate of) EURIBOR plus two (2) per cent.

2.9 The Transporter and each Shipper shall use reasonable endeavours to mitigate the loss and/or damage (if any) incurred by each of them, (i) in the case of loss and/or damage suffered by the Transporter, as a result of a breach by a Shipper of its obligations under this Code and/or the Framework Agreement and/or any Ancillary Agreement whether arising from its negligence or tortious act(s) or omission(s) or otherwise howsoever arising as a result of the said breach and, (ii) in the case of loss and/or damage suffered by a Shipper as a result of a breach by the Transporter or another Shipper of their respective obligations under this Code and/or the Framework Agreement and/or any Ancillary Agreement whether arising from their respective negligence or tortious act(s) or omission(s) or otherwise howsoever arising as a result of the said breach.

2.10 Save where otherwise expressly referenced, the liabilities of the Transporter as set out in, Part G (*Technical*) Section 1.5 (*Off-Spec Gas*) and this Section 2 shall constitute the entire liability of the Transporter in respect of its obligations under this Code, IP OBA Provisions, any applicable CSA, Interconnection Agreement

or the GNI Tripartite Agreement each Shipper's Framework Agreement and any Ancillary Agreement (whether for breach of contract, tort or generally at common law, equity or howsoever else arising) and shall be in lieu of any and all other rights, claims or remedies which a Shipper may possess howsoever arising.

2.11 The Transporter, for the avoidance of doubt, shall not be liable to a Shipper for:

2.11.1 the consequences of any decision taken by the Transporter acting as a Reasonable and Prudent Operator in accordance with this Code and/or the Framework Agreement and/or any Ancillary Agreement including any decision to withhold, reduce or limit any quantity of Natural Gas made available to or for offtake by a Shipper at an IP Entry Point, Entry Point or CGI Gas Point or from an Offtake Point or at an IP CSEP or the Sub-Sea I/C Offtake respectively as a consequence of the Transporter performing its duties and obligations pursuant to this Code and/or the Framework Agreement and/or any Ancillary Agreement (including as a result of a Shipper's acts or omissions, or being misinformed by a Shipper);

2.11.2 Unaccounted For Gas and Own Use Gas other than as specified in Section 2.4.1;

2.11.3 any loss or damage incurred by a party as a result of any loss of data or any inaccuracy of data;

2.11.4 any loss or damage incurred by a party as a result of third party claims other than as specified in Section 2.12.1;

2.11.5 any loss or damage as a result of Off-Spec Gas other than as specified in Part G (*Technical*) Section 1.5.3;

2.11.6 not used;

2.11.7 any loss or damage as a result of failure by the Transporter to make IP VExit Capacity available or the failure by the Transporter to make gas nominated pursuant to a IP VExit Nomination available for offtake; or

2.11.8 any loss or damage as a result of a failure by the Transporter to make IP VEntry Capacity available or a failure by the Transporter to accept delivery of Natural Gas nominated pursuant to a IP VEntry Nomination.

2.11.9 any loss or damage as a result of any delay or failure by the Transporter (or its Affiliate) or any Adjacent TSO in complying with any applicable Interconnection Agreement or IP OBA Provisions.

2.12 In respect of any claims, action or liability arising in respect of any third party (not being a Shipper or a party in any way connected, whether directly or indirectly, with the supply of Natural Gas to a Shipper and/or connected directly or indirectly with the Transportation System, including an Upstream Operator or

Adjacent TSO) and subject always to, and save as elsewhere specifically provided for in, the provisions of this Code:

2.12.1 the Transporter shall indemnify a Shipper in respect of such third party claims, actions or liabilities where the same arises as a result of any breach by the Transporter of its obligations under this Code and/or any Ancillary Agreement as a result of its Wilful Misconduct subject to the provisions of this Section 2; and

2.12.2 a Shipper shall indemnify the Transporter in respect of such third party claims, actions or liabilities where the same arise as a result of a breach by the Shipper of its obligations under this Code and/or any Ancillary Agreement and/or as a result of its Wilful Misconduct.

2.13 A Shipper shall, in addition to the indemnity set out in Section 2.12.2, indemnify the Transporter in respect of any claims, actions or liabilities (save third party claims in respect of death or personal injury) including for the avoidance of doubt any claims by Interconnected System Shippers or Third Party Shippers where such claims, actions or liabilities arise as a result of, or out of the performance, or breach by the Transporter, of its obligations under this Code or the IP Matching Procedure or any applicable IP OBA Provision and/or any Ancillary Agreement and irrespective of whether such action, claim or liability arises in contract, tort or otherwise.

2.14 **Affiliate**

2.14.1 Any relief from, exclusion, or limitation of liability in favour of the Transporter under this Section 2 and the Code shall extend to and apply also for the benefit of the Affiliate of the Transporter executing the Interconnection Agreement and the GNI Tripartite Agreement at the Moffat Interconnection Point together with their and each of their directors, officers and employees. The Affiliate of the Transporter executing the Interconnection Agreement and the GNI Tripartite Agreement at the Moffat Interconnection Point and its directors, officers and employees shall have the benefit of such relief from exclusion, or limitation of liability only in respect of any claim which relates to circumstances that are within the ambit of this Code in the same circumstances under which the Transporter would have had the benefit of such relief from exclusion or limitation of liability pursuant to this Code.

2.14.2 Where the Affiliate of the Transporter is entitled to the benefit of relief from, exclusion or limitation of, liability pursuant to this Section 2 of the Code the Transporter shall be entitled to enforce such indemnity or relief or exclusion or limitation of liability on its behalf. The Transporter shall obtain and hold such right and benefit in trust and may exercise the same for and on behalf of the Affiliate).

2.14.3 The limits of liability as specified in the Code shall constitute aggregate liability limits in respect of the Transporter and the Affiliate of the Transporter executing the Interconnection Agreement and the GNI Tripartite Agreement.

2.15 **Interpretation**

2.15.1 Each of the sub-sections of this Section 2 shall:

(a) be construed as a separate and severable contract term, and if one or more of such sub-sections is held to be invalid, unlawful or otherwise unenforceable the other sub-sections shall remain in full force and effect and shall continue to bind the Transporter and each Shipper; and

(b) survive termination of a Shipper's Framework Agreement and/or any Ancillary Agreement entered into by a Shipper.

2.15.2 For the avoidance of doubt, all references to the Transporter (or to a party where such party is the Transporter) in this Section 2 shall include the Transporter where it is designated by the Commission as the GPRO and/or the National Gas Emergency Manager and where it is requested to perform services on behalf of the GPRO and/or to carry out the functions of the National Gas Emergency Manager.

2.15.3 For the avoidance of doubt, a breach of any Procedure shall be treated as a breach of this Code for the purposes of this Section 2.

2.15.4 The Transporter shall not be in breach of this Code where the Transporter is unable to perform any obligation(s) pursuant to this Code or any Ancillary Agreement as a result of any breach or non-performance by an End User of the provisions of any End User Agreement or as a result of any failure of any End User to execute the End User Agreement.

2.15.5 The Transporter shall not be in breach of this Code where the Transporter is unable to perform any obligation pursuant to this Code as a result of a breach or non-performance by any person (other than the Transporter) of the provisions of any applicable Interconnection Agreement, Connected System Agreement, IP OBA Provisions, the GNI Tripartite Agreement or the Sub-Sea I/C Offtake Agreement.

2.16 Without prejudice to Sections 2.2 and 2.3, nothing in this Code and/or any Ancillary Agreement shall exclude or limit the liability of the Transporter or a Shipper for fraud or for death or personal injury resulting from the negligence of the Transporter or a Shipper, or any of their respective officers, employees or agents.

3. FORCE MAJEURE

3.1 Meaning of Force Majeure

3.1.1 For the purposes of this Code, "Force Majeure" means in respect of the Transporter and/or any Shipper, any event or circumstance or combination of events or circumstances which is beyond its reasonable control acting as a Reasonable and Prudent Operator and which prevents the Transporter and/or Shipper from, or causes delay or impediment to, the Transporter and/or Shipper in fulfilling all or any of its or their obligations under this Code and/or any Ancillary Agreement. Without prejudice to the generality of the foregoing, such events or circumstances shall include:

(a) any act or event which arises out of, or is attributable to, an act of God;

(b) war, hostilities (whether or not war has been declared), terrorist action, sabotage, acts of vandalism, revolution, acts of any civil or military authority, riot or civil commotion;

(c) disaster, fire, flood, epidemic or explosion;

(d) any Legal Requirement, Ireland, U.K. or Isle of Man governmental direction or restriction, the laws, regulations, orders, direction or restriction of the European Union or the suspension or withdrawal of any consent provided that the suspension and/or withdrawal of a consent shall not constitute Force Majeure where such consent is withdrawn as a result of any action or omission by the holder of such consent as a result of a breach of the relevant Transportation Licence or Shipping Licence (as the case may be) or negligence by such holder or failure by it to act as an RPO;

(e) the order of any court or regulatory authority in any of the jurisdictions through which the Transportation System passes, or the order of any governmental authority materially affecting industry generally in any of the jurisdictions through which the Transportation System passes;

(f) shortage or unavailability of property, goods, labour or services;

(g) breakage of, or accidental damage to, machinery, equipment or pipes;

(h) strike, lock-out or other industrial trade dispute;

(i) archaeological and historical investigations and/or discoveries;

(j) structural shift or subsidence affecting generally a part or parts of the Transportation System or any area or areas of the route of any pipeline or facilities forming part of the Transportation System and

(k) any event which constitutes force majeure under the Use of System Agreement.

3.2 **Effect of Force Majeure**

3.2.1 For the purposes of this Section 3:

(a) "Affected Party" means the Transporter and/or a Shipper (as the case may be) which is unable to perform as a result of Force Majeure; and

(b) "Other Party" means the Transporter and/or a Shipper (as the case may be) which is not directly affected by Force Majeure, but is affected by the Affected Party's inability to perform.

3.2.2 Subject to Section 3.3, and without prejudice to any other provision of this Code limiting or restricting the liability of the Transporter or Shipper(s), if by reason of Force Majeure the Transporter or Shipper(s) is or are rendered unable wholly or in part to carry out its or their respective obligations under this Code and/or a relevant Ancillary Agreement then:

(a) if the Transporter is rendered unable to so perform, the Transporter shall notify the Shipper or Shippers affected by the Transporter's inability to perform and the Transporter's obligations will be suspended to the extent that the Transporter's ability to perform is hindered by Force Majeure; or

(b) if a Shipper is rendered unable to so perform, the Shipper shall notify the Transporter in writing of the event and its inability to perform, and such Shipper’s obligations will be suspended to the extent that the Shipper’s ability to perform is hindered by Force Majeure; and

(c) if the Transporter considers that an event notified by a Shipper pursuant to Section 3.2.2(b) constitutes Force Majeure affecting the Transportation System as a whole or any localised part thereof the Transporter shall, as soon as reasonably practicable, notify the Shipper and any other Shipper who may be affected by the event that the event constitutes Force Majeure and the Transporter’s and each such Shipper's obligations will be suspended to the extent that their respective ability to perform is hindered by Force Majeure,

and, in the case of (a) and/or (b) and/or (c), the Transporter shall be entitled to suspend any of the provisions of this Code and/or any Ancillary Agreement during the period of the Force Majeure which the Transporter, in its reasonable opinion, considers to be appropriate (including those provisions which relate to the deemed acceptance or rejection by the Transporter of Nominations or Renominations, or the deemed acceptance of any Within-Day

Exit Capacity Transfer Requests, or any provisions which specify a time limit for certain actions or steps to be taken).

3.3 **Extent of Relief**

3.3.1 Force Majeure shall not relieve either the Transporter or a Shipper from any liability or obligation to:

(a) make payments due under this Code and/or any Ancillary Agreement (including for the avoidance of doubt any Capacity Charges or IP Capacity Charges) save to the extent that the failure to pay money is caused by Force Majeure or a circumstance affecting all reasonable means of payment, in which event, upon the cessation of such Force Majeure event, the Affected Party shall pay, in addition, interest on any amounts due hereunder at the rate of EURIBOR plus one (1) per cent calculated from the due date for payment to the actual date of payment; or

(b) give any notice or other communication which may be required pursuant to this Code and/or the Framework Agreement and/or any Ancillary Agreement entered into by a Shipper save where either the Transporter or a Shipper is unable to give any such notice or communication due to Force Majeure affecting the GNI (IT) Systems (or any part thereof) in which case any such notice or communication shall be made in accordance with any direction which the Transporter may give as to the means of communication in such circumstances.

3.3.2 The Affected Party shall be relieved of liability under Section 3.2.2 only for so long as, and to the extent that, the occurrence of Force Majeure and/or the effects of such occurrence could not be overcome by measures which the Affected Party might reasonably be expected to take with a view to resuming performance of its obligations but for the avoidance of doubt the Affected Party shall not be required to settle any strikes, lock-out or other industrial trade disputes which constitute Force Majeure.

3.3.3 The Other Party shall be relieved of liability to perform any of its obligations under this Code and/or any Ancillary Agreement if, and to the extent that, the Other Party is rendered unable wholly or in part to perform any of its obligations as a result of the Affected Party being prevented from or delayed or hindered in the performance of any of its obligations by reason of Force Majeure.

3.4 **Information**

3.4.1 Relief under Section 3.2 shall not be given in relation to Force Majeure which relates to any Entry Point, CGI Entry Point, Exit Point, any Interconnection Point or the Sub-Sea I/C Offtake unless the Affected Party

has, as soon as reasonably practicable, but in any event within twenty one (21) days of the occurrence of the Force Majeure, or within such longer period as may be approved by the Commission, supplied the Other Party with a report giving reasonable details of:

(a) the place and nature of the Force Majeure (and reason for such event so far as such information is reasonably available); and

(b) the obligations the performance of which are delayed or prevented and the estimated period during which such performance may be suspended.

3.4.2 In relation to Force Majeure which relates to any Supply Points, the Other Party may request the Affected Party to supply the Other Party with a report containing details of the matters specified in Section 3.4.1(a) and 3.4.1(b). Such report shall be supplied by the Affected Party to the Other Party within twenty one (21) days of the date of the request.

3.5 Resumption of Performance

Any Party whose failure to perform obligations has been relieved under the provisions of this Section 3 shall resume the performance of such obligations as soon as reasonably practicable after the removal of the cause(s) of such failure, and shall notify the Other Party prior to resumption.

3.6 Notice to the Commission

3.6.1 The Transporter shall provide to the Commission a copy of each notification issued by the Transporter pursuant to this Section 3.

3.6.2 A Shipper shall provide to the Commission a copy of each notification issued by that Shipper pursuant to this Section 3.

4. SUSPENSION AND TERMINATION

4.1 Suspension

4.1.1 The Transporter shall have the right to issue a notice (the "Suspension Notice") to a Shipper pursuant to the provisions of this Section 4 in the event that a Shipper is in default or in breach of any provision of this Code and/or any Ancillary Agreement and/or the Framework Agreement and pursuant to Section 11.6 (*Interest and Payment Default*) and for the purpose of this section 4 issue of notice of suspension and or notice of termination of any Deed of Covenant issued in respect of a Shipper's FOSP shall be and shall be treated as a default. A Suspension Notice issued by the Transporter pursuant to this Section 4 shall identify the default or breach to which the Suspension Notice relates or if the Suspension Notice is due to the issue of notice of suspension or of termination of any Deed of Covenant and may specify the action to be taken by the Shipper to remedy such breach or default. The Transporter shall provide to the Commission a copy of any Suspension Notice issued by the Transporter pursuant to this Section 4.1.1.

4.1.2 The Transporter's right to issue a Suspension Notice pursuant to this Section 4 and/or Section 11.6 shall be without prejudice to any other right or remedy available to the Transporter under this Code and/or the Framework Agreement and/or any Ancillary Agreement or at law (including the Transporter's rights pursuant to Part B (*General Principles*) and the Transporter's right to suspend the offtake of or discontinue the supply of Natural Gas at an Offtake Point in accordance with Part H (*Operations*) Section 4.4 (*Natural Gas Offtaken at an Offtake Point: Compressors*) and/or Section 4.5 (*Discontinuance of Supply at an Offtake Point*)).

4.1.3 The Transporter may through the issuance of a Suspension Notice and having due regard to the circumstances of the breach or default to which the Suspension Notice relates:

(a) suspend or limit any right or rights of the Shipper in whole or in part pursuant to this Code or any Ancillary Agreement (including the Shipper's right to submit IP Nominations, Nominations and/or Renominations, effect IP Capacity Trades, Entry Capacity Trades or Exit Capacity Transfers or effect IP Capacity Booking and/or Capacity Bookings) as identified in the Suspension Notice; and/or

(b) suspend or limit the right of the Shipper to tender Natural Gas for delivery to, or offtake Natural Gas from, the Transportation System at such one or more IP Entry Points, Entry Points, CGI Gas Point(s) IP VEntry, Exit Points, IP VExit, Supply Points, the Sub-Sea I/C Offtake or a IP VExit as shall be specified in the Suspension Notice; and/or

(c) suspend or limit the right of the Shipper to enter into IP Capacity Trades, Entry Point Transfers, Entry Capacity Trades or to become the Registered Shipper at a DM Offtake or a NDM Supply Point in accordance with the Change of Shipper Procedures or to submit IBP Nominations or IBP Renominations, and/or

(d) a Shippers right to submit Short Term Entry Capacity Request(s) or Short Term LDM Exit Capacity Request(s); and/or

(e) a Shipper's right to apply to, and or to remain a Registered Shipper at an NDM Supply Point (s) at which the End User is a household customer.

provided always that the Suspension Notice shall relate to the Capacity Booking and, in the case of DM Exit Capacity, DM Supply Point Capacity, NDM Exit Capacity or NDM Supply Point Capacity, shall relate to the category of capacity in respect of which the breach or default has occurred and the Shipper shall have the right to dispute the issue by the Transporter of any Suspension Notice pursuant to this Section 4.1 (other than a Suspension Notice given as a result of circumstances specified in Section 11 (*Invoicing and Payment*)) in accordance with Section 6 (*Dispute Resolution*).

4.1.4 Any such Suspension Notice shall have immediate effect upon the issuance of the Suspension Notice or shall have effect from such time as may be specified in the Suspension Notice subject to any instruction of the Commission issued pursuant to Section 6 (*Dispute Resolution*).

4.1.5 The Transporter shall, if the Transporter is of the reasonable opinion that the Shipper has taken or is taking such action as is appropriate to remedy the default or breach and the Transporter considers the continuation of the Suspension Notice is no longer appropriate in all the circumstances, either limit the effect of the Suspension Notice, or by notice to the Shipper (a "Suspension Cancellation Notice") cancel the Suspension Notice. Any such Suspension Cancellation Notice shall have immediate effect upon the issuance of the Suspension Cancellation Notice or shall have effect from such time as may be specified in the Suspension Cancellation Notice.

4.1.6 The Transporter shall issue a Suspension Cancellation Notice to the Shipper when, in the Transporter's reasonable opinion, the Shipper has remedied the default or breach specified in such Suspension Notice or in accordance with any instructions in that regard issued by the Commission pursuant to Section 6 (*Dispute Resolution*).

4.1.7 Where the Suspension Notice is in respect of a Shippers IP Capacity Booking of Bundled IP Capacity the Transporter may but shall not be obliged to notify the Adjacent TSO of such suspension and where the Suspension Notice suspends or limits the Shipper's right to submit IP Nominations or IP Renominations, the Transporter may develop a IP

Nomination Processed Quantity of zero in respect of any IP Nomination which the IP Shipper may submit contrary to any such Suspension Notice.

4.1.8 For the purpose of this Section 4 issue of notice of suspension, suspension, issue of notice of termination or termination of a Deed of Covenant executed by a Shipper, or Supplier, nominated FOSP shall be a default or breach for the purpose of the Code however, where the Suspension Notice is issued under this Code due to the issue of notice of suspension or actual suspension or issue notice of termination or actual termination of any Deed of Covenant or due to any breach or non-compliance with the provisions of Part F (*Administration*) the Suspension Notice may only extend to the suspension of some or all of the Shippers rights in respect of NDM Supply Point which the End User is a domestic customer.

4.2 Specific Termination

4.2.1 The Transporter shall have the right in accordance with this Section 4 to terminate a Shipper's IP Capacity Booking or Capacity Booking in respect of capacity reserved by a Shipper at an IP Entry Point, an Entry Point, a CGI Gas Point or at or in respect of an Offtake Point or the Shipper's Capacity Booking at an IP VExit or the Shipper's Capacity Booking at a IP VEntry or at an NDM Supply Point(s) at which the End User is a household customer by notice (the "Transporter's Specific Termination Notice") to the Shipper as follows:

(a) in the event that the Shipper is in material breach of any of its obligations under this Code and/or the Framework Agreement and/or any Ancillary Agreement in relation to a IP Capacity Booking or a Capacity Booking made by the Shipper (other than an obligation to make payment, in relation to which the provisions of Section 4.2.1(b) and Section 11.6.3 shall apply, or an obligation to provide or maintain financial security, in relation to which the provisions of Section 4.2.1(c) shall apply) and the Shipper has failed to remedy such breach (if the breach is capable of being remedied) within such period as is specified for that purpose in a notice issued by the Transporter specifying:

(i) the breach giving full particulars; and

(ii) (in reasonable detail) the remedy and the period (which shall be a period of such length as a Reasonable and Prudent Operator would require in order to remedy such breach and which shall be, in any event, not less than sixty (60) Business Days) within which to remedy the breach; or

(b) in accordance with Section 11.6.3; or

(c) in the event that a Shipper fails to provide or maintain financial security as required by Section 5 (*Credit Requirements*) in relation to a Capacity Booking or IP Capacity Booking and (subject to 4.2.1(d)) that failure is not remedied before the expiry of ten (10) Business Days from the date on which the Transporter has notified the Shipper that the Shipper is in breach of its obligations to provide or maintain such financial security; or

(d) without prejudice to (c) above the Shipper has booked Yearly IP Capacity or Quarterly IP Capacity at an Interconnection Point and has not provided Financial Security in accordance with the Financial Security Policy not less than ten (10) Business Days prior to the date on which the Rolling Monthly IP Capacity Auction is held for Monthly Capacity which has the same Effective Date as the Effective Date of the applicable Yearly IP Capacity or Quarterly IP Capacity (as the case may be); or

(e) in the event that a Suspension Notice relating to a breach of any of the Shipper's obligations relating to a particular IP Capacity Booking or Capacity Booking is issued (other than a Suspension Notice which relates to a breach of any obligation of a Shipper to make payment pursuant to Section 11.4 and/or 11.6, or a breach of a Shipper's obligation to provide or maintain financial security pursuant to Section 5 (*Credit Requirements*)) and no Suspension Cancellation Notice is served by the Transporter before the expiry of ten (10) days from the date of the Suspension Notice; or

(f) in the event of the Shippers at an NDM Supply Point(s) being in breach of Part F (*Administration*) Section 1.6 or any of the warranties contained in Part F (*Administration*) Section 1.6.7A are untrue or cease to be true; or

(g) in the event the Transporter is notified that there is no Third Party Shipper at the CGI Gas Point or that the identity of the Third Party Shipper has changed and the Shipper has not provided written confirmation of the new Third Party Shipper that the Shipper has entered into an agreement with that Third Party Shipper for the delivery of Natural Gas to the Shipper at the CGI Gas Point.

The Transporter shall provide to the Commission a copy of any Transporter's Specific Termination Notice issued pursuant to this Section 4.2.1. Where the Transporters Specific Termination Notice relates to an IP Capacity Booking for Bundled Capacity the Transporter may inform the Adjacent TSO and the JBP Operator.

4.2.2 The Transporter's right to issue a Transporter's Specific Termination Notice pursuant to this Section 4.2 shall be without prejudice to any other right or remedy that the Transporter may have against the Shipper under

this Code and/or the Framework Agreement and/or any Ancillary Agreement (including the Transporter's right to suspend the offtake of, or discontinue the supply of, Natural Gas at an Offtake Point or a IP VExit in accordance with Part H (*Operations*) Section 7 (*Interconnection Points*) Section 4.4 (*Natural Gas Offtaken at an Offtake Point: Compressors*) and/or Section 4.5 (*Discontinuance of Supply at an Offtake Point*)).

4.2.3 Any termination by the Transporter pursuant to this Section 4.2 shall, subject to any instruction of the Commission issued pursuant to Section 6 (*Dispute Resolution*), take effect at the end of the notice period specified for that purpose in the Transporter's Specific Termination Notice, which in respect of a Shippers Specific Termination Notice issued in relation to Section 4.2.1(d) above shall be not less than three (3) Business Days. in respect of a Transporter's Specific Termination Notice issued in relation to Section 4.2.1(b), Section 4.2.1(c) or shall be not less than ten (10) Business Days and in respect of a Transporter's Specific Termination Notice issued in relation to Section 4.2.1(a) or Section 4.2.1(e) shall be not less than twenty one (21) days, unless:

(a) the Shipper has remedied the breach (if capable of remedy) and the Transporter has withdrawn the Transporter's Specific Termination Notice before the expiry of the notice period; or

(b) in the case of any such Transporter's Specific Termination Notice the Commission has instructed the Transporter pursuant to Section 6 (*Dispute Resolution*) to withdraw or suspend such Transporter's Specific Termination Notice.

For the avoidance of doubt the Transporter shall withdraw a Transporter's Specific Termination Notice before the expiry of the notice period specified therein if:

(i) the Shipper has remedied the breach (if capable of remedy) prior to the expiry of the said notice period; or

(ii) the Commission has instructed the Transporter pursuant to Section 6 (*Dispute Resolution*) to withdraw such Transporter's Specific Termination Notice.

4.2.4 A Shipper shall have the right in accordance with this Section 4 to terminate an IP Capacity Booking or a Capacity Booking made by the Shipper by notice (the "Shipper's Specific Termination Notice") in the event that:

(a) the Transporter is in material breach of any of its obligations under this Code and/or the Framework Agreement and/or any Ancillary Agreement in relation to any such IP Capacity Booking or Capacity Booking made by the Shipper and the Transporter shall have failed

to remedy such breach (if the breach is capable of being remedied) within such period as is specified for the purpose in a written notice from the Shipper to the Transporter. The Shipper shall in such notice:

(i) specify the breach giving full particulars; and

(ii) specify (in reasonable detail) the remedy and the period (which shall be a period of such length as a Reasonable and Prudent Operator would require in order to remedy such breach and which shall be, in any event, not less than sixty (60) Business Days) within which to remedy the breach.

(b) the Capacity Booking is at or in respect of a LDM Supply Point and:

(i) Natural Gas is no longer required for consumption in the End User Facilities downstream of the LDM Supply Point as a result of discontinuance or cesser of business operations at such End User Facilities; and

(ii) the Shipper's Specific Termination Notice relates to all Capacity Bookings at or in respect of such LDM Supply Point.

The Shipper shall when submitting the Shipper Specific Termination Notice pursuant to Section 4.2.4(b) undertake to secure that any Capacity Transfers in respect of Capacity Booking, the subject matter of the Shipper's Specific Termination Notice and/or at the LDM Supply Point is terminated.

A Shipper shall provide to the Commission a copy of any Shipper's Specific Termination Notice pursuant to this Section 4.2.4.

4.2.5 Any termination by a Shipper pursuant to Section 4.2.4 shall, subject to any instruction by the Commission pursuant to Section 6 (*Dispute Resolution*), take effect at the end of the notice period specified for that purpose in the Shipper's Specific Termination Notice, which shall be not less than twenty one (21) days, unless the Transporter has remedied the breach (if capable of remedy) and the Shipper has withdrawn the Shipper's Specific Termination Notice before the expiry of the notice period or the Commission has issued an instruction to withdraw the Shipper's Specific Termination Notice pursuant to Section 6 (*Dispute Resolution*).

For the avoidance of doubt the Shipper shall withdraw a Shipper's Specific Termination Notice before the expiry of the notice period specified therein if:

(a) The Transporter has remedied the breach prior to the expiry of said notice period; or

(b) The Commission has instructed the Shipper pursuant to Section 6 (*Dispute Resolution*) to withdraw or suspend such Shipper's specific Termination Notice.

4.2.6 Any termination by a Shipper pursuant to Section 4.2.4(b) shall unless the Shipper shall have withdrawn any such Shipper's Specific Termination Notice take effect on the first day of the calendar month which is not less than two months after the date upon which the Shipper's Specific Termination Notice shall have been received by the Transporter or such later day (being the first day of a calendar month) as shall have been agreed between the Shipper and Transporter, provided always that:

(a) the Shipper shall have discharged all outstanding charges with respect to the LDM Supply Point pursuant to the Code, including those pursuant to any Connection or Siteworks Agreement; and

(b) any relevant Capacity Transfers or IP Capacity Trades shall have been cancelled or terminated.

4.3 Consequences of Specific Termination

4.3.1 If a IP Capacity Booking or Capacity Booking is terminated by the Transporter in accordance with Section 4.2, such termination shall not extinguish or relieve the Shipper from:

(a) the performance of any obligation or the discharge of any liability accrued in respect of such IP Capacity Booking or Capacity Booking as at the date on which the IP Capacity Booking or Capacity Booking (as the case may be) is terminated by the Transporter in accordance with Section 4.2;

(b) where the Transporter's Specific Termination Notice relates to a LDM Capacity Booking, an Entry Capacity Booking, a Sub-Sea I/C Offtake Capacity Booking, the obligation to pay any and all amounts which may be due under the LDM Capacity Booking or Entry Capacity Booking or the Sub-Sea I/C Offtake Capacity Booking and/or this Code in respect of the remainder of the Capacity Booking Period of the Entry Capacity Booking or LDM Capacity Booking or Sub-Sea I/C Offtake Capacity Booking which would have been due pursuant thereto had it not been terminated prematurely under the provisions of this Section 4 and any such outstanding payments shall, where relevant, be accelerated such as to become due and payable immediately upon such termination;

(c) any obligation of the Shipper to pay any amounts due and owing pursuant to any Operational Siteworks Agreement and/or Siteworks Connections Agreement entered into by the Shipper; and

(d) any obligation to pay any and all amounts, when due and ascertained, in relation to the Disbursements Account.

For the avoidance of doubt the payment by the Shipper of sums due pursuant to Section 4.3.1(b) shall not relieve the Transporter of its obligation to mitigate any outstanding amounts as might be payable by the Shipper in respect of the unexpired period of the LDM Capacity Booking.

4.3.2 Where the Transporter has terminated a Shipper's Capacity Booking in respect of capacity reserved at or in respect of a DM Offtake and/or a NDM Supply Point, such Shipper shall be liable to the Transporter for all charges payable with respect to such Capacity for the period commencing at the time of the Capacity Booking and ending on whichever is the later to occur of:

(a) the last Day of the then current Gas Year; and

(b) the Day which is six (6) months after the date of termination of the Capacity Booking,

and any such outstanding payments shall, where relevant, be accelerated such as to become due and payable immediately upon such termination provided always in the event that another Shipper becomes a Registered Shipper at the relevant Offtake Point the terminated Shipper’s liability pursuant to this Section 4.3.2 shall be limited to the period ending on the date upon which the other Shipper becomes a Registered Shipper at the Offtake Point and to the extent that the terminated Shipper shall have paid on termination any charges in respect of the relevant DM Offtake or NDM Supply Point for a period subsequent to that date, the Transporter shall refund such charges to the terminated Shipper.

4.3.3 In addition to any other right which the Transporter may have if it terminates a Shipper's Capacity Booking or IP Capacity Booking in accordance with this Section 4, the Transporter may disconnect the relevant Offtake Point and the Shipper shall promptly indemnify the Transporter for all costs of disconnection.

4.3.4 If a IP Capacity Booking or a Capacity Booking is terminated by a Shipper in accordance with Section 4.2:

(a) such termination shall not extinguish or relieve the Shipper from:

(i) the performance of any obligation or the discharge of any liability accrued in respect of such IP Capacity Booking or Capacity Booking as at the time at which the IP Capacity Booking or Capacity Booking (as the case may be) is terminated by the Shipper in accordance with Section 4.2 provided however, the Shipper shall be relieved of the performance of any obligation or the discharge of any liability pursuant to a LDM Capacity

Booking, Entry Capacity Booking or Sub-Sea I/C Offtake Capacity Booking in respect of the part of the Capacity Booking Period of the Entry Capacity Booking, LDM Capacity Booking or Sub-Sea I/C Offtake Capacity Booking subsequent to the termination or which would have been due pursuant thereto had it not been terminated prematurely under the provisions of Section 4.2;

(ii) the performance of all of a Shipper's obligations (other than the Shipper's obligations relating to the Capacity Booking which is the subject of the Specific Termination Notice) arising under the Code and/or the Framework Agreement and/or any Ancillary Agreement which shall continue in full force and effect;

(iii) any obligation of the Shipper to pay any amounts due and owing pursuant to any Siteworks Agreement and/or Siteworks Connections Agreement entered into by the Shipper;

(iv) any obligation to pay any and all amounts, when due and ascertained, in relation to the Disbursements Account; and

(b) the Transporter shall be entitled to disconnect the relevant Offtake Points.

(c) where the Capacity Booking has been terminated in accordance with Section 4.2.6 the Transporter shall be entitled to isolate the relevant LDM Supply Point.

4.3.5 If an IP Capacity Booking:

(a) in respect of Bundled IP Capacity of a Shipper is terminated the Transporter may but shall not be obliged to notify the Adjacent TSO of such termination.

(b) in respect of Yearly IP Capacity or Quarterly IP Capacity is terminated in accordance with Section 4.2.1(d) the Transporter may include the IP Capacity the subject matter of the cancelled IP Capacity Booking in the next available Rolling Monthly IP Capacity Auction.

4.4 General Termination Rights

4.4.1 The party not in default (the "Non-Defaulting Party") shall have the right to terminate the Framework Agreement by issuing a Termination Notice, subject to such Non-Defaulting Party having issued to the Commission not less than three (3) Business Days notice of its intention to issue such Termination Notice to the party in default (the "Defaulting Party") on or at any time after the occurrence of any of the following events or circumstances:

(a) in the case of the Defaulting Party being:

(i) a Shipper, where the Defaulting Party is in material or persistent breach of any of its obligations (other than an obligation to make payment in relation to which the provisions of Section 4.4.1(b)(i) shall apply, or an obligation to provide or maintain financial security, in relation to which the provisions of Section 4.4.1(b)(ii) shall apply) under this Code and/or any Ancillary Agreement and/or the Framework Agreement and/or where a breach by a Shipper has a material effect on the ability of the Transporter to perform its obligations in respect of any other Shipper pursuant to the Code or where, in the reasonable opinion of the Transporter, a breach by a Shipper affects the operational integrity of the Transportation System or any localised part thereof; or

(ii) a Shipper at an Interconnection Point and the Shipper has in respect of two (2) or more IP Capacity Bookings in any two (2) consecutive Gas Years failed to comply with the Financial Security Policy and the Transporter has as a consequence of such failure issued a Specific Termination Notice under Section 4.2.1(d) in respect of such IP Capacity Bookings;

(iii) the Transporter, where the Defaulting Party is in breach of any of its obligations under this Code and/or the Framework Agreement and/or any Ancillary Agreement and such breach has a material adverse effect on the Non-Defaulting Party,

and the Defaulting Party has failed to remedy such breach (if the breach is capable of being remedied) within such period as is specified for the purpose in a notice (“Default Notice”) issued by the Non-Defaulting Party to the Defaulting Party. Any such Default Notice shall specify:

(1) the breach giving full particulars;

(2) (in reasonable detail) the remedy and the period (which shall be a period of such length as a Reasonable and Prudent Operator would require in order to remedy such breach and

which shall be, in any event, not less than sixty (60) Business Days) within which to remedy the breach;

(b) in the case of the Defaulting Party being a Shipper:

(i) in accordance with Section 11.6.3; or

(ii) the Shipper fails to provide or maintain security as required by Section 5 (*Credit Requirements*) and that failure is not remedied before [the expiry of ten (10) Business Days] from the date on which notice is given of such failure by the Transporter to the Shipper.

(c) The Non-Defaulting Party shall provide to the Commission a copy of any Default Notice issued by such Non-Defaulting Party.

4.4.2 The Non-Defaulting Party shall have the right to terminate the Framework Agreement forthwith by issuing a Termination Notice subject to such Non-Defaulting Party having issued to the Commission not less then three (3) Business Days notice of its intention to issue such Termination Notice on the Defaulting Party upon the occurrence of any of the following events:

(a) any bona fide action or other steps are taken or legal proceedings are started (and are not withdrawn within fourteen (14) days) for the liquidation, winding-up, dissolution, or for the appointment of a receiver, liquidator, administrator, examiner or similar officer of the Defaulting Party;

(b) an encumbrancer takes possession of, or a liquidator, receiver or an administrator or examiner is appointed over a substantial part of the assets of the Defaulting Party or any security granted by the Defaulting Party becomes enforceable (and, in the case of the Defaulting Party being the Transporter, a substantial part of its assets shall mean the Transportation System);

(c) the Defaulting Party is unable to pay its debts as they fall due within the meaning of Section 570 of the Companies Act 2014 or enters into any composition, assignment, scheme or arrangement with creditors generally of such party (other than for the purpose of a bona fide solvent reconstruction or amalgamation) provided that, for the purposes of this Section 4.4.2(c), Section 570 of the Companies Act 2014 shall have effect as if for "€10,000" in 570(a)(i) and €20,000 in Section 570(b)(ii) of the Companies Act 2014 there was substituted "€65,000";

(d) a distress, execution, sequestration or other process being levied or enforced upon or sued against all or any substantial part of its assets, rights or revenues of the Defaulting Party which is not discharged, stayed, or dismissed within thirty (30) days;

(e) any event equivalent or analogous to any of the events specified in Sections 4.4.2(a), 4.4.2(b), 4.4.2(c) or 4.4.2(d) occurring in respect of the Defaulting Party in any jurisdiction;

(f) the Shipper is the Defaulting Party in receipt of two (2) or more Suspension Notices within any twelve (12) month period;

(g) the Shipper is the Defaulting Party and ceases to hold a Shipping Licence; or

(h) The Shipper is the Defaulting Party and ceases to have the legal, technical and/or operational ability to perform its obligations under this Code.

4.4.3 The Non-Defaulting Party's right to terminate pursuant to this Section 4.4 shall be without prejudice to any other right or remedy that the Non-Defaulting Party may have against the Defaulting Party under this Code and/or the Framework Agreement and/or any Ancillary Agreement (including any rights or remedies of the Transporter pursuant to Part B (*General Principles*) and the Transporter's right to suspend the offtake of, or discontinue the supply of, Natural Gas at an Offtake Point in accordance with Part H (*Operations*) Section 4.4 (*Natural Gas Offtaken at an Offtake Point: Compressors*) and/or Section 4.5 (*Discontinuance of Supply at an Offtake Point*).

4.4.4 Any termination pursuant to this Section 4.4 shall take effect as follows:

(a) with immediate effect upon issue of a Termination Notice in respect of any termination pursuant to Section 4.4.2; and

(b) at the end of the notice period specified for that purpose in the Termination Notice, which, in respect of a Termination Notice issued in relation to Section 4.4.1(b) shall be not less than ten (10) Business Days and in respect of a Termination Notice issued in relation to Section 4.4.1(a)(i) or Section 4.4.1(a)(ii) shall be not less than twenty one (21) days, unless (i) the Defaulting Party has remedied the breach (if capable of remedy) and the Non-Defaulting Party has withdrawn the Termination Notice before the expiry of the notice period or (ii) in the case of a Termination Notice issued by the Transporter pursuant to Section 4.4.1(b), the Commission has instructed the Transporter, pursuant to Section 6 (*Dispute Resolution*), to withdraw or suspend such Termination Notice.

4.4.5 The Non-Defaulting Party shall withdraw a Termination Notice before the expiry of the notice period specified therein if:

(a) The Defaulting Party has remedied the breach prior to the expiry of such notice period; or

(b) The Commission has instructed the withdrawal of such Termination Notice pursuant to Section 6 (*Dispute Resolution*).

4.5 Consequences of General Termination

4.5.1 If a Shipper's Framework Agreement is terminated by the Transporter in accordance with Section 4.4 the balance of all payments due, accrued or outstanding to the Transporter under this Code and/or any Ancillary Agreement at the time of termination shall immediately fall due and payable by the Shipper to the Transporter. Such payments shall include the following:

(a) payment of any and all amounts which may be due under an IP Capacity Booking and/or Entry Capacity Booking in respect of the remainder of the IP Capacity Booking Period of the applicable IP Capacity Booking or Capacity Booking Period for the Entry Capacity Booking or which would have been due pursuant thereto had it not been terminated prematurely under the provisions of this Section 4 and any such outstanding payments shall, where relevant, be accelerated such as to become due and payable immediately upon such termination;

(b) payment of all amounts payable in respect of capacity reserved at or in respect of a DM Offtake and/or a NDM Supply Point for the period commencing at the time of the relevant Capacity Booking and ending on whichever is the later to occur of:

(i) the last Day of the then current Gas Year; and

(ii) the Day which is six (6) months after the date of termination of the relevant Capacity Booking,

and any such outstanding payments shall, where relevant, be accelerated such as to become due and payable immediately upon such termination provided always in the event that another Shipper becomes a Registered Shipper at the relevant Offtake Point the terminated Shipper's liability pursuant to this Section 4.5.1 shall be limited to the period ending on the date upon which the other Shipper becomes a Registered Shipper at the Offtake Point and to the extent that the terminated Shipper shall have paid on termination any charges in respect of the relevant DM Offtake or NDM Supply Point for a period subsequent to that date, the Transporter shall refund such charges to the terminated Shipper;

(c) payment of any and all amounts which may be due under a LDM Capacity Booking or Sub-Sea I/C Offtake Capacity Booking in respect of the remainder of the Capacity Booking Period of the LDM Capacity Booking or Sub-Sea I/C Offtake Capacity Booking (as the case may be) or which would have been due pursuant thereto

had it not been terminated prematurely under the provisions of this Section 4 and any such outstanding payments shall, where relevant, be accelerated such as to become due and payable immediately upon such termination;

(d) payment of any and all amounts which may be due under any IP Capacity Booking or Capacity Booking of Short Term IP Capacity or Short Term Capacity in respect of the remainder of the IP Capacity Booking period or Capacity Booking Period of such IP Capacity Booking or Capacity Booking as the case may be with respect to IP Short Term Capacity, Short Term Capacity and which would have been due pursuant thereto had it not been terminated prematurely under the provisions of this Section 4 and any such outstanding payment shall where relevant be accelerated such as to become due and payable immediately upon such termination;

(e) any payments due and owing pursuant to any Siteworks Agreement and/or Siteworks Connections Agreement entered into by a Shipper; and

(f) payment, when due and ascertained, of all amounts payable by the Shipper in relation to the Disbursements Account.

For the avoidance of doubt the payment by the Shipper of sums due pursuant to Section 4.5.1(c) shall not relieve the Transporter of its obligation to mitigate any outstanding amount as might be payable by the Shipper in respect of the unexpired period of the LDM Capacity Booking.

4.5.2 All IP Capacity Bookings and Capacity Bookings of the Shipper, all Ancillary Agreements and any other agreements entered into by the Shipper and the Transporter pursuant to this Code shall terminate immediately upon termination of the Framework Agreement and the Shipper shall cease to be Registered Shipper at each IP Entry Point, Entry Point, CGI Gas Point, Offtake Point, IP CSEP, IP VExit, IP VEntry or otherwise in accordance with the Code.

4.5.3 Termination of a Shipper's Framework Agreement shall not extinguish or relieve the Shipper from:

(a) the performance of any obligation or the discharge of any liability accrued at that time under this Code, the Framework Agreement and/or any Ancillary Agreement; or

(b) the remedy of any outstanding breach (where such a breach is capable of remedy) under this Code, the Framework Agreement and/or any Ancillary Agreement.

4.5.4 If a Shipper's Framework Agreement is terminated by the Shipper in accordance with Section 4.4 or Section 4.7, all IP Capacity Booking and

Capacity Bookings of the Shipper and all Ancillary Agreements entered into by the Shipper shall terminate at the same time and the Shipper shall cease to be Registered Shipper at each IP Entry Point, Entry Point, CGI Gas Point, Exit Point, IP CSEP, IP VExit, IP VEntry or otherwise in accordance with the Code. Any such termination shall not extinguish or relieve the Shipper from:

(a) the payment of any amounts due to the Transporter (including payment of any and all of the capacity component of the Tariff which may be due under the terms of this Code and all amounts payable by the Shipper in relation to the Disbursements Account) under this Code, the Framework Agreement and/or any Ancillary Agreement as at the date of the termination of the Framework Agreement;

(b) any payments due and owing pursuant to any Siteworks Agreement and/or Siteworks Connections Agreement as at the date of the termination of the Framework Agreement, which shall become immediately payable; or

(c) the remedy of any outstanding breach (where such a breach is capable of remedy) under this Code, the Framework Agreement and/or any Ancillary Agreement.

4.6 **Change in Control of the Shipper**

4.6.1 Each Shipper shall notify the Transporter as soon as reasonably possible of any change of Control or proposed change of Control of the Shipper.

4.6.2 If the Shipper fails to satisfy the Transporter that the change of Control will not affect materially the legal, technical and/or operational ability of the Shipper to perform the Shipper's obligations under this Code or the ability of the Shipper to comply with the Financial Security Policy then the Transporter may terminate the Framework Agreement in accordance with the provisions of Section 4.4.

4.6.3 For the purposes of this Code, "Control" means the ability of a party to direct the affairs of another party whether by way of contract, ownership of shares or otherwise (including for the avoidance of doubt the declaration of a trust conferring a beneficial interest).

4.7 **Shipper Discontinuance**

4.7.1 Neither the Transporter nor a Shipper may terminate the Framework Agreement, including any such party's obligations under this Code and/or any Ancillary Agreement, other than in accordance with the provisions of Section 4.2, Section 4.4 or this Section 4.7.

4.7.2 Provided that:

(a) a Shipper is no longer the Registered Shipper at any IP Entry Point, Entry Point, CGI Gas Point, Exit Point, IP CSEP, IP VEntry, IP VExit, the Sub-Sea I/C Offtake or Supply Point;

(b) all amounts payable or which may become payable by the Shipper to the Transporter pursuant to any provision of this Code (including, for the avoidance of doubt, the Disbursements Account), the Framework Agreement and/or any Ancillary Agreement and/or any other agreement entered into by the Transporter and the Shipper have been paid in full; and

(c) any outstanding breaches of this Code or any of the agreements specified in Section 4.7.2(b) shall have been remedied or waived by the other party,

either Party may terminate the Framework Agreement, including any such Party's obligations under this Code and/or any Ancillary Agreement (unless already terminated in accordance with Section 4.4), by giving to the other Party not less than twenty one (21) days' notice provided always that a Shipper in receipt of notice of termination in accordance with this Section 4.7 may, prior to the expiry of the notice period specified therein, notify the Transporter that such Shipper wishes to remain a Shipper for the purposes of this Code, in which case the Transporter shall withdraw the notice of termination issued.

4.8 Interpretation

For the avoidance of doubt, a breach of any Procedure and/or a breach of any Ancillary Agreement shall be treated as a breach of this Code for the purposes of this Section 4.

4.9 Notice to the Commission

4.9.1 The Transporter shall provide to the Commission a copy of each notification issued by the Transporter pursuant to this Section 4.

4.9.2 A Shipper shall provide to the Commission a copy of each notification issued by that Shipper pursuant to this Section 4.

4.10 Notice to JBP Operator

4.10.1 The Transporter shall notify the JBP Operator when a Shipper which is a JBP User ceases to be a Shipper pursuant to this Code.

4.10.2 The Transporter may notify any applicable Adjacent TSO of any notice issued to the JBP Operator pursuant to Section 4.10.1.

5. CREDIT REQUIREMENTS

5.1 The Transporter shall keep, maintain and publish a Financial Security Policy.

5.2 Each Shipper shall comply with the Financial Security Policy at all times.

5.3 Each Shipper shall provide to the Transporter such financial security as may be prescribed pursuant to the Financial Security Policy and in respect of the amounts calculated in accordance with the Financial Security Policy and shall ensure that such financial security remains in full force and effect.

5.4 Each Shipper shall immediately notify the Transporter upon any change to any credit rating relating to such Shipper and upon any change to any credit rating relating to any credit support provider of such Shipper and shall provide the necessary details in respect of such change as prescribed by, and in accordance with, the Financial Security Policy. In addition, the Shipper shall procure that its credit support provider(s) shall immediately notify the Transporter upon any change of credit rating relating to such credit support provider.

5.5 The Transporter may, in its absolute discretion, serve on any Shipper that fails to comply with the obligation to provide and/or maintain Financial Security, or fails to adhere to the terms of the Financial Security Policy, a Suspension Notice pursuant to Section 4.1 or a Transporter's Specific Termination Notice pursuant to Section 4.2 or a Termination Notice pursuant to Section 4.4.1.

6. DISPUTE RESOLUTION

6.1 Overview

6.1.1 For the purposes of this Section 6:

(a) a "Dispute" means any controversy, difference or dispute whatsoever arising out of or in connection with this Code and/or the Framework Agreement and/or any Ancillary Agreement including any question regarding the existence, validity, interpretation, breach or termination of the same;

(b) a "Dispute Notice" means a written notice setting out the material particulars of the matters which are in Dispute, the identity of the Parties to the Dispute and, save in respect of a dispute to which Section 6.1.2 refers, whether the Party sending such notice wishes the Dispute to be resolved pursuant to the process in Section 6.2 or Section 6.3;

(c) "Technical Issues" means technical issues arising pursuant to Part C (*Capacity*); Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*), Section 2 (*Allocations*); Part E (*Balancing and Shrinkage*); Part F (*Administration*), Sections 2 (*Classification*), 5 (*Meter Data Services*) and 6 (*Siteworks*); Part G (*Technical*), Sections 1 (Specifications*: Quality and Pressure*), 3 (*Measurement*) and 4 (*Measurement Equipment Verification*) or Part H (*Operations*), Section 2 (*Physical Congestion*) Part H (*Operations*) Section 2A (*Congestion Management Procedures*) of this Code; and

(d) in respect of any Dispute, "Parties" means the Transporter, the Shipper and/or Shippers who are party to that Dispute, and "Party" shall be construed accordingly.

For the avoidance of doubt any dispute between a Shipper and the JBP Operator (in relation to any matters concerning the performance of activities on the JBP) shall be determined in accordance with the JBP Users T &C's.

6.1.2 In the case of a Dispute in relation to:

(a) Part B (General *Principles*);

(b) Part G (Technical), Sections 2 (*System Planning*) and 5 (*Maintenance*);

(c) Part H (Operations), Section 1 (*Emergencies*);

(d) [Sections 1 (*Modifications*), 4.6 (*Change in Control of the Shipper*), 4.7 (Shipper *Discontinuance*), 4.8 (*Interpretation*), 4.9 (*Notice to the Commission*), 12.1 (*Application to be a Shipper*); 12.4 (*GNI (IT)*

Systems), 12.5 (*Assignment and Subcontracting*), 12.7 (*Severance*) and 12.9 (*Publication of Documents*);]

(e) the issue or the threatened or anticipated issue of a Suspension Notice (as referred to in Section 4.1.3), Specific Termination Notice or Termination Notice;

(f) an Invoice pursuant to Section 11.7.2,

either Party may at any time refer such Dispute to the Commission for determination in accordance with Section 6.2, by service of a Dispute Notice on the other Party or Parties and the Commission.

6.1.3 In the case of a Dispute in relation to any matter other than a matter referred to in Section 6.1.2, a Party shall give to the other Party or Parties written notice setting out the material particulars of the Dispute. The Parties shall use reasonable endeavours to resolve the Dispute and if such a Dispute has not been resolved by the Parties within twenty one (21) Business Days after the date of such notice setting out the material particulars of the Dispute, it may be referred by any Party to either:

(a) determination by the Commission pursuant to Section 6.2 by service of a Dispute Notice on the other Party or Parties and the Commission, provided that if the Commission notifies all Parties in writing that it is neither necessary nor appropriate for the Commission to determine such Dispute, the Dispute shall be deemed to be referred to alternative dispute resolution pursuant to Section 6.3 on the date of such notice from the Commission; or

(b) alternative dispute resolution pursuant to Section 6.3 by service of a Dispute Notice on the other Party or Parties,

provided that if one Party to a Dispute refers such Dispute to alternative dispute resolution pursuant to 6.1.3(b), the recipient of such Dispute Notice may within 10 Business Days of receipt notify the other Party and the Commission that it wishes to have the Dispute determined by the Commission, in which case the Dispute shall be deemed to have been referred to the Commission, subject always to the rights of the Commission pursuant to Section 6.1.3(a) to determine that it is neither necessary nor appropriate for the Commission to determine such Dispute.

6.1.4 Either Party may at any time send a copy of a Dispute Notice to the Commission. The Commission may on receipt of a Dispute Notice or the application of any Party:

(a) instruct a Party not to issue to the other Party a Suspension Notice, a Specific Termination Notice and/or a Termination Notice (as the case may be) in respect of the event that is the subject matter of the Dispute Notice; and/or

(b) where a Suspension Notice, a Specific Termination Notice and/or a Termination Notice has been issued in respect of the event that is the subject matter of the Dispute Notice, instruct the relevant Party to withdraw or suspend the effect of any such Suspension Notice, Specific Termination Notice or Termination Notice so issued,

in each case subject to further variation or withdrawal by the Commission of such instruction or final resolution of the Dispute; and

6.1.5 Any Suspension Notice, Specific Termination Notice or Termination Notice shall take effect in accordance with their terms and with the provisions of Section 4 (*Suspension and Termination*), save to the extent that the relevant Party has been otherwise instructed by the Commission pursuant to Section 6.1.4.

6.1.6 Nothing in this Section 6 shall prohibit any Party from exercising its rights (if any) under Irish or EU law, including any right to make a complaint pursuant to Article 41(11) of Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC or any applicable national legislation implementing same, provided however:

(a) if a Party issues a Dispute Notice pursuant to the provisions of this Section 6, then unless the Party in receipt of such Dispute Notice notifies the other Party and the Commission within 14 days of receipt of the Dispute Notice that it wishes to exercise its right (if any) to submit the event or issues the subject matter of the Dispute by way of complaint or otherwise pursuant to Article 41(11) of Directive 2009/73/EC or any applicable national legislation implementing such Directive, both Parties to the dispute shall be deemed to have waived (to the extent permitted by law) their respective rights to submit the event or issues the subject matter of the Dispute by way of complaint as aforesaid; and

(b) if a Party submits a dispute by way of complaint or otherwise pursuant to Article 41(1) of Directive 2009/73/EC or any applicable national legislation implementing such Directive (and other than in accordance with the Code) or if a Party in receipt of a Dispute Notice notifies the other Party and the Commission of its requirement to exercise its right (if any) to have the issues the subject matter of the Dispute referred for resolution pursuant to Article 41(11) of Directive 2009/73/EC or any applicable national legislation implementing such Directive and the Commission accepts that the Party which has notified the Commission of its requirement to exercise such right does in fact have such right, then and in that event the Dispute shall be referred for resolution

accordingly and the Parties shall be deemed to have waived their right to have such Dispute resolved in accordance with the remaining provisions of this Section 6 of the Code,

and in either event, the liability of the Parties shall be limited as provided in this Code irrespective of whether the Dispute is resolved in accordance with the procedures contained in this Section 6 or as a result of the issue of a decision following a complaint or otherwise refer the dispute for resolution pursuant to Article 41(11) of Directive 2009/73/EC or any applicable national legislation implementing such Directive and the Parties shall, notwithstanding any award or decision as a result of the exercise by a party of a legal right, not be entitled to recover any compensation or damages to the extent that such award or damages exceed the limits of liability prescribed in this Code and to the extent that any such compensation or damages may be awarded, the Parties hereby waive the right to any award of damages or compensation which exceeds those expressed limits of liability.

6.1.7 Nothing in Section 6.1.6 shall oblige the Commission to determine a Dispute or complaint unless it is legally obliged to do so.

6.2 Determination by the Commission

6.2.1 A Dispute referred to the Commission pursuant to Section 6.1.2 or 6.1.3(a) shall be determined by the Commission in accordance with such dispute resolution procedures as may be prescribed by the Commission from time to time.

6.2.2 The Parties shall comply with any and all directions, requests or instructions issued by the Commission in connection with any such Dispute including:

(a) provision of any information requested by the Commission; and/or

(b) attending any meetings or hearings scheduled by the Commission.

6.2.3 Subject to any right of appeal or other right which may exist at law, the decision of the Commission in relation to any Dispute referred to it under Section 6.1 or 6.2 shall be final and binding upon the Parties.

6.3 Alternative Dispute Resolution

6.3.1 Mediation

(a) Where a Dispute is referred or deemed to have been referred to alternative dispute resolution pursuant to Section 6.1.3, it shall be first referred to a single mediator (the "Mediator") to be agreed between the Parties or, failing such agreement, to be appointed by the Commission.

(b) The Mediator and its assistants (if any) shall, as a pre-requisite to the Mediator's appointment, enter into a confidentiality undertaking with the Parties in the same terms as required by Section 9 (*Confidentiality and Data Protection*).

(c) The mediation shall be carried out within thirty (30) days of the date of the Dispute Notice and the Parties shall use reasonable endeavours to resolve the Dispute within this time period.

(d) Any mediation shall be carried out on a without prejudice basis.

(e) The Parties shall, unless they agree otherwise, bear their own costs and expenses arising from such mediation, and the Parties shall bear the fees and expenses of the Mediator and all administrative costs arising from such mediation equally.

6.3.2 **Expert Determination**

(a) A Dispute relating exclusively to Technical Issues which is not resolved by mediation within thirty (30) days of the date of the Dispute Notice may be referred by any Party by notice in writing to the other Party or Parties to determination by an Expert in accordance with this Section 6.3.2 ("Expert Referral Notice").

(b) If a Party considers that the Dispute does not relate exclusively to Technical Issues then it may, within ten (10) days after the date of the Expert Referral Notice serve service a notice of objection ("Notice of Objection") on the other Party or Parties and the Commission.

(c) If a Notice of Objection is served pursuant to Section 6.3.2(b) the Commission shall determine whether the Dispute relates exclusively to Technical Issues.

(d) If a Notice of Objection is served pursuant to Section 6.3.2(b) and the Commission decides that the Dispute relates exclusively to Technical Issues or if no Notice of Objection is served within the timeframe referred to in Section 6.3.2(b) the Dispute shall be determined in accordance with this Section 6.3.2.

(e) If a Notice of Objection is served pursuant to Section 6.3.2(b) and the Commission decides that the Dispute does not relate exclusively to Technical Issues, this Section 6.3.2 shall not apply and the Dispute shall be deemed to be referred to arbitration pursuant to Section 6.3.3 on the date of notice from the Commission.

(f) The procedure for the appointment of an Expert shall be as follows:

(i) the Parties shall attempt to agree on the appointment of a single Expert to settle the Dispute;

(ii) if by the later of twenty (20) days after the date of the Expert Referral Notice and ten (10) days after the decision of the Commission pursuant to Section 6.3.2(d), the Parties have been unable to agree on the choice of an Expert, any Party may inform the Commission of the nature and complexity of the Dispute and request it to appoint a single Expert for the determination of the Dispute;

(iii) if the Commission refuses to make such an appointment or does not do so by the later of thirty five (35) days after the date of the Expert Referral Notice and twenty five (25) days after the decision of the Commission pursuant to Section 6.3.2(d), any of the Parties may then request the President for the time being of the Institute of Engineers of Ireland to appoint an Expert within fifteen (15) days of being requested to do so;

(iv) upon the Expert being agreed on or appointed in accordance with this Section 6.3.2(f) the Parties shall immediately notify the Expert of his appointment and shall request him to confirm within seven (7) days whether or not he is willing and able to accept the appointment and, if he accepts the appointment, to confirm his independence;

(v) the Expert shall be a person suitably qualified by education, experience and/or training to determine the Dispute;

(vi) the Expert shall be entitled to:

(1) seek such independent professional (including legal) and/or technical advice; and

(2) obtain secretarial assistance,

as he may deem reasonably necessary; and

(vii) the Expert and his assistants (if any) shall, as a pre-requisite to the Expert's appointment, enter into a confidentiality undertaking with the Parties in the same terms as required by Section 9 (*Confidentiality and Data Protection*).

(g) Any and all communications between the Parties and the Expert shall be made or confirmed in writing and a copy of such communications shall be provided simultaneously to the other Party or Parties. No meeting between the Expert and any of the Parties shall take place unless all the Parties have been given a reasonable opportunity to attend.

(h) The terms of reference of the Expert shall include the following:

(i) that the Expert shall, as soon as practicable after the confirmation of his appointment, call the Parties to a meeting (which shall, together with all other meetings, be held in Ireland) at which he shall clarify, and, if necessary, define the Dispute and give directions as to the future conduct of the Dispute;

(ii) that the Expert may, from time to time, give such directions as he sees fit;

(iii) that the Parties shall be entitled to supply data and information and make submissions to the Expert and that the Expert shall make his determination as soon as reasonably practicable and in any event shall furnish the Parties with a draft of his proposed determination, together with full written reasons, within thirty (30) days of his appointment or such other time as agreed in writing by the Parties;

(iv) that the Expert shall give full written reasons for his determination;

(v) the Parties shall be entitled to make representations to the Expert within thirty (30) days after the receipt of the draft of the Expert's proposed determination; and

(vi) the Expert shall issue his final determination as soon as is reasonably practicable after the expiry of the time period referred to in Section 6.3.2(h)(v).

(i) If an Expert declines appointment or after appointment dies or is removed by order of a competent court or is incapable of acting and the Parties do not by agreement fill the vacancy, then another Expert shall be appointed by the Commission or the President for the time being of the Institute of Engineers of Ireland or his nominee, as the case may be, in accordance with the procedures set out in Section 6.3.2(f).

(j) If, within a reasonable period, but in any event not later than one hundred and twenty (120) days after the acceptance of his appointment, the Expert has not made his determination, then, at the request of any of the Parties, another Expert shall be appointed in accordance with this Section 6.3.2, and on acceptance of such appointment, the appointment of the previous Expert shall cease unless (prior to the date when the new Expert accepts his appointment) the Expert has made his determination, in which case such determination shall be binding and the instructions of the new Expert shall be withdrawn.

(k) The Expert shall be entitled to act as an expert notwithstanding that, at the time of the appointment or at any time before he gives determination, he has or may have some interest or duty which conflicts or may conflict with his function under such appointment, provided that he has disclosed any such interest or duty of which he is aware before accepting such appointment (or promptly upon any such interest or duty arising subsequent to such appointment) and the Parties have, within seven (7) days after such disclosure or such longer period agreed between the Parties, confirmed their agreement to his appointment.

(l) The costs and expenses of the Expert, any independent advisers to the Expert and any costs of his or their appointment (if he is or they are appointed by agreement between the Parties, or by the Commission or by the Institute of Engineers of Ireland) shall be borne equally by the Parties and each Party shall bear its own costs.

(m) An Expert appointed under this Agreement shall act as an expert and not as an arbitrator and the provisions of the Arbitration Acts 1954 to 1998 shall not apply to his determination.

(n) Subject to any right of appeal or other right which may exist at law, the determination of the Expert shall be final and binding upon the Parties.

6.3.3 **Arbitration**

(a) Any Dispute in relation to any matter other than a matter referred to in Section 6.1.2 or 6.3.2(a) which is not resolved by mediation within thirty (30) days of the date of the Dispute Notice may be referred by any Party to arbitration pursuant to this clause 6.3.3.

(b) The procedure for the appointment of an arbitrator shall be as follows:

(i) The arbitrator shall be a person agreed between the Parties or, if the Parties cannot agree within ten (10) days after the referral to arbitration, any Party may inform the Commission of the nature and complexity of the Dispute and request it to appoint a single arbitrator for the determination of the Dispute;

(ii) if the Commission refuses to make such an appointment or does not do so within ten (10) days after the date of being requested to do so, any of the Parties may then request the President for the time being of the Institute of Engineers of Ireland to appoint an arbitrator within fifteen (15) days of being requested to do so; and

(iii) if the arbitrator declines appointment or after appointment dies or is removed by order of a competent court or is incapable of acting

and the Parties do not by agreement fill the vacancy, then another arbitrator shall be appointed by the Commission at the request of any Party or, if the Commission refuses to make such an appointment or does not do so within ten (10) days after the date of being requested to do so, any Party may request the President for the time being of the Institute of Engineers of Ireland or his nominee to make such an appointment in accordance with the procedures set out in Section 6.3.3(b)(ii).

(c) Subject to any right of appeal or other right which may exist at law, the arbitrator's award shall be final and binding on the Parties. The arbitration shall take place in Ireland and the language of the arbitration shall be English.

(d) Unless otherwise agreed by the Parties, any reference to arbitration shall be conducted in accordance with the [Institute of Engineers of Ireland Arbitration Procedure (2000)] or any amendment or modification thereof being in force at the time of the appointment of the arbitrator.

(e) Any such reference to arbitration shall be deemed to be a submission to arbitration within the meaning of the Arbitration Acts 1954 to 2010.

7. DELIVERY OF GAS: TITLE AND RISK

7.1 Overview

7.1.1 Title and risk in Natural Gas delivered by a Shipper at an IP Entry Point or at an Entry Point or at a CGI Gas Point within a CGI Entry Point to the Transportation System shall pass (in accordance with the provisions of this Code) to the Transporter at the relevant point of delivery in respect of such IP Entry Point, Entry Point, CGI Gas Point within a CGI Entry Point or IP VEntry (as the case may be).

7.1.2 Title and risk in Natural Gas offtaken by a Shipper from the Transportation System shall, in accordance with the provisions of this Code, pass to the Shipper at the relevant Offtake Point, the Sub-Sea I/C Offtake, the IP CSEP or IPV Exit (as the case may be).

7.2 Each Shipper warrants to the Transporter that:

7.2.1 it has title (at the point of delivery) to all Natural Gas made available for delivery or tendered for delivery to the Transportation System at an IP Entry Point or Entry Point or CGI Gas Point within a CGI Entry Point by that Shipper;

7.2.2 all such Natural Gas (at such point of delivery) is free of any lien, charge, encumbrance or adverse claim (as to title or otherwise), including any claim for any tax, royalty or other charge in respect of the production, gathering, processing and tendering of Natural Gas arising on or before delivery thereof to the Transportation System; and

7.2.3 it has the right to take title to all such Natural Gas made available for delivery by the Transporter to such Shipper and offtaken by such Shipper at an Offtake Point, the Sub-Sea I/C Offtake or IP CSEP (as the case may be).

7.3 The warranties in Section 7.2 shall be treated as satisfied where the Shipper has arranged for delivery or tendered for delivery of Natural Gas to the Transportation System by a person or persons who has or jointly have title (at the point of delivery) to such Natural Gas and such person passes, or persons jointly pass, title to such Natural Gas to the Transporter.

7.4 Each Shipper shall indemnify the Transporter and hold it harmless against any loss, liability, damage, claim, action, proceeding, cost and expense suffered or incurred by or made or brought against the Transporter (including any claim by a third party to title in Natural Gas delivered by a Shipper at an IP Entry Point or Entry Point or CGI Gas Point or offtaken by a Shipper at an Offtake Point or IP CSEP or Sub-Sea I/C Offtake) in consequence of any breach of the warranties in Section 7.2.

7.5 The Transporter shall have and retain (subject to the provisions of any Ancillary Agreement and/or this Code) full, complete and unencumbered rights of action with respect to certain commercial/non-regulated aspects of the Transportation System, in respect of the delivery of Natural Gas into, or the offtake of Natural Gas from, the Transportation System.

8. NOTICES

8.1 References in this Section 8 to a notice are to any notice, application, request, approval, instruction or other communication to be given, made or submitted by one party to another under this Code, a Framework Agreement and/or any Ancillary Agreement.

8.2 All notices required under this Code in relation to a Single Sided IP Nomination (where the Transporter is the Initiating TSO) and all Double Sided IP Nominations, Nominations, Renominations, Allocations, Exit Capacity Transfers, Entry Capacity Trades, Entry Point Transfers, After Day Trades, LDM Supply Point Capacity Title Transfers, reservations of capacity and notices issued by or to the GPRO in respect of any Change of Shipper shall be issued through and utilising the GNI (IT) Systems and the Transporter and each of the Shippers consent hereby to the receipt and delivery of notices through and utilising the GNI (IT) Systems, provided however that when the Transporter declares the GNI (IT) Systems are not operational, such notices shall be issued in accordance with any direction given by the Transporter pursuant to Section 8.8. For the avoidance of doubt, the Transporter may declare the GNI (IT) Systems not operational in whole or in part in respect of some or all Shippers.

8.3 All Single Sided IP Nominations at an Interconnection Point at which the Transporter in the Matching TSO shall be submitted to the Initiating TSO at that IP in accordance with the Interconnected System Transportation Arrangements of the applicable Adjacent TSO.

8.4 All notices related to JBP Transactions shall be submitted utilising the JBP.

8.5 All notices other than those referred to in Section 8.2, 8.3 or 8.4 which are required under this Code in relation to the transportation of Natural Gas and all notices with respect to Section 2.A (Contractual Congestion Management) the (including notices in relation to Operational Flow Orders, Difficult Days, Restricted Capacity Days, or Procedures) may be issued through and utilising the GNI (IT) Systems or in such other manner as may be determined by the Transporter from time to time.

8.6 Any other notices required under this Code, shall, save where otherwise expressly provided, be:

8.6.1 in writing; and

8.6.2 delivered in person or sent by registered post (and by air mail if posted overseas) or by fax to the party due to receive the notice at the relevant address specified in Section 8.6 or such other address as identified from time to time.

8.7 Each Party hereby agrees that:

8.7.1 by making, giving or submitting a notice (which comprises an application or request) to the Transporter by means of the GNI (IT) Systems, each Shipper shall (without prejudice to any right of a Shipper to withdraw a notice in accordance with this Code prior to its acceptance by the Transporter) be bound by such notice (as amended or varied where appropriate) in respect of the subject matter(s) of the said application/request;

8.7.2 any such notice shall not bind the Transporter until such time as it is accepted by the Transporter, or is deemed to have been accepted pursuant to this Code, (or as otherwise may be provided pursuant to the Code) as the case may be, by means of the GNI (IT) Systems;

8.7.3 the giving or submission of any notice (which comprises an application or request) to the Transporter together with the Transporter's acceptance, or deemed acceptance thereof, will constitute a written agreement (subject to and incorporating the provisions of the Code) between the Transporter and the Shipper in respect of the subject matter of the notice, application or request in satisfaction of any applicable Legal Requirement that requires an agreement to be in writing, signed or delivered, or otherwise;

8.7.4 it shall waive any right which it may have to challenge the enforceability of any agreement referred to in Section 8.5.3 solely on the basis of an absence of written memorandum and/or a written signature and/or on the basis that such agreement was concluded electronically by means of the GNI (IT) Systems or utilising the JBP (where applicable). The Transporter's records of all agreements concluded electronically by a Shipper will be conclusive and binding on the Shipper and the Transporter, as the case may be;

8.7.5 a Shipper making, giving or submitting a notice to the Transporter by means of the GNI (IT) Systems or utilising the JBP (where applicable) shall not indicate or otherwise require that such notice be acknowledged by the Transporter and the Transporter shall not be required to provide an acknowledgement in respect of such notice. The absence of any acknowledgement by the Transporter of such notice shall not in any way affect the establishment of any legal rights and obligations arising from such notice and the Transporter’s acceptance or deemed acceptance thereof; and

8.7.6 any notice made, given or submitted by means of the GNI (IT) Systems shall be taken to have been sent when it enters the GNI (IT) Systems. Any such notice shall be taken to have been sent from and received at the place of business of the Transporter, as specified in Section 8.8.

8.7.7 any notice made, given or submitted by means of the JBP shall be taken to have been sent or received in accordance with the JBP Users T&C's.

8.8 The address referred to in Section 8.5 is:

8.8.1 in the case of the Transporter, save where the Transporter has specified by written notice to a Shipper another address to which notices to it shall be given:

Gas Networks Ireland
PO Box 51
Gasworks Road
Cork
Ireland

[Fax: + 353 (0)21 453 4646 (as amended from time to time)];

and

8.8.2 in the case of a Shipper, the Shipper's address for service in Ireland as specified in its Framework Agreement. In the event of a change of address of a Shipper, such Shipper shall notify the Transporter of the correct address for service immediately.

8.9 A notice given under Section 8.4 shall be deemed received:

8.9.1 if delivered in person, when actually received at the address;

8.9.2 if sent by registered post, on the third (3rd) day following the day of posting or, if sent by airmail from overseas, on the fifth (5th) day following the day of posting; and

8.9.3 if sent by fax, when confirmation of its complete transmission has been recorded by the sender's fax machine, provided that in the event that there is a dispute in respect of the time when the notice sent by fax was received, the time of receipt shall be:

(a) in the case of a fax sent by a Shipper, the time of receipt of such fax recorded by the Transporter's fax machine, save that in the event of a fault with the Transporter's fax machine the time of receipt shall be the time of actual receipt; and

(b) in the case of a fax sent by the Transporter, the time of complete transmission of such fax recorded by the Transporter's fax machine save that in the event of a fault with the Transporter's fax machine the time of receipt shall be the time of actual receipt,

provided that supplemental evidence in support of and/or demonstrating the above receipt/sending of notices may be addressed by appropriate means (such as, by way of example, telephone data records).

8.10 Where the GNI (IT) Systems are not operational (in whole or in part) such that it may not be possible to give some or all notices under Section 8.2, the

Transporter shall direct Shippers to provide notices in such form and using such methods of communication as may be reasonable and practicable and reserves the right, and may (in its reasonable discretion) elect, (i) to suspend any of the provisions of this Code and/or any Ancillary Agreement in whole or in part such that the Shipper shall not be entitled to submit notices by means of GNI (IT) Systems or otherwise in respect of any of the matters which have been suspended and/or (ii) to declare an Emergency and/or (iii) to declare that an event of Force Majeure is deemed to occur such that the Transporter shall not thereby be obliged during the period when the GNI (IT) Systems are not operational (in whole or in part) to issue notices under Sections 8.2 or 8.4 respectively and shall not be liable for any loss and/or damage arising as a result thereof.

8.11 The JBP is not and shall not be deemed to form part of the GNI (IT) Systems the provision of this Section 8 shall not apply to the JBP. The provisions of Part H (*Operations*) Section 7 (*Interconnection Points*) shall apply with respect to the JBP Operator, the JBP and the JBP Processes.

9. CONFIDENTIALITY AND DATA PROTECTION

9.1 Definitions

9.1.1 "Confidential Information" means:

(a) in relation to the Transporter:

(i) any data or other information relating to or received from a Shipper obtained in the course of the implementation of, or pursuant to, this Code and/or any Ancillary Agreement and/or any Procedures and/or the code of operations which was superseded by this Code or the performance of its obligations thereunder (whether in writing, orally or by any other means and whether directly or indirectly); or

(ii) the terms of each of the Ancillary Agreements and the Framework Agreement,

provided that in respect of any information relating to a Shipper, the Transporter shall be entitled to use such information as may be necessary for it to carry out its obligations under this Code, its Transportation Licences, any applicable Interconnection Agreement, IP OBA Provisions, IP Matching Procedures and/or the Framework Agreement and/or any Ancillary Agreement and/or any Procedures; and

(b) in relation to each Shipper:

(i) any data or other information relating to the Transporter, the Transportation System or another Shipper which is obtained in the course of the implementation of, or under, or pursuant to, this Code, its Shipping Licence and/or the Framework Agreement

and/or any Ancillary Agreement and/or any Procedures or the performance of its obligations thereunder (whether in writing, orally or by any other means and whether directly or indirectly); or

(ii) the terms of each of its Ancillary Agreements.

9.1.2 Confidential Information shall not include the terms of this Code and/or the Framework Agreement and/or any Ancillary Agreement or any data or other information which:

(a) at the time of disclosure or at any time thereafter becomes part of the public domain other than by reason of a breach of this Code and/or the Framework Agreement and/or any Ancillary Agreement;

(b) is known by the Receiving Party at the time of its receipt or acquisition other than by reason of a breach of this Code and/or the Framework Agreement and/or any Ancillary Agreement;

(c) is subsequently lawfully acquired by the Receiving Party from another source in a non-confidential manner otherwise than in breach of an obligation of confidentiality; or

(d) which the Transporter (or its Affiliate) is required to disclose in accordance with or to give effect to this Code, any IP Matching Procedure, any applicable Interconnection Agreement, the GNI Tripartite Agreement or IP OBA Provisions.

9.1.3 "Data Controller" has the meaning in Data Protection Law.

9.1.4 "Data Processor" has the meaning in Data Protection Law.

9.1.5 "Data Protection Law" means:

(a) the Data Protection Acts 1988 and 2003to the extent not repealed:

(b) the General Data Protection Regulation (Regulation (EU) 2016/679 ("GDPR");

(c) the Data Protection Act 2018;

(d) all other data protection laws and laws relating to the data and information of individuals in force or applicable in Ireland from time to time;

9.1.6 "Data Subject" means "data subject" as defined in Section 1 of the Data Protection Law.

9.1.7 "Disclosed Personal Data" means

(a) any Transporter Personal Data disclosed by the Transporter to the Shipper pursuant to this Code;

(b) any Shipper Personal Data disclosed by the Shipper to the Transporter pursuant to the Code;

9.1.8 “Disclosing Data Controller” means the Transporter and/or the Shipper (as the case may be) in its capacity as Data Controller disclosing Personal Data to the Shipper or Transporter (as the case may be).

9.1.9 "Disclosing Party" means the party disclosing Confidential Information to a Receiving Party and shall include a Disclosing Data Controller as applicable.

9.1.10 “Model Clauses” means the standard contractual clauses as adopted by the European Commission from time to time concerning the transfers of personal data outside of the EEA.

9.1.11 “Model Clause Procedure” means the procedure of that name published by the Transporter from time to time with the approval of the Commission.

9.1.12 “Personal Data” means “personal data” as defined in Data Protection Law.

9.1.13 “Personal Data Breach” means “personal data breach” as defined in Data Protection Law.

9.1.14 “Receiving Data Controller” means the Transporter or Shipper (as the case may be) as Data Controller receiving Personal Data from the Shipper or Transporter as the case may be.

9.1.15 "Receiving Party" means the party to whom Confidential Information is disclosed by a Disclosing Party.

9.1.16 “Shipper Personal Data” means the Personal Data which is disclosed by the Transporter to a Shipper under this Code.

9.1.17 “Transporter Personal Data” means the Personal Data which is disclosed by the Transporter to a Shipper under this Code.

9.2 **Interpretation**

9.2.1 For the avoidance of doubt, all references to the Transporter (or to a Party where such Party is the Transporter) in this Section 9 shall include the Transporter where it is designated by the Commission as the GPRO and/or the National Gas Emergency Manager and/or where it performs or is requested to perform services on behalf of the GPRO and/or to carry out the functions of or on behalf of the National Gas Emergency Manager.

9.2.2 References to the Code in this Section 9 shall include a reference to Procedures and/or any Ancillary Agreement as the context so requires.

9.3 **Obligations to keep confidential**

9.3.1 Confidential Information shall not be disclosed in whole or in part by a Receiving Party to any other person or used for any purpose other than that contemplated by this Code, Transportation Licence or Shipping Licence, and subject to Data Protection Law the Receiving Party shall make every effort to prevent the use or disclosure of Confidential Information unless the Receiving Party obtains the prior written consent of the Disclosing Party.

9.3.2 Each Shipper shall be entitled to disclose Confidential Information to each of its End Users provided that such Confidential Information relates only to the End User(s) to which it is disclosed. Each Shipper shall procure that each of its End Users shall keep confidential any Confidential Information disclosed to it for any reason. Each Shipper shall be liable to the Transporter for any breach of this Section 9 by any of its End Users.

9.4 **Exceptions**

9.4.1 Notwithstanding the provisions of Section 9.3, but subject to the provisions of Sections 9.3.3, 9.4.2 to 9.4.6, (and further subject to Section 9.6 where Confidential Information is Personal Data) Confidential Information may be disclosed by a Receiving Party:

(a) to a professional advisor of, or a consultant to, the Receiving Party;

(b) to any Affiliate of the Receiving Party;

(c) to any bona fide potential transferee or assignee of the whole or a significant part of the issued share capital of the Receiving Party or any Affiliate thereof or of the Receiving Party's interest under, or related to, this Code or any relevant Ancillary Agreements, provided that the Receiving Party obtains the prior written agreement of the potential transferee or assignee that it shall only use the disclosed Confidential Information for the purposes of the potential transfer or assignment;

(d) to any bank or financial institution from whom the Receiving Party, with respect to its operations under this Code, is seeking or obtaining finance, provided that the Receiving Party obtains the prior written agreement of the bank or financial institution that it shall only use the disclosed Confidential Information for the purposes of the intended finance;

(e) to the extent required by law or the regulations of a recognised stock exchange, or any governmental agency;

(f) to the extent required by the order of any court or statutory body having competent jurisdiction over the Receiving Party;

(g) to the extent required by the Transportation Licences of the Transporter (including (where relevant) any obligations of the Transporter as the designated GPRO or as appointed to provide any services to or on behalf of the GPRO);

(h) to the extent required by the Shipping Licence of any Shipper;

(i) to the extent required by the Commission in the performance of its statutory duties;

(j) to any person to which disputes are referred for resolution in accordance with Section 6 (Dispute Resolution);

(k) to a Connected System Operator solely for the purpose of any Connected System Agreement (including the negotiation and implementation thereof) or where such Confidential Information is disclosed in connection with the Transportation System and/or the Connected System;

(l) to any Adjacent TSO for the purpose of any Interconnection Agreement, IP Matching Procedures or IP OBA Provisions (including the negotiation or implementation thereof) or where the Confidential Information is disclosed in connection with the Transportation System and the Interconnected System.

(m) with respect to a LDM Offtake to any Shipper which is a Registered Shipper at the LDM Offtake;

(n) to the End User;

(o) with respect to the Sub-Sea I/C Offtake to any counterparty to the Sub-Sea I/C Offtake Agreement.

(p) to the JBP Operator.

9.4.2 Where the Receiving Party is a Shipper and reasonably determines that a disclosure of the type mentioned in Section 9.4.1(e) is required, whether

or not the requirement has the force of law, the disclosure or announcement shall, so far as it is practicable, only be made by the Receiving Party after consultation with the Transporter and after taking into account the Transporter's reasonable requirements as to its timing, content and method of communication.

9.4.3 If Section 9.4.2 applies and it is not practicable for the Receiving Party, acting in good faith, to consult with the Transporter before the disclosure is made, the Receiving Party shall, to the extent permitted by law, inform the Transporter of the circumstances, timing, content and method of communication of the disclosure immediately after such disclosure is made.

9.4.4 The Receiving Party shall, with respect to the disclosure of Confidential Information according to Sections 9.4.1(a) to 9.4.1(n), keep the disclosure of such Confidential Information to the minimum necessary for the purpose for which it is disclosed.

9.4.5 Where disclosure of Confidential Information is made to any third party appropriate safeguards shall be made as a pre-requisite to such disclosure by the Receiving Party to prevent that third party from making any further disclosure of the disclosed Confidential Information without the consent of both the Disclosing Party and the Receiving Party.

9.4.6 Where disclosure is made by a Receiving Party to a third party in accordance with Sections 9.4.1(a), 9.4.1(c) or 9.4.1(d), the Receiving Party shall, in addition to making any other appropriate safeguards under Section 9.4.5, and as a pre-requisite to such disclosure, procure that such third party enters into a confidentiality agreement with the Receiving Party.

9.4.7 A Receiving Party shall at the reasonable request of the Disclosing Party enforce as against a third party any such confidentiality agreement entered into with such third party in accordance with the requirements of this Section 9. A Receiving Party shall indemnify and keep indemnified the Disclosing Party from and against any actions, costs, claims or liabilities, which may arise as a result of the disclosure by the Receiving Party or such third party of Confidential Information in breach of this Code or any such confidentiality agreement.

9.5 **Survival**

9.5.1 The provisions of this Section 9 shall, subject to Section 9.5.2, continue to bind the Transporter and each of the Shippers for the duration of this Code and/or any Ancillary Agreements and for three (3) years thereafter.

9.5.2 If a Shipper ceases to be bound by this Code (a "Discontinuing Shipper") the provisions of this Section 9 shall continue to bind the Discontinuing

Shipper and, in relation to the Discontinuing Shipper, the Transporter and each remaining Shipper for three (3) years from the date the Discontinuing Shipper ceases to be bound by this Code and/or the Framework Agreement and/or any Ancillary Agreements.

9.6 **Data & Data Protection**

9.6.1 Any data (other than Personal Data submitted to the Transporter by a Shipper) which is processed, recorded or maintained by the Transporter (including any such data processed, recorded or maintained by the Transporter in performing its obligations as designated GPRO or in the performance of services to or on behalf of the GPRO) either on the GNI (IT) Systems or otherwise shall subject to Section 9.6.3(a) be the property of the Transporter and, subject to the provisions of this Code and/or any Ancillary Agreement and/or any Legal Requirement the Transporter may use such data in such manner as the Transporter considers appropriate.

9.6.2 Subject to the obligations of the Transporter pursuant to any Legal Requirement and the rights and obligations of the Transporter with respect to Measurement Equipment owned by third parties, for the avoidance of doubt, all data (other than Personal Data submitted to the Transporter by a Shipper) arising from the use of Measurement Equipment and the associated intellectual property rights shall belong to the Transporter who may use such data as it reasonably thinks fit, subject to this Section 9 and any other data publication requirements.

9.6.3 The Shipper is responsible for the content of all data which it provides to the Transporter. Each time a Shipper provides data (other than Personal Data) to the Transporter:

(a) the Shipper hereby grants to the Transporter a perpetual non-exclusive, royalty free licence in respect of such data and all intellectual rights therein to use, copy, adapt, make available, and deal with such data for the purposes of performance and implementation of this Code and/or any Ancillary Agreement and other purposes contemplated by this Code but not otherwise;

(b) the Shipper warrants that such data shall, when provided, be accurate, complete and up-to-date; and

(c) Sections 9.6.1 and 9.6.3 shall apply to any data derived from such data referenced therein and all compilations of such data created by or on behalf of the Transporter.

9.6.4 The Transporter and the Shipper acknowledge that for the purposes of Data Protection Law:

(a) the Transporter and the Shipper may both be Data Controllers in respect of Personal Data processed for the purpose of certain

activities contemplated by this Code and in that event the provisions contained in Section 9.6.8 will apply;

(b) the Shipper may be the Data Controller and the Transporter may be the Data Processor in respect of Personal Data processed for the purpose of certain activities contemplated by this Code and, in that event, the provisions contained in Section 9.6.9 will apply;

(c) the Transporter may be the Data Controller and the Shipper may be the Data Processor in respect of Personal Data processed for the purpose of certain other activities contemplated by this Code and in that event the provisions contained in Section 9.6.9 will apply;

(d) for the purpose of Data Protection Law where both the Transporter and the Shipper are Data Controllers, the Transporter and each Shipper are independent Data Controllers and not joint Data Controllers; and

(e) where one Party processes (within the meaning of the Data Protection Law) Personal Data on behalf of the other Party as a result of activities contemplated by this Code, it does so on and in accordance with that other Party's documented instructions.

9.6.5 Where the Transporter and Shipper provide data (including Personal Data), or make such data available, to each other pursuant to this Code, the party receiving the data shall be entitled to process such data only for the purposes of the performance and the implementation of this Code and/or any Ancillary Agreement and for other purposes contemplated by this Code, but not otherwise.

9.6.6 Each party warrants to the other that where it processes (within the meaning of Data Protection Law) Personal Data for the purposes of the performance of its obligations or exercise of its rights under and implementation of this Code and/or any Ancillary Agreement and other purposes contemplated by this Code, it shall comply with the provisions of Data Protection Law.

9.6.7 ~The Shipper warrants to the Transporter that each time the Shipper submits Personal Data to the Transporter for processing (within the meaning of Data Protection Law) for any purpose related to a Change of Shipper Request such Personal Data:

(i) shall have been obtained by the Shipper for one or more specified, explicit and legitimate purposes related to this Code and to which the Data Subject has given explicit consent, including the exchange of Personal Data to other Shippers via the GNI (IT) Systems;

(ii) shall have been processed fairly by the Shipper (within the meaning of Data Protection Law); and

(iii) shall, when submitted, be accurate, complete and up to date.

9.6.8 The Transporter and each Shipper agrees in their respective capacity as a Receiving Data Controller, of Disclosed Personal Data disclosed or provided to it by the Disclosing Data Controller, that:

(a) it will use and process the Disclosed Personal Data only in accordance with Data Protection Law;

(b) it will comply with any obligations it may have under Data Protection Law to provide Data Subjects with information regarding its receipt and use of the Disclosed Personal Data;

(c) it will maintain written records of the processing activities in relation to the Disclosed Personal Data as are required under Data Protection Law (including Article 30 of GDPR);

(d) it will comply with its obligations under Data Protection Law where a Data Subject exercises his or her rights in respect of the Disclosed Personal Data under Data Protection Law;

(e) it will not disclose the Disclosed Personal Data to any third party except in accordance with Data Protection Law;

(f) it will not transfer or host the Disclosed Personal Data outside the European Economic Area except in accordance with Data Protection Law;

(g) it will implement such technical and organisational measures as are necessary to ensure appropriate security for the Disclosed Personal Data and to satisfy the security obligations imposed upon a controller under Data Protection Law (including protection against unauthorised or unlawful processing of Disclosed Personal Data and against accidental, unauthorised or unlawful loss, destruction, alteration, disclosure of, or damage or access to, Disclosed Personal Data transmitted, stored or otherwise processed);

(h) it shall notify the other Party of any issue affecting the security of Personal Data for which that other Party is responsible as Data Controller; and

9.6.9 Where one Party processes (within the meaning of Data Protection Law) Personal Data as Data Processor on behalf of the other Party then the Party acting as Data Processor:

(a) acknowledges that where it acts as Data Processor on behalf of the other Party as Data Controller, it has certain specific obligations as Data Processor under Data Protection Law;

(b) warrants to the other Party that it shall, having regard to the state of technological development and cost of implementing any measures, take appropriate security measures against unauthorised access to or unauthorised alteration, disclosure or destruction of Personal Data and against all other unlawful forms of processing (within the meaning of Data Protection Law);

(c) shall notify the other Party of any issue affecting the security of Personal Data for which that other Party is responsible as Data Controller;

(d) shall ensure that the persons authorised by it to process such Personal Data are bound by appropriate confidentiality obligations;

(e) shall implement such technical and organisational security measures as are required to comply with the data security obligations under Data Protection Law;

(f) shall not engage any sub-processor without the prior written consent of the other Party and where the other Party has consented to the appointment of a sub-processor, shall not replace or engage other sub-processors without the prior written consent of the Other Party;

(g) where any sub-contractor will be processing such Personal Data, shall ensure that a written contract exists between them and the sub-contractor containing clauses equivalent to those imposed in this Section;

(h) shall inform the Data Controller without delay and in any event within 3 Business Days in the event of receiving a request from a Data Subject to exercise their rights under Data Protection Law and provide such co-operation and assistance as may be required to enable the Data Controller to deal with such request or complaint in accordance with the provisions of Data Protection Law;

(i) shall assist the Data Controller by implementing appropriate technical and organisational measures to allow the Data Controller to comply with requests from Data Subjects to exercise their rights under Data Protection Law;

(i) shall assist the Data Controller in ensuring compliance with its obligations in respect of security of Personal Data, data protection impact assessments and prior consultation requirements under Data Protection Law;

(ii) when the Data Processor ceases to provide services relating to data processing the Data Processor shall: (i) at the choice of the Data Controller, delete or return all such Personal Data to the Data Controller; and (ii) delete all existing copies of such Personal Data unless EU law or the laws of the EU Member State require storage of the Personal Data; and

(j) shall make available to the Data Controller all information necessary to demonstrate compliance with the obligations laid down in this Section.

9.6.10 Each Party warrants to the other Party that each time it submits Personal Data to that other Party for processing (within the meaning of Data Protection Law) such Personal Data shall have been obtained and submitted in compliance with Data Protection Law.

9.6.11 The Shipper additionally warrants to the Transporter that each time the Shipper submits Personal Data to the Transporter for processing (within the meaning of Data Protection Law) for any purpose related to a Change of Shipper Request such Personal Data:

(a) shall have been obtained by the Shipper for one or more specified, explicit and legitimate purposes related to this Code and to which the Data Subject has given explicit consent, including the exchange of Personal Data to other Shippers via the GNI(IT) Systems;

(b) shall have been processed fairly by the Shipper (within the meaning of Data Protection Law); and

(c) shall, when submitted, be accurate, complete and up to date.

9.6.12 The Shipper warrants that where Personal Data which is Personal Data within the meaning of Article 9 of the GDPR is disclosed then one of the exceptions contained in Article 9.2 applies to that Personal Data.

9.6.13 Each Party shall indemnify, keep indemnified, and defend (if so requested by the other Party) at its own expense, the other Party against any actions, costs, claims or liabilities, incurred by that other Party or for which either Party may become liable in consequence of any breach of their respective warranties as contained in Section 9.6.3, 9.6.6, 9.6.7, 9.6.9, 9.6.10 , 9.6.11 and 9.6.12.

9.6.14 Each Party, acting as Data Processor with respect to Personal Data, on behalf of another Party (as Data Controller) in accordance with this Code shall provide to such Party (in its capacity as Data Controller) such information as regards the processing by the Data Processor of Personal Data for and on behalf of such Data Controller as the Data Controller may reasonably require in order to enable the Data Controller to address or

respond to any lawful enquiry or investigation pursuant to Data Protection Law with respect to the processing of such Personal Data.

9.6.15 Either Party may authorise a third party to process (within the meaning of Data Protection Law) Personal Data submitted to it by the other Party provided that:

(a) the terms authorising such a third party are in writing and contain substantially the same obligations as that of the authorising Party pursuant to this Section 9.6; and

(b) such terms also prohibit the transfer of Personal Data outside the European Economic Area unless there is a data protection agreement which requires compliance with Data Protection Law in relation to that Personal Data.

9.6.16 If the Transporter provides data or makes data available to a Shipper pursuant to this Code, the Shipper shall be entitled to use such data only for the purposes of the performance and the implementation of this Code and/or any Ancillary Agreement and for other purposes contemplated by this Code, but not otherwise.

9.6.17 The Transporter shall, to the extent that it keeps and, where applicable, processes (within the meaning of Data Protection Law) Personal Data for the purposes of the performance of its obligations or exercise of its rights under and implementation of this Code and/or any Ancillary Agreement and other purposes contemplated by this Code, comply with the provisions of Data Protection Law, any amendments or re-enactments thereof, and all regulations made thereunder.

9.6.18 The Shipper shall, to the extent that it keeps and, where applicable, processes (within the meaning of Data Protection Law) Personal Data for the purposes of the performance of its obligations or exercise of its rights under and implementation of this Code and/or any Ancillary Agreement and other purposes contemplated by this Code, comply with the provisions of Data Protection Law, any amendments or re-enactments thereof, and all regulations made thereunder.

9.7 Transfer of Data outside of the EEA

9.7.1 If either Party wishes to transfer or host Personal Data outside of the EEA (or if either Party wishes to request the other Party to transfer Personal Data to it outside of the EEA) then the Party wishing to transfer or host Personal Data outside of the EEA (and or requesting the other Party to transfer such Personal Data to it outside of the EEA) shall notify the other Party accordingly, and

(a) shall provide to the other Party evidence that the European Commission has decided that the country in question ensures an

adequate level of protection in accordance with Article 45 of GDPR; or

(b) shall provide to the other Party evidence (to the reasonable satisfaction of the other Party) that the proposed transfer is within a corporate group and binding corporate rules apply and are in place as set out in Article 47 of GDPR; or

(c) the parties may execute the appropriate Model Clauses in accordance with the Model Clause Procedures;

and no such Personal Data shall be transferred or hosted outside of the EEA until (a) or (b) above have been and continue to be complied with and/or appropriate Model Clauses have been concluded between the Parties in accordance with the Model Clauses Procedure and in any case only for such period as it shall be permitted to lawfully transfer and or host Personal Data outside the EEA in accordance with such provisions.

9.7.2 It is acknowledged by the Parties that the Model Clauses may cease to apply and/or may be replaced or superseded from time to time by or in accordance with EU Regulations or may be declared by a Competent Authority not to be effective to provide for lawful disclosure of Personal Data in which case the Transporter will replace or amend the Model Clauses Procedure and

(a) Personal Data shall not be transferred or hosted outside of the EEA in accordance with the superseded Model Clauses (and/or any Ancillary Agreement giving effect to them) with effect from the date that such Model Clauses cease to apply or be effective; and

(b) any then existing Ancillary Agreement giving effect to the superseded Model Clauses shall no longer be effective to facilitate disclosure or hosting of Personal Data outside of the EEA; and

(c) the Parties may enter into new arrangements in accordance with any new or revised Model Clauses in accordance with any revised Model Clauses Procedures

9.7.3 Any agreement put in place between the Transporter and a Shipper pursuant to the Model Clauses Procedure shall be an Ancillary Agreement for the purpose of this Code and notwithstanding Part B (General Principles) in the event of any conflict between such Ancillary Agreement and this Code the provisions of such Ancillary Agreement shall prevail to the extent necessary to comply with Data Protection Law only and to maintain the effectiveness of the Model Clauses.

9.7.4 No Personal Data shall be transferred outside of the European Economic Area by a Party acting as Data Processor or any of its agents or sub-processors without the prior written consent of the Party which disclosed

that Personal Data which consent may be subject to terms and conditions (including, without limitation, that the data importer enters into model clauses in the form approved by the European Commission and, where relevant, complies with the provisions regarding sub-processors contained in such model clauses in respect of any sub-processors).

9.8 Confidential Information under Previous Codes

In relation to any Shipper which was bound by the code of operations which was superseded by this Code, such Shipper agrees that the provisions of this Section 9 only shall apply to any information or data that was disclosed by or to the Shipper under that code (and the provisions of such code in respect of such information or data as may have been disclosed thereunder shall be suspended or terminated accordingly and have no application).

9.9 JBP Operator and JBP

The provisions of this Section 9 shall not apply to information submitted by the Shipper to the JBP Operator or the Transporter (utilising or through the JBP or the JBP Operator).

10. TAXES AND DUTIES

10.1 Subject to Section 2 (*Liabilities and Indemnities*), each Shipper shall be responsible for such Shipper’s payment of any fiscal imposts, taxes, duties or levies imposed, whether or not at the time of entering into the Framework Agreement, upon delivery, transportation, supply, offtake, appropriation or other disposition of the Shipper's Natural Gas.

10.2 A Shipper shall indemnify, keep indemnified and hold harmless the Transporter from all actions, proceedings, claims, demands, damages, losses, costs, charges, expenses, and fines and any interest thereon arising as a result of or in connection with any failure by each Shipper, Interconnected System Shipper, Third Party Shipper or any of its or their subcontractors or agents to comply with this Section 10.

11. INVOICING AND PAYMENT

11.1 Introduction

11.1.1 The amounts payable by the Transporter and the Shippers under this Code, Procedures (where applicable) and/or any Ancillary Agreement will be invoiced and paid in accordance with this Section 11.

11.1.2 For the purposes of this Section 11:

(a) "Invoice" means an invoice submitted by the Transporter to a Shipper;

(b) "Invoice Item" means an item shown as payable by the Transporter or by a Shipper in an Invoice;

(c) "Invoice Amount" means, in relation to an Invoice Item, the amount shown as payable by the Shipper or the Transporter in respect of the Invoice Item in the Invoice.

11.2 Content

11.2.1 Each Invoice shall include:

(a) the identity of the Shipper;

(b) the period to which the Invoice relates;

(c) the Invoice Amount in respect of each Invoice Item;

(d) a unique number by which the Invoice may be identified;

(e) the tax payable pursuant to the Invoice; and

(f) the date on which the Invoice is issued.

11.3 Monthly Invoice and Annual Invoice

11.3.1 Each Month the Transporter shall, as soon as reasonably practicable (and in any event not later than twelve (12) Business Days after the end of the relevant Month), submit monthly invoices (each a "Monthly Invoice") to each Shipper with reasonable supporting details in respect of those Invoice Items included in such Monthly Invoice.

11.3.2 Following the end of each Gas Year, the Transporter shall submit annual invoices (each an "Annual Invoice") to each Shipper with reasonable supporting details in respect of those Invoice Items included in such Annual Invoice. Each Annual Invoice shall specify the Gas Year to which it relates.

11.3.3 The Transporter shall be entitled to issue one or more Monthly Invoices or Annual Invoices as the Transporter considers appropriate in respect of

charges due and payable pursuant to the Code and/or any Ancillary Agreement provided that the Transporter shall identify separately Transmission System related charges and Distribution System related charges.

11.3.4 IP Capacity Charges pursuant to Part C (*Capacity*), Exit Capacity Charges pursuant to Part C (*Capacity*), Entry Capacity Charges pursuant to Part C (*Capacity*), Section 4.4.2, capacity charges in relation to Supply Point Capacity and capacity charges in relation to IP VExit Capacity shall be calculated and invoiced on a monthly basis and included in a Monthly Invoice and capacity charges in relation to IP VEntry Capacity and capacity charges in relation to IP CSEP Offtake Capacity.

11.3.5 Commodity Charges shall be payable by a Shipper in respect of the quantities of Natural Gas specified in each such Shipper's IP Entry Allocations, Entry Allocation(s), IP VEntry Allocation(s), IP CSEP Offtake Allocations, Exit Allocation(s), IP VExit Allocations(s) and/or Supply Point Allocation(s) and shall be calculated and invoiced on a monthly basis and included in a Monthly Invoice.

11.3.6 Invoice Items which may be included in Invoices include the following:

(a) IP Capacity Charges, Exit Capacity Charges, Entry Capacity Charges and capacity charges in relation to Supply Point Capacity;

(b) any Commodity Charges;

(c) any Balancing Charges;

(d) any IP Overrun Charges and any Overrun Charges;

(e) any other costs properly arising under this Code or any Ancillary Agreement (including charges to ensure that the Transporter is Cash Neutral in relation to Balancing Gas and Non-Compliant Gas);

(f) any Auction Premium payable to the Transporter.

(g) any Scheduling Charges;

(h) any Reconciliation charges;

(i) any adjustments to the commodity component of the Tariff payable by a Shipper as a result of meter data cleansing pursuant to Part G (*Technical*) Section 3.9 (*Meter Data Cleansing*);

(j) any failure to interrupt charges, including IP VExit Failure to Interrupt Charges and/or IP VEntry Failure to Interrupt Charges;

(k) any other sums due and owing at the time of issue of an Invoice from each Shipper to the Transporter or from the Transporter to

each Shipper (as the case may be) under this Code or the relevant Ancillary Agreement; and

(l) any amounts payable pursuant to Advance Buyback Agreements; and

(m) any credit to which the Shipper is entitled in accordance with Part H (*Operations*) Section 2A;

(n) any applicable IP Registration Fee; or

(o) any applicable Capacity Charge Rebate

(p) any applicable Metered Quantity Adjustment Charge

(q) any other amount due or payable pursuant to this Code.

11.3.7 Where:

(a) an IP Capacity Trade;

(b) an Entry Capacity Trade;

(c) an LDM Exit Capacity Transfer; or

(d) a LDM Supply Point Title Transfer

has taken place, the Shipper which reserved the Primary Capacity or Primary IP Capacity shall remain liable to the Transporter for the relevant IP Capacity Charges and/or Capacity Charges in respect of the Primary IP Capacity or Primary Capacity as if the relevant trade or transfer had not taken place. All other applicable charges shall be payable by the Shipper which reserved the Primary IP Capacity or Primary Capacity and the Shipper utilising the relevant Secondary Capacity (as the case may be) in accordance with this Code.

11.4 Payments

11.4.1 Subject to Section 11.7 each Shipper shall pay to the Transporter the sum set out in the Monthly Invoices or the Annual Invoices by the date which is:

(a) in the case of the Monthly Invoices, the second (2nd) last Business Day of each Month or twelve (12) days after the issue of the Monthly Invoice (whichever is the later); and

(b) in the case of the Annual Invoices, the second (2nd) last Business Day of the Month in which the Annual Invoice is issued or twelve (12) days after the issue of the Annual Invoice (whichever is the later),

(in each case, the "Due Date").

11.4.2 If the Due Date calculated in accordance with Section 11.4.1 is not a Business Day, then the Due Date shall be the next Business Day following the Due Date calculated in accordance with Section 11.4.1.

11.4.3 Payments under this Code shall be made in Euro (€) by direct bank transfer or equivalent instantaneous transfer of funds to such bank in Ireland as the Transporter may from time to time specify to each Shipper in writing.

11.4.4 Amounts payable under this Code shall be paid:

(a) free and clear of any restriction, reservation or condition; and

(b) without deduction on account of any amount due or to become due to the person paying, whether by way of set off, counterclaim or otherwise except:

(i) to the extent required by law; or

(ii) as expressly authorised by the Transporter; or

(iii) pursuant to Part E (*Balancing and Shrinkage*) Section 1.4 (*Disbursements Account*).

11.4.5 For the avoidance of doubt, a Shipper's obligation to pay any amounts pursuant to this Code and/or the Framework Agreement and/or any Ancillary Agreement shall not be affected by the existence of any circumstance under which, in accordance with this Code, the Transporter is not obliged to, or is not in breach of its obligation to, make Natural Gas available for offtake from an Offtake Point or at the IP CSEP or to accept deliveries of Natural Gas at an IP Entry Point or at an Entry Point or at a CGI Entry Point or at any CGI Gas Point within a CGI Entry Point.

11.5 **Taxes**

11.5.1 An Invoice shall include the amount of any UK or Ireland taxes (excluding Corporation Tax but including Value Added Tax) payable in respect of the Invoice.

11.5.2 Except to the extent (if any) required by law, amounts payable under this Code and/or the Framework Agreement and/or any Ancillary Agreement shall be paid without deduction or withholding in respect of tax.

11.6 **Interest and Payment Default**

11.6.1 If a Shipper fails to make a payment on the Due Date, such overdue payment shall bear interest, calculated and compounded monthly, from the

Due Date until the date on which the payment is received at the annual rate of EURIBOR plus two (2) per cent.

11.6.2 If a Shipper fails to make a payment the Transporter may issue a Suspension Notice on the first (1st) Business Day after the Due Date to the Shipper in accordance with Section 4.1.1. The Suspension Notice shall specify that some or all of the Shipper's rights under this Code, the Framework Agreement and/or any Ancillary Agreement shall be suspended with effect from the fifth (5th) Business Day following the Due Date.

11.6.3 If after ten (10) Business Days following the Due Date in respect of an Invoice, the Shipper has not paid all outstanding sums in respect of such Invoice (including any interest on such sums) or if the Transporter has requested payment of such sums pursuant to the financial security provided to the Transporter in respect of the financial obligations of the Shipper and the Shipper has not provided additional financial security so as to satisfy the requirements of the Financial Security Policy having due regard to any payment made or to be made pursuant to a demand issued by the Transporter in respect of such financial security, the Transporter, may issue a Transporter's Specific Termination Notice pursuant to Section 4.2.1 and/or a Termination Notice pursuant to Section 4.4.1.

11.7 **Disputes**

11.7.1 If there is any bona fide question or dispute as to the proper calculation of any Invoice Amount payable by a Shipper or whether such Invoice Amount is properly payable, the Shipper shall notify the Transporter of such question or dispute as soon as reasonably practicable after receipt of the Invoice and provide the Transporter with full details of the reasons why the Invoice Amount is disputed. When any invoice sum is in dispute, the Shipper shall pay the whole Invoice Amount (including the disputed portion) when due in accordance with the foregoing provisions of this Section 11.

11.7.2 Promptly after receiving notice of a bona fide question or dispute pursuant to Section 11.7.1, the Transporter shall consult with the Shipper with a view to resolving the question or dispute, failing which the dispute shall be referred to the Commission for determination in accordance with Section 6 (*Dispute Resolution*). After settlement or determination of any dispute over any Invoice Amount, the Transporter shall repay the Shipper such portion of the Invoice Amount (if any) which is agreed or adjudged not to be payable by the Shipper (together with interest at the annual rate of EURIBOR plus one (1) per cent calculated as from the date of receipt by Transporter of the disputed amount until the date of repayment of such amount).

11.7.3 The Transporter shall notify the Shipper as soon as reasonably practicable upon becoming aware that any Invoice Amount may not have been properly calculated or any Invoice Amount may not have been properly payable, and shall provide the Shipper with full details of such error as soon as they are available.

The Transporter shall include in the next subsequent relevant Invoice issued by the Transporter to the Shipper (being an Invoice which includes or is appropriate to the Invoice Item to which the error relates) an Invoice Item in respect of any adjustment to any Invoice Amount in order to correct any error in any previous Invoice Amount and which error has been notified to the Shipper pursuant to this Section 11.7.3.

12. GENERAL

12.1 Application to be a Shipper

12.1.1 In order to become a Shipper a person (the "Applicant") must:

(a) satisfy or secure satisfaction of the requirements in Section 12.1.2; and

(b) on satisfaction of the requirements in Section 12.1.2, execute the Framework Agreement and deliver same to the Transporter and thereby agree to be bound by this Code.

12.1.2 The requirements referred to in Section 12.1.1(a) are as follows:

(a) the Applicant shall have submitted a written request to the Transporter, in such form as the Transporter may from time to time prescribe, including the following details:

(i) the name of the Applicant;

(ii) the legal nature of the Applicant and, where the Applicant is not a company incorporated under the Companies Act 2014 (as amended), such further information concerning the constitution of the Applicant (including a legal opinion as to the capacity of the Applicant to be a party to the Code and to the enforceability of the Framework Agreement, the Code and any agreements concluded thereunder or with respect thereto) as the Transporter may reasonably require;

(iii) the address, telephone and facsimile numbers of the Applicant, and details of the individual for whose attention notice is to be marked for the purposes of notice under Section 8 (*Notices*);

(iv) the Applicant's desired date of accession; and

(v) any other details that the Transporter may from time to time request;

(b) a Shipping Licence shall have been granted to the Applicant which is in force and in respect of which no notice of revocation has been given, and the Applicant shall have provided a copy of such licence to the Transporter;

(c) the Applicant shall have satisfied the Transporter that the Shipper has the legal, technical and operational ability to perform the Shipper’s obligations pursuant to this Code;

(d) the Applicant shall have provided the emergency contact details required under Part H (*Operations*) Section [1.6]; and

(e) the Applicant shall have confirmed that it is in possession of a copy of this Code and such other documents referred to in this Code or the Framework Agreement.

12.1.3 Effective date

The Applicant will become a Shipper with effect from the date on which the Framework Agreement executed and delivered by the Applicant in accordance with Section 12.1.1(b) becomes effective.

12.1.4 Restricted authorisation of Shipper

Where the Shipping Licence held by a Shipper limits or restricts the premises to which the Shipper may arrange for the conveyance of Natural Gas by the Transportation System or in any other way limits or restricts the activities which the Shipper is authorised to carry on:

(a) the Shipper shall be solely responsible for compliance with such limit or restriction and, subject to Section 12.1.4(b), the Transporter shall not in the implementation of this Code as respects such Shipper be concerned with such limit or restriction; but

(b) the Transporter shall be at liberty in its discretion to (but shall not be required to) withhold from the Shipper any right or entitlement pursuant to this Code so as to give effect to such limit or restriction; and

(c) notwithstanding any such limit or restriction on the Shipper's activities, such limit or restriction shall not relieve the Shipper from its liabilities for Tariffs or otherwise in accordance with this Code and/or the Framework Agreement and/or any Ancillary Agreement.

12.1.5 Single Shipper admission

Unless expressly otherwise provided in this Code or agreed by the Transporter, a person may only be one Shipper, and accordingly a person who is for the time being a Shipper may not make a further application to be admitted as a Shipper. Without prejudice to the foregoing a Shipper may apply for, have and utilise separate Shipper identification ("Shipper ID") for any particular purposes pursuant to this Code and shall so apply for and utilise a separate Shipper ID where the Transporter so consents.

Where the Transporter agrees that a Shipper may have or hold a separate ID (notwithstanding any prior existing Shipper ID's) then the Shipper shall apply for such Shipper ID (or required form of Shipper ID) in accordance with Section 12.2.

For the avoidance of doubt a Shipper ID shall be separate to a Shippers EIC.

12.2 Application for Shipper ID

12.2.1 A Shipper which wishes to hold, or is required to hold a separate Shipper ID for the purpose of this Code shall submit an application to the Transporter (a "Shipper ID Application") incorporating such information as may be necessary to enable the Transporter to process such application including the following:

(a) details of any existing Shipper ID held by the Shipper;

(b) details of the Shippers EIC (if any);

(c) the purpose for which the new form of Shipper ID is required;

(d) the provision of the Code pursuant to which a new form of Shipper ID is required (where applicable); and

(e) the date with effect from which the Shipper wishes to utilise the separate Shipper ID.

12.2.2 If the Transporter is satisfied that the Shipper should be provided with or is required to hold a separate Shipper ID then the Transporter shall:

(a) notify the Shipper of the separate form of Shipper ID for the purpose of the Code; and

(b) notify the Shipper of the date with effect from which the Shipper may utilise the separate Shipper ID pursuant to this Code.

12.2.3 Where a Shipper has more than one Shipper ID for the purposes of this Code then such Shipper shall:

(a) save as provided in (b) be treated in all respects pursuant to this Code as if it was a separate and independent Shipper in respect of each such Shipper ID and references in this Code to the identity of the Shipper shall (unless the context requires otherwise) be deemed a reference to the relevant Shipper ID;

(b) notwithstanding sub-paragraph (a) a Shipper shall be entitled to provide a single financial security pursuant to the Financial Security Policy in respect of all obligations pursuant to this Code irrespective of whether a Shipper has one or more Shipper ID and the provisions of Part I (Section 2) shall apply in aggregate in respect of all of the Shipper ID's held by the Shipper and the limitations contained therein shall apply with respect to the Shipper irrespective of the number of Shipper IDs which may be held by such Shipper.

12.3 Operating Actions

Notwithstanding Part E (*Balancing and Shrinkage*) Section 1.3.4 and Section 2.4.3(a), where the Transporter is performing an Operating Action it shall not be deemed to be acting in the capacity of a Shipper nor shall it be bound by any of the obligations imposed by this Code on Shippers. Notwithstanding the foregoing where the Transporter is performing an Operating Action it may, for the purpose of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) be entitled to submit IP Nominations, Nominations and IBP Nominations and receive IP Allocations and Allocations in the same manner as a Shipper.

12.4 GNI (IT) Systems

12.4.1 Access to GNI (IT) Systems

(a) A Shipper shall be entitled to access to GNI (IT) Systems (or any part thereof) in accordance with this Code and any applicable Procedures for the activities related to the shipping of Natural Gas consistent with the purpose contemplated by the Code and where applicable any Siteworks Agreement or Ancillary Agreement.

(b) Shippers acknowledge that the Transporter may permit persons (other than Shippers) to have access to and use of GNI (IT) Systems, including

(i) for purpose of communications with the Operator of a Connected System;

(ii) a Bi-Directional CSP Agent;

(iii) any persons appointed pursuant to any Entry Point Procedures and/or for the purpose of implementing any IP OBA Provisions; and/or

(iv) any Adjacent TSO.

12.4.2 Licence

(a) Subject to provisions of this Code and any applicable Procedures and for the purposes referred to in Section 12.4.1(a) the Transporter hereby licences the Shipper(s):

(i) to have access to and use of the GNI (IT) Systems;

(ii) to use the Hardware and the Software; and

(iii) make use of any manual or other materials provided by the Transporter in respect of the GNI (IT) Systems.

(b) The Licence granted in this Section 12.4.2 to the Shipper is royalty free, non-exclusive and non-transferable. The Shipper shall be

liable for all costs and charges incurred by the Shipper arising out of or in connection with its use of and access to GNI (IT) Systems. The Shipper shall not be liable to the Transporter for costs and charges arising out of or in connection with the Shipper's use of and access to GNI (IT) Systems save where otherwise outlined in any schedule of charges approved by the Commission or as outlined in any applicable Procedures.

(c) The Software may be upgraded or varied from time to time and the Transporter shall notify Shippers of such variation or upgrade in accordance with the Release Management Procedures.

(d) The Shipper shall at the written request of the Transporter return or destroy any version of the Software for which a revised version has been issued in accordance with the Code.

(e) Shipper(s) shall comply with the GNI (IT) Systems Access Procedures and the Release Management Procedures.

12.4.3 Usernames and Passwords

(a) The Transporter:

(i) subject to Sections 12.4.3(b)(i) and 12.4.6 shall provide the Shipper with one or more usernames and passwords which will enable its Authorised Users to access and use the GNI (IT) Systems or any applicable part in accordance with the notification made under Section 12.4.3(b) for the purposes set out in Section12.4.3(b); for the avoidance of doubt the Shipper shall receive separate usernames and passwords with respect to each Shipper ID;

(ii) may change usernames and passwords and/or require the Shipper to change passwords and shall give reasonable prior notice to the Shipper of such change. The Transporter shall not be required to provide prior notice where such change is required urgently to protect the security of the GNI (IT) Systems. Where no prior notice is provided to the Shipper, the Transporter shall advise the Shipper as soon as practicable thereafter;

(iii) shall not share the Shipper's usernames and passwords with anyone other than the Shipper;

(iv) shall conclusively assume (in the absence of manifest error on the part of the Transporter) that any person (other than the Transporter) accessing the GNI (IT) Systems using usernames and passwords issued to such Shipper is acting with the consent and on the authority of the Shipper; and

(v) shall as soon as practicable discontinue access to the GNI (IT) Systems by a Shipper and/or all or any of its Authorised Users where it has been notified in writing by the Shipper in accordance with Section 12.4.3(b)(vi) or Section 12.4.3(b)(vii).

(b) The Shipper:

(i) shall in respect of each Shipper ID notify the Transporter in writing of the identity and relevant details of each of its Authorised Users and in respect of each Authorised User the electronic information systems comprised within the GNI (IT) Systems in respect of which access is sought;

(ii) agrees that certain passwords may expire on a periodic basis (as may be advised by the Transporter from time to time) requiring the Shipper to input a new password;

(iii) shall be solely responsible for notifying changes to usernames and passwords to each of its Authorised Users. The Transporter shall have no responsibility in this regard;

(iv) shall not share any username and password with anyone other than the Authorised User in respect of which such username and password have been issued. Use of each username and password shall be confined to the Authorised Users in respect of which such username and password have been issued;

(v) will endeavour to prevent access to the GNI (IT) Systems using each of the usernames and passwords issued to each of its Authorised Users by persons other than each of the Authorised Users in respect of which each such username and password has been issued;

(vi) shall notify the Transporter in writing where it reasonably believes that any of the usernames or passwords issued to the Shipper have been compromised; and

(vii) shall inform the Transporter in writing whenever it desires to terminate access to the GNI (IT) Systems that has been granted to any Authorised User of that Shipper. The Shipper shall be solely responsible for any and all unauthorised or otherwise improper use of usernames and passwords by any of its Authorised Users, including those whom are no longer employed or controlled by the Shipper, save to the extent that the Transporter has failed to comply with its obligations pursuant to Clause 12.4.3(a)(v).

12.4.4 Security

(a) The Transporter shall be entitled to rely on information and data submitted by the Shipper through its access to and use of the GNI (IT) Systems save to the extent that the Transporter has failed to comply with its obligations pursuant to Section12.4.3(a)(v).

(b) The Transporter shall be entitled to take all steps necessary to protect the security of the GNI (IT) Systems at any time, including, but not limited to, immediately discontinuing access by the Shipper and its Authorised Users or any one or more of them to the GNI (IT) Systems where the Transporter suspects that the security of the GNI (IT) Systems has been or is likely to be compromised. The Transporter shall not be required to give prior notice where it requires to take steps to urgently protect the security of the GNI (IT) Systems;

(c) The Transporter shall be entitled to take all reasonable steps to modify, optimise or improve the GNI (IT) Systems at any time and shall give reasonable prior notice thereof to the Shipper in accordance with the Release Management Procedures;

(d) The Transporter shall be entitled to contact or cooperate with any law enforcement, regulatory or other competent authority in connection with a Shipper's access to the GNI (IT) Systems and use of the Hardware and Software. Such contact and cooperation may include disclosure of the identity of, and the information transmitted or received by, any person accessing the GNI (IT) Systems.

(e) The Transporter and each Shipper shall:

(i) maintain security procedures to ensure that its premises (from which the GNI (IT) Systems are accessed), its computer network, and its computer systems are sufficiently secure to prevent unauthorised access to the GNI (IT) Systems;

(ii) not transmit any unlawful, threatening, libellous, defamatory, obscene, scandalous, inflammatory, pornographic or profane material to or through the GNI (IT) Systems;

(iii) use reasonable endeavours to ensure that no unauthorised access to or use of the GNI (IT) Systems occurs from its premises (from which the GNI (IT) Systems are accessed), or through its computer network, or through its computer systems by means of, but not limited to:

(aa) Hacking (i.e., unauthorised access to or use of data, systems or networks, including any attempt to probe, scan or test the vulnerability of a system or network or to breach security or authentication measures).

(bb) Interception (i.e., unauthorised monitoring of data or traffic on any network or system).

(cc) Intentional Interference (i.e. unauthorised interference with service to any user, host or network including, without limitation, denial-of-service attacks, other flooding techniques, deliberate attempts to overload a system and broadcast attacks).

(dd) Falsification of Origin (i.e., forging of any TCP-IP packet header, e-mail header or any part of a message header).

(dd) Avoiding System Restrictions (i.e., unauthorised use of manual or electronic means to avoid any use limitations placed on the users).

(f) implement and maintain policies and procedures consistent with standard industry practice to protect against harmful code, viruses or programming instructions from being transmitted or received to the other party by reason of the performance of their obligations under this Agreement and each party shall notify the other party if it has reason to believe that any such code, virus or programming instruction has been so transmitted or received.

(g) The Shipper shall procure that each of its Authorised User's premises, computer networks and computer systems complies with the requirements of Section 12.4.4(e) above.

12.4.5 Digital Certificates

The Transporter shall provide the Shipper with Digital Certificates and the Shipper shall comply with the GNI (IT) Systems Access Procedures with respect to such Digital Certificates.

12.4.6 Training and Provision of Support and Information

The Transporter shall not be obliged to furnish a username and password to the Shipper for use by an Authorised User until such time as each such Authorised User has in accordance with the GNI (IT) Systems Access Procedures and to the satisfaction of the Transporter completed a course of training provided by or on behalf of the Transporter with respect to the GNI (IT) Systems.

12.4.7 Intellectual Property

(a) The Transporter warrants that the Software and intellectual property rights therein are and shall at all times for the duration of this Agreement remain the property of the Transporter and/or its Affiliates and/or where applicable, any licensor of the Software.

(b) The Shipper's sole rights in respect of the GNI (IT) Systems and/or the Software shall be as provided pursuant to the Code.

(c) The Shipper shall (and the Shipper shall procure that each of its Authorised Users shall) not do or omit to do anything which prejudices the proprietary rights of the Transporter and/or its Affiliates and/or where applicable any licensor of the Software in the GNI (IT) Systems, the Hardware, the Software or any information, manuals or materials provided by the Transporter to the Shipper, including, but not limited to:

(i) copying the Software and any manuals or other materials provided by the Transporter in respect of the GNI (IT) Systems (save to the extent permitted by law or where the Shipper has obtained the prior written consent of the Transporter);

(ii) using the GNI (IT) Systems to prepare a derivative work or attempting to reverse-engineer or reverse-engineering the GNI (IT) Systems or the Software.

(iii) sub-licensing the use of the Software, the Hardware and any manual or other materials provided by the Transporter in respect of the GNI (IT) Systems;

(iv) de-compiling, disassembling or modifying the whole or any part of the Software.

12.4.8 Availability of GNI (IT) Systems

(a) The Transporter shall use reasonable endeavours to maintain availability of the GNI (IT) Systems (subject to the Transporter carrying out scheduled and non-scheduled work on the GNI (IT) Systems intended to ensure proper functioning and maintenance of the GNI (IT) Systems which may result in temporary unavailability of the GNI (IT) Systems) and to correct any errors in the GNI (IT) Systems.

(b) Notwithstanding the foregoing neither the Transporter nor its Affiliates shall have any liability to a Shipper(s) in respect of any temporary unavailability of, error or malfunction in the GNI (IT) Systems and Shippers waive any and all rights of action against the Transporter and its Affiliates in respect of the Software, the Hardware and/or the GNI (IT) Systems and waive all liability of the Transporter and its Affiliates with respect thereto.

(c) The JBP does not form part of the GNI (IT) Systems and availability of and access to the JBP shall be governed by:

(i) in the case of Shippers the JBP Users T&C's; and/or

(ii) in the case of the Transporter the agreement between the JBP Operator and the Transporter.

12.4.9 Suspension and Termination

(a) Upon termination with respect to a Shipper in accordance with Part I (*Legal and General*), Section 4.4 (*General Termination Rights*) of the Code:

(i) the Shippers authority to access and use of the GNI (IT) Systems and use of the Hardware and the Software shall be revoked;

(ii) where requested by the Transporter the Shipper shall return the Software, Hardware, and all information, training manuals and materials in the possession or under its control to the Transporter and ensure that its Authorised Users discontinue access to and use of the GNI (IT) Systems, the Hardware and the Software; and

(iii) the Shipper shall cease to use all Confidential Information obtained as a result of accessing the GNI (IT) Systems and using the Hardware, information, training manuals and materials Software and, in such event:

(aa) the Shipper will return to the Transporter, or shall destroy (as the Transporter may direct), such of the original versions of any such information and copies thereof that are in its possession; and

(bb) the Shipper shall destroy all documents, memoranda, notes and other writings whatsoever prepared by it or in its possession which incorporate any such information.

(b) In the event of the suspension in whole or in part of the Shipper's rights pursuant to the Code or any Ancillary Agreement in accordance with Part I (*Legal and General*), Section 4.1 (*Suspension*) or specific termination of any of the Shipper's rights pursuant to the Code or any Ancillary Agreement in accordance with Part I (*Legal and General*), Section 4.2 (*Specific Termination*) or in the event of any breach by the Shipper of Section 12.4:

(i) the Transporter shall revoke or limit (as appropriate) access to and use of the GNI (IT) Systems and use of the Hardware and Software permitted under this Section 12.4; and

(ii) the Shipper shall ensure that its Authorised Users comply with any limitation imposed by the Transporter pursuant to this Section 12.4 on the Shipper's access to and use of the GNI (IT) Systems, the Hardware and the Software.

12.4.10 Warranties and Disclaimer

(a) The Transporter will use reasonable endeavours to make GNI (IT) Systems available in accordance with this Code and applicable Procedures. The Transporter:

(i) disclaims all warranties, express or implied, including, without limitation, the implied warranties of merchantability, title, and fitness for a particular purpose;

(ii) does not warrant that access to, or use of the GNI (IT) Systems will be uninterrupted or error-free, or that any software or services will meet any particular criteria of performance or quality; and

(iii) has not made any express or implied representations, assurances and/or warranties regarding the use or availability of the GNI (IT) Systems.

12.4.11 Notwithstanding any other provisions of this Code, or any Ancillary Agreement the Shipper shall not be entitled to exercise any of its rights of a Shipper under this Code or any Ancillary Agreement which require submission and/or receipt of applications or notices utilising the GNI (IT) Systems unless and until such Shipper has received all relevant usernames and passwords required to access and utilise the GNI (IT) Systems in accordance with this Section 12.4.

12.4.12 A Shipper shall be liable for all Tariffs and financial obligations pursuant to this Code and any Ancillary Agreement notwithstanding that the Shipper is not entitled in accordance with the provisions of this Section 12.4 to exercise such Shipper's rights or receive notices pursuant to this Code or any Ancillary Agreement notwithstanding that the Shipper's right to utilise GNI (IT) Systems may have been revoked or suspended in accordance with the Code.

12.5 Assignment and Subcontracting

12.5.1 Assignment by the Transporter

The Transporter may assign or transfer some or all of its rights and obligations arising under this Code and/or any Framework Agreement and/or any Ancillary Agreement to any person who holds a Natural Gas Transmission Licence and/or a Natural Gas Distribution Licence granted by the Commission pursuant to the Act without the consent of any Shipper, provided that in such an event the Transporter can demonstrate to the satisfaction of the Commission that the person has the legal, technical and operational ability to comply with the obligations which it will undertake. The Transporter shall be relieved of all obligations pursuant to this Code, the Framework Agreement and/or any Ancillary Agreement when such assignment or transfer takes effect provided that the assignee shall have

assumed such obligations, and all rights of the Transporter pursuant to the Code and/or the Framework Agreement and/or any Ancillary Agreement shall (save where expressly provided to the contrary) be exercisable by such assignee.

12.5.2 Assignment by Shippers

(a) except as provided in Section 12.5.2(b) and (c) no Shipper shall be entitled to assign or purport to assign or otherwise transfer in any way (including by a declaration of trust) the whole or any part of its interest under this Code (including any IP Capacity Booking or Capacity Booking) and/or the Framework Agreement and/or any Ancillary Agreement.

(b) a Shipper (the "Assigning Shipper") which is the Registered Shipper at an LDM Offtake or at a RNG Entry Point or at a CGI Gas Point may with the prior written consent of the Transporter apply to the Transporter (in writing) to assign such Shipper's Capacity Booking in whole (but not in part) with respect:

(i) in the case of a LDM Offtake to Long Term LDM Exit Capacity (and where applicable LDM Supply Point Capacity) and the Booked LDM Exit Capacity Quantity and the Booked LDM Supply Point Capacity Quantity (if any) pursuant to the Capacity Booking;

(ii) in the case of a RNG Entry Point or a CGI Gas Point to all of the Shippers Long Term Entry Capacity and the Entry Capacity Booking and Booked Entry Capacity Quantity pursuant to the Entry Capacity Booking;

to another Shipper (the "Assignee Shipper") in accordance with this Section 12.5.2. It shall be reasonable for the Transporter to withhold consent if the Assigning Shipper is unable to demonstrate to the reasonable satisfaction of the Transporter that the proposed Assignee Shipper is a Shipper and that the proposed Assignee Shipper has the legal, technical and/or operational ability to comply with the obligations which it will undertake and/or has the ability to comply with the Financial Security Policy. The consent of the Transporter to the submission of an application to assign shall not in any way adversely affect or preclude the Transporter from exercising its right to reject an application pursuant to the remaining provisions of this Section 12.5.2.

(c) the proposed Assigning Shipper and the proposed Assignee Shipper shall submit a joint application to the Transporter to effect an assignment in whole (but not in part) of a Capacity Booking at an LDM Offtake or at a RNG Entry Point or at a CGI Gas Point

including such information as the Transporter may require to process the application including:

(i) the Capacity Booking to which the application relates;

(ii) where the application relates to a LDM Offtake the amount of the Booked LDM Exit Capacity Quantity (and the Booked LDM Supply Point Capacity Quantity (if any)) and the LDM Offtake to which the Capacity Booking relates;

(iii) where the application relates to a RNG Entry Point or a CGI Gas Point, the amount of the Entry Capacity Booked (and the Booked Entry Capacity Quantity), together with the CGI Gas Point (and the CGI Entry Point)

(iv) the identity of the proposed Assigning Shipper;

(v) the identity of the proposed Assignee Shipper;

(vi) the date (which shall be the first day of a calendar month) on which the assignment is requested to take effect;

(vii) where the application relates to a LDM Offtake a warranty that the consent of the End User has been obtained with respect to the assignment and exhibiting a copy of any such End User consent; and

(viii) where the application relates to a RNG Entry Point or a CGI Gas Point a warranty that the consent of the Third Party Shipper has been obtained with respect to the assignment amount and exhibiting a copy of any such Third Party Shipper.

(ix) a copy of the consent of the Commission (where such consent is required).

(d) The Transporter shall reject an application submitted pursuant to Section 12.5.2(c) if:

(i) the application is not submitted in accordance with this Section 12.5.2;

(ii) the application is received less than ten (10) Business Days prior to the requested date on which it is to take effect;

(iii) the application has not been signed by the proposed Assigning Shipper or the proposed Assignee Shipper;

(iv) the proposed Assignee Shipper has not provided such financial security as may be required in accordance with the Financial

Security Policy within three (3) Business Days of receipt of the application;

(v) the proposed Assignee Shipper is in breach of the Code or any Ancillary Agreement;

(vi) the Capacity Booking referred to in the application is not a Long Term Capacity Booking at an LDM Offtake or an Entry Capacity Booking at a RNG Entry Point or at a CGI Gas Point;

(vii) where the application relates to a LDM Offtake the amount of the Booked LDM Exit Capacity Quantity and the Booked LDM Supply Point Capacity Quantity (if any) specified in the application is not equal to the entirety of the Booked LDM Exit Capacity Quantity and the Booked LDM Supply Point Capacity Quantity (if any) held pursuant to the relevant Capacity Booking; or

(viii) the Capacity Booking has been effected pursuant to a LDM Agreement and the Assigning Shipper has not procured that the proposed Assignee Shipper has provided to the Transporter a direct covenant (in favour of the Transporter and in a form reasonably satisfactory to the Transporter) that the Assignee Shipper will observe and perform the obligations under the LDM Agreement together with a certified copy of the assignment or transfer (excluding terms in relation to the consideration paid or payable).

(ix) where the application relates to a RNG Entry Point or a CGI Gas Point the amount of the Booked Entry Capacity Quantity in the application is not equal to the entirety of the Booked Entry Capacity held pursuant to the specified Capacity Booking.

(e) The Transporter shall notify each of the proposed Assigning Shipper and the Assignee Shipper as to whether the application has been rejected or accepted within seven (7) Business Days of receipt thereof. If the Transporter does not notify the Shipper as aforesaid the application shall be deemed rejected. Where the Transporter rejects the application the Transporter shall notify the Shippers of the reason for such rejection unless such reason is attributable to one only of the Shippers in which case the Transporter will only notify such Shipper of the reason for such rejection.

Where the Transporter accepts an assignment application in accordance with this Section 12.5.2 then:

(f) the Assignee Shipper shall become a Registered Shipper at the LDM Offtake at a RNG Entry Point or at the CGI Gas Point (as the case may be) with effect from the effective date of the requested assignment as specified in the assignment application (or as otherwise agreed between the Transporter and the Assigning Shipper and the Assignee Shipper) and for the unexpired duration of the Capacity Booking of the Assigning Shipper and in the case of a LDM Offtake shall be entitled to the Booked LDM Exit Capacity Quantity (and the Booked LDM Supply Point Quantity (if any)) and in the case of a RNG Entry Point or a CGI Gas Point shall be entitled to the Booked Entry Capacity Quantity at the RNG Entry Point or at the CGI Gas Point (as the case may be);

(g) the acceptance by the Transporter of the assignment application shall not relieve the Assigning Shipper of any accrued rights or obligations (including financial obligations); and

(h) the Assigning Shipper shall cease to the Registered Shipper at the LDM Offtake or the RNG Entry Point or at the CGI Gas Point (as the case may be) pursuant to the relevant Capacity Booking.

12.5.3 Subcontracting and Agency

(a) The Transporter shall at all times have the right to sub-contract or delegate (including by appointment of an agent) in whole or in part the performance of its rights and obligations under this Code and/or any Ancillary Agreement to a third party without the consent of the Shipper provided that the Transporter shall not thereby be relieved of any of its obligations under this Code and shall be responsible for any failure or non-performance of such third party as if the Transporter itself had failed to fulfil the relevant obligation.

(b) A Shipper shall only be entitled to sub-contract or delegate (including by appointment of an agent) in whole or in part the performance of any of its rights or obligations under this Code and/or any Ancillary Agreement to a third party subject to the prior written consent of the Transporter (such consent not to be unreasonably withheld) as follows:

(i) in the case of an Interconnection Point the Shipper may subcontract or appoint an agent to carry out the performance of all (but not part of) its rights and obligations in respect of IP Capacity at such Interconnection Point provided however, the Shipper shall be responsible to make appropriate arrangements with the JBP Operator with respect to the performance by any such agent or subcontractor of any of the Shippers rights and obligations to the extent that same must be performed on the JBP, including in respect of JBP Transactions.

(ii) where a Shipper has reserved Entry Capacity at an Entry Point or it has reserved capacity at a RNG Entry Point or CGI Gas Point, it may sub-contract, or appoint an agent to carry out, the performance of all (but not part) of its rights and obligations in respect of such Entry Capacity at such Entry Point or at such RNG Entry Point or CGI Gas Point as applicable;

(iii) where a Shipper has reserved Capacity at or in respect of an LDM Offtake, it may sub-contract, or appoint an agent to carry out, the performance of all (but not part) of its rights and obligations in respect of all such Shipper's LDM Capacity Bookings at or in respect of such LDM Offtake;

(iv) in the case of DM Shippers, such Shippers may, in respect of their aggregate DM Exit Capacity and/or DM Supply Point Capacity, sub-contract, or appoint an agent to carry out, the performance of all (but not part) of its rights and obligations in respect of such DM Exit Capacity and/or DM Supply Point Capacity including for the avoidance of doubt its Short Term Aggregate DM Exit Capacity; and

(v) in the case of NDM Shippers, such Shippers may, in respect of their aggregate NDM Exit Capacity and/or NDM Supply Point Capacity, sub-contract, or appoint an agent to carry out, the performance of all (but not part) of its rights and obligations in respect of such NDM Exit Capacity and/or NDM Supply Point Capacity.

Notwithstanding the consent of the Transporter to the subcontracting or delegation (including by appointment of an agent) by a Shipper of the performance of any of its rights or obligations under this Code to a third party, the Shipper shall not be relieved of any of its obligations under this Code and shall be responsible for any failure or non-performance of such third party as if the Shipper itself had failed to fulfil the relevant obligation.

12.5.4 Costs incurred by Transporter

Where a Shipper makes an assignment under Section 12.5.2 or sub-contracts or appoints an agent under Section 12.5.3(b), the Shipper shall be liable to and shall reimburse the Transporter for any administrative or other costs that the Transporter may incur as a result of such assignment or sub-contract.

12.6 **Waiver**

The failure to exercise or delay in exercising a right or remedy provided by this Code, and/or the Framework Agreement and/or any Ancillary Agreement or provided by law does not impair or constitute a waiver of the right or remedy or an impairment of or a waiver of other rights or remedies. No single or partial exercise of a right or remedy

provided by this Code, the Framework Agreement or any Ancillary Agreement or provided by law prevents further exercise of the right or remedy or the exercise of another right or remedy.

12.7 **Severance**

If any provision (or part thereof) of this Code and/or the Framework Agreement and/or any Ancillary Agreement is or becomes invalid, illegal or unenforceable, the validity, illegality or enforceability of any other part of that provision or any other provision of this Code, the Framework Agreement and any Ancillary Agreement shall not be affected and the remaining part of that provision and any other remaining provisions of this Code, the Framework Agreement and any Ancillary Agreement shall continue in full force and effect.

12.8 **Entire Agreement**

12.8.1 This Code, the Framework Agreement, each Ancillary Agreement and each electronic contract (effected pursuant to this Code) entered into by a Shipper and the Transporter constitute the entire agreement between the parties, and supersede any previous agreements between the parties relating to the subject matter thereof.

12.8.2 Each party acknowledges that it has entered into this Code, the Framework Agreement and/or any Ancillary Agreement to which it is a party and is contracting for the transportation of Natural Gas by the Transporter in the Transportation System based solely upon the express representation and warranties set out in this Code (and including, for the avoidance of doubt, the Framework Agreement and/or any Ancillary Agreement) and the parties expressly negate any other representation of warranty, written or oral, expressed or implied prior to the execution of the Framework Agreement or any Ancillary Agreement, as the case may be (except in the case of fraud).

12.9 **Publication of Documents**

12.9.1 The Transporter shall maintain and publish from time to time in such form as the Commission may direct: -

(a) the Code, the Schedules and the Procedures;

(b) all Modifications or proposed Modifications and any other documents in connection with the proposed Modifications which are required to be published pursuant to Part I (*Legal and General*) Section 1;

(c) the standard form Framework Agreement and standard form Ancillary Agreements (as amended from time to time);

(d) a list of all of the Policies and Procedures; and

(e) all Policies (as amended from time to time).

12.10 **Governing Law**

12.10.1 This Code shall be governed by and construed in accordance with the laws of Ireland.

12.10.2 The Transporter and each Shipper recognises and agrees that the provisions of this Code, any Procedures, the Framework Agreement, and/or any Ancillary Agreement and the obligations of the Transporter and each Shipper, shall, notwithstanding any other provision contained herein, be subject to any Directive including the provisions of the treaties entered into between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland dated (i) 29 April 1993 (the "Interconnector Treaty") and (ii) 24 September 2004 the ("Second Interconnector Treaty") and any and all such other laws or regulations having the force of law as may affect the Transportation System.

CODE OF OPERATIONS
PART J.1

INVENTORY PRODUCT SERVICE

VERSION 5.05

Comprises version 5.04 published as of May 2023
incorporating the following Modifications

(1). Modification A111: Oxygen Upper Limit

(2). Modification A113: Revision of Wobbe Index Parameters

(3). Modification A114: Classification of Gas Points with a design MHQ of 100,000 kWh

(4). Modification A115: Removal of Tolerances at RNG Entry Points

(5). Modification A116: Removal of Residual Tolerances

(6). Modification A117: Supplier of Last Resort (SoLR) Arrangements

(7). Modification A118: Central Grid Injection and RNG Entry Point Arrangements

Part J.1

1. Inventory product service.....1

1. INVENTORY PRODUCT SERVICE

1.1 Overview

1.1.1 The Transporter may, ancillary to the provision of transportation services in respect of Shippers Natural Gas in the Transportation System, make available to Shippers capacity at the VIP. Shippers shall be required to have booked I/C Inventory Space pursuant to a I/C Inventory Agreement and be a Registered Shipper at the Moffat Entry Point in order to submit VIP Nominations

1.1.2 A Shipper shall be entitled to reserve I/C Inventory Space pursuant to an I/C Inventory Agreement in accordance with the provisions of Section 1.

1.1.3 I/C Inventory Space reservations shall become effective from the I/C Inventory Space Booking Effective Date of any relevant I/C Inventory Agreement.

1.2 I/C Inventory Space and I/C Inventory Agreement Application

I/C Inventory Space

1.2.1 A Shipper shall not be entitled to inject Natural Gas at the VIP or withdraw Natural Gas from the VIP on a Day unless the Shipper is party to a I/C Inventory Agreement, and has booked I/C Inventory Space in respect of the Day and otherwise in accordance with this Code;

1.2.2 The Shipper shall cease to be the holder of the I/C Inventory Space at the end of the I/C Inventory Space Booking Period of the I/C Inventory Agreement or as otherwise provided in accordance with this Code and any relevant Ancillary Agreement.

1.3 I/C Inventory Agreement and I/C Inventory Space Application

1.3.1 A Shipper shall apply to the Transporter for I/C Inventory Space and the I/C Inventory Agreement in accordance with a methodology published by the Transporter with the approval of the Commission (the "**I/C Inventory Space Booking Methodology**");

1.3.2 The Transporter may reject an application for I/C Inventory Space and the I/C Inventory Agreement submitted pursuant to Section 1.3.1 if:

(a) the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement; or

(b) (to the extent that) the application for I/C Inventory Space and the I/C Inventory Agreement would, if accepted, require financial security or an increase in the amount in respect of which financial security is to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not provided the

required financial security so as to comply with the Financial Security Policy and/or the I/C Inventory Space Booking Methodology.

1.3.3 Where the Transporter accepts the I/C Inventory Space and/or I/C Inventory Agreement application (in whole or in part) in accordance with the I/C Inventory Space Booking Methodology the Transporter shall issue to the Shipper the I/C Inventory Agreement which shall specify the I/C Inventory Space Booking Effective Date, the I/C Inventory Space Booking Period, the I/C Inventory Space (as determined in accordance with the I/C Inventory Space Booking Methodology) or as otherwise agreed between the Transporter and the Shipper.

1.3.4 On receipt by the Transporter not less than five (5) Business Days prior to the I/C Inventory Space Booking Effective Date (or within such other period as may be agreed with the Transporter) of the I/C Inventory Agreement duly executed by the Shipper in the form as issued by the Transporter each of the Shipper and Transporter shall be bound by such I/C Inventory Agreement and I/C Inventory Space shall be reserved by the Shipper from the I/C Inventory Space Booking Effective Date as specified in the I/C Inventory Agreement.

1.3.5 Notwithstanding the execution by a Shipper of a I/C Inventory Agreement the Shipper shall not be entitled to exercise any rights in respect of the I/C Inventory Space or any other rights pursuant to the Code in connection therewith unless and until such Shipper has been set up on BGT Systems to access the appropriate online I/C Inventory Space screens. The Shipper shall however remain liable for all I/C Inventory Space Charges in respect of the I/C Inventory Space booked pursuant to the I/C Inventory Agreement and all financial obligations associated with such I/C Inventory Space.

1.4 I/C Inventory Charges

1.4.1 Charges in respect of I/C Inventory Space and its utilisation ("**I/C Inventory Space Charges**") shall be determined by the Transporter in accordance with any Legal Requirement or direction of the Commission and published by the Transporter from time to time with the approval of the Commission.

1.4.2 A Shipper which has booked I/C Inventory Space shall be liable to pay to the Transporter I/C Inventory Space Charges in accordance with the provisions of the Code.

1.4.3 I/C Inventory Space Charges will be calculated on a monthly basis and invoiced in accordance with Part I *(Legal and General*) Section 11 (*Invoicing and Payment*).

1.4.4 A Shipper shall comply with the requirements of the Financial Security Policy with respect to I/C Inventory Space.

1.5 Termination

1.5.1 The provisions of Part I (*Legal and General*) Section 4 (*Termination*) shall apply to the termination of an I/C Inventory Agreement and an I/C Inventory Booking and for such purposes the I/C Inventory Agreement and the I/C Inventory shall be a Capacity Booking within the meaning of this Code.

1.5.2 If at the expiry or termination of the I/C Inventory Space Booking (the "**First I/C Inventory Booking**") the Shipper's VIP Utilisation is not zero then:

(a) If the Shipper has entered into an I/C Inventory Agreement and booked I/C Inventory Space in respect of an I/C Inventory Space Booking Period which commences immediately on the expiry of the First I/C Inventory Booking then the VIP Utilisation shall be and form part of the VIP Utilisation of the Shipper at the commencement of such immediately consecutive I/C Inventory Space Booking Period (save to the extent that such VIP Utilisation exceeds the Shipper's Available I/C Inventory Space pursuant to such booking); and/or

(b) If the Shipper has not entered into an I/C Inventory Agreement in respect of an immediately succeeding I/C Inventory Space Booking Period, or if the amount of I/C Inventory Space booked by the Shipper is less than the VIP Utilisation at the expiry of the First I/C Inventory Booking then such VIP Utilisation (or the excess of such VIP Utilisation (as the case may be)) shall be treated as a positive Second Tier Imbalance Quantity and shall accordingly be cashed out at the Second Tier Imbalance Price which shall be payable out of the Disbursements Account.