



CODE OF OPERATIONS

NOTICE TO SHIPPERS

PURSUANT TO THE CODE OF OPERATIONS

APPROVAL OF MODIFICATION

CODE MODIFICATION A105 - 'Amendment to the Code of Operations to delete all references to the Inch Entry Point (Kinsale Gas Field)'

COMMISSION INSTRUCTION

Pursuant to Section 13(1) of the Gas (Interim) (Regulation) Act 2002, the Commission approves Code Modification A105 - 'Amendment to the Code of Operations to delete all references to the Inch Entry Point (Kinsale Gas Field)'.

This modification amends several sections of the Code of Operations to remove items of text relating to the Inch Entry Point. In addition, a number of generic terms which relate to services available only at Inch are also to be removed. Such services are no longer operational elsewhere in the transportation system following the Inch closure. The parts of the Code to be amended are:

- Part A - Definitions and Interpretation;
- Part D - Nominations, Allocations and NDM Supply Point Reconciliation;
- Part E - Balancing and Shrinkage,
- Part F - Administration;
- Part G - Technical;
- Part H – Operations; and
- Part I – Legal and General

This approved modification will come into effect on _____.

Signed:

Karen Kavanagh
Director of Networks & Economic Regulation

Issue Date: _____



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CODE MODIFICATION A105 – ‘Amendment to the Code of Operations to delete all references to the Inch Entry Point (Kinsale Gas Field)’

COMMISSION RATIONALE

Pursuant to Section 13(1) of the Gas (Interim) (Regulation) Act 2002, the Commission approves Code Modification A105 ‘Amendment to the Code of Operations to delete all references to the Inch Entry Point (Kinsale Gas Field)’

This modification A105 removes certain text from the Code which became redundant following the closure of the Inch Entry Point which itself arose following the decommissioning of the Kinsale Head Gas Field.

This approved modification will come into effect on 14 March 2022. The background and rationale for the modification are set out below.

BACKGROUND

Gas from the Kinsale Head Gas Field was delivered to the Transportation System at the Inch Entry Point commencing in 1978. In more recent years, Inch also acted as an Exit Point from the system to facilitate the injection of storage gas into part of the gas field primarily in the summer months. Kinsale Energy Limited ceased operation of the gas field in July 2020 and commenced its decommissioning in the summer of 2021. References to the Inch Entry Point, and its related constructs, in the Code of Operations have therefore become redundant.

INDUSTRY CONSULTATION

On the 5th October 2021, GNI proposed Modification A105 with a view to removing, from

the Code, all references to the Inch Entry Point. On the same date, GNI circulated the modification for industry consultation together with an explanatory memorandum and legal text. The closing date for comments was 2nd November 2021 with no submissions being received. At the request of the CRU, GNI amended the legal text to remove certain changes which were not relevant to the scope of the modification. The updated draft of the code modification was circulated to industry on 17th December 2021 with a request to submit comments by 28th January 2022; again, no comments were received. The modification also formed part of the agenda for Code Modification Forum meetings on 20th October and 15th December 2021 with no submissions being made at these meetings.

BRIEF OUTLINE OF THE CODE MODIFICATION

Inch is unique within the Code, acting as an entry point for both production and storage gas and also as an exit point for gas to storage. Various features in the code were developed solely in the context of Inch and as a result the range of Bi-Directional services available at Inch is not replicated at any other Entry Point within the Transportation System. Various services have not, therefore, been operational within the Transportation System since the Inch closure.

The modification will remove all references to the Inch Entry Point and Inch Storage Exit Point from the code and in addition, will remove references to more generic services in the code which are no longer operational in the Transportation System. These references relate to:

- Exit Nominations at a Connected System Exit Point (CSEP);
- Interruption of gas flows at CSEPs;
- Bi-Directional Connected System Point (Bi-Directional CSP); and
- Storage Exit Point.

The deletions, arising from the modification, are quite extensive across the code impacting on the following parts:

- Part A - Definitions and Interpretation;
- Part D - Nominations, Allocations and NDM Supply Point Reconciliation;
- Part E - Balancing and Shrinkage,
- Part F - Administration;
- Part G - Technical;
- Part H - Operations and
- Part I – Legal and General

REASONS FOR THE APPROVAL OF THE CODE MODIFICATION

With the decommissioning of the Kinsale Head Gas Field all references to the Inch Entry Point in the Code of Operations have become redundant. In addition, various features

which had been available only at the Inch Entry Point will no longer be operational in the Transportation System.

This modification removes the now redundant terminology from the Code and the references to services which are not available at entry points other than Inch. The removal of redundant terminology will result in a more accurate description of the Transportation System while the removal of the 'Inch only' services will provide greater clarity in describing the services available pursuant to the Code of Operations.

Issue Date: 14 March 2022

CODE OF OPERATIONS

PART A

DEFINITIONS
INTERPRETATION

VERSION 5.03

**Comprises version 5.02 published as of 16 April 2018
Incorporating the following Modifications**

- 1. Modification A092; Trading Platform;**
- 2. Modifications A091 and A093; Introduction of RNG Entry Points.**
- 3. Modification A094; Modification of Shipper Portfolio Tolerances;**
- 4. Modification A095; Calculation of Daily Imbalance Charges;**
- 5. Modifications A096 and A096A Data Sharing – GDPR;**
- 6. Modification A097 Final Exit Allocation Amendment Date;**
- 7. Modification A098 Reduction of Capacity Overrun Multipliers.**
~~7-8.~~ Modification [] (Inch)

Part A

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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 and shall be determined as follows:

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

where:

PC_{Entry} = the Shipper's Primary Entry Capacity at the Entry 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:

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

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:

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

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);

"**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 CSEP Nomination Quantity**" means the quantity of Natural Gas to be offtaken at a Connected System Exit Point on a Day as notified to the Transporter by an agent appointed pursuant to Bi Directional CSP Procedures or as 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 the applicable CSA, the aggregate of all Valid CSEP Exit Nominations and Valid CSEP Exit Renominations by all Registered Shippers at the relevant Connected System Exit Point in respect of the Day;~~

"**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) CSEP Exit 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 an Entry Point configured within a Bi-Directional CSP) in respect of a Day and shall be determined as follows:-

$$ALL_q = (MeDQ + OBA_N + OR) - (OBA_p + LPR + QR + NCG)$$

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 (<i>Technical</i>) Section 1.3.4 (irrespective of the day on which such Natural Gas is disposed of)

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 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 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 given 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);

"**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

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(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;

~~"**Bi-Directional CSP**" means a Connected System Point which is declared by the Transporter to comprise both an Entry Point and a Connected System Exit Point which is so designated pursuant to Part H (Operations) Section 5. References to a Bi-Directional CSP shall be construed as references to the Entry Point and/or the CSEP configured within the Bi-Directional CSP as the context so requires;~~

~~"**Bi-Directional CSP Agent**" has the meaning given to it in Part D (Nominations, Allocations and NDM Supply Point Reconciliation) Section 2.12.2;~~

~~"**Bi-Directional CSP Allocation**" means an Allocation made at a Bi-Directional CSP including as referred to in Part D (Nominations, Allocations and NDM Supply Point Reconciliation) Section 2.12;~~

~~"**Bi-Directional CSP Procedures**" has the meaning given to it in Part H (Operations) Section 5.5.1;~~

~~"**Bi-Directional CSP Requirements**" has the meaning given to it in Part H (Operations) Section 5.2.3;~~

"**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;

"**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 (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 a Bi-Directional CSP (as the case may be);~~

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

~~"**Connected System Exit Point**" or "**CSEP**" shall mean a point at which Natural Gas is offtaken from the Transmission System to a Connected System and shall for the avoidance of doubt include a Storage Exit Point;~~

"**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;

"**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:

$$\text{CPI}_Y / \text{CPI}_O$$

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;

~~"CSEP Adjustment Quantity" has the meaning given to it in Part G (*Technical*) Section 4.5.6;~~

~~"CSEP Exit Allocation(s)" shall mean the quantity of Natural Gas that is allocated in accordance with Part D Section 2.13 or Section 2.14 to a Registered Shipper at a Connected System Exit Point for a Day, and~~

~~"CSEP Exit Nomination(s)" means a notification by a Shipper which is a Registered Shipper at a Connected System Exit Point (other than an IP CSEP) of its intention to offtake a Nominated Quantity from the Transportation System at a Connected System Exit Point (other than an IP CSEP) and shall include an Interruptible CSEP Exit Nomination; including a CSEP Exit Nomination at a Storage Exit Point;~~

~~"CSEP Exit Reallocation" shall mean a CSEP Exit Allocation which has been adjusted and/or readjusted in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.14;~~

~~"CSEP Exit Renomination" means a Renomination with respect to a Valid CSEP Exit Nomination or a Valid CSEP Exit Renomination at the CSEP;~~

~~"CSEP Nominations Limit" has the meaning given to it in Part D (Nominations, Allocations and NDM Supply Point Reconciliation) Section 1.13.1;~~

"**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 03:00 hours on the requested Capacity Booking Effective Date;

"**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;

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

"**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;

"**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;

"**Deferral Request**" has the meaning given to it in Part C (*Capacity*) Section 6.1.12;

"**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**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.1.1;

"**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) 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;

"**End User**" means any third party which has entered into an agreement with a Shipper 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 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 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 and Exit Capacity Overrun Disbursements Account**" means an account of that name established by the Transporter pursuant to Part C (*Capacity*) Section 11.1;

"**Entry Capacity**" means capacity at an Entry Point to the Transmission System or at an RNG Entry 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 Term 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) 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 ~~including the Inch Entry Point~~, references to an Entry Point shall include a reference to an RNG 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" has the meaning given to it in Part C (*Capacity*) Section 6.1.1;

"Entry Point Transfer Cancellation Request" has the meaning given to it in Part C (*Capacity*) Section 6.1.15;

"Entry Point Transfer Effective Date" has the meaning given to it in Part C (*Capacity*) Section 6.1.2;

"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;

"**Estimated Distribution System Shrinkage Gas**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.4.1(a);

"**Estimated Transmission System Shrinkage Gas**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.4.1(b);

"**Estimated Transportation System Shrinkage Gas**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.4.1(c);

"**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 it 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.

~~"**Failure to Interrupt Charge**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.14;~~

~~"**Failure to Interrupt Tolerance Quantity**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.15;~~

"**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;

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"**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 CSEP Exit Allocation(s)**" shall mean a CSEP Exit Allocation made by the Transporter at 16:00 on D + 5 in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 2.15;~~

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

"**Final Distribution System Shrinkage Gas Attribution**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.4.3(d);

"**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;

"**Final Transmission System Shrinkage Gas Attribution**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.4.3(e);

"**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 mean 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 Tier Imbalance Price**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.6.1(c);

"**First Tier Imbalance Quantity**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.6.1(a);

"**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;

"**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 (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;

"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;

~~**"Inch Bi-Directional CSP"** means the Bi-Directional CSP located at Inch County Cork as referred to in Part H (*Operations*) Section 5.4;~~

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

~~"Inch Operator" means the operator of the Inch delivery facilities;~~

~~"Inch Production Gas" means Natural Gas which is produced from the Gas Source upstream of the Inch Entry Point for delivery to the Transportation System at the Inch Sub-Entry Point (Production) at the Inch Entry Point;~~

~~"Inch Shipper Registration Request" has the meaning given to it in Part F (Administration) Section 1.10.1;~~

~~"Inch Storage Exit Point" means the Storage Exit Point at Inch;~~

~~"Inch Storage Gas (Entry)" means Natural Gas sourced from the Inch Storage Facility for delivery to the Transportation System at the Inch Sub-Entry Point (Storage) at the Inch Entry Point;~~

~~"Inch Storage Register" has the meaning given to it in Part F (Administration) Section 1.9.1;~~

~~"Inch Sub-Entry Point (Production)" means the notional entry point at the Inch Entry Point at which Inch Production Gas is delivered or tendered for delivery to the Transportation System;~~

~~"Inch Sub-Entry Point (Storage)" means the notional entry point at the Inch Entry Point at which Inch Storage Gas (Entry) is delivered or is tendered for delivery to the Transportation System;~~

"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 CSEP Exit Allocation" means a CSEP Exit Allocation made on or prior to 16:00 on D + 1 for a Registered Shipper at a CSEP in accordance with Part D (Nominations, Allocations and NDM Supply Point Reconciliation) Section 2.13 or Section 2.14;~~

"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 Distribution System Shrinkage Gas Attribution" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.4.3(c);

"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 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*) Section 3.2.1(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;

"Initial Transmission System Shrinkage Gas Attribution" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.4.3(e);

"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 CSEP Exit Nomination**" means a CSEP Exit Nomination which is Interruptible pursuant to this Code;~~

"**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 a CSEP (other than an IP CSEP) 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 at the CSEP and/or pursuant to an Interruptible IP VEntry Nomination or an IP VExit Nomination as the case may be and references to the Transporter's rights to "**Interrupt**" and "**Interruptible**" shall be construed accordingly;~~

~~"Interruption Effective Time" has in respect of Interruption of a Shippers Interruptible CSEP Nominations the meaning given to it in Part D (Nominations, Allocations and NDM Supply Point Reconciliation) Section 1.13.3(e);~~

"**Interruption Notice**" has the meaning given to it in Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1.13.3;

"**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 be 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 be 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 3.2.1(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*) Section 13.8.5;

"**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;

"**Marketing Balancing Buy**" means a Balancing Gas Buy pursuant to a TPTA;

"**Marketing Balancing Sell**" means a Balancing Gas Sell pursuant to a TPTA;

"**Marketing 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 Connected System Exit 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 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);

"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 it 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 in 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;

"**New Entry Point**" has the meaning given to it in Part C (*Capacity*) Section 6.1.1;

"**New Gas Source**" means a new offshore gas field which is the subject matter of a new Petroleum Lease or an addendum to an existing Petroleum Lease from which Natural Gas has not previously been delivered and is made available for delivery from an offshore production facility;

"**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, CSEP Exit 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-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);

"**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;

"**Original Entry Point**" has the meaning given to it in Part C (*Capacity*) Section 6.1.1;

"**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;

"**Plant Trip**" means the unexpected technical failure of an End User's Facilities to operate on any Day under the anticipated operating conditions for that Day;

"**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 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 2.A.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 ~~or the Bi-Directional CSEP 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 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 Daily 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 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*);

~~"Registration Effective Date" has the meaning given to it in Part F (*Administration*) Section 1.9.2(e);~~

"**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 are measured and controlled and from which Renewable Natural Gas which meets the Entry Specification may be delivered 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;

“**Second Tier Imbalance Price**” has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.6.1(d);

“**Second Tier Imbalance Quantity**” has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 1.6.1(b);

“**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’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 Portfolio Tolerance**” means the single absolute tolerance quantity calculated in accordance with Part E (*Balancing and Shrinkage*) Section 1.7;

“**Shipper Prepayment Metering Agreement(s)**” shall mean the agreement(s) to be entered into between a Shipper 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 as identified in the Prepayment Metering Procedure.

“**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;

"**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 Contract**" has the meaning given to it in Part E (*Balancing and Shrinkage*) Section 2.2.1;

"**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;

"**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);

~~"Storage Exit Point" shall mean a point at which Natural Gas is offtaken from the Transmission System for injection to a Storage Facility;~~

~~"Storage Facility" shall mean a facility for the storage of Natural Gas in respect of which a Licence has been issued by the Commission pursuant to Section 16 of the Act;~~

~~"Storage Registration Period" has the meaning given to it in Part F (Administration) Section 1.10.1(b);~~

"**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 at an Entry 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 and the Distribution System;

"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 as identified in the Prepayment Metering Procedures.

"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);

"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 CSEP Exit Nomination" and "Valid CSEP Exit Renomination" shall have the meaning in Part D (Nominations, Allocations and NDM Supply Point Reconciliation) Section 1.2.3(e) or Section 1.2.4(h) (as the case may be);~~

"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 CSEP Exit 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 CSEP Exit 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 Allocation Quantity (Entry)** shall in respect of a Bi-Directional CSP for a Day on which there is a Net Metered Quantity (Exit) means the quantity notified as such to the Transporter pursuant to any Bi-Directional CSP Procedures or the EODQ in respect of the Day, or the quantity nominated for delivery to the Transportation System at the Bi-Directional CSP notified as such pursuant to any applicable CSA (as the case may be);~~

~~**Virtual Allocation Quantity (Exit)** shall mean in respect of a Bi-Directional CSP for a Day on which there is Net Metered Quantity (Entry) means the quantity notified as such to the Transporter pursuant to any Bi-Directional CSP Procedures or the aggregate of the Nominated Quantities of all Valid CSEP Exit Nominations on that Day or the quantity nominated for offtake at the Bi-Directional CSP notified as such pursuant to any applicable CSA (as the case may be);~~

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/m³ 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.

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CODE OF OPERATIONS
PART D

*THE AVAILABILITY OF THE VIP PRODUCT IS SUSPENDED WITH EFFECT FROM 1
OCTOBER 2015.*

NOMINATIONS,
ALLOCATIONS AND
NDM SUPPLY POINT RECONCILIATION

VERSION 5.03

**Comprises version 5.02 published as of 16 April 2018
Incorporating the following Modifications**

- 1. Modification A092; Trading Platform;**
- 2. Modifications A091 and A093; Introduction of RNG Entry Points.**
- 3. Modification A094; Modification of Shipper Portfolio Tolerances;**
- 4. Modification A095; Calculation of Daily Imbalance Charges;**
- 5. Modification A096 and A096A Data Sharing – GDPR;**
- 6. Modification A097 Final Exit Allocation Amendment Date;**
- 7. Modification A098 Reduction of Capacity Overrun Multipliers;**

7.8. Modification [] (Inch)

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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 LDM Offtake, DM Offtake(s), NDM Supply Point(s), the Sub-Sea I/C Offtake ~~and/or zero CSEP Exit Nomination~~ 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 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.

1.1.8 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).

1.1.9 [*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.*]

1.1.10 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.

1.1.11 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; andwhere 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 Nominated Quantity (in kWh/d);
 - (iv) the applicable Shipper ID of the Shipper making the Entry Nomination; and
 - (v) 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
- (iv) the Nominated Quantity is in excess of the Shippers Active Entry Capacity at the Entry Point;
- (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(g). An Entry Nomination which has been accepted by the Transporter pursuant to this Section 1.2.2(d) 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(g) 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 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, ~~CSEP Exit Nominations (excluding for the avoidance of doubt IP CSEP Offtake Nominations)~~ and Sub-Sea I/C Offtake Nominations:

- (a) An Exit Nomination, ~~a CSEP 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, ~~the CSEP 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, ~~the CSEP 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 where the Nomination is a CSEP Exit Nomination:~~

- ~~(1) the CSEP to which the Nomination relates;~~
 - ~~(2) the Nominated Quantity (in kWh); and~~
 - ~~(3) whether the CSEP Exit Nomination is Interruptible (provided it shall not be necessary for the Shipper to so specify where all CSEP Exit Nominations at the specified CSEP are Interruptible pursuant to this Code);~~
- (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 ~~a CSEP Exit Nomination~~ received at any time during the Nomination Period, when:
- (i) such Exit Nomination, ~~CSEP 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 in the case of a CSEP Exit Nomination which is an Interruptible CSEP Exit Nomination;~~

- ~~(1) the Nominated Quantity when aggregated with the aggregate of the Nominated Quantities of all Valid CSEP Exit Nominations exceeds the applicable CSEP Nominations Limit or the Aggregate Available Interruptible Nomination Limit; and~~
- ~~(2) on a Day in respect of which an Interruption Notice is issued the Nominated Quantity exceeds the Shipper's Available Interruptible Exit Nomination Quantity.~~
- (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 ~~or a CSEP Exit Nomination~~) in accordance with Sections 1.2.1 and 1.2.3(a) and such Exit Nomination ~~or CSEP Exit Nomination~~ is:

- (i) not already a Valid Exit Nomination, ~~a Valid CSEP 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, ~~the CSEP Exit Nomination~~ or Sub-Sea I/C Offtake Nomination (as the case may be) specifying a revised Nominated Quantity and such resubmitted Exit Nomination, ~~the CSEP Exit Nomination~~ or Sub-Sea I/C Offtake Nomination shall supersede the previously submitted Exit Nomination ~~or CSEP Exit Nomination~~ (including Sub-Sea I/C Offtake Nomination) (as the case may be); or
- (ii) a Valid Exit Nomination, ~~Valid CSEP 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 CSEP 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, ~~CSEP 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 CSEP 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 CSEP 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, ~~CSEP 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 ~~or a CSEP 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 CSEP Exit Nomination~~ (“~~Valid CSEP 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 ~~or, a CSEP Exit Nomination~~ which does not become a Valid Exit Nomination ~~or a Valid CSEP 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, ~~a CSEP 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 ~~or Valid CSEP Exit 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 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 in the case of a CSEP Exit Renomination:~~
 - ~~(1) such Renomination would when aggregated with all other Valid CSEP Exit Nominations and Valid CSEP Exit Renominations at the CSEP exceed the CSEP Nominations Limit or the Aggregate Available Interruptible Nomination Limit (as the case may be); or~~
 - ~~(2) such Renomination is in excess of the Shipper's Available Interruptible Exit Nomination Quantity (where applicable);~~
- (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 Section 1.2.4(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 and which results in a Negative INFR;
 - (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 CSEP Exit Renomination ("**Valid CSEP 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 ~~by the Renomination (other than a CSEP Exit Renomination)~~ shall be deemed to be accepted by the Transporter in accordance with Section 1.2.4(h); and
- ~~(i) —~~
- ~~(ii) — the CSEP Exit Renomination (as the case may be) shall be deemed to be rejected.~~
- (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 Sections 1.2.5(a), 1.2.5(b) and/or 1.2.5(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 (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 has been concluded (in pence/therm);
- (iv) the quantity (in Ktherm) of Natural Gas the subject matter of the Market Balancing Transaction;
- (v) the quantity referred to in (iv) expressed in kWh of Natural Gas the subject matter of the Market Balancing Transaction; and
- (vi) the Market Balancing Transaction reference number;

For the purpose of (iii) and (iv) the conversion from therm to kWh shall be in accordance with the formula

$$K = 29307.1 \times T$$
 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 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 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 or 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) $AGGcq \geq AGGpcq$

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) $AGG_{cq} < AGG_{pcq}$

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:

$$CQ_s = \frac{AGG_{pcq}}{AGG_{cq}} \times \frac{CQ_s}{1}$$

$$PQ_s = \frac{AGG_{pcq}}{AGG_{cq}} \times \frac{PQ_s}{1}$$

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

$$(i) \quad (AGGcq - AGGpcq) \geq (Mq + PDQ)$$

at the Interconnection Point the applicable IP VEntry and/or IP VExit shall not be Interrupted and

$$(ii) \quad AGGcq < AGGpcq; \text{ or;}$$

$$(AGGcq - AGGpcq) < (Mq + PDQ)$$

(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:

$$\frac{URTBs}{AGGURTBs} \times AV_{quantity}$$

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 = $AGGcq - (M_Q + \text{Agg Deemed Flow})$

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, an IP Entry Nomination, an Exit Nomination, a Sub-Sea I/C Offtake Nomination, ~~a CSEP Exit Nomination~~, an IP CSEP Offtake Nomination [or a VIP Nomination] which is not the subject of an Entry Renomination, Exit Renomination, ~~CSEP Exit Renomination~~ or [a VIP Renomination]:

$$\text{INFR} = \text{NQ}/24$$

- (b) in the case of any Renomination or any IP Renomination in respect of any Entry Nomination, IP Entry Renomination, Exit Nomination, ~~CSEP Exit Renomination~~, IP CSEP Offtake Renomination IP VExit Renomination or IP VEntry Renomination or a [VIP Renomination]:

$$\text{INFR} = \text{RQ}/\text{T}$$

where in respect of Section 1.5.1:

- 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, ~~a CSEP,~~ [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.

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 Section 1.6.1; 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, ~~a CSEP~~, 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, for whatever reason on any Day, the Transporter shall not be liable to any Registered Shipper at such Entry 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 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.

1.11 Commissioning New End User Facilities

1.11.1 During the commissioning of any new End User's Facilities downstream of a LDM Offtake a Shipper which is registered at such LDM Offtake and has provided notice of commencement of commissioning as hereinafter specified in respect of such new End User's Facilities, shall be entitled to an Exit Tolerance at such LDM Offtake:

- (a) for each Day during the first three (3) months of commissioning the greater of:
 - (i) the difference between such Shipper's Final Exit Allocation at the LDM Offtake in respect of the Day and the Shipper's prevailing Valid Nomination or Valid Renomination in respect of such Day; and
 - (ii) the Exit Tolerance in respect of such LDM Offtake in respect of the Day as calculated pursuant to Part E (*Balancing and Shrinkage*) Section 1.7.3;

and

- (b) for each Day of the commissioning period following the expiry of the first three (3) months of commissioning the greater of:
 - (i) the Exit Tolerance in respect of such LDM Offtake in respect of the Day as calculated pursuant to Part E (*Balancing and Shrinkage*) Section 1.7.3; and
 - (ii) the lesser of:
 - a. the difference between such Shipper's Final Exit Allocation at the LDM Offtake in respect of the Day and the Shipper's

prevailing Valid Nomination or Valid Renomination in respect of such Day; and

- b. the Exit Tolerance in respect of such LDM Offtake in respect of the Day as calculated pursuant to Part E (*Balancing and Shrinkage*) Section 1.7.3 multiplied by two (2).

1.11.2 The Exit Tolerances specified in Sections 1.11.1(a) and 1.11.1(b) are in substitution for the LDM Exit Tolerances in respect of such LDM Offtake specified in Part E (*Balancing and Shrinkage*) Section 1 (*Balancing*).

1.11.3 If the commissioning extends beyond six (6) Months, the LDM Exit Tolerance in respect of the LDM Offtake shall be calculated in accordance with Part E (*Balancing and Shrinkage*) Section 1 (*Balancing*).

1.11.4 The Shipper shall notify the Transporter:

- (a) at least eight (8) weeks in advance of the intended commencement of the said commissioning period. The Shipper shall provide further notice to the Transporter four (4) weeks in advance of the intended commissioning period and one (1) week in advance of the commencement of the said commissioning period; and
- (b) forthwith on the completion of the said commissioning period.

1.12 **Plant Trip(s)**

1.12.1 In the event of a Plant Trip affecting a LDM Offtake the Shipper registered at such LDM Offtake shall make a Renomination for a reduced amount of Natural Gas as soon as possible and use reasonable endeavours to ensure such Renomination is a Valid Renomination; and subject to the Shipper having endeavoured to make a Renomination for a reduced amount of Natural Gas accordingly the Exit Tolerance in respect of such LDM Offtake on the Day on which such Plant Trip has affected such LDM Offtake shall be the difference between the prevailing Valid Exit Nomination or Valid Exit Renomination in respect of such LDM Offtake on the Day and the Shipper's Final Exit Allocation at such LDM Offtake in respect of that Day.

1.12.2 The Transporter will require documentary evidence of the circumstances of the Plant Trip in support of a requirement that the Shipper shall be entitled to an Exit Tolerance in accordance with this Section 1.12.

1.12.3 The Exit Tolerance specified in Section 1.12.1 is in substitution for the LDM Exit Tolerance in respect of such LDM Offtake specified in Part E (*Balancing and Shrinkage*) Section 1 (*Balancing*).

1.13 ~~Not used~~ **Interruption**

~~1.13.1~~

~~“CSEP Nominations Limit” shall mean the maximum aggregate Nominations which the Transporter may accept for the purpose of offtake of Natural Gas at the CSEP in respect of a Day (other than on a Day of Interruption) as notified to Shippers by the Transporter from time to time and which will reflect any applicable CSA. A CSEP Nominations Limit may, in respect of any CSEP be stated to apply in respect of all Nominations and/or Interruptible Nominations at such CSEP.~~

~~“Available Interruptible Exit Nomination Quantity” shall mean in respect of a Shipper the maximum Nominated Quantity which the Registered Shipper at the CSEP shall be entitled to specify in an Interruptible CSEP Exit Nomination submitted to the Transporter for the offtake of Natural Gas at the CSEP on a Day in respect of which the Transporter has issued an Interruption Notice and which quantity shall not be less than the quantity deemed to have been offtaken by the Shipper at the Interruption Effective Time calculated in accordance with Section 1.13.6.~~

~~“Aggregate Available Interruptible Nomination Limit” shall mean the maximum aggregate quantity of all Interruptible CSEP Exit Nominations which the Transporter may accept in respect of a Day in respect of which an Interruption Notice is issued and which shall not be less than the quantity of Natural Gas offtaken or deemed to have been offtaken at the Interruption Effective Time at the CSEP on the Day calculated in accordance with Section 1.13.5.~~

~~“Daily Interrupted Quantity” shall mean the difference between the applicable CSEP Nominations Limit and the greater of:~~

- ~~(i) the final Aggregate Available Interruptible Nomination Limit at the CSEP; or~~
- ~~(ii) the aggregate CSEP Exit Allocations in respect of a Day in respect of which the Transporter has issued an Interruption Notice.~~

~~1.13.2 The Transporter shall be entitled to require Interruption at any CSEP (at and to the extent to which Interruptible CSEP Exit Nominations may be submitted):~~

- ~~(a) on a Day on which the Transporter anticipates that there might otherwise be an adverse impact on Shippers entitlement to use of the Transportation System (other than on an Interruptible basis) or any localised part thereof;~~
- ~~(b) for operational reasons (including non-availability of required pressure in the Transportation System or any localised part thereof) or non-availability of the Transporter’s requested profile;~~
- ~~(c) on a Day in respect of which the forecast total system demand is anticipated to be eighty five (85) per cent or more of peak demand;~~

- ~~(d) — on a Day on which the Transporter anticipates there would otherwise be a Restricted Capacity Day or a Difficult Day; and/or~~
- ~~(e) — on a Restricted Capacity Day.~~

~~The sum of the aggregate Daily Interrupted Quantities at the Inch CSEP in respect of all Interruptions pursuant to this Section 1.13.2(a) to (e) during the months of May, June, July, August and September in each Gas Year will not exceed the Inch CSEP Nominations Limit multiplied by fifteen (15). The Transporter may, notwithstanding the foregoing require further Interruptions in such months in the event of a Restricted Capacity Day, in which case the Transporter shall treat the Inch CSEP in the same manner as those LDM Offtakes described at Part H Section 1.9.1(a) and apply Part H Section 2.7.1 to the Inch CSEP Nominations Limit (as if it were Active Capacity) to achieve the Aggregate Available Interruptible Nomination Limit at the Inch CSEP.~~

~~1.13.3 Where the Transporter requires Interruption at a CSEP it shall notify all affected Shippers by way of a notice (“**Interruption Notice**”). The Interruption Notice shall include:~~

- ~~(a) — the location of the affected CSEP;~~
- ~~(b) — the Day or part of the Day to which the notice relates;~~
- ~~(c) — the time from which the Interruption shall take effect (the “**Interruption Effective Time**”) (which shall be on the hour which is not less than two (2) hours after the Transporter issues the Interruption Notice);~~
- ~~(d) — the extent of the Interruption (which may be expressed as a percentage of the relevant CSEP Nominations Limit);~~
- ~~(e) — the Shipper’s Available Interruptible Exit Nomination Quantity where applicable; and~~
- ~~(f) — the Aggregate Available Interruptible Nomination Limit.~~

~~An Interruption Notice shall specify the Shipper’s Available Interruptible Exit Nomination Quantity where:~~

- ~~(i) — the Transporter has prior to issue of the Interruption Notice received Valid Interruptible CSEP Exit Nominations and/or Valid Interruptible CSEP Exit Renomination which specify Nominated Quantities which are in aggregate in excess of the Aggregate Available Interruptible Nomination Limit in respect of the Day to which the Interruption Notice relates; or~~
- ~~(ii) — where the Interruption Notice revises a previously issued Interruption Notice which specified a Shipper’s Available Interruptible Exit Nomination Quantity and the revised Interruption Notice reduces the Aggregate Available Interruptible Nomination Limit.~~

~~The Transporter may when it has issued an Interruption Notice issue a revised Interruption Notice in which case the revised Interruption Notice shall supercede the prior Interruption Notice or prior revised Interruption Notice. For the avoidance of doubt where the revised Interruption Notice increases the Aggregate Available Interruptible Nomination Limit, such that the aggregate Valid CSEP Exit Nomination(s) and Valid CSEP Exit Renominations are less than the revised Aggregate Available Interruptible Nomination Limit the revised Interruption Notice shall not specify the Shipper's Available Interruptible Exit Nomination Quantity.~~

~~1.13.4 Where the Transporter issues an Interruption Notice at a CSEP:~~

- ~~(a) all affected Shippers shall secure that the requirement in paragraphs (b) and/or (c) as the case may be is complied with;~~
 - ~~(i) the requirement that no Natural Gas shall be offtaken from the Transmission System at the CSEP with effect from the Interruption Effective Time and until such time as the Transporter shall specify in accordance with the Code; or~~
 - ~~(ii) the offtake of Natural Gas from the Transmission System at the CSEP shall be limited in accordance with the Interruption Notice; and~~
- ~~(b) the Shipper shall procure that the Shipper's Interruptible CSEP Exit Nominations shall be revised such that the relevant Shipper's prevailing Valid Nomination or Valid Renomination shall not exceed such Shipper's Available Interruptible Exit Nomination Quantity (where applicable).~~

~~1.13.5 The quantity of Natural Gas offtaken or deemed to have been offtaken from the Transmission System at a CSEP pursuant to Interruptible CSEP Exit Nominations at the Interruption Effective Time shall be zero where the Interruption Effective Time is 05:00 hours on the Day to which the Interruption Notice refers and where the Interruption Effective Time is after 05:00 hours on the Day the quantity shall be calculated as follows:~~

- ~~(a) where Natural Gas will have been physically offtaken from the Transmission System at the CSEP on the Day at the Interruption Effective Time, that quantity of Natural Gas metered as offtaken from the Transmission System as at or immediately prior to the issue of the Interruption Notice plus the quantity of Natural Gas anticipated to be offtaken from the Transportation System as and from the time at which the metered quantity is ascertained up to the Interruption Effective Time (calculated by reference to the prevailing profile of Natural Gas issued or accepted by the Transporter); or~~

~~(b) where Natural Gas is not physically offtaken or anticipated to be physically offtaken from the Transmission System up to the Interruption Effective Time the quantity shall be calculated as follows:~~

$$\frac{NQ_{agg}}{24 \times T}$$

~~Where~~

- ~~NQ_{agg} = The aggregate of the Nominated Quantities of all Valid Interruptible CSEP Exit Nominations and/or Valid Interruptible CSEP Exit Renominations in respect of the Day; and~~
- ~~T = The number of hours of the Day up to the Interruption Effective Time.~~

~~1.13.6 The quantity of Natural Gas offtaken or deemed to have been offtaken by a Shipper at the CSEP up to the Interruption Effective Time shall be zero where the Interruption Effective Time is 05:00 hours. Where the Interruption Effective Time is subsequent to 05:00 hours the quantity deemed to have been offtaken by the Shipper shall be calculated as follows:~~

$$\frac{NQ}{NQ_{agg}} \times DQ$$

~~Where~~

- ~~NQ = The Shippers prevailing Valid CSEP Exit Nomination.~~
- ~~NQ_{agg} = The aggregate of the Nominated Quantities of all Valid Interruptible CSEP Exit Nominations and/or Valid Interruptible CSEP Exit Renominations in respect of the Day; and~~
- ~~DQ = The aggregate quantity of Natural Gas deemed to have been offtaken at the CSEP at the Interruption Effective Time on the Day as calculated pursuant to Section 1.13.5.~~

~~1.13.71.13.1 The exercise by the Transporter of any right including pursuant to Part H as a result of any Emergency pursuant to this Code to secure the discontinuance or reduction of offtake or deemed offtake of Natural Gas at any CSEP at which Interruptible CSEP Exit Nominations have been submitted shall not constitute Interruption for the purposes of this Section 1.13.~~

1.14 ~~Not used~~ **Failure to Interrupt Charges**

A Shipper submitting Interruptible CSEP Exit Nominations at a CSEP (including the Storage Exit Point at Inch) shall be liable to a charge (“**Failure to Interrupt Charge**”) calculated in accordance with this Section 1.14 on a Day on which the Transporter has issued an Interruption Notice; and

- (a) ~~where the final CSEP Exit Allocation in respect of a Shipper calculated by reference to Interruptible CSEP Exit Nominations at the CSEP on the Day exceeds the Shipper’s Available Interruptible Exit Nomination Quantity plus the Shipper’s Failure to Interrupt Tolerance Quantity on that Day; or~~
- (b) ~~where the aggregate Allocations calculated by reference to Interruptible CSEP Exit Nominations at the CSEP exceed the Aggregate Available Interruptible Nomination Limit.~~

The ~~Failure to Interrupt Charge~~ will be calculated according to the following formulae:

- (1) ~~where the prevailing Interruption Notice specified a Shipper’s Available Interruptible Exit Nomination Quantity:~~

$$\text{FTI Charge} = (\text{ALL} - (\text{AISN} + \text{T})) \times \text{M}$$

Where

$$\text{FTI Charge} = \text{The Failure to Interrupt Charge;}$$

and

$$\text{ALL} = \text{The Shipper’s Allocation at the CSEP in respect of the Day;}$$

$$\text{AISN} = \text{The Shipper’s Available Interruptible Exit Nomination Quantity in respect of the Day;}$$

$$\text{T} = \text{The Shipper’s Failure to Interrupt Tolerance Quantity calculated in accordance with Section 1.15;}$$

and

$$\text{M} = \text{The relevant multiplier of the capacity component of the annual onshore Exit Tariff;}$$

or

- (2) ~~where the prevailing Interruption Notice did not specify a Shipper’s Available Interruptible Exit Nomination Quantity:~~

$$\text{FTI} = (\text{ALL} - (\text{NQ} / \text{NQ}_{\text{agg}} \times \text{AV}_{\text{agg}}) + \text{T}) \times \text{M}$$

~~Where~~

~~FTI = The Failure to Interrupt Charge;~~

~~and~~

~~ALL = The Shipper's Allocation at the CSEP in respect of the Day;~~

~~NQ = The Nominated Quantity in the Shipper's Valid CSEP Exit Nomination or Valid CSEP Exit Renomination;~~

~~NQ_{agg} = The aggregate of the Nominated Quantities in all Shippers' Valid CSEP Exit Nominations or Valid CSEP Exit Renominations in respect of the Day;~~

~~AV_{agg} = The Aggregate Available Interruptible Nomination Limit in respect of the Day;~~

~~T = The Shipper's Failure to Interrupt Tolerance Quantity calculated in accordance with Section 1.15;~~

~~and~~

~~M = The relevant multiplier of the capacity component of the applicable Tariff.~~

The multiplier and cap for FTI charges shall be as follows:

Location	Multiplier	Cap
Inch Connected System Exit Point	0.75	Not applicable

1.15 ~~Not used~~ Failure to Interrupt Tolerance Quantity

A Shipper shall have a tolerance quantity ("~~Failure to Interrupt Tolerance Quantity~~") for the purpose of calculation of Failure to Interrupt Charges which shall be calculated as follows:

- (i) ~~on a Day on which a Shipper has been notified of a Shipper's Available Interruptible Exit Nomination Quantity:~~

$$\del T = \del AISN \times \del P$$

- (ii) ~~on a Day on which a Shipper has not been notified of a Shipper's Available Interruptible Exit Nomination Quantity:~~

$$F = \left[\frac{NQ}{NQ_{agg}} \times \frac{AVagg}{1} \right] x P$$

Where:

F	=	The Shipper's Failure to Interrupt Tolerance Quantity
AI SN	=	The Shipper's Available Interruptible Exit Nomination Quantity
NQ	=	The Nominated Quantity in the Shipper's Valid CSEP Exit Nomination or Valid CSEP Exit Renomination
NQ _{agg}	=	The Aggregate of the Nominated Quantities in all Shipper's Valid CSEP Exit Nominations or Valid CSEP Exit Renominations in respect of the Day
AVagg	=	The Aggregate Available Interruptible Nomination Limit in respect of the Day
and		
P	=	1.5%

1.16 Provisions with respect to IP VEntry / IP VExit

The provision of Part H Section ~~7.63.5~~ and ~~7.74.6~~ 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. ~~The provisions of this Section 1.13 to 1.16 shall not apply with respect to IP VEntry Nominations or IP VExit Nominations or IP CSEP Offtake Nominations.~~

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 CER 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 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 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.
- 2.1.4 Allocations at an Entry Point and at a Connected System Exit Point shall be made in accordance with Sections 2.12 to 2.15.
- 2.1.5 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) ~~not used with an aggregate CSEP Exit Allocation at each Connected System Exit Point (other than an IP CSEP) at which the Shipper is a Registered Shipper; and~~
- (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 (including the provisions of Sections 2.12 to 2.15), the Transporter shall accept Entry allocations from an Entry Allocation Agent.

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, 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 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 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 is zero each Registered Shipper's Entry Allocation at such Entry Point shall be zero.

If there is an Allocable Quantity at an Entry Point for a Day on which there are no Shipper's Entry Nomination(s) 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.

- 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.
- 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.
- 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:

$$\text{NDM} = (\text{CC} + \text{RNG}) - (\text{DS} + \text{LDM} + \text{DM})$$

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~~ **Bi-Directional CSP Allocation**

~~2.12.1 Allocations at the Inch Entry Point and Inch Storage Connected System Exit Point at the Inch Bi-Directional CSP and any Bi-Directional CSP (but excluding any Interconnection Point) shall be made in accordance with Section 2.12 to Section 2.15.~~

~~Subject to the provisions of this Section 2.12 the Transporter shall accept Entry Allocations and CSEP Exit Allocations made by an agent (a “**Bi-Directional CSP Agent**”) appointed pursuant to the Bi-Directional CSP Procedures. Bi-Directional CSP Procedures shall not apply with respect to Interconnection Points.~~

~~2.12.2 In the event that:~~

~~(a) a Bi-Directional CSP Agent has been appointed the Transporter shall accept Allocations at the Bi-Directional CSP submitted by the Bi-Directional CSP Agent; and~~

~~(b) if a Bi-Directional CSP Agent has not been appointed or where a Bi-Directional CSP Agent has been appointed but where:~~

~~(i) the aggregate Initial Allocations or Final Allocations (as appropriate) for a Day in respect of all Shippers at the Entry Point and Connected System Exit Point configured within the Bi-Directional CSP are rejected by the Transporter pursuant to Section 2.13.3; or~~

~~(ii) the difference between the aggregate Entry Allocation(s) and the aggregate CSEP Exit Allocations is not equal to the Net Metered Quantity (Entry) or Net Metered Quantity (Exit) as the case may be;~~

~~the Initial Allocations and/or the Final Allocations (as appropriate) for the Entry Point and Connected System Exit Point at such Bi-Directional CSP on such a Day shall be determined by the Transporter in accordance with Section 2.14.~~

~~2.12.32.12.1 Where the Transporter, for any reason rejects Initial Allocations or Final Allocations submitted by a Bi-Directional CSP Agent in respect of a Day or where the Bi-Directional CSP Agent fails to submit Allocations to the Transporter the Transporter shall notify the Bi-Directional CSP Agent of each Shipper’s Initial Allocations and each Shipper’s Final Allocations at the Bi-Directional CSP made by the Transporter in accordance with Section 2.14 and 2.15 as soon as reasonably practical.~~

2.13 ~~Not used~~ **Allocations at Bi-Directional CSP by Bi-Directional CSP Agent**

~~2.13.1 Where a Bi-Directional CSP Agent has been appointed to make Allocations on behalf of Registered Shippers at the relevant Entry Point and Connected~~

~~System Exit Point (as the case may be) Shippers registered at that Entry Point and Connected System Exit Point shall procure that the Bi-Directional CSP Agent so appointed complies with the provisions of this Section 2.13.~~

~~2.13.2 Initial Allocations~~

- ~~(a) A Bi-Directional CSP Agent on behalf of a Registered Shipper submitting Allocations at the Entry Point and at the Connected System Exit Point configured within the Bi-Directional CSP shall specify and submit to the Transporter such information as is necessary to enable the Transporter to process the Initial Entry Allocations and the Initial CSEP Exit Allocations including:~~
- ~~(i) the Day that the Initial Entry Allocation and/or Initial CSEP Exit Allocation relates to;~~
 - ~~(ii) the Bi-Directional CSP in respect of which the Initial Entry Allocation and/or Initial CSEP Exit Allocation relates to;~~
 - ~~(iii) the quantity of Natural Gas (in kWh) allocated to each Shipper at the relevant Entry Point;~~
 - ~~(iv) the quantity of Natural Gas (in kWh) allocated to each Shipper at the Connected System Exit Point (as the case may be);~~
 - ~~(v) the identity of the Registered Shipper(s) on whose behalf the Bi-Directional CSP Agent submits an Initial Entry Allocation and an Initial CSEP Exit Allocation (as the case may be); and~~
 - ~~(vi) the identity of the Bi-Directional CSP Agent.~~
- ~~(b) The Bi-Directional CSP Agent shall notify the Transporter of the information referred to at Section 2.13.2 for Registered Shippers at the relevant Entry Point and the relevant Connected System Exit Point (as the case may be) by 16:00 hours on D + 1;~~
- ~~(c) The difference between the aggregate quantities submitted by the Bi-Directional CSP Agent for Registered Shippers at the Entry Point on a Day and for Registered Shippers at the Connected System Exit Point on the Day shall equal the Net Metered Quantity (Entry) or the Net Metered Quantity (Exit) as the case may be.~~

~~The Transporter shall notify each Shipper registered at the relevant Entry Point of such Shipper's Initial Entry Allocation and shall notify each Shipper registered at the Connected System Exit Point of such Shipper's Initial Connected System Exit Allocation (save where the Allocations submitted by the Bi-Directional CSP Agent are rejected pursuant to Section 2.13.3) within two (2) hours after receipt of such Allocations by the Transporter from the Bi-Directional CSP Agent, or by 16:00 hours on D + 1.~~

~~2.13.3 The Transporter will reject an Allocation(s) submitted by the Bi-Directional CSP Agent that fails to comply with the provisions of Section 2.13.2.~~

~~2.13.4 A Reallocation(s) may be submitted by the Bi-Directional CSP Agent to the Transporter between 16:00 on D + 1 and 16:00 on D + 4 provided that:~~

~~(a) such Reallocations contain the information required under Section 2.13.2; and~~

~~(b) the difference between the total quantities of Natural Gas to be allocated in respect of the Day at that Entry Point and the total quantity of Natural Gas to be allocated in respect of that Day at that Connected System Exit Point remains, or is equal to the Net Metered Quantity (Entry) or the Net Metered Quantity (Exit) as the case may be on such Day.~~

~~2.13.5 The Transporter may reject any Reallocations at the Bi-Directional CSP which it receives from the Bi-Directional CSP Agent after 16:00 hours on D + 4.~~

~~2.13.6 Where the Transporter has accepted Allocations or Reallocations from a Bi-Directional CSP Agent at any time prior to 16:00 on D+5 the last Entry Allocation or Entry Reallocation and the last CSEP Exit Allocation or CSEP Exit Reallocation accepted by the Transporter shall form the basis of the Final Entry Allocations and the Final CSEP Exit Allocations for such Bi-Directional CSP.~~

~~2.13.7 Any queries or dispute(s) with respect to Entry Allocations or CSEP Exit Allocations made by a Bi-Directional CSP Agent shall be a matter solely for the affected Shippers and the Bi-Directional CSP Agent, and a Shipper shall not be entitled to dispute with the Transporter any Entry Allocations or CSEP Exit Allocations made by the Bi-Directional CSP Agent.~~

~~2.13.8.13.1 The Transporter shall not be liable in respect of compliance or non-compliance by the Bi-Directional CSP Agent with the terms of appointment of such Bi-Directional CSP Agent or with the provisions of this Code or in respect of any act or omission of the Bi-Directional CSP Agent howsoever arising. For the avoidance of doubt the Transporter shall not and shall not be required to verify that Allocations submitted by the Bi-Directional CSP Agent have been properly made.~~

2.14 **Not used Allocations at a Bi-Directional CSP by the Transporter**

~~2.14.1 Where the Transporter is required to make an Initial Entry Allocation(s) and an Initial Exit Allocation(s) shall make such Allocation in accordance with the formulae set out at (a) and (b) below:~~

~~(a) On a Day in respect of which there is a Net Metered Quantity (Entry) a Shipper's Initial Entry Allocation shall be calculated in accordance with the following formulae:~~

$$SQ = Q \times (SNQ/EODQ)$$

where:

SQ = the quantity of Natural Gas (expressed in kWh) allocated to an individual Shipper at the Entry Point on the Day;

Q = the Net Metered Quantity (Entry) plus the Virtual Allocation Quantity (Exit);

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;

and

~~(b) the Shipper's Initial CSEP Exit Allocation in respect of that Day shall be equal to the Shipper's prevailing Valid CSEP Exit Nomination or prevailing Valid CSEP Exit Renomination for the Day as the case may be;~~

~~(c) On a Day where there is a Net Metered Quantity (Exit) then a Shipper's Initial Entry Allocation shall for that Day:~~

~~(i) be equal to the Shipper's prevailing Valid Entry Nomination or prevailing Valid Renomination (as the case may be); and~~

~~(ii) the Shipper's Initial CSEP Exit Allocation (as the case may be) shall be calculated in accordance with the following formula:~~

$$SQ = Q \times (SNQ/AGG_{net})$$

where

SQ = the Shipper's Initial CSEP Exit Allocation;

Q = the Net Metered Quantity (Exit) plus the Virtual Allocation Quantity (Entry) (as the case may be);

SNQ = the Shipper's Valid CSEP Exit Nomination or Valid CSEP Exit Renomination in respect of the Day;

and

AGG_{net} = the aggregate of all Shippers' Valid CSEP Exit Nominations or Valid CSEP Exit Renominations at the Connected System Exit Point (as the case may be) on the Day.

~~(d) On a Zero Flow Day at the Bi-Directional CSP a Shipper's Initial Entry Allocation and a Shipper's Initial CSEP Exit Allocation shall be calculated as follows:~~

~~(1) where no Valid Nominations (other than deemed zero Nominations (if any)) have been received by the Transporter at the Entry Point and at the CSEP configured within the Bi-Directional CSP all Allocations shall be zero;~~

~~(2) where the aggregate of the Nominated Quantities in respect of the Entry Point or Connected System Exit Points is equal to the aggregate of the Nominated Quantities at the CSEP the Shipper's Entry Allocation shall be equal to the Shipper's prevailing Valid Entry Nomination or prevailing Valid Entry Renomination and the Shipper's CSEP Exit Allocation shall be equal to the Shipper's Valid CSEP Exit Nomination or Valid CSEP Exit Renomination; and~~

~~(3) in all other circumstances at a Bi-Directional CSP which comprises an Entry Point and Connected System Exit Point the Shipper's Initial CSEP Exit Allocation and Shipper's Initial Entry Allocation shall be calculated as follows:~~

$SQ = Q \times (SNQ/AGG_{\text{net}})$

where:

SQ = a Quantity of Natural Gas (expressed in kWh) allocated to an individual Shipper at the Entry Point or the Connected System Exit Point (as the case may be) on the Day;

Q = the lesser of the EODQ or the aggregate of the Nominated Quantities in all Valid CSEP Exit Nominations or Valid CSEP Exit Renominations at the Connected System Exit Point;

SNQ = the individual Shipper's Valid Entry Nomination, Valid Entry Renomination or Valid CSEP Exit Nomination or Valid CSEP Exit Renomination; and

~~AGG_{nom} = in the case of calculation of Entry Allocations mean the EODQ and in the case of calculation of CSEP Exit Allocation the aggregate of all Shippers' Valid CSEP Exit Nominations (as the case may be).~~

~~The Transporter shall notify each Shipper of such Shipper's Initial Entry Allocation(s) and such Shipper's Initial CSEP Exit Allocation in respect of the Entry Point or the CSEP Exit Point or the South-North CSEP within the Bi-Directional-Connected System Exit Point at which the Shipper is registered by 16:00 hours on D + 1, or where the Transporter is required to make such Allocations in accordance with Section 2.12.3(b) by the later of 16:00 hours on D + 1 or two hours after receipt of the Initial Allocations from the Bi-Directional CSP Agent.~~

~~2.14.2 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 CSP Allocation Adjustment Request or adjustment by the Transporter of the Net Metered Quantity (Entry) or Net Metered Quantity (Exit) (as the case may be) adjust the Initial Entry Allocation and/or the Initial CSEP Exit Allocation for a Shipper by making an Entry Reallocation or a CSEP Exit Reallocation.~~

~~2.14.3 Where the Transporter has made Initial Entry Allocations and/or Connected System Exit Allocations in respect of a Bi-Directional CSP, Shippers at the Entry Point and Shippers at the CSEP 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 at such Entry Point or Connected System Exit Point (as the case may be) to the Initial Entry Allocations or the Initial CSEP Exit Allocations made by the Transporter. Such agreed Entry Allocations or CSEP Exit Allocations shall be notified in writing to the Transporter by all affected Shippers by 16:00 on D + 4 and shall be accepted by the Transporter subject to the Transporter being satisfied that:~~

- ~~(a) the difference between the aggregate quantity of Natural Gas allocated on such Day in respect of the Entry Point and the Connected System Exit Point is equal to the Net Metered Quantity (Entry) or Net Metered Quantity (Exit) as the case may be;~~
- ~~(b) the difference between the aggregate quantity of Natural Gas allocated on such a Day at the South-North CSEP and at the VEntryP is equal to the Net Metered Quantity (Exit); and~~
- ~~(c) on a Zero-Flow Day there is no change in the aggregate Allocations at the Entry Point and the aggregate Allocations at the Connected System Exit Point.~~

~~2.14.4~~ Where the Transporter has made the Initial Entry Allocation and/or an Initial CSEP Exit Allocation, a Shipper may submit a request to the Transporter between 16:00 on D + 1 and 16:00 hours on D + 4 to adjust the Initial Entry Allocation and the Initial CSEP Exit Allocation, (as the case may be) (an “**Initial CSP Allocation Adjustment Request**”). The Initial CSP 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 or the Connected System Exit Point, subject to the Initial CSP Allocation Adjustment Request;
- ~~(c)~~ the Day that the Initial CSP Allocation Adjustment Request relates to; and
- ~~(d)~~ the quantity of the requested readjustment and the reason for the adjustment.

~~2.14.5~~ The Transporter shall reject the Initial CSP Allocation Adjustment Request if it is not submitted in accordance with Section 2.14.4.

~~2.14.6~~ Where the Transporter accepts that an adjustment to the Initial Entry Allocation or Initial CSEP Exit Allocation is required, it shall make an Entry Reallocation or a CSEP Exit Reallocation (as the case may be) by adjusting the relevant Initial Allocation in accordance with the adjustment requested in the Initial CSP Allocation Adjustment Request or as otherwise determined by the Transporter. The Entry Reallocation or CSEP Exit Reallocation (as the case may be) shall supersede the previous Entry Allocation or CSEP Exit Allocation, (as the case may be).

~~2.14.7~~ Where the Transporter does not accept the adjustment specified in the Initial CSP Allocation Adjustment Request the Transporter shall not adjust the Allocation on that basis and shall provide to the Shipper submitting the Initial CSP Allocation Adjustment Request the reasons for the non-acceptance thereof.

~~2.14.8~~ The Transporter shall reject any Initial CSP Allocation Adjustment Request received by the Transporter after 16:00 hours on D + 4.

~~2.14.9~~ The Transporter may make an Entry Reallocation or a CSEP Exit Reallocation to a Shipper where an adjustment is necessary (including as a result of a revision to the Net Metered Quantity (Entry) or the Net Metered Quantity (Exit) in respect of a Day) in respect of any previous Entry Allocation or CSEP Exit Allocation.

2.14.102.14.1 The Transporter shall make available to Shippers an Entry Reallocation or a CSEP Exit Reallocation made pursuant to Sections 2.14.6 or 2.14.9 prior to 16:00 hours on D + 4.

2.15 ~~Final Allocations~~

~~The Transporter shall make available to Shippers the Final Entry Allocations and the Final CSEP Exit Allocation at a Bi Directional CSP at 16:00 on D + 5. A Shipper's Final Allocation will be the Shipper's prevailing Initial Allocation or applicable Reallocation save where otherwise determined in accordance with this Code.~~

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:
- if IP OBA Provisions do not apply at an IP in which case each Day shall be a Non-OBA Day; or
 - 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:-

$$AQ = \left(\frac{(Q + NI_{VRF} + ROI_{VRF})}{1} \right) \times \left(\frac{(ROI_{FF})}{ROI_{FF} + NI_{FF}} \right)$$

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 Nominated Quantity (in kWh);
- (iv) the applicable ID of the Shipper making the Entry Nomination; and
- (v) 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, ~~CSEP Exit Nominations~~, Sub-Sea I/C Offtake Nominations,**

- (i) the Day in respect of which the Exit Nomination, ~~the CSEP 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, ~~the CSEP 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 where the Nomination is a CSEP Exit Nomination:~~
 - ~~(1) the CSEP to which the Nomination relates;~~
 - ~~(2) the Nominated Quantity (in kWh); and~~
 - ~~(3) whether the CSEP Exit Nomination is Interruptible (unless all CSEP Exit Nominations at the specified CSEP are Interruptible pursuant to this Code);~~
- (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) the time at which the Shipper expects the Renomination to become effective, subject to the relevant notice periods;
- (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 5.03

**Comprises version 5.02 published as of 16 April 2018
Incorporating the following Modifications**

- 1. Modification A092; Trading Platform;**
- 2. Modifications A091 and A093; Introduction of RNG Entry Points.**
- 3. Modification A094; Modification of Shipper Portfolio Tolerances;**
- 4. Modification A095; Calculation of Daily Imbalance Charges;**
- 5. Modification A096 and A096A Data Sharing – GDPR;**
- 6. Modification A097 Final Exit Allocation Amendment Date;**
- 7. Modification A098 Reduction of Capacity Overrun Multipliers;**
- 7.8. Modification [] Inch**

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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 1.3.6 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, Shrinkage Gas, Shrinkage Costs associated with the Transportation System which are not included in the Tariff 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, Scheduling 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, Scheduling 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, Shrinkage Costs not included in the Tariff and Scheduling 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, Shrinkage Gas, Shrinkage Costs (other than the cost of Distribution System Shrinkage Gas where not included in the Tariff), 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 ~~and Final CSEP Exit 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 CSEP 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, ~~Final CSEP Exit 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, ~~Final CSEP Exit 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 "**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:

$$\mathbf{IMB_{Initial} = Initial\ Inputs - Initial\ Outputs}$$

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 CSEP Exit 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. The Transporter shall disregard the Shipper's IP Entry Allocation and/or Entry Allocation in respect of Shrinkage Gas for the purpose of calculating the Shipper's Initial Daily Imbalance Quantity.

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:

$$IMB_{Final} = Final\ Inputs - Final\ Outputs$$

where:

$$Final\ Inputs = All_{InFinal} + IBP_{Buy} + ADT_{Buy};$$

$$Final\ Outputs = All_{OutFinal} + IBP_{Sell} + ADT_{Sell},$$

where:

All _{Inf} Final	=	the sum of a Shipper's Final IP Entry Allocations and Final Entry Allocations and the Shipper's IP VEntry Allocations [<i>plus the Shipper's VIP Withdrawal Allocations</i>] [<i>and minus the Shipper's VIP Injection Allocations</i>] in respect of Day D;
IBP _{Buy}	=	the sum of a Shipper's IBP Buy Allocations in respect of Day D;
All _{Out} Final	=	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 CSEP Exit 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. The Transporter shall disregard the Shipper's Final Entry Allocation in respect of Shrinkage Gas for the purpose of calculating the Shipper's Final Daily Imbalance Quantity.

- 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 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) "**First Tier Imbalance Quantity**" means that portion of a Shipper's Final Daily Imbalance Quantity in respect of a Day that is less than or equal to the Shipper Portfolio Tolerance for the Shipper on that Day;
- (b) "**Second Tier Imbalance Quantity**" means that portion of a Shipper's Final Daily Imbalance Quantity in respect of a Day that is greater than the Shipper Portfolio Tolerance for the Shipper on that Day;
- (c) "**First Tier Imbalance Price**" means a price calculated as follows for each Day:
 - (i) where the Final Daily Imbalance Quantity is positive:
 - (A) SAP (IBP) where there have been Natural Gas trades reported on the Trading Platform for that Day; and
 - (B) SAP (NBP) on a Day where there have not been any Natural Gas trades reported on the Trading Platform for that Day;
 - (ii) where the First Tier Imbalance Quantity is negative:
 - (A) SAP (IBP) where there have been Natural Gas trades reported on the Trading Platform for that Day; and
 - (B) SAP (NBP) where there have not been any Natural Gas trades reported on the Trading Platform for the Day.

- (d) **“Second Tier Imbalance Price”** means a price calculated as follows for each Day:
- (i) where the Final Daily Imbalance Quantity is positive:

For a Day	Second Imbalance (STIP)	Tier 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 Price	Sell

- (ii) where the Final Daily Imbalance Quantity is negative:

For a Day:	Second Imbalance (STIP)	Tier 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	SAP (NBP) x 1.035 plus Imbalance Gas Transportation Costs.	

such Balancing Actions have been taken under the Balancing Service Contract.	
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 $SAP (IBP) \times 1.035$;
 - (iv) **“SMP_{sell} (IBP)”** means $SAP (IBP) \times 0.965$;
 - (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 Where a Shipper has:

- (a) a First Tier Imbalance Quantity, the First Tier Imbalance Price shall be payable by or credited to that Shipper in respect of such First Tier Imbalance Quantity;
- (b) a Second Tier Imbalance Quantity:
 - (i) the First Tier Imbalance Price shall be payable by or credited to the Shipper in respect of the portion of the Final Daily Imbalance Quantity that is equal to the Shipper Portfolio Tolerance; and
 - (ii) the Second Tier Imbalance Price shall be payable by or credited to the Shipper in respect of the portion of the Final Daily Imbalance Quantity that is the Second Tier Imbalance Quantity.

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:

$$\mathbf{DIC} = (\mathbf{FTQ} * \mathbf{FTIP}) + (\mathbf{STQ} * \mathbf{STIP})$$

where:

- DIC = the Shipper's Daily Imbalance Charge for the Day;
- FTQ = the Shipper's First Tier Imbalance Quantity for the Day;
- FTIP = the First Tier Imbalance Price for the Day determined in accordance with Section 1.6.1(c)(i) where the Shipper's Final Daily Imbalance Quantity for the Day is positive; and in accordance with Section 1.6.1(c)(ii) where the Shipper's Final Daily Imbalance Quantity is negative.
- STQ = the Shipper's Second Tier Imbalance Quantity for the Day; and
- STIP = the Second Tier 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 Shipper Portfolio Tolerance

- 1.7.1 The Shipper Portfolio Tolerance shall be a single absolute tolerance quantity of Natural Gas calculated in accordance with this Section 1.7.
- 1.7.2 In order to calculate the Shipper Portfolio Tolerance for each Shipper at each RNG Entry Point at which it is a Registered Shipper, a percentage tolerance ("**Entry Tolerance**") shall be applied in respect of a Shipper's Final Entry Allocation at each respective RNG Entry Point for a Day as follows:

Entry Point	Entry Tolerance %
RNG Entry	25

A Shipper shall not have any tolerance with respect to an Entry Point, an IP Ventry or an IP Entry save as expressly set out in this Section 1.7.

- 1.7.3 In order to calculate the Shipper Portfolio Tolerance for each Shipper, a percentage tolerance as specified in the table below ("**Exit Tolerance**") shall be applied to each such Shipper's Final Exit Allocations for a Day as follows:
- (a) to the Final DM Exit Allocation in respect of the DM Offtakes at which the Shipper is the Registered Shipper; and/or
 - (b) an "**NDM Forecast Tolerance**" in accordance with Section 1.7.5 to the Final NDM Exit Allocation in respect of the NDM Supply Points at which the Shipper is the Registered Shipper;]

A Shipper shall not have any Exit Tolerance with respect to:

- (i) LDM Offtake(s); or
- (ii) a IP VExit; or
- (iii) Sub-Sea I/C Offtake; or
- (iv) the IP CSEP;

save as expressly provided in this Section 1.7.3 and 1.8.

Sector/Size(Annual Quantity)	Exit Tolerance %
LDM connected to gas fired power station (LDM GFPS) >1,500,000,000 kWh (LDM 1)	LDM GFPS Tolerance
DM	10 of DM Exit Allocations
NDM	NDM Forecast Tolerance

- 1.7.4 The Transporter shall calculate the Shipper Portfolio Tolerance in respect of each Day for each Registered Shipper in accordance with the following formula:

$$SPT = \sum (10 \% \text{ of } DM_{All}) + (NDM_{(FT)}) + 25\% \text{ of } RNG_{All} + LDM \text{ GFPS}_{Tol}$$

where:

SPT = the Shipper Portfolio Tolerance applicable to a Shipper for the Day;

LDM GFPS_{Tol} = the LDM GFPS Tolerance calculated in accordance with Section 1.8.

DM_{All} = the Final DM Exit Allocation for a Shipper in respect of DM Offtakes in respect of the Day;

NDM_(FT) = the NDM Forecast Tolerance as calculated in accordance with Section 1.7.5

RNG_{All} = the Final Entry Allocation at each RNG Entry Point for a Shipper.

For the avoidance of doubt, LDM Allocations, Entry Allocations, Sub-Sea I/C Offtake Allocations, IP CSEP Allocations IBP Allocations and Allocations in respect of Shrinkage Gas under a Shrinkage Gas Contract and/or Balancing Gas under a Balancing Gas Contract shall not be included in the calculation of the Shipper Portfolio Tolerance.

- 1.7.5 A tolerance quantity ("**NDM Forecast Tolerance**") shall apply in the event that a Shipper's Final NDM Exit Allocation varies from the final NDM Nomination Advice provided by the Transporter to such Shipper in respect of the Day and:
- (a) the Shipper has a Valid Nomination(s) in accordance with the initial and all subsequent NDM Nomination Advices issued by the Transporter in respect of that Day; and
 - (b) either:
 - (i) the Shipper's Final Daily Imbalance Quantity for the Day is positive and the Final NDM Exit Allocation for the Day is less than the last prevailing final NDM Nomination Advice on the Day; or
 - (ii) the Shipper's Final Daily Imbalance Quantity for the Day is negative and the Final NDM Exit Allocation for the Day is greater than the last prevailing final NDM Nomination Advice on the Day.
- 1.7.6 The amount of the NDM Forecast Tolerance for a Shipper for a Day shall be a quantity which shall be equal to the difference between the prevailing NDM Nomination Advice for the Day and the Shipper's Final NDM Exit Allocation for the Day.

1.8 Calculation of IP Entry Tolerance and GFPS Tolerance

1.8.1 IP Entry Tolerance on a Non-OBA Day

A Shipper at an IP Entry Point shall be entitled to a tolerance quantity a ("**IP Non-OBA Tolerance Quantity**") for a Non OBA Day at the IP Entry Point which shall be equal to the difference between the sum of the Shipper's IP Nomination Confirmed Quantities at the IP Entry Point for the Day and the Shipper's Final IP Entry Allocation(s) at that IP Entry Point for that same Day; and

- (i) where the aggregate of all Shipper's Final IP Entry Allocations at the affected IP Entry Point exceeds the Aggregate IP Entry Confirmed Quantity for the Non-OBA Day, the IP Non-OBA Tolerance Quantity shall be added to the Shipper Portfolio Tolerance of each Shipper that has a Final Daily Imbalance Quantity that is positive;
- (ii) where the aggregate of all Shipper's Final IP Entry Allocation(s) is less than the Aggregate IP Entry Confirmed Quantity for that OBA Day the IP Non-

OBA Tolerance Quantity shall be added to the Shipper Portfolio Tolerance of each Shipper that has a Final Daily Imbalance Quantity that is negative.

1.8.2 **Calculation of LDM GFPS Tolerance**

A Shipper which is a registered Shipper at a LDM Offtake at which the End User Facilities comprise a gas fired power station may apply to the Transporter for an additional tolerance quantity (the “**LDM GFPS Tolerance**”) in respect of the LDM Offtake for a Day when:

- (a) a dispatch notice requiring a reduction or increase in generation at the End User Facilities for that Day (“**Dispatch Notice**”) is issued by the operator of the electricity grid in Ireland in respect of the End Users Facilities at the LDM Offtake after 02:00 on the Day;
- (b) in the period prior to the issue of the Dispatch Notice the sum of the Shippers Entry Nominations, IP Nomination Confirmed Quantities and Valid IBP Buy Nominations is substantially equal to the sum of the Shippers Valid Exit Nominations, Valid IP VExit Nominations, Valid IBP Sell Nominations and Valid IP CSEP Nominations for that Day; and
- (c) either:
 - (i) the Dispatch Notice instructed a reduction in generation at the applicable End User Facilities in respect of the Day; the Shipper’s Final Daily Imbalance Quantity for the Day is positive and the Shippers prevailing Exit Nomination at the end of the Day exceeds the Shippers Final Exit Allocation at the applicable LDM Offtake; and
 - (ii) the Dispatch Notice instructed an increase in generation at the End Users Facilities for the Day; the Shipper’s Final Daily Imbalance Quantity for the Day is negative and the Shippers prevailing Exit Nomination at the end of the Day is less than the Shippers Final Exit Allocation at the applicable LDM Offtake.

The amount of the LDM GFPS Tolerance (if any) for the Shipper for the Day shall be such quantity as shall be determined by the Transporter up to such quantity as shall equal to the difference between the prevailing LDM Exit Nomination and the Shipper’s

Final LDM Exit Allocation at the applicable LDM Offtake for the Day.

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 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 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 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 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 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 for the Day (as the case may be):

$$\text{ESCQ}_{\text{Entry}} = (\text{ALL}_{\text{Entry}} - (\text{NOM}_{\text{Entry}} + \text{TOL}_{\text{Entry}})); \text{ OR}$$

(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 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:

$$\text{ESCQ}_{\text{Entry}} = (\text{NOM}_{\text{Entry}} - (\text{ALL}_{\text{Entry}} + \text{TOL}_{\text{Entry}}))$$

where:

$\text{ESCQ}_{\text{Entry}}$ = the Shipper's Entry Scheduling Charge Quantity for the Day at the IP Entry Point, the Entry Point or IP VEntry;

$\text{ALL}_{\text{Entry}}$ = 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);

$\text{NOM}_{\text{Entry}}$ = 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

$\text{TOL}_{\text{Entry}}$ = 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:

$$\text{ESC}_{\text{Entry}} = \text{ESCQ}_{\text{Entry}} * (5\% * \text{SAP})$$

where:

$\text{ESC}_{\text{Entry}}$ = the Entry Scheduling Charge;

$\text{ESCQ}_{\text{Entry}}$ = 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, ~~CSEP Exit 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 or the ~~Valid CSEP Exit Nomination or Valid CSEP Exit Renomination~~ or 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
CSEP Exit	3
IP CSEP	3
Sub-Sea I/C Offtake	10

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- (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 CSEP 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; ~~Valid CSEP Exit Nomination, Valid CSEP Exit Renomination~~ or Valid IP CSEP 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 a Connected System Exit Point;~~ or (de) in respect of the IPCSEP or (ef) in respect of the Sub-Sea I/C Offtake or (fg) in respect of a IP VExit:

$$ESCQ_{EXIT} = (ALL_{Exit} - NOM_{Exit}) - (Y\% * NOM_{Exit}); \text{ or}$$

- (B) where on a Day a Shipper's Final Exit Allocation; ~~Final CSEP Exit Allocation~~ or Final IP_CSEP 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, ~~Valid CSEP Exit Nomination, Valid CSEP 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 a Connected System Exit Point;~~ or (de) in respect of the IP CSEP; or (ef) in respect of the Sub-Sea I/C Offtake, or (fg) in respect of IP VExit:

$$ESCQ_{Exit} = (NOM_{Exit} - ALL_{Exit}) - (Y \% * NOM_{Exit})$$

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, ~~Connected System Exit Point,~~ 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 a Connected System Exit Point~~ 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 ~~Valid CSEP Exit Nomination, Valid CSEP 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 Connected System Exit Point,~~ 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:

$$ESC_{Exit} = ESCQ_{Exit} * (5\% * SAP)$$

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 First Tier Imbalance Price and the Second Tier 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 "**Distribution System Shrinkage Gas**" means that Shrinkage Gas attributed to the Distribution System in accordance with this Section 2;
- 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 Contracts

- 2.2.1 The Transporter shall enter into one or more contracts for the provision of Shrinkage Gas (each a "**Shrinkage Gas Contract**") in accordance

with the provisions of this Section 2 to provide for the delivery to the Transportation System of Natural Gas in respect of Shrinkage Gas. The Transporter shall retain and make available Entry Capacity at an Entry Point (which Entry Point shall be specified in the Shrinkage Gas Contract) to facilitate Nominations, Renominations and deliveries of Shrinkage Gas to the Transportation System pursuant to the Shrinkage Gas Contract. 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.

2.2.2 The Transporter shall use reasonable endeavours to avoid unnecessary costs associated with obtaining Shrinkage Gas and shall award the Shrinkage Gas Contract(s) following a competitive tender.

2.2.3 A Shrinkage Gas Contract may either:

- (a) form a discrete, clearly identifiable part of a Balancing Gas Contract; or
- (b) be a stand alone contract distinct from a Balancing Gas Contract.

For the avoidance of doubt nothing in this Section 2.2.3 shall be construed as preventing a party from participating in a tender process (in accordance with its terms) solely in respect of a Shrinkage Gas Contract or a Balancing Gas Contract.

2.2.4 Following award of a Shrinkage Gas Contract, the Transporter shall use reasonable endeavours to provide Shippers with the unit cost of Shrinkage Gas or the basis of calculation of the unit cost of such Shrinkage Gas to be purchased for the following Gas Year.

2.2.5 Before the start of each Gas Year, the Transporter shall provide Shippers with the Transporters good faith best estimate of the quantity and cost of Shrinkage Gas to be purchased for the following Gas Year.

2.3 Shrinkage Costs

2.3.1 Subject to the Transporter having acted as a Reasonable and Prudent Operator in respect of the acquisition of Shrinkage Gas, and taking into account Shippers within day flexibility requirements, the Transporter shall be Cash Neutral in respect of the provision of Shrinkage Gas and accordingly, all costs associated with purchasing Shrinkage Gas (other than Shrinkage Gas allocated to PTL pursuant to Section 2.4.5) together with the transportation (including Capacity Charges), administration and procurement costs of securing the same, any audit

costs which may be incurred under Section 2.5.3 and any other costs arising in connection with any of the matters listed above (collectively "**Shrinkage Costs**") shall be recoverable by the Transporter in accordance with Section 2.3.2 and Section 1.4. (as applicable).

- 2.3.2 Shrinkage Costs shall be recoverable by the Transporter as follows:
- (a) each Shipper shall be liable to pay to the Transporter on a Monthly basis the cost in respect of any Shrinkage Gas apportioned to such Shipper pursuant to Section 2.4.3 together with the cost of transportation (including Capacity Charges) payable in respect of such quantity of Shrinkage Gas pursuant to Section 2.5.2);
 - (b) all other Shrinkage Costs (excluding the costs actually recovered by the Transporter pursuant to Section 2.5.2) *and excluding the costs actually recovered by the Transporter by way of I/C Inventory Space Charges attributable to Shrinkage Gas*) shall be recoverable from Shippers pro-rata to their relevant Final IP Entry, Final Entry Allocations and Final Exit Allocations (including Final IP CSEP Offtake Allocation), Final IP VEntry Allocation and Final IP VExit Allocation for the Gas Year in accordance with Section 1.4; and/or
 - (c) Shrinkage Costs in respect of Distribution System Shrinkage Gas shall, for so long as they are included in the Distribution Tariff, be recoverable through the Distribution Tariff. If such Shrinkage Costs are not included in the Distribution Tariff they shall be recoverable from Shippers pro rata to their relevant Supply Point Allocations for that Gas Year.
- 2.3.3 At the end of a Gas Year the Transporter shall, in respect of Shrinkage Costs which are not recoverable in any applicable Tariff, reconcile the estimated Shrinkage Gas and the estimated Shrinkage Costs with the actual Shrinkage Gas and actual Shrinkage Costs (as appropriate) for the Gas Year. The Transporter shall, based on such reconciliation, impose additional or lesser charges upon Shippers for such Gas Year in proportion to their respective Final Entry Allocations, Final Exit Allocations, Final IP CSEP Offtake Allocations at the IP CSEP, Final IP VEntry Allocations and/or Final IP VExit Allocations and, where relevant, Final Supply Point Allocations for that Gas Year (as applicable) and such amounts shall be treated as an Annual Disbursements Account Payment.

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 request delivery to the Transportation System of a quantity of Natural Gas equal to the Estimated Transportation System Shrinkage Gas in accordance with the provisions of the applicable Shrinkage Gas Contract.

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, where the Shrinkage Gas Contract so provides 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 a Nomination of Shrinkage Gas referred to in Section 2.4.3(a)

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 Where there is a difference between the Estimated Distribution System Shrinkage Gas and the Initial Distribution System Shrinkage Gas

Attribution resulting in there being a difference between the Estimated Transmission System Shrinkage Gas and the Initial Transmission System Shrinkage Gas Attribution then the difference will be deemed to have been provided through increasing or decreasing System Stock. The Transporter shall correct this difference by recalculating the Estimated Transmission System Shrinkage Gas on D+2. Any residual differences that emerge after D+2 shall be corrected in accordance with Section 2.3.3.

2.4.5 Transmission System Shrinkage Gas Apportionment

For the purpose of apportioning 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 Brighthouse 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 Brighthouse 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, between PTL and Shippers utilising the Onshore Scotland Transmission System for:
 - (i) onward transmission of Natural Gas to Northern Ireland ; and
 - (ii) for onward transmission utilising the Sub-Sea and Ireland Transmission System; and
- (c) save in respect of the proportion of Transmission System Shrinkage Gas attributed to PTL *or to the operation of the VIP*, the quantity of Transmission System Shrinkage Gas utilised for the Sub-Sea and Ireland Transmission System, together with that quantity of Transmission System Shrinkage Gas utilised in

respect of the Onshore Scotland Transmission System allocable to Shippers also utilising the Sub-Sea and Ireland Transmission System, shall be apportioned pro rata, on a Monthly throughput basis, among the Shippers on the Sub-Sea and Ireland Transmission System; and

- (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.

Quantities of Natural Gas allocated to the Shipper(s) at the Sub-Sea I/C Offtake shall be disregarded in calculating such Shipper's monthly throughput (provided that such Shipper's throughput at the Moffat Entry Point is at least equal to the monthly throughput at the Sub-Sea I/C Offtake for that month).

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 The Transporter shall include in the Monthly Invoice issued to a Shipper in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*) the cost of the quantity of Transmission System Shrinkage Gas apportioned to such Shipper in accordance with Section 2.4.5(c) along with the cost of transportation (including Capacity Charges) payable in respect of such quantity of Transmission System Shrinkage Gas.
- 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 Transmission System Shrinkage Gas and Distribution System Shrinkage Gas;
 - (b) where relevant, the apportionment of Transmission System Shrinkage Costs and Distribution System Shrinkage Costs among the Shippers in accordance with this Code; and
 - (c) the cost to the Transporter of securing (but not the price of) the Shrinkage Gas Contracts, recognising that such contracts will be awarded in accordance with Section 2.2.2.
- 2.5.4 A summary of the audit report shall be made available to Shippers.

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 5.03

**Comprises version 5.02 published as of 16 April 2018
Incorporating the following Modifications**

- 1. Modification A092; Trading Platform;**
- 2. Modifications A091 and A093; Introduction of RNG Entry Points.**
- 3. Modification A094; Modification of Shipper Portfolio Tolerances;**
- 4. Modification A095; Calculation of Daily Imbalance Charges;**
- 5. Modification A096 and A096A Data Sharing – GDPR;**
- 6. Modification A097 Final Exit Allocation Amendment Date;**
- 7. Modification A098 Reduction of Capacity Overrun Multipliers;**
7.8. Modification [] (Inch)

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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, an IP CSEP, a Commissioning Connected System Point and IP VEntry, an IP VExit, ~~the Inch Storage Exit Point~~, 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.

1.3 **Shipper Registration at an IP Entry Point and/or an 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 by applying for Entry Capacity at that Entry Point or at a Proposed Entry 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 on the first day of the Entry Capacity Booking Period of such Shipper's Entry Capacity Booking.

1.3.4 A Proposed Entry Point shall become an Entry Point 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 operational and accept deliveries of Shipper's Natural Gas at the Proposed Entry Point. The Transporter shall notify each Shipper which has submitted an application for Entry Capacity at a Proposed Entry Point of the date upon which the Proposed Entry Point becomes an Entry Point.

- 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.
- 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.
- 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 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 Entry Capacity Notice for any of the following reasons:
- (a) the application has not been submitted in accordance with Section 1.4.7; or
 - (b) the Shipper is in breach of this Code or any Ancillary Agreement.
- 1.4.9 If the Short Term LDM Exit 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 Exit 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 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 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) such Shipper has entered into the Shipper Prepayment Metering Agreements and such Shipper Prepayment Metering Agreements remain valid and subsisting; 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.
- 1.6.8 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.
- 1.6.9 In the event that any third party service provider shall have ceased (other than on a temporary basis) to provide services (in whole or in part) to Shippers as required pursuant to the Transporter Prepayment Metering Agreements and particularly with respect to the provision of services to Shippers pursuant to the Shippers Prepayment Metering Agreements or any of them, the Transporter shall use reasonable endeavours to secure that services associated with or ancillary to Prepayment Meters which have so ceased so to be provided shall be available (on a limited basis) pending the appointment of new and alternative third party service provider(s). 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) 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~~**Inch Storage Register**

~~1.9.1~~—The Transporter shall maintain a register of Shippers (the “**Inch Storage Register**”) who are Registered Shippers at the Inch Storage Exit Point. A Shipper shall be required to be a Registered Shipper on the Inch Storage Register in order to have the right to make CSEP Exit Nominations and offtake Natural Gas from the Transmission System at the Inch Storage Exit Point.

~~1.9.2~~—The Inch Storage Register shall include the following information:

- ~~(a)~~—the identity of each Shipper registered at the Inch Storage Exit Point;
- ~~(b)~~—the Storage Registration Period in respect of each Shipper; and
- ~~(c)~~—the Day (“**Registration Effective Date**”) with effect from which the Shipper is a Registered Shipper at the Inch Storage Exit Point.

1.10 ~~Not Used~~**Application for inclusion in Inch Storage Register**

~~1.10.1~~—A Shipper shall apply to become a Registered Shipper at the Inch Storage Exit Point by submitting a request (“**Inch Shipper Registration Request**”) which shall specify the information required by the Transporter to process the request including:

- ~~(a)~~—the requested Registration Effective Date which shall be the first day of a calendar month;
- ~~(b)~~—the period in respect of which the Shipper wishes to be included as a Registered Shipper in the Inch Storage Register which shall be a calendar month or in whole multiples of calendar months (“**Storage Registration Period**”); and
- ~~(c)~~—the identity of the Shipper requesting registration.

~~1.10.2~~—The Transporter shall reject an Inch Shipper Registration Request for any of the following reasons:

- ~~(a)~~—the Inch Shipper Registration Request is not submitted in accordance with Section 1.10.1;
- ~~(b)~~—to the extent that the 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 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 Inch Shipper Registration Request provided the required financial security so as to comply with the Financial Security Policy; or~~

~~(e) the Shipper is not the holder of such documentation as may be necessary at the Inch Storage Exit Point (including such documentation as is specified in any Bi-Directional CSP Procedures).~~

~~1.10.3 The Transporter may reject an Inch Shipper Registration Request for any of the following reasons:~~

~~(a) the requested Registration Effective Date is less than ten (10) Business Days after the date of receipt by the Transporter of the Inch Storage Registration Request; or~~

~~(b) the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.~~

~~1.10.4 If the Inch Storage Registration Request is rejected in accordance with either Section 1.10.2 or 1.10.3 above then the Transporter shall provide the reason therefor to the Shipper as soon as reasonably practicable and in any event within three (3) Business Days of such rejection.~~

~~1.10.5 Where the Transporter accepts an Inch Storage Registration Request the Shipper shall be registered on the Inch Storage Register from the Registration Effective Date for the Storage Registration Period as set out in the Inch Shipper Registration Request or as otherwise specified by the Transporter.~~

~~1.10.6 The Registered Shipper shall in respect of the Inch Storage Exit Point cease to be a Registered Shipper on the Inch Storage Register either:~~

~~(a) at the end of the Storage Registration Period (as recorded on the Inch Storage Register); or~~

~~(b) otherwise in accordance with the provisions of this Code and/or any Ancillary Agreement.~~

1.11 Not Used~~Inch Storage Exit Charges~~

~~1.11.1 Charges in respect of the offtake of Natural Gas at the Inch Storage Exit Point will comprise the applicable Tariff.~~

~~1.11.2 The Registered Shipper shall be liable to pay to the Transporter the applicable Tariff in respect of all Natural Gas allocated as offtaken by such Shipper at the Inch Storage Exit Point.~~

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 Userfor 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 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 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".

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 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 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.

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. **SITWORKS**
- 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 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 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.

“**Interim Period**” shall mean a period of twenty Business Days commencing on the Last Resort Supply Direction Effective Date.

“**Last Resort Supply Direction**” shall have the meaning in the Code.

“**Last Resort Supply Direction Effective Date**” shall mean the Day specified by the Commission in a Last Resort Supply Direction as the Day 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.

“**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 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 on the SoLR Term End Day in accordance with Section 5.1.

“**SoLR Term End Day**” shall have the meaning in this Part F Appendix 1 Section 5.1;

“**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 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 Last Resort Supply Direction Effective Date be deemed to have applied to be and shall 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.

3.2 **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:
 - (i) an amount of Exit Capacity equal to the Minimum Booking Quantity; and
 - (ii) that amount of Supply Point Capacity (where applicable) which is the equivalent of the Supply Point Capacity which had been booked by the SoLR Affected Shipper at such LDM Offtake on the Day prior to Last Resort Supply Direction Effective Date; and

in each case for the SoLR Term;

- (b) at or in respect of each DM Offtake which is a SoLR Affected Offtake:
 - (i) an amount of Exit Capacity equal to the Minimum Booking Quantity; and
 - (ii) the Transporter Determined DM Supply Point Capacity in respect of each DM Supply Point which is a SoLR Affected Offtake;

- (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 Last Resort Supply Direction Effective Date.

3.3 **Exit Capacity Booking at SoLR Affected Offtakes.**

3.3.1 The SoLR shall as soon as reasonably practical and in any event prior to the expiry of the Interim Period (such that the revised Exit Capacity Bookings may be effected as of the first Day following the expiry of the Interim Period) book in respect of each SoLR Affected Offtake that amount of Exit Capacity which the SoLR reasonably determines may be required by the SoLR to fulfil its obligation in respect of each SoLR Affected Offtake. The SoLR may have due regard to the availability of Secondary Capacity in making such determination.

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 Offtake in respect of which the SoLR wishes to reserve Exit Capacity in addition to the Minimum Booking Quantity which the SoLR shall have been deemed to have booked in respect of each such Offtake or such other quantity as shall previously have been reserved by the SoLR in respect of such SoLR Affected Offtake(s);

3.3.4 The SoLR shall apply to book the Exit Capacity in respect of SoLR Affected 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 Affected Offtake;
- (b) the amount of Exit Capacity already reserved by the SoLR at the applicable SoLR Affected Offtake pursuant to Section 3.2 or otherwise;
- (c) the increase in the amount of Exit Capacity required (in kWh/Day);
- (d) the proposed amount of Exit Capacity as increased, to be retained (in kWh/Day) at or in respect of the SoLR Affected Offtake;
- (e) the required Day from which the requested increased 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.
- 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 of the Transporter of a SoLR Exit Capacity Request the primary LDM Exit Capacity, and/or DM Exit Capacity deemed to be reserved by SoLR at the relevant SoLR Affected LDM Offtake or in respect of the relevant SoLR Affected DM 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 For the avoidance of doubt the provisions of Part C (*Capacity*) shall apply with respect to Exit Capacity Requests 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. **INTERIM PERIOD**

- 4.1 The following provisions shall apply in respect of the Interim Period:
- 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*):
- (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) Exit Nominations in aggregate in respect of all SoLR Affected NDM Supply Points

and the Transporter shall not reject such Nominations solely on the basis that the SoLR has booked the Minimum Booking Quantity only in respect of the Interim Period.

- 4.1.2 Capacity Charges in respect of Exit Capacity during the Interim Period (**SoLR Capacity Charges**) shall comprise the capacity component of the applicable Tariff, where the applicable Tariff shall be the daily equivalent of the applicable Tariff in respect of Long Term Exit Capacity (as the case may be).
- 4.1.3 the SoLR will be liable to pay to the Transporter SoLR Capacity Charges in respect of each Day in the Interim Period as follows:
- (a) in respect of each SoLR Affected LDM Offtake SoLR Capacity Charges for the greater of:

- (i) the Primary LDM Exit Capacity reserved by the SoLR in respect of each Day during the Interim Period; or
- (ii) in respect of all Natural Gas allocated as offtaken by the SoLR at each such LDM Offtake on each Day during the Interim Period;
- (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 in the Interim Period; 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;

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.

5. EXPIRY OF SoLR TERM

- 5.1 The SoLR Term shall expire with respect to each SoLR Affected Offtake at 05:59 hours on the first day of the calendar month which is not less than three months after the Last Resort Supply Direction Effective Date (the “**SoLR Term End Day**”):
- 5.2 At 04:59 on the 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 which shall be treated in the manner in all respects as other DM Offtakes and NDM Supply Points at which Shipper is Registered Shipper pursuant to the Code unless there is a successful Change of Shipper pursuant to the GPRO Procedures in respect of such Offtake Points.

- 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 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 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 not 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.

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 in accordance with Section 6.

- 7.2 For the avoidance of doubt 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

- 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 effective date of the Last Resort Supply Direction;
 - 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 effective date of the Last Resort Supply Direction;
 - 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 Shrinkage Charges in accordance with the Code).

Without prejudice to Section 4 (Interim Period) all Capacity Charges payable by the SoLR shall be calculated on the basis of the daily equivalent of the applicable Long Term Capacity Charges in respect of relevant Capacity.

CODE OF OPERATIONS
PART G

TECHNICAL

VERSION 5.03

**Comprises version 5.02 published as of 16 April 2018
Incorporating the following Modifications**

- 1. Modification A092; Trading Platform;**
- 2. Modifications A091 and A093; Introduction of RNG Entry Points.**
- 3. Modification A094; Modification of Shipper Portfolio Tolerances;**
- 4. Modification A095; Calculation of Daily Imbalance Charges;**
- 5. Modification A096 and A096A Data Sharing – GDPR;**
- 6. Modification A097 Final Exit Allocation Amendment Date;**
- 7. Modification A098 Reduction of Capacity Overrun Multipliers;**
7.8. Modification [] (Inch)

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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) in which case the Entry Specification in respect of such RNG Entry Points 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 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 shall be monitored in accordance with the Natural Gas Emergency Plan and the 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 ~~at a Connected System Exit Point~~, 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, ~~Connected System 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 ~~a Connected System Exit Point~~, 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 ~~a Connected System Exit Point~~, 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 ~~a Connected System Exit Point~~, 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 ~~an Connected System Exit Point~~ or IP CSEP as notified by the Transporter to Shippers; and/or
- (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.

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, ~~Connected System 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 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 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 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 Non-Compliant Gas is delivered to the Transportation System at an IP Entry Point or at an Entry 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. Any Non-Compliant Gas delivered to the Transportation System 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.
- 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 First Tier 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 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 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 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.

1.5 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, ~~Connected System Exit 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, ~~Connected System Exit Point~~ 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, ~~Connected System Exit Point~~ 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, ~~Connected System Exit Point~~ 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 (where applicable) in the case of a Connected System Exit Point, the Relevant Offtake Facility can be operated in accordance with applicable Legal Requirements, notwithstanding the offtake or continued offtake of such Off-Spec Gas; and/or~~
- (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; ~~Connected System Exit Point~~ or Sub-Sea I/C Offtake as the case may be on the relevant Day multiplied by the First Tier 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, ~~Connected System 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; ~~Connected System Exit Point~~ 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, ~~Connected System Exit 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 IP CSEP ~~and each Connected System Exit Point~~; and
- (e) 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) the Sub-Sea I/C Offtake;
- (e) ~~Not Used~~ ~~Connected System Exit Point~~; and
- (f) 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; and
- (e) ~~Not Used~~ ~~offtake at each Connected System Exit Point;~~
- (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 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 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 ~~or a Connected System Exit Point~~ 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 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 ~~or a Connected System Exit Point~~ 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 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 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 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 a Connected System Exit Point~~ 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 Connected System Exit 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 and ~~each Connected System Exit Point~~ 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.
- 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, ~~Connected System Exit Point Measurement~~, South-North IP CSEP Measurement and Sub-Sea I/C Offtake Measurement

- 3.3.1 The quantity of Natural Gas delivered to an IP Entry Point or Entry Point and offtaken at ~~a Connected System Exit Point~~, 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 the South-North IP CSEP ~~or Connected System Exit Point~~ 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 and/or 5.5 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 and/or 5.5 (as the case may be).

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, an adjustment of the commodity component of the Tariff to reflect any adjustment to the quantity of Natural Gas offtaken from the Transportation System as a result of the meter data cleansing process shall not affect Shippers' Final Allocations. The Transporter shall, 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 Connected System Exit 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, ~~Connected System Exit 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, ~~Connected System Exit Point~~, 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 (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 ~~ora-Connected System-Exit Point~~ 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.

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 the Inch Entry Point and the Inch Storage Exit Point, the Measurement Equipment is operated and maintained by the Inch Operator. The Transporter shall verify, or shall procure that the Inch Operator carries out verification of, the Measurement Equipment at the Inch Entry Point and the Inch Storage Exit Point in accordance with the applicable CSA;~~
- (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, 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 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 Bi-Directional CSP~~. 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 during the period when Measurement Equipment at such 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 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.

- 4.5.5 Each Shipper's share of the Entry Point Adjustment Quantity at the relevant Entry 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 ~~a Connected System Exit Point or~~ the South-North IP CSEP during the period when Measurement Equipment at such ~~Connected System Exit Point 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 ~~such Connected System Exit Point or~~ the IP CSEP (~~as the case may be~~) 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.
- 4.5.7 Each Shipper’s share of the CSEP Adjustment Quantity at the relevant ~~Connected System Exit Point or~~ 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 and 5.5.

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 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 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 such 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.

- 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 **Adjustments to Metered Quantities**

Any adjustment to the metered quantity of Natural Gas offtaken as referred to in Section 4.6.10 or Section 4.7.8 shall be shown in the next Monthly Invoice rendered by the Transporter to the Registered Shipper at such Offtake Point and Unaccounted For Gas shall be adjusted accordingly. Notwithstanding the foregoing, such 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 provisions of this Code.

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 not less than seven (7) days notice;
- (b) which are Registered Shippers at affected LDM Exit Points, ~~Connected System 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 Connected System 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 an Interconnection Point or Entry Point ~~or Connected System Exit 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 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 (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”); 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 (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) 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 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 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 ₂ S)
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)	47.2 – 51.41 MJ/m ³
Contaminants & Odour	See Notes 2 and 3
Incomplete Combustion Factor	< 0.48
Delivery Temperature	1°C to 38°C
Hydrogen	< 0.1 mol%
Soot Index	< 0.60
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 15° 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 NGEPM 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 connected to the Distribution System shall be up to 1 mol% 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.
2. The CSA 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**]

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 15°Celsius and 101.325kPa.

CODE OF OPERATIONS
PART H

OPERATIONS

VERSION 5.03

Comprises version 5.02 published as of 16 April 2018

Incorporating the following Modifications

- 1. Modification A092; Trading Platform;**
- 2. Modifications A091 and A093; Introduction of RNG Entry Points.**
- 3. Modification A094; Modification of Shipper Portfolio Tolerances;**
- 4. Modification A095; Calculation of Daily Imbalance Charges;**
- 5. Modification A096 and A096A Data Sharing – GDPR;**
- 6. Modification A097 Final Exit Allocation Amendment Date;**
- 7. Modification A098 Reduction of Capacity Overrun Multipliers;**
7.8. Modification [] (Inch)

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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 oftaken 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, ~~Connected System Exit Point 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 ~~and/or Connected System Exit 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 ~~or Connected System Exit Point~~ and/or IP VEntry and/or IP VExit or Entry 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, ~~Connected System Exit Point~~ 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 First Tier Imbalance Price 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 Connected System Exit 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 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 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 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:

$$\text{RCP}_D = (\text{TAC}_D / \text{TPC}_D) * 100$$

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 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 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 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); 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:

$$\mathbf{AAEC_D} = \mathbf{AEC_D * RCP_D}$$

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:

$$\mathbf{AAS/NC_D} = \mathbf{SNC_D * RCP_D}$$

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).

- 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 ~~or the Shipper's Valid CSEP Offtake Nominations, or Valid CSEP Offtake Renominations~~ in respect of a Restricted Capacity Day is less than, or equal to, its Available Active Entry Capacity, ~~or Available Active CSEP Offtake Capacity (as the case may be).~~

- 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;

~~(e)(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;

~~(e)(b)~~ not used registered at a Connected System Exit Point at which Nominations are Interruptible shall not offtake Natural Gas at such Connected System Exit Point;

~~(e)(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

~~(e)(d)~~ registered at the IP CSEP shall not offtake Natural Gas in excess of such Shipper's Available Active IP CSEP Offtake Capacity.

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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 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 2.A.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); andin 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 or IP 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 Capacity 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 ~~Connected System~~ 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 than 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 ("**Entry Point Requirements**"), including:

- (a) the location of the Entry Point;
- (b) the conditions applicable to that Entry Point as to the pressure and specification of Natural Gas delivered or tendered for delivery to the Transportation System at the 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 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 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. The absence of a CSA shall not preclude Shippers from making Natural Gas available for delivery to the Transportation System at an Entry Point.
- 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 on a Day on which there are no Registered Shippers at the Entry 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 ~~Not Used~~ ~~Inch Entry Point~~

~~3.3.1 The Inch Entry Point is located at Inch in County Cork and is configured within the Inch Bi-directional CSP.~~

~~3.3.2 Natural Gas shall be deemed to enter the Transportation System at the Inch Entry Point.~~

~~3.3.3 The Inch Entry Point shall remain a single Entry Point but shall comprise two notional sub-entry points:~~

- ~~(a) the Inch Sub-Entry Point (Storage); and~~
- ~~(b) the Inch Sub-Entry Point (Production).[†]~~

~~3.3.4 The Inch Entry Point shall for the purpose of this Code be treated as comprising two sub-entry points to facilitate the separate Tariffs as referred to at sub-section 3.3.5. The provisions of sub-sections 3.3.5 to 3.3.21 below inclusive shall apply at the Inch Entry Point and are supplemental to and not in substitution for any other provisions of this Code. In the event of conflict between the provisions of sub-sections 3.3.5 to 3.3.21 and the remaining provisions of the Code sub-sections 3.3.5 to 3.3.21 shall prevail.~~

~~3.3.5 Two separate Tariffs apply at the Inch Entry Point, one such Tariff to be applied to capacity booked by a Shipper at the Inch Entry Point and which is notified by the Shipper to the Transporter as booked at the Inch Sub-Entry Point (Storage) and the other such Tariff to be applied to capacity booked by a Shipper at the Inch Entry Point and which is notified by the Shipper to the Transporter as booked at the Inch Sub-Entry Point (Production).~~

~~3.3.6 The Technical Capacity at the Inch Entry Point for a Day shall not be described by the Transporter as available at either the Inch Sub-Entry Point (Storage) or the Inch Sub-Entry Point (Production) and shall be available to meet all requests for capacity at the Inch Entry Point irrespective of whether such request relates to the Inch Sub-Entry Point (Storage) or the Inch Sub-Entry Point (Production). Available Capacity will be allocated to Shippers on a first-come first-served basis in accordance with the provisions of this Code.~~

~~3.3.7 Without prejudice to the remaining provisions of this section 3.3, the provisions of:~~

- ~~(a) Part C (Capacity) with respect to Entry Capacity Bookings, Entry Capacity Overruns, Entry Capacity Trades; and~~
- ~~(b) Part D (Nominations, Allocations and NDM Supply Point Administration), Allocations and related provisions; and~~
- ~~(c) Part H (Operations) Section 1 and 2; and~~
- ~~(d) Part I (Legal & General) Sections 2, 4, 6 and 11~~

~~shall be applied separately and independently with respect to the Inch Sub-Entry Point (Storage) and Inch Sub-Entry Point (Production), and Capacity~~

[†]Mod-A070

~~Bookings which identify the Inch Sub-Entry Point (Storage) and the Inch Sub-Entry Point (Production) as if each of them is a separate and independent Entry Point for the purpose of this Code.~~

~~3.3.8 — At the Inch Entry Point a Shipper shall be required to have:~~

- ~~(a) an Entry Capacity Booking which has been notified by the Shipper to the Transporter as related to the Inch Sub-Entry Point (Storage) in order to have the right to submit Nominations for, and deliver, Inch Storage Gas (Entry) to the Transportation System at the Inch Entry Point; and/or~~
- ~~(b) an Entry Capacity Booking which has been notified by the Shipper to the Transporter as related to the Inch Sub-Entry Point (Production) in order to have the right to submit Nominations for, and deliver, Inch Production Gas to the Transportation System at the Inch Entry Point.~~

~~3.3.9 — All references in this Code to Entry Capacity, Active Entry Capacity and Available Active Entry Capacity shall apply separately with respect to Entry Capacity required to deliver Inch Storage Gas (Entry) or Inch Production Gas such that a Shipper shall have a single aggregate Active Entry Capacity and Available Active Entry Capacity at the Inch Entry Point subdivided into an Active Entry Capacity at the Inch Sub-Entry Point (Storage) and/or an Active Entry Capacity at the Inch Sub-Entry Point (Production) in respect of Entry Capacity notified to the Transporter in accordance with sub-section 3.3.10 as required for the Inch Sub-Entry Point (Storage) and Inch Sub-Entry Point (Production);~~

~~3.3.10 — A Shipper, submitting an Entry Capacity Request at the Inch Entry Point must, in addition to the information which is required pursuant to Part C (Capacity) Section 3 notify the Transporter whether the Entry Capacity Request is for capacity at the Inch Sub-Entry Point (Storage) or the Inch Sub-Entry Point (Production).~~

~~Where the Shipper fails to notify the Transporter as required pursuant to this section 3.3.10 the Shippers Entry Capacity Request shall be treated as an application for Entry Capacity at the Inch Sub-Entry Point (Production).~~

~~3.3.11 — Where a Shipper submits an Entry Capacity Trade Registration Request pursuant to Part C (Capacity) Section 4 (Entry Capacity Trades), which Entry Capacity Trade Registration Request specifies the Inch Entry Point the Shipper shall notify the Transporter whether the request is in respect of the Shippers Capacity Booking which has been notified as required for the Inch Sub-Entry Point (Storage) or Capacity Booking which has been notified as required for the Inch Sub-Entry Point (Production) (unless the Shipper has a Capacity Booking in respect of only one of them) in which case the application will be deemed to refer to that Capacity Booking.~~

~~An Entry Capacity Trade which refers to Entry Capacity at the Inch Sub-Entry Point (Storage) will reduce the Active Entry Capacity of the Transferor Shipper in respect of the Inch Sub-Entry Point (Storage) and increase the Active Entry Capacity of the Transferee Shipper in respect of the Inch Sub-Entry Point (Storage).~~

~~An Entry Capacity Trade in respect of Entry Capacity which refers to the Inch Sub-Entry Point (Production) shall reduce the Active Entry Capacity of the Transferor Shipper at the Inch Sub-Entry Point (Production) and increase the Active Entry Capacity of the Transferee Shipper at the Inch Sub-Entry Point (Production).~~

- ~~3.3.12 The Transporter shall, at any time up to the end of the Month following the Month in which the proposed Entry Capacity Trade Registration Request is to commence (being the start Day specified in the Entry Capacity Trade Registration Request) reject an Entry Capacity Trade Registration Request which specifies the Inch Entry Point if the Shipper is required to but does not notify the Transporter whether the Entry Capacity Trade Registration Request is in respect of Entry Capacity at the Inch Sub-Entry Point (Storage) or Entry Capacity at the Inch Sub-Entry Point (Production) and the Transporter shall re-adjust (to the extent necessary) the single aggregate Active Entry Capacity and/or the Active Entry Capacity at the Inch Sub-Entry Point (Storage) and/or the Active Entry Capacity at the Inch Sub-Entry Point (Production) of each of the Transferor Shipper and the Transferee Shipper accordingly.~~

~~Each Shipper shall be liable to Overrun Charges as if the Entry Capacity Trade Registration Request had been rejected when submitted and, notwithstanding that the Active Entry Capacity of the Shipper may have been adjusted pending such notification, the Shipper may not receive notification from the Transporter of such rejection until M+12.~~

- ~~3.3.13 At the Inch Entry Point, for the purposes of determining Entry Capacity Overruns and Entry Capacity Overrun Quantities and the applicable Overrun Charges at the Inch Entry Point Part C (Capacity) sections 11.1, 11.2 and 11.3.4 shall be treated as applying separately to a Shippers Capacity Bookings which have been notified as required for the Inch Sub-Entry Point (Storage) and those Capacity Bookings which have been notified as required for the Inch Sub-Entry Point (Production) and Allocations in respect of Inch Storage Gas (Entry) and Inch Production Gas. For the avoidance of doubt a Shippers Entry Capacity Overrun Tolerance shall apply separately in respect of Allocations and Capacity Bookings in respect of the Inch Entry Gas (Storage) and Inch Production Gas however, the variance tolerance (if any) shall be calculated in respect of the Inch Entry Point and applied separately (where relevant) in respect of Allocations for Inch Storage Gas (Entry) and Inch Production Gas.~~

~~3.3.14— A Shipper shall have a single prevailing Valid Nomination and/or a single prevailing Valid Renomination specifying a single Nominated Quantity at the Inch Entry Point which shall include the Shippers aggregate Nominations for both Inch Storage Gas (Entry) and Inch Production Gas. A Shipper shall not be required to specify in respect of each Nomination or Renomination submitted by the Shipper at the Inch Entry Point whether the Nomination or Renomination is made in respect of Inch Storage Gas (Entry) or Inch Production Gas.~~

~~3.3.15— Where a Bi Directional CSP Agent has been appointed at the Inch Entry Point Shippers shall procure that such Bi Directional CSP Agent shall in respect of each initial entry allocation and/or each final entry allocation notified by the Bi Directional CSP Agent to the Transporter, specify whether such allocation is in respect of Inch Storage Gas (Entry) or Inch Production Gas.~~

~~The Transporter may in addition to any other reasons for rejection of any allocations or reallocations submitted by the Bi Directional CSP Agent reject any Allocations submitted by the Bi Directional CSP Agent that fail to identify whether the Allocation is in respect of Inch Storage Gas (Entry) or Inch Production Gas.~~

~~3.3.16— If the Transporter is obliged to make Allocations at the Inch Entry Point in accordance with Part D (Nominations, Allocations and Supply Point Administration) Section 2.14 the Transporter shall allocate the quantity of Natural Gas metered as delivered at the Inch Entry Point on that Day pro rata across all Shipper Nominations for the Inch Entry Point on that Day. The Transporter shall sub allocate each Shippers Entry Allocation as between Inch Storage Gas (Entry) and Inch Production Gas such sub allocation to be made pro rata to the Shippers Active Entry Capacity at the Inch Sub Entry Point (Storage) and the Inch Sub Entry Point (Production).~~

~~3.3.17— Shipper will receive separate allocations (including for the avoidance of doubt Initial Allocations and Reallocations) with respect to Inch Storage Gas (Entry) and Inch Production Gas in accordance with the provisions of section 2 (including the provisions of section 2.12 to 2.15) of Part D (Nominations, Allocations and NDM Supply Point Reconciliation) and this section 3.3.~~

~~3.3.18— At the Inch Entry Point for the purposes of determining a Shippers Restricted Capacity Percentage on a Restricted Capacity Day, the provisions of Part H (Operations) section 2.5.2 shall be applied separately and independently with respect to the Inch Sub Entry Point (Storage) and Inch Sub Entry Point (Production).~~

~~3.3.19— Notwithstanding any provision of Part I (Legal and General) section 8 (Notices) any notification or additional information to be issued by a Shipper to the Transporter in accordance with sub-section 3.3.3 to 3.3.21 shall be~~

~~submitted utilising the GNI (IT) Systems or such other method as may be prescribed by the Transporter from time to time.~~

~~3.3.20—At the Inch Entry Point:~~

~~(a) Shippers shall have a separate Entry Scheduling Quantity, Entry Scheduling Tolerance, Entry Scheduling Charge Quantity and Entry Scheduling Charges for the Shippers Valid Entry Nominations for Inch Storage Gas (Entry) and Inch Production Gas respectively.~~

~~(b) the Transporter shall not apply Shrinkage Costs to Natural Gas allocated to a Shipper in respect of a Day at the Inch Entry Point for Inch Storage Gas (Entry) but for the avoidance of doubt Shrinkage Costs shall apply for Natural Gas allocated to a Shipper at the Inch Entry Point in respect of a Day for Inch Production Gas and sections 2.3 to 2.6 of Part E (*Balancing Shrinkage*) shall be construed accordingly.~~

~~3.3.21—Invoices issued to a Shipper by the Transporter pursuant to Part I (*Legal and General*) section 11, shall separately identify with respect to the Invoice Items listed in section 11.3.6 whether those Invoice Items are for Inch Sub-Entry Point (Storage) or Inch Sub-Entry Point (Production).²~~

3.4 **Not Used**

3.5 **Not Used**

3.6 **Bellanaboy Entry Point**

3.6.1 The Proposed Bellanaboy Entry Point is located at Bellanaboy Bridge, Co. Mayo.

3.6.2 The Proposed Bellanaboy Entry Point shall become the Bellanaboy Entry Point in accordance with Part F (*Administration*) Section 1.3.

3.6.3 Natural Gas shall be deemed to enter the Transportation System at the Bellanaboy Entry Point.

3.6.4 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.

3.6.5 Natural Gas offtaken pursuant to any applicable Commissioning Reverse Flow Arrangements or Operational Reverse Flow Arrangements shall be

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deemed to be offtaken from the Transportation System at the Commissioning Connected System Point or the Bellanaboy Entry Point (as the case may be).

3.7 New Entry Points and Commissioning Connected System Point(s)

- 3.7.1 The Transporter shall, subject to Sections 3.7.2 and 3.7.3, facilitate new 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.
- 3.7.2 The Transporter shall enter into good faith negotiations for CSA(s) in respect of any proposed new 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) in accordance with the provisions of the relevant CSA for such new Entry Point(s) and this Code.
- 3.7.3 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 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.
- 3.7.4 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 order to facilitate new Entry Points, designate a new Entry Point or a Proposed Entry Point connected or to be connected to a Gas Source at which Natural Gas is required to be offtaken from the Transportation System to facilitate commissioning of Upstream Facilities, a commissioning Connected System Point ("**Commissioning Connected System Point**").
- 3.7.5 Without prejudice to the generality of Section 3.7.1 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 publish arrangements ("**Commissioning Reverse Flow Arrangements**") to facilitate booking of capacity and offtake of Natural Gas by Commissioning Shippers at a Commissioning Connected Point in order to facilitate commissioning of facilities at or immediately upstream of the Commissioning Connected System Point.
- 3.7.6 The Transporter may where technically and operationally feasible and in order to facilitate new RNG Entry Point(s) 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.

- 3.7.7 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.

3.8 Administrative Procedures at an Entry Point

- 3.8.1 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 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.
- 3.8.2 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.
- 3.8.3 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.

- 3.8.4 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.
- 3.8.5 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.
- 3.8.6 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.

3.9 Offtake Profile Notice at Entry Points

- 3.9.1 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.
- 3.9.2 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.

3.10 **Operational Balancing Agreement**

- 3.10.1 The Transporter may enter into an OBA with a Connected System Operator at an Entry Point or at a Proposed Entry Point.
- 3.10.2 The Transporter will not enter into any OBA(s) without first advising Shippers of the terms of the OBA.
- 3.10.3 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.

3.11 **Offtake of Natural Gas at Entry Points**

- 3.11.1 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).
- 3.11.2 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**~~ ~~**BI-DIRECTIONAL CONNECTED SYSTEM POINTS**~~

5.1 ~~**Not Used**~~ **General**

~~5.1.1 A Connected System Point which is not an Interconnection Point may be designated by the Transporter from time to time as a Bi Directional CSP where it is technically, operationally and/or commercially feasible to deliver gas to and offtake gas at the Connected Systems Point. The Transporter may with the approval of the Commission, notify Shippers that a Connected System Point ceases to be designated as a Bi Directional CSP and any such notice shall specify the date from which the Connected System Point shall cease to be so designated. For the avoidance of doubt when a Connected System Point ceases to be designated as a Bi Directional CSP the Connected System Point may be an Entry Point or a Connected System Exit Point pursuant to this Code.~~

The provisions of this Section 5 are in addition to and not in substitution for Section 3 (*Entry*) and Section 4 (*Offtake Point*) provided however the provisions of this Section 5 shall prevail over the provisions of Section 3 (*Entry Points*) and Section 4 (*Offtake Points*) at a Bi-Directional CSP.

~~5.1.2 — A Shipper shall not be entitled to deliver Natural Gas to or offtake Natural Gas from the Transmission System at a Bi-Directional CSP unless there is a valid and subsisting CSA with respect to such Bi-Directional CSP provided always that the Commission may from time to time direct that a Shipper shall be entitled to deliver or offtake Natural Gas at a Bi-Directional CSP notwithstanding that there is no valid and subsisting CSA where the Commission is satisfied that the Transporter is in any such event able to exercise its rights and satisfy its obligations pursuant to the Code (including with respect to metering).~~

5.2 Not Used~~Bi-Directional CSP Requirements~~

~~5.2.1 — A Registered Shipper at an Entry Point configured within a Bi-Directional CSP shall deliver or tender for delivery Natural Gas to the Transmission System at an Entry Point which is comprised within a Bi-Directional CSP in accordance with the Code, the relevant provisions of the applicable CSA and the Bi-Directional CSP Requirements applicable at such Entry Point.~~

~~5.2.2 — A Shipper registered at a Connected System Exit Point configured within a Bi-Directional CSP shall be entitled to offtake Natural Gas at the Bi-Directional CSP in accordance with the Code, the applicable CSA and the applicable Bi-Directional CSP Requirements.~~

~~5.2.3 — Each Shipper registered at an Entry Point or a Connected System Exit Point configured within the Bi-Directional CSP shall be provided by the Transporter with details of the requirements (the “**Bi-Directional CSP Requirements**”) for the delivery of or offtake of Natural Gas at such Bi-Directional CSP including:~~

- ~~(a) the location of the Entry Point configured within the Bi-Directional CSP;~~
- ~~(b) the location of the Connected System Exit Point configured within the Bi-Directional CSP;~~
- ~~(c) the conditions applicable to that Entry Point as to the pressure and specification of Natural Gas delivered or tendered for delivery to the Transportation System at the Entry Point (including those matters referenced in Part G (*Technical*) Section 1 (*Specifications: Quality and Pressure*));~~
- ~~(d) the measurement provisions with respect to the Entry Point as described in Part G (*Technical*) Section 3 (*Measurement*);~~

~~(e) the conditions applicable to that Connected System Exit Point as to the pressure and specification of Natural Gas made available for offtake from the Transmission System at the Connected System Exit Point (including those matters referenced in Part G (Technical) Section 1 (Specifications: Quality and Pressure) and the Measurement provisions within the Bi-Directional CSP as described in Part G (Technical) Section 3 (Measurement));~~

~~(f) the requirements for delivery and/or offtake of Natural Gas at such Bi-Directional CSP contained in the applicable CSA; and~~

~~(g) the existence of any Bi-Directional CSP Procedures.~~

~~5.2.4 The Bi-Directional CSP Requirements referenced in this Section 5 shall be subject to and reflect:~~

~~(a) the provisions of the applicable CSA subject always to the provisions of Part G (Technical) Section 1 (Specifications: Quality and Pressure);~~

~~(b) to the extent that the CSA does not include all of the information referenced in Section 5.2.3 with respect to the delivery of Natural Gas at the Entry Point configured within the Bi-Directional CSP the provisions of Part G (Technical) Section 1 (Specifications: Quality and Pressure) and Section 3 (Measurement) in respect of such Entry Point;~~

~~(c) to the extent that the CSA does not include all of the information referenced in Section 5.2.3 with respect to the offtake of Natural Gas at the Bi-Directional CSP the provisions of Part G (Technical) (Section 1) (Specifications: Quality and Pressure) and Section 3 (Measurement) shall apply; and~~

~~(d) if the Commission approves delivery or offtake of Natural Gas at a Bi-Directional CSP pursuant to Section 5.1.2 any requirement which the Commission may specify in such approval.~~

~~5.2.5 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 Bi-Directional CSP Requirements.~~

~~5.2.6 In the event that a Registered Shipper fails to comply with the Bi-Directional CSP Requirements applicable to:~~

~~(a) the Entry Point configured within the Bi-Directional CSP at which the Shipper is delivering, or tendering for delivery, Natural Gas to the Transmission System; and/or~~

~~(b) the Connected System Exit Point configured within the Bi-Directional CSP at which the Shipper is offtaking Natural Gas from the Transmission System;~~

~~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, claims and/or payments due or arising in respect of a Connected System and/or generally upstream of the Bi Directional CSP made by any person (including such Shipper or any Third Party) delivering directly or indirectly Natural Gas to the Transmission System at the Entry Point or entitled to the benefit directly or indirectly of Natural Gas offtaken from the Transmission System at the Connected System Exit 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 or any other charges arising upstream or downstream of the CSP, then the Registered Shipper shall not be liable to the Transporter in respect of any material claims, charges, demands, costs, losses and/or payments arising as aforesaid including to the extent that they result from a failure by the Transporter to act as an RPO in the performance of its obligations under the CSA.~~

~~5.2.7 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 provision of the CSA.~~

~~5.2.8 Without prejudice to a Shipper's obligations pursuant to Section 5.2.6 above, to the extent that:~~

~~(a) A Registered Shipper fails to comply with the Bi Directional CSP Requirements applicable at a Bi Directional CSP Point other than as a result of a failure by the Transporter to perform any requirement under the CSA applicable to such Bi Directional CSP; 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 or make available for offtake by a Registered Shipper to or from the Transportation System of Natural Gas at the relevant Bi Directional CSP, 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.~~

~~To the extent that any changes to the Bi Directional CSP Requirements for the delivery to or offtake of Natural Gas at the Bi Directional CSP 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 Transmission System the Bi-Directional CSP Requirements shall be deemed to incorporate any such changes with effect from the time of 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 Bi-Directional CSP of any amendments made to the applicable Entry Point Requirements or offtake requirements (as the case may be).~~

~~5.2.9 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 the Code or any Ancillary Agreement the Transporter is not obliged, or is relieved from its obligation to accept Natural Gas tendered for delivery at or to make Natural Gas available for offtake at a Bi-Directional CSP.~~

~~Each Shipper shall indemnify the Transporter against all claims, charges, demands and payments due or arising upstream or downstream of the Bi-Directional CSP in respect of any person (including itself and any Connected System Operator).~~

5.3 ~~Not Used~~ **General provisions relating to offtake of Natural Gas at a Connected System Exit Point**

~~5.3.1 A Shipper shall not be entitled to offtake Natural Gas at a Connected System Exit Point within a Bi-Directional CSP:~~

- ~~(a) at any time at a rate which exceeds 1/24th of the Shipper's Valid CSEP Exit Nomination;~~
- ~~(b) on any Day of a quantity which exceeds the Shipper's Nominated Quantity; and/or~~
- ~~(c) in a manner inconsistent with an Interruption Notice.~~

~~5.3.2 Not Used~~

~~5.3.3 Where in the Transporters opinion Natural Gas is being offtaken from the Transportation System at a Bi-Directional CSP and the integrity of the Transportation System or any localised part thereof may be 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 Bi-Directional CSP.~~

5.4 ~~Not Used~~ **Designated Bi-Directional CSP(s)**

~~5.4.1 The Inch Bi-Directional CSP is located at Inch in County Cork and comprises~~

~~the Inch Entry Point and the Inch Storage Exit Point.~~

~~All CSEP Exit Nominations at the Inch Storage Exit Point shall be interruptible.~~

~~Natural Gas shall be deemed to enter the Transportation System or be offtaken from the Transportation System (as the case may be) at the Inch Entry Point and the Inch Storage Exit Point respectively configured within the Inch Bi-Directional CSP.~~

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5.5 ~~Not Used~~ **Administrative Procedures at a Bi-Directional CSP**

~~5.5.1 All Registered Shippers at an Entry Point configured within a Bi-Directional CSP together with all Registered Shippers at a Connected System Exit Point configured within the same Bi-Directional CSP may propose to the Transporter procedures for the management of:~~

~~(a) the matching of Nominations made by a Third Party Shipper, and the relevant Registered Shipper(s) at that Bi-Directional CSP; and/or~~

~~(b) Allocations at the Entry Point and the Connected System Exit Point within such Bi-Directional CSP.~~

~~Such procedures (“**Bi-Directional CSP Procedures**”) may be introduced either at the time of or prior to or as soon as possible following the implementation of this Code or the establishment of any CSP as a Bi-Directional CSP and may outline principles to be established in respect of the matching of Nominations (as referred to at (a) above) and/or the allocation procedures (as referred to at (b) above) and any related activities at the Bi-Directional CSP.~~

~~5.5.2 If the proposed Bi-Directional CSP Procedures referred to at Section 5.5.1 are acceptable to the Transporter the Transporter shall notify all relevant Shippers of its acceptance of such Bi-Directional CSP Procedures and the date from which same shall be effective and all relevant Shippers shall be bound by such Bi-Directional CSP Procedures from such effective date.~~

~~5.5.3 Agreement by and between relevant Shippers and the Transporter with respect to Bi-Directional CSP 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 Bi-Directional CSP Procedures and to provide information in accordance with such Bi-Directional CSP 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 Bi-Directional CSP Procedures or the implementation thereof. All relevant Shippers hereby waive any and all rights of actions against the Transporter in respect of any loss, damage or otherwise that may be suffered by any such Shipper as a result of such Bi-~~

~~Directional CSP Procedures and the reliance of the Transporter thereon and on any information received pursuant thereto or as a result of any information delivered by the Transporter pursuant thereto.~~

~~5.5.4 — Where Bi Directional CSP Procedures have been agreed by all Shippers using such Bi Directional CSP and accepted by the Transporter in accordance with Section 5.5.2, all Shippers with Entry Capacity registered at the Entry Point within such Bi Directional CSP or applying to be a Registered Shipper at the CSEP within such Bi Directional CSP shall adhere to and comply with such Bi Directional CSP Procedures together with any subsequent arrangements modifying same and such Bi Directional CSP Procedures (and modifications thereto) shall be applied by the Transporter.~~

~~5.5.5 — The Transporter is under no obligation, express or implied, to verify that the relevant Bi Directional CSP Procedures have been complied with and no action by the Transporter should be construed as such.~~

~~5.5.6 — Where a Shipper does not adhere to such Bi Directional CSP Procedures the Transporter may suspend such Shipper's right to make Nominations or Renominations for quantities of Natural Gas to be delivered to or offtaken at and to receive Allocations in respect of an Entry Point or Connected System Exit Point at such Bi Directional CSP.~~

5.6 Not Used ~~CSA at a Bi Directional CSP~~

~~5.6.1 — In relation to a Bi Directional CSP, the Connected System Agreement may provide for the Connected System Operator to notify the Transporter or for the Transporter to notify the Connected System Operator in relation to each Day:~~

- ~~(a) a quantity of Natural Gas to be delivered at an Entry Point configured within a Bi Directional CSP on a Day; and/or~~
- ~~(b) a quantity of Natural Gas to be offtaken at the Connected System Exit Point configured within a Bi Directional CSP;~~
- ~~(c) an aggregate quantity of Natural Gas nominated for delivery at the Bi Directional CSP on a Day;~~
- ~~(d) an aggregate quantity of Natural Gas nominated for offtake at the Bi Directional CSP on a Day;~~
- ~~(e) a profile for the delivery to or offtake of Natural Gas on a Day at the Bi Directional CSP;~~
- ~~(f) a quantity of Natural Gas metered as delivered at the Entry Point on a Day (which may be zero);~~
- ~~(g) a quantity of Natural Gas metered as offtaken at the Connected System~~

~~Exit Point on a Day (which may be zero); and~~

~~(h) a quantity which represents the aggregate physical quantity determined as having flowed on the Day at the Bi-Directional CSP which will (if there were physical gas flows in both directions within the Day) reflect the net amount and direction (Entry or Exit) of such flows.~~

~~5.6.2 The Transporter shall be entitled but not obliged to rely on any information provided to the Transporter pursuant to the CSA and shall have no responsibility to investigate or verify any quantity notified under Section 5.6.1.~~

~~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).~~

~~All Shippers hereby waive any and all rights of action in respect of any loss, damage or otherwise that may be suffered by any such Shipper as a result of reliance by the Transporter on information received pursuant to the CSA as a result of delivery by the Transporter of information pursuant to the CSA.~~

5.7 **Not Used**

5.8 **Not UsedProfile Notices at a Bi-Directional CSP**

~~5.8.1 The Transporter may develop and make available to the Connected System Operator profile notices related to the delivery or offtake of Natural Gas to the Transportation System at a Bi-Directional CSP on any Day. The Transporter may enter such agreements with Connected System Operators (including pursuant to any CSA), Shippers, Third Party Shippers and other Third Parties relating to the provision of profile notices as the Transporter may consider appropriate.~~

~~5.8.2 The Transporter shall not be liable to the Shippers, or any of them, in respect of the development or provision of any such profile notice or the failure to develop and/or provide such profile notices other than in accordance with the terms and conditions of such agreements as may be developed and agreed between the Transporter and Shippers (or other parties) in connection with such profile notices. Each Shipper 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 profile notices or the failure to provide such notices save 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 profile notices.~~

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 Processes**") 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 (*Administration*) 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 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.

7.6 **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:

$$\text{FTIc} = (\text{NOMq} - \text{Rcap}) * \text{M} * \text{T}$$

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:

$$\mathbf{FTIc} = (\mathbf{Nom}_q - \mathbf{R}_{cap}) \times \mathbf{M} \times \mathbf{T}$$

where:

FTIc = 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 coordinated 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.