

TO BE AMENDED BY LEGAL ONLY

AGREEMENT made the _____ day of _____ 200[]

BETWEEN:

(1) **National Grid Gas plc**, ("National Grid") registered number 2006000 whose registered office is at: 1-3 Strand, London, WC2N 5EH;

and

(2) [_____], whose registered office is at: [] (Company No. []) (the "CSO")

WHEREAS:

- (A) National Grid is the operator of a pipeline system in Great Britain and holds the National Grid Licence under the Gas Act 1986 (as amended), pursuant to which National Grid has prepared the National Grid Network Code (which came into force at 0600 hours on the Appointed Day a copy of which has been provided to the CSO) setting out the terms on which Shippers may arrange with National Grid for the conveyance of gas by (including in particular the offtake of gas from) the System.
- (B) The CSO is the operator of one or more pipeline systems in Great Britain and holds or will hold the CSO Licence or exemption under the Gas Act 1986 (as amended) and is the operator of the Connected Offtake Systems as detailed in the Annex Bs which are (subject as provided in this Agreement) connected to the System and has prepared the CSO Network Code (which will come into force at [_____] a copy of which has been provided to National Grid) setting out the terms on which Shippers may arrange with the CSO for the conveyance of gas by (including in particular the delivery of gas to) the Connected Offtake Systems.
- (C) For the purposes of the National Grid Network Code, the points at which the Connected Offtake Systems are connected to the System constitute Individual System Exit Points comprised within the relevant Connected System Exit Point.
- (D) The National Grid Network Code contemplates that a Network Exit Agreement will be entered into between National Grid and the CSO for the purposes of providing for the application of certain provisions of the National Grid Network Code and setting out certain other matters in relation to the offtake of gas by shippers from the System at the Connected System Exit Point(s).
- (E) This Agreement is the CSEP(s) Network Exit Agreement relating to the GT LDZ Connected System Exit Points as detailed in the Annex Bs for the purposes of the National Grid Network Code.

IT IS HEREBY AGREED AS FOLLOWS:

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1. **Definitions**

1.1 In this Agreement the following terms shall have the following meanings:

- (1) **"Commissioning Completion Date"** shall mean the date, determined in accordance with the relevant Annex C, on which commissioning of the COS connected to an Individual System Exit Point comprised within the relevant CSEP shall be treated (for the purposes of this Agreement) as having been completed;
- (2) **"Connected Offtake System(s)" or "COS"** shall mean the CSO pipeline system(s) (the conveyance of gas through which is authorised by the CSO Licence) as referred to in Recital B;
- (3) **"Connected System Exit Point(s)" or "CSEP(s)"** shall mean the System Point(s) (for the purposes of the National Grid Network Code) comprising one or more Individual System Exit Points at which the Connected Offtake System(s) are connected to the System, as described in the relevant Annex B.
- (4) **"Construction Completion Date"** shall mean in respect of each Individual System Exit Point comprised within a CSEP the date on which the connection has been completed as demonstrated by successful commissioning so as to permit the safe transportation of natural gas to the furthest downstream isolation valve before the COS.
- (5) **"CSO Licence"** shall mean the Gas Transporters Licence granted to the CSO as a gas transporter as from time to time in force.
- (6) **"CSO Network Code"** shall mean the network Code prepared by the CSO, as from time to time modified pursuant to the CSO's gas transporters licence.
- (7) **"Gas Code"** shall mean Schedule 2B to the Gas Act 1986, as amended;
- (8) **"Individual System Exit Point" or "ISEP"** shall mean in respect of a CSEP, each Individual System Exit Point comprised therein, as detailed in the relevant Annex B;
- (9) **"Metered CSEP(s)"** shall mean a CSEP(s) where at all individual ISEPs comprised in the CSEP(s), there is daily read metering for the purposes of measuring the volume of gas offtaken from the System.
- (10) **"Relevant Shipper"** shall mean in respect of a CSEP a Shipper who is for the time being a CSEP User;

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- (11) **"Shipper"** shall mean a gas Shipper as defined in the Gas Act 1986 (as amended);
- (12) **"System"** shall mean National Grid's pipeline system (the conveyance of gas through which is authorised by the National Grid Licence);
- (13) **"National Grid Network Code"** shall mean the network Code prepared by National Grid, as from time to time modified, pursuant to the National Grid Licence and which incorporates the Uniform Network Code;
- (14) **"National Grid Offtake Facilities"** shall mean facilities, as described in the relevant Annex B, installed and owned by National Grid at each Individual System Exit Point;
- (15) **"National Grid Licence"** shall mean the "Gas Transporters Licence in respect of RDNs" treated as granted to National Grid Gas plc as from time to time in force;
- (16) **"TPD"** shall mean the Transportation Principal Document of the Uniform Network Code;
- (17) **"Unmetered CSEP(s)"** shall mean a CSEP(s) where at any ISEP comprised in the CSEP(s) there is no daily read metering for the purpose of measuring the volume of gas offtaken from the System.
- 1.2 Words and expressions defined in the National Grid Network Code and not defined in this Agreement have the meanings ascribed to them under the National Grid Network Code and references to Sections of the National Grid Network Code are references to Sections of the TPD.
- 1.3 References in the Annexes to Sections are to Sections of the National Grid Network Code.

2. Duration, etc.

- 2.1 This Agreement shall be effective from the date of signature of this Agreement and shall terminate upon the expiry or revocation of the CSO Licence.
- 2.2 In the event that a particular COS ceases to be licensed or subject to an exemption that particular COS and the relevant Annex B will cease to be covered by this Agreement.
- 2.3 For the purposes of the National Grid Network Code:

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- (i) subject to paragraph (ii) below, the date with effect from which gas may be offtaken from the System at an Individual System Exit Point shall be the Construction Completion Date for such Individual System Exit Point;
- (ii) until the Commissioning Completion Date, gas may be offtaken from the System at an Individual System Exit Point only in accordance with the arrangements set out in the relevant Annex C.

3. Network Exit Provisions

The matters agreed between National Grid and the CSO for the purposes of the National Grid Network Code in respect of the CSEP(s) are set out in Annexes A and D, and in respect of each CSEP, Annexes B and C.

4. Effect of this Agreement

4.1 The purpose of the Annexes to this Agreement is to record certain matters which are to apply as between:

- (i) National Grid and the CSO in respect of all CSEPs; and
- (ii) National Grid and Relevant Shipper(s) for the purposes of the National Grid Network Code.

4.2 Nothing in this Agreement confers on the CSO any entitlement to offtake gas from the System, except in accordance with the relevant Annex C.

4.3 The CSO will take all reasonable steps to secure that no gas is offtaken from the System other than by a Shipper (or than by the CSO in accordance with the relevant Annex C).

4.4 (i) The CSO will exercise such powers as it may have pursuant to the CSO Network Code in respect of the offtake of gas from any of its Connected Offtake Systems and National Grid will exercise such powers as it may have pursuant to the National Grid Network Code in respect of the offtake of gas from the System insofar as they are relevant to the security of the System or the CSO's pipeline system(s).

(ii) The CSO will exercise the powers it has under the Gas Code and the powers referred to in clause 4.4(i) in such manner as will maintain security of the System.

(iii) National Grid and the CSO shall agree protocols to give effect to clauses 4.4(i) and (ii).

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- 4.5 Neither National Grid nor the CSO shall be liable to the other for anything done or omitted to be done pursuant to this Agreement, the National Grid Network Code or the CSO Network Code, and in particular (but without limitation):
- (i) the CSO will not be liable to National Grid in respect of any failure by any Relevant Shipper to comply with any provision of the National Grid Network Code;
 - (ii) National Grid will not be liable to the CSO in respect of any failure by any Shipper to comply with any provision of the CSO Network Code;
 - (iii) National Grid will not be liable to the CSO in respect of any failure of National Grid to make gas available for offtake from the System (or to do so at any particular pressure or specification) at any or all of the Individual System Exit Points.
 - (iv) The CSO will not be liable to National Grid in respect of any failure of the CSO to accept gas tendered for delivery into the COS (or to do so at any particular pressure or specification) at any or all of the Individual System Exit Points.

5. National Grid and CSO Network Codes

- 5.1 Nothing in the National Grid Network Code or in the CSO Network Code shall be binding as between National Grid and the CSO.
- 5.2 The CSO acknowledges that the National Grid Network Code contains provisions pursuant to which the right to offtake gas from the System by Relevant Shippers may be suspended or discontinued, and/or the rate of such offtake may be limited. In this event National Grid will advise the CSO as soon as reasonably practicable.
- 5.3 Where a modification pursuant to the modification rules which may reasonably be expected to affect the arrangements pertaining to the CSEP(s) is proposed to either the National Grid Network Code or the CSO Network Code then National Grid shall provide to the CSO details of any such proposed modification to the National Grid Network Code and the CSO shall provide to National Grid details of any such proposed modification to the CSO Network Code and the Parties shall meet in good faith as soon as reasonably practicable to discuss the manner in which any such modifications can correspond to each other and the manner in which any such corresponding modifications will be co-ordinated.

6. Amendments to this Agreement

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- 6.1 This Agreement (which for the purposes of this clause includes Annexes B, C and D) shall not be amended except by agreement of National Grid and the CSO or in accordance with any Legal Requirement. For the purpose of this clause Annex A does not form part of this Agreement and therefore is subject to the modification rules.
- 6.2 The parties acknowledge that Annex A is appropriate for each CSEP on the assumptions as to the nature of the CSEP and the Connected Offtake System prevailing at [1st May 2000] and it is acknowledged that should future developments render such assumptions no longer correct (and in particular, should a pipeline system operated by another person, or any storage facility, or any facility for the delivery of gas from a pipeline system other than National Grid's pipeline system, or any premises with very large loads, be connected to any of the Connected Offtake Systems, or should a meter be installed at any such CSEP) it will be appropriate to revise the terms of Annex A (as it applies to the relevant CSEP) to take account of such developments.

7. Connection and Offtake Facilities

- 7.1 The CSO shall be entitled to have a Connected Offtake System connected to the System at a CSEP at each of the Individual System Exit Points detailed in the relevant Annex B.
- 7.2 Without prejudice to the terms of any Agreement between National Grid and the CSO in respect of the installation of the National Grid Offtake Facilities, nothing in this Agreement shall impose any obligations upon National Grid or take effect as a warranty by National Grid in relation to the National Grid Offtake Facilities; and (in accordance with Clause 4.5) National Grid will not be liable to the CSO in respect of any failure or malfunction thereof.
- 7.3 This Agreement shall be without prejudice to any lease or other instrument made between the parties in respect of the land on which the National Grid Offtake Facilities are situated.
- 7.4 Each party (the "first party") agrees that it will bear the risk of its own Relevant Loss or Liability, and accordingly waives any claim (in tort or otherwise) against the other party in respect of any Relevant Loss or Liability of the first party and agrees to indemnify the other against any claim by any third party (including any employee of the first party) in respect of any Relevant Loss or Liability of the first party.
- 7.5 For the purpose of Clause 7., "Relevant Loss or Liability" of the first party means any loss or damage to that party's relevant property, any injury or death to any of its employees, and any loss, damage or liability which may result therefrom (the first

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party's relevant property for this purpose being any part of the Connected Offtake Systems in the case of the CSO and the System in the case of National Grid), which (in each case) may arise or result from anything done or not done (whether negligently or otherwise) by the other party in connection with this Agreement, the National Grid Network Code or the CSO Network Code.

- 7.6 Each Party shall be entitled upon reasonable notice to the other and in accordance with such reasonable procedural requirements as the other may specify, to inspect the plant and equipment (if any) referred to in the relevant Annex B (and to have access to such plant and equipment accordingly), for the purposes of verifying that such plant and equipment continues to be compatible with the National Grid Offtake Facilities or the connection to the Connected Offtake System, as appropriate.
- 7.7 Each Party will inform the other as soon as possible where changes will be made to its respective plant and equipment as would materially affect flows of gas at a CSEP and the relevant Annex B will be amended accordingly.

8. Information and confidentiality

- 8.1 Each party shall only disclose those parts of this Agreement which it is required to disclose by virtue of statutory obligations and where such disclosure occurs, the disclosing party will notify the other party. Following signature of this Agreement the parties shall agree those items that may be subject to disclosure but which will not require notification of such disclosure.
- 8.2 Each party shall keep confidential and shall not disclose any information relating to the affairs of the other which it obtains pursuant to this Agreement, other than information which is in the public domain or which it also obtains (other than under a duty of confidence) other than pursuant to this Agreement, and save to the extent to which it is necessary to disclose such information to institutions or companies who may be investing in the CSO or where disclosure is required by law.
- 8.3 Each party will only disclose information which is required to be disclosed to those persons whose province it is to know the same and those people shall be under an obligation to keep the information confidential. For the purposes of this clause 'persons' shall mean only those directors, officers, or employees of that party or any agent, consultant or contractor appointed or engaged by that party for purposes connected with the same.

9. Operating Procedures

Where the parties (with or without the Relevant Shipper) establish or record any procedures for the implementation of anything provided for in this Agreement, such procedures shall not

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(unless expressly otherwise provided) be legally binding and shall not modify or affect the interpretation of this Agreement.

10. Maintenance

10.1 The parties agree to exchange information as to their respective plans for maintenance which is likely to materially affect each Connected Offtake System and any part thereof or each CSEP or (as the case may be) the National Grid Offtake Facilities and adjacent parts of the System.

10.2 Where the operation of any pipeline inspection or maintenance equipment in either a Connected Offtake System or the System requires for a period a specific even rate of offtake of gas from the System at an Individual System Exit Point comprised within a CSEP, the CSO and National Grid agree to co-operate (and where appropriate with each Relevant Shipper as far as reasonably practicable) with a view to ensuring that such rate of offtake is maintained for such period.

10.3 Where (subject to National Grid maintenance days and CSO maintenance days) the maintenance of a Connected Offtake System or the System requires a particular rate of offtake of gas from the System at an ISEP within a CSEP the CSO and National Grid agree to co-operate (and where appropriate with each Relevant Shipper as far as reasonably practicable) with a view to ensuring such rate of offtake is maintained.

11. Emergencies

11.1 Each party agrees to co-operate with the other and comply with all requests made by the other (save those which are manifestly unreasonable) for the purpose of, as may be appropriate:

- (i) averting or reducing danger to life or property, or
- (ii) securing the safety of either pipe-line system or the safe conveyance of gas thereby or reducing the risk thereto.

11.2 The parties agree to establish detailed procedures for giving effect to Clause 11.1.

12. Miscellaneous

12.1 Neither party may assign its rights and obligations under this Agreement without the consent of the other party, which consent shall not be unreasonably withheld.

12.2 The CSO agrees not to transfer the operation of a Connected Offtake System to another person unless that person enters or has entered into a CSEP Network Exit Agreement with National Grid into which the COS may be incorporated.

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12.3 Notices and communications passing between National Grid and the CSO shall be in accordance with Section V paragraph 11 of the National Grid Network Code. References in Section V paragraph 11 to the User shall, for the purposes of this paragraph 12.3 be deemed to be references to the CSO. If the CSO and National Grid agree to use a form of electronic communication other than UK LINK then that medium shall be used under such terms (if any) as may have been agreed. The CSO and National Grid will in addition provide to each other a 24 hour contact telephone number and update from time to time.

12.4 This Agreement shall be governed by English law, and the English courts shall have exclusive jurisdiction in respect of this Agreement.

IN WITNESS WHEREOF the duly authorised representatives of National Grid and the CSO have executed this Agreement the day and year first before written

Signed for and on behalf of

Signed for and on behalf of

National Grid Gas plc

[]

Signature:

Signature:

Name:

Name:

Position:

Position:

In the presence of: In the presence of:

Signature:

Signature:

Name:

Name:

Position:

Position:

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Annex A

- Part 1: Supply Point Classification
- Part 2: NDM Demand Estimation and NDM Demand Forecasting
- Part 3: Validation
- Part 4: Capacity Booking
- Part 5: Individual Reconciliation: NDM CSEP Part 6: Not used
- Part 7: Electronic Communications of CSEP AQ Updates
- Part 8: Estimated Average Annual Gas Consumption for New Build Dwellings in the UK
- Part 9: Shrinkage
- Part 10: DM CSEP - Not Used
- Part 11: Aggregate CSEP Offtake Rate
- Part12: Network Code Application

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ANNEX APART 1 - SUPPLY POINT CLASSIFICATION1. Introduction

The National Grid Network Code details how offtake requirements are calculated from the System to ensure that consumers of an EUC connected on a CSEP are deemed the same volumes of gas as consumers of the same EUC who are directly connected to the System. References to a Supply Meter Point, or Supply Point are to points on the COS, and shall be construed by the CSO in accordance with the National Grid Network Code as though such points were points on the System;

2. Connected Offtake System

2.1 As the CSEP shall be an Unmetered CSEP, it is agreed (subject to and in accordance with this Annex) that it is necessary for certain provisions of the National Grid Network Code to be given effect by reference to the particular arrangements on which, and in particular the premises to which and as respects such premises quantities in which gas is conveyed by the CSO for each CSEP User.

2.2 For the purposes of paragraph 2.1, in this NExA:

- (i) references to a Supply Meter Point, or Supply Point are to points on the COS, and shall be construed by the CSO in accordance with the National Grid Network Code as though such points were points on the System;
- (ii) references to Annual Quantities and EUCs in respect of such points shall be construed accordingly.

2.3 The CSO will:

- (i) apply the same rules as those of the National Grid Network Code in determining which Supply Meter Points are comprised in particular Supply Points;
- (ii) implement so as to have the same Meter Reading Frequency as those of the National Grid Network Code for non-daily read metering of Supply Meter Points;
- (iii) adopt and implement (as respects the records maintained for the purposes of Standard Licence Condition 14 of the GT Licence and otherwise pursuant to the CSO Network Code) the scheme for classification of Supply Meter Points, and Supply Points which applies under the National Grid Network Code.

2.4 In particular the CSO will for each COS (in accordance with paragraph 2.3):

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- (i) Identify NDM Supply Meter Points as either Larger User EUC CSEPs in respect of which the Annual Quantity is greater than 73,200 kWh (2,500 therms), or Smaller User EUC CSEPs in respect of which the Annual Quantity is not greater than 73,200 kWh (2,500 therms);
 - (ii) each Gas Year adopt, following reasonable notice by National Grid, the EUCs of NDM Supply Points established by National Grid pursuant to Section H of the National Grid Network Code and allocate each NDM Supply Meter Point to one of such categories;
 - (iii) for each NDM Supply Meter Point maintain records of Annual Quantities as set out in Annex A Schedule D and values of any other variable by reference to which the applicable EUCs are in any Gas Year notified to the CSO by National Grid under paragraph 2.5.
 - (iv) provide the number of consumers per EUC per CSEP User.
 - (v) ensure that each Smaller User EUC CSEP and Larger User EUC CSEP is allocated to the correct EUC which corresponds to their AQ as described in National Grid's Gas Transportation Charges Statement which may change from time to time.
 - (vi) ensure that all of the data referred to in this paragraph 2.4 above is maintained as up to date and accurate.
 - (vii) where a new COS is connected to the System, if after 6 months following Substantial Completion of the National Grid Offtake Facilities in respect of such connection, no gas has been offtaken then the CSO will so notify National Grid as soon as reasonably practicable.
- 2.5 For the purposes of paragraph 2.4, National Grid will keep the CSO informed in a timely manner of the development of EUCs for each Gas Year for which they are applicable.
- 2.6 For the purposes of Section A3.3.5 of the National Grid Network Code, the NDM CSEP shall be treated (for the purposes further described in this Agreement) as comprising within that COS all of the Smaller User EUC CSEPs and Larger User EUC CSEPs for the time being.
- 3 CSAQ revision processes for gas flow nominations to National Grid for each COS
- 3.1 The CSAQ Update process for existing CSEPs Users with "logical meters" and CSEP User to CSEP User transfers on each COS are contained in Annex A, Part 7.
- 3.2 Not Used.
- 3.3 Invoice adjustments will be provided to the CSEP Users for NTS Commodity Charges and LDZ Capacity and LDZ Commodity Charges.
4. CSEP User Annual Review

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4.1 Subject to any determination pursuant to Network Code Modification 319, the CSO will undertake, with its CSEP Users, an AQ review for:-

- (a) all Larger User EUC CSEPs by each CSEP User, on its COS once every 12 months, the process to be consistent with the National Grid Network Code;
- (b) all Smaller User EUC CSEPs, by each CSEP User, on its COS, following the same process and timescales as that applied by National Grid in respect of the Relevant Shippers in accordance with the National Grid Network Code.

In the event of a determination pursuant to Network Code Modification 319, National Grid will give the CSO 3 months prior written notice if there is a need for a further review of Larger User EUC CSEPs and Smaller User EUC CSEPs and arrange to meet the CSO to facilitate the same.

4.2 The CSO will in conjunction with the CSEP User and National Grid agree to review the AQs (based on the actual readings obtained by the reconciliation process and/or those figures contained in Annex A Part 8) for an initial period of 12 months after the RbD implementation.

4.3. Prior to the CSEP RBD Commencement Date CSEP Users may alter AQs based on the IP Reconciliation process or the initial AQs in accordance with Table 1 in Annex A Part 8. Such information will be provided to National Grid at least 10 days prior to the CSEP RBD Commencement Date.

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ANNEX APART 2 - NDM DEMAND ESTIMATION AND NDM DEMAND FORECASTING

- 1.1 The NDM quantities nominated for offtake by CSEP Users each Day from the System at the CSEP, and the quantities determined (after each Day) to have been so offtaken, will be determined on the same basis as is provided for in the National Grid Network Code, Section H, and in accordance with this Part 2 each Logical Meter for each CSEP will have its NTS Exit Capacity, LDZ Exit Capacity and Supply Point Capacity deemed by the algorithm in accordance with National Grid Network Code, Section H4.1.
- 1.2 For the purposes of determining such quantities, for each CSEP User, the CSEP shall be treated as comprising all of the Supply Meter Points belonging to an End User Category ("User EUC CSEP"). Which may be a Larger or Smaller User EUC CSEP.
- 1.3 For all the CSEP Users there will be deemed to be one NDM Supply Meter Point for each Larger User EUC CSEP and each Smaller EUC CSEP ("Logical Meter") which will provide the deemed daily aggregate quantity of gas of each CSEP User in respect of such Logical Meter ("EUC CSAQ").
- 1.4 Subject to any determination pursuant to Network Code Modification 319 the CSO will calculate and provide to National Grid, separately for each Logical Meter on each Wednesday (or if Wednesday is not a Business Day on the next Business Day) of each week (or at such other intervals as National Grid and the CSO may agree at any time after a period of 12 months following commencement):
 - (i) the number of NDM Supply Meter Points by each Larger User EUC CSEP or Smaller User EUC CSEP;
 - (ii) all the EUC CSAQs.
- 1.5 The information under paragraph 1.4 is to be provided to National Grid in file formats which accurately match the file formats contained in Annex A Part 7. Within 8 Business Days following receipt of such information National Grid will update each Logical Meter with the information so provided.
- 1.6 For each User EUC CSEP for each COS the amount determined as "NDM Supply Meter Point Demand" will be calculated (in accordance with Section H2) on the basis that for the value of AQ (in the formula in Section H2.2) the value of the EUC CSAQ for such EUC is substituted.
- 1.7 For each CSEP User, the Nomination Quantity under its NDM Output Nomination, in respect of the CSEP, shall be the sum for all EUCs of the amounts determined for such CSEP User under paragraph 1.6.
- 1.8 National Grid will for each CSEP User:

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- (i) before and during the Gas Flow Day, calculate (in accordance with paragraph 1.6) Nomination Quantities and make on behalf of CSEP Users NDM Output Nominations (including Renominations) in respect of the CSEP; and
- (ii) not later than the 6th Day after the Gas Flow Day provide to the relevant CSEP User the amount (for each End User Category) determined under paragraph 1.6 in respect of the CSEP.

1.9 For the purposes of this Part 2 and Annex A, Part 6:

- (a) subject to paragraph (c), Smaller Supply Meter Points shall be deemed to constitute a separate End User Category;
- (b) a User EUC CSEP accordingly treated (pursuant to paragraph 1.2) as comprised in the NDM CSEP in respect of Smaller Supply Meter Points is a "**Smaller User EUC CSEP**";
- (c) for the purposes of paragraph 1.9 each Smaller User EUC CSEP shall be treated as belonging to the End User Category to which Small Supply Meter Points belong under the National Grid Network Code;
- (d) a "**Larger User EUC CSEP**" is any User EUC CSEP other than a Smaller User EUC CSEP (including a User EUC CSEP in respect of any Larger NDM Supply Meter Points comprised in the End User Category other than that referred to in paragraph (c));
- (e) Where
 - (i) the CSO makes a manifest CSAQ nomination error under Appendix A, Part 2, paragraph 1.4 or 1.5;
 - (ii) a meter has been physically isolated for the purpose of securing that gas cannot be offtaken from the COS at such point

then, in the case of (i) the CSO will amend the nomination in either a positive or negative direction and in the case of (ii) the CSO will amend the nomination in a negative direction.

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ANNEX A

PART 3 - VALIDATION OF SYSTEMS

1. Validation

National Grid and the CSO may each carry out a network validation programme of its system from time to time. Each party will if requested by the other cooperate in good faith to assist the other to carry out such validation including the provision of network load information.

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ANNEX A

PART 4

1. Capacity Booking

- 1.1 Subject to the further provisions of this Part 4 the amount of the LDZ Capacity held by each CSEP User on any Day at the CSEP, shall be the sum, for each User EUC CSEP, of the amounts determined as Supply Point Capacity in accordance with Section H4 on the basis that for the value of AQ (in the formula in Section H4.1) the value of the EUC CSAQ is substituted.
- 1.2 No CSEP User may apply for or hold LDZ Capacity at the CSEP other than pursuant to the National Grid Network Code.
- 1.3 For the purposes of this Annex and Annex B:
- (i) the "CSEP Capacity" is the sum of the amounts of the LDZ Capacity determined as held by all CSEP Users at the CSEP pursuant to paragraph 1.1;
 - (ii) the "Minimum Capacity" is the minimum amount of LDZ Capacity at the CSEP for all the CSEP Users, if any, from time to time determined by reference to the Aggregate CSAQs for the COS in paragraph 1.1.
- 1.4 Subject to any changes resulting from Annex A, Part 1, paragraph 4, or Annex A, Part 2, paragraph 1.9(e):
- (i) if in respect of any Day the CSEP Capacity at each CSEP is less than the Minimum Capacity, the amount of the LDZ Capacity determined as held at the CSEP by each CSEP User on that Day pursuant to paragraph 1.1 shall be increased by the proportion by which the Minimum Capacity exceeds the CSEP Capacity;
 - (ii) National Grid will not update any CSAQ where such an update would result in a lower value of the CSAQ at each CSEP for such CSEP Users.

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ANNEX A

PART 5 - INDIVIDUAL RECONCILIATION: NDM CSEP

1. Individual Reconciliation: NDM CSEP
- 1.1 For the purposes of Individual CSEP Reconciliation under the National Grid Network Code, differences between quantities determined as offtaken at each Larger User EUC CSEP pursuant to Part 2 of Annex A and those determined as so offtaken pursuant to Meter Readings in relation to Larger NDM Supply Meter Points comprised in the EUC will be ascertained in accordance with this Part 5.
- 1.2 On each occasion on which a Valid Meter Reading is received in respect of a Larger NDM Supply Meter Point within 30 days of such receipt the CSO shall inform National Grid of the same.
- 1.3 The CSO will provide to National Grid:
 - a) Start and End read date per Larger NDM Supply Meter Point (LSP) by EUC.
 - b) The corrected volume, in m³ for each LSP calculated in accordance with the Thermal Energy Regulations 1996.
 - c) The CSEP name and the CSEP User (by Shipper short Code where available) and the Logical Meter number that the volume relates to.
 - d) The designated meter reading frequency for each LSP e.g. monthly or annual (see Section M3.1.7(a) of the National Grid Network Code).
- 1.4 National Grid will then:
 - a) Compare the actual volume to the allocated volume and create a reconciliation factor (RF).
 - b) Calculate the daily energy variance for reconciliation purposes by the following calculation:- $RF-1 \times \text{daily allocated energy} = \text{daily energy variance (DVE)}$.
 - c) Apply the daily rate for SAP and Commodity to the daily energy variance created by the Reconciliation Factor (RF).
- 1.5 The energy variance calculated in paragraph 1.4(c) will flow through to the RbD mechanism via the Annual Individual Reconciliation Sector.

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ANNEX A

PART 6

Not used

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APPENDIX A

PART 7

ELECTRONIC COMMUNICATION OF CSEP AQ UPDATES

Testing of the file formats referred to in this Part 7 will be carried out by no later than **[31 December 1999]**. If such testing indicates that different formats are appropriate the parties will meet and discuss with a view to replacing the same with such different formats.

Input File from IGT - Layout

Mandatory Field = **M**, Optional Field = **O**

File header record contents:

Transaction type X(3) (M) value A00

Organisation identifier 9(10)(M) Business Associate Number of IGT

File Type X(3) (M) value DOM - Domestic New/Update

AC - Industrial & Commercial

CLO - Close

Creation Date X(8) (M) format CCYYMMDD

Creation Time X(6) (M) format HHMMSS

Generation 9(6) (M) file generation number

New LMP Detail record contents :

Transaction type X(3) (M) value D01 New LMP

Request Reference X(20)(M) T reference that uniquely identifies the request 'FOR IGT USE'

Outcome Code X(2) (O) values AC - Accepted,

RJ - Rejected

Rejection Reason X(8) (O) Code from REJECTION table

Logical Meter Number X(10)(O) Unique reference allocated by National Grid

Shipper Short Code X(3) (M) SHIPPER_SHORT_CODE

Site Name X(10)(M) SITE_NAME (CSEP/Project Number)

TO BE AMENDED BY LEGAL ONLY

End User Category X(12)(M) END_USER_CATEGORY

Logical Meter AQ 9(13)(M) LMP_AQ

Supply Point Count 9(6) (M) SUPPLY_POINT_COUNT (Typically Number of Houses)

Effective Start Date X(8) (O) format CCYYMMDD date New LMP will be live, calculated within program

Deemed Start Date X(8) (M) format CCYYMMDD date New LMP should go live if different from actual start date

Update reason X(5) (O) UPDATE_REASON

Update comment X(50)(O) UPDATE_COMMENT

Update LMP Detail record contents :

Transaction type X(3) (M) value D02 Update LMP

Request Reference X(20)(M) IGT reference that uniquely identifies the request FOR IGT USE

Outcome Code X(2) (O) values AC - Accepted, RJ - Rejected

Rejection Reason X(8) (O) Code from REJECTION table

Logical Meter Number X(10)(M) Unique reference of the Logical Meter held on CSEP and AT-LINK

Shipper Short Code X(3) (M) SHIPPER_SHORT_CODE

Site Name X(10)(M) SITE_NAME (CSEP/Project Number)

End User Category X(12)(M) END_USER_CATEGORY

Logical Meter AQ 9(13)(M) LMP_AQ

Supply Point Count 9(6) (M) SUPPLY_POINT_COUNT (Typically Number of Houses)

Effective Change Date X(8) (O) format CCYYMMDD date LMP AQ change will apply

Deemed Change Date X(8) (M) format CCYYMMDD date LMP AQ change should apply

Update reason X(5) (O) UPDATE_REASON

Update comment X(50)(O) UPDATE_COMMENT

Close LMP Detail record contents:

Transaction type X(3) (M) value D03 Close LMP

TO BE AMENDED BY LEGAL ONLY

Request Reference X(20)(M) IGT reference that uniquely identifies the request FOR IGT USE

Outcome Code X(2) (O) values AC - Accepted, RJ - Rejected

Rejection Reason X(8) (O) Code from REJECTION table

Logical Meter Number X(10)(M) Unique reference of the Logical Meter held on CSEP and AT-LINK

Shipper Short Code X(3) (M) SHIPPER_SHORT_CODE

Site Name X(10)(M) SITE_NAME (CSEP/Project Number)

End User Category X(12)(M) END_USER_CATEGORY

Logical Meter AQ 9(13)(M) LMP_AQ

Supply Point Count 9(6) (M) SUPPLY_POINT_COUNT (Typically Number of Houses)

Effective Start Date X(8) (O) format CCYYMMDD date LMP will be closed on AT-LINK

Deemed End Date X(8) (M) format CCYYMMDD last date LMP should be live

Update reason X(5) (O) UPDATE_REASON

Update comment X(50)(O) UPDATE_COMMENT

Application Trailer record contents:

Transaction type X(3) (M) value Z90

Valid record count 9(10)(O) value = no of valid records completed on output file from CSEP

Rejected record count 9(10)(O) value = no of rejected records completed on output file from CSEP

File trailer record contents:

Transaction type X(3) (M) value Z99

Detail record count 9(10)(M) value = no of records on file, contains Application Header and

Trailer records

Example of a New LMP:

"A00 ,0010000765, DOM , 19990511 , 082630 ,123

"D01 , ?????????????????????? ,,,, ACC , 11289 , EM:E9801B ,75646, 3,,

19990520 ,,

"D01 , ?????????????????????? ,,,, AGA , 11283 , EM:E9801B ,90646, 2,,

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19990521 ,,

"D01 , ?????????????????????? ,,, AME , 11288 , EM:E9801B ,89765, 3,,

19990316 ,,

"D01 , ?????????????????????? ,,, SGL , 11570 , EM:E9801B ,43687, 8,,

19990420 ,,

"Z90 ,,

"Z99 ,5

Example of an Updated LMP:

"A00 ,0010000768, DOM , 19990511 , 083256 ,123

"D02 , ?????????????????????? ,,, ATC0008036 , ACC , 252115 , EM:E9801B

, 5400,1,, 19990506 , UPD01 , HOUSE TYPE DOWNGRADED FROM 3 BED TO 2

BED

"D02 , ?????????????????????? ,,, ATC0008970 , AGA , 12314 , EM:E9801B , 68000,5,, 19990505 ,

UPD03 , TRANSFERRED TO SHIPPER XYZ

"D02 , ?????????????????????? ,,, ATC0008361 , AME , 14074 , EM:E9801B ,

7320,1,, 19990505 , UPD03 , TRANSFERRED TO SHIPPER XYZ

"D02 , ?????????????????????? ,,, ATC0008456 , SGL , 25215 , EM:E9801B ,

85400,6,, 19990506 , UPD04 , BUILDING CANCELLED

"Z90 ,,

"Z99 ,5

Example of a Closed LMP:

"A00 ,0010000766, CLO , 19991105 , 082630 ,123

"D03 , ?????????????????????? ,,, "ATC0008091 , ACC , 11289 , EM:E9801B

,,, "19990513 ,,

"D03 , ?????????????????????? ,,, ATC0008041 , AGA , 11283 , EM:E9801B

,,, 19990521 ,,

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"D03 , ?????????????????????? ,,, ATC0008078 , AME , 11288 , EM:E9801B

,,, 19990516 ,,

"D03 , ?????????????????????? ,,, ATC0008098 , SGL , 11570 , EM:E9801B

,,, 19990420 ,,

"Z90 ,,

"Z99 ,5

Response File from CSEP - Layout

File header record contents:

Transaction type X(3) (M) value A00

Organisation identifier 9(10)(M) Business Associate Number of IGT

File Type X(3) (M) value RES

Creation Date X(8) (M) format CCYYMMDD

Creation Time X(6) (M) format HHMMSS

Generation 9(6) (M) unique file generation number

New LMP Detail record contents:

Transaction type X(3) (M) value D01 New LMP

Request Reference X(20)(M) IGT reference that uniquely identifies the request FOR IGT USE

Outcome Code X(2) (M) values AC - Accepted, RJ - Rejected

Rejection Reason X(8) (O) Code from REJECTION table

Logical Meter Number X(10)(O) Unique reference allocated by National Grid

Shipper Short Code X(3) (M) SHIPPER_SHORT_CODE

Site Name X(10)(M) SITE_NAME (CSEP/Project Number)

End User Category X(12)(M) END_USER_CATEGORY

Logical Meter AQ 9(13)(M) LMP_AQ

Supply Point Count 9(6) (M) SUPPLY_POINT_COUNT (Typically Number of houses)

Effective Start Date X(8) (M) format CCYYMMDD date New LMP will be live

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Deemed Start Date X(8) (M) format CCYYMMDD date New LMP should be live if different from actual start date

Update reason X(5) (O) UPDATE_REASON

Update comment X(50)(O) UPDATE_COMMENT

Update LMP Detail record contents:

Transaction type X(3) (M) value D02 Update LMP

Request Reference X(20)(M) IGT reference that uniquely identifies the request FOR IGT USE

Outcome Code X(2) (M) values AC - Accepted, RJ - Rejected

Rejection Reason X(8) (O) Code from REJECTION table

Logical Meter Number X(10)(M) Unique reference of the Logical Meter held on CSEP and AT-LINK

Shipper Short Code X(3) (M) SHIPPER_SHORT_CODE

Site Name X(10)(M) SITE_NAME (CSEP/Project Number)

End User Category X(12)(M) END_USER_CATEGORY

Logical Meter AQ 9(13)(M) LMP_AQ

Supply Point Count 9(6) (M) SUPPLY_POINT_COUNT (Typically Number of houses)

Effective Date X(8) (M) format CCYYMMDD date from which change will be effective

Deemed Change Date X(8) (M) format CCYYMMDD date LMP AQ should have changed

Update reason X(5) (O) UPDATE_REASON

Update comment X(50)(O) UPDATE_COMMENT

Close LMP Detail record contents:

Transaction type X(3) (M) value D03 Close LMP

Request Reference X(20)(M) IGT reference that uniquely identifies the request FOR IGT USE

Outcome Code X(2) (M) values AC - Accepted, RJ - Rejected

Rejection Reason X(8) (O) Code from REJECTION table

Logical Meter Number X(10)(M) Unique reference of the Logical Meter held on CSEP and AT-LINK

Shipper Short Code X(3) (M) SHIPPER_SHORT_CODE

TO BE AMENDED BY LEGAL ONLY

Site Name X(10)(M) SITE_NAME (CSEP/Project Number)

End User Category X(12)(M) END_USER_CATEGORY

Supply Point Count 9(6) (M) SUPPLY_POINT_COUNT (Typically Number of houses)

Effective End Date X((8)(M) format CCYYMMDD last date LMP will be live

Deemed End Date X((8)(O) format CCYYMMDD last date LMP should have been live

Update reason X(5) (O) UPDATE_REASON

Update comment X(50)(O) UPDATE_COMMENT

Application Trailer record contents:

Transaction type X(3) (M) value Z90

Valid record count 9(10)(M) value = no of valid records

Rejected record count 9(10)(M) value = no of rejected records

File trailer record contents:

Transaction type X(3) (M) value Z99

Detail record count 9(10)(M) value = no of records on file, contains Application Header and

Trailer records

Example of a Response to a New LMP:

"A00 ,0010000765, DOM , 19990511 , 082630 ,123

"D01 , ????????????????????????? , AC ,, ATC0009018 , ACC , 11289 ,

EM:E9801B ,75646, 3, 19990519 , 19990511 ,,

"D01 , ????????????????????????? , AC , ATC0009019 , AGA , 11283 ,

EM:E9801B ,90646, 2, 19990519 , 19990512 ,,

"D01 , ????????????????????????? , AC , ATC0009020 , AME , 11288 ,

EM:E9801B ,89765, 3, 19990519 , 19990316 ,,

"D01 , ????????????????????????? , RJ , SHP00001 ,, SGL , 11570 , EM:E9801B

,43687, 8,, 19990420 ,????,

"Z90 ,3,1

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"Z99 ,5

Example of a Response to an Updated LMP:

"A00 ,0010000768, DOM , 19990511 , 083256 ,123

"D02 , ?????????????????????? , AC ,, ATC0008036 , ACC , 252115 ,

EM:E9801B , 5400,1, 19990519 , 19990506 , UPD01 , HOUSE TYPE

DOWNGRADED FROM 3 BED TO 2 BED

"D02 , ?????????????????????? , AC ,, ATC0008970 , AGA , 12314 ,

EM:E9801B , 68000,5, 19990519 , 19990505 , UPD03 , TRANSFERRED TO

SHIPPER XYZ

"D02 , ?????????????????????? , RJ , AQ000001 , ATC0008361 , AME , 14074

, EM:E9801B , 7320,1,, 19990505 , UPD03 , TRANSFERRED TO SHIPPER XYZ

"D02 , ?????????????????????? , RJ , LMP00003 , ATC0008456 , SGL , 25215

, EM:E9801B ,85400,6,, 19990506 , UPD04 , BUILDING CANCELLED

"Z90 ,2,2

"Z99 ,5

Example of a Response to a Closed LMP:

"A00 ,0010000766, CLO , 19991105 , 082630 ,123

"D03 , ?????????????????????? , RJ , LMP00003 ,"ATC0008091 , ACC , 11289

, EM:E9801B ,,, "19990513 ,,

"D03 , ?????????????????????? , AC ,, ATC0008041 , AGA , 11283 ,

EM:E9801B ,,, 19990519 , 19990516 ,,

"D03 , ?????????????????????? , AC ,, ATC0008078 , AME , 11288 ,

EM:E9801B ,,, 19990519 , 19990516 ,,

"D03 , ?????????????????????? , RJ , LMP00002 , ATC0008098 , SGL , 11570

, EM:E9801B ,,, 19990420 ,,

"Z90 ,2,2

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"Z99 ,5

Input File Names

WWW = 3 character GT Short Code e.g. AGS

XX = 2 character Node identifier (01)

Y = Production (P)

Z = Normal (N)

NNNNNN = Serial File Number

TTT = File extension e.g. DOM - Domestic New/Update IAC - Industrial & Commercial CLO - Close

Example: AGS01.PN000001.DOM, UTD01.PN000099.CLO

Response File Names

WWW = 3 character GT Short Code e.g. AGS

XX = 2 character Node identifier (01)

Y = Production (P)

Z = Normal (N)

NNNNNN = Serial File Number

TTT = File extension e.g. RES - Response from CSEP

Example: AGS01.PN000001.RES, UTD01.PN000099.RES

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ANNEX A

PART 8

Standard Nominations for Domestic AQs

ESTIMATED AVERAGE ANNUAL GAS CONSUMPTION FOR NEW BUILD DWELLINGS IN THE
UK

Regionalised Annual Quantities

(for use where no meter readings are available)

Table 1

ESTIMATED AVERAGE ANNUAL GAS CONSUMPTION FOR NEW BUILD DWELLINGS IN THE UK NExA AQ Values Effective from.....							
Band	House Type	South SW, NT, WS, SO (92%)		Average WN, SE, NW, EA, EM, WM, NE (0%)		North NO, SC (108%)	
		AQ (kWh)	TPA	AQ (kWh)	TPA	AQ (kWh)	TPA
A	1Bed	8,815	301	9,585	327	10,127	346
B	2BF, 2BT	10,639	363	11,270	385	11,659	398
C	2BS, 2BD, 3BT, 3BF	13,120	448	13,530	462	14,255	486
D	3BS, 2BB	14,348	490	14,611	499	15,871	542
E	3BD, 3BB	16,180	552	17,303	590	19,758	674
F	4BD, 4BT, 4BS, 4BB	19,823	676	21,195	723	22,690	774
G	5BD, 5BS, 6BD	28,077	958	30,035	1,025	31,176	1,064

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Regionalised Initial Annual Quantities
(Reflecting Developer effect)

Table 2

Band	House Type	South		Average		North	
		SW, NT, WS, SO (92%)		WN, SE, NW, EA, EM, WM, NE (0%)		NO, SC (108%)	
		Kw	TPA	Kw	TPA	Kw	TPA
A	1 Bed	6,970	238	7,555	258	8,174	279
B	2BF, 2BT	9,870	337	10,720	366	11,570	395
C	2BS, 2BD, 3BT, 3BF	10,665	364	11,600	396	12,510	427
D	3BS, 2BB	11,485	392	12,480	426	13,480	460
E	3BD, 3BB	14,444	493	15,700	536	16,960	579
F	4BD, 4BT, 4BS	17,110	584	18,570	634	20,070	685
G	5BD, 5BS, 6BD	23,350	797	25,380	866	27,424	936

Note:

1. The values in the above Table 2 will apply until 31st January 2000.
2. Ofgem will review and determine the values to be included in Table 2 to take effect from 1st February 2000. Such review will be based on relevant data supplied to Ofgem by CSEP Users and where appropriate data and assistance from the CSO.
3. Details of the data to be provided to Ofgem and the review process is contained in letter dated 5th October 1999.

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ANNEX A

PART 9

CS Shrinkage

1. For the purposes hereof:
 - (i) "CS shrinkage" means gas offtaken from the System at the CSEP which is lost from or unaccounted for as offtaken from the Connected Offtake System, including gas lost or unaccounted for by reason of leakage, theft, meter error and meter correction.
 - (ii) "CS Shrinkage Factor" is a factor calculated (as an average for all Days in the Gas Year), for any quantity to be offtaken from the System at the CSEP, as the sum of such quantity and the CS shrinkage attributable thereto, divided by such quantity.
2. Not later than 1st August in each Gas Year the CSO shall:
 - (a) in good faith and as accurately as is reasonably practicable:
 - (i) assess whether the CS Shrinkage Factor will in the current Gas Year have accurately reflected CS Shrinkage; and
 - (ii) estimate (in accordance with paragraph 3) the value of the CS Shrinkage Factor to apply in the following gas Year;
 - (iii) estimate (in accordance with paragraph 3) the value of the CS Shrinkage Factor to apply in each Gas Year.
 - (b) provide to National Grid such estimated value and assessment and details (sufficient to enable National Grid to verify the same) of the basis on which such value was estimated and assessment was made.
3. The value of the CS Shrinkage Factor to apply in a particular Gas Year shall be established so as to take account of the extent by which (in accordance with paragraph 2.(a)(i)) it is assessed that CS shrinkage in the preceding year will be over or under-estimated.
4. In this NExA a CS shrinkage uplifted ("CSSU") quantity or volume is that quantity or volume multiplied by the CS Shrinkage Factor applicable for the relevant Gas Year.
5. National Grid and CSO acknowledge that CS shrinkage issues referred to in this Part 9 are undergoing further review within the industry and agree that following such review the provisions of this Part 9 may require further amendment to reflect the outcome of such review.

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DRAFT DATE: 07.06.07

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PART 10 - DM CSEP AND AGGREGATION

NOT USED

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ANNEX A

PART 11

1. Aggregate CSEP Offtake Rate

1.1 The CSO

- (a) shall estimate the maximum 6 minute rate (in kWh/hour) at which gas is or is likely to be offtaken from the System at the CSEP during the next period of 12 months and keep such estimates under review;
- (b) has notified National Grid before the Winter Period in each Gas Year and shall notify National Grid as required under (c) a rate which:
 - (i) is not less than the rate estimated under paragraph (a), and
 - (ii) does not exceed the rate estimated under paragraph (a) by more than the percentage specified for the purposes of this paragraph in the relevant Annex B, or if no such percentage is specified, is not substantially more than the rate estimated under paragraph (i).
- (c) further notification under (b) is required when a revised estimate under (a) exceeds the rate most recently notified under (b) by more than 200kW.

1.2 For the purposes of this Annex

- (a) the "Aggregate CSEP Offtake Rate" is the rate from time to time notified by the CSO in compliance with paragraph 1.1(b), and shall be the maximum 6 minute rate (in kWh/hour) at which Users in aggregate may offtake gas from the System at the CSEP;
- (b) The Maximum CSEP Offtake Rate is the rate (if any) specified in or determined in accordance with the relevant Annex B.

1.3 The CSO shall secure that:

- (i) the Aggregate CSEP Offtake Rate does not at any time exceed the Maximum CSEP Offtake Rate;
- (ii) the Aggregate CSEP Capacity is not at any time more than 24 times or less than 4 times the Aggregate CSEP Offtake Rate, or (where any other range is specified in the relevant Annex B for the purposes of this paragraph) outside such range;
- (iii) it does not connect load to the Connected System which would result in the CSO's failing to comply with paragraphs (i) and (ii).

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- 1.4 Where the Aggregate NDM CSAQ in respect of all CSEP Users at the CSEP exceeds 732,000 kWh, (25,000 therms) and unless the relevant Annex B specifies that this paragraph 3.4 is not to apply, wherever the CSO notifies a rate to National Grid under paragraph 1.1(b), the CSO shall also notify to National Grid in respect of each CSEP User:
- (a) a rate of offtake, such rates not in aggregate exceeding the Aggregate CSEP Offtake Rate; and the rates so notified will be the rates at which CSEP Users will be permitted to offtake gas from the System at the CSEP; and
 - (b) a rate of offtake, being a part of the rate under paragraph (a), which the CSO estimates or attributes as offtaken by the CSEP User at the DM CSEP.

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ANNEX A

PART 12: NETWORK CODE APPLICATION

TPD, Section A

- 3.3.4 At the date of this Agreement the CSEP is an Unmetered CSEP for the purposes of TPD, Section A3.3.4.
- 3.3.5 For the purposes of TPD, Section A3.3.5 the CSEP shall be treated (for the purposes further described in this Agreement) as comprising separately:
- (i) a Connected System Exit Point ("NDM CSEP") in respect of all of the supply points which are for the time being not subject to daily read metering; and
 - (ii) a Connected System Exit Point ("DM CSEP") in respect of all of the supply points which are for the time being subject to daily read metering.

TPD, Section B

- 3.4 For the purposes of TPD, Section B3.4 the NDM CSEP is a relevant CSEP and each CSEP User will be allocated and registered as holding NTS Exit Capacity in an amount equal to the amount of LDZ Capacity from time to time held by the CSEP User pursuant to Part 4.
- 4.5.2 The LDZ Capacity which each CSEP User is registered as holding at the NDM CSEP will be determined in accordance with Part 4 .
- 4.6.1 The CSEP is a relevant CSEP for the purposes of TPD Section B4.6.1(d)
- 4.6.7 The CSEP is a relevant CSEP for the purposes of TPD Section B4.6.7.

TPD, Section C

- 1.5.3 For the purposes of TPD, Section C1.5.3 Output Nominations in respect of the NDM CSEP will be treated as NDM Output Nominations for all purposes of the National Grid Network Code.
- 2.2.4 The relevant provisions of Part 2 apply in respect of the making of Output Nominations in respect of the NDM CSEP.
- 4.2.1 The NDM CSEP is a relevant CSEP for the purposes of TPD, Section C4.2.1(b) and the relevant provisions of Part 2 apply to revise each CSEP User's NDM Output Nomination.

TPD, Section E

- 1.1.3 The NDM CSEP is a relevant CSEP for the purposes of TPD, Section E1.1.3(a).
- 1.3.4 The NDM CSEP is a relevant CSEP for the purposes of TPD, Section E1.3.4(a).

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3.2.2 In relation to the NDM CSEP, the relevant provisions of Part 2 shall apply instead of those of TPD, Section E3.2.2.

6.1.3 Each of the NDM CSEP is a relevant CSEP for the purposes of TPD, Section E6.1.3.

6.1.4 For the purposes of TPD, Section E6.1.4, the CSEP Reconciliation Quantity is the quantity determined in respect of the NDM CSEP in accordance with Part 5.

TPD, Section H

2.5 For the purposes of determining 'NDMDt' the NDM CSEP is a relevant CSEP.

TPD, Section J

3.9 The CSEP is a relevant CSEP for the purposes of TPD, Section J3.9.

6 The provisions of this NExA apply for the purposes of TPD, Section J6.

TPD, Section L

4.2.1 For the purposes of TPD, Section 4.2.1(b)(i) the required period of notice in respect of the CSEP is the period (if any) specified in the relevant Annex B.

4.3.2 For the purposes of TPD, Section 4.3.2(c) the maximum number of Days on which National Grid will be relieved is the period (if any) specified in the relevant Annex B.

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DRAFT DATE: 07.06.07

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ANNEX B

PRESSURE & CAPACITY

1. The following list of CSEP's is incorporated into this Agreement:

SITE	TOWN	POSTCODE	INTERIM CAPACITY (kWh/h)
-------------	-------------	-----------------	-------------------------------------

2. The parties agree that the individual Annex B's will be developed and agreed for each of the above CSEP's within 6 weeks from the date of this Agreement.

3. The parties acknowledge that the following issues in relation to Annex B require resolution:

- (a) profiled availability of the Maximum CSEP Offtake Rate;
- (b) maximum number of maintenance days per ISEP;
- (c) offtake pressure provisions;
- (d) any other parameters referenced elsewhere in this Agreement, where appropriate;
- (e) provision of any outstanding information, eg. offtake pressures for each of the above CSEP's, shrinkage figures, load growth profiles.

4. The interim capacity figures listed above in relation to each CSEP are the Maximum CSEP Offtake Rates which will apply in relation to Annex A until resolution of paragraph 3(a) above.

5. Dispute resolution

5.1 If the parties are not able to agree regarding paragraphs 3(a), (b), (c) and (d) above, any dispute relating to those paragraphs which has not been resolved within five (5) Days of notice from one party to the other of its intention to invoke this dispute resolution procedure shall be dealt with by the parties as follows.

5.2 The subject matter of the dispute shall be referred to Deloitte and Touche, London, who shall be requested to use all reasonable endeavours to reach a decision within 20 Days of the matter being referred to them.

5.3 The determination of the Deloitte and Touche, London, shall be final and binding upon the parties.

SUBJECT TO CONTRACT

DRAFT DATE: 07.06.07

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- 5.4 The costs of Deloitte and Touche, London, and any advisers shall be borne by the parties equally.

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DRAFT DATE: 07.06.07

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ANNEX C

Commissioning Arrangements

The parties agree that commissioning arrangements will be detailed here for new ISEPs to be covered by this Agreement.

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ANNEX D

Agent for Communications, etc.

To provide for any Allocation Agreement or agency, and appointment of agent for nominations, etc.