

**AGREEMENT  
and  
GENERAL CONDITIONS OF CONTRACT  
for  
TRANSACTIONAL METER WORKS NOT  
EXCEEDING 7 BAR**

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**between  
NATIONAL GRID GAS PLC  
and  
«REGISTERED\_COMPANY\_NAME»**

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**THIS AGREEMENT** is made the \_\_\_\_\_ day of \_\_\_\_\_

**BETWEEN:**

- (1) **National Grid Gas plc** (registered number 2006000) whose registered office is at 1-3 Strand, London WC2N 5EH ("**National Grid**") which expression shall include its successors and/or permitted assigns; and
- (2) «**Registered\_Company\_Name**» (registered number «Company\_Registered\_Number» and market participant identity «Market\_Participant\_ID») whose registered office is at «Registered\_Address», «Postal\_Code», «Country» (the "**Customer**") which expression shall include its successors and/or permitted assigns.

**WHEREAS:**

- (A) The Customer may request National Grid to undertake Meter Works (not being Adversarial Meter Works) to Metering Equipment with an inlet pressure not exceeding 7 Bar which is connected or is to be connected to the National Grid System.
- (B) National Grid and the Customer have agreed to enter into this Agreement whereby the Customer may request such Meter Works from time to time in accordance with the Conditions and National Grid will respond to such requests in accordance with the Conditions.

**NOW IT IS HEREBY AGREED** as follows:

- 1 Unless the context otherwise requires or is inconsistent herewith, terms and expressions defined in Condition 1 of the Conditions shall have the same meanings respectively when used herein.
- 2 The Customer agrees that it may only request Meter Works, unless otherwise agreed by National Grid in writing, pursuant to the Conditions in respect of:
  - (a) Metering Equipment which National Grid has been Appointed to provide and maintain pursuant to the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) and in the circumstances therein set out; and
  - (b) the installation of Metering Equipment which National Grid shall subsequently be Appointed to provide and maintain upon the terms of Condition 17.

- 3 During the term of this Agreement, if the Customer wishes to request Meter Works it shall submit an SWR (in the case of Standard Meter Works) or a Quotation Request for Non Standard Work (in the case of Quotation Meter Works) in accordance with and subject to the Conditions.
- 4 Upon receipt of an SWR or Quotation Request for Non Standard Work National Grid shall respond in accordance with the Conditions.
- 5 The Parties agree that upon each Acceptance a separate Contract will be formed and that each such Contract shall be subject to the Conditions.
- 6 This Agreement and the Conditions shall be read and construed as one document.
- 7 This Agreement shall come into force on the date hereof and shall remain in force until terminated by either Party in accordance with Condition 16.

**IN WITNESS WHEREOF** the Parties by their duly authorised representatives have this day set their hand.

**SIGNED** for and on behalf of  
**National Grid Gas plc**

Signature:.....

Name: .....

Position:.....

**Version Number: B7BARMW\_12\_110411**

**SIGNED** for and on behalf of  
**«Registered\_Company\_Name»**

Signature:.....

Name: .....

Position:.....

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## 1. DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

For the purposes of this Agreement and any Contract made pursuant hereto, except as is otherwise expressly provided herein or unless the context otherwise requires, the terms defined in this Condition 1.1 shall have the following meanings and derivative expressions shall be construed accordingly:

**"Abortive Call Charges"**: shall have the meaning ascribed thereto in paragraph 3.1 of Schedule Two, Part A;

**"Abortive Meter Works Call"**: shall have the meaning ascribed thereto in paragraph 3.2 of Schedule Two, Part A;

**"Above 7 Bar Meter Works Conditions"**: shall mean the document entitled "Agreement and General Conditions of Contract for Above 7 Bar Transactional Meter Works", as amended or novated from time to time, in accordance with which the Customer can request that National Grid undertakes certain non Adversarial Meter Works in respect of Metering Equipment with an inlet pressure of above 7 Bar;

**"Acceptance"**: shall have the meaning ascribed thereto in Conditions 2.2(d), 2.3(b) or 2.4(a) (as the case may be);

**"Acceptance Form"**: shall mean a copy of the proforma provided by National Grid to the Customer from time to time which proforma shall be (a) substantially in the form set out in the Rainbow MAM Manual or (b) any electronic replacement or alternative thereto set out in the Rainbow MAM Manual;

**"Additional Emergency Control Valve"**: shall mean a valve (not being the Emergency Control Valve) for shutting off the supply of gas in an emergency, intended for use by a Consumer, which may be located within either the Metering Equipment or Installation Pipework and, as such, may not isolate all of the Installation Pipework or Metering Equipment;

**"Adversarial Meter Works"**: shall mean Meter Works requested by the Customer pursuant to the Adversarial Meter Works Conditions, in respect of activities associated with Meters connected to the National Grid System where a National Grid Operative is accompanied by the Customer's Representative due to the potentially adversarial nature of the activities;

**"Adversarial Meter Works Conditions"**: shall mean the document entitled "Agreement and General Conditions of Contract for Adversarial Meter Works", as amended or novated from time to time;

**"Affected Party"**: shall have the meaning ascribed thereto in Condition 15.1.1;

**"Affiliate"**: shall mean in relation to a body corporate:

- (a) another body corporate which holds not less than  $33\frac{1}{3}$  (thirty three and one third) percent of the voting rights of the first body corporate; or
- (b) a subsidiary of the first body corporate or of such a body corporate as is referred to in paragraph (a),

and for these purposes 'voting rights', 'holding' and 'subsidiary' are to be construed in accordance with Section 736 of the Companies Act 1985;

**"Aggregate Relevant Meter Indebtedness"**: shall have the meaning ascribed thereto in paragraph 2.1(c) of Schedule Five;

**"Agreement"**: shall mean this Agreement and General Conditions of Contract for Transactional Meter Works Not Exceeding 7 Bar (including the Schedules) as amended from time to time;

**"All Day Scheduled Attendance"**: shall mean an appointment at Domestic Premises between 8 a.m. and 8 p.m. on a Working Day;

**"Alternative Contract Conditions"**: shall mean a contract or contracts (if any) to which National Grid and the Customer are a party providing (inter alia) for rental and replacement terms with respect to Metering Equipment or any category or categories thereof to apply in substitution to those set out in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement;

**"A.M. Scheduled Attendance"**: shall mean an appointment at Domestic Premises between 8 a.m. and 1 p.m. on a Working Day;

**"Ancillary Equipment"**: shall mean:

- (a) where it is attached to, or is to be attached to, a Meter with a badged capacity of less than 11 SCMH:
  - (i) a Meter Regulator;
  - (ii) the flexible or rigid pipe (and any metal fittings and/or washers comprised in or attached to such pipe) connecting the Emergency Control Valve on the National Grid System to the Meter Regulator;
  - (iii) the BS 746 fitting (and any metal fittings and/or washers attached to such fitting) connecting the Meter Regulator to the Meter;
  - (iv) the Meter shelf or bracket (where fitted) unless such bracket comprises part of a Meter Housing, and
  - (v) the flexible pipe connecting a semi concealed Meter installed in a semi concealed Meter Housing to the brass outlet fitting in the Meter Housing including any washers attached to it (where applicable);
  
- (b) where it is attached to, or is to be attached to, a Meter with a badged capacity of 11 SCMH or above:
  - (i) any Meter Regulator;
  - (ii) associated pre heaters connected to the Meter together with any associated valves, filters, flexible connectors, seals, meter bypass, interconnecting pipework, cables, fittings brackets and supports; and
  - (iii) any Meter Housing owned by National Grid,

but it shall not include in the case of either (a) or (b) any associated fittings, pipework, installation(s) or Meter Housing owned by the Customer or a Consumer, or any third party;

**"Annual Reconciliation Process"**: shall have the meaning ascribed thereto in paragraph 4.4.1 of Schedule Four;

**"Applicable Interest Rate"**: shall have the meaning ascribed thereto in paragraph 3.6.3 of Schedule Four;

**"Appointment"**: shall mean the appointment of National Grid to provide (including, where appropriate, to install) and maintain Metering Equipment as described in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable), and **"Appoint"** and **"Appointed"** shall be construed accordingly;

**"Arbitration Acts"**: shall mean the Arbitration Act 1950 and the Arbitration Act 1996;

**"Asset Works Ad-Hoc Invoice"**: shall have the meaning ascribed thereto in paragraph 2.4 of Schedule Four;

**"Asset Works Invoice"**: shall have the meaning ascribed thereto in paragraph 2.2 of Schedule Four;

**"Authority"**: shall mean the Gas and Electricity Markets Authority;

**"Bar"**: shall mean bar gauge which, for the avoidance of doubt, means pressure measured relative to atmospheric pressure;

**"Batch Transfer Communications"**: shall mean a data file transmitted by National Grid or by the Rainbow Customer in accordance with the requirements of the Rainbow System User Agreement by means of the Rainbow Network as described in the Rainbow MAM Manual;

**"Billing Day"**: shall have the meaning ascribed thereto in paragraph 1.1.3(b) of Schedule Four;

**"Billing Period"**: shall have the meaning ascribed thereto in paragraph 1.1.3(a) of Schedule Four;

**"Business Hours"**: shall mean the hours between 9 a.m. and 5 p.m. on each Working Day provided always that any request, information or notice received after 5 p.m. on a Working Day will be deemed to have been received at 9 a.m. on the next Working Day;

**"CDM Regulations"**: shall mean the Construction (Design and Management) Regulations 1994;

**"Commissioning"**: shall mean the Purging of that element of the Metering Equipment that is designed to measure the volumetric flow of natural gas through the termination point of the National Grid System together with the Meter Reading of such Metering Equipment and for the avoidance of doubt:

- (a) in the case of a Meter exchange or Meter position alteration activity at Domestic Premises shall include Purging and re-lighting of gas appliances downstream of the Metering Equipment; and
- (b) shall not (save as set out in (a) above or where expressly set out in the Quotation) include the Purging of any element of the Installation Pipework;

**"Competent Authority"**: shall mean the Authority, or any local, national or supra-national agency, authority, department, inspectorate, minister, official, court, tribunal or public or statutory person (whether autonomous or not) of the United Kingdom (or the government thereof) or the member states of the European Union which has jurisdiction over National Grid or the Customer or the subject matter of this Agreement or any Contract made hereunder;

**"Conditions"**: shall mean these Conditions 1 to 26 of this Agreement and **"Condition"** shall be construed accordingly.

**"Consumer"**: shall mean any person supplied or requiring to be supplied with natural gas at any premises by a Supplier and **"Consumer Premises"** shall be construed accordingly;

**"Contingency Procedures"**: shall mean the document so entitled (which has been agreed by National Grid and National Grid Customers), published by National Grid which sets out those procedures which provide for the alternative means of communication for National Grid and Rainbow Customers to communicate with each other in the event of a Metering Contingency;

**"Contract"**: shall mean this Agreement and either (subject to the provisions of Condition 2):  
(a) the Acceptance and the Quotation to which such Acceptance relates, together with such drawings (where appropriate) as are annexed to the Quotation; or (as the case may be) or (b) the Standard Work Request where the subject of any Acceptance;

**"Contracts Act"**: shall mean the Contracts (Rights of Third Parties) Act 1999;

**"Contract Sum"**: shall mean (as the case may be) either:

- (a) the sum specified as such in the Quotation; or
- (b) where no Quotation has been provided, the applicable charge set in the National Grid Metering Charges as at the date of Acceptance,

as such sum or charge may be varied in accordance with this Agreement;

**"Conversion Table"**: shall mean the meter model/capacity conversion table as set out in the Rainbow MAM Manual to determine the model of a Meter by reference to the design capacity of a Meter Point;

**"Convertor"**: shall have the same meaning as "conversion device" (as such term is defined in the Institution of Gas Engineers and Managers publication: IGE/GM/5 Edition 2) being an instrument for calculating the volume of gas at a pre-defined standard temperature and pressure which is equivalent to the volume of gas at actual temperature and pressures recorded as passing through a Meter;

**"Convertor Removal Date"**: shall mean:

- (a) the date of removal of the Convertor as stated in a notice received by National Grid in accordance with the Rainbow MAM Manual, provided:
  - (i) such notice informs National Grid that the Convertor has been removed from the Meter Point and that it is available for collection by National Grid, together with the location for such collection;
  - (ii) if such date of removal as stated in such notice is earlier than 15 Working Days before the date upon which the notice is received, the date of removal shall be deemed to be 15 Working Days before the date upon which such notice is received; or
- (b) the date upon which National Grid has removed the Convertor from the Meter Point in accordance with a request by the Customer to do so (in accordance with a Contract made under this Agreement) or any entitlement of the Relevant Gas Transporter (acting in any capacity) to do so;

**"Credit Meter"**: shall mean a Meter other than a Prepayment Meter;

**"Customer Accession Date"**: shall have the meaning ascribed thereto in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement;

**"Customer Agent"**: shall have the meaning ascribed thereto in Condition 19.1.1;

**"Customer Representative"**: shall mean a representative of a Customer who is acting on their behalf and with their express authority;

**"Daily Liquidated Damages"**: shall mean the sum(s) calculated in accordance with Schedule Three, Part B;

**"Daily Read Equipment"**: shall mean equipment of a design and manufacture specified by National Grid which enables Meter Readings to be obtained by the Relevant Gas Transporter remotely at set intervals, such equipment comprising:

- (a) a device for capturing from the Meter, and/or (where installed) a Converter, data which constitutes or permits the derivation of a Meter Reading; and
- (b) a telephone line or radio transmitter and/or such other equipment as shall be required for transmitting such data to the Relevant Gas Transporter;

**"Day"**: shall mean a calendar day;

**"Decommissioning"**: shall mean preparation for removal and Purging in accordance with industry standards and guidelines;

**"Diaphragm Meter"**: shall mean a Meter that mechanically measures gas flow by the positive displacement of a discrete volume of gas contained inside the diaphragm contained in the Meter;

**"Directive"**: shall mean any present or future directive, request, requirement, instruction, code of practice, direction or rule of any Competent Authority and any modification, extension or replacement thereof;

**"Distribution Network"**: shall mean such part or parts of the National Grid System the ownership of which has at any time after 1st April 2005 been transferred by National Grid (Gas Transporter);

**"Domestic Consumer"**: shall mean an owner or occupier of Domestic Premises who is supplied or requires to be supplied with natural gas (but excluding such a person in so far as he is supplied or requires to be supplied at a premises other than a Domestic Premises);

**"Domestic Meter Works"**: shall mean Meter Works in respect of Domestic Premises;

**"Domestic Premises"**: shall mean Consumer Premises at which a gas supply is taken or to be taken wholly or mainly for domestic purposes;

**"Effective Date"**: shall have the meaning ascribed thereto in Condition 26.14;

**"Emergency Control Valve"**: shall mean a valve (not being an Additional Emergency Control Valve) for shutting off the supply of gas in an emergency, intended for use by a Consumer and being located at the end of the service or distribution main;

**"Enhanced IX Operational Guidelines for Use with Rainbow"**: shall mean the document so entitled published by National Grid, as amended or replaced from time to time, which contains information to enable Rainbow Customers to understand how to exchange files using the Enhanced Information 'Xchange Network (EIXN) batch communication system, and which defines the rules and best practices to be followed by Rainbow Customers when using the Rainbow System;

**"Exceptions Procedures"**: shall mean the section of the Rainbow MAM Manual so entitled setting out the procedures to be followed in the event of certain unforeseen circumstances on Site;

**"Expert"**: shall have the meaning ascribed thereto in Condition 25.9.1;

**"Final Completion"**: shall mean the completion of all Meter Works including where necessary the clearance of all Surplus National Grid Material from the Site PROVIDED ALWAYS that National Grid shall undertake a further visit to Site to undertake Commissioning where appropriate and after being advised by the Customer that the downstream Installation Pipework is complete such as to enable Commissioning to be undertaken;

**"Fit For Purpose"**: shall have the meaning ascribed thereto in Condition 5.5;

**"Force Majeure"**: shall have the meaning ascribed thereto in Condition 15.1.1;

**"Gas Act"**: shall mean the Gas Act 1986;

**"Gas Card"**: shall mean a Gas Card (Consumer) and/or a Gas Card (Installer);

**"Gas Card (Consumer)"**: shall mean a card used by a Consumer to purchase gas, being a card provided by the Supplier to the Consumer that may contain specific Consumer information;

**"Gas Card (Installer)":** shall mean a card used by the Meter installer to set up a new Quantum System Meter, being a card that does not contain any Consumer specific information and can only be used once;

**"Gas Safe":** means Gas Safe Register the gas registration body for Great Britain and Isle of Man appointed by the Health and Safety Executive for Great Britain and the Health and Safety at Work Inspectorate for Isle of Man;

**"Gas Transporter Licence":** shall mean a licence granted under Section 7(2) of the Gas Act (including standard and special conditions thereto) as modified from time to time;

**"Geographic Zone":** shall have the meaning ascribed thereto in paragraph 1.1.3(g) of Schedule Four;

**"Granting Party":** shall have the meaning ascribed thereto in Condition 21.3;

**"I&C Online Quotation System":** shall mean such computer system as may be made available by National Grid to enable internet access by the Customer for the purposes of submitting a Quotation Request for Non Standard Work;

**"Implementation Costs":** shall have the meaning ascribed thereto in Condition 24.7;

**"Implementation Date":** shall have the meaning ascribed thereto in Condition 26.14;

**"Implementation Options":** shall have the meaning ascribed thereto in Condition 24.4;

**"Indemnified Costs":** shall have the meaning ascribed thereto in Condition 24.8;

**"Individual Standard of Performance" or "IS":** shall mean the standards of performance as referred to and more particularly described in paragraph 2 of Schedule Three, Part A;

**"Installation Pipework":** shall mean all pipe and gas consuming facilities installed or to be installed downstream of the Metering Equipment;

**"Invoice Amount":** shall have the meaning ascribed thereto in paragraph 1.1.3(e) of Schedule Four;

**"Invoice Credit"**: shall have the meaning ascribed thereto in paragraph 1.1.5 of Schedule Four;

**"Invoice Document"**: shall have the meaning ascribed thereto in paragraph 1.1.3(c) of Schedule Four;

**"Invoice Due Date"**: shall have the meaning ascribed thereto in paragraph 3.1.2 of Schedule Four;

**"Invoice Item"**: shall have the meaning ascribed thereto in paragraph 1.1.3(d) of Schedule Four;

**"Invoice Query"**: shall have the meaning ascribed thereto in paragraph 4.1.1 of Schedule Four;

**"Invoice Remittance Advice"**: shall have the meaning ascribed thereto in paragraph 1.3.3. of Schedule Four;

**"Invoice Submission Date"**: shall have the meaning ascribed thereto in paragraph 1.4.1 of Schedule Four;

**"Invoice Type"**: shall have the meaning ascribed thereto in paragraph 1.2.2 of Schedule Four;

**"Latest Date for Permission"**: shall mean:

- (a) a date 180 Days after the date of issue of the Quotation; or
- (b) such other date as may set out in the Quotation;

**"Lead Time for Physical Commencement"**: shall mean in relation to Non-Domestic Meter Works, the minimum period between the receipt of an SWR or Acceptance of a Quotation (as the case may be) and Physical Commencement;

**"Legal Requirement"**: shall mean any Act of Parliament, regulation, licence, or Directive of a Competent Authority;

**"Liquidated Damages Cap"**: shall mean the maximum sum payable in respect of liquidated damages as calculated in accordance with Schedule Three, Part B or as otherwise agreed between the Parties in writing;

**"Long Stop Date"**: shall have the meaning ascribed to it in Condition 8.4(b);

**"Management of External Access to Rainbow"**: shall mean the document so entitled published by National Grid, as amended or replaced from time to time, which contains information to enable the administration of Supplier access to Rainbow;

**"Margins of Error"**: shall mean, in relation to a Meter, operating outside the standards prescribed pursuant to the Gas (Meters) Regulations 1983 (S.I 1983/684) as amended by S.I 1993/1521 or as otherwise amended;

**"Meter"**: shall mean a measuring instrument that measures the volume of natural gas passing through it, with a specific badged capacity that is in accordance with Schedule 2B of the Gas Act;

**"Meter Base"**: shall mean an unobstructed level area constructed of concrete or other suitable material on which the Meter, Ancillary Equipment and (where appropriate) Meter Housing are to be installed;

**"Meter Credit Limit"**: shall have the meaning ascribed thereto in paragraph 2.1 of Schedule Five;

**"Meter Credit Rules"**: shall have the meaning ascribed thereto in paragraph 1.2 of Schedule Five;

**"Meter Housing"**: shall mean such protective housing and/or compound designed to accommodate the Metering Equipment to IGE/GM1 Edition 2 and/or IGE/GM6 (where applicable) or such other superseding specifications as may be determined from time to time by the Institution of Gas Engineers and Managers for the Metering Equipment;

**"Meter Installation Works"**: shall mean any and all of the activities set out in paragraph 1 of Schedule Two, Part B;

**"Meter Point"**: shall mean (1) a point at which gas may, by a single pipe, be offtaken from the National Grid System for the purpose of conveyance directly to one Consumer Premises connected to the National Grid System and, in the case of a Sub-deduct Arrangement, also indirectly from such Consumer Premises to one or more Consumer Premises not connected to the National Grid System but forming part of that Sub-deduct Arrangement or (2) in the case of a Sub-deduct Arrangement, each point at which gas may, by a single pipe, be offtaken

for the purpose of conveyance directly to such Consumer Premises not connected to the National Grid System but forming part of that Sub-deduct Arrangement;

**"Meter Point Reference Number"**: shall mean the reference number generated by the Relevant Gas Transporter and allocated to the Meter Point at which the Meter is (or is to be) installed and **"MPRN"** shall be construed accordingly;

**"Meter Pulse"**: shall mean cyclic changes in the output of electrical resistance from a Meter representing a discreet amount of gas that has flowed through a Meter;

**"Meter Pulse Module"**: shall mean a mechanical device incorporating an electrical switch which is connected to a Meter and which facilitates the collection of Meter Pulses that are derived from the flow of gas through the Meter;

**"Meter Pulse Utilisation Equipment"**: shall mean equipment capable of automatically recording the electrical pulse output of a Meter and transmitting such information by electronic means to an identified recipient (such equipments also known as 'Automatic Meter Reading Equipment' or 'AMR Equipment') and **"MPU Equipment"** shall be construed accordingly;

**"Meter Reading"**: shall mean:

- (a) the reading of the index of the Meter; and
- (b) where a Convertor is installed, the corrected and uncorrected readings of the Convertor,

except that where Daily Read Equipment and a Convertor are installed a Meter Reading need not include both the reading under paragraph (a) and the uncorrected reading under paragraph (b);

**"Meter Regulator"**: shall mean a device located in close proximity to a Meter which is used for the sole purpose of controlling the pressure of gas within the Meter and/or the Installation Pipework and which is not separated from the Meter by buried pipework, except for short lengths of pipework specifically included in the installation design for access purposes;

**"Meter Removal Date"**: shall mean:

- (a) the date of removal of the Meter as stated in a notice received by National Grid in accordance with the Rainbow MAM Manual provided:
  - (i) such notice informs National Grid that the Meter has been removed from the Meter Point and that it is available for collection by National Grid, together with the location for such collection;
  - (ii) if such date of removal as stated in such notice is earlier than 15 Working Days before the date upon which the notice is received, the date of removal shall be deemed to be 15 Working Days before the date upon which such notice is received; or
- (b) the date upon which National Grid has removed the Meter from the Meter Point in accordance with a request by the Customer to do so (in accordance with a Contract made under this Agreement) or any entitlement of the Relevant Gas Transporter (acting in any capacity) to do so;

**"Meter Test Application Form"**: shall mean the form or computer file (containing the same information as the information set out in and required by the Rainbow MAM Manual) to be completed by the Customer for the purpose of paragraph 2.1.1 of Schedule Three, Part A;

**"Meter Works"**: shall have the meaning ascribed thereto in Condition 7.1;

**"Meter Works Conditions"**: shall mean this Agreement and/or the Above 7 Bar Meter Works Conditions and/or the Adversarial Meter Works Conditions;

**"Metering Agreements"**: shall mean the Meter Works Conditions, the Provision and Maintenance Agreement, the Network Metering Equipment Agreement, the Rainbow System User Agreement and the Metering Agreements Modification Provisions together with the documents listed in Condition 26.5;

**"Metering Agreements Modification Provisions"**: shall mean the document so entitled which contains the provisions by which changes may be made to certain of the Metering Agreements (including without limitation to this Agreement), as amended from time to time;

**"Metering Communication"**: shall mean any communication to be given by the Customer or National Grid (including any notice, application, request, approval, acceptance, invoice or other notice to be given, made or submitted) under this Agreement or any Contract made hereunder;

**"Metering Contingency"**: shall mean an event or circumstance affecting Rainbow, with the exception of Planned Rainbow Downtime which affects the ability of National Grid or Rainbow Customers to give or receive Batch Transfer Communications or Web Communications;

**"Metering Equipment"**: shall mean the Meter and Ancillary Equipment and/or where appropriate the Convertor, installed or to be installed at a Consumer Premises;

**"Metering Quotation Compensation Scheme"**: shall mean the scheme so entitled published by National Grid from time to time setting out the compensation to be offered by National Grid for failure to meet service levels set out for providing the Quotation;

**"Metering Services"**: shall mean the provision, installation, exchange, commissioning, inspection, repairing, alteration, re-positioning, removal, renewal and maintenance of Metering Equipment together with related services and activities;

**"Minimum Lead Time"**: shall mean, in respect of Domestic Meter Works, the date upon which Scheduled Attendance may be made, being a Day that shall be at least the number of Working Days specified as Minimum Lead Time in paragraph 1 of Schedule Two, Part C or paragraph 2.2.7 of Schedule Three, Part A following Acceptance;

**"National Grid"**: shall mean National Grid Gas plc acting in its capacity as provider of Metering Services, its successors and permitted assigns;

**"National Grid Customers"**: shall have the meaning ascribed thereto in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable);

**"National Grid (Gas Transporter)"**: shall mean National Grid Gas plc, acting in its capacity as a transporter of gas and not as a provider of Metering Services, its successors and permitted assigns;

**"National Grid GT Licence"**: shall mean the Gas Transporter Licence treated as granted to National Grid Gas plc as modified from time to time;

**"National Grid Metering Charges"**: shall mean the document containing, inter alia, those charges for the provision of Metering Services which is prepared and issued from time to time by National Grid pursuant to special condition 23 of the National Grid GT Licence;

**"National Grid Network"**: shall mean the National Grid System but excluding any Distribution Network;

**"National Grid Operative"**: shall mean the operative engaged by National Grid for the performance of Meter Works and **"NGO"** shall be construed accordingly;

**"National Grid System"**: shall mean the gas transportation pipeline system which at the 1st April 2005 is owned and operated by National Grid Gas plc for the conveyance of gas which is authorised by the National Grid GT Licence which for the purposes of this Agreement shall include all and any Distribution Networks;

**"Network Code"**: shall mean the document so entitled prepared by National Grid Gas plc pursuant to the National Grid GT Licence as modified from time to time and in force and effect prior to 1st May 2005;

**"Network Metering Equipment Agreement"**: shall mean the document entitled "Network Metering Equipment Agreement and General Conditions of Contract for The Provision and Maintenance of Metering Equipment Not Connected to the National Grid System", as amended (or novated) from time to time, in accordance with which the Parties are required to comply in respect of the provision and maintenance by National Grid of Metering Equipment located at points of connection to any Distribution Network;

**"Non Domestic Meter Works"**: shall mean Meter Works other than those in respect of Domestic Premises;

**"OCR Device"**: shall mean an electronic optical character recognition device which replicates the Meter Pulse;

**"Ofgem Approved Meter Installer"**: shall mean any such organisation as is registered by the Authority as an approved Meter installer for the purposes of standard condition 34(5) of the Supplier Licence;

**"Other Party"**: shall have the meaning ascribed thereto in Condition 15.1.1;

**"Overall Standard of Performance"** or **"OS"**: shall mean any standard of performance as referred to and more particularly described in paragraph 3 of Schedule Three, Part A;

**"PALD Invoice"**: shall have the meaning ascribed thereto in paragraph 2.5 of Schedule Four;

**"Party"**: shall mean either National Grid of the one part or the Customer of the other part, or their successors or permitted assigns and **"Parties"** shall be construed accordingly;

**"Paying Party"**: shall have the meaning ascribed thereto in paragraph 3.3.1(b)(ii) of Schedule Four;

**"Physical Commencement"**: shall mean the commencement of Meter Works by National Grid on Site in accordance with the Contract;

**"Physical Commencement Target Date"**: shall mean the date on which National Grid intends to commence physical works on the Site being:

- (a) for Standard Meter Works, the date of the requested Scheduled Attendance by the Customer in accordance with Condition 2.2(e)(iii) or 2.4 (as the case may be); or
- (b) for Quotation Meter Works, the date notified by National Grid or agreed between the Parties pursuant to Condition 2.3(c);

**"Planned Rainbow Downtime"**: shall have the meaning ascribed thereto in Clause 1.9.1 of the Rainbow System User Agreement;

**"P.M. Scheduled Attendance"**: shall mean an appointment at Domestic Premises between 12 noon and 8 p.m. on a Working Day;

**"Post Code Out-Code"**: shall have the meaning ascribed thereto in paragraph 1.1.3(f) of Schedule Four;

**"Pre-Appointment Liquidated Damages"**: shall mean liquidated damages payable by the Customer in accordance with Condition 17 and **"PALD"** shall be construed accordingly;

**"Prepayment Meter"**: shall mean a Meter which registers the volume of gas on the index and which is fitted with a device which on the insertion of a coin, token or Gas Card permits the passage of a predetermined quantity of gas;

**"Provision and Maintenance Agreement"**: shall mean the document entitled "Agreement and General Conditions of Contract for the Provision and Maintenance of Metering Equipment", as amended or novated from time to time, in accordance with which the Parties are required to comply in respect of the provision and maintenance by National Grid of Metering Equipment located at points of connection to the National Grid Network;

**"Purging"**: shall mean the displacement of natural gas by air or inert gas, or the displacement of air or inert gas by natural gas and **"Purge"** and **"Purged"** shall be construed accordingly;

**"Quantum System"**: shall mean the Quantum electronic token meter system operated by Siemens Metering Services Limited and **"Quantum System Meters"** shall be construed accordingly;

**"Queries"**: shall mean "Metering Queries" as defined in the Standards of Service Query Management Operational Guidelines and **"Query"** shall be construed accordingly;

**"Quotation"**: shall mean the form referring to this Agreement addressed to the Customer containing inter alia details of the Meter Works, and the Contract Sum, together with any other documents expressly incorporated therein;

**"Quotation Meter Works"**: shall mean Meter Works that are the subject of a Quotation;

**"Quotation Request for Non Standard Work"**: shall mean the request submitted by the Customer for the undertaking of Quotation Meter Works (being in a form substantially as set out in the Rainbow MAM Manual);

**"Rainbow"**: shall mean the Rainbow Network and, to the extent to which Rainbow Customers have access to and use of it, the Rainbow System;

**"Rainbow Customer"**: shall have the meaning ascribed thereto in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable);

**"Rainbow Customer Agent"**: shall have the meaning ascribed thereto in Condition 19.2.1;

**"Rainbow MAM Manual"**: shall mean the document so entitled and issued by National Grid, as amended or replaced from time to time;

**"Rainbow Network"**: shall mean an information exchange system, which runs on a wide area network, allowing the electronic transfer of information between National Grid and Rainbow Customers and certain access by Rainbow Customers to the Rainbow System more particularly described in the Enhanced IX Operational Guidelines For Use with Rainbow;

**"Rainbow System"**: shall mean the computer systems operated by National Grid to support implementation of certain provisions of the Metering Agreements and the giving of certain communications by National Grid and Rainbow Customers;

**"Rainbow System User Agreement"**: shall mean the document so entitled in accordance with which the Customer is required to comply in respect of access to and use of Rainbow as amended from time to time;

**"Rainbow System Validation Document"**: shall mean the document so entitled, published by National Grid which describes the rules for the validation of electronic files submitted by Rainbow Customers to the Rainbow System and/or by National Grid to Rainbow Customers (indicating the circumstances in which a transaction would be rejected as invalid) as amended or replaced from time to time;

**"Reasonable and Prudent Operator"** and **"RPO"**: shall mean 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 from a skilled and experienced person complying with applicable law engaged in the same type of undertaking in the same or similar circumstances and conditions, and any reference to the standard of a Reasonable and Prudent Operator or RPO shall be construed accordingly;

**"Receiving Party"**: shall have the meaning ascribed thereto in Condition 21.3;

**"Relevant Consumers"**: shall have the meaning ascribed thereto in Condition 24.1;

**"Relevant Consumer Data Date"**: shall have the meaning ascribed thereto in Condition 24.3;

**"Relevant Gas Transporter"**: shall mean, with respect to a Meter Point, either National Grid (Gas Transporter) or the owner at the relevant time of a Distribution Network, in each case acting in its capacity as a transporter of gas, its successors and permitted assigns;

**"Relevant Meter Indebtedness"**: shall have the meaning ascribed thereto in paragraph 2.1(b) of Schedule Five;

**"Replacement Exchange Programme"**: shall mean the programme operated by National Grid from time to time to determine those Meters requiring replacement;

**"Rental Charge"**: shall mean the appropriate charges as set out in the National Grid Metering Charges for the provision and maintenance of a Meter (and/or where applicable Ancillary Equipment and/or Convertor) which is provided in accordance with the Provision and

Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) and (where appropriate) annualised installation charges;

**"Request"**: shall have the meaning ascribed thereto in Schedule Three, Part A, paragraph 1.1;

**"Rotary Meter"**: shall mean a Meter that mechanically measures gas flow by the positive displacement of a discrete volume of gas displaced between two impellers;

**"Scheduled Attendance"**: shall mean:

- (a) an A.M. Scheduled Attendance; or
- (b) a P.M. Scheduled Attendance; or
- (c) a Two Hour Scheduled Attendance; or
- (d) an All Day Scheduled Attendance;

**"Schedules"**: shall mean Schedules One through to Five of this Agreement;

**"SCMH"**: shall mean the flow rate of a standard cubic metre of gas per hour, a standard cubic metre of gas being that amount of gas which at a temperature of 15°C and an absolute pressure of 1.01325 bar and being free of water vapour occupies one cubic metre;

**"Self-Bill Amount"**: shall have the meaning ascribed thereto in paragraph 1.1.4 of Schedule Four;

**"Service Level"**: shall mean the service levels as set out in Schedule Two, Part C;

**"Site"**: shall mean such premises or land owned or occupied by the Customer and/or the Consumer to which National Grid reasonably requires access in connection with the Meter Works;

**"Standard"**: shall mean an Individual Standard of Performance or an Overall Standard of Performance as the context in Schedule Three, Part A indicates, or the applicable standard in the Metering Quotation Compensation Scheme;

**"Standard Abortive Call Charges"**: shall mean the charges of that name as set out in the National Grid Metering Charges;

**"Standard Meter Works"**: shall mean those Meter Works complying with the provisions of paragraph 1.2 of Schedule One, Part A and which are not the subject of a Quotation;

**"Standard Work Request"**: shall mean the offer submitted by the Customer for the conduct of the Standard Meter Works being in a form as set out in the Rainbow MAM Manual and **"SWR"** shall be construed accordingly;

**"Standards of Service Query Management Operational Guidelines"**: shall mean the document so entitled and published by National Grid (as amended or replaced from time to time) that sets out the detailed rules of operation for the management of Queries, including details of how Query resolution performance is calculated against relevant standards, and associated payments for failure to meet the specified standards;

**"Substantial Completion"**: shall mean:

- (a) where the Installation Pipework enables Commissioning to be undertaken, the completion of such Meter Works together with Commissioning (where appropriate) necessary to permit the safe flow of gas; or
- (b) the completion of such Meter Works necessary to permit the safe flow of gas through the Metering Equipment;

**"Substantial Completion Target Date"**: shall mean the date by which National Grid intends to achieve Substantial Completion being:

- (a) for Standard Meter Works, the date of the requested Scheduled Attendance or attendance (as the case may be) by the Customer in accordance with Condition 2.2(e)(iii) or 2.4 (as the case may be); or
- (b) for Quotation Meter Works, the date notified by National Grid or agreed between the Parties pursuant to Condition 2.3(c);

**"Sufficiently Complex"**: shall have the meaning ascribed thereto in paragraph 2.1 of Schedule 2 Part C;

**"Supplier"**: shall mean in relation to any premises, a gas supplier licensed under Section 7(A)(1) of the Gas Act (and acting in such capacity) supplying gas to such premises;

**"Supplier Licence"**: shall mean a licence granted or treated as granted under Section 7(A)(1) of the Gas Act (including standard and special conditions thereto) as modified from time to time;

**"Surplus National Grid Material"**: shall mean material taken on to Site (including barriers and any hazardous substances) and/or material created on Site by National Grid in the conduct of the Meter Works but not incorporated into the Metering Equipment;

**"Target Due Date"**: shall have the meaning ascribed thereto in paragraph 3.1.2(b) of Schedule Four;

**"Tariff Gas Billing"**: shall mean the software system settings used in installing a new Quantum System Meter as introduced during 1995;

**"Turbine Meter"**: shall mean a Meter that inferentially measures gas flow by measuring the speed of turbine blades rotating in the gas stream;

**"Two Hour Scheduled Attendance"**: shall mean an appointment at Domestic Premises in a specified two hour period commencing on any even numbered hour between 8 a.m. and 6 p.m. on a Working Day;

**"Ultrasonic Meter"**: shall mean a Meter that inferentially measures gas flow by using time of flight of ultrasound pulses through the gas stream;

**"UMS"**: shall mean Utility Metering Services Limited registered number 3705740 whose registered office is at 1-3 Strand, London, WC2N 5EH;

**"Unforeseen Alterations"**: shall have the meaning ascribed thereto in Condition 7.3(b);

**"Warranty Period"**: shall have the meaning ascribed thereto in Condition 5.1(b);

**"Web Communication"**: shall mean a data file transmitted by National Grid or by a Rainbow Customer by means of the internet as described in the Rainbow MAM Manual and the Web Portal User Guidelines;

**"Web Portal"**: shall mean such computer system as may be made available by National Grid for access by the Customer via the internet for the performance of certain functions on the Rainbow System;

**"Web Portal User Guidelines"**: shall mean the document so entitled and published by National Grid which contains training and instructions on the use of Web Communications, as amended or replaced from time to time;

**"Working Day"**: shall mean a Day other than a Saturday, a Sunday, Christmas Day, Good Friday, or a Day which is a bank holiday within the meaning of the Banking and Financial Dealings Act 1971;

**"Working Hours"**: shall mean (without prejudice to paragraph 1.1 of Schedule Three, Part A) the hours between 8 a.m. and 5 p.m. on each Working Day provided always that (a) for the purposes of Scheduled Attendances the Working Hours shall be between 8 a.m. and 8 p.m. and (b) for the purposes of receiving Quotation Requests for Non Standard Works or SWRs, any request received after 5 p.m. on a Working Day will be deemed to have been received at 9 a.m. on the next Working Day.

## 1.2 Interpretation

In this Agreement and any Contract unless the context otherwise requires:

1.2.1 headings and sub-headings are for convenience only and shall not affect the interpretation of this Agreement and any Contract;

1.2.2 all references to any:

(a) statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made thereunder and any conditions attaching thereto; and

(b) technical procedure, technical standard and technical specification shall be deemed to include references to any technical procedure, technical standard and technical specification which amends, extends, consolidates or replaces the same;

1.2.3 reference to contractors shall be interpreted as referring to contractors and subcontractors of any tier;

1.2.4 reference to the word "includes" or "including" are to be construed without limitation;

- 1.2.5 where general words are followed by specific examples, the nature of the specific examples shall not restrict or qualify the natural meaning of the general words and the rule that where particular words are followed by general words the general words are limited to the same kind as the particular words shall not apply;
- 1.2.6 reference to times of the Day in this Agreement and any Contract are to official time in the United Kingdom, and except where otherwise provided:
- (a) where anything is to be done under this Agreement or any Contract by or not later than a Day or any period under this Agreement or any Contract is to run to a Day such thing may be done or such period shall run up to the end of such Day; and
  - (b) where anything is to be done under this Agreement or any Contract from or not earlier than a Day or any period under this Agreement or any Contract made pursuant hereto is to run from a Day, such thing may be done or such period shall run from the start of such Day.
- 1.3 In the event of any conflict between these Conditions and the Schedules these Conditions shall prevail.
- 1.4 Unless the context otherwise requires, references to a Condition or Schedule are to a Condition or Schedule in this Agreement, and references in a Schedule or part of a Schedule to a paragraph or sub-paragraph are to a paragraph or sub-paragraph of that Schedule or that part of that Schedule.

## **2. THE QUOTATION AND ACCEPTANCE**

- 2.1 Contract formation for Standard Meter Works shall (subject to Condition 2.4) be as set out in Condition 2.2, and Contract formation for Quotation Meter Works shall be as set out in Condition 2.3.

### **Standard Meter Works**

- 2.2 Subject to Condition 2.4, for Contracts in respect of Standard Meter Works:
- (a) the Customer may from time to time request that National Grid undertakes Standard Meter Works on the basis of the National Grid Metering Charges where:

- (i) the Customer's Aggregate Relevant Meter Indebtedness does not exceed 90% of its Meter Credit Limit; and
    - (ii) the Customer warrants that the conditions set out in paragraphs 1 and 2 of Schedule One, Part A have been satisfied and understands and agrees to National Grid's requirements set out in paragraph 3 of such Schedule; and
    - (iii) no further terms or conditions are required other than those set out in this Agreement (where such further terms and conditions are required these shall be the subject of Quotation Meter Works);
  - (b) the request by the Customer for Standard Meter Works will be in the form of an SWR submitted in accordance with the Rainbow MAM Manual and duly completed for all data fields specified as being mandatory therein and in the event that:
    - (i) the SWR is not so duly completed; or
    - (ii) the Customer has failed to meet its requirements as specified in Condition 2.2(a); or
    - (iii) the Customer has not given the appropriate time periods for Service Levels as specified in paragraph 1 of Schedule Two, Part C;
- National Grid may reject such request and will notify the Customer of such rejection within 1 Working Day of receipt of the relevant SWR;
- (c) unless rejected in accordance with Condition 2.2(b), National Grid shall acknowledge receipt of an SWR within 1 Working Day;
  - (d) subject to Condition 2.2(b), formation of the Contract ("**Acceptance**") will take effect on the receipt by National Grid within Business Hours of an SWR duly completed by the Customer;
  - (e) subject to Condition 2.2(c) and the further provisions of this Agreement, upon Acceptance of an SWR in which the Customer (a) in respect of Domestic Premises, requests a Scheduled Attendance (and such requested date is no earlier than the beginning of the relevant Minimum Lead Time) or (b) in respect of non-Domestic Premises, requests an attendance (and such requested date is no earlier than the relevant Lead Time for Physical Commencement):

- (i) such Scheduled Attendance or attendance (as the case may be) will be made for the requested date;
  - (ii) National Grid will attend such Scheduled Attendance or attendance (as the case may be) on such requested date; and
  - (iii) such requested date shall (unless National Grid otherwise notifies the Customer) be both the Physical Commencement Target Date and the Substantial Completion Target Date and National Grid shall use its reasonable endeavours to complete the Meter Works on such date;
- (f) a Scheduled Attendance may be rescheduled prior to the time of the original Scheduled Attendance by agreement with the Consumer in accordance with Schedule Three, Part A. In such case National Grid will notify the Customer of the rescheduling within 1 Working Day of such rescheduling and any obligations and payment due in respect of such original Scheduled Attendance will then apply only in relation to the rescheduled Scheduled Attendance.

#### **Quotation Meter Works**

#### 2.3 For Contracts in respect of Quotation Meter Works:

- (a) the Quotation:
  - (i) will only be issued by National Grid upon receipt from the Customer of a completed Quotation Request for Non Standard Work and after having taken into account all and any Site rules provided by the Customer and/or made known to National Grid during the course of a Site visit;
  - (ii) will be issued in accordance with the relevant Service Level;
  - (iii) is issued subject to the provisions of this Condition 2.3, Schedule One, Part B and Schedule Five;
  - (iv) is personal to the Customer and may not be assigned without the written consent of National Grid (such consent not to be unreasonably withheld);
- (b) formation of the Contract ("**Acceptance**") will take effect:

- (i) on the receipt by National Grid within Business Hours of the Acceptance Form duly completed by the Customer including a certification by the Customer that no further terms or conditions are required other than those set out in this Agreement and the relevant Quotation; or
- (ii) in the event that the Customer specifies in the Acceptance Form that it requires terms and conditions in addition to those set out in this Agreement and the Quotation or specifies variations to such Agreement or Quotation, upon written acceptance (where applicable) of such additional or varied terms and conditions by National Grid (notification of acceptance or non-acceptance of such terms and conditions as the case may be to be given by National Grid as soon as reasonably practicable),

PROVIDED ALWAYS that Acceptance occurs within 90 Days of the date of issue of the Quotation, or prior to the expiry of such other period as may be agreed in writing between the Parties and PROVIDED FURTHER THAT no acceptance of an offer made by National Grid in respect of the conduct of works of substantially the same nature at the same location has been received from a third party prior to the receipt by National Grid of such completed Acceptance Form;

- (c) unless otherwise set out in the Quotation or agreed by the Parties in writing, National Grid will (in accordance with Schedule One, Part B) notify the Customer of:
  - (i) the date of Acceptance; and
  - (ii) either:
    - (1) the Latest Date for Permission (if the requirement for such permissions has been set out in the Quotation); or
    - (2) the Physical Commencement Target Date, the Substantial Completion Target Date and (where applicable) the target date for Final Completion,

as soon as reasonably practicable and in any event within the time periods set out in the table in paragraph 3 of Schedule Two, Part C;

- (d) in the event that Acceptance takes place 90 Days or more after the issue of the Quotation, the first proviso set out in Condition 2.3(b) shall not apply and the dates set out in Condition 2.3(c) above shall be the dates specified as such in the Quotation

extended by the number of Days in excess of 90 that have elapsed since the date of issue of the Quotation, save as may otherwise be agreed with the Customer;

- (e) in the event that permissions, consents, licences or authorisations are required as set out in Condition 4.1(c)(ii) National Grid will notify the Customer of the Physical Commencement Target Date, the Substantial Completion Target Date and the target date for Final Completion (where applicable) as soon as reasonably practicable after such permission, consent, licence or authorisation is received by National Grid and in any event within the time periods set out in the table in paragraph 3 of Schedule Two, Part C.

### **Web Portal Contracting**

2.4 Subject and without prejudice to the Rainbow System User Agreement the Customer may in respect of Standard Meter Works form Contracts by means of the Web Portal and where prescribed by the Rainbow MAM Manual, whereupon:

- (a) formation of the Contract ("**Acceptance**") shall take place upon receipt by the Customer of the appropriate acknowledgement from the Web Portal;
- (b) dates for Scheduled Attendances and/or Physical Commencement Target Dates will be as confirmed via the Web Portal (which for the avoidance of doubt will be the date requested by the Customer unless appropriate resources are not reasonably available to National Grid whereupon an alternative date for Scheduled Attendance or Physical Target Commencement Date will be offered as set out in the Rainbow MAM Manual).

### **General**

2.5 The Customer shall not:

- (a) submit an SWR pursuant to Condition 2.2(b) or a Quotation Request for Non Standard Work, or seek to form a Contract by means of the Web Portal, other than in respect of Metering Equipment situated at a Meter Point with an inlet pressure not exceeding 7 Bar; or
- (b) submit an SWR pursuant to Condition 2.2(b) or an Acceptance Form, or seek to form a Contract by means of the Web Portal, other than in respect of Metering Equipment which at the time of Acceptance is or is to be attached to the National Grid System.

### 3. CUSTOMER'S WARRANTY

The Customer warrants that it has entered into this Agreement on its own behalf, and not as an agent for a third party.

### 4. CUSTOMER'S OBLIGATIONS

#### General

4.1 The Customer will in accordance with the terms and conditions of the Contract:

- (a) make all payments due from it under the Contract;
- (b) notwithstanding Condition 6.1(j), as soon as reasonably practicable and in any event so as not to delay the works, obtain all necessary access rights, planning permissions, consents and licences for the siting, construction, operation and maintenance of any element of the Metering Equipment which is to be constructed or installed on the Site as part of the Meter Works or in connection therewith;
- (c) to the standard of an RPO:
  - (i) provide such information, drawings and specifications within the possession or reasonable control of the Customer as National Grid may reasonably request;
  - (ii) by the Latest Date for Permission obtain such permissions, consents, licences or authorisations as may be specified in the Quotation;
  - (iii) subject to any reasonable Site rules and regulations notified to National Grid at the time of the Quotation Request for Non Standard Work, facilitate free and unrestricted access for National Grid and its contractors to the Site during Working Hours or at such other times as may be agreed between the Parties to the extent reasonably necessary to enable them to carry out the Meter Works;
  - (iv) in respect of Meter Installation Works taking place during the period from the date of Substantial Completion to Appointment:
    - (1) take all reasonable precautions to keep the Metering Equipment secure and free of interference and/or damage;

- (2) not interfere with or permit interference with the Metering Equipment or materials on the Consumer's Premises where the same are owned by National Grid or its contractors without obtaining National Grid's prior consent in writing PROVIDED ALWAYS that the following shall not be deemed to be interference:
  - (aa) installation of MPU Equipment with the consent or prior agreement of National Grid;
  - (bb) removal or disconnection of the Metering Equipment.

### **Quotation Meter Works**

4.2 For Contracts in respect of Quotation Meter Works the Customer will, in accordance with the provisions of the Quotation:

- (a) in respect of Meter Installation Works and so as not to delay the Meter Works:
  - (i) where National Grid is required to provide and construct the Meter Base as additional activities for which a price is specified in a Quotation, provide or procure the provision and construction to the finished level of the areas of the Site on which such Meter Base is to be constructed; or
  - (ii) where National Grid is not required to provide and construct the Meter Base, provide and construct or procure the provision and construction of a suitable Meter Base at the Site in accordance with the physical parameters of the Meter Base set out in the Quotation;
- (b) in respect of Meter Installation Works and so as not to delay the Meter Works and in any event so that any Metering Equipment may be left secure prior to Appointment:
  - (i) (unless National Grid is required to provide and construct such Meter Housing as additional activities for which a price is specified in a Quotation), facilitate the provision and construction of a suitable Meter Housing at the Site in accordance with the specifications for Meter Housing contained in the Quotation;
  - (ii) where National Grid is required to provide and construct such Meter Housing as additional activities for which a price is specified in a Quotation the

Customer acknowledges and agrees that ownership of and risk in such Meter Housing shall pass to the Customer at Final Completion;

- (c) use all reasonable endeavours to ensure that the Meter Housing constructed pursuant to Condition 4.2(b) is properly maintained from the date of Final Completion;
- (d) so as not to delay the Meter Works, facilitate the undertaking and performance of those works specified in the Quotation as being the responsibility of the Customer.

4.3 Where National Grid (acting as an RPO) complies with the instructions of the Customer pursuant to this Agreement at any Meter Point and such compliance results in another National Grid Customer, or a Consumer of such National Grid Customer, suffering loss in respect of or in connection with that Meter Point and as a result National Grid incurs liability to such National Grid Customer or its Consumer in respect of such loss, then to the extent that National Grid has no adequate recourse against the Customer under the Civil Liability (Contribution) Act 1978 the Customer shall to the fullest extent permitted by law, but for the avoidance of doubt subject always to Condition 14.4.1, indemnify National Grid in respect of such liability.

4.4 The Customer will not be in breach of any provision of Conditions 4.1 and/or 4.2 in circumstances where and to the extent that such breach would not have occurred but for a failure by National Grid to comply with any provision of this Agreement.

## 5. NATIONAL GRID'S WARRANTIES

5.1 National Grid warrants that:

- (a) it shall perform the Meter Works in the manner provided for in the Contract to the standard of an RPO; and
- (b) the Metering Equipment shall be free from defects until the date of Appointment or such date as is 12 calendar months after Final Completion (whichever shall be the sooner) (the "**Warranty Period**").

5.2 In the event that National Grid is in breach of the warranty in Condition 5.1(a) or 5.1(b), then, as soon as reasonably practicable after written notification National Grid will, at its own cost:

- (a) re perform the Meter Works (in the case of Condition 5.1(a)); or

- (b) rectify the defect in the Metering Equipment or, at National Grid's option, replace the affected Metering Equipment (in the case of Condition 5.1(b)),

PROVIDED THAT such notification:

- (i) includes such details as the Customer is able to give relating to the nature of the defect causing National Grid to be so in breach; and
- (ii) is given by the Customer no later than 14 Days after becoming aware of the breach and, in any event, within 12 calendar months after Final Completion (in the case of Condition 5.1(a)) or no later than the expiry of the Warranty Period (in the case of Condition 5.1(b))

and, in either case PROVIDED FURTHER THAT the Customer facilitates such access to the Site as National Grid reasonably requires in order to conduct such rectification and in the event that, notwithstanding the Customer attempting to facilitate such access, National Grid (acting as an RPO) is unable to access the Site then National Grid shall re perform the Meter Works or rectify such defect or replace Metering Equipment (as the case may be) as soon as reasonably practicable after suitable access is provided.

5.3 National Grid warrants that:

- (a) in relation to Standard Meter Works, the Conversion Table is suitable for determining the appropriate model of a Meter for installation at a Meter Point by reference to the design capacity of such Meter Point, PROVIDED THAT the Customer is entirely responsible for ensuring the accuracy and completeness of the information it employs in making use of the Conversion Table; and
- (b) in relation to Quotation Meter Works, the Metering Equipment installed by National Grid shall be Fit For Purpose,

PROVIDED THAT the Parties acknowledge and agree that nothing in this Condition 5.3 shall oblige (a) the Customer to undertake an inspection of such Metering Equipment or (b) National Grid to make good any item of Metering Equipment in respect of which a remedy is available at such time under the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable), however if such action is taken then Condition 5.9 shall apply.

5.4 Where the Customer provides reasonable evidence to National Grid that National Grid has:

- (a) in respect of Standard Meter Works, installed a Meter that is not appropriate for the design capacity of the Meter Point and the reason for such failure is an error in the Conversion Table; or
- (b) in respect of Quotation Meter Works, installed Metering Equipment that is not Fit For Purpose,

in either case as a result of National Grid's failure to act as an RPO then, subject to the provisos in Condition 5.2 and PROVIDED FURTHER THAT the Customer provides National Grid by written notice with such reasonable evidence as soon as practicable upon becoming aware of the circumstances in Condition 5.4(a) or 5.4(b) and, in respect of Condition 5.4(b) only, in any event not later than 14 Days after the expiry of the period of 36 months following Final Completion, National Grid shall, at its cost, repair or replace such Metering Equipment or part thereof.

5.5 For the purposes of Conditions 5.3(b) and 5.4(b) "**Fit For Purpose**" means Metering Equipment of a suitable capacity for the pressure and rate of flow of gas set out in the Quotation Request for Non Standard Works and conforming with the specification set out in the accompanying documents (if any) which have been provided by the Customer.

5.6 National Grid warrants that where:

- (a) the installation date of an OCR Device or Meter Pulse Module owned by National Grid is on or after 20 August 2008, then provided that the Meter in question has a badged capacity of 11 SCMH or above, a Meter Pulse shall be available from that Meter until the earlier of either (1) such date as is 10 years from the date of installation of such OCR Device or Meter Pulse Module or (2) the date that such Meter is replaced under the Replacement Exchange Programme; or
- (b) the installation date of a Meter with a badged capacity of 11SCMH or above is on or after 20 August 2008, then where such Meter has been installed as a new installation or following the completion of a Meter exchange (whether or not requested by the Customer), a Meter Pulse shall be available from that Meter until such date as is 10 years from the date that such Meter installation was completed.

5.7 In the event that the Meter Pulse ceases to be available from a particular Meter during the warranty period specified in Condition 5.6(i) or (ii) (as the case may be), then as soon as reasonably practicable after receipt of written notification of the unavailability from the Customer National Grid will, at its cost, carry out such Works as may be necessary to restore the Meter Pulse at the Meter in question, PROVIDED THAT the Customer facilitates such

access to the Site as National Grid reasonably requires in order to conduct such Works and PROVIDED FURTHER THAT where the Meter Pulse ceases to be available as a result of the act or omission of the Customer or its agents or contractors, or any third party, any Works necessary to effect such restoration shall be at the Customer's cost.

5.8 Without prejudice to Condition 14:

- (a) Condition 5.2 sets out National Grid's entire liability to the Customer for breach of the warranties set out in Condition 5.1;
- (b) Condition 5.4 sets out National Grid's entire liability to the Customer for breach of the warranties set out in Condition 5.3, and
- (c) Condition 5.7 sets out National Grid's entire liability to the Customer for breach of the warranties set out in Condition 5.6,

and National Grid shall not have any further or additional liability to the Customer whatsoever and howsoever arising (including in negligence) in relation to the matters referred to in Conditions 5.1, 5.2, 5.3, 5.4, 5.6 and 5.7.

5.9 Where in respect of National Grid's breach of any warranty under this Condition 5 the Customer also has a remedy under the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable), any action undertaken by National Grid in satisfaction of this Condition 5 shall also be deemed to be an action undertaken in response to the Customer's remedy under the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable).

5.10 For the avoidance of doubt National Grid's warranties under this Condition 5 will not extend to any items supplied by the Customer except in so far as the defects in such items arise as a result of a failure by National Grid to act as an RPO in conducting the Meter Works.

5.11 National Grid will not be in breach of any provision of this Condition 5 in circumstances where and to the extent that such breach would not have occurred but for a failure by the Customer to comply with any provision of this Agreement.

## **6. NATIONAL GRID'S OBLIGATIONS**

6.1 National Grid will to the standards of an RPO and in accordance with the terms and conditions of the Contract (including, for the avoidance of doubt, the standards set out in paragraph 1.2(a) of Schedule Two, Part A) and subject to Condition 6.3:

- (a) make all payments due from it under the Contract;
- (b) without additional cost to the Customer and as soon as reasonably practicable provide such information within the possession or control of National Grid as is reasonably required by the Customer for the performance of its obligations under Condition 4;
- (c) in the course of the Meter Works comply with Site rules reasonably imposed in the course of the Meter Works or agreed by the Parties prior to Acceptance (and for the avoidance of doubt Site rules imposed to comply with statute, regulation, Directive or order of a Competent Authority shall be deemed to be reasonably imposed);
- (d) in the course of the Meter Works comply with the CDM Regulations;
- (e) in the course of the Meter Works, and subject to the provisions of the Contract, perform changes to the Meter Works agreed with the Customer pursuant to Condition 10;
- (f) in its conduct of the Meter Works not cause a breach of any permission, licence, consent or authorisation obtained by the Customer pursuant to Condition 4.1(c)(ii), PROVIDED ALWAYS that National Grid has been provided with material details of such permission, licence, consent or authorisation prior to such conduct;
- (g) carry out the Meter Works in accordance with the Contract including for the avoidance of doubt the obligations set out in Schedule Two, Parts A and B;
- (h) take reasonable steps to secure that in performing any activities on Metering Equipment to which Daily Read Equipment and/or MPU Equipment is attached it does not damage or otherwise mistreat such Daily Read Equipment and/or MPU Equipment;
- (i) where at any time upon National Grid becoming aware that a disconnection of the Daily Read Equipment and/or MPU Equipment from its Metering Equipment has occurred, promptly notify such event to:
  - (i) either:
    - (1) the party responsible for such Daily Read Equipment and/or MPU Equipment (where known or where such party can be identified further to reasonable enquiry of the Relevant Gas Transporter); or

- (2) where the party referred to in (i)(1) is not known, the Customer; and
- (ii) any other Supplier who has Appointed National Grid in respect of such Metering Equipment;
- (j) without prejudice to Condition 4.1(b), provide all reasonable advice and assistance to the Customer in the obtaining of all necessary access rights, planning permissions, consents and licences for the siting, construction, operation and maintenance of any element of the Metering Equipment which is to be constructed or installed on the Site as part of the Meter Works or in connection therewith.

6.2 Where:

- (a) without prejudice to Condition 2.5(b), the Customer has submitted an SWR pursuant to Condition 2.2(b) or an Acceptance Form in accordance with this Agreement; and
- (b) at the time of the Meter Works the Customer is not entitled to request such Meter Works in accordance with this Agreement,

then National Grid and the Customer shall nevertheless carry out their respective obligations under the relevant Contract in respect of such Metering Equipment which shall be deemed to be in accordance with this Agreement. This Condition 6.2 shall survive termination of this Agreement in respect of any Contract in force at the date of such termination.

6.3 National Grid will not be in breach of any provision of this Condition 6 in circumstances where and to the extent that such breach would not have occurred but for a failure by the Customer to comply with any provision of this Agreement.

## 7. THE WORKS

7.1 The Meter Works shall (subject to Conditions 7.3 and 10) comprise those activities specified in the Quotation or which have been set out in the SWR and Accepted in accordance with Condition 2.2(d), 2.3(b) or 2.4(a) (as the case may be).

7.2 Subject to Condition 7.3 National Grid will commence the conduct of the Meter Works on or (subject to the Customer's approval) before the Physical Commencement Target Date unless any permissions and/or rights of access necessary for the commencement of the Meter Works have not been secured or granted in which case National Grid will commence the Meter Works as soon as reasonably practicable (subject to the Customer's approval) after the

grant of such permissions and/or rights of access. National Grid will (other than where the Customer has cancelled the Meter Works) seek to agree with the Customer the revised Physical Commencement Target Date and/or Substantial Completion Target Date.

7.3 In the event that:

- (a) the Contract has been formed pursuant to an SWR and the assumptions set out in paragraphs 2.1(a)(i) to (vii) of Schedule One, Part A are not valid, National Grid shall follow the Exceptions Procedures and in the event that such Exceptions Procedures do not allow National Grid to treat the circumstance as resolved, National Grid shall not commence the Meter Works and:
  - (i) in respect of Meters with a badged capacity of less than 11 SCMH shall re-plan such Meter Works and the Substantial Completion Target Date shall be extended in accordance with Condition 9.1, (and for the avoidance of doubt such delay shall constitute an excluded circumstance as set out in paragraph 5(i) of Schedule Three, Part A); and
  - (ii) in respect of Meters with a badged capacity of not less than 11 SCMH the Contract in respect of such Meter Works shall be terminated and National Grid shall provide a Quotation for the required Meter Works in accordance with Condition 2.3;
- (b) the Contract has been formed pursuant to an SWR and the Meter Works to be undertaken would require alteration to the service pipe and/or building work or joinery ("**Unforeseen Alterations**") in the Consumer's Premises, National Grid shall follow the Exceptions Procedures and in the event that such Exceptions Procedures do not allow National Grid to treat the circumstance as resolved, National Grid shall not commence the Meter Works and:
  - (i) in respect of Meters with a badged capacity of less than 11 SCMH the Contract in respect of such Meter Works shall be terminated and such visit shall be an Abortive Meter Works Call as set out in Paragraph 3.6 of Schedule Two, Part A;
  - (ii) in respect of Meters with a badged capacity of not less than 11 SCMH National Grid shall notify the Customer of such delay no later than the next Working Day and the Substantial Completion Target Date shall be extended in accordance with Condition 9.1 until such date as the Customer informs National Grid that the Unforeseen Alterations will have been completed,

PROVIDED THAT the Contract in respect of such Meter Works shall be terminated if:

- (1) National Grid subsequently attends the Site and becomes aware that the unforeseen alterations have not been completed; or
  - (2) the Customer does not notify National Grid of the date that the unforeseen alterations will be completed within 30 Working Days of the Meter Works being suspended;
- (c)
- (i) the MPRN at the Site is found to be different to that set out in the SWR and/or Quotation Request for Non Standard Work; and/or
  - (ii) the Meter asset details at the Site are found to be different to that set out in the SWR or Quotation Request for Non Standard Work,

National Grid shall follow the Exceptions Procedures and in the event that such Exceptions Procedures do not allow National Grid to treat the circumstance as resolved, National Grid shall not commence the Meter Works and the relevant Contract shall be terminated.

7.4 The Customer acknowledges and agrees that in the performance of the Meter Works National Grid may utilise Quantum System Gas Cards (Installer) where such cards had previously been provided to National Grid pursuant to the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable).

7.5 Where in the course of Meter exchange Meter Works National Grid discovers that the Meter to be exchanged is clamped and the clamp is not owned by National Grid, the Customer agrees that:-

- (a) where, in accordance with the Exceptions Procedures and/or Schedule Two (and acting as an RPO) National Grid disconnects and/or removes that clamp, the Customer acknowledges and agrees to the disposal by National Grid of such clamp and accordingly shall indemnify National Grid in full from and against any liability incurred by National Grid to the Consumer or any other third party in respect of or resulting from loss of or damage caused to such clamp; and
- (b) notwithstanding the Exceptions Procedures and Schedule Two, National Grid shall not be obliged to disconnect and/or remove that clamp if National Grid (acting as an RPO)

has reason to believe that such disconnection and/or removal might cause damage to any other property of the Consumer or any other third party, in which case National Grid shall not commence the Meter Works and shall promptly notify the Customer accordingly.

## **8. COMPLETION**

8.1 National Grid shall (subject to the provisions of this Agreement) use its best endeavours to achieve Substantial Completion by the Substantial Completion Target Date (as such date may be amended pursuant to Conditions 2.2(e), 2.3(e) and 9).

8.2 National Grid will issue to the Customer a notification stating the date upon which Substantial Completion was achieved within 48 hours of Substantial Completion.

8.3 If, in respect of Non Domestic Meter Works, National Grid shall fail to achieve Substantial Completion of the Meter Works by the Substantial Completion Target Date, as the same may be extended pursuant to Condition 9, National Grid shall pay Daily Liquidated Damages to the Customer in respect of each Day or part thereof of actual delay in accordance with Schedule Three, Part B PROVIDED THAT:

- (a) in respect of any such Day, National Grid and its contractors are permitted access to the Site at all reasonable times to perform the Meter Works; and
- (b) National Grid's liability under this Condition 8.3 shall not under any circumstances exceed the Liquidated Damages Cap.

Annex A of Schedule Three Part B sets out National Grid's target planned performance levels in any calendar month for substantial completion.

8.4 If Meter Works:

- (a) in respect of which the Customer has become entitled to the maximum amount provided for under Condition 8.3 remain uncompleted, the Customer may by notice to National Grid require National Grid to complete such Meter Works. Such notice shall fix a final date for Substantial Completion which shall be reasonable having regard to such delay as has already occurred and to the extent of the Meter Works required for completion. If for any reason, other than one for which the Customer, contractor of the Customer or Consumer is responsible or for which an extension of time is permitted pursuant to Condition 9.1, National Grid fails to complete within such time the Customer may by further notice to National Grid elect either to require National

Grid to complete or terminate the Contract in respect of such Meter Works in accordance with Condition 16.3(e);

- (b) are, compared to dates notified in accordance with Condition 2.3(c), delayed to such an extent that the reasonable expectation is that the Customer shall become entitled to the maximum amount provided for under Condition 8.3 before Substantial Completion is achieved the Customer may by notice require National Grid to provide in a reasonable time period a schedule of works setting out how National Grid shall achieve Substantial Completion on or before the date upon which the Customer shall become entitled to the maximum amount provided for under Condition 8.3 (the “**Long Stop Date**”). In the event that National Grid does not so provide such a schedule of works or subsequent progress of the Meter Works compared to such schedule of works is such that Substantial Completion cannot reasonably be expected to be achieved by the Long Stop Date, the Customer may by further notice to National Grid terminate the Contract in respect of such Meter Works in accordance with Condition 16.3(e).

8.5 In the event of National Grid's failure or delay in respect of a Scheduled Attendance on behalf of a Domestic Consumer (other than where Meter Works have been suspended pursuant to Condition 16.8), the provisions of Schedule Three, Part A shall apply.

8.6 Final Completion shall occur on the same date as Substantial Completion (and no additional notification shall be required in respect of Final Completion) unless the Quotation or the planning letter sent by National Grid following Acceptance states that Final Completion shall occur on a different date to Substantial Completion or unless National Grid so notifies the Customer during the course of the Meter Works in which case Condition 8.7 shall apply.

8.7 Where Final Completion does not occur on the same date as Substantial Completion National Grid will issue to the Customer a notification stating the date upon which Final Completion was achieved within 1 Working Day of such Final Completion.

## 9. **EXTENSIONS OF TIME**

9.1 The Substantial Completion Target Date will be extended in the event of any delay to the Meter Works including, for the avoidance of doubt, where the delay occurs after the Substantial Completion Target Date (thereby effectively negating any liability on National Grid to pay liquidated damages in relation to the period of such delay, even if this occurs after the original Substantial Completion Target Date) to the extent that such delay is caused by:

- (a) (i) the Customer's failure or delay in performing its obligations as set out in Condition 4 (other than Condition 4.1(a)); and/or
- (a) (ii) any other delay, impediment or prevention of whatever nature caused by the Customer, or for which it is responsible (including without limitation the circumstances set out in Conditions 7.2 and/or 7.3);
- (b) the Physical Commencement Target Date being revised as set out in Condition 7.2;
- (c) weather conditions that the Customer agrees are exceptional and adverse (such agreement not to be unreasonably withheld or delayed);
- (d) any event or circumstance of Force Majeure;
- (e) any labour dispute or work stoppage or slow-down involving the Customer, the Customer's contractors, or any other person (other than National Grid or its contractors or suppliers) which affects the Meter Works;
- (f) the imposition of Site rules other than those agreed pursuant to Condition 6.1(c) or the interference of the owners or occupiers of the land to which National Grid reasonably requires access for the purpose of the Meter Works;
- (g) a suspension of the Meter Works by National Grid pursuant to Condition 16.9;
- (h) the termination valve size being other than (a) that which would reasonably be expected by an RPO or (b) as advised by the Customer;
- (i) the Customer providing new or additional information to National Grid after the date of Acceptance, or amending, correcting or replacing any information or specifications previously provided by it to National Grid in accordance with the Contract;
- (j) any action or restraint taken or issued by a Competent Authority or by any person with an interest in land pursuant to occurrences of any agricultural disease which prevents National Grid (acting as an RPO) from, or causes hindrance, delay or impediment to National Grid in, fulfilling all or any of its obligations under this Contract;
- (k) any of the circumstances set out in Condition 7.3.

9.2 Where the Substantial Completion Target Date is extended as set out in Condition 9.1, National Grid will:

- (a) use reasonable endeavours to overcome or minimise any actual or anticipated delay;
- (b) as soon as reasonably practicable, notify the Customer of the anticipated delay; and
- (c) comply with all reasonable instructions which the Customer shall give in writing in order to overcome or minimise any actual or anticipated delay. If compliance with any such instruction shall cause National Grid to incur extra costs the amount thereof will be reimbursed to it provided that National Grid has provided and the Customer has accepted a variation to the Meter Works in accordance with Condition 10 as to the cost of complying with such instructions. If the Customer does not agree to National Grid's extra costs of complying with such instruction then National Grid will only be obliged to carry out the relevant Meter Works that do not incur extra costs. In the event that National Grid notifies the Customer in writing that additional works other than those set out in such variation are required, National Grid will be under no obligation to undertake such additional works without the Customer's further written instruction to that effect.

9.3 Without prejudice to Condition 9.1, in the event that a change to the Meter Works is agreed pursuant to Condition 10, the Substantial Completion Target Date will be adjusted by the extension of time agreed in relation thereto.

## **10. CHANGES TO THE METER WORKS**

10.1 National Grid shall make such changes to the Meter Works whether by additions, modifications or omissions thereto as are from time to time agreed with the Customer, subject to the agreement of any variation including any changes to the Contract Sum or the timing thereof, required by the Customer and any extensions or reduction of time required by National Grid, in accordance with the provisions set out below.

10.2 In the event that the Customer wishes to request changes to the Meter Works, it shall notify National Grid in writing of the requested change.

10.3 As soon as reasonably practicable following receipt of a request from the Customer under Condition 10.2 and in any event in accordance with the relevant Service Level, National Grid shall notify the Customer as to whether or not it is prepared to agree to the request (such agreement not to be unreasonably withheld), and

- (a) in the event that National Grid agrees to the request it shall provide details of any additions to or reductions in the Contract Sum and any extension or reduction of time required in respect of such change; and
  - (b) in the event that National Grid does not agree to the request, National Grid shall notify the Customer of such changes to the Meter Works as it is prepared to make in accordance with Condition 10.4 and the Customer shall be entitled to terminate the Contract in accordance with Condition 16.3(f).
- 10.4 If National Grid wishes to propose a change to the Meter Works it shall notify the Customer of the proposed change, the reason for the change (including, where appropriate, an explanation as to why any additional Meter Works were not provided for in the original Quotation), and provide the Customer with details of any additions to or reductions in the Contract Sum and any extension or reduction of time required in respect of such change.
- 10.5 The Customer shall, acting reasonably, notify National Grid as soon as reasonably practicable and in any event within 10 Working Days as to whether or not the Customer agrees to any change to the Meter Works together with any additional payment and any extension of time proposed by National Grid in accordance with Condition 10.4 and whether in respect of a change proposed by the Customer pursuant to Condition 10.2 it agrees to the proposed change with the additional payments (if any) and extension of time (if any) required by National Grid in respect of such change.
- 10.6 In the event that the Customer does not notify its agreement to such proposed change and/or any addition to or reduction in any payment due and/or any extension or reduction of time required by National Grid in respect thereof, neither Party shall be under further obligation in respect of such proposed change to the Meter Works and the Meter Works shall (where practicable) proceed without such proposed change.
- 10.7 The Customer shall have the right to appoint the Consumer as its agent for the purpose of agreeing variations to the Meter Works as set out in this Condition 10 and where National Grid is notified of such appointment in writing (including without limitation where such notification is included in the Quotation Request for Non Standard Work):
  - (a) National Grid shall accept the written instructions of the Consumer as though they were the instructions of the Customer;
  - (b) National Grid shall notify the Customer of the Consumer's written instruction, including any increase or reduction to the Contract Sum as notified and agreed by the Consumer, as soon as reasonably practicable;

- (c) the Customer shall pay any additions to the Contract Sum agreed by the Consumer.

## **11. OWNERSHIP**

Subject to Condition 24:

- (a) ownership of the Meter and/or the Ancillary Equipment and/or Convertor (where it has been provided and installed by National Grid) shall remain with National Grid (or any person to whom National Grid may transfer ownership) at all times; and
- (b) the Customer shall take all reasonable steps to ensure (by making suitable arrangements with the Consumer) that any notice of ownership affixed by National Grid to the Meter and/or Ancillary Equipment and/or Convertor will not be removed or defaced.

## **12. METER CREDIT LIMITS**

The provisions relating to Meter Credit Limits of the Customer are set out in Schedule Five.

## **13. CHARGES, PAYMENT AND INVOICING**

13.1 The Customer will pay to National Grid:

- (a) in respect of Standard Meter Works, the applicable charges as set out in the National Grid Metering Charges as at the date of Acceptance;
- (b) in respect of Quotation Meter Works, the charges set out in the Quotation;
- (c) any PALD due in accordance with Condition 17 (charges prior to provision and maintenance appointment);
- (d) Abortive Call Charges as set out in paragraph 3 of Schedule Two Part A; and
- (e) any other charges payable by the Customer to National Grid pursuant to the Contract.

13.2 National Grid shall pay to the Customer:

- (a) any Daily Liquidated Damages due in accordance with Condition 8;

- (b) any other charges payable by National Grid to the Customer pursuant to a Contract;  
and
- (c) any compensation payable in relation to any failure to meet any Standard.

13.3 National Grid shall give no less than 3 months' notice of any change (whether increase or decrease) in the charges specified in the National Grid Metering Charges.

13.4 The amounts payable by the Customer to National Grid in accordance with this Agreement and any Contract made hereunder will be invoiced and payable in accordance with Schedule Four.

## **14. LIABILITY AND RELATED ISSUES**

### **14.1 Limitation of Liability**

14.1.1 Subject to the further provisions of this Condition 14, each Party agrees and acknowledges that:

- (a) neither Party shall be liable to the other Party for loss arising from any breach of this Agreement (or any Contract made hereunder), other than (but without prejudice to any other provision of this Agreement or any Contract, which excludes or limits liability in respect of any breach) for loss directly resulting from any such breach and which at the relevant date was reasonably foreseeable as not unlikely to occur in the ordinary course of events from such breach in respect of:
  - (i) physical damage to the property of the other Party; and/or
  - (ii) the liability (in law) of the other Party to any other person for loss in respect of physical damage to the property of such other person;
- (b) neither Party shall in any circumstances be liable in respect of any breach of this Agreement (or of any Contract made hereunder), to the other Party for any one or more of the following:
  - (i) any loss of profit, loss of revenue, loss of use, loss of contract, loss of goodwill, or increased cost of working; or
  - (ii) any other loss which is an indirect or consequential loss; or

- (iii) loss resulting from the liability of the other other Party to any other person howsoever and whensoever arising, except as provided in Conditions 14.1.1(a)(ii) and 14.1.5; or
- (iv) loss in respect of Condition 14.1.1(a) to the extent that it results from the breach or negligent act or omission of the other Party.

14.1.2 For the purposes of Condition 14.1.1(a) the "**relevant date**" is the date of this Agreement or, in the case of a Contract, the date of Acceptance of the Contract, except that where the breach in question would not have been a breach of the Contract but for a modification of the Contract, the relevant date shall be the date of such modification.

14.1.3 Subject to Condition 14.1.6, the amount or amounts for which either Party may be liable to the other Party pursuant to Condition 14.1.1(a) in respect of any one event or circumstance constituting or resulting in the first Party's breach of a provision of this Agreement or any Contract made hereunder shall not exceed as respects the liability of National Grid to the Customer or of the Customer to National Grid:

- (a) £5,000,000 (five million pounds sterling) in respect of any Meter Point at which a Meter is situated with a badged capacity of less than 11 SCMH;
- (b) £10,000,000 (ten million pounds sterling) in respect of any Meter Point at which a Meter is situated with a badged capacity of 11 SCMH or above.

14.1.4 Condition 14.1.1 is without prejudice to any provision of this Agreement or any Contract which provides for an indemnity, or which provides for any Party to make a payment to another.

14.1.5 Nothing in this Agreement or any Contract shall exclude or limit the liability of either Party for death or personal injury resulting from the negligence of such Party.

14.1.6 The limitation of liability under Condition 14.1.3 in respect of Condition 14.1.1(a)(ii) shall not apply where, by virtue of the lack (as at the date of this Agreement) of a contractual relationship with such other person referred to in Condition 14.1.1(a)(ii) the other Party has been unable to limit its liability.

14.2 Exclusions of certain rights and remedies:

14.2.1 The rights and remedies of the Parties pursuant to this Agreement or any Contract exclude and are in place of any rights or remedies of any Party in tort (including

negligence and nuisance) or misrepresentation (but not fraudulent misrepresentation) in respect of the subject matter of this Agreement or any Contract and accordingly, but without prejudice to Conditions 14.1.5 and 14.2.4, each Party (to the fullest extent permitted by law):

- (a) waives any such other rights or remedies (other than those provided pursuant to this Agreement or any Contract), and
- (b) releases the other Party from any duties or liabilities arising in tort or misrepresentation (but not fraudulent misrepresentation) in respect of the subject matter of this Agreement or any Contract.

14.2.2 Without prejudice to Condition 14.2.1 and notwithstanding special condition 23 of National Grid GT's Licence, which stipulates time shall be of the essence, where any provision of this Agreement or any Contract (including any obligations in respect of any Standard) provides for any amount to be payable by a Party upon or in respect of that Party's breach of any provision of this Agreement or any Contract, each Party agrees and acknowledges that such provisions have been the subject of discussion and negotiation and that the remedy conferred by such provision is the exclusive remedy for, and is in substitution of any remedy in damages in respect of, such breach or the event or circumstance giving rise thereto. National Grid's liability in respect of any obligation in respect of any Standard and any failure to meet any Standard or otherwise comply with any Standards will be only to pay the Customer the appropriate sums in accordance with Schedule Three, Part A and National Grid will have no other liability in respect thereof.

14.2.3 For the avoidance of doubt, nothing in this Condition 14 shall prevent or restrict either Party enforcing any obligation (including suing for a debt) owed to it under or pursuant to this Agreement.

14.2.4 Nothing in this Condition 14 shall constitute a waiver by either Party of any right or remedy it may have (other than pursuant to this Agreement or any Contract) in respect of a breach by the other Party of any Legal Requirement.

### 14.3 Effect of this Condition

14.3.1 Each provision of this Condition 14 shall be construed as a separate and severable contract term, and shall survive termination of this Agreement or any Contract made hereunder.

14.3.2 Each Party acknowledges and agrees that the provisions of this Condition 14 have been the subject of discussion and negotiation and are fair and reasonable having regard to the circumstances as at the date of this Agreement.

#### 14.4 Indemnities

14.4.1 Subject to Condition 14.4.2, the amount or amounts for which a Party may be liable to the other Party pursuant to any indemnity provided for in this Agreement in respect of any one event or circumstance giving rise to liability under such indemnity shall not exceed, as respects the liability of National Grid to the Customer or of the Customer to National Grid, £1,000,000 (one million pounds sterling).

14.4.2 The provisions of Condition 14.4.1 shall not apply to the indemnity set out in Condition 24.8. The amount or amounts for which the Customer may be liable to National Grid pursuant to such indemnity in respect of any one event or circumstance giving rise to liability under such indemnity shall not exceed:

- (a) £5,000,000 (five million pounds sterling) in respect of any Meter Point at which a Meter is situated with a badged capacity less than 11 SCMH;
- (b) £10,000,000 (ten million pounds sterling) in respect of any Meter Point at which a Meter is situated with a badged capacity of 11 SCMH and above,

and consequently, any payments made pursuant to such indemnity shall be ignored in any calculation for the purposes of Condition 14.4.1.

### 15. FORCE MAJEURE

#### 15.1 Meaning of Force Majeure

15.1.1 For the purposes of this Agreement or any Contract, subject to Conditions 15.1.3 and 15.1.4, "**Force Majeure**" means any event or circumstance, or any combination of events and/or circumstances, the occurrence of which is beyond the reasonable control of, and could not have been avoided by steps which might reasonably be expected to have been taken by, a Party (the "**Affected Party**") and which causes or results in the failure of the Affected Party acting as a Reasonable and Prudent Operator to perform or its delay in performing any of its obligations owed to the other Party (the "**Other Party**") under this Agreement or any Contract including but not limited to:

- (a) war declared or undeclared, threat of war, act of public enemy, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage, act of vandalism;
- (b) act of God;
- (c) strike, lockout or other industrial disturbance;
- (d) explosion, fault or failure of plant, equipment or other installation which the Affected Party could not prevent or overcome by the exercise of the degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person engaged in the same kind of undertaking under the same or similar circumstances;
- (e) governmental restraint or the coming into force of any Legal Requirement.

15.1.2 Without prejudice to the generality of Condition 15.1.1, either Party will be entitled to claim relief through Force Majeure in the event of a major gas emergency incident requiring the attendance of the Relevant Gas Transporter's personnel in support of the emergency service obligation set out in the Relevant Gas Transporter's Licence.

15.1.3 Lack of funds (howsoever caused) of a Party shall not be Force Majeure.

15.1.4 The act or omission of:

- (a) any agent or contractor of a Party; and/or
- (b) any Supplier or Consumer,

shall not be Force Majeure unless such act or omission is caused by or results from events and/or circumstances which would be Force Majeure within the meaning of Condition 15.1.1 if such person were the Affected Party.

## 15.2 Effect of Force Majeure

15.2.1 Subject to Condition 15.2.2, the Affected Party (from the time of occurrence of the Force Majeure) shall be relieved from liability (including any requirement under this Agreement or any Contract to make payment of any sum or to take any other action) for any delay or failure in the performance of any obligation under this Agreement or any Contract which is caused by or results from Force Majeure.

15.2.2 The Affected Party shall be relieved from liability under Condition 15.2.1 only for so long as and to the extent that the occurrence of Force Majeure and/or the effects of such occurrence could not be overcome by measures which the Affected Party might reasonably be expected to take with a view to resuming performance of its obligations.

### 15.3 Information

Following any occurrence of Force Majeure the Affected Party shall:

- (a) as soon as reasonably practicable notify the Other Party of the occurrence and nature of the Force Majeure, the expected duration thereof (insofar as the same can reasonably be assessed) and the obligations of the Affected Party, performance of which is affected thereby;
- (b) from time to time thereafter (and in a timely manner) provide to the Other Party reasonable details of:
  - (i) developments in the matters notified under Condition 15.3(a); and
  - (ii) the steps being taken by the Affected Party to overcome the Force Majeure occurrence or its effects and to resume performance of its relevant obligations; and
- (c) as soon as reasonably practicable notify the Other Party of the date upon which performance resumed and such date shall be the date of cessation of the Force Majeure.

## 16. TERMINATION AND SUSPENSION OF TERMS

### Termination

16.1 Either Party may terminate this Agreement by giving to the other Party not less than 90 Days written notice where standard condition 23 of the National Grid GT Licence is revised or revoked such that National Grid's obligation pursuant to such condition in respect of Metering Services ceases or no longer applies.

16.2 Without prejudice to any of its antecedent rights or remedies, National Grid may terminate:

- (a) this Agreement and/or any Contract made hereunder forthwith on written notice if the Customer goes into liquidation (either voluntary or compulsory) other than for the purposes of a solvent amalgamation or re-organisation; or if an administrative receiver or receiver shall be appointed in respect of the whole or any material part of its assets; or if an administrator shall be appointed of the Customer; or it shall make or offer to make any arrangement or composition for the benefit of creditors generally; or
- (b) any Contract made hereunder by giving 5 Working Days prior notice in writing if either Party is prevented by reason of Force Majeure from performing any of its obligations under the Contract for a period exceeding 60 Days; or
- (c) this Agreement and/or any Contract made hereunder by giving 20 Working Days notice in writing of a material breach of this Agreement and/or the Contract by the Customer, provided that the Customer fails to take substantial steps to remedy the breach within that 20 Working Day period of notice; or
- (d) any Contract made hereunder by giving 40 Days notice in writing in the event that any permission, rights or interest necessary for the conduct of the Meter Works have not been secured in accordance with Condition 4.1; or
- (e) any Contract made hereunder in the event that the Customer has required a delay in the Physical Commencement Target Date and the Parties (acting reasonably) have not agreed a Physical Commencement Target Date that is within 180 Days of the Latest Date for Permission; or
- (f) this Agreement and/or any Contract made hereunder forthwith on written notice in accordance with paragraph 3.3 of Schedule Five (Aggregate Relevant Meter Indebtedness of the Customer exceeding 100% of the Meter Credit Limit of the Customer); or
- (g) any Contract made hereunder in accordance with Condition 7.3.

16.3 Without prejudice to any of its antecedent rights or remedies, the Customer may terminate:

- (a) this Agreement and/or any Contract made hereunder forthwith on written notice if National Grid goes into liquidation (either voluntary or compulsory) other than for the purposes of a solvent amalgamation or re-organisation or if an administrative receiver or receiver shall be appointed in respect of the whole or any material part of its assets; or if an administrator shall be appointed of National Grid; or it shall make or offer to make any arrangement or composition for the benefit of creditors generally; or

- (b) any Contract made hereunder by giving 5 Working Days prior notice in writing if either Party is prevented by reason of Force Majeure from performing any of its obligations under the Contract for a period exceeding 60 Days; or
- (c) any Contract made hereunder by giving 20 Working Days notice in writing of a material breach of the Contract by National Grid, provided that National Grid fails to take substantial steps to remedy the breach within the 20 Working Day notice period; or
- (d) any Contract made hereunder by giving National Grid 2 Working Days notice in writing prior to the Physical Commencement Target Date PROVIDED THAT National Grid shall be entitled to notify its receipt of such notice to the Consumer in response to the Consumer's enquiry (but not otherwise); or
- (e) any Contract made hereunder by giving National Grid 2 Working Days notice of termination in the circumstances set out in Condition 8.4; or
- (f) any Contract made hereunder by giving National Grid 2 Working Days notice of termination in the circumstances set out in Condition 10.3(b) or 26.12.2.

16.4 Subject to Condition 16.6, where a Contract is terminated under any provision of this Condition 16 other than Conditions 16.3(a) or 16.3(c) National Grid will be entitled to receive:

- (a) reimbursement for all costs and expenses reasonably incurred by National Grid in respect of all work performed under the Contract at the time of termination;
- (b) subject to Condition 16.5, any cost or expense reasonably incurred, or for which National Grid is liable and is unable lawfully or contractually to avoid or recover from third parties, in connection with any contracts placed in connection with the Contract (insofar as these have not already been paid by the Customer) including without limitation, forfeited deposits and cancellation fees of National Grid;
- (c) subject to Condition 16.5, any and all costs reasonably incurred or expended in the restoration and/or reinstatement of land or buildings and removal of plant, apparatus and equipment which to the standard of an RPO is necessary as a result of the termination of the Contract taking into account inter alia environmental and safety considerations and contractual commitments;

16.5 In the event that a Contract is terminated pursuant to:

- (a) Condition 16.2(b) or 16.3(b), then Condition 16.4(c) shall be ignored for the purpose of calculating National Grid's entitlement to payment pursuant to Condition 16.4;
  - (b) Where Condition 8.4 applies:
    - (i) Condition 16.4(b) shall apply only to the extent that such work is not rejected by the Customer (and in the event that it is so rejected National Grid shall remove such work at National Grid's cost and expense);
    - (ii) Condition 16.4(c) shall be ignored for the purpose of calculating National Grid's entitlement to payment pursuant to Condition 16.4.
- 16.6 National Grid shall use all reasonable endeavours to mitigate and minimise any amount claimed pursuant to Condition 16.4 above, such amount not to exceed the Contract Sum less any amounts paid by the Customer to National Grid in respect of such Contract.
- 16.7 Subject to Condition 16.8, where the Contract is terminated under Conditions 16.3(a), 16.3(c) or 16.3(e) the Customer will be entitled to receive:
- (a) reimbursement for all costs and expenses reasonably incurred by the Customer in respect of all obligations performed by the Customer under the Contract at the time of termination;
  - (b) any cost or expense reasonably incurred, or for which the Customer is liable and is unable lawfully or contractually to avoid or recover from third parties in connection with any contracts placed in connection with the Contract (insofar as these have not already been paid by National Grid) including without limitation, forfeited deposits and cancellation fees;
  - (c) any and all costs reasonably incurred or expended in the restoration and/or reinstatement of land or buildings and removal of plant, apparatus and equipment which to the standard of an RPO is necessary as a result of the termination of the Contract taking into account inter alia environmental and safety considerations and contractual commitments.
- 16.8 The Customer shall use all reasonable endeavours to mitigate and minimise any amount claimed pursuant to Condition 16.7, such amount not to exceed the Contract Sum less any amounts paid in respect of such Contract pursuant to Schedule Three, Part A (Standards of Performance) or Schedule Three, Part B (liquidated damages).

## **Suspension**

16.9 In the event that the Customer is in breach of the payment provisions of paragraph 3.2(a) of Schedule Five (Relevant Meter Indebtedness of the Customer for the time being exceeding 90% of the Customer's Meter Credit Limit), National Grid shall be entitled to suspend, where it is safe to do so, all or any part of the Meter Works until the Customer has rectified such breach. In the event of such suspension the Customer will in addition to all other amounts due reimburse National Grid on invoice for all reasonable sums paid by National Grid as a direct result of such suspension.

## **17. PROVISION AND MAINTENANCE APPOINTMENT**

17.1 The Customer acknowledges and agrees that National Grid undertakes the installation of Metering Equipment in anticipation of being Appointed as provider of the Metering Equipment from the date of Substantial Completion in accordance with the Provision and Maintenance Agreement (or alternatively of being appointed as the provider of Metering Equipment from such date by another National Grid Customer in accordance with the Provision and Maintenance Agreement to which National Grid and that National Grid Customer are party).

17.2 If in respect of such Metering Equipment, National Grid has not been Appointed by the date of Substantial Completion then the Customer shall pay PALD to National Grid. Such PALD shall:

- (a) be due and payable for each Day following the date of Substantial Completion in respect of which National Grid has not been so Appointed in accordance with the Provision and Maintenance Agreement (or such other agreement referred to in Condition 17.1 as the case may be);
- (b) be equal to the amount of Rental Charge that would have become due and payable to National Grid, in respect of such Metering Equipment for such Day, had the Customer complied with such obligation such that a contract for the same would have commenced on such date of Appointment in accordance with the Provision and Maintenance Agreement (or such other agreement referred to in Condition 17.1 as the case may be);
- (c) continue to be paid by the Customer from the date of Substantial Completion until either:

(i) the date of Appointment in accordance with the Provision and Maintenance Agreement (or such other agreement referred to in Condition 17.1 as the case may be); or

(ii) the Meter Removal Date or Converter Removal Date (as the case may be),

whichever first occurs.

17.3 Subject to Condition 17.4, upon the date of Final Completion in respect of each such item of Metering Equipment installed, delivery to the Customer shall occur and risk shall pass to the Customer regardless of whether Appointment has occurred on such date.

17.4 From the date of Final Completion until the date of Appointment National Grid shall, to the standard of an RPO, maintain the Metering Equipment in accordance with manufacturer's recommendations and as necessary as a result of fair wear and tear.

17.5 Payment of such PALD shall be levied by way of a PALD Invoice in accordance with Schedule Four.

## **18. NOTICES AND COMMUNICATIONS**

18.1 Subject to Conditions 18.3 and 18.4 any notice to be given by one Party to the other under this Agreement or any Contract shall be delivered by first class mail or facsimile to the other Party at such address or (as the case may be) such facsimile transmission number as the Party in question shall from time to time designate by written notice. Notices may be sent in such other manner and may be confirmed in such manner as from time to time may be set out in the Rainbow MAM Manual or as may otherwise be agreed by the Parties for the service of notices pursuant to this Agreement or any Contract.

18.2 Subject to Condition 18.4 all notices delivered or sent in accordance with Condition 18.1 shall be effective:

(a) in the case of post, when received at the recipient's address as aforesaid; or

(b) in the case of facsimile, on acknowledgement by the recipient Party's facsimile receiving equipment or as evidenced by the notifying Party's facsimile transmission report,

PROVIDED ALWAYS that a notice received after the expiry of Business Hours shall be effective at 9 a.m. on the following Working Day.

- 18.3 Any notice required to be served by National Grid or the Customer in accordance with Schedule Three, Part A (including any Request by the Customer) shall be served by the means referred to in Schedule Three, Part A.
- 18.4 Electronic communications (whether by computer file, internet access or otherwise) shall, subject and without prejudice to the Rainbow System User Agreement, be in the manner specified in the Rainbow MAM Manual and receipt shall be deemed in accordance with the provisions set out in such manual.
- 18.5 For the avoidance of doubt, where a notice is given by facsimile (confirmed by the appropriate answerback) and also confirmed in a notice delivered by first class mail, the date of receipt of the notice shall be the earlier of the dates of valid receipt of the two notices.

## 19. CUSTOMER AGENT

### 19.1 General

19.1.1 The Customer may, subject to and in accordance with this Condition 19, appoint another person to be the agent of the Customer ("**Customer Agent**") for the purposes of making and receiving Metering Communications or particular Metering Communications on behalf of the Customer.

19.1.2 Subject to Condition 19.4.3, the Customer may appoint more than one person as Customer Agent.

19.1.3 A person may be appointed as Customer Agent by more than one Customer.

### 19.2 Agent for Batch Transfer Communications and/or Web Communications.

19.2.1 A person who is a Rainbow Customer (in accordance with the Rainbow System User Agreement) may be appointed as Customer Agent (a "**Rainbow Customer Agent**") for the purposes of making and receiving Metering Communications as Batch Transfer Communications and/or Web Communications.

19.2.2 A Rainbow Customer Agent will at all times be authorised to make any Metering Communication as Batch Transfer Communications and/or Web Communications on behalf of the appointing Customer, until it ceases to be a Rainbow Customer Agent.

19.2.3 The Customer shall terminate (in accordance with Condition 19.3.3) the appointment of a Rainbow Customer Agent if such Rainbow Customer Agent ceases to be a Rainbow Customer.

**19.3 Customer Agent appointment**

19.3.1 If the Customer wishes to appoint a Customer Agent it shall give notice to National Grid specifying:

- (a) the identity of the proposed Customer Agent; and
- (b) the types of activities and process it wishes the Customer Agent to perform.

19.3.2 The appointment of the Customer Agent shall be effective from the Day specified by the Customer, and shall continue until terminated in accordance with Condition 19.3.3.

19.3.3 The appointing Customer may terminate the appointment of a Customer Agent by giving notice to National Grid to that effect specifying the date with effect from which such termination is to take effect.

**19.4 Effect of appointment**

19.4.1 A Metering Communication given by a Customer Agent shall identify the appointing Customer on whose behalf the Metering Communication is given, and (subject to Condition 19.4.2) shall not be effective unless it does so.

19.4.2 Where a Customer Agent appointed by the Customer who is itself a National Grid Customer gives any Metering Communication which does not state that it is given on behalf of the Customer, such Metering Communication shall be treated as given by the Customer Agent on its own account in its capacity as such National Grid Customer.

19.4.3 Any Metering Communication given by a Customer Agent where the identity of the Customer has been given in accordance with Condition 19.4.1 shall be deemed to have been given by and shall be binding on the Customer, and National Grid shall be entitled without enquiry as to the Customer Agent's authority to rely on such Metering Communication for all purposes of this Agreement and any Contract made hereunder.

19.4.4 A Customer who has appointed a Customer Agent may continue itself to give Metering Communications.

19.4.5 Where the Customer has appointed one or more Customer Agents:

- (a) the Customer shall be responsible for ensuring that the actions of the Customer and each such Customer Agent are not in conflict;
- (b) where any Metering Communication is given by the Customer or any such Customer Agent:
  - (i) to the extent any further Metering Communication is subsequently given by any of them which (in accordance with this Agreement) is effective to modify or revoke the earlier Metering Communication, the earlier Metering Communication shall be so modified or revoked;
  - (ii) except as provided in (i) above, any Metering Communication subsequently given by any of them which conflicts with the earlier Metering Communication will be disregarded.

19.4.6 National Grid shall not be responsible for any unauthorised use or disclosure by a Customer Agent of information relating to the Customer (whether or not obtained, in the case of a Rainbow Customer Agent, in its capacity as Rainbow Customer).

## **20. CONFIDENTIALITY AND DATA PROTECTION**

20.1 Subject to Condition 20.4, the Customer will keep confidential and will not disclose to any third party any information provided by National Grid in connection with the negotiation or performance of this Agreement or any Contract made hereunder, PROVIDED THAT:

- (a) this restriction will not apply to any information which at the time of disclosure is in the public domain or thereafter becomes part of the public domain otherwise than as a consequence of a breach by the Customer of its obligations under this Condition 20.1 or to any information provided to the Customer by a third party otherwise than as a consequence of a breach by such third party of confidentiality obligations owed to National Grid; and
- (b) nothing in this Condition or any Contract will prevent the disclosure of information:
  - (i) where National Grid has consented in writing to such disclosure;

- (ii) to any government department or any governmental or regulatory agency having jurisdiction over the Customer, or as required by law or any lawful subpoena or recognised stock exchange or other process in connection with any judicial arbitration or administration proceeding, or where reasonably necessary to effect the purpose of this Agreement, or any Contract made hereunder; and
  - (iii) for any purpose contemplated by this Agreement and any Contract made hereunder or where appropriate the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) or the appropriate Meter Works Conditions;
- (c) in the event disclosure to any third party is necessary and permissible under this Condition, the Customer will use all reasonable endeavours to ensure that such third party will respect the confidentiality of such information and be bound by the terms of this Condition 20.1 as if a party thereto.

20.2 Subject to Condition 20.4, National Grid will keep confidential and will not disclose to any third party any information provided by the Customer in connection with the negotiation or performance of this Agreement or any Contract made hereunder, PROVIDED THAT:

- (a) this restriction will not apply to any information which at the time of the disclosure is in the public domain or thereafter becomes part of the public domain otherwise than as a consequence of a breach by National Grid of its obligations under this Condition 20.2 or to any information provided to National Grid by a third party otherwise than as a consequence of a breach by such third party of confidentiality obligations owed to the Customer; and
- (b) nothing in this Condition or any Contract will prevent the disclosure of information:
  - (i) where the Customer has consented in writing to such disclosure;
  - (ii) to any government department or any governmental or regulatory agency having jurisdiction over National Grid, or as required by law or any lawful subpoena or recognised stock exchange or other process in connection with any judicial arbitration or administration proceeding, or where reasonably necessary to effect the purpose of this Agreement, or any Contract made hereunder; and

- (iii) for any purpose contemplated by this Agreement and any Contract made hereunder or where appropriate the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) or the appropriate Meter Works Conditions;
  - (c) in the event disclosure to any third party is necessary and permissible under this Condition, National Grid will use all reasonable endeavours to ensure that such third party will respect the confidentiality of such information and be bound by the terms of this Condition 20.2 as if a party thereto.
- 20.3 The provisions of Conditions 20.1 and 20.2 shall continue, for a period of 3 years after termination or Final Completion (whichever shall occur later) in respect of information provided under this Agreement and in respect of any Contract, to bind the Parties irrespective of the reason for such termination.
- 20.4 Each Party agrees that, in the performance of its respective obligations under this Agreement, it shall comply with the provisions of the Data Protection Act 1998 ("the Act") and all other applicable data protection legislation to the extent it applies to each of them. Where used in this Condition 20, the expressions "process" and "**Personal Data**", "**Data Processor**" and "**Data Subject**" shall bear their respective meanings given in the Act. Provided that for the purposes of Condition 20.5 Personal Data shall be limited to Personal Data provided by the Customer to National Grid pursuant to this Agreement for the purpose of performing the Metering Services but not otherwise and for the avoidance of doubt shall not apply to and the provisions of Condition 20.5 shall not apply to Personal Data provided by the Customer to National Grid pursuant to Condition 24 (Sale by National Grid of Metering Equipment).
- 20.5 In this Agreement National Grid is acting as a Data Processor and the following provisions shall apply:
  - (a) National Grid undertakes that it shall process the Personal Data strictly in accordance with the terms of this Agreement for and on behalf of the Customer for the purpose of performing the Metering Services in this Agreement and the Customer's instructions from time to time. It is agreed and accepted by the Customer that in order to perform the Metering Services National Grid will need to provide Personal Data to its contractors (including National Grid Metering Limited) for the purpose only of performing the relevant contracted service; such processing is to be carried out in accordance with the requirements of this Agreement and does not relieve National Grid of its liability or obligations under this Agreement.

- (b) National Grid shall ensure that only such of its workers who may be required by National Grid to assist it in meeting its obligations under this Agreement shall have access to the Personal Data. National Grid shall ensure that all employees used by it to provide the services have undergone training in data protection and in the care and handling of Personal Data.
- (c) National Grid shall maintain appropriate operational and technical processes in place to safeguard against any unauthorised access, loss, destruction, theft, use or disclosure of the Customer's Personal Data.
- (d) National Grid will allow its data processing facilities, procedures and documentation which relate to the processing of the Personal Data to be inspected by the auditors (on reasonable written notice) of the Customer and/or the Customer's employees or agents, in order to ascertain compliance with this Condition 20.5 and/or on request in writing from the Company will provide to the Company evidence of compliance.
- (e) For the avoidance of doubt, National Grid shall acquire no rights in any of the Customer's Personal Data and shall only be entitled to process it in accordance with its obligations under this Agreement.
- (f) On termination, National Grid shall immediately cease to use the Personal Data and shall arrange for its safe return or destruction as shall be agreed with the Customer at the relevant time.
- (g) National Grid shall not under any circumstances transfer the Personal Data outside the European Economic Area unless authorised in writing to do so by the Customer.
- (h) National Grid shall notify the Customer promptly upon receiving any notice or communication from the Information Commissioner which relates directly to the processing of the Personal Data as defined in Condition 20.4.

## **21. INTELLECTUAL PROPERTY**

- 21.1 All patents, copyright and other intellectual property rights (including but not limited to trademarks, registered designs, designs, know-how, inventions and valuable concepts) and, to the extent that intellectual property is embodied therein, documents (including but not limited to drawings, transparencies, prints, photographs, negatives, tapes, discs, working notes and reports), software or other items created or supplied by National Grid in connection with the Meter Works will be owned by National Grid, and the Customer will on Substantial Completion of the Meter Works deliver up to National Grid or, at National Grid's request, destroy all copies

of such documents in the possession of the Customer, and in the case of a third party to whom the Customer has disclosed them, the Customer will use reasonable endeavours to procure the delivery up or destruction of same.

21.2 All patents, copyright and other intellectual property rights (including but not limited to trademarks, registered designs, designs, know-how, inventions and valuable concepts) and, to the extent that intellectual property is embodied therein, documents (including but not limited to drawings, transparencies, prints, photographs, negatives, tapes, discs, working notes and reports), software or other items supplied by the Customer in connection with the Meter Works will be owned by the Customer and National Grid will on Substantial Completion of the Meter Works deliver to the Customer or, at the Customer's request, destroy all copies of such documents in the possession of National Grid, and in the case of a third party to whom National Grid has disclosed them, National Grid will use reasonable endeavours to procure the delivery up or destruction of same.

21.3 Each Party (the "**Granting Party**") hereby grants the other Party (the "**Receiving Party**") a royalty-free, non-exclusive licence (with power to sub-licence), in respect of any such intellectual property of the Granting Party as is reasonably necessary for the purposes only of the performance by the Receiving Party of its obligations under this Agreement or any Contract.

## **22. ASSIGNMENT**

22.1 Subject to Condition 22.3 and 22.4, either Party may assign its rights under this Agreement:

- (a) to an Affiliate, provided that the assigning Party shall continue to be bound by and liable under this Agreement;
- (b) to any person, with the prior agreement in writing of the other Party, which agreement shall not unreasonably be withheld or delayed.

22.2 Except as provided in Condition 22.1, neither Party shall assign or otherwise transfer whether in whole or part any of its rights or obligations under this Agreement and shall not purport to do so.

22.3 No assignment shall be made to any person unless:

- (a) where the assigning Party is National Grid, that person holds a Gas Transporter Licence;

(b) where the assigning Party is the Customer, that person holds a Supplier Licence.

22.4 Where a Party assigns its rights under this Agreement to a person (including an Affiliate) pursuant to Condition 22.1, the assigning Party shall remain liable for all obligations accruing up to the time at which the assignment is made and shall remain liable for all obligations arising after such time.

22.5 Any credit limit required under this Agreement shall be determined separately for a person to whom the Customer assigns its rights under Condition 22.1(b) and the Customer may not assign its own credit limit.

22.6 A reference in this Agreement to any Party shall include a reference to that Party's successors and permitted assigns.

### **23. MODIFICATION OF THIS AGREEMENT**

This Agreement shall not be modified other than in accordance with:

(a) the Metering Agreements Modification Provisions; or

(b) the terms of any Alternative Contract Conditions intended to facilitate the operation of such Alternative Contract Conditions as between National Grid and the Customer (but for the avoidance of doubt only insofar as such modifications relate to National Grid and the Customer and not to any other agreement in the terms hereof between National Grid and any other National Grid Customer).

### **24. SALE BY NATIONAL GRID OF METERING EQUIPMENT**

24.1 Upon notification by National Grid in accordance with Condition 24.2 of an actual or proposed sale, transfer or assignment in whole or in part of Metering Equipment the subject of a Contract made hereunder for which National Grid has not at the date of such notification by National Grid been Appointed as referred to in Condition 17.1, and subject always to Condition 24.3, the Customer undertakes to notify each Consumer in respect of Consumer Premises at which such Metering Equipment is situated ("**Relevant Consumers**") of the identity of the purchaser, transferee or assignee of such Metering Equipment and to seek an acknowledgement of that notification from each Relevant Consumer, upon and subject to the provisions of this Condition 24.

24.2 National Grid may invoke the provisions of this Condition 24 by notifying the Customer in writing from time to time of any actual or proposed sale, transfer or assignment in whole or in

part of Metering Equipment, each such notification to make express reference to this Condition 24 and to include the identity of the purchaser, transferee or assignee, the actual or anticipated date of sale, transfer or assignment and sufficient information to enable the Customer to identify the Relevant Consumers.

24.3 No later than 20 Working Days after National Grid's notice pursuant to Condition 24.2, the Customer may (but shall not be obliged to) notify National Grid in writing invoking this Condition 24.3 to the effect that the Customer shall provide sufficient details relating to its Relevant Consumers to enable National Grid to notify, or procure the notification to, Relevant Consumers of the identity of the purchaser, transferee or assignee, and to enable National Grid to seek an acknowledgement of that notification from each Relevant Consumer, and upon and with effect from such notice from the Customer the following terms and conditions shall apply:-

(a) on any one or more occasions during the period commencing on the receipt by National Grid of the Customer's notice as aforesaid and ending on the date 6 months thereafter, National Grid may by notice in writing to the Customer specify a date ("the **Relevant Consumer Data Date**"), being:-

(i) not earlier than 3 Working Days prior to the date of such notice from National Grid; and

(ii) not later than 20 Working Days after the date of such notice from National Grid,

by reference to which the Customer shall compile details of its Relevant Consumers for delivery to National Grid in accordance with (b) below;

(b) no later than 10 Working Days after the later of the date of National Grid's notice pursuant to (a) above and the Relevant Consumer Data Date, the Customer shall deliver to National Grid in electronic format the name and postal address of each Relevant Consumer as at the Relevant Consumer Data Date complete and up to date to such an extent as will enable National Grid to notify, or procure the notification to, such Relevant Consumer of the identity of the purchaser, transferee or assignee of the relevant Metering Equipment and to seek its attornment or acknowledgement of such notification;

(c) National Grid undertakes to the Customer that it shall not use and/or disclose the names and addresses delivered to it by the Customer pursuant to (b) above otherwise than for the purposes contemplated by this Condition 24.3;

- (d) in consideration of the performance by the Customer of its obligations under this Condition 24.3, and subject always to (e) and (f) below, National Grid shall reimburse to the Customer its reasonable costs reasonably incurred pursuant to (a) and (b) above, and in respect of each notice served by National Grid pursuant to (a) above the Parties shall use all reasonable endeavours to reach agreement in respect of the amount of such costs but failing agreement either Party may, upon giving to the other not less than 28 Days prior notice in writing, refer the matter or matters in dispute for determination by an Expert pursuant to Condition 25.9;
- (e) National Grid shall not be obliged to make reimbursement to the Customer pursuant to (d) above if the Customer shall not have complied with its obligations under this Condition 24.3;
- (f) payment shall be made by National Grid to the Customer no later than 30 Days after agreement or determination (as the case may be) of the Customer's costs pursuant to (d) above, against production of a valid invoice in respect thereof; and
- (g) the Customer shall use all reasonable endeavours to mitigate its costs referred to in (d) above.

24.4 If Condition 24.3 shall not have been invoked by the Customer by notice in writing to National Grid by the date specified therein, then no later than 40 Working Days after National Grid's notice pursuant to Condition 24.2, the Customer (acting reasonably) shall formulate and provide to National Grid in writing one or more alternative proposals for notification to Relevant Consumers by or on behalf of the Customer of the identity of the purchaser, transferee or assignee of such Metering Equipment and the obtaining from such Relevant Consumers of attornment to or acknowledgement of such purchaser, transferee or assignee as new owner of such Metering Equipment ("**Implementation Options**") as follows:

- (a) unless otherwise agreed in writing by National Grid, each Implementation Option shall comprise:
  - (i) a method of notification of the identity of the purchaser, transferee or assignee reasonably acceptable to National Grid, subject to (d) below; and
  - (ii) a method of obtaining the attornment to or acknowledgement of such purchaser, transferee or assignee as new owner of such Metering Equipment reasonably acceptable to National Grid, subject to (d) below; and

- (iii) a timetable for the giving of such notification and obtaining of such attornment or acknowledgement (to include, as a minimum, notification as soon as reasonably practicable after National Grid's notification pursuant to Condition 24.2, notification no later than 3 months after such notification by National Grid, notification no later than 6 months after such notification by National Grid and notification no later than 12 months after such notification by National Grid);
  
- (b) each Implementation Option shall be accompanied by the Customer's best estimate of its reasonable costs reasonably expected to be incurred in its implementation (including any such cost of providing reasonable evidence of performance of its obligations under this Condition 24 referred to in Condition 24.7(b), on the basis of cost per individual Relevant Consumer, together with sufficient evidence in support thereof as shall enable National Grid to verify such estimate and its reasonableness for the purposes of Condition 24.5(a));
  
- (c) the Implementation Options shall include as a minimum and for the purpose of Condition 24.5(b) the Implementation Option which in the reasonable opinion of the Customer is the most cost effective and efficient means of notifying Relevant Consumers and seeking their attornment or acknowledgement as aforesaid, having regard to the nature of the Customer's business; and
  
- (d) the following methods of notification and obtaining attornment or acknowledgement shall be deemed to be reasonably acceptable to National Grid for the purposes of this Condition 24.4:
  - (i) notification to each Relevant Consumer by way of annotation on a gas bill (or by separate written notice accompanying a gas bill), irrespective of whether delivered in hard copy or by electronic means, specifying (1) the identity of the purchaser, transferee or assignee and (2) the date of sale, transfer or assignment; and
  
  - (ii) either:
    - (1) a further statement made in writing to each Relevant Consumer at the same time and in the same manner as the notification in (i) above; or
  
    - (2) a term in the contract for supply of gas between the Customer and each Relevant Consumer,

in each case to the effect that by continuing to accept a supply of gas the Relevant Consumer shall be treated as having attorned to or acknowledged the title of the purchaser, transferee or assignee to such Metering Equipment.

24.5 The Parties shall each use all reasonable endeavours to agree:

- (a) a best estimate of the Customer's reasonable costs reasonably expected to be incurred in the implementation of each Implementation Option; and
- (b) the most cost effective and efficient means of notifying Relevant Consumers and seeking their attornment or acknowledgement as aforesaid, having regard to the nature of the Customer's business,

and failing agreement either Party may, upon giving to the other not less than 28 Days prior notice in writing, refer the matter or matters in dispute for determination by an independent expert pursuant to Condition 25.9. For the avoidance of doubt, the most cost effective and efficient means of notifying Relevant Consumers and seeking their attornment or acknowledgement as aforesaid which is so agreed or determined shall be deemed to be an Implementation Option for the purposes of the remaining provisions of this Condition 24.

24.6 Upon agreement or determination of the matters specified in Condition 24.5 National Grid shall (after consultation with the Customer) notify the Customer as to which Implementation Option it requires the Customer to implement, and upon such notification the Customer shall notify all Relevant Consumers of the identity of the purchaser, transferee or assignee and seek their attornment or acknowledgement accordingly in accordance with that Implementation Option (including in the manner and by the date specified therein).

24.7 In consideration of performance by the Customer of its obligations in Condition 24.6, National Grid shall reimburse to the Customer its reasonable costs reasonably incurred pursuant thereto ("**Implementation Costs**") upon and subject to the following:

- (a) National Grid shall not be obliged to reimburse to the Customer the Implementation Costs:
  - (i) to the extent that the Implementation Costs exceed the Customer's best estimate agreed or determined pursuant to Condition 24.5; and/or
  - (ii) if in respect of that notification by National Grid the Customer shall not have complied with any of its obligations under this Condition 24;

- (b) payment shall be made by National Grid no later than 30 Days after receipt by National Grid from the Customer of reasonable evidence that it has performed its obligations under this Condition 24 (for example by the production by the Customer of a sworn statutory declaration as to posting) and against production of a valid invoice in respect thereof; and
- (c) the Customer shall use all reasonable endeavours to mitigate the Implementation Costs.

24.8 The Customer shall indemnify and keep indemnified National Grid from and against all and any liability, loss, damage and costs and expenses (including without limitation legal costs) awarded against or incurred or paid by National Grid, and whether arising under law, contract, tort (including negligence) or in connection with judgements, proceedings, claims or demands, (in this Condition 24.8 "**Indemnified Costs**"), as a result of or in connection with any loss or damage suffered by a third party (including without limitation the Relevant Consumer) and caused by Metering Equipment the subject of a sale, transfer or assignment where such loss or damage occurs on or after:

- (a) except where Condition 24.3 has been invoked by the Customer, the date 11 months after National Grid's notification pursuant to Condition 24.2, or, where Condition 24.3 has been invoked or otherwise, if later;
- (b) the date on which any proposed sale, transfer or assignment of that Metering Equipment notified by National Grid pursuant to Condition 24.2 actually takes place;

provided always that the Customer shall have no liability to National Grid under this indemnity (or, in respect of (i), (iii) and (v) only, otherwise):

- (i) in respect of any Indemnified Costs to the extent they relate to loss or damage caused by any Metering Equipment in relation to which the Customer shall have fully and correctly performed, or is fully and correctly performing, the Implementation Option selected by National Grid pursuant to Condition 24.6 (or, where Condition 24.3 has been invoked, in relation to which the Customer shall have provided to National Grid details of the Relevant Consumer in accordance with Condition 24.3(b)) and otherwise complied with this Condition 24 (and irrespective of whether occurring before or after the time when such damage occurred); or

- (ii) if and to the extent that such loss or damage caused by any Metering Equipment occurred on or after the date on which the Relevant Consumer shall have attorned or acknowledged, or be deemed to have attorned or acknowledged, the purchaser, transferee or assignee as new owner of that Metering Equipment, whether or not the Customer shall have fully and correctly complied with the Implementation Option selected by National Grid (or, where Condition 24.3 has been invoked, whether or not the Customer shall have provided to National Grid details of the Relevant Consumer in accordance with Condition 24.3(b)) (and without prejudice to any other remedies available to National Grid in respect thereof); or
- (iii) if and to the extent that the Indemnified Costs relate to a claim from the purchaser, transferee or assignee (as the case may be) of any Metering Equipment unless founded upon National Grid's purported ownership of that Metering Equipment at the time the damage caused to or by that Metering Equipment occurred as a result of the Customer's failure to fully and correctly implement the Implementation Option (or, where Condition 24.3 has been invoked, as a result of the Customer's failure to provide to National Grid details of the Relevant Consumer in accordance with Condition 24.3(b)) or otherwise comply with this Condition 24, or
- (iv) if and to the extent that such loss or damage caused by any Metering Equipment results from the negligence or breach of statutory duty of National Grid (but without prejudice to any other remedies available to National Grid in respect thereof); or
- (v) if and to the extent that the Indemnified Costs do not comprise amounts paid or payable to a third party and relate to loss of use, loss of profit, loss of revenue, loss of contract, loss of goodwill or any indirect and/or consequential loss in each case suffered by National Grid,

and National Grid shall use all reasonable endeavours to mitigate any Indemnified Costs.

## **25. MEDIATION AND EXPERT DETERMINATION**

### **25.1 Mediation**

The Parties may agree to refer any dispute under or in connection with this Agreement, to mediation by a single mediator who shall explore the interests of the Parties to the dispute and

encourage the Parties to resolve the dispute in light of such interests. Where more than one National Grid Customer is party to a dispute with National Grid the term "Parties" shall be construed as referring to all the National Grid Customers which are party to such dispute.

## 25.2 Mediator appointment

25.2.1 Within 5 Working Days after agreeing to refer a dispute to mediation the Parties shall meet and use all reasonable endeavours to agree upon a person to act as mediator, unless they have agreed upon a mediator when agreeing so to refer the dispute.

25.2.2 Where the Parties agree upon a mediator they shall request such person to accept appointment as mediator, and shall use all reasonable endeavours to agree (between themselves and with the mediator) upon the terms of his appointment.

25.2.3 A person shall be treated as appointed as a mediator for the purposes of this Condition 25 when he has confirmed his acceptance to act as mediator in accordance herewith.

25.2.4 Where the Parties cannot agree upon a mediator or the terms of his appointment they will use the Centre for Effective Dispute Resolution (CEDR) and where the Parties have agreed to attempt to settle the dispute by mediation by using the CEDR then they shall do so in accordance with the CEDR Model Mediation Procedure in place of the procedure in this Condition 25.

## 25.3 Procedure and timetable

25.3.1 Within 5 Working Days following his appointment, the mediator shall require each Party to provide him with a written summary of the dispute, which written summary shall not exceed 5 pages.

25.3.2 The mediator may at his discretion:

- (a) request any Party to provide him with copies of any documentation or information which he believes will assist to explain any such summary; and
- (b) provide any such written summary and/or any information or copy documentation received under paragraph (a) to the other Party(ies) to the dispute.

25.3.3 Within 10 Working Days following his appointment, the mediator shall contact the Parties and shall arrange to meet them.

25.3.4 Each Party shall attend the meeting with the mediator with a maximum of three representatives, one of whom shall be a person with decision making authority in relation to the subject matter of the dispute and one of whom may be the legal adviser of that Party.

25.3.5 No additional persons shall attend without the prior written consent of the mediator.

25.3.6 The mediator may convene more than one meeting with the Parties but shall not convene any meetings later than 40 Working Days following his appointment, unless the Parties agree otherwise.

25.3.7 The mediator may at his discretion meet each Party on his own whether during a meeting attended by the other Parties or otherwise, but he shall not disclose to any other Party matters disclosed to him in such circumstances without the consent of the disclosing Party.

25.3.8 At any meeting attended by the Parties, the mediator may require each Party to make a brief presentation of its case and he may also require the other Parties to reply to another Party's presentation.

25.3.9 The mediator shall not act as an arbitrator (and accordingly the provisions of the Arbitration Acts shall not apply).

#### 25.4 Result of mediation

25.4.1 The mediator shall encourage the Parties to resolve the dispute by agreement and may also discuss informally with any Party his own views as to the merits of the dispute.

25.4.2 If the dispute remains unresolved 45 Working Days after the mediator's appointment the mediator shall, if so requested by any Party, advise the Parties of his views and may, at his discretion, also inform them of what he considers to be a fair settlement of the dispute.

25.4.3 No Party shall be bound to adopt the views or advice expressed or provided by the mediator.

25.4.4 If the dispute is resolved or the Parties accept the views and advice of the mediator under Condition 25.4.2, the Parties shall use all reasonable endeavours, within 5 Working Days after such resolution or acceptance, to enter into a settlement agreement which shall:

- (a) set out the terms accepted by the Parties or on which the dispute was resolved; and
- (b) contain provisions of confidentiality similar to those set out in Condition 25.5.

## 25.5 Confidentiality

25.5.1 The mediator and the Parties, their representatives and advisers and any person connected in any way with the mediation shall keep confidential the fact that the mediation is taking place, and its outcome, and all documents, submissions, statements, information and data including anything revealed orally or otherwise during the mediation and any settlement agreement except as may be necessary for implementation or enforcement of the settlement agreement.

25.5.2 All documents and information prepared by a Party for and disclosed in the mediation, and all discussions which take place with a party during the course of the mediation, shall be afforded the same protection from discovery as "Without Prejudice" negotiations in proceedings in court; provided that this shall not preclude any document, which may have been disclosed during the mediation but was not prepared solely for use in the mediation, from being discoverable in any proceedings.

## 25.6 Costs

25.6.1 The Parties shall unless they agree otherwise bear their own costs and expenses of whatsoever nature of the mediation.

25.6.2 The Parties shall bear the fees and expenses of the mediator and all administrative costs arising from the mediation equally.

## 25.7 Further proceedings

25.7.1 The mediator shall not act in any subsequent legal or similar proceedings in respect of the dispute in which he acted as mediator.

25.7.2 The mediator shall not be held liable for any act or omission unless it shall be shown that he has acted fraudulently or in bad faith.

25.8 Interlocutory relief

Nothing in this Condition 25 shall prevent any party from seeking interim or interlocutory relief in any court.

25.9 Expert determination

25.9.1 Where any provision of this Agreement provides, or the Parties have agreed, for a dispute or difference between the Parties to be referred to an independent expert (the "**Expert**") the provisions of this Condition 25.9 shall apply, and no Party shall commence proceedings in any court in respect of or otherwise in connection with such dispute.

25.9.2 The Parties agree that the Expert shall act as an expert and not as an arbitrator and shall decide those matters referred to him using his skill, experience and knowledge and with regard to all such other matters as he in his sole discretion considers appropriate.

25.9.3 If the Parties cannot agree upon the selection of an Expert, the Expert shall be determined by the President for the time being of the Law Society of England and Wales.

25.9.4 All references to the Expert shall be made in writing by either Party with notice to the other being given contemporaneously, and the Parties shall promptly supply the Expert with such documents and information as he may request when considering any referral.

25.9.5 The Expert shall be requested to use his best endeavours to give his decision upon the question before him as soon as possible in writing following its referral to him, his decision shall, in the absence of fraud or manifest error, be final and binding upon the Parties.

25.9.6 If the Expert wishes to obtain independent professional and/or technical advice in connection with the question before him:

- (a) he shall first provide the Parties with details of the name, organisation and estimated fees of the professional or technical adviser; and

- (b) he may engage such adviser with the consent of the Parties (which consent shall not be unreasonably withheld) for the purposes of obtaining such professional and/or technical advice as he may reasonably require.

25.9.7 The Expert shall not be held liable for any act or omission, and his written decision will be given without any liability on the Expert's part to either Party, unless it shall be shown that he acted fraudulently or in bad faith.

25.9.8 The Parties shall share equally his fees and expenses (including the fees and all reasonable expenses incurred by any technical or professional advisers) unless the Expert determines otherwise.

25.9.9 Save to the extent otherwise expressly provided herein, pending the determination by the Expert, this Agreement shall continue to the extent possible for the Parties to perform their obligations under this Agreement.

#### 25.10 Communications

25.10.1 Except where otherwise provided in this Condition 25 any notice, submission, statement or other communication relating to any dispute to be given pursuant to this Condition 25 shall be in writing.

25.10.2 No such notice, submission, statement or communication shall be given as a Batch Transfer Communication or Web Communication.

25.10.3 For the purposes of any limit under this Condition 25 on the length of any submission or statement or any attachment thereto a "page" is a single sided A4 sheet which may contain single spaced type in a normal font size.

25.11 To the extent that any Affiliate of a Customer or National Grid is entitled pursuant to Condition 26.7.2 to the benefit of this Agreement it shall be entitled to be party to a dispute in accordance with this Condition 25.

## 26. GENERAL

### 26.1 National Grid performance

26.1.1 In relation to exercising its discretions and performing obligations under this Agreement National Grid shall at all times:

- (a) act to the standard of an RPO in the performance of its obligations under this Agreement; and
- (b) act reasonably and in good faith in its dealings with the Customer.

26.1.2 For the avoidance of doubt the operation of this Condition 26.1 shall not prevent National Grid from performing any obligation under this Agreement.

## 26.2 Waiver

26.2.1 No delay by or omission of any Party in exercising any right, power, privilege or remedy under this Agreement shall operate to impair such right, power, privilege or remedy or be construed as a waiver thereof.

26.2.2 Any single or partial exercise of any such right, privilege or remedy shall not preclude any other or future exercise thereof or the exercise of any other right, power, privilege or remedy.

## 26.3 Language

Every Metering Communication, and every notice or other communication to be given by one Party to another under this Agreement, shall be in the English language.

## 26.4 Severance

If any provision of this Agreement is or becomes invalid, unenforceable or illegal, or is declared to be invalid, unenforceable or illegal by any court of competent jurisdiction or by order of any other Competent Authority, such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of this Agreement, which shall continue in full force and effect notwithstanding the same.

## 26.5 Entire Agreement

26.5.1 The documents listed in (a), (b) and (c) below contain or expressly refer to the entire agreement between the Parties with respect to the subject matter hereof, and supersede all previous agreements or understandings between the Parties with respect thereto and any warranty, condition or other term implied at law or by custom is (to the fullest extent permitted by law) expressly excluded therefrom:

- (a) the Provision and Maintenance Agreement; and  
the Network Metering Equipment Agreement;
  
- (b) the relevant Meter Works Conditions;  
the Rainbow System User Agreement; and  
the Metering Agreements Modification Provisions;
  
- (c) the Rainbow MAM Manual;  
Enhanced IX Operational Guidelines for use with Rainbow;  
Standards of Service Query Management Operational Guidelines;  
Meter Credit Rules;  
National Grid Metering Charges;  
Web Portal User Guidelines;  
Rainbow System Validation Document;  
Contingency Procedures; and  
Management of External Access to Rainbow.

26.5.2 In the event of conflict between the documents listed in (a), (b) and (c), the document listed in (a) shall take precedence over the documents listed in (b) and (c) and the documents listed in (b) shall take precedence over the documents listed in (c).

26.5.3 It shall be an obligation of National Grid or the Customer to comply with a provision of the Rainbow MAM Manual where such provision is expressly identified in the Rainbow MAM Manual as one which is made binding on National Grid or the Customer by any of the documents listed in Condition 26.5.1(a) and (b) and not otherwise, but it is acknowledged that as respects all provisions of the Rainbow MAM Manual (whether or not made binding by such documents) the Customer may be unable to make a Batch Transfer Communication or Web Communication (and so may be unable to exercise an entitlement to make a Metering Communication required to be made as such) where the Customer does not comply with such provisions.

26.5.4 Each Party acknowledges that in entering into this Agreement it does not rely on any representation, warranty or other understanding not expressly contained in this Agreement.

26.5.5 Nothing contained in a document referred to in this Agreement beyond what is expressly contemplated by this Agreement as being contained in such document or is necessary for the purposes of giving effect to a provision of this Agreement shall modify or have any effect for the purposes of this Agreement or be construed as relevant to the interpretation of this Agreement.

26.6 Jurisdiction

26.6.1 Subject to Condition 25, the Parties irrevocably agree that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding (collectively "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts.

26.6.2 Each Party irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any Proceedings in any such court as is referred to in Condition 26.6.1 and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in the English courts shall be conclusive and binding upon such Party and may be enforced in the courts of any other jurisdiction.

26.6.3 The Customer agrees that if it is not a company incorporated under the Companies Act 1985 it shall provide to National Grid an address in England or Wales for service of process on its behalf in any Proceedings.

26.7 Third Party Rights

26.7.1 Except as provided in Condition 26.7.2 and subject to any rights which may accrue to any successor or permitted assign of the Parties, no provision of this Agreement or any Contract made hereunder shall or may be construed as creating any rights enforceable by a third party (whether under the Contracts Act or otherwise) and all third party rights as may be implied by law (whether under the Contracts Act or otherwise) are hereby excluded to the fullest extent permitted by law from this Agreement and any Contract made hereunder.

26.7.2 The benefit of Condition 14 insofar as and to the extent related to the subject matter of this Agreement shall be conferred on each and any Affiliate of each Party from time to time, and such Affiliate(s) shall have the benefit of Condition 14 under the Contracts Act.

26.7.3 No consent shall be required from any person having rights under this Agreement by virtue only of the Contracts Act to any amendment, variation, waiver or settlement of this Agreement or any right or claim arising from or under it which (in each case) has been agreed by any party to it.

26.8 Standards

National Grid will comply with the various standards contained in and more particularly described in Schedule Two, Part C and Schedule Three, Part A in respect of activities performed by National Grid pursuant to this Agreement.

26.9 Governing law

This Agreement and any Contract made hereto shall be governed by, and construed in all respects in accordance with, English law.

26.10 Further assurance

Subject to the terms and conditions of this Agreement, each Party agrees to use its reasonable endeavours at its own cost to do or cause to be done all things necessary, proper or advisable under the applicable laws and regulations to consummate the transactions contemplated by this Agreement as expeditiously as possible, including, without limitation, the performance of such further acts or the execution and delivery of any additional deeds, instruments or documents to obtain any permits, approvals, licences or waivers required for the purposes of this Agreement and the transactions contemplated hereby.

26.11 Counterparts

This Agreement may be executed by the Parties on separate counterparts, each of which when executed and delivered shall constitute an original but the counterparts shall together constitute both one and the same instrument.

26.12 Sub Contracting

26.12.1 National Grid shall be entitled to sub-contract the whole or any part of the Meter Works to be performed under a Contract. Any such sub-contracting by National Grid will not relieve National Grid from any liability or obligation under the Contract.

26.12.2 The Customer may reasonably request that National Grid notify it of the contractors (if any) that National Grid has engaged for the Contract and in the event that the Customer reasonably objects to the engagement of such contractor, National Grid shall reasonably consider using alternative contractors (where available pursuant to National Grid's usual commercial arrangement and practices) and in the event that National Grid does not propose an alternative contractor reasonably acceptable to

the Customer, the Customer may terminate the Contract in accordance with Condition 16.3 (f).

26.12.3 The Customer shall be entitled to sub-contract the whole or any part of its obligations under Condition 4. Any such sub-contracting by the Customer will not relieve the Customer from any liability or obligation under the Contract.

**26.13 Survival**

The provisions of this Agreement and any Contract made hereunder that by their nature or from their context are intended to, or would naturally, continue to have effect after termination of this Agreement or such Contract shall survive after termination.

**26.14 Commencement**

This Agreement shall be effective on the date (the "**Effective Date**") on which the last of the following occurs:

- (a) signature of the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) by National Grid and the Customer;
- (b) the Customer Accession Date;
- (c) the implementation date of the Network Code modifications 672, 673, 674, 675, 677 and 678 (the "**Implementation Date**"); and
- (d) signature of this Agreement by National Grid and the Customer.

**27. NOT USED**

**IN WITNESS WHEREOF** the Parties by their duly authorised representatives have this day set their hand.

**SIGNED** for and on behalf of  
**National Grid Gas plc**

Signature:.....

**Version Number: B7BARMW\_12\_110411**

Name: .....

Position:.....

**SIGNED** for and on behalf of  
**«Registered\_Company\_Name»**

Signature:.....

Name: .....

Position:.....

**SCHEDULE ONE**  
**PART A**  
**STANDARD WORK REQUESTS**

**1. Scope**

1.1 The Customer may only request that National Grid undertake Standard Meter Works in respect of Meters set out in paragraph 1.3.

1.2 Standard Meter Works are those activities described as such in the Rainbow MAM Manual and include without limitation:

(a) Subject to paragraph 1.2(b), the installation, exchange or removal of Diaphragm Meters and Ultrasonic Meters.

(b) Meter exchanges for the reason of increase or decrease in capacity are subject to the Meter Housings being suitable for the replacement Meter or a replacement Meter Housing being requested in the same SWR.

1.3 The following Meters are suitable for Standard Work Requests:

(a) Credit or Prepayment Meters with a badged capacity not exceeding 11 SCMh;

(b) Diaphragm Meters with a badged capacity exceeding 11 SCMh and not exceeding 160 SCMh (together with associated Meter Housings, where requested).

**2. Customer Requirements for a Standard Work Request**

2.1 The Customer may submit a Standard Work Request:

(a) where the Customer reasonably considers that:

(i) such request is in respect of Standard Meter Works;

(ii) the Meters comply with paragraph 1.3 above;

(iii) the Metering Equipment inlet pressure does not exceed 75mBar;

(iv) the Metering pressure does not exceed 21mBar;

- (v) the Metering Equipment will be connected to a suitable live service pipe that is connected to a relevant main forming part of the National Grid System;
  - (vi) a suitable Meter Base is to be in place prior to the Meter Works taking place and a suitable Meter Housing will be in place forthwith upon Substantial Completion;
  - (vii) the Meter location complies with current regulations and codes of practice; and
- (b) where:
- (i) a Meter bypass is not required by the Customer;
  - (ii) permission has been gained from the premises owner/occupier for the Meter Works to be carried out;
  - (iii) the Customer agrees to complete the Standard Work Request including the mandatory information requirements set out in the Rainbow MAM Manual; and
  - (iv) the Customer agrees to pay National Grid on receipt of a valid invoice in accordance with this Contract.

2.2 The Customer will provide details of any Scheduled Attendance agreed with a Domestic Consumer and will ensure that such Scheduled Attendance complies with the Minimum Lead Time or the Lead Time for Physical Commencement detailed in Schedule Two, Part C (as appropriate).

2.3 In respect of Non Domestic Meter Works, the Customer will provide a date for Physical Commencement, such date not to be earlier than the Lead Time for Physical Commencement calculated in accordance with Schedule Two, Part C.

### **3. National Grid Requirements for Standard Work Requests**

3.1 For new installation of Metering Equipment, the charges set out in the National Grid Metering Charges do not include connection from the Metering Equipment to the Consumer's pipe work or the commissioning of any pipe work or fittings not owned by National Grid downstream of the Metering Equipment.

- 3.2 For Meter Removals, the charges set out in the National Grid Metering Charges do not include Purging the Installation Pipework. Where purging is required the Customer should request a Meter Removal through the Quotation Request for Non Standard Work process.

Note: The Meter will not be removed following receipt of a Standard Work Request should the Installation Pipework require Purging at the time of the Meter removal and Purging has not been carried out or arrangements made by the Customer for Purging to be carried out. An Abortive Visit Charge will be charged in accordance with paragraph 3.6 of Schedule Two, Part A.

**SCHEDULE ONE**  
**PART B**  
**QUOTATION REQUESTS FOR NON STANDARD WORK**

**1. Scope**

National Grid undertakes to provide Quotations for Meter Works with an inlet pressure not exceeding 7 Bar in accordance with the Service Levels set out in the tables in paragraph 2 of Schedule Two, Part C.

**2. Minimum Information**

2.1 Subject to paragraph 2.3 below, following receipt of a Quotation Request for Non Standard Work from the Customer, National Grid will acknowledge receipt of the request within 1 Working Day.

2.2 National Grid will check the Quotation Request for Non Standard Work to ensure minimum information (as set out in the Rainbow MAM Manual) has been provided. Where minimum information is not provided the Quotation Request for Non Standard Work will be rejected in accordance with the process detailed in the Rainbow MAM Manual and the Customer notified within 2 Working Days of receipt.

2.3 Where the Customer submits a Quotation Request for Non Standard Work via the I&C Online Quotation System and:

- (a) a Quotation is provided by National Grid via the I&C Online Quotation System, or
- (b) the Quotation Request for Non Standard Work is rejected via the I&C Online Quotation System pursuant to paragraph 2.2 above;

such Quotation or rejection (as the case may be) shall be deemed to constitute an acknowledgement of receipt of the Customer's request for the purposes of paragraph 2.1 above.

2.4 For the avoidance of doubt, where the Customer submits a Quotation Request for Non Standard Work via the I&C Online Quotation System, National Grid may provide a Quotation or reject such request via any of the means specified in the Rainbow MAM Manual.

**3. Quotations**

- 3.1 Following receipt of a valid Quotation Request for Non Standard Work and where minimum information is provided National Grid will provide a Quotation within the relevant time periods detailed in the table in paragraph 2 of Schedule Two, Part C.
- 3.2 Where in any calendar month National Grid does not comply with the provisions of paragraph 3.1 above for at least the Relevant Percentages set out in Annex A of Schedule Two Part C, National Grid shall comply with the provisions of the Metering Quotation Compensation Scheme.

**4. Acceptance**

- 4.1 Following receipt of an Acceptance Form from the Customer, National Grid will acknowledge receipt within 1 Working Day in accordance with the procedures set out in the Rainbow MAM Manual. Should the Acceptance Form fail validation National Grid will notify the Customer of the rejection of the Acceptance Form within 2 Working Days of receipt.
- 4.2 For a valid Acceptance National Grid will schedule Physical Commencement in accordance with the lead times set out in the table in paragraph 2 of Schedule Two, Part C or otherwise where the Customer has requested a date for Physical Commencement later than these lead times.
- 4.3 A planning letter will be sent to the Customer detailing the Physical Commencement Target Date, the Substantial Completion Target Date, the target date for Final Completion (where applicable) and confirmation of applicable liquidated damages and Liquidated Damages Cap (as set out in the Quotation or as otherwise agreed between the Parties) as soon as reasonably practicable and in any event within the time periods set out in the table in paragraph 3 of Schedule Two, Part C.

**5. Meter Removal/Discontinuance**

- 5.1 The table in paragraph 2.2 of Schedule Two, Part C sets out Service Levels ("SLA") for Quotation Requests for Non Standard Work in respect of non Adversarial Meter Works discontinuance or Metering Equipment removal.
- 5.2 For discontinuances, the Customer:
  - (a) shall specify if National Grid is to quote for Purging the Installation Pipework and fittings downstream of the Metering Equipment or whether Purging, if required, is to be

included on a time and material basis (in accordance with the charges set out in the National Grid Metering Charges ); and

- (b) will need to facilitate access to the Consumer's premises to enable National Grid to provide a Quotation for Purging Installation Pipework and fittings for Metering Equipment removal (where required). Where the Customer cannot facilitate access the Quotation will include Purging on a time and material basis.

**SCHEDULE TWO**  
**PART A**  
**METER WORKS SCOPE**

**1. General**

1.1 The Customer can request Meter Works as set out in this Schedule Two that include:

- (a) Metering Equipment installation;
- (b) Metering Equipment exchange;
- (c) Metering Equipment removal;
- (d) Purging (Metering Equipment and Installation Pipework);
- (e) Metering Equipment alterations; and
- (f) Provision, restoration or replication of a Meter Pulse.

1.2 The following items are included in Meter Works except where expressly stated otherwise:

- (a) the undertaking of all Meter Works:
  - (i) in accordance with applicable legal requirements and codes of practice including and without limitation:
    - (1) the Gas Meters (Information on Connection and Disconnection) Regulations 1996;
    - (2) the Gas Safety (Installation and Use) Regulations 1998;
    - (3) the CDM Regulations;
    - (4) Ofgem Codes of Practice COP/1a, COP/1b and COP/1c.
  - (ii) in accordance with National Grid's health, safety and environmental policies from time to time in force;

- (iii) in accordance with National Grid's technical documentation from time to time in force;
- (iv) by an Ofgem Approved Meter Installer who is, where appropriate, Gas Safe registered;
- (b) all time and materials necessary to undertake the activity during Working Hours;
- (c) provision of all relevant and suitable Meter labels, including one that indicates the ownership of the Meter and indicating the operation of the Emergency Control Valve where one is not present at the time of the Meter Works;
- (d) provision of an Emergency Control Valve blanking disc (where required);
- (e) the provision of a suitable Emergency Control Valve clamp and lock (where required);
- (f) any variation to the Meter Works agreed in writing by the Parties;
- (g) any additional activities for which a price is specified in the Quotation;
- (h) removal and disposal of batteries (where required); and
- (i) removal of Surplus National Grid Material.

## **2. General Exclusions**

2.1 For the avoidance of doubt, unless a price for such Meter Works is incorporated in the Quotation or which have been set out in the SWR and agreed by National Grid, the Meter Works will not include:

- (a) making good cosmetic surfaces, plasterwork and decoration;
- (b) the conduct of Meter Works outside of Working Hours;
- (c) the conduct of Meter Works so as to avoid interruption to the conveyance of natural gas to the Consumer's Premises during the conduct of the Meter Works or in the course of future maintenance of the Metering Equipment PROVIDED ALWAYS that National Grid shall:

- (i) use all reasonable endeavours to avoid such interruption where reasonably practicable;
- (ii) where interruption cannot be avoided as set out in (i) above, use all reasonable endeavours to notify such person as may be reasonably available on the Consumer's Premises that interruption may occur and where the Consumer refuses consent for the interruption to occur such lack of consent shall be reason to extend the Date of Substantial Completion pursuant to Condition 9.1(e);
- (d) any work on the Installation Pipework, unless specifically quoted for prior to the commencement of the work;
- (e) Purging and re-lighting of gas appliances downstream of the Metering Equipment except in the case of a Meter exchange or Meter position alteration activity.

2.2 Without prejudice to paragraph 2.1, the Meter Works will not include:

- (a) any work upstream of the Emergency Control Valve;
- (b) any trace and repair work provided always that where a gas escape is identified on the internal supply the current industry guidelines and all relevant legislation relating to the situation will be followed;
- (c) the inspection, installation or alteration of Installation Pipework;
- (d) in the case of new Meter Installation Works:
  - (i) final connection from the Metering Equipment to the Installation Pipework; and/or
  - (ii) the commissioning of Installation Pipework (including, for the avoidance of doubt, any apparatus or equipment downstream of the Metering Equipment) and/or any Metering Equipment not installed by National Grid;
- (e) the rental of any Meter (which, for the avoidance of doubt, will be provided and maintained pursuant to the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable)).

**3. Abortive Call Charges**

- 3.1 Subject to paragraphs 3.4 and 3.5, National Grid will be entitled to charge and the Customer will be liable to pay for National Grid's reasonable cost and expense incurred in undertaking an Abortive Meter Works Call ("**Abortive Call Charges**").
- 3.2 Subject to paragraphs 3.3, 3.4, 3.5 and 3.6 an "**Abortive Meter Works Call**" will be deemed to have occurred where a Scheduled Attendance or date for Physical Commencement (as the case may be) has been Accepted by National Grid pursuant to Condition 2.2(d) or 2.3(b) (other than one rescheduled by National Grid pursuant to Condition 2.2(e)(ii) and:
- (a) access to the planned Meter Works area is not available at the planned time of the visits; or
  - (b) access to other areas necessary to undertake the planned Meter Works is not available at the planned time of the visits; or
  - (c) the planned Meter Works area is not sufficiently prepared (in accordance with the Customer's obligations set out in Condition 4) to enable the work to be undertaken at the time of the visit.
- 3.3 Where an initial visit has been aborted due to one or more of the reasons described in paragraph 3.2:
- (a) notification will be left at the planned Meter Works location indicating the date of the next planned visit, which will be in accordance with the agreed planned Meter Works re-planning procedure;
  - (b) following a second consecutive Abortive Meter Works Call the planned Meter Works request will be cancelled and notification sent to the Customer.
- 3.4 National Grid shall charge the Customer the Standard Abortive Call Charges where an Abortive Meter Works Call occurred where the Meter Works were requested under the Standard Work Request process.
- 3.5 Where an Abortive Meter Works Call occurred where the Meter Works were requested under a Quotation, Abortive Call Charges will be the reasonable costs incurred (in accordance with the National Grid Metering Charges and provided always that National Grid has used all reasonable endeavours to minimise such costs) and the Meter Works shall be subject to an extension of time in accordance with Condition 9.1.

3.6 An Abortive Meter Works Call will be deemed to have occurred in the circumstances described in Condition 7.3(b) and/or paragraph 3.2 of Schedule One Part A.

**4. Charges for Meter Pulse provision, restoration or replication**

4.1 National Grid's charges for the provision, restoration or replication of a Meter Pulse shall be as set out in the Quotation, provided that in the case of Diaphragm Meters (irrespective of the method by which National Grid elects to provide, restore or replicate the Meter Pulse) the charges for the period up to and including 31 March 2009 shall be as follows:

<b>Size of Meter</b>	<b>Charge</b>
U16	£108.74
U25	£109.90
U40	£186.33
U65	£215.54
U100	£243.17
U160	£243.17

In respect of the period after 31 March 2009 the charges shall be as set out in the National Grid Metering Charges. For the avoidance of doubt the charges for Rotary Meters and Turbine Meters shall be as set out in the Quotation.

4.2 Where the Customer requests that National Grid provide, restore or replicate a Meter Pulse at a particular Meter and National Grid elects to provide, restore or replicate such Meter Pulse by carrying out a Meter exchange and such Meter is part of the current year's Replacement Exchange Programme, then National Grid shall carry out such exchange at no cost to the Customer and the charges referred to in paragraph 4.1 above shall not apply.

**SCHEDULE TWO**  
**PART B**  
**METER WORKS CATEGORIES**

**1. METER INSTALLATION**

**General**

- 1.1 Save as set out in the Quotation, National Grid shall undertake Meter Installation Works in accordance with the relevant Service Level.
- 1.2 The following items are included in respect of Meter Installation Works except where expressly stated otherwise:
- (a) designing the Metering Equipment so as to be, in the case of Quotation Meter Works, capable of properly recording in accordance with applicable statutory requirements the volume of natural gas commensurate with the maximum peak instantaneous demand that the Customer has advised National Grid in writing is intended to pass through the Metering Equipment and in accordance with any provision set out in the Quotation;
  - (b) procuring of all items and materials that are to be incorporated into the Metering Equipment;
  - (c) installation of a Meter designed to meet the criteria set out in paragraph 1.2(a);
  - (d) the installation, testing and commissioning of a Metering Equipment terminating with the capped outlet of the Meter (and for the avoidance of doubt National Grid acknowledge and agree that where testing and commissioning so requires, National Grid shall undertake a visit to the Consumer's Premises in addition to the installation visit).
- 1.3 The Customer agrees that it shall only request Meter Works pursuant to this Agreement in respect of Metering Equipment situated at a Meter Point with an inlet pressure not exceeding 7 Bar.

**Categories**

- 1.4 Type: Standard Credit Meter

Description: Installation of Credit Meter with a badged capacity of less than 11 SCMh to a nominated Meter Point.

1.5 Type: Large Credit Meter

Description: Installation of Diaphragm Meter with a badged capacity of not less than 11 SCMh and less than 160 SCMh to a nominated Meter Point.

Conditions: May be requested as an SWR or if subject to a Quotation a site visit may be required prior to issuing.

1.6 Type: Prepayment Meter

Description: Installation of an electronic Quantum System Meter with a badged capacity of less than 11 SCMh to a nominated Meter Point and, if required, installation of a semi-concealed Meter box extension kit to an existing National Grid approved semi-concealed Meter housing, at a nominated Consumer's Premises.

1.7 Type: Rotary or Turbine Meter

Description: Installation of a Rotary or Turbine Meter to the requirements of the Customer as set out in the Quotation.

Conditions: A site visit will be undertaken prior to issuing a Quotation where reasonably required. The Customer is to facilitate such site visit.

1.8 Type: Meter Housing Installation

Description: Installation of a suitable Meter Housing as part of a Meter Installation Visit.

Conditions: To take place where a Diaphragm Meter with a badged capacity exceeding 11 SCMh and not exceeding 160 SCMh is being installed.

**2. METER EXCHANGE**

**General**

2.1 Save as set out in the Quotation, National Grid shall:

- (a) undertake Meter exchange activities in accordance with the relevant Service Level;

- (b) not be obliged to undertake the Meter exchange activities set out in this paragraph 2 save where such activity would not require alteration to the Installation Pipework fittings.

2.2 The following items are included in Meter exchange Meter Works except where expressly stated otherwise:

- (a) testing the existing Installation Pipework for soundness where the connection is made following a Meter exchange or an alter Meter position activity;
- (b) in respect of exchange of Meters pursuant to an SWR, Purging and relighting gas appliances downstream of the Metering Equipment;
- (c) the removal from Site of any Metering Equipment not owned by National Grid or the Consumer, storage of the removed Metering Equipment at a collection location and notifying the owner of the Metering Equipment (where reasonably practicable to do so or, where not reasonably practicable, the Customer) that it is available for collection. In the event that the Metering Equipment is not collected within one calendar month of notification National Grid shall dispose of such Metering Equipment as it deems appropriate;
- (d) where the Meter to be exchanged is clamped, the disconnection and removal of that clamp.

### **Categories**

2.4 Type: Damaged Credit Meter

Description: The replacement of a specified Credit Meter with an appropriate replacement Credit Meter of an equivalent hourly capacity where the current Meter has been damaged.

Conditions: The replacement Meter is to be provided by National Grid.

2.5 Type: Damaged Prepayment Meter

Description: The replacement of a specified Prepayment Meter with an appropriate replacement Prepayment Meter of an equivalent hourly capacity where the current Prepayment Meter has been damaged.

Conditions: The replacement Meter is to be provided by National Grid.

2.6 Type: Credit Meter to Prepayment Meter

Description: The replacement of a specified Credit Meter with an appropriate Prepayment Meter of an equivalent hourly capacity.

2.7 Type: Prepayment Meter to Credit Meter

Description: The replacement of a specified Prepayment Meter with an appropriate Credit Meter of an equivalent hourly capacity.

2.8 Type: Increased/Reduced Load

Description: The replacement of the Meter fitted at a nominated Meter Point with an appropriate Meter of a different capacity and/or type at the same location.

Conditions: Replacement to take place where the current Meter is unsuitable for operating with the current load profile.

2.9 Type: Meter Housing Installation

Description: Installation of a suitable Meter Housing as part of a Meter Exchange Visit.

Conditions: To take place where a replacement Diaphragm Meter with a badged capacity exceeding 11 SCMh and not exceeding 160 SCMh is being installed.

### **3. METER POSITION ALTERATION**

3.1 Save as expressly set out in the Quotation, National Grid shall only be obliged to undertake the Meter position alteration activities set out in this paragraph 3 where:

(a) the Meter is a Meter with a badged capacity of less than 11 SCMh (for the avoidance of doubt Meters with a badged capacity of not less than 11 SCMh are to be expressly dealt with under the Quotation process); and

(b) the new Meter position:

(i) is no more than 1 metre from the original Meter position and requires no more than 1 metre of pipe-work to extend the Meter inlet supply;

- (ii) the new Meter position requires no more than 2 metres of pipe-work to extend the Installation Pipework;
- (iii) complies with industry guidelines, codes of practice, statutes and regulations for that type of installation.

### **Categories**

#### 3.2 Type: Meter Position Alteration

Description: To alter the installation position of a nominated Meter.

Conditions: The Meter Works will include the replacement of any Ancillary Equipment required to complete the Meter Works and, where Quotation Meter Works, the Ancillary Equipment included in the Quotation.

## **4. METER REMOVAL**

4.1 Save as expressly set out in the Quotation, National Grid shall not be obliged to undertake the Meter removal activities set out in this paragraph 4 save where the gas supply can be left in a safe condition and, where required, the Customer warrants that it has made arrangements to decommission the Installation Pipework (with consideration having been given to the standard of an RPO to any downstream attached appliances).

4.2 The following items are included in Meter removal Meter Works except where expressly stated otherwise:

- (a) the removal from Site of any Metering Equipment not owned by National Grid, storage of the removed Metering Equipment at a collection location and notifying the owner of the Metering Equipment (where reasonably practicable to do so or, where not reasonably practicable, the Customer) that it is available for collection. In the event that the Metering Equipment is not collected within one calendar month of notification National Grid shall dispose of such Metering Equipment as it deems appropriate.

### **Categories**

#### 4.3 Type: Credit Meter Removal

Description: Removal of a nominated Credit Meter.

Conditions:

- (a) The making safe the Installation Pipework to be the Customer's responsibility
- (b) Customer to be notified of removal within 48 hours
- (c) Meter is owned by National Grid

**4.4 Type: Prepayment Meter Removal**

Description: Removal of a nominated Prepayment Meter.

Conditions:

- (a) The making safe the Installation Pipework to be the Customer's responsibility
- (b) Customer to be notified of removal within 48 hours
- (c) Meter is owned by National Grid

**4.5 Type: Purging Installation Pipework**

Description: Purging of Installation Pipework during or immediately following the removal of a Meter.

Conditions:

- (a) National Grid may require to undertake a site visit prior to issuing a quotation. The Customer is to facilitate access for National Grid to the Consumers premise at least 4 Working Days in advance of the required date for Quotation.
- (b) Where the Customer cannot facilitate access in advance of the production of a Quotation or prior to the Meter Works taking place, National Grid will undertake Purging on a time and materials basis (rates for time taken to be in accordance with the National Grid Metering Charges).

## 5. PREPAYMENT METER WORKS

5.1 The following items are included in Meter Works in respect of Prepayment Meters except where expressly stated otherwise:

- (a) National Grid's reasonable endeavours to recover redundant Quantum System Gas Cards (Consumer), where Quantum System Meters are removed or decommissioned.
- (b) decommissioning any removed Quantum System Meter;
- (c) the use of Customer provided Gas Cards (Installer) where Quantum System Meter are installed or recommissioned;
- (d) commissioning of all electronic token Prepayment Meters in Tariff Gas Billing mode;
- (e) the provision of a suitable installation bracket where one is required.

### Categories

5.2 Type: Attend Prepayment Gas Meter - Card Fault /Wind-on (Mechanical & Electronic)

Description: Attending a nominated Prepayment Meter to identify and where practical rectify the cause of a card/ token problem and/or to wind-on credit to that Meter including without limitation:

- lost Gas Card (Consumer)
- no Gas Card (Consumer)
- no gas credit remaining
- Meter showing "call help" with gas still available
- damaged Gas Card (Consumer)
- jammed Gas-Card (Consumer)/token
- faulty Gas Card (Consumer)
- clear faults and tampers

Conditions: National Grid shall not be obliged to attend the fault save where the nominated Prepayment Meter:

- (a) is a Quantum System Meter supported by National Grid; or

(b) is a mechanical token or coin Prepayment Meter supported by National Grid.

**5.3 Type: Attend Prepayment Gas Meter - Reported/Suspected Misuse**

Description: Attending and inspecting a nominated Prepayment Meter position to identify and if reasonably practical rectify the misuse or damage or interference to the nominated Meter and/or the Meter installation caused by a third party including without limitation where there is:

- a reported suspicion of a theft of gas and/or damage to the Meter;
- a reported suspicion of misuse of a Meter.

Conditions: National Grid shall not undertake the Work where there is a suspected gas escape, danger of personal injury or damage to property. Where there is such a safety concern the activity National Grid will respond to the standard of an RPO and refer the matter to the gas emergency service provider for the National Grid System.

**5.4 Type: Decommission/Recommission Prepayment Gas Meter**

Description: the decommission and recommission of a nominated Quantum System Meter to enable a change of consumer tenancy and/or to enable a change of Shipper and/or Supplier.

**6 CLAMPING, SPADING AND VALVING OFF**

**General**

6.1 The Customer will facilitate access to the Metering Equipment where the clamping, spading and/or valving off activity set out in this paragraph 6 is required to be carried out as a result of non-Adversarial Meter Works discontinuance activities.

**Categories**

**6.2 Type: Fit clamp & lock to Emergency Control Valve**

Description: Installation of National Grid provided Emergency Control Valve clamp and lock to a nominated Meter position by National Grid authorised operatives.

Conditions: Clamp to be fitted only where diameter of Emergency Control Valve is no greater than 25.4 mm.

6.3 Type: Remove Emergency Control Valve clamp and lock

Description: Removal of Emergency Control Valve clamp and lock from a nominated Meter by National Grid authorised operatives.

Conditions: Removal of the Emergency Control Valve clamps and locks will only take place where the Customer warrants that it is entitled to authorise such removal.

6.4 Type: Meter Spading

Description: Fit a spade to prevent the flow of gas through the Metering Equipment.

Conditions:

- (a) the making safe the Installation Pipework to be the Customer's responsibility
- (b) National Grid will decide the most suitable location to fit the spade in the Metering Equipment
- (c) the gas supply can be left in a safe condition and, where required, the Customer has:
  - made arrangements to Purge and make safe the Installation Pipework and any attached appliances; and
  - warranted to National Grid that the above arrangements have been made, or
  - requested National Grid to undertake the Purging and making safe of the Installation Pipework and any attached appliances.
- (d) the works do not require the physical removal of Metering Equipment from the current location
- (e) the Meters has a badged capacity of not less than 11 SCMH

6.5 Type: Valving Off

Description: Operating of valves on the Metering Equipment so as to prevent the flow of gas through the Metering Equipment.

Conditions:

- (a) the works do not require the physical removal of Metering Equipment from the current location
- (b) the Meters has a badged capacity of not less than 11 SCMh
- (c) Meter inlet pressure > 2 Bar

## **7 SECURITY COLLARS**

Type: Fit Meter Union Security Collars

Description: Fitting National Grid provided Meter union security collars to a nominated Meter by National Grid authorised operatives.

## **8. OFGEM METER ACCURACY TEST (OFMAT)**

Type: OFMAT Test

Description: Removal and replacement of a nominated National Grid Meter with another Meter of an equivalent hourly capacity, in order to enable an Ofgem Meter Accuracy Test (OFMAT) to be undertaken, including:

- transportation of the Meter to a test location.
- payment by National Grid to OFGEM (or OFGEM's nominated agent) of current OFMAT test fee, as specified by OFGEM from time to time.
- use of a purpose made Meter transportation box where an OFMAT test is required for Meters with a capacity of less than 11 SCMh.
- reporting on results received by National Grid from the OFMAT test.

Conditions: Exchange will only take place for the purpose of OFMAT testing where in the event that the removed Meter registers in imperial measurement, the Customer consents to a replacement Meter that records in metric measurements.

Charges: Where the OFMAT test shows the Meter to have been accurate, the Customer will pay to National Grid the charges:

- (a) as set out in the National Grid Metering Charges; or (where applicable)

(b) as set out in the Quotation.

The charge will separately identify the OFGEM charge for testing, the provision of a report, and the charge for exchange, removal and transportation.

## **9. CONVERTOR INSTALLATION AND REMOVAL**

9.1 Type: Convertor installation

Description: Installation of a Convertor to the requirements of the Customer as set out in the Quotation.

Conditions: A site visit may be required prior to issuing a Quotation;

National Grid will only connect a Convertor to a National Grid Meter;

This category of works may be requested as an individual item or as part of a Meter installation, exchange or alteration.

9.2 Type: Convertor removal

Description: Removal of a nominated Convertor.

Conditions: A site visit may be required prior to issuing a Quotation;

National Grid will only remove a third party owned Convertor where the Convertor forms part of a third party owned Meter installation and National Grid has been requested to carry out a meter exchange;

This category of works may be requested as an individual item or as part of a Meter exchange, alteration or removal.

## **10. CHATTERBOX INSTALLATION**

Type: Chatterbox installation

Description: Installation of a device (including without limitation devices known as "chatterboxes", "isolation devices" and "isolation barriers") providing multiple volt-free signal outputs from a Meter and incorporating electrical isolating barriers (which may be

in the form of a zener barrier or isolating relay device) to limit the amount of energy that may pass between the device and the Meter.

Conditions:

- (a) The Customer warrants that it has the right to install a chatterbox at the Meter.
- (b) Ownership and title in the chatterbox installation shall transfer to the Customer upon Substantial Completion.

## **11. CONVERSION FACTORS**

National Grid provides conversion factors to National Grid Customers on completion of Meter Installation Works and Meter exchange Meter Works, in accordance with the Rainbow MAM Manual. In addition, where requested by National Grid Customers, National Grid offers a separate service of providing individual Meter Point conversion factors to National Grid Customers.

## **12. METER PULSE**

Type: Meter Pulse provision, restoration or replication

Description: Provision, restoration or replication of a Meter Pulse by means of one of the following:

- installation or exchange of an OCR Device;
- Meter exchange; or
- installation or exchange of a Meter Pulse Module.

At the point of requesting the Meter Works the Customer may specify a preferred method by which the Meter Pulse is to be provided, restored or replicated. Such request shall be subject to National Grid's written agreement, and National Grid shall have sole discretion to determine the most appropriate method for the provision, restoration or replication of a Meter Pulse on a case by case basis. The ONJOB file that is transmitted to the Customer following completion of the Meter Works will confirm whether a Meter exchange has been carried out.

Conditions:

- (a) Meter has a badged capacity of 11 SCMH or above; and

- (b) Site Visit may be required to ascertain suitable Site conditions.

**SCHEDULE TWO**  
**PART C**  
**METER WORKS SERVICE LEVELS AND LEAD TIMES**

**1. STANDARD METER WORKS****1.1 Service Levels for Meters with badged capacity of less than 11 SCMH**

Works Category	Install National Grid Meter (Credit/Prepayment Meter)
Minimum Lead Time (Domestic)	D+5 All Day or am/pm or two hour Scheduled Attendances
Lead Time for Physical Commencement (Non Domestic)	D+5
Relevant Standard (Domestic)	IS2

Works Category	Re-establish gas supply (not debt related) by installing National Grid Meter (Credit or Prepayment) and/or removing clamp from previously discontinued supply Meter Point
Minimum Lead Time (Domestic)	D+2 All Day or am/pm or two hour Scheduled Attendances
Lead Time for Physical Commencement (Non Domestic)	D+2
Relevant Standard (Domestic)	IS2

Works Category	Re-establish gas supply (debt related) by installing a National Grid Meter (Credit or Prepayment) and/or removing clamp from previously discontinued supply Meter Point
Minimum Lead Time (Domestic)	D+1 All Day
Lead Time for Physical Commencement (Non Domestic)	D+1
Relevant Standard (Domestic)	OS4

Works Category	Exchange National Grid Meter - Supplier Request - Prepayment to Credit Meter - MTM/Coin to Prepayment Meter (mechanism not supported)
Minimum Lead Time (Domestic)	D+1 All Day <b>Or</b> D+5 am/pm or two hour Scheduled Attendances
Lead Time for Physical Commencement (Non Domestic)	D+1
Relevant Standard (Domestic)	OS2 or IS2

Works Category	Exchange National Grid Meter - Supplier Request - Credit to Prepayment Meter
Minimum Lead Time (Domestic)	D+5 All Day or am/pm or two hour Scheduled Attendances
Lead Time for Physical Commencement (Non Domestic)	D+5
Relevant Standard (Domestic)	OS2 or IS2

Works Category	Exchange National Grid Meter to facilitate Ofgem Meter Accuracy Test - Credit Meter - Prepayment Meter
Minimum Lead Time (Domestic)	D+5 All Day or am/pm or two hour Scheduled Attendances
Lead Time for Physical Commencement (Non Domestic)	D+5
Relevant Standard (Domestic)	IS1

Works Category	Alter Position of National Grid Meter – service pipe excluded but may include exchange Meter: - Credit Meter - Prepayment Meter - Credit to Prepayment Meter - Prepayment to Credit Meter
Minimum Lead Time (Domestic)	D+5 All Day or am/pm or two hour Scheduled Attendances
Lead Time for Physical Commencement (Non Domestic)	D+5
Relevant Standard (Domestic)	IS2 & OS1

Works Category	Remove National Grid Meter with a capacity not exceeding 6 SCMH, not Adversarial Meter Works - Credit Meter - Prepayment Meter
Minimum Lead Time (Domestic)	D+5 All Day or am/pm or two hour Scheduled Attendances
Lead Time for Physical Commencement (Non Domestic)	D+5
Relevant Standard (Domestic)	IS2

Works Category	Decommission / Re-commission due to change of Tenancy – no Meter exchange required - Advance notification
Minimum Lead Time (Domestic)	D+5 All Day or am/pm or two hour Scheduled Attendances

Lead Time for Physical Commencement (Non Domestic)	D+5
Relevant Standard (Domestic)	IS2

Works Category	Decommission/Re-commission due to change of Tenancy - no Meter exchange required - same Day request
Minimum Lead Time (Domestic)	D All Day
Lead Time for Physical Commencement (Non Domestic)	D
Relevant Standard (Domestic)	Not applicable

Notes:

- 1.1.2 References to the number following "D" mean the number of Working Days.
- 1.1.3 In the case of services for which D+1 All Day Scheduled Attendances apply, timed am/pm Scheduled Attendances may be arranged as an alternative on longer timescales. In these cases, the Minimum Lead Time for the Individual Standard IS2 in respect of the corresponding work category will apply, in place of the Overall Standard.
- 1.1.4 In the case of Meter removal work, the above time scales are quoted on the basis that purging is not required.

1.2 **Service Levels for Meters with badged capacity of not less than 11 SCMH**

<b>New Installation</b>	
Meter Size	Lead Time for Physical Commencement / Minimum Lead Times
16 SCMH	D+5
25 SCMH	D+10
40 SCMH	D+15
65 SCMH	D+15
100 SCMH	D+20
160 SCMH	D+20
<b>Removal</b>	
Meter Capacity up to and including	Lead Time for Physical Commencement / Minimum Lead Times (Purging not required)
Up to 160 SCMH	D+10

## 2. QUOTATION METER WORKS

### 2.1 Service Levels for New Installation, Exchange or Alteration

	Quotation Service Level			Lead Time for Physical Commencement (from acceptance)		
	Where NOT Sufficiently Complex		Where Sufficiently Complex	Meter Installation inlet pressure < 75mBar	Meter Installation inlet pressure > 75mBar and < 2Bar	Meter Installation inlet pressure > 2Bar
	New Installations	Exchange or Alteration				
Meter Capacity up to and including						
<b>Diaphragm Meters</b>						
25 SCMH	D+5	D+6	D+12	D+10	D+15	TBA
65 SCMH	D+5	D+6	D+12	D+15	D+20	TBA
160 SCMH	D+5	D+6	D+12	D+20	D+30	TBA
<b>Rotary Meters</b>						
Any size	D+5	D+6	D+12	D+20	D+30	TBA
<b>Turbine Meters</b>						
Any size	D+5	D+6	D+12	TBA	TBA	TBA

Notes: TBA = To be advised by National Grid in the Quotation

"**Sufficiently Complex**" shall be determined (to the standard of an RPO) in accordance with National Grid's reasonable eligibility criteria from time to time in force, such criteria to include:

- (a) Where the total cost of the works (including overheads) is reasonably expected to exceed £100,000; or
- (b) There are known obstacles that could materially affect the Meter Works and the anticipated total cost of the construction works (including overheads), based on past experience of works of a similar nature, is expected to exceed £10,000.

#### Obstacle criteria

Where one of the following obstacles is encountered the works are to be designated to be Sufficiently Complex, providing that the total cost of the works (including overheads), based on past experience, is expected to exceed £10,000:

- Where works are in, or likely to affect, a site of special scientific interest, nature reserve, scheduled monument or archaeological site.

- Where works are situated within, or likely to affect, a woodland, marsh, peat bog or coastal wet land.
- Construction of a Meter Housing in a listed building or designated conservation area.
- Works which involve any requirement for a public enquiry or planning permission, including planning permission associated with any buildings including Meter Housings (where requested to be provided by National Grid).
- Where the position of any apparatus involves a significant (greater than 2m) change in elevation within a short horizontal distance e.g. a cliff or retaining wall.
- Where works will be carried out in contaminated ground, disused slag heaps or rubbish dumps.
- Where any apparatus is likely to suffer from subsidence or other significant ground movement including the laying of apparatus near to disused mine shafts.
- Where works are likely to be affected by special security provisions, e.g. military bases, prisons etc.
- Where works will take place within top tier COMAH (Control of Major Accident Hazards Regulations (1999)) sites.

2.1.1 The Service Levels specified in the table contained in paragraph 2.1 shall apply where National Grid undertakes a Meter exchange pursuant to a request from the Customer for the provision, restoration or replication of a Meter Pulse.

## 2.2 Discontinuance or Removal

	Quotation SLA	Physical Commencement Target Date (from acceptance)	Physical Commencement Target Date (from acceptance)
Meter Capacity up to and including	Purging may be requested	Meter Installation inlet pressure not exceeding 2Bar	Meter Installation inlet pressure exceeding 2Bar
<b>Diaphragm Meters</b>			
25 SCMH	D+6	D+10	TBA
160 SCMH	D+6	D+15	TBA
<b>Rotary and Turbine Meters</b>			
Any size	D+6	D+15	TBA

Notes: TBA = To be advised by National Grid in the Quotation.

### 2.3 Valving Off

In respect of valving off for Meters with an inlet pressure of > 2 Bar, the Physical Commencement Date (from Acceptance) is to be not later than D+15.

### 2.4 Installation of OCR Devices and Meter Pulse Modules

National Grid shall use reasonable endeavours to carry out the installation of OCR Devices and Meter Pulse Modules within a reasonable period of receipt of the Customer's Acceptance Form. National Grid agrees to review the Service Level in respect of the installation of OCR Devices and Meter Pulse Modules with the Customer following a reasonable period over which National Grid has been able to monitor and assess its performance of such Meter Works.

## 3. PLANNING LETTER SERVICE LEVELS

Meter Type - Installation / Exchange	Planning Letter SLA
Diaphragm Meters >11 SCMH	D+5
Rotary or Turbine Meters	D+5
Any Meter Works meeting Sufficiently Complex rules	D+20

Note: Planning Letter to be to the standard of an RPO in each case with a Relevant Percentage of 100% in any calendar month.

## 4. OTHER STANDARDS OF SERVICE

4.1 National Grid shall comply with the obligations and standards of service arising from and in accordance with the following parts of the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable):

- (a) Schedule Two Part B (other query of service: Operational Queries); and
- (b) Schedule Two Part C (meter information standards of service: Updating Relevant Meter Information)

PROVIDED THAT any action or payment made in satisfaction of such obligation pursuant to the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) shall be deemed to be full satisfaction of such obligation pursuant to this Agreement and Contracts made hereunder, and vice versa.

**5. DEMOLITION**

The Customer shall use all reasonable endeavours to notify National Grid of any impending demolition works, and provided such notification is given in a timely fashion, following receipt of such notice National Grid will use reasonable endeavours to achieve shorter lead times than the relevant lead times specified in this Schedule Two, Part C with respect to discontinuance or removal.

**Annex A**

	Relevant Percentage
Quotation for New Installation - Issued in D+5	98%
Quotation for Exchange/Alteration/Removal - Issued in D+6	98%
Quotation for Sufficiently Complex Work - Issued in D+12	98%

**SCHEDULE THREE**  
**PART A**  
**STANDARDS OF PERFORMANCE (DOMESTIC)**

**1. INTERPRETATION**

- 1.1 For the purposes of this Schedule Three, Part A a "**Request**" shall mean a request for Meter Works to be undertaken at Domestic Premises in accordance with a Scheduled Attendance. Such request to be in accordance with any requirements set out in the Rainbow MAM Manual.
- 1.2 The measurement of the duration of the number of Working Days commences with the next Working Day that follows either the date of the receipt of the Request or the subsequent date upon which a course of action has been agreed in respect of such Request.
- 1.3 The headings to this Schedule Three, Part A are for convenience only and will not affect the interpretation of this Schedule Three, Part A.
- 1.4 Any reference in this Schedule Three, Part A to a "paragraph" or "sub-paragraph" is a reference to a paragraph or sub-paragraph of this Schedule Three, Part A.
- 1.5 Words and expressions defined in Condition 1.1 of this Agreement and not defined in this Schedule Three, Part A will have the meanings ascribed to them under Condition 1.
- 1.6 In the event of conflict between this Schedule Three, Part A and the Rainbow MAM Manual the terms of this Schedule Three, Part A will prevail.

**2. INDIVIDUAL STANDARDS OF PERFORMANCE**

**2.1 Meter Disputes ("IS1")**

- 2.1.1 IS1 applies where the Customer makes a Request to National Grid to visit a Domestic Premise to exchange an in situ Metering Equipment which the Customer considers is or may have been operating outside the Margins of Error, for the purpose of enabling an OFMAT test to be carried out.
- 2.1.2 The Customer's Request referred to in paragraph 2.1.1 will be made within Working Hours by means of a completed Meter Test Application Form sent in accordance with the requirements set out in the Rainbow MAM Manual and will specify the proposed

date upon which the Scheduled Attendance is requested which date will be no earlier than the relevant Minimum Lead Time and National Grid will:

- (a) confirm the date for such Scheduled Attendance in accordance with the requirements set out in the Rainbow MAM Manual, such Scheduled Attendance will, unless otherwise agreed, be within a period of 5 Working Days from the receipt by National Grid of a completed Meter Test Application Form; and
- (b) attend such Scheduled Attendance on such date as agreed with the Customer pursuant to paragraph 2.1.2(a).
- (c) National Grid will notify the Customer of the planned date of Scheduled Attendance within 1 Working Day of receipt of the Meter Test Application Form.

**2.1.3 Where National Grid:**

- (a) fails to confirm a date for such Scheduled Attendance that is in accordance with paragraph 2.1.2(a) then National Grid will (except in any of the circumstances described in paragraph 2.1.4) pay to the Customer the sum of £20;
- (b) fails to carry out such visit in accordance with the Scheduled Attendance which has been agreed with the Customer then National Grid will (except in any of the circumstances described in paragraph 2.1.4) pay to the Customer the sum of £20.

**2.1.4** The circumstances referred to in paragraph 2.1.3 are each of the circumstances described in paragraph 5 provided that, in relation to paragraph 5(e) National Grid gave the Customer prior notice (in writing) of, where practicable, 2 Working Days and in any event not less than 1 Working Day that National Grid would be unable to keep the Scheduled Attendance or the circumstances referred to in paragraph 5(e) occurred at a time when it was not reasonably practicable to give such a notice.

**2.2 Appointments ("IS2")**

**2.2.1** IS2 applies where:

- (a) the Customer makes a Request to National Grid to visit Domestic Premises for the purpose of performing Meter Works.
- (b) the Domestic Consumer makes a Request to National Grid to visit Domestic Premises for the purpose of performing any relevant category of Meter Works

and which requires access to be afforded to National Grid or for which it would otherwise be reasonable to expect the Domestic Consumer to be present.

2.2.2 Where National Grid receives such a Request referred to in paragraph 2.2.1(a) in Working Hours from the Customer in respect of which a Scheduled Attendance is required, and the Customer's Request specifies the proposed date upon which the Scheduled Attendance is requested (and such proposed date is no earlier than the relevant Minimum Lead Time) then unless National Grid has rejected such Request in accordance with Condition 2 of this Agreement (a) such Scheduled Attendance will be made for such proposed date and (b) National Grid will attend such Scheduled Attendance on such proposed date.

2.2.3 Where this IS2 applies, and where National Grid fails to keep the Scheduled Attendance National Grid will (except in the circumstances described in paragraph 2.2.5) pay to the Customer the sum of £20.

2.2.4 Where a Scheduled Attendance is made for more than one purpose, National Grid will not be required to pay more than one sum of £20 under paragraph 2.2.3 in respect of failure to keep such Scheduled Attendance.

2.2.5 The circumstances referred to in paragraph 2.2.3 are:

- (a) each of the circumstances described in paragraph 5, provided that in relation to paragraph 5(e), National Grid gave the Customer or the Domestic Consumer (as appropriate) not less than 1 Working Day's prior notice (whether or not in writing) that National Grid would be unable to keep the Scheduled Attendance or the circumstances referred to in paragraph 5(e) occurred at a time when it was not reasonably practicable to give such a notice;
- (b) that the visit is for the purposes of responding to a Request received under paragraph 2.1;

2.2.6 Requests from the Customer in accordance with this paragraph 2.2 will be by electronic means or by means of facsimile.

2.2.7 In respect of any Meter Works category which requires a specific Quotation, the Minimum Lead Time will be agreed by National Grid and the Customer.

### **2.3 Payment Information ("IS4")**

2.3.1 IS4 applies where National Grid is obliged to make a payment to the Customer under either of the sub-paragraphs 2.1 or 2.2 (inclusive).

2.3.2 National Grid will within 5 Working Days (or sooner if reasonably practicable) from the date upon which such failure occurred dispatch to the Customer a notice in electronic format detailing:

- (a) the Standard which has not been met;
- (b) the Domestic Premises affected thereby;
- (c) the amount due in respect of such failure.

2.3.3 Where National Grid fails to dispatch such a notice in accordance with paragraph 2.3.2 then National Grid will (except in any of the circumstances described in paragraph 2.3.4) pay the Customer the sum of £20 in respect of each such failure.

2.3.4 The circumstances referred to in this paragraph 2.3.3 are:

- (a) any of the circumstances described in paragraph 5 (where relevant);
- (b) there is a dispute between National Grid and the Customer as to whether National Grid is obliged to make such payment.

2.3.5 Where a dispute is resolved in favour of the Customer, National Grid will within 5 Working Days (or sooner if practicable) from the date upon which the resolution of the dispute occurred dispatch to the Customer a notice in accordance with paragraph 2.3.2 and pay the sum in accordance with paragraph 2.3.3 if it fails to do so.

## **2.4 Payments**

2.4.1 Any payments due to the Customer in accordance with this paragraph 2 will be made (and such payment satisfied) by way of an appropriate invoice on a monthly basis and such payment will be accompanied by sufficient information to enable the Customer to identify the particular payments against the particular Standard for which such payment applies.

2.4.2 In respect of its obligations under this paragraph 2 and failure to comply with them, the payment by National Grid to the Customer of the appropriate sum in accordance with this paragraph 2 will be the complete discharge of its obligations to the Customer under this paragraph 2 and National Grid will have no other liability to the Customer in respect thereof.

## **2.5 Rescheduling**

A Scheduled Attendance may be rescheduled prior to the original Scheduled Attendance by agreement with the Domestic Consumer. In such case National Grid will notify the Customer of the rescheduling and any obligations and payment due in respect of such original Scheduled Attendance will then apply only in relation to the rescheduled Scheduled Attendance. National Grid shall use all reasonable endeavours to give the Consumer such notice as is reasonably practicable.

## **3. OVERALL STANDARDS OF PERFORMANCE**

### **3.1 Visiting to reposition a Metering Equipment ("OS1")**

3.1.1 OS1 applies where National Grid receives a Request from the Customer within Working Hours to reposition Metering Equipment. In such case National Grid will visit the Domestic Premises for such purpose within 14 Working Days from the date of receipt of such Request, or such other date that is agreed with the Customer.

3.1.2 National Grid will use its best endeavours to achieve OS1 in 100% of applicable cases.

### **3.2 Changing Meters when necessary on change of Supply terms ("OS2")**

3.2.1 OS2 applies where National Grid receives a Request within Working Hours from the Customer to exchange Metering Equipment in order to change it from a Prepayment

Meter to a Credit Meter (or vice versa) for the purpose of changing the basis on which the Domestic Consumer is billed. In such case following such Request, National Grid will visit such Domestic Premises for such purpose within 9 Working Days of receipt of such Request, or such other date which is agreed with the Customer.

3.2.2 National Grid will use its best endeavours to achieve OS2 in 100% of applicable cases.

**3.3 Reconnection for Domestic Consumers previously disconnected for non-payment ("OS4")**

3.3.1 OS4 applies where, following the fitting of a clamp, or removal of Metering Equipment, for reasons of non- payment, the Customer has agreed with its Domestic Consumer to restore the supply of gas to the Domestic Premises and within Working Hours the Customer Requests National Grid to visit such Domestic Premises for the purpose of:

- (a) removing such clamp from an emergency control valve; and/or
- (b) installing Metering Equipment;

In such case provided that any such Request is identified as a "restoration of supply", National Grid will visit such Domestic Premises before the end of the next Working Day following such Request, or such other date that is agreed with the Customer.

3.3.2 National Grid will use best endeavours to achieve OS4 in 100% of all applicable cases.

**4. INFORMATION TO BE GIVEN TO THE CUSTOMER ABOUT PERFORMANCE IN RELATION TO ALL STANDARDS**

National Grid will within 15 Working Days of the end of the calendar month, send the Customer a monthly report detailing National Grid's performance in respect of each Standard for the Customer and also its performance in respect of each Standard on an aggregate basis in respect of all Customers.

**5. EXCLUDED CIRCUMSTANCES**

The circumstances where the payment of compensation will not occur will comprise the following:

- (a) Where the Customer or Domestic Consumer informs National Grid before the due time and/or date (as applicable) for a visit that it does not wish National Grid to take any action, or any further action in relation to the matter.
- (b) Where the Customer or Domestic Consumer agrees with National Grid that the action taken by National Grid before the due time and/or date (as applicable) for a visit (including any agreement in respect of a Scheduled Attendance or greater time period in which to fulfil National Grid's obligations) will be treated as the taking by National Grid of the action required by the applicable Standard and, where the action taken by National Grid includes a promise to perform any action (whether before or after the due time and/or date (as applicable) for a visit), National Grid duly performs that promise.
- (c) Where information is or is required to be provided by the Customer or Domestic Consumer to National Grid, the information is provided to an address or by use of a telephone number other than the address or telephone number which National Grid had advised the Customer is appropriate for receipt of information of that type.
- (d) For the purposes of paragraph 5(c) National Grid may advise the Customer by no less than 15 Working Day's notice of changes to the address, the telephone number or the hours.
- (e) Where it was not reasonably practicable for National Grid to take the action required by the applicable Standard before or during the due time and/or date (as applicable) for a visit as a result of:
  - (i) severe weather conditions;
  - (ii) industrial action by the employees of National Grid;
  - (iii) the act or default of a person other than an officer, employee or agent of National Grid, or a person acting on behalf of an agent of National Grid;
  - (iv) the inability of National Grid to obtain any necessary access to any premises;
  - (v) the existence of circumstances by reason of which National Grid could reasonably expect that if National Grid took the action National Grid would or would be likely to be in breach of an enactment; or
  - (vi) Where a Force Majeure event occurs (as described in Condition 15);

and National Grid had taken all such steps as it was reasonable to take both to prevent the circumstances from occurring and to prevent them from having that effect.

- (f) Where the information given by the Domestic Consumer was frivolous or vexatious.
- (g) Where the Domestic Consumer has committed an offence under paragraph 10 of Schedule 2B to the Gas Act.
- (h) Where a service pipe alteration or renewal is required.
- (i) Where National Grid discovers on attendance at the Domestic Premises that the requested work was not required or not possible for reasons beyond National Grid's reasonable control.

Where an event described in paragraph 5(i) occurs National Grid will leave a written pro forma record at such Domestic Premises recording the reason why such work was not required or not possible.

## **6. DISPUTES AS TO ATTENDANCE AT DOMESTIC PREMISES**

In the event of a dispute in respect of an Individual Standard as to whether or not National Grid has complied with an obligation to attend the Domestic Premises within the agreed time or at all, National Grid will provide a brief report from its representative as to proof of time and date of the visit within 5 Working Days of the date National Grid received notice of the dispute from the Customer.

**SCHEDULE THREE**  
**PART B**  
**LIQUIDATED DAMAGES (NON DOMESTIC/QUOTATION)**

**Liquidated Damages for Non-Domestic and/or Quotation Meter Works**

<b>Contract Sum</b>	<b>Maximum Days</b>	<b>Sum per Day</b>	<b>Liquidated Damages Cap</b>
<=£1,000	10	£20	The lesser of £200 or the Contract Sum
£1001 - £50,000	10	2.5% of the Contract Sum	25% of the Contract Sum
above £50000*	10	£1,250	£12,500

***Note: Over £50,000, liquidated damages will be negotiated in good faith on an individual basis where requested by the Customer. Where liquidated damages are not so negotiated, the above parameters apply.***

**ANNEX A**

	<b>Relevant Percentage</b>
Standard Work Substantial Completion	98%
Non-Standard Work Substantial Completion	95%

**SCHEDULE FOUR  
INVOICING AND PAYMENT**

**1. INVOICING**

**1.1 Introduction**

- 1.1.1 The amounts payable by the Customer to National Grid and by National Grid to the Customer in accordance with this Agreement and any Contract will be invoiced and payable in accordance with this Schedule Four.
- 1.1.2 National Grid will submit to the Customer Invoice Documents in respect of each Billing Period in accordance with this Schedule Four.
- 1.1.3 For the purposes of this Schedule Four:
- (a) subject to paragraph 2.4.8, a "**Billing Period**" is a calendar month;
  - (b) a "**Billing Day**" is a Day in a Billing Period;
  - (c) an "**Invoice Document**" is an invoice document submitted electronically by National Grid to the Customer pursuant to this Schedule Four;
  - (d) an "**Invoice Item**" is an item (in respect of all charges of a particular kind) shown as payable by National Grid or by the Customer in an Invoice Document (including where relevant a Self-Bill Amount in accordance with paragraph 1.1.4);
  - (e) the "**Invoice Amount**" in relation to an Invoice Item is the amount shown as payable by the Customer or National Grid in respect of that item under the relevant Invoice Document;
  - (f) the "**Post Code Out-Code**" is the first two to four alpha numeric characters of the post code;
  - (g) "**Geographic Zone**" is a zone of a geographic area as defined by National Grid by reference to Post Code Out-Code.

- 1.1.4 An Invoice Document may show as an Invoice Amount an amount (a "**Self-Bill Amount**") payable by National Grid to the Customer in respect of which Regulation 13(3) of the Value Added Tax Regulations 1995 shall apply.
- 1.1.5 An Invoice Document may contain an adjustment by way of credit ("**Invoice Credit**") in respect of an Invoice Amount in another Invoice Document.
- 1.1.6 An Invoice Document shall take effect as a separate invoice in respect of each Invoice Item, but without prejudice to paragraph 4.
- 1.1.7 No delay by National Grid in submitting an Invoice Document shall prejudice the liability (once such Invoice Document has been submitted) of National Grid or the Customer for the amounts subject thereto.

## 1.2 **Invoice Types**

- 1.2.1 For each Billing Period separate Invoice Documents (as described in paragraph 1.2.2) will be submitted to the Customer in respect of amounts payable (if any).
- 1.2.2 The types (each an "**Invoice Type**") of Invoice Documents to be submitted are Asset Works Invoices, Asset Works Ad-Hoc Invoices and PALD Invoices.

## 1.3 **Form and content of Invoice Document**

- 1.3.1 Each Invoice Document will specify those items set out as mandatory in the Rainbow MAM Manual.
- 1.3.2 An Invoice Document which contains an Invoice Credit will also identify the Invoice Document and Invoice Item to which the Invoice Credit relates and the amount of the Invoice Credit unless otherwise agreed by the Customer and National Grid.
- 1.3.3 Each Invoice Document will be accompanied by a remittance advice ("**Invoice Remittance Advice**"), to be completed by the Customer in accordance with paragraph 3.4.
- 1.3.4 Invoice Documents will be submitted to the Customer by Batch Transfer Communications in the form and manner described in the Rainbow MAM Manual, and will be accompanied by the supporting data specified in respect of each Invoice Item.

1.4 **Invoice timing**

1.4.1 Subject to paragraphs 1.4.2, 1.6 and 2.4.7, Invoice Documents of different Invoice Types will be submitted on the 12th Working Day after the Billing Period ("**Invoice Submission Date**") to which they relate.

1.4.2 Subject to paragraphs 1.6 and 2.4.7, National Grid will inform the Customer:

(a) upon not less than 3 months notice, of Invoice Submission Date;

(b) upon becoming aware that such delay will occur, of any delay of more than 1 Working Day (by reference to such Invoice Submission Date) in the submission of an Invoice Document in respect of a particular Billing Period (but National Grid may not by notifying such delays avoid the requirements under paragraphs (a) and 1.4.3).

1.4.3 Subject to Paragraph 1.6, National Grid will not change the Invoice Submission Date of Invoice Documents of a particular Invoice Type more than once in any period of 12 months.

1.5 **Value Added Tax**

All amounts expressed as payable by the Customer or National Grid pursuant to this Agreement or any Contract made hereunder, and whether the amount thereof is set out in this Agreement or any Contract made hereunder or determined by reference to the National Grid Metering Charges, or otherwise, are exclusive (unless expressly otherwise stated) of any applicable Value Added Tax (and accordingly Value Added Tax shall be paid by the paying party where payable in respect of any such amount).

1.6 **Termination**

1.6.1 Notwithstanding paragraph 1.4, National Grid may, at any time after termination of a Contract in accordance with Condition 16, submit to the Customer any Invoice Document in respect of any Billing Period or part of a Billing Period ending at or before the time at which National Grid submits such Invoice Document.

1.6.2 Where National Grid has, terminated a Contract in accordance with Condition 16, all amounts payable by the Customer to National Grid or by National Grid to the Customer (whether the Invoice Document in which such amounts are shown was

submitted before or after the date of such termination) in respect of such Contract shall be immediately payable notwithstanding paragraph 3.1.

**1.7 Invoice adjustment**

- 1.7.1 Subject to paragraph 1.7.5, where it appears to National Grid that any Invoice Amount has been incorrectly stated in an Invoice Document, the Invoice Amount may be adjusted by an Asset Works Ad-Hoc Invoice submitted by National Grid in accordance with paragraph 2.4 (and National Grid will not be required to revise and resubmit the original Invoice Document).
- 1.7.2 An adjustment (by way of debit) representing an increase in an Invoice Amount shall be a new Invoice Amount in respect of which the Invoice Due Date will be the Invoice Due Date of the relevant Asset Works Ad-Hoc Invoice.
- 1.7.3 As soon as reasonably practicable after any Invoice Query is resolved, and in any event by the end of the second month following the month in which the Invoice Query was resolved, National Grid will submit to the Customer an appropriate Asset Works Ad-Hoc Invoice in respect of the amount (if any) agreed or determined to be payable or repayable by National Grid or the Customer.
- 1.7.4 As soon as reasonably practicable after any Invoice Query is resolved, and in any event by no later than the last Day in the third month following the month in which the Invoice Query was resolved, National Grid will prepare and submit to the Customer an appropriate Asset Works Ad-Hoc Invoice in respect of the amount (if any) of interest payable by National Grid or the Customer in respect of such Invoice Query.
- 1.7.5 In the absence of fraud, after the expiry of 24 months (or any other period agreed between National Grid and the Customer) after the Invoice Due Date (in accordance with paragraph 3.1) in respect of any Invoice Document:
- (a) no adjustment may be made to an Invoice Amount under that Invoice Document, other than:
    - (i) an adjustment of which National Grid had given notice to the Customer, or
    - (ii) an adjustment pursuant to an Invoice Query raised by the Customer (in accordance with paragraph 4) before the expiry of such period;

- (b) no Invoice Query may be raised in respect of the Invoice Document; and
- (c) the Invoice Document shall (subject to any adjustments already made and any permitted under paragraph (a)) be deemed to be final and conclusive as to the amounts shown as payable thereunder.

1.7.6 The provisions of this Schedule Four whereby an Invoice Amount may be adjusted or an Invoice Query raised are without prejudice to the provisions of this Agreement or any Contract made hereunder.

1.7.7 Where National Grid identifies that the basis upon which an Invoice Amount has been calculated is in error (where such error was identified by reference to an Invoice Amount in an Invoice Document of the Customer only and not in respect of any other National Grid Customer) and such error has resulted in:

- (a) an overpayment by the Customer to National Grid then National Grid shall make the appropriate adjustment to repay to the Customer any such amount due; or
- (b) an underpayment to National Grid from the Customer then National Grid shall make the appropriate adjustment to recharge the Customer any amount owed;
- (c) and such adjustment shall be made retrospectively in accordance with this paragraph 1.7 in respect of all such Invoice Amounts so affected provided that no adjustment will precede the Effective Date.

## **2 INVOICE TYPES AND SUPPLEMENTARY DATA**

### **2.1 General**

2.1.1 Asset Works Invoices, Asset Works Ad-Hoc Invoices and PALD Invoices are Invoice Documents of the Invoice Types described in paragraphs 2.2, 2.4.1 and 2.5 of this Schedule Four and the Rainbow MAM Manual.

2.1.2 Subject to paragraphs 2.1.3 and 2.1.4 the Invoice Items to be comprised in each of the Invoice Types referred to in paragraph 2.1.1 are set out in the Rainbow MAM Manual.

2.1.3 Upon not less than 3 months notice to the Customer, National Grid may include in any Invoice Document of an Invoice Type referred to in paragraph 2.1.1 Invoice Items

which previously were or would have been contained in an Asset Works Ad-Hoc Invoice (but for the avoidance of doubt only in respect of Invoice Items in respect of charges payable pursuant to this Agreement or any Contract made hereunder).

2.1.4 Any amount which would otherwise be an Invoice Item within an Invoice Type in the Rainbow MAM Manual, may be contained in an Asset Works Ad-Hoc Invoice.

## **2.2 Asset Works Invoice**

Description:

An Asset Works Invoice is an Invoice Document for Meter Works undertaken for a given Billing Period. As well as providing overall totals, the Invoice Document also supplies details of:

- (a) the total charges for each Geographic Zone;
- (b) the total charges for each transaction type (i.e. FIX XX CR) within a Geographic Zone for each VAT rate;
- (c) job level detail and charges for all transactions that comprise (b).

## **2.3 Interest**

Invoice Amounts representing interest payable pursuant to paragraph 3.5 by the Customer or National Grid in respect of an Invoice Amount under any Invoice Document (including an earlier such Invoice) will be contained in the Asset Works Ad-Hoc Invoice.

## **2.4 Asset Works Ad-Hoc Invoice**

2.4.1 Description:

An Asset Works Ad-Hoc Invoice is an ad hoc Invoice Document for Meter Works undertaken for a given Billing Period. The Invoice Document consists of one-off Meter Works charges not covered by the Asset Works Invoice (AWI) (i.e. interest, liquidated damages), adjustments to charges resulting from one-off retrospective transactional price changes, and credit and debit charges for items from previous Billing Periods that were incorrectly billed. In addition to providing overall totals, this Invoice Document also supplies details of:

- (a) the total charges for each Geographic Zone;
  - (b) the total charges for each transaction type (i.e. FIX XX CR) within a Geographic Zone for each VAT rate;
  - (c) the total charges (original and revised amounts) for each transaction type that comprise (b).
- 2.4.2 National Grid may submit an Asset Works Ad-Hoc Invoice to the Customer at any time in respect of any amount (not included in another Invoice Type) which, at any time prior to the submission of such Invoice Document, becomes payable or repayable by the Customer or National Grid to the other pursuant to this Agreement or any Contract made hereunder.
- 2.4.3 An Asset Works Ad Hoc Invoice may also contain adjustments (by way of credit or debit) in respect of any Invoice Amount.
- 2.4.4 National Grid will submit (as an Asset Works Ad Hoc Invoice) an Invoice Document in respect of amounts becoming payable by National Grid to the Customer pursuant to this Agreement or any Contract made hereunder as soon as reasonably practicable after the month in which the liability to pay such amounts accrues.
- 2.4.5 The liability of National Grid pursuant to any provision referred to herein to make any payment to the Customer is without prejudice to the Customer's liability for any charge payable to National Grid, and National Grid shall not be entitled to discharge its liability by releasing the Customer from any such liability of the Customer; and National Grid shall secure that (where relevant) the Invoice Amounts in relevant Asset Works Ad Hoc Invoices are stated accordingly.
- 2.4.6 An Asset Works Ad-Hoc Invoice may contain Invoice Amounts (or Invoice Credits in respect of Invoice Amounts) accruing (before such invoice is submitted):
- (a) in the calendar month in which the Invoice Document is submitted, and/or
  - (b) in more than one calendar month.
- 2.4.7 The Asset Works Ad-Hoc Invoice will normally be issued on the 12th Working Day in each calendar month but more than one such Invoice Document may, however, be submitted to the Customer on different Working Days in the same calendar month.

2.4.8 A reference to a Billing Period in the context of an Asset Work Ad-Hoc Invoice is to the period from the date of accrual of the first to that of the last accruing Invoice Amount contained in such Invoice Document.

## 2.5 **PALD Invoice**

Description:

An Invoice for Pre Appointment Liquidated Damages covering the provision, maintenance and installation of Metering Equipment for a given Billing Period. In addition to providing overall totals, this Invoice Document also provides details of:

- (a) the total charges for each Geographic Zone;
- (b) the total charges for each charge item (i.e. P, I or M) within a Geographic Zone for each VAT rate;
- (c) the total charges, number of assets and chargeable Days for those assets for each band. For the avoidance of doubt, a PALD Invoice shall not be valid in the absence of the relevant supplementary data files.

2.6 Invoice Documents and their supplementary data files will be issued in accordance with the Rainbow MAM Manual.

## 3 **INVOICE PAYMENT**

### 3.1 **Invoice Due Date**

3.1.1 Subject to paragraph 4.2.2, the Invoice Amounts under each Invoice Document shall be paid (by the Customer to National Grid or by National Grid to the Customer, as the case may be) on or before the Invoice Due Date.

3.1.2 The "**Invoice Due Date**" in respect of an Invoice Document is the Day ending at 24:00 hours on:

- (a) in the case of an Asset Works Invoice, an Asset Works Ad Hoc Invoice or a PALD Invoice subject to paragraph (b) the 30th Day after the Day on which the Invoice Document was deemed to be received.

(b) where the Day determined under paragraph (a) (the "**Target Due Date**") is not a Working Day:

(i) subject to paragraph (ii), the Working Day (whether before or after the Target Due Date) which is nearest to the Target Due Date, or

(ii) if the nearest Working Days before and after the Target Due Date are equally near, the nearest Working Day after the Target Due Date.

3.1.3 An Invoice Document will be deemed to have been received when National Grid has received Enhanced IX confirmation in accordance with the Rainbow System User Agreement from the Customer.

### **3.2 Payment details**

3.2.1 Payment of any amount payable under this Agreement or any Contract made hereunder shall be made in pounds sterling (or in any currency which is legal tender in the United Kingdom at the time of payment) in same Day funds to the account of the payee at a bank in the United Kingdom notified to the paying party in accordance with paragraph 3.2.2.

3.2.2 National Grid will notify the Customer, and the Customer shall notify National Grid, of the account name and number, and the name, address and sort code of the account bank, to which payments to National Grid by the Customer or (as the case may be) to the Customer by National Grid are to be made, within 5 Working Days after the Customer Accession Date, and of any change in such details not less than 30 Days before such change occurs.

3.2.3 The payer shall instruct the bank remitting payment of any amount payable under this Agreement or any Contract made hereunder to quote the number (under paragraph 1.3.1) of the relevant Invoice Document to the payee's bank when remitting such payment.

### **3.3 Deductions, withholdings, taxes etc**

3.3.1 Without prejudice to paragraph 4.2.2, amounts payable under this Agreement or any Contract made hereunder shall be paid:

(a) free and clear of any restriction, reservation or condition, and

- (b) except to the extent (if any) required by law:
  - (i) without deduction or withholding in respect of tax, or
  - (ii) without deduction or withholding on account of any amount due or to become due to the paying party, whether by way of counterclaim or otherwise except where one Party ("the **Paying Party**") has incurred any liability to pay any amount due to the other Party, then such other Party may set off the amount of such liability against any sum that would otherwise be due to the Paying Party under this Agreement or any Contract made hereunder.

3.3.2 If, in respect of a payment to be made to National Grid by the Customer, any deduction or withholding is required to be made by the law of any country other than a country of the United Kingdom, the Customer shall:

- (a) ensure that the amount of such withholding or deduction does not exceed the minimum so required;
- (b) forthwith pay National Grid such additional amounts as will ensure that the net amount received by National Grid will be equal to that which would have been received had no deduction or withholding been made; and
- (c) pay the amount withheld or deducted to the relevant authority in accordance with the relevant requirement of law, and provide to the payee a receipt issued by such authority or (if such a receipt is not available) a certificate in respect of such payment. To the extent that National Grid recovers from the relevant authority any withheld or deducted amount then as soon as reasonably practicable following receipt of the same it shall remit any such recovery to the Customer.

#### 3.4 Remittance advice

3.4.1 Where payment of any amount is made pursuant to an Invoice Document, the Customer shall complete and submit electronically to National Grid the Invoice Remittance Advice not later than the Day on which payment is to be made (but no inability of the Customer to do so shall affect its obligation to make payment).

3.4.2 The completed Invoice Remittance Advice shall specify:

- (a) the date when payment is to be made;
- (b) the amounts payable to National Grid, by reference to each Geographic Zone specified in the Invoice Document, in respect of which the payment is to be made, and the total amount to be paid;
- (c) any amount or amounts, by reference to each Geographic Zone within each geographic area in respect of which payment is not being made pursuant to paragraph 4.2.2.

3.4.3 Where National Grid makes payment of any amount pursuant to an Invoice Document, National Grid will not later than the date on which payment is made notify the Customer of details equivalent to those to be specified in an Invoice Remittance Advice pursuant to paragraph 3.4.2 (but no inability of National Grid to do so shall affect its obligation to make payment).

3.4.4 Where National Grid or the Customer makes payment under more than one Invoice Document on the same Day, it shall secure that a separate remittance is made in respect of each Invoice Document.

3.4.5 Where the Invoice Document number is not quoted with any remittance made by or on behalf of the Customer (in accordance with paragraph 3.4.4), and/or no Invoice Remittance Advice corresponding to the remittance is submitted National Grid will endeavour to obtain the Customer's instructions (by telephone or facsimile) as to the application thereof; but if it has not (by the Working Day following the Day of the remittance) obtained such instructions, National Grid will at its discretion either:

- (a) apply the amount remitted to or towards Invoice Amount(s) in order of Invoice Due Date (the earliest first) and proportionately as between Invoice Amounts with the same Invoice Due Date, but applying such amount last to any Invoice Amounts which are subject to an Invoice Query; or
- (b) allocate such amount into a suspense account where it will be held until receipt by National Grid of an amount equivalent to the amount specified in the Invoice Remittance Advice corresponding to the remittance.

### **3.5 Late payment**

3.5.1 Without prejudice to Condition 16, where any amount payable under an Invoice is not paid on or before the Invoice Due Date, the paying party shall pay interest, after as

well as before judgment, at the Applicable Interest Rate, on the unpaid amount from the Invoice Due Date until the Day on which payment is made.

3.5.2 For the avoidance of doubt paragraph 3.5.1 shall not be construed as permitting late payment of any Invoice Amount.

3.5.3 Where in relation to any amount (or amounts in aggregate) of not less than £10,000 which has become due for payment by the Customer under this Agreement or any Contract made hereunder (excluding for the avoidance of doubt amounts the subject of an Invoice Query which by virtue of paragraph 4.2 have not become due for payment) the Customer has not paid the amount in full by the due date for payment, National Grid reserves the right to:

- (a) refuse to undertake any further Meter Works;
- (b) suspend any Meter Works in progress.

### 3.6 Interest

3.6.1 Where pursuant to any provision of this Schedule Four interest is payable by National Grid or the Customer, such interest shall accrue on a daily basis and on the basis of a 365 Day year.

3.6.2 Interest payable under this Schedule Four will be compounded and invoiced in an Asset Work Ad-Hoc Invoice, late payment of which will itself be subject to interest under this paragraph 3.6.

3.6.3 The "**Applicable Interest Rate**" is the rate of interest, expressed as a percentage rate per annum, payable in respect of amounts overdue for payment, or subject to repayment, under this Agreement or any Contract made hereunder.

3.6.4 The Applicable Interest Rate shall be the base rate for the time being of Barclays Bank plc plus 3 percentage points per annum.

### 3.7 Statement of account

3.7.1 National Grid will provide to the Customer not less than each month a statement of account sent by electronic means showing, by reference to individual Invoice Documents (but not individual Invoice Items) and in aggregate:

- (a) the amounts shown under paragraph (d) in the preceding statement of account (if any) as payable by the Customer or National Grid;
- (b) the amounts shown as payable by the Customer or National Grid under Invoice Documents submitted to the Customer since the date of the preceding statement of account (if any), including any amount for which the Invoice Due Date is after the date of the statement of account for the current month;
- (c) the amounts paid by the Customer or National Grid since the date of the preceding statement of account (if any) that remain unallocated as at the date that such statement is produced (if any);
- (d) the sum of the amounts shown under paragraphs (a) and (b) less the amounts shown under paragraph (c).

3.7.2 Each statement provided under paragraph 3.7.1 shall state that it is not a tax invoice for Value Added Tax purposes.

3.7.3 No payment obligation of the Customer or National Grid shall be affected by any delay or failure by National Grid in producing a statement of account.

### 3.8 **Late Payment of Commercial Debts (Interest) Act 1998**

The Parties agree that the provisions of paragraph 3.6 constitute a substantial remedy for late payment of any sum due under this Agreement or any Contract made hereunder. The parties further agree that the provisions of the Late Payment of Commercial Debts (Interest) Act 1998, and any orders or regulations made pursuant thereto, as to rates of interest or credit periods shall not apply to this Agreement or any Contract made hereunder.

## 4 **INVOICE QUERIES AND ANNUAL RECONCILIATION PROCESS**

### 4.1 **Invoice Queries**

4.1.1 For the purposes of this Schedule Four an "**Invoice Query**" is any question or dispute as to the proper calculation of any amount shown as payable by the Customer or National Grid under an Invoice Document or as to whether any such amount is or was properly payable and references to the amount of an Invoice Query are to the amount by which the Customer submitting the Invoice Query considers the Invoice Amount to be incorrect.

- 4.1.2 The Customer may notify an Invoice Query, in accordance with the Rainbow MAM Manual providing the agreed set of mandatory information for the particular query code.
- 4.1.3 National Grid and the Customer will endeavour to resolve Invoice Queries by agreement.
- 4.1.4 Any reference in this Schedule Four:
- (a) to the resolution of an Invoice Query is a reference to the resolution thereof by agreement (at any time) between National Grid and the Customer or by determination thereof (in accordance with paragraph (b));
  - (b) to the determination of an Invoice Query is a reference to the outcome of any proceedings commenced by National Grid or the Customer in respect thereof.
- 4.1.5 In paragraph 4.1.6, 'appropriate resources' shall mean the application by National Grid in respect of an Invoice Query, of available resources that are commensurate with and appropriate to the value of the Invoice Query.
- 4.1.6 In relation to an Invoice Query for which there exists an operational agreement with the Customer to undertake sample checking with a view to agreeing resolution of the total value of the Invoice Query:
- (a) where it has not been possible to resolve the Invoice Query by applying appropriate resources; or
  - (b) National Grid is of the opinion that the Invoice Query will not be resolved by applying appropriate resources;

National Grid shall, where agreed with the Customer, calculate, in accordance with the operational agreement an estimated value for the Invoice Amount which is the subject of the Invoice Query.

- 4.1.7 Without prejudice to paragraph 4.1.4 where National Grid calculates an estimated value for the amount of an Invoice Query in accordance with paragraph 4.1.6, the Invoice Query shall be held to have been resolved on the basis of such estimated value, which estimated value shall be deemed to be final and conclusive as to the proper calculation of the amount payable.

## 4.2 Invoice Queries before payment

4.2.1 Where the Customer wishes to raise any Invoice Query in respect of an amount shown as payable by the Customer under an Invoice Document, the Customer may, not later than the Day before the Invoice Due Date, notify (in accordance with paragraph 4.1.2) such Invoice Query to National Grid, specifying those items set out as mandatory in the Rainbow MAM Manual.

4.2.2 Where the Customer raises an Invoice Query:

- (a) in accordance with the requirements of paragraph 4.2.1 (but not otherwise), the amount of the Invoice Amount which is subject to the Invoice Query (in accordance with the mandatory explanation item listed in the Rainbow MAM Manual) shall not be payable on the Invoice Due Date, but without prejudice to paragraph 4.2.4;
- (b) containing less than the required mandatory information in accordance with paragraph 4.2.1:
  - (i) the Customer shall, no later than 10 Working Days after the original submission, provide to National Grid the details which were omitted;
  - (ii) to the extent that the Customer does not comply with paragraph (i), the suspension of the Customer's obligation to pay shall cease to apply.

4.2.3 Except as provided in paragraph 4.2.2, but without prejudice to paragraph 4.3.1, the whole amount shown as payable by the Customer in any Invoice Document shall be payable on the Invoice Due Date.

4.2.4 Where pursuant to paragraph 4.2.2 any amount is not paid on the Invoice Due Date by the Customer, the amount (if any) which is agreed or determined (following resolution of the Invoice Query) to be payable by the Customer shall be payable upon such resolution, and interest from the Invoice Due Date shall be payable in accordance with paragraph 3.5 on such amount.

4.2.5 Where, by reason of a delay in the preparation or submission of any Invoice Documents National Grid submits to the Customer, in the same month, Invoice

Documents of the same Invoice Type (other than the Invoice Types referred to in paragraph 4.2.6) in respect of several Billing Periods to the Customer, paragraph 4.2.6 shall apply.

4.2.6 In relation to any such Invoice Document as is referred to in paragraph 4.2.5:

- (a) the level of detail by reference to which (for the purposes of paragraph 4.2.1) any Invoice Query is required to be given shall be such as is reasonable having regard to the extent of the supporting data and the time (from submission of the Invoice Document until the Invoice Due Date) available for the Customer to review such Invoice Documents and the supporting data;
- (b) where the Customer raised an Invoice Query containing less detail than would have been required but for paragraph (a):
  - (i) the Customer shall as soon as is reasonable provide to National Grid the details which were omitted;
  - (ii) to the extent that the Customer does not comply with paragraph (i), the suspension (pursuant to paragraph 4.2.2) of the Customer's obligation to pay shall cease to apply.

#### **4.3 Other Invoice Queries**

4.3.1 Subject to paragraph 1.7.5, nothing in this paragraph 4 shall prevent the Customer from raising any Invoice Query other than pursuant to paragraph 4.2.1, including in respect of any amount after payment has been made in respect of such amount, or from paying any such amount at the same time as notifying an Invoice Query in respect thereof; provided that (without prejudice to the resolution of the Invoice Query) no constructive trust or other implied term as to the receipt or application by the payee of the amount paid shall arise.

4.3.2 Where, upon the resolution of an Invoice Query or otherwise, it is agreed or determined that any amount or part of any amount paid should not have been paid, the payee shall repay such overpaid amount with interest at the Applicable Interest Rate from the date on which payment was made to it or if later the Invoice Due Date until the date of such repayment.

4.3.3 Notwithstanding paragraph 4.2.2, the Customer shall pay the Invoice Amount in respect in full on the Invoice Due Date, notwithstanding any Invoice Query, and paragraph 4.3.1 and 4.3.2 will apply in respect of any such Invoice Query.

**4.4 Annual Reconciliation Process**

4.4.1 During the period referred to in paragraph 4.4.3, following the end of each calendar year, National Grid shall reconcile any amounts due and owing by the Customer to National Grid in respect of any Contract during the preceding 12 month period, with amounts invoiced under any Invoice Document issued by National Grid during that period in respect of such Contracts. (the "**Annual Reconciliation Process**").

4.4.2 The Customer agrees to co-operate with National Grid and assist in resolving any queries arising from the Annual Reconciliation Process.

4.4.3 Following the Annual Reconciliation Process, National Grid shall invoice the Customer for any amounts that should have been invoiced during the preceding 12 month period as soon as reasonably practicable but in any event no later than the following June.

4.4.4 National Grid shall not be entitled to issue any Invoice Document in respect of any 12 month period referred to in paragraph 4.4.1, following the end of June in the following calendar year.

**SCHEDULE FIVE  
METER CREDIT LIMITS**

**1 General**

- 1.1 National Grid will, in accordance with the Meter Credit Rules, determine and assign to the Customer a Meter Credit Limit, and will keep the Customer informed of its Meter Credit Limit (as revised in accordance with paragraph 2.2) for the time being.
- 1.2 The "**Meter Credit Rules**" are the rules from time to time established and revised by National Grid and issued to National Grid Customers setting out (inter alia):
- (a) the principles on which National Grid will assess and from time to time revise (in accordance with paragraph 2.2) its assessment of the credit-worthiness of the National Grid Customers (and persons providing surety for National Grid Customers) and establish Meter Credit Limits;
  - (b) the basis on which a National Grid Customer may (with a view to increasing its Meter Credit Limit) provide surety or security for Aggregate Relevant Meter Indebtedness, or (with a view to reducing its Aggregate Relevant Meter Indebtedness) make prepayments to National Grid;
  - (c) procedures by which a National Grid Customer may discuss its Meter Credit Limit with National Grid; and
  - (d) the acceptable forms and instruments of security and acceptable levels of Investment Grade Ratings.
- 1.3 Without prejudice to paragraph 1.1, the Meter Credit Rules do not form a part of this Agreement.
- 1.4 Without prejudice to paragraph 1.1, nothing in this Agreement or the Meter Credit Rules shall constitute any duty of care or other obligation on the part of National Grid (whether to or for the benefit of the Customer or National Grid Customers in general) in relation to the observation or application of the Meter Credit Rules or the provisions of this Schedule Five.

**2. Meter Credit Limit, Relevant Meter Indebtedness and Aggregate Relevant Meter Indebtedness**

2.1 For the purposes of this Agreement:

- (a) a "**Meter Credit Limit**" is an amount representing the Customer's maximum permitted Aggregate Relevant Meter Indebtedness and the Customer shall have a single Meter Credit Limit for the purposes of the Meter Works Conditions, the Network Metering Equipment Agreement, and any other agreement(s) which the Parties have agreed or may agree from time to time in writing shall be taken into account for such purpose and the Provision and Maintenance Agreement.
  
- (b) "**Relevant Meter Indebtedness**" is:
  - (i) the aggregate amount for which the Customer is at any time liable to National Grid pursuant to this Agreement and any Contracts made hereunder, determined on the basis of amounts accrued and not paid, and subject to paragraph (b) (ii) and (iii), irrespective of whether such amounts have been invoiced under Schedule Four (Invoicing and Payment) or (where invoiced) have become due for payment; less
  
  - (ii) any amount which has been paid to National Grid by the Customer by way of prepayment, on the basis that National Grid may apply such amount without the Customer's consent in or towards payment of amounts referred to in paragraph (i), and which has not yet been so applied; and less
  
  - (iii) any amount in respect of which National Grid is entitled to submit an Invoice Document in accordance with Schedule Four, paragraph 1.4.1 and has failed to do so within 5 Working Days of the Invoice Submission Date but only for so long as no such Invoice Document has been submitted.
  
- (c) "**Aggregate Relevant Meter Indebtedness**" is the aggregate of the Relevant Meter Indebtedness calculated pursuant to paragraph (b) and the Relevant Meter Indebtedness calculated pursuant to the Above 7 Bar Meter Works Conditions, the Adversarial Meter Works Conditions, the Network Metering Equipment Agreement, and any other agreement(s) which the Parties have agreed or may agree from time to time in writing shall be taken into account for such purpose and the Provision and Maintenance Agreement.

2.2 For the avoidance of doubt, the amount of the Customer's Relevant Meter Indebtedness shall be determined by reference to the relevant provisions of this Agreement, and nothing in this Agreement shall be construed as withdrawing from the Customer any right to dispute whether National Grid has correctly calculated such amount in any case, or from National Grid any right to dispute the validity of any Invoice Query submitted by the Customer.

2.3 Without prejudice to paragraph 2.2, where the Customer has submitted an Invoice Query in accordance with Schedule Four paragraph 4.2.1 in respect of any Invoice Document National Grid will review and give due consideration to such Invoice Query before taking any steps pursuant to paragraph 3.3.

2.4 The Customer's Meter Credit Limit may from time to time be reviewed and revised, in accordance with the Meter Credit Rules, on notice of not less than 10 Days (or any lesser period agreed by the Customer) to the Customer:

- (a) at intervals of approximately 6 months;
- (b) at the Customer's request (but subject to paragraph 2.6 and 2.7);
- (c) where any published credit rating of the Customer or any person providing surety for the Customer is revised downwards;
- (d) where (but without prejudice to any requirements of the Meter Credit Rules) any instrument of surety or security expires or is determined; or
- (e) at National Grid's request where at any time National Grid has reasonable grounds to believe that the effect of the review will be to reduce or increase the Customer's Meter Credit Limit.

2.5 Where:

- (a) any published credit rating of the Customer or any party providing surety or security for the Customer is revised downwards; or
- (b) National Grid has made a demand upon any existing instrument of surety or security in accordance with the terms of such instrument of surety or security provided by the Customer or any person providing surety or security for the Customer,

then the Customer's Meter Credit Limit may be immediately reviewed and revised by National Grid in accordance with the Meter Credit Rules, on notice to the Customer.

2.6 Subject to paragraph 2.7, National Grid will bear the costs and fees that it incurs (but not any costs incurred by the Customer) in connection with any review of the Customer's Meter Credit Limit in accordance with paragraph 2.4.

2.7 National Grid will not be obliged to agree to any request of the Customer under paragraph 2.4(b) unless the Customer agrees to reimburse to National Grid the reasonable costs and fees payable by National Grid to any third party in accordance with the Meter Credit Rules in connection with such request.

### **3 Requirements as to Aggregate Relevant Meter Indebtedness**

3.1 Where:

- (a) the Customer's Aggregate Relevant Meter Indebtedness exceeds 70% of its Meter Credit Limit and National Grid has given notice to the Customer to that effect; and
- (b) at any time following such notice the Customer's Aggregate Relevant Meter Indebtedness exceeds 90% of its Meter Credit Limit and National Grid has given notice to the Customer to that effect (which notice may in appropriate circumstances be given at the same time as that under paragraph 3.1 (a)), paragraphs 3.2 and 3.3 shall apply.

3.2 Subject to paragraph 3.1, where the Aggregate Relevant Meter Indebtedness of the Customer for the time being exceeds 90% of the Customer's Meter Credit Limit:

- (a) without prejudice to 3.2 (b), the Customer shall make such payment to National Grid of such amount as is necessary to reduce the Customer's Aggregate Relevant Meter Indebtedness to less than 90% of its Meter Credit Limit;
- (b) until such time as the Customer's Aggregate Relevant Meter Indebtedness is reduced to less than 90% of the Customer's Meter Credit Limit, National Grid shall be entitled to:
  - (i) reject or refuse to accept an SWR or Quotation Request for Non Standard Work submitted by the Customer; and/or
  - (ii) refuse to undertake any further Meter Works not yet commenced to the extent that it is safe to do so; and/or

(iii) suspend any Meter Works in progress to the extent that it is safe to do so;  
and/or

(iv) call upon any instrument of surety or security provided by the Customer;

until such time as the Customer's Aggregate Relevant Meter Indebtedness is reduced to less than 90% of its Meter Credit Limit.

3.3 Subject to paragraph 3.1, where and for so long as the Aggregate Relevant Meter Indebtedness of the Customer for the time being exceeds 100% of the Customer's Meter Credit Limit, National Grid may without prejudice to any entitlement under paragraph 3.2 give a Termination Notice (in accordance with Condition 16.2(f)) to the Customer.

#### **4 Security under Meter Credit Rules**

4.1 Any instrument of surety or security provided by the Customer pursuant to the Meter Credit Rules (and whether or not entered into by the Customer) shall not be a part of this Agreement and no provision of or modification of this Agreement, nor any inconsistency between this Agreement and any such instrument, and nothing done by National Grid pursuant to this Agreement, shall prejudice or invalidate any such instrument.

4.2 Where the Customer has provided surety or security pursuant to the Meter Credit Rules, the Customer (or the person giving the surety) may request National Grid to release all or any of such security or agree to a reduction in any maximum amount of such surety.

4.3 Following a request by the Customer under paragraph 4.2, National Grid will as soon as reasonably practicable and, except where the Customer also requests a review (by an agency appointed by National Grid for such purposes) and revision of its Meter Credit Limit, in any event not more than 10 Working Days after such request, release security, or agree to a reduction in surety, to such extent or by such amount as will permit the condition in paragraph 4.4 to be satisfied.

4.4 The condition referred to in paragraph 4.3 is that the amount of the Customer's Aggregate Relevant Meter Indebtedness at the date of such release or reduction is not more than 90% of the amount of the Customer's Meter Credit Limit, determined in accordance with the Meter Credit Rules on the basis of the release of security or reduction in surety (and taking account of any alternative surety or security provided by the Customer).

4.5 The Customer may (inter alia) provide security for the purposes of the Meter Credit Rules in the form of a deposit in a bank account where:

- (a) the account is in the sole name of National Grid; and
- (b) interest on the amount deposited in the account will accrue for the benefit of the Customer.

4.6 In respect of such bank account:

- (a) National Grid shall be entitled to take payment of amounts (up to the amount deposited in the account) which have become due for payment to National Grid (but having regard to the time at which pursuant to Schedule Four, paragraph 4.2 payment is due where an Invoice Query has been raised) against a statement to the bank provided by National Grid that payment of such amount has become due (but such instruction shall be without prejudice to any provision of Schedule Four as to the payment of interest), and in such case National Grid will provide reasonable evidence to the Customer of its entitlement to take such payment;
- (b) amounts (other than in respect of interest earned) standing to the credit of the account will not be paid to the Customer except with National Grid's written agreement (but subject always to paragraph 4.2, 4.3 and 4.4); and
- (c) the bank shall have agreed that the amounts deposited in the account may not be set-off or otherwise applied by the bank in respect of any indebtedness of the Customer or other person.

**SCHEDULE SIX  
NOT USED**

