

UNIFIED CODE OF OPERATIONS
PART C

CAPACITY

VERSION ~~1.0~~1.01

~~DRAFT FOR~~POST CONSULTATION DRAFT 1

~~PHASE ONE (8 OCTOBER 2004)~~18 FEBRUARY, 2005

IMPORTANT NOTE

The Commission ~~has~~ directed Bord Gáis Éireann to develop legal drafting of the Unified Code of ~~Operation~~Operations ("UCOP") to reflect the Business Rules published by the Commission on 23 July 2004 and the underlying principles of the GMOWG Business Models, and to publish the legal drafting so developed for consultation with industry.

The consultation legal drafting ~~is being published in two phases. Phase One includes the General Principles, Capacity, Nominations, Allocations, Balancing, Shrinkage, Administration and NDM sections of the UCOP. Phase Two includes the remaining sections of the UCOP and the Ancillary Agreements referred to therein and is scheduled for publication on or about 19 November 2004.~~in respect of Part C (Capacity) was published on the 8 October 2004. The attached represents the ~~Phase One consultation~~-legal drafting of ~~the Part C (Capacity section (Part C))~~ of the UCOP ~~prepared~~redrafted by Bord Gáis Éireann in accordance with the directions of the Commission ~~and is being circulated for following~~ consultation with ~~all~~ industry participants including the Commission, Shippers and the Transporter. ~~The Transporter, therefore, reserves its position accordingly.~~

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1. **GENERAL**

1.1 For the purposes of this Code:

- 1.1.1 **"Entry Capacity"** means capacity at an Entry Point to the Transmission System required to take delivery of Natural Gas to the Transportation System which, for the avoidance of doubt, includes Back-Up Entry Capacity where the context so admits or requires;
- 1.1.2 **"Exit Capacity"** means LDM Exit Capacity, DM Exit Capacity and/or NDM Exit Capacity as the case may be;
- 1.1.3 **"Supply Point Capacity"** means LDM Supply Point Capacity, DM Supply Point Capacity and/or NDM Supply Point Capacity as the case may be;
- 1.1.4 **"LDM Exit Capacity"** means capacity at a LDM Exit Point required for the offtake of Natural Gas from the Transmission System at that LDM Exit Point or capacity in the Transmission System required for onward delivery of Natural Gas to the Distribution System for offtake at a LDM Supply Point;
- 1.1.5 **"DM Exit Capacity"** means capacity at a DM Exit Point required for the offtake of Natural Gas from the Transmission System at a TCDM Exit Point or capacity in the Transmission System required for onward delivery of Natural Gas to the Distribution System for offtake at a DM Supply Point;
- 1.1.6 **"Aggregate Primary DM Exit Capacity"** means the DM Exit Capacity reserved by a Shipper in respect of all DM Offtakes ~~that~~ at which the Shipper is the Registered Shipper;
- 1.1.7 **"NDM Exit Capacity"** means capacity in the Transmission System required for onward delivery of Natural Gas to the Distribution System for offtake at a NDM Supply Point;
- 1.1.8 **"Aggregate Primary NDM Exit Capacity"** means the NDM Exit Capacity reserved by a Shipper in respect of all NDM Supply Points at which the Shipper is the Registered Shipper;
- 1.1.9 **"LDM Supply Point Capacity"** means capacity at a LDM Supply Point required for the offtake of Natural Gas from the Distribution System at that LDM Supply Point;
- 1.1.10 **"DM Supply Point Capacity"** means capacity at a DM Supply Point required for the offtake of Natural Gas from the Distribution System at that DM Supply Point;

- 1.1.11 "**NDM Supply Point Capacity**" means capacity at a NDM Supply Point required for the offtake of Natural Gas from the Distribution System at that NDM Supply Point;
- 1.1.12 "**Primary Capacity**" means capacity of an individual category that is reserved by a Shipper directly from the Transporter;
- 1.1.13 "**Secondary Capacity**" means capacity of an individual category that is held by a Shipper on a Day pursuant to an Entry Capacity Trade (which shall be made with respect to the same Entry Point) or an Exit Capacity Transfer in respect of the Day or a LDM Supply Point Capacity Title Transfer (which shall be made with respect to the same LDM Supply Point) for the Day as the case may be;
- 1.1.14 "**Active Capacity**" shall mean Active Entry Capacity, Active LDM Exit Capacity, Active DM Exit Capacity, Active NDM Exit Capacity, or Active LDM Supply Point Capacity as the case may be;
- 1.1.15 "**Active Entry Capacity**" or "**AC_{Entry}**" means the ~~Active Capacity~~ capacity held by a Shipper on a Day at an Entry Point and shall be determined as follows:

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

where:

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

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

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

- 1.1.16 "**Active Back-Up Entry Capacity**" or "**AC_{Back-Up Entry}**" means the Back-Up Entry Capacity held by a Shipper on a Day at a Back-Up Entry Point and shall be determined as follows:

$$AC_{Back-Up Entry} = (PC_{BACK-UP ENTRY} + SCP_{BACK-UP}) - PCS_{BACK-UP}$$

where:

$PC_{Back-Up Entry}$ = the Shipper's Primary Back-Up Entry

Capacity at a Back-Up Entry Point on a Day;

$SCP_{\text{Back-Up}}$ = Secondary Back-Up Entry Capacity traded by the Shipper as a Transferee Shipper at a Back-Up Entry Point by way of a trade(s) of Back-Up Entry Capacity for a Day;

$PCS_{\text{Back-Up}}$ = Primary Back-Up Entry Capacity traded by the Shipper as Transferor Shipper by way of a trade(s) of Back-Up Entry Capacity for a Day.

1.1.17 "Active LDM Exit Capacity" or " AC_{Exit} " means the ~~Active Capacity~~ capacity held by a Shipper on a Day at an individual LDM Exit Point (and pursuant to an individual LDM Agreement) and shall be determined as follows:

$$AC_{\text{Exit}} = (PC_{\text{Exit}} + SCP_{\text{Exit}}) - PCS_{\text{Exit}}$$

where:

PC_{Exit} = the Shipper's Primary Exit Capacity pursuant to the relevant LDM Agreement;

SCP_{Exit} = Secondary Capacity traded by the Shipper as a Transferee Shipper in respect of the relevant offtake ~~referred to in~~ and the relevant LDM Agreement on the Day by way of Exit Capacity Transfers for the Day;

PCS_{Exit} = Primary Exit Capacity traded by the Shipper as Transferor Shipper in respect of the relevant offtake ~~referred to in~~ and the relevant LDM Agreement on the Day by way of Exit Capacity Transfers for the Day.

1.1.18 "Active DM Exit Capacity", "Active NDM Exit Capacity" or " AC_{Exit} " means the ~~Active~~ Exit Capacity held by a Shipper on a Day in aggregate in respect of DM Offtakes, or in respect of NDM Supply Points (as the case may be) and shall be determined as follows:

$$AC_{\text{Exit}} = (PC_{\text{Exit}} + SCP_{\text{Exit}}) - PCS_{\text{Exit}}$$

where:

PC_{Exit} = the Shipper's Primary DM Exit Capacity in respect of all DM Offtakes on the Day or the Shipper's Primary NDM Exit Capacity in respect of NDM Supply Points (as the case may be) on the Day;

SCP_{Exit} = Secondary Capacity traded by the Shipper as Transferee Shipper in respect of the relevant DM Offtakes or NDM Supply Points (as the case may be) on the Day by way of Exit Capacity Transfers for the Day;

PCS_{Exit} = Primary Exit Capacity traded by the Shipper as Transferor Shipper in respect of the relevant DM Offtakes or NDM Supply Points (as the case may be) on the Day by way of Exit Capacity Transfers for the Day.

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

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

where:

PC_{SPC} = the Shipper's Primary LDM Supply Point Capacity pursuant to an individual LDM Agreement at the relevant LDM Supply Point on the Day;

SCP_{SPC} = Secondary LDM Supply Point Capacity traded by the Shipper as Transferee Shipper ~~at~~ in respect of the LDM Supply Point and the LDM Agreement as referred to in SCP_{SPC} by way of LDM Supply Point Capacity Title Transfers for the Day;

PCS_{SPC} = Primary LDM Supply Point Capacity traded by the Shipper as Transferor Shipper at the LDM Supply Point and the LDM Agreement referred to in PCS_{SPC} by way of LDM Supply Point Title Transfers for the Day.

1.1.20 "**Retained Primary Capacity**" means that part of the Active Capacity of any individual category of capacity that is held by a Shipper on a Day and which is not Secondary Capacity.

- 1.1.21 **"Transporter Recommended DM Exit Capacity"** means the capacity as recommended by the Transporter (in respect of a DM Offtake) and as so identified and reflected in the Capacity Register.
- 1.1.22 **"Transporter Determined DM Supply Point Capacity"** means in respect of a DM Supply Point, an amount of DM Supply Point Capacity as determined by the Transporter and as so identified and reflected in the Capacity Register;
- 1.1.23 **"Transporter Determined NDM Exit Capacity"** means in respect of a NDM Supply Point, an amount of Exit Capacity which is equivalent to the amount of the Transporter Determined NDM Supply Point Capacity in respect of that NDM Supply Point as determined by the Transporter and as so identified and reflected in the Capacity Register;
- 1.1.24 **"Transporter Determined NDM Supply Point Capacity"** means in respect of a NDM Supply Point, an amount of NDM Supply Point Capacity as determined by the Transporter and as so identified and reflected in the Capacity Register.
- 1.1.25 **"Transporter Recommended LDM Supply Point Capacity"** means in respect of a LDM Supply Point, the capacity recommended by the Transporter and as so identified and reflected in the Capacity Register.
- 1.1.26 A category of capacity shall for the purpose of this Code mean:
- (a) with respect to Entry Capacity; ~~or~~
 - (i) Entry Capacity at an individual Entry Point;
 - (ii) Back-Up Entry Capacity at an individual Back-Up Entry Point.
 - (b) with respect to Exit Capacity:
 - (i) LDM Exit Capacity held pursuant to an individual LDM Agreement; and/or
 - (ii) Aggregate Primary DM Exit Capacity; and/or
 - (iii) Aggregate Primary NDM Exit Capacity; or
 - (c) with respect to Supply Point Capacity:
 - (i) LDM Supply Point Capacity held pursuant to an individual LDM Agreement; and/or
 - (ii) DM Supply Point Capacity in respect of an individual DM Supply Point; and/or

- (iii) NDM Supply Point Capacity in respect of an individual NDM Supply Point.

- 1.2 The Transporter shall be entitled to utilise on a daily basis all or any part of the capacity reserved by a Registered Shipper to the extent that the capacity is not utilised by such Registered Shipper, provided however that nothing herein shall, or shall be deemed to, restrict or in any way affect the right of a Registered Shipper to utilise capacity it has reserved on the Day.
- 1.3 If a Shipper does not utilise all or any part of its Primary Capacity for more than any period of twelve (12) consecutive months, except in the case of Force Majeure, the Transporter may, if it considers such non-utilisation to be prejudicial to the economic integrity of the Transportation System or any localised part thereof, or, if such non-utilisation affects system planning of the Transportation System or any localised part thereof, serve notice of not less than three (3) months on such Shipper of its intent to cancel a Shipper's Capacity Booking to the extent it relates to such unused Primary Capacity. Unless such Shipper is able to demonstrate to the Transporter's reasonable satisfaction, having due regard to all circumstances, that such non-utilisation is justified then the unused capacity shall be cancelled with effect from the expiry of the notice period. ~~For the avoidance of doubt, any dispute arising between a Shipper and the Transporter concerning cancellation of the Shipper's Capacity Booking to the extent that it relates to such unused capacity pursuant to the provisions of this Section 1.3 shall be referred to the Commission for resolution.~~
- 1.4 Primary Capacity for the purpose of Section 1.3 shall include any capacity that has been the subject of an Entry Capacity Trade, Exit Capacity Transfer or LDM Supply Point Capacity Title Transfer and that has not been utilised by the Shipper that is the Primary Capacity holder or the Shipper that is the Secondary Capacity holder for more than twelve (12) consecutive Months.

2. **ENTRY CAPACITY**

2.1 A Shipper shall be required to reserve Entry Capacity in order to have the right to make Entry Nominations and deliver Natural Gas to the Transportation System at an Entry Point and/or to make IBP Sell Nominations.

2.2 **Entry Capacity Request and Booking**

2.2.1 A Shipper shall be entitled to apply to the Transporter for Entry Capacity at an Entry Point by submitting a request ("**Entry Capacity Request**") which shall specify the information required by the Transporter to process the Entry Capacity Request as set out in Schedule 1 Part 1 including:

- (a) the requested Day from which the Shipper wishes to book Entry Capacity ("**Entry Capacity Effective Date**") which shall be the first day of a calendar month;
- (b) the period in respect of which the Shipper wishes to book Entry Capacity (which shall be a period of twelve (12) Months ~~and/or~~ in whole multiples of twelve (12) Months ~~thereafter~~) ("**Entry Capacity Booking Period**");
- (c) the Entry Point at which Entry Capacity is requested;
- (d) the requested amount of Entry Capacity (in kWh/Day); and
- (e) the identity of the Shipper requesting Entry Capacity.

2.2.2 If the Entry Capacity Request specifies an amount of capacity which is in excess of that which the Transporter deems to be available at the Entry Point for the requested Entry Capacity Booking Period the Transporter shall notify the Shipper of the amount of Entry Capacity that is available at the Entry Point whereupon the Shipper may:

- (a) request the Transporter to proceed with the Entry Capacity Request in respect of an amount of capacity up to but not exceeding that capacity which the Transporter has notified to the Shipper as being available in which case the Shipper may (where relevant) request a revised Entry Capacity Effective Date which shall be the first day of a calendar month;
or
- (b) withdraw the Entry Capacity Request.

2.2.3 ~~2.2.2~~ The Transporter will reject ~~(in whole or in part)~~ an Entry Capacity Request for any of the following reasons:

- (a) the Entry Capacity Request is not submitted in accordance with Section 2.2.1;
- (b) the ~~Entry Capacity Request specifies Entry Capacity greater than~~ that Transporter has notified the Shipper of the amount of capacity which the Transporter deems to be available ~~(having regard to its system planning, current and future available infrastructure, existing capacity bookings, estimated load, existing Entry Capacity Requests received by the Transporter and estimated future demand)~~ for at the Entry Point in respect of the Entry Capacity Booking Period and the Shipper has not, within two (2) days of receipt of such notification, instructed the Transporter pursuant to Section 2.2.2 that the Shipper wishes to withdraw, or proceed with, the Entry Capacity Request;
- ~~(e) the Entry Capacity Effective Date is less than twenty (20) Business Days from the date of receipt by the Transporter of the Entry Capacity Request;~~
- ~~(c)~~ ~~(d)~~ (to the extent that) the amount of Entry Capacity specified in the Entry Capacity Request would, if accepted, require financial security or an increase in the amount in respect of which financial security is to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy, and the Shipper has not, within ten (10) Business Days of ~~being notified by the Transporter that it has otherwise satisfied the provisions of this Section 2.2.2,~~ submission by the Shipper of the Entry Capacity Request, provided the required financial security so as to comply with the Financial Security Policy; or
- ~~(e) the application of Part B (General Principles) so requires; or~~
- ~~(d)~~ ~~(f)~~ the Shipper is not the holder of such documentation as may be ~~appropriate or~~ necessary at the relevant Entry Point (including such documentation as is specified in any Entry Point Procedures).

2.2.4 The Transporter may reject an Entry Capacity Request for any of the following reasons:

- (a) the requested Entry Capacity Effective Date is less than twenty (20) days after the date of receipt by the Transporter of the Entry Capacity Request;
or
- (b) the requested Entry Capacity Effective Date is less than twenty (20) days after the date of receipt by the Transporter of a request from the Shipper, pursuant to Section 2.2.2(a) to proceed with the Entry Capacity Request;
- (c) ~~2.2.3 The Transporter may reject (in whole or in part) an Entry Capacity Request where~~ the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

2.2.5 ~~2.2.4~~ If the Entry Capacity Request is rejected in accordance with either Section ~~2.2.2~~2.2.3 or Section ~~2.2.3~~2.2.4 above, then the Transporter shall provide the reason therefor to the Shipper as soon as reasonably practicable but in any event within three (3) Business Days of such rejection. ~~If the Entry Capacity Request is rejected in part, the Transporter shall also specify the amount of Entry Capacity that is available at the Entry Point whereupon the Shipper may request the Transporter to proceed with the Entry Capacity Request to the extent that it has not been rejected or submit a new Entry Capacity Request in respect of such Entry Capacity.~~

2.2.6 ~~2.2.5~~ Where the Transporter accepts an Entry Capacity Request, the Shipper shall be registered as having reserved an amount of Primary Entry Capacity (the "Entry Capacity Quantity") at the relevant Entry Point from the Entry Capacity Effective Date for the Entry Capacity Booking Period as set out in the Entry Capacity Request or as otherwise agreed with the Transporter (an "Entry Capacity Booking").

2.2.7 ~~2.2.6~~ The Transporter shall issue to the Shipper a written confirmation notice ("~~Entry Capacity Booking Confirmation~~") which shall include the following information:

- (a) Entry Point;
- (b) Entry Capacity Quantity;
- (c) Entry Capacity Booking Period; and
- (d) Entry Capacity Booking Reference.

2.2.8 ~~2.2.7~~ The Registered Shipper shall in respect of the relevant Entry Point cease to be the holder of Entry Capacity pursuant to any Entry Capacity Booking either:

- (a) at the end of the relevant Entry Capacity Booking Period ~~specified in the Entry Capacity Request~~ (as recorded in the Capacity Register); or
- (b) otherwise in accordance with the provisions of this Code and/or any Ancillary Agreement; ~~or~~.
- ~~(c) when the Commission notifies the Transporter that the Registered Shipper is in breach of and has had its Gas Supply/Shipping Licence withdrawn.~~

2.3 Entry Capacity Charges

2.3.1 Charges in respect of Entry Capacity ("**Entry Capacity Charges**") will ~~be set out in~~ comprise the capacity component of the applicable Tariff.

2.3.2 A Registered Shipper will be liable to pay to the Transporter:-

- (a) Entry Capacity Charges in respect of its Primary Entry Capacity from the Entry Capacity Effective Date for the Entry Capacity Booking Period; and
- (b) the commodity component of the applicable Tariff in respect of all Natural Gas allocated as delivered to such Shipper at an Entry Point.

~~2.3.2~~ ~~A Registered Shipper will be liable to pay to the Transporter Entry Capacity Charges in respect of its Primary Entry Capacity from the Entry Capacity Effective Date for the Entry Capacity Booking Period;~~ notwithstanding any termination ~~thereof~~ of an Entry Capacity Booking pursuant to Part I (*Legal and Miscellaneous*) Section ~~[4]~~ (*Suspension and Termination*) ~~and, for the avoidance of doubt,~~ a Shipper will remain liable for any unpaid Entry Capacity Charges and charges in respect of the commodity component of the applicable Tariff after the expiry of the relevant Entry Capacity Booking Period. Entry Capacity Charges and the commodity component of the applicable Tariff will be calculated and invoiced on a monthly basis in accordance with Part I (*Legal and Miscellaneous*) Section ~~[11]~~ (*Invoicing and Payment*).

2.3.3 ~~Any Registered Shipper that holds Primary Entry Capacity in respect of an Entry Point shall remain liable for Entry Capacity Charges in respect of such Primary Entry Capacity regardless of any Entry Capacity Trades~~

~~that may be transacted with a counterparty Shipper.~~ Notwithstanding the acceptance of an Entry Capacity Trade by the Transporter, the Transferor Shipper shall continue to remain liable to the Transporter for Entry Capacity Charges at the relevant Entry Point (as if the Entry Capacity Trade had not taken place). All other applicable charges (including the commodity component of the Tariff) shall be payable by the Transferor Shipper or the Transferee Shipper (as the case may be) in accordance with the provisions of this Code.

3. ENTRY CAPACITY TRADES

3.1 General

- 3.1.1 A Shipper (for the purposes of this Section 3, the "**Transferor Shipper**") may trade all or part of its [Retained](#) Primary Entry Capacity (reserved pursuant to such Shipper's Entry Capacity Booking) in respect of a particular Entry Point to another Shipper (for the purposes of this Section 3, the "**Transferee Shipper**") such that the Entry Capacity traded will form (or form part of) the Transferee Shipper's Secondary Capacity at the same Entry Point. Entry Capacity may not be traded as between Entry Points.
- 3.1.2 "**Entry Capacity Trade**" means an arrangement between a Transferor Shipper and a Transferee Shipper whereby certain of the rights of the Transferor Shipper in relation to Entry Capacity may be exercised by the Transferee Shipper in accordance with the provisions of this Code and the Transferee Shipper shall be subject to certain obligations in relation to such capacity.
- 3.1.3 An Entry Capacity Trade may take place for any Day or consecutive Days for which the Transferor Shipper is registered as the holder of Primary Entry Capacity at an Entry Point in accordance with the provisions of this Section 3. [For the avoidance of doubt a Transferor Shipper may submit multiple Entry Capacity Trade Request\(s\) in respect of the same Transferee Shipper.](#) For the avoidance of doubt, the quantity to be traded under all Entry Capacity Trade(s) effected by a Transferor Shipper in respect of a Day shall not exceed the Primary Entry Capacity of the Transferor Shipper for that Day.
- 3.1.4 The Transferor Shipper shall, in order to effect an Entry Capacity Trade, notify the Transporter by way of a request ("**Entry Capacity Trade Registration Request**"), which shall specify the information required by the Transporter to process the Entry Capacity Trade Registration Request [as set out in Schedule 1 Part 2](#) including:
- (a) the identities of the Transferor Shipper and the Transferee Shipper;
 - (b) the Entry Point in respect of which the Entry Capacity Trade is to take place;
 - (c) the Entry Capacity Booking Reference for the Primary Capacity to be traded;

- (d) the intended amount of Entry Capacity (in kWh/Day) which is the subject matter of the proposed Entry Capacity Trade (the "**Entry Capacity Trade Quantity**"); and
 - (e) the period of the proposed Entry Capacity Trade, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.
- 3.1.5 Subject as hereinafter provided, such Entry Capacity Trade Registration Request must be submitted to the Transporter ~~after 06:00 hours on Day D 31 and~~ before ~~2301~~:45 hours on the Day in respect of which the proposed Entry Capacity Trade is to commence.
- 3.1.6 ~~In order for the~~The Transporter shall process an Entry Capacity Trade Registration Request ~~to be processed by the Transporter~~upon receipt by the Transporter of confirmation from the Transferee Shipper ~~shall first notify the Transporter~~ that it accepts the terms of ~~the~~such Entry Capacity Trade Registration Request ~~that has been submitted by the Transferor Shipper.~~
- 3.1.7 The Transporter will reject the Entry Capacity Trade Registration Request for any of the following reasons:
- (a) the Entry Capacity Trade Registration Request is not submitted by the Transferor Shipper in accordance with the provisions of Section 3.1.4;
 - (b) the Entry Capacity Trade Registration Request is submitted to the Transporter ~~before 06:00 hours on Day D 31 or~~ after ~~2301~~:45 hours on the start Day specified in the Entry Capacity Trade Registration Request;
 - (c) the Transferee Shipper has not notified the Transporter of its acceptance of the Entry Capacity Trade Registration Request on or before ~~2301~~:45 hours on the start Day specified in the Entry Capacity Trade Registration Request or the notification is received after ~~2301~~:45 hours on such Day;
 - (d) the effect of the Entry Capacity Trade would be to reduce the Transferor Shipper's Retained Primary Entry Capacity at the Entry Point to less than zero on the Day;
 - (e) the Entry Capacity Trade relates to Back-Up Entry Capacity and the Primary Entry Capacity at the original Entry Point is not the subject of a contemporaneous Entry Capacity Trade at the original Entry Point and between the same Shippers;

~~(f) — the application of Part B (*General Principles*) so requires;~~

(f) ~~(e)~~ the Transferor Shipper has submitted a Valid IBP Sell Nomination utilising all or part of the Entry Capacity Trade Quantity; or

(g) ~~(h)~~ the Transferee Shipper is not a Registered Shipper at that Entry Point, or has not adhered to ~~any~~the applicable Entry Point Procedures (if any).

~~3.1.8 — The Transporter may reject (in whole or in part) an Entry Capacity Trade Registration Request where the Transferor Shipper and/or the Transferee Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.~~

3.1.8 ~~3.1.9~~ The Transporter may reject the Entry Capacity Trade Registration Request where a Valid Entry Nomination has been submitted by the Transferor Shipper utilising all or part of the Entry Capacity that is the subject matter of the Entry Capacity Trade Registration Request.

3.1.9 ~~3.1.10~~ Without prejudice to its rights referenced under this Section 3, the Transporter shall also have the right for operational reasons to:

(a) limit, suspend or cancel the amount of Entry Capacity, which may be traded in accordance with the provisions of Part H (*Operations*) Section ~~{1}~~ (*Emergencies*) and Section ~~{2}~~ (*Congestion Management*) and/or Part I (*Legal and Miscellaneous*) Section ~~{3}~~ (*Force Majeure*);

(b) suspend or terminate an Entry Capacity Trade(s) where any event specified in Part I (*Legal and Miscellaneous*) Section ~~{4}~~ (*Suspension and Termination*) has occurred or as provided in ~~Section 5.1.10~~ Part B (*General Principles*);

(c) impose such operational conditions on Entry Capacity Trade(s) as it deems appropriate and/or necessary in the circumstances in accordance with Part B (*General Principles*) and Part H (*Operations*),

and the rights of the Shipper(s) to trade Entry Capacity shall in all circumstances be subject to such rights of the Transporter.

3.1.10 ~~3.1.11~~ Where the Transporter has rejected an Entry Capacity Trade it shall inform both the Transferor Shipper and the Transferee Shipper of the reason ~~therefor with the notice of~~ for such rejection.

3.1.11 ~~3.1.12~~ ~~The Transporter shall process an Entry Capacity Trade Registration Request upon the Transporter receiving confirmation from the Transferee~~

~~Shipper that it accepts the terms of such Entry Capacity Trade Registration Request.~~ An Entry Capacity Trade Registration Request shall be accepted upon receipt by the Transporter of notice of acceptance of the Entry Capacity Trade Registration Request by the Transferee Shipper where the Entry Capacity Trade Registration Request and the Transferee Shipper's acceptance thereof comply with the provisions of, and are not subject to rejection pursuant to, this Section 3.1.

3.1.12 ~~3.1.13~~ Upon acceptance by the Transporter of an Entry Capacity Trade, the Active Entry Capacity of the Transferor Shipper will be reduced by the amount specified in the Entry Capacity Trade and the Active Entry Capacity of the Transferee Shipper will be increased by the corresponding traded amount in respect of the period set out in the Entry Capacity Trade Registration Request.

3.1.13 ~~3.1.14~~ For the avoidance of doubt, acceptance by the Transporter of an Entry Capacity Trade in accordance with the provisions of this Section 3 shall not, and shall not be deemed to constitute, a representation that a ~~Nominations or Renominations~~ Nomination(s) or Renomination(s) by the Transferee Shipper in respect of the Entry Capacity Quantity will be accepted by the Transporter and shall not prejudice the Transporter's right to reject such Nominations or Renominations pursuant to Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*).

3.1.14 ~~3.1.15 Without prejudice to Part B (General Principles), an~~ An Entry Capacity Trade will be terminated if either the Transferor Shipper or Transferee Shipper ceases to be a Shipper under the terms of this Code ~~and/or any Ancillary Agreement,~~ or if the Entry Capacity Booking of the Transferor Shipper is terminated for any reason in accordance with this Code.

~~3.1.16 Notwithstanding the acceptance of an Entry Capacity Trade by the Transporter, the Transferor Shipper shall continue to remain liable to the Transporter for Entry Capacity Charges at the relevant Entry Point (as if the Entry Capacity Trade had not taken place). All other applicable charges shall be payable by the Transferor Shipper or the Transferee Shipper (as the case may be) in accordance with the remaining provisions of this Code.~~

3.2 **Entry Capacity Trade Update**

3.2.1 An Entry Capacity Trade which has been accepted by the Transporter may, subject to agreement by the Transporter, be updated to amend the Entry Capacity Trade Quantity and/or the start Day or end Day to which it relates

prior to 16:00 hours on D-1 by notice to the Transporter (a "**Entry Capacity Trade Update Request**") to be submitted by the Transferor Shipper and accepted by the Transferee Shipper.

3.2.2 In order to update an Entry Capacity Trade, the Transferor Shipper shall submit an Entry Capacity Trade Update Request which shall specify the information required by the Transporter to process the Entry Capacity Trade Update Request as set out in Schedule 1 Part 3 including:

- (a) the Entry Capacity Trade Reference to which the update relates;
- (b) the Entry Point to which the Entry Capacity Trade relates;
- (c) the requested start Day and end Day of the Entry Capacity Trade update;
- (d) the revised amount of Entry Capacity (in kWh/Day) to be specified in the updated Entry Capacity Trade where applicable; and
- (e) where the Entry Capacity Trade Update Request is in respect of an amendment to the amount of the Entry Capacity Trade, the specific Day in respect of which such updated Entry Capacity Trade is to commence. For the avoidance of doubt the amendment to the amount of the Entry Capacity Trade shall, if accepted by the Transporter, apply on and with effect from the specified commencement Day and in respect of all of the remaining period of the Entry Capacity Trade; ~~and.~~

~~(f) where the Entry Capacity Trade Update Request relates to an increase in the Entry Capacity Trade Quantity, all other information required in respect of an Entry Capacity Trade pursuant to Section 3.1.4.~~

3.2.3 ~~In order for the Entry Capacity Trade Update Request to be processed~~The Transporter shall process the Entry Capacity Trade Update Request on receipt by the Transporter of confirmation by the Transferee Shipper ~~shall first notify the Transporter~~ that it accepts the terms of the Entry Capacity Trade Update Request that has been submitted by the Transferor Shipper.

3.2.4 The Transporter will reject the Entry Capacity Trade Update Request for any of the following reasons:

- (a) the Entry Capacity Trade Update Request is not submitted in accordance with Section 3.2.2;

- (b) the time of receipt by the Transporter of the Entry Capacity Trade Update Request is after 16:00 hours on Day D-1;
- (c) the Transferee Shipper has not notified the Transporter of its acceptance of the Entry Capacity Trade Update Request by 16:00 hours on Day D-1;
- (d) a Valid IBP Nomination has been submitted by the Transferor Shipper or the Transferee Shipper (as the case may be) utilising all or part of the Entry Capacity that is the subject matter of an Entry Capacity Trade Update Request;

~~(e) the application of Part B (General Principles) so requires; or~~

~~(e) any of the reasons specified in Section 3.1.6 where~~ the Entry Capacity Trade Update Request relates to an increase in the Entry Capacity Trade Quantity, and the effect of the Entry Capacity Trade Update Request would be to reduce the Transferor Shipper's Retained Primary Entry Capacity at the Entry Point to less than zero; or

~~3.2.5 The Transporter may reject (in whole or in part) an Entry Capacity Trade Update Request where either the Transferor Shipper and/or the Transferee Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.~~

(f) The Entry Capacity Trade relates to Back-Up Entry Capacity and the associated Entry Capacity Trade is not the subject matter of a contemporaneous and equivalent Entry Capacity Trade Update Request.

3.2.5 ~~3.2.6~~ The Transporter may reject the Entry Capacity Trade Update Request where a Valid Entry Nomination has been submitted by either the Transferor Shipper or the Transferee Shipper utilising all or part of the Entry Capacity that is the subject matter of the Entry Capacity Trade Update Request.

3.2.6 ~~3.2.7~~ Where the Transporter has rejected an Entry Capacity Trade Update Request, then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notification of the rejection.

3.2.7 ~~3.2.8~~ An Entry Capacity Trade Update Request shall be accepted upon receipt by the Transporter of notification from the Transferee Shipper that it accepts the terms of the Entry Capacity Trade Update Request and where the Entry Capacity Trade Update Request and the Transferee Shipper's acceptance thereof comply with the provisions of, and are not subject to rejection pursuant to, this Section 3.2.

3.2.8 ~~3.2.9~~ Upon acceptance by the Transporter of an Entry Capacity Trade Update Request, the Active Entry Capacity of the Transferor Shipper will be amended by the amount specified in the Entry Capacity Trade Update Request and the Active Entry Capacity of the Transferee Shipper will be amended by the corresponding amount for the Days in respect of which the Entry Capacity Trade Update Request applies.

3.3 **Entry Capacity Trade Reduction**

3.3.1 An Entry Capacity Trade may, subject to agreement by the Transporter, be reduced for a single Day by notice to the Transporter (an "**Entry Capacity Trade Reduction Request**") to be submitted by the Transferor Shipper and accepted by the Transferee Shipper between 16:00 hours on Day D-1 and ~~23~~01:45 hours on Day D.

3.3.2 In order to reduce the Entry Capacity Quantity specified in an Entry Capacity Trade, the Transferor Shipper shall submit an Entry Capacity Trade Reduction Request which shall specify the information required by the Transporter to process the Entry Capacity Trade Reduction Request, ~~as specified in Schedule 1~~ as specified in Schedule 1 Part 4, including:

- (a) the Entry Capacity Trade Reference to which the reduction relates;
- (b) the revised amount of Entry Capacity (in kWh/Day) to which the Entry Capacity Trade will relate if the Entry Capacity Trade Reduction Request is accepted by the Transporter; and
- (c) the Day to which the Entry Capacity Trade Reduction Request relates.

3.3.3 ~~In order for~~The Transporter shall process the Entry Capacity Trade Reduction Request ~~to be processed on receipt~~ by the Transporter of confirmation from the Transferee Shipper ~~must first notify the Transporter~~ that it accepts the terms of the Entry Capacity Trade Reduction Request that has been submitted by the Transferor Shipper.

3.3.4 The Transporter will reject the Entry Capacity Trade Reduction Request for any of the following reasons:

- (a) the Entry Capacity Trade Reduction Request is not submitted in accordance with Section 3.3.2;

- (b) the time of receipt by the Transporter of the Entry Capacity Trade Reduction Request is before 16:00 on Day D-1 or after ~~23~~01:45 hours on the Day to which it relates;
- (c) the amount of Entry Capacity specified in the Entry Capacity Trade Reduction Request is greater than the amount of the Entry Capacity Trade (as previously updated or reduced where relevant) to which the reduction relates;
- (d) the Transferee Shipper has not notified the Transporter of its acceptance of the Entry Capacity Trade Reduction Request by ~~23~~01:45 hours on Day D;
- (e) the Entry Capacity Trade Reduction Request is the ~~third~~fourth or subsequent Entry Capacity Trade Reduction Request submitted by the same Transferor Shipper and Transferee Shipper in respect of or on any one (1) Day at the same Entry Point with respect to the same Entry Capacity Trade; or
- (f) a Valid IBP Nomination has been submitted by the Transferee Shipper utilising the Entry Capacity that is the subject matter of the Entry Capacity Trade Reduction Request; ~~or~~

~~(g) the application of Part B (General Principles) so requires.~~

~~3.3.5 The Transporter may reject (in whole or in part) the Entry Capacity Trade Reduction Request where either the Transferor Shipper and/or the Transferee Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.~~

3.3.5 ~~3.3.6~~ The Transporter may reject the Entry Capacity Trade Reduction Request where a Valid Entry Nomination or Valid Entry Renomination has been submitted by the Transferee Shipper utilising all or part of the Entry Capacity that is the subject matter of the Entry Capacity Trade Reduction Request.

3.3.6 ~~3.3.7~~ Where the Transporter has rejected in whole or in part an Entry Capacity Trade Reduction Request, then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notification of the rejection.

3.3.7 ~~3.3.8 The Transporter shall process an Entry Capacity Trade Reduction Request upon the Transporter receiving confirmation from the Transferee Shipper that it accepts the terms of such Entry Capacity Trade Reduction Request.~~ An Entry Capacity Trade Reduction Request shall be accepted upon

receipt by the Transporter of the notice of acceptance from the Transferee Shipper where the Entry Capacity Trade Reduction Request and the Transferee Shipper's acceptance thereof comply with the provisions of, and are not subject to rejection pursuant to, this Section 3.3.

3.3.8 ~~3.3.9~~ Upon acceptance by the Transporter of an Entry Capacity Trade Reduction Request, the Active Entry Capacity of the Transferor Shipper will be increased to reflect the Entry Capacity Trade Reduction Request and the Active Entry Capacity of the Transferee Shipper will be reduced by the corresponding amount for the Day in respect of which the Entry Capacity Trade Reduction applies.

4. BACK-UP ENTRY CAPACITY

4.1 General

4.1.1 For the purposes of this Code:

- (a) **"Back-Up Entry Capacity"** means Entry Capacity reserved by a Registered Shipper at a Back-Up Entry Point to that Entry Point specified in the Shipper's Entry Capacity Booking and shall include Offshore Back-Up Entry Capacity and/or Onshore Back-Up Entry Capacity;
- ~~(b) **"Back-Up Capacity Requirement"** means that amount of Back-Up Entry Capacity which a Shipper shall be entitled to utilise on a Day, determined:~~
- ~~(i) in respect of Offshore Back-Up Entry Capacity, as the amount of capacity notified to the Transporter in respect of an affected Shipper by the Connected Systems Operator at the Entry Point connected to the affected Gas Source in accordance with Sections 4.3.3 and 4.3.4;~~
- ~~(ii) in respect of Onshore Back-Up Entry Capacity, as the difference between such Shipper's Active Entry Capacity and its Available Active Entry Capacity notified to each Shipper in the relevant Operational Flow Order issued with respect to the particular Restricted Entry Capacity Day;~~
- (b) ~~(e)~~ **"Back-Up Capacity Tariff"** means the tariff payable by a Shipper in respect of Back-Up Entry Capacity on a Day upon which all or part of such Shipper's Back-Up Entry Capacity is utilised for transportation of Natural Gas and which shall be calculated in accordance with Section 4.4;
- (c) ~~(d)~~ **"Back-Up Entry Point"** means that Entry Point specified as such in the Shipper's Back-Up Capacity Request, which may~~shall~~ not be the same Entry Point for which the relevant Primary Entry Capacity has been reserved;
- (d) ~~(e)~~ **"Back-Up Capacity Reservation Charge"** means a fee payable by a Shipper in respect of the reservation of Back-Up Entry Capacity which shall be calculated in accordance with the provisions of Section 4.4.1 below;
- (e) ~~(f)~~ **"Offshore Back-Up Entry Capacity"** means Back-Up Entry Capacity reserved by a Shipper for use on a Day in respect of which the Shipper is affected by an Offshore Operational Outage;

- (f) ~~(e)~~ **"Onshore Back-Up Entry Capacity"** means Back-Up Entry Capacity which is reserved by a Shipper for use in respect of a Day on which a Shipper is affected by a Restricted Entry Capacity Day;
- (g) ~~(h)~~ **"Operational Outage"** means the non-availability, or reduced availability, of Natural Gas for delivery to the Transportation System at an Entry Point due to operational reasons relevant to a Gas Source and/or Connected System through which Natural Gas produced from a Gas Source is delivered to the Transportation System as the case may be provided however that operational reasons shall not include the non-operation or reduced operation of facilities as a result of any decision of the operator of a Gas Source or the operator of a Connected System which is made for any reason other than for reasons of planned maintenance, (including a planned upgrade of a technical nature) of which advance notice has been provided to the Transporter, or a mechanical/technical failure of equipment, or to facilitate work to be undertaken to avoid an imminent mechanical/technical failure of equipment;
- (h) ~~(i)~~ **"Offshore Operational Outage "** means either an Anticipated Offshore Operational Outage or an Unanticipated Offshore Operational Outage as the case may be;
- (i) ~~(j)~~ **"Anticipated Offshore Operational Outage"** means an Operational Outage in respect of which at least thirty (30) Days notice thereof shall have been given to the Transporter by the Connected Systems Operator of the Connected System through which Natural Gas produced at a Gas Source is delivered to the Transportation System, but which notice may transpire to be less than such thirty (30) Day period where the commencement of such Anticipated Offshore Operational Outage is subsequently accelerated as a result of an Unanticipated Operational Outage;
- (j) ~~(k)~~ **"Unanticipated Offshore Operational Outage"** means an Operational Outage which is either (i) not an Anticipated Offshore Operational Outage or (ii) an Anticipated Offshore Operational Outage which lasts for more than thirty (30) Days but to the extent only that such Operational Outage exceeds thirty (30) Days; and
- (k) ~~(l)~~ **"Restricted Entry Capacity Day"** means a Day in respect of which the Transporter issues or has issued an Operational Flow Order for a Restricted Capacity Day to Shippers registered at an Entry Point and as a

result of which each such Shipper's Entry Capacity at such Entry Point is restricted to Available Active Capacity in accordance with Part H (*Operations*) Section ~~{2}~~ (*Congestion Management*).[‡]

4.2 **Back-Up Capacity**

4.2.1 Where a Shipper is the registered holder of or is requesting to be the registered holder of Primary Entry Capacity at an Entry Point, the Shipper may request the Transporter to provide Back-Up Entry Capacity pursuant to Section 4.2.2 at a Back-Up Entry Point for a period ("**Back-Up Capacity Booking Period**") which shall be:

- (a) twelve (12) consecutive Months commencing on the first Day of the Entry Capacity Booking Period; or
- (b) twelve (12) consecutive Months commencing on any anniversary of the commencement of the Entry Capacity Booking; or
- (c) a period commencing on the Entry Point Transfer Effective Date, until the end of the Contract Year of the [Entry](#) Capacity Booking Period in which the Entry Point Transfer takes effect where Back-Up Entry Capacity is requested pursuant to Section 4.2.3.

4.2.2 A Shipper which holds or which is requesting to be the registered holder of Primary Entry Capacity at an Entry Point may request Back-Up Entry Capacity by submitting a request to the Transporter ("**Back-Up Capacity Request**") ~~only for the purposes and in anticipation of those matters referenced in Section 4.2.4.~~ A Back-Up Capacity Request shall specify the information required by the Transporter to process the Back-Up Capacity Request [as set out in Schedule 1 Part 5](#) including:

- (a) the relevant Entry Point;
- (b) the Back-Up Entry Point;
- (c) the ~~Primary~~ Entry Capacity Booking at the Entry Point as identified by the Entry Capacity Booking Reference (where relevant) therefor and in respect of which Back-Up Entry Capacity is requested;

[‡] ~~Note: An "Onshore Operational Outage" occurs when a Restricted Capacity Day is declared by the Transporter with respect to an Entry Point. For clarity the defined term of a "Restricted Entry Capacity Day" has been used and references to Onshore Operational Outage have been deleted.~~

- (d) whether the request relates to Onshore Back-Up Entry Capacity and/or Offshore Back-Up Entry Capacity;
- (e) where the request relates to Offshore Back-Up Entry Capacity, confirmation that the ~~Primary~~ Entry Capacity Booking at the Entry Point identified by the Entry Capacity Booking Reference is at an Entry Point connected to a Gas Source;
- (f) the amount of Back-Up Entry Capacity required at the Back-Up Entry Point:
 - (i) in the event of an Offshore Operational Outage;
 - (ii) in the event of a Restricted Entry Capacity Day; and
- (g) the Effective Date of the Back-Up Entry Capacity reservation which shall be:
 - (i) the first Day of the Entry Capacity Booking Period of the Primary Entry Capacity Booking or any anniversary thereof; or
 - (ii) the Entry Point Transfer Effective Date where the Back-Up Entry Capacity is requested in respect of Primary Entry Capacity specified in an Entry Point Transfer.

4.2.3 A Shipper shall submit a Back-Up Capacity Request:

- (a) on the same Day as the Shipper submits the Entry Capacity Request where the Back-Up Entry Capacity is requested in respect of a new Entry Capacity Booking;
- (b) within thirty (30) Business Days of the Entry Point Transfer Effective Date where the Back-Up Entry Capacity is requested in respect of Entry Capacity specified in an Entry Point Transfer submitted by the Shipper;
- (c) not less than thirty (30) Business Days prior to the anniversary of the first Day of the Entry Capacity Booking Period where the Back-Up Entry Capacity is requested in respect of an existing Entry Capacity Booking.

4.2.4 For the avoidance of doubt, the Back-Up Entry Capacity will relate to a specific Entry Capacity Booking at an Entry Point. In the event that a Shipper has more than one Entry Capacity Booking at an Entry Point (and thus more than one Entry Capacity Booking Reference), such Shipper may request more than one Back-Up Entry Capacity reservation and shall submit a separate and

independent Back-Up Capacity Request for each such Entry Capacity Booking in respect of which Back-Up Entry Capacity is required.

4.2.5 The Transporter may reject a Back-Up Capacity Request for any of the following reasons:

- (a) the Back-Up Capacity Request is not submitted in accordance with Section 4.2.2 ~~or~~ and Section 4.2.3;
- (b) the Back-Up Entry Point specified in the Back-Up Capacity Request is the same as the Entry Point to which the Entry Capacity Booking relates;
- (c) the amount of Back-Up Entry Capacity requested is greater than that specified in the relevant Entry Capacity Booking at the relevant Entry Point;
- (d) there is, in the reasonable opinion of the Transporter, insufficient Entry Capacity available at the Back-Up Entry Point where the Back-Up Entry Capacity is requested;
- (e) the utilisation of Primary Entry Capacity or Secondary Entry Capacity (that is not Back-Up Entry Capacity) by, or to be utilised by, any other Shipper may, in the reasonable opinion of the Transporter, be prejudiced or adversely affected;
- (f) ~~(to the extent that) the amount of Back-Up Entry Capacity required in the Back-Up Capacity Request would, if accepted, require an increase in the amount in respect of which financial security is to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy and where the Shipper has not, within ten (10) Business Days of being notified by the Transporter that the provisions of Section 4.2.2, provided the required financial security so as to satisfy the requirements of the Financial Security Policy;~~ the Shipper is not the holder of such documentation as may be necessary at the relevant Entry Point (including such documentation as is specified in any Entry Point Procedures).
- ~~(g) where the application of Part B (General Principles) so requires; or~~
- (g) ~~(h)~~ where the application relates to Offshore Back-Up Entry Capacity and the ~~Primary~~ Entry Capacity Booking is not in respect of an Entry Point connected to a Gas Source.

- 4.2.6 The Transporter may reject (in whole or in part) a Back-Up Capacity Request where the Shipper is (or would otherwise be) in breach of the Code and/or any Ancillary Agreement.
- 4.2.7 Where the Transporter accepts a Back-Up Capacity Request, the Shipper shall be registered as a Shipper at the Back-Up Entry Point and as having reserved Back-Up Entry Capacity at the Back-Up Entry Point for the Back-Up Capacity Booking Period as determined pursuant to Section 4.2.1. Provided always where Back-Up Entry Capacity is requested in respect of Entry Capacity specified in an Entry Point Transfer submitted by the Shipper, the Shipper shall not be entitled to submit Nominations in respect of Back-Up Entry Capacity at the Back-Up Entry Point until such time as the Transporter shall have notified the Shipper that the Transporter accepts such Shipper's Back-Up Capacity Request and notwithstanding that the Back-Up Capacity Booking Period may commence prior to the date of such acceptance in accordance with Section 4.2.1(c).
- 4.2.8 Where the Back-Up Capacity Request is rejected then the Transporter shall provide the reason therefor to the Shipper as soon as may be reasonably practicable but in any event within three (3) Business Days of such rejection.
- 4.2.9 For the avoidance of doubt, a Back-Up Entry Capacity reservation may not extend beyond the Entry Capacity Booking Period of the Shipper's Entry Capacity reservation at the Entry Point.

4.3 **Utilisation of Back-Up Entry Capacity**

- 4.3.1 Where the Transporter has been ~~advised~~notified by a Connected System Operator of an Anticipated Offshore Operational Outage affecting an Entry Point then the Transporter shall as soon as may be reasonably possible inform those Shippers that have reserved Offshore Back-Up Entry Capacity in respect of such affected Entry Point of such Anticipated Offshore Operational Outage.
- 4.3.2 In the event that a Shipper submits a Nomination with respect to Offshore Back-Up Entry Capacity on the basis that an Unanticipated Offshore Operational Outage has occurred the Shipper shall:
- (a) where practicable notify the Transporter at or prior to the submission of such Nomination that such Unanticipated Offshore Operational Outage has occurred; and

- (b) as soon as reasonably practicable and in any event within ten (10) days after submission of the first Nomination in respect of each Unanticipated Offshore Operational Outage at the Back-Up Entry Point provide to the Transporter reasonable documentary evidence in the form of a certificate from the Connected Systems Operator connected to a Gas Source or such other reasonable evidence as may be agreed between the Shipper and the Transporter, of the circumstances of the Unanticipated Offshore Operational Outage in support of a ~~requirement that the Shipper shall be entitled~~'s entitlement to utilise Offshore Back-Up Entry Capacity reserved pursuant to an Unanticipated Operational Outage.
- 4.3.3 If the Unanticipated Offshore Operational Outage results in reduced availability of Natural Gas for delivery to the Transportation System, such documentary evidence shall identify the extent of the reduction caused by the Unanticipated Offshore Operational Outage in general in respect of each Shipper ~~which will be~~ affected thereby and the amount of Back-Up Entry Capacity ~~which required by~~ each affected Shipper ~~shall require to utilise~~ at the Back-Up Entry Point.
- 4.3.4 Such notice as is delivered by a Connected Systems Operator to the Transporter in respect of an Anticipated Offshore Operational Outage, ~~and documentary evidence as provided~~ in accordance with Section ~~4.3.2 above,~~4.3.1, shall identify the extent of the reduced availability of Natural Gas for delivery at the affected Entry Point in general and in respect of each affected Shipper at that Entry Point and the amount of Back-Up Entry Capacity ~~which required by~~ such affected Shipper ~~shall require to utilise~~ at the Back-Up Entry Point.
- 4.3.5 If such documentary evidence as referred to in Section ~~4.3.2,~~4.3.2, 4.3.3 or 4.3.4 above is not provided by the Shipper to the reasonable satisfaction of the Transporter within ten (10) Days of the first Nomination at the Back-Up Entry Point, then all Back-Up Entry Capacity ~~which may by then have been~~ utilised by the Shipper shall be subject to Entry Capacity Overruns in accordance with Section 9. ~~Any~~For the avoidance of doubt any disputes relating to the appropriateness of the documentary evidence shall be subject to the Dispute Resolution process outlined in this Code.
- 4.3.6 ~~In the event of a Restricted Entry Capacity Day, the Onshore Back-Up Entry Capacity that a Shipper may utilise at the Back-Up Entry Point shall be equal to the difference between such Shipper's Active Entry Capacity and its Available Active Entry Capacity (as calculated in Part H~~

~~(Operations) Section [2] (Congestion Management)), provided however, that a Shipper shall not be entitled to utilise more Back-Up Entry Capacity than it has reserved in accordance with Section 4.1. For the avoidance of doubt, a~~ Shipper shall not be required to provide any documentary evidence to the Transporter in the event of a Restricted Entry Capacity Day.

4.3.7 The amount of:

- (a) Onshore Back-Up Entry Capacity that may be utilised at the Back-Up Entry Point by a Shipper on a Day shall be the lesser of:
 - (i) the difference between such Shipper's Available Active Entry Capacity and the Active Entry Capacity of such Shipper at the affected Entry Point;
 - (ii) the Active Entry Capacity with respect to Onshore Back-Up Entry Capacity in respect of such Shipper (not exceeding the amount specified in Back-Up Capacity Booking) at the Back-Up Entry Point;
- (b) Offshore Back-Up Entry Capacity that may be utilised at the Back -Up Entry Point by a Shipper on a Day shall be the lesser of:
 - (i) such Shipper's Active Entry Capacity with respect to Offshore Back-Up Entry Capacity (not exceeding the amount specified in the ~~Offshore~~ Back-Up Entry Capacity Booking) at the Back-Up Entry Point; or
 - (ii) the amount of Back-Up Capacity ~~Requirements~~specified in respect of such Shipper; in the documentary evidence provided pursuant to Section 4.3.2, 4.3.3 and/or 4.3.4.

and in ~~any~~either event the aggregate Entry Capacity utilised by the Shipper at the Entry Point and the Back-Up Entry Point shall not exceed the Shipper's Active Capacity at the Entry Point.

- 4.3.8 Where the Offshore Back-Up Entry Capacity is utilised in accordance with Section 4.3.7 above, the Shipper's Active Capacity at the affected Entry Point (or Available Active Entry Capacity as appropriate) shall be reduced by an amount equal to the Offshore Back-Up Entry Capacity available for utilisation at the Back-Up Entry Point, taking into account the provisions of Section 4.3.7.

- 4.3.9 Where the Final Entry Allocation in respect of Offshore Back-Up Entry Capacity or Onshore Back-Up Entry Capacity at a Back-Up Entry Point is greater than the relevant Back-Up Entry Capacity available to the Shipper calculated in accordance with Section 4.3.7, then the quantity so allocated as part of such Final Entry Allocation in excess of the Back-Up Entry Capacity available to the Shipper will be subject to an Entry Capacity Overrun Charge in accordance with Section 10.
- 4.3.10 For the avoidance of doubt, where a Shipper holds Entry Capacity and Back-Up Entry Capacity at the same Entry Point and has made a Nomination against both, then the Final Entry Allocation with respect to such Shipper will be shared pro rata to ~~the~~such Shippers Valid Nominations in respect of Entry Capacity and Back-Up Entry Capacity respectively at the Entry Point on the Day.
- 4.3.11 An Entry Capacity Trade of Back-Up Entry Capacity may take place in accordance with Section 3 and be subject to the following additional provisions:
- (a) ~~a Primary~~an Entry Capacity Trade shall be contemporaneously, or shall have been previously, transacted at the Entry Point for Entry Capacity, the subject matter of the Entry Capacity Booking against which the Transferor Shipper has arranged Back-Up Entry Capacity at the Back-Up Entry Point;
 - (b) the Back-Up Entry Capacity Trade shall be between the same counterparties as the original Entry Capacity Trade;
 - (c) the Back-Up Entry Capacity Trade shall ~~be with~~specify whether it is in respect ~~to either of~~ Onshore Back-Up Entry Capacity and/or Offshore Back-Up Entry Capacity; and
 - (d) the period of the Back-Up Entry Capacity Trade shall not have an end Day which is:
 - (i) later than the end of the Back-Up Capacity Booking Period; or
 - (ii) later than the end of the period of the associated Entry Capacity Trade.

~~For the avoidance of doubt where~~Where a Shipper has reserved both Onshore Back-Up Entry Capacity and Offshore Back-Up Entry Capacity any Back-Up Entry Capacity Trade effected shall apply to both the Onshore Back-Up Entry Capacity and the Offshore Entry Capacity.

4.4 **Back-Up Capacity Charges**

4.4.1 A Shipper reserving Back-Up Entry Capacity shall pay to the Transporter a Back-Up Capacity Reservation Charge calculated as follows:

- (a) ten times the daily equivalent of the annual capacity charge in respect of the amount of the Offshore Back-Up Entry Capacity where Offshore Back-Up Entry Capacity only is reserved;
- (b) ten times the daily equivalent of the annual capacity charge in respect of the amount of the higher of the Offshore Back-Up Entry Capacity or the Onshore Back-Up Entry Capacity where Back-Up Entry Capacity is reserved in respect of both an Operational Outage and a Restricted Entry Capacity Day; or
- (c) ten times the daily equivalent of the annual capacity charge in respect of the amount of Onshore Back-Up Entry Capacity where Onshore Back-Up Entry Capacity only is reserved.

A Shipper reserving Back-Up Entry Capacity in respect of Entry Capacity the subject matter of an Entry Point Transfer and within thirty (30) days of the Entry Point Transfer Effective Date shall pay that proportion of the Back-Up Capacity Reservation Charge (calculated in accordance with this Section 4.4.1) which is equivalent to the proportion which the Back-Up Capacity Booking Period bears to a year.

For the avoidance of doubt, payment of the Back-Up Capacity Reservation Charge confers on the Shipper the right only to submit Nominations and/or Renominations to the Transporter by reference to Back-Up Entry Capacity subject to and in accordance with the terms of this Code.

4.4.2 A Shipper shall pay the Back-Up Capacity Tariff in respect of all Onshore Back-Up Entry Capacity reserved by each Shipper on each Day on which any Onshore Back-Up Entry Capacity is utilised (in whole or in part) by the Shipper pursuant to a Back-Up ~~Capacity Reservation~~ Capacity Booking. A Shipper shall pay the Back-Up Capacity Tariff in respect of all Offshore Back-Up Capacity reserved by such Shipper on any Day on which the Offshore Back Up Entry Capacity is utilised in whole or in part by such Shipper. The Back-Up Capacity Tariff shall be a multiple of the daily equivalent of the annual capacity component of the Tariff as set out in Section 4.4.3 together with the commodity component of the Tariff.

4.4.3 The multiplier referred to in Section 4.4.2 shall be as follows:

Period (of Gas Year)	Multiplier (Anticipated Offshore Operational Outage and Restricted Entry Capacity Day)	Multiplier (Unanticipated Offshore Operational Outage)	
		0-5 days	6 days plus
Winter	4	6	8
Shoulder	2	3	4
Summer	1	1.5	2

4.4.4 The Transporter shall as soon as reasonably practicable following receipt of a Nomination or Renomination relating to Back-Up Entry Capacity advise the Shipper making such Nomination or Renomination if the Nomination or Renomination relating to Back-Up Entry Capacity cannot be accepted on the Day or Days in respect of which the Nomination or Renomination has been submitted. The Transporter shall within ten (10) days advise such Shipper whether the inability to accept such Nomination or Renomination on a Day or Days was attributable to a Restricted Entry Capacity Day or an Emergency.

If a Shipper has paid a Back-Up Capacity Reservation Charge calculated in accordance with Section 4.4.1(a) or Section 4.4.1(b) by reference to the amount of Offshore Back-Up Capacity reserved and the Transporter rejects a Nomination submitted at the Back-Up Entry Point in respect of an Anticipated Operational Outage or an Unanticipated Operational Outage solely on the basis that Back-Up Entry Capacity is not available on that Day, then unless such rejection is attributable to a Restricted Entry Capacity Day at the Back-Up Entry Point, Force Majeure or the application of Part H (*Operations*), Section ~~{1}~~ (*Emergencies*) or Section ~~{2}~~ (*Congestion Management*) the Shipper shall be entitled to a refund of a portion of the Back-Up Reservation Charge paid by such Shipper calculated in accordance with Section 4.4.5 below.

If a Shipper has paid a Back-Up Capacity Reservation Charge calculated in accordance with Section 4.4.1(b) ~~above~~ or Section 4.4.1(c) by reference to the amount of Onshore Back-Up Capacity reserved and the Transporter rejects a Nomination in respect of Onshore Back-Up Capacity, then unless such rejection is attributable to a Restricted Entry Capacity Day at the Back-Up Entry Point, Force Majeure or the application of Part H (*Operations*) Section ~~{1}~~

(Emergencies) or Section ~~[2]~~ (Congestion Management) the Shipper shall be entitled to a refund of the Back-Up Capacity Reservation Charge paid by such Shipper calculated in accordance with Section 4.4.5 below.

4.4.5 The amount of the refund to which a Shipper may be entitled in respect of any rejection(s) by the Transporter of Nominations or Renominations in accordance with Section 4.4.4 shall be calculated at the end of the Back-Up Capacity Booking Period and in accordance with the following formula:

$$\frac{A}{B} * \text{Back-Up Capacity Reservation Charge}$$

where:

A = the number of days in the twelve (12) Month period of the Back-Up Capacity Booking Period when the Transporter is unable to accept Nominations or Renominations properly submitted by that Shipper in accordance with Part D of this Code in respect of Back-Up Entry Capacity as contemplated by Section 4.4.4 above;

B = the number of days in ~~that twelve (12) Month~~ the same period on which the Shipper submitted Nominations or Renominations in respect of Back-Up Entry Capacity in accordance with this Code,

provided always that the aggregate amount of such refund(s) shall not exceed the amount of the Back-Up Capacity Reservation Charge paid by such Shipper.

4.4.6 The sole liability of the Transporter to the Shipper in respect of any rejection of Nominations or Renominations in respect of Back-Up Entry Capacity under this Code shall be to repay to such Shipper a refund of an appropriate portion of the Back-Up Capacity Reservation Charge calculated in accordance with Section 4.4.5 of this Code and the Shipper shall indemnify and keep indemnified the Transporter from and against all claims by third parties (including for the avoidance of doubt claims by any End User) in respect thereof.

5.

ENTRY POINT TRANSFERS

5.1 General

- 5.1.1 A Shipper may in accordance with the following provisions of this Section 5.1 transfer all, or part, of its Primary Entry Capacity from an Entry Point (the "**Original Entry Point**") to an alternative Entry Point (the "**New Entry Point**") by way of a transfer of Entry Capacity to such New Entry Point ("**Entry Point Transfer**") ~~provided always that the proposed New Entry Point is an Entry Point connected to a New Gas Source in respect of which a First Commercial Gas Date has been declared less than twelve (12) Months prior to the Entry Point Transfer being requested.~~ in accordance with this Section 5.
- 5.1.2 An Entry Point Transfer must, in order to be valid, become effective on a Day (the "**Entry Point Transfer Effective Date**") on or before the first anniversary of the First Commercial Gas Date in respect of the New Gas Source.
- 5.1.3 The effect of an Entry Point Transfer shall be to reduce, pro tanto, the Primary Entry Capacity held by a Shipper at the Original Entry Point by the amount of Entry Capacity that is to be transferred to and held in respect of the New Entry Point by such Shipper.
- 5.1.4 Where an Entry Point Transfer has been successfully effected, the transferred Entry Capacity shall be Primary Entry Capacity of the same Registered Shipper at the New Entry Point.
- 5.1.5 The period of the Entry Point Transfer shall be from the Entry Point Transfer Effective Date specified in the Entry Point Transfer Request (save where otherwise agreed by the Transporter by acceptance of a Deferral Request) until the end of the ~~Primary~~ Entry Capacity Booking Period at the Original Entry Point.
- 5.1.6 In order to transfer Primary Entry Capacity from the Original Entry Point to the New Entry Point, a Shipper shall submit a request ("**Entry Point Transfer Request**") which shall specify the information required by the Transporter to process the Entry Point Transfer Request as set out in Schedule 1 Part 6 including:
- (a) the Original Entry Point and the New Entry Point;
 - (b) the Entry Capacity Booking Reference of the Primary Capacity Booking, to which the Entry Point Transfer relates;

- (c) the end Day of the Entry Capacity Booking Period to which the Entry Point Transfer relates;
- (d) the amount of Primary Entry Capacity to be transferred from the Original Entry Point to the New Entry Point which shall be less than or equal to, but not greater than, the Shipper's Primary Entry Capacity reserved pursuant to the Entry Capacity Booking referred to in Section 5.1.6(b);
- (e) the amount of Primary Entry Capacity to be retained at the Original Entry Point pursuant to the relevant Entry Capacity Booking;
- (f) the proposed Entry Point Transfer Effective Date; and
- (g) confirmation that the Entry Point Transfer Request is made in order to facilitate the delivery of Natural Gas from a New Gas Source at a New Entry Point in respect of which a First Commercial Gas Date has been declared within twelve (12) Months of the date of the Entry Point Transfer Request, together with documentary evidence from the producer specifying the quantity of Natural Gas which is expected to be delivered to the Shipper at the New Entry Point.

5.1.7 The Transporter will reject the Entry Point Transfer Request for any of the following reasons:

- (a) the Entry Point Transfer Request is not submitted in accordance with Section 5.1.6;
- (b) where the Entry Point Transfer Request is the second or subsequent Entry Point Transfer Request in respect of the same ~~Primary~~ Entry Capacity Booking and the Entry Point Transfer Request Effective Date specified in any prior Entry Point Transfer Request has not occurred;
- (c) with respect to a first transfer of an Entry Capacity Booking where the Entry Point Transfer Effective Date proposed in the Entry Point Transfer Request is less than ten (10) Business Days after receipt by the Transporter of the Entry Point Transfer Request;
- (d) with respect to a second or subsequent transfer by the same Shipper in respect of the same Entry Capacity Booking the Entry Point Transfer Effective Date proposed in the Entry Point Transfer Request is less than five (5) Business Days after receipt by the Transporter of the Entry Point Transfer Request;

- (e) the Entry Point Transfer Effective Date proposed in the Entry Point Transfer Request is after the first anniversary of the First Commercial Gas Date;
- (f) the Shipper is not the holder of such documentation as may be ~~appropriate or~~ necessary at the relevant New Entry Point (including such documentation as may be requisite pursuant to any Entry Point Procedures); or
- (g) if the Entry Capacity Charge is greater at the New Entry Point than at the Original Entry Point, the additional liability of the Shipper for transportation charges as a result of such greater ~~tariff~~ Entry Capacity Charge would require an increase in the amount in respect of which financial security is to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not, within ten (10) Business Days of ~~notification by the Transporter that it has otherwise satisfied the provisions of this Section 5.1.7,~~ submission by the Shipper of the application provided the required financial security so as to satisfy the requirements of the Financial Security Policy; ~~or.~~ .

~~(h) — where the application of Part B (General Principles) so requires.~~

- 5.1.8 The Transporter may reject (in whole or in part) the Entry Point Transfer Request where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.
- 5.1.9 The Transporter may reject the Entry Point Transfer Request where the effect of the Entry Point Transfer would be to reduce the Shipper's Retained Primary Entry Capacity at the Original Entry Point and pursuant to the relevant Entry Capacity Booking to less than zero (taking into account any prior and subsisting Entry Capacity Trades conducted by the relevant Shipper and/or Entry Point Transfers).
- 5.1.10 Where the Transporter rejects an Entry Point Transfer Request, it will advise the Shipper of the grounds for rejection as soon as reasonably practicable but in any event not later than two (2) Business Days prior to the Entry Point Transfer Effective Date proposed in the Entry Point Transfer Request.
- 5.1.11 If a Shipper has previously transacted Entry Capacity Trade(s) in respect of the Entry Capacity Booking to which the Entry Point Transfer relates at the relevant

Original Entry Point which coincides with part or all of the period of an Entry Point Transfer and the effect of the proposed Entry Capacity Trade would result in the Shipper's Retained Primary Entry Capacity pursuant to the specified Entry Capacity Booking at the Original Entry Point being less than zero, then unless the Entry Point Transfer Request is rejected by the Transporter pursuant to Section ~~5.1.8, 5.1.9~~, the Shipper will cancel all or part of the Entry Capacity Trade(s) such that the relevant Retained Primary Entry Capacity holding shall be greater than or equal to zero. If the Shipper has not cancelled all or part of an Entry Capacity Trade(s) by 18:00 hours Day D-1 in order to effect this, then all Entry Capacity Trade(s) where the Shipper is the Transferor Shipper shall be cancelled with effect from 06:00 hours on Day D.

5.1.12 A Shipper may apply to the Transporter to defer the Entry Point Transfer Effective Date, by submitting a request ("**Deferral Request**") which shall specify the information required by the Transporter to process the Deferral Request as set out in Schedule 1 Part 7 including:

- (a) the Entry Point Transfer Request to which the deferral relates; and
- (b) the revised Entry Point Transfer Effective Date.

5.1.13 The Transporter will reject the Deferral Request for any of the following reasons:

- (a) the Deferral Request is not submitted in accordance with Section 5.1.12;
- (b) the Deferral Request is submitted less than five (5) Business Days prior to the Entry Point Transfer Effective Date; or
- (c) sufficient Entry Capacity is no longer available at the Original Entry Point; ~~or~~.

~~(d) — where the application of Part B (General Principles) so requires.~~

5.1.14 Where the Transporter rejects a Deferral Request it will advise the Shipper of the grounds for rejection not later than two (2) Business Days prior to the specified Entry Point Transfer Effective Date in the relevant Entry Point Transfer Request. If the Deferral Request is rejected then the Entry Point Transfer Effective Date contained in the prevailing Entry Point Transfer Request shall remain in place. If the Deferral Request is accepted by the Transporter then the Entry Point Transfer Effective Date shall be amended to such revised date as so accepted.

5.1.15 A Shipper may submit to the Transporter a request to withdraw or cancel an Entry Point Transfer Request prior to the Entry Point Transfer Effective Date ("**Entry Point Transfer Cancellation Request**").

5.1.16 The Entry Point Transfer Cancellation Request shall specify the Entry Point Transfer Request to which the cancellation request relates.

5.1.17 The Transporter will reject the Entry Point Transfer Cancellation Request for any of the following reasons:

(a) the request is submitted less than five (5) Business Days prior to Entry Point Transfer Effective Date; or

(b) sufficient Entry Capacity is no longer available at the Original Entry Point; ~~or~~

~~(c) where the application of Part B (General Principles) so requires.~~

5.1.18 Where the Transporter rejects an Entry Point Transfer Cancellation Request, it will advise the Shipper of the grounds for rejection as soon as reasonably practicable but in any event no later than two (2) Business Days prior to the Entry Point Transfer Effective Date.

5.1.19 Where the Transporter rejects an Entry Point Transfer Cancellation Request the Entry Point Transfer shall proceed.

5.1.20 Where the Transporter accepts an Entry Point Transfer Cancellation Request the Entry Point Transfer shall not take place. Acceptance of an Entry Point Transfer Cancellation Request by the Transporter shall not preclude the Shipper from submitting a further or other Entry Point Transfer Request in accordance with this Section 5.

5.2 **Entry Tariff Adjustment Amount**

5.2.1 The Transporter shall, following receipt of an Entry Point Transfer Request:

(a) establish the amount that would be payable, in respect of the Original Entry Point, by the Shipper in respect of the amount of capacity that is to be transferred to the New Entry Point from the start of the GasContract Year in which the Entry Point Transfer Effective Date occurs up to, but not including the Entry Point Transfer Effective Date at such Original Entry Point; and

- (b) establish the amount that would be payable, in respect of the Original Entry Point, by the Shipper in respect of the amount of capacity that is to be transferred to the New Entry Point by reference to Annual Capacity Days.

The amount payable by reference to Annual Capacity Days shall be calculated according to the following formula:

$$\text{Amount} = (\text{ACDP} / \text{ACDT}) * \text{T}$$

where:

ACDP = Annual Capacity Days in the relevant period (the relevant period being the ~~start of the Gas Year~~ period from the first Day of the Entry Capacity Booking Period or the anniversary thereof which immediately precedes the Entry Point Transfer Effective Date, to the Day before the Entry Point Transfer Effective Date);

ACDT = Total number of Annual Capacity Days in ~~the Gas~~ a Year;

T = applicable annual Tariff.

where:

"**Annual Capacity Days**" means in a relevant period the number of Days in the period multiplied by the appropriate multiplier shown in the table below:

Period	Days	Multiplier	Capacity Days
Winter	121	4	484
Shoulder	122	2	244
Summer	122	1	122

5.2.2 Where the amount calculated in Section 5.2.1(a) is greater than the amount calculated in Section 5.2.1(b) then the difference ("**Tariff Rebate**") shall be credited by the Transporter to the Shipper.

5.2.3 Where the amount calculated in Section 5.2.1(a) is less than the amount calculated in Section 5.2.1(b) then the difference ("**Tariff Adjustment Amount**") shall be paid by the Shipper to the Transporter.

- 5.2.4 Where the Transporter has accepted a Deferral Request, the Entry Point Transfer Effective Date used in the calculation in Section 5.2.1 will be replaced with the revised date specified in the Deferral Request and the Tariff Adjustment Amount and/or Tariff Rebate shall be recalculated accordingly.
- 5.2.5 The Shipper shall pay to the Transporter an administrative fee to reflect the costs incurred, or to be incurred, by the Transporter in connection with the administration and implementation of the Entry Point Transfer and/or the cancellation of an Entry Point Transfer and such fee shall be that as agreed between the Commission from time to time and published by the Transporter.
- 5.2.6 For the avoidance of doubt, the Transporter shall include, within invoices issued to the Shipper, any amount due or payable in respect of the relevant **Primary** Entry Capacity Booking up to, but not including, the Entry Point Transfer Effective Date, as though the Entry Point Transfer had not taken place.

6. EXIT CAPACITY

6.1 General

6.1.1 A Shipper shall be entitled to reserve or shall be deemed to reserve Exit Capacity in accordance with the provisions of Sections 6.2 to ~~6.8~~6.8 (as appropriate).

6.1.2 Exit Capacity reservations shall become effective from the LDM Capacity Booking Effective Date of any relevant LDM Agreement, or, as appropriate, from the Day on which a Shipper becomes the Registered Shipper at a DM Offtake or NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

6.1.3 Notwithstanding the execution by a Shipper of a LDM Agreement the Shipper shall not be entitled to exercise any rights in respect of the LDM Exit Capacity (and where applicable LDM Supply Point Capacity) or any other rights pursuant to this Code in connection therewith unless and until such Shipper is a party to the BGT Systems Access Agreement and has been issued with user names and passwords as required pursuant thereto. The Shipper shall however remain liable for all tariffs and Capacity Charges in respect of the capacity reserved pursuant to an LDM Agreement and all financial obligations associated with such capacity.

6.2 LDM Exit Capacity and LDM Agreement Application

6.2.1 LDM Exit Capacity

- (a) A Shipper shall not be entitled to offtake Natural Gas at a LDM Offtake unless the Shipper is party to a LDM Agreement in respect of that LDM Offtake and holds Active LDM Exit Capacity (and Active LDM Supply Point Capacity where relevant) at or in respect of such LDM Offtake.
- (b) The Shipper shall cease to be the holder of LDM Exit Capacity (and LDM Supply Point Capacity where relevant) at the end of the LDM Capacity Booking Period of the LDM Agreement or as otherwise provided in accordance with this Code and any relevant Ancillary Agreement.
- (c) A Shipper which is party to a LDM Agreement may apply to the Transporter for additional LDM Exit Capacity (and where relevant LDM Supply Point Capacity) in respect of the LDM Offtake specified in the LDM Agreement to be effective from the first day of a calendar month.

- (d) Where a Shipper applies for additional LDM Exit Capacity (and where relevant LDM Supply Point Capacity) such application shall be made in accordance with and include the information specified in Section 6.3 and shall also specify the Shipper's existing LDM Agreement.
- (e) For the avoidance of doubt, in the case of Multiple Shippers to a LDM Offtake, a LDM Agreement shall be required for each of the Shippers which shall each be required to hold LDM Exit Capacity (and where relevant LDM Supply Point Capacity).
- (f) A Shipper shall be required to be party to a LDM Agreement at or in respect of a LDM Offtake in order to acquire Secondary Capacity [at or](#) in respect of such LDM Offtake.

6.2.2 **LDM Agreement Application**

- (a) A Shipper shall reserve LDM Exit Capacity (and where relevant LDM Supply Point Capacity) by way of a LDM Agreement. The application for LDM Exit Capacity (and where relevant LDM Supply Point Capacity) will form part of the LDM Agreement application process.
- (b) A Shipper shall apply to the Transporter for LDM Exit Capacity (and where relevant LDM Supply Point Capacity) as part of the LDM Agreement application which shall specify the information required by the Transporter to process the application [as set out in Schedule 1 Part 8](#) including the following:
 - (i) the requested LDM Capacity Booking Effective Date which shall be the first day of the LDM Capacity Booking Period;
 - (ii) the requested LDM Capacity Booking Period which shall commence on the first Day of a calendar month and which shall be of twelve (12) Months in duration and in [whole](#) multiples of twelve (12) Months thereafter;
 - (iii) the LDM Exit Point or the LDM Supply Point at or in respect of which LDM Exit Capacity (and where relevant LDM Supply Point Capacity in (kWh/Day)) is requested;
 - (iv) the requested LDM Exit Capacity (in kWh/Day) and in the case of a LDM Supply Point the requested LDM Supply Point Capacity (in kWh/Day);

- (v) the identity of the applicant Shipper;
 - (vi) ~~the written consent of any relevant~~ if the Shipper is not itself the End User, written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for offtake at the End User's offtake facilities; and
 - (vii) the requested MHQ, pressure and maximum Ramp Rate.
- (c) The Transporter will reject a request for LDM Exit Capacity (and where relevant LDM Supply Point Capacity) and the LDM Agreement application to which it relates for any of the following reasons:
- (i) the LDM Exit Capacity (and where relevant LDM Supply Point Capacity) and LDM Agreement application is not submitted in accordance with Section 6.2.2(b);
 - (ii) the requested pressure is in excess of the Transmission Minimum Pressure (as referred to in Section 1.2.1 Part G (Technical)) and the Shipper and the Transporter have not entered into an agreement for the provision of the requested pressure;
 - (iii) the application specifies an amount of LDM Exit Capacity or amount of LDM Supply Point Capacity greater than that which the Transporter deems to be available for the requested LDM Capacity Booking Period;
 - (iv) the ~~proposed LDM Capacity Effective Date is less than twenty (20) Business Days from the date of the LDM Agreement application;~~
 - ~~(v) the~~ requested MHQ or ~~Ramp Rates~~ ramp rates are in excess of those which the Transporter reasonably believes can be consistently available at the LDM Offtake having regard to inter alia, design parameters and anticipated operating and transportation requirements; or
 - (v) ~~(vi)~~ (to the extent that) the reservation of LDM Exit Capacity (and where relevant LDM Supply Point Capacity) specified in the LDM Agreement application would result in an increase in the amount of financial security to be provided by the Shipper to the Transporter, determined in accordance with the Financial Security Policy, and the Shipper has not within ten (10) Business Days of ~~being notified by~~

~~the Transporter that it has otherwise satisfied the provisions of this Section 6.2.2, submitting the application~~ provided the required financial security so as to satisfy the requirements of the Financial Security Policy; ~~or~~.

~~(vii) the application of Part B (General Principles) so requires.~~

6.2.3 The Transporter may reject (in whole or in part) a request for LDM Exit Capacity and/or a LDM Agreement for any of the following reasons:

(a) where the proposed LDM Capacity Booking Effective Date is less than twenty (20) Business Days after the date of receipt by the Transporter of the LDM Agreement application; or,

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

6.2.4 If the LDM Exit Capacity (and where relevant LDM Supply Point Capacity) and/or LDM Agreement application is rejected, then the Transporter shall provide the reason to the Shipper as soon as reasonably practicable but in any event within three (3) Business Days of such rejection.

6.2.5 Where the Transporter accepts the LDM Exit Capacity (and where relevant LDM Supply Point Capacity) and/or LDM Agreement application the Transporter shall issue not less than seven (7) Business Days prior to the LDM Capacity Booking Effective Date (or such lesser period as may be agreed between the Transporter and the Shipper) to the Shipper the LDM Agreement which shall specify the LDM Capacity Booking Effective Date, the LDM Capacity Booking Period, the LDM Offtake, the LDM Exit Capacity (and in the case of a LDM Supply Point, the LDM Supply Point Capacity (each in kWh/Day)), and the applicable MHQ, pressure, maximum ~~Ramp Rates as specified~~ramp rates as in the LDM Exit Capacity (and where relevant LDM Supply Point Capacity) and/or LDM Agreement application, or as otherwise agreed between the Transporter and the Shipper.

6.2.6 On execution by the Shipper ~~and the Transporter of the LDM Agreement,~~of the LDM Agreement as issued by the Transporter and upon receipt of such duly executed LDM Agreement by the Transporter not less than five (5) Business Days prior to the LDM Capacity Booking Effective Date, each of the Shipper and Transporter shall be bound by such LDM Agreement, and LDM Exit Capacity (and where relevant LDM Supply Point Capacity) shall be reserved by

the Shipper from the LDM Capacity Booking Effective Date as specified in the LDM Agreement.

6.2.7 In the event that the Shipper wishes to vary in any way the LDM Agreement as issued by the Transporter then the LDM Exit Capacity (and where relevant LDM Supply Point Capacity) shall be reserved by the Shipper in the manner and in accordance with the terms specified in the LDM Agreement ((as varied by agreement between the Shipper and the Transporter) including the LDM Capacity Booking Effective Date as specified in the LDM Agreement) on execution by both the Shipper and the Transporter of the LDM Agreement.

6.3 **Application for Additional Capacity**

6.3.1 A Shipper which is party to a LDM Agreement may apply to the Transporter for additional LDM Exit Capacity (and where relevant LDM Supply Point Capacity) at or in respect of the LDM Offtake to which the LDM Agreement relates, to be effective from the first Day of a calendar month of the LDM Capacity Booking Period of such LDM Agreement. Alternatively, the Shipper may apply for an additional LDM Agreement for increased capacity as required.

6.3.2 A Shipper shall apply to the Transporter for additional LDM Exit Capacity (and where relevant LDM Supply Point Capacity) by submitting to the Transporter an application which shall specify the information required by the Transporter to process the application as set out in Schedule 1 Part 9 including the following:

- (a) the requested LDM Capacity Booking Effective Date in respect of the additional capacity requested which shall be the first Day of a calendar month which is the LDM Capacity Booking Effective Date of the relevant LDM Agreement or any anniversary thereof;
- (b) the requested LDM Capacity Booking Period for the additional capacity which shall be a period of twelve (12) Months and in whole multiples of twelve (12) Months thereafter;
- (c) the Shipper's LDM Agreement;
- (d) the LDM Exit Point (and where relevant the LDM Supply Point) at or in respect of which the additional LDM Exit Capacity and/or LDM Supply Point Capacity is requested;

- (e) the requested additional LDM Exit Capacity (in kWh Day) and in the case of a LDM Supply Point the requested additional LDM Supply Point Capacity (in kWh/Day);
- (f) ~~the written consent of any relevant~~ if the Shipper is not itself the End User, written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for Offtake at the End User's offtake facilities; and
- (g) any variations to the MHQ, pressure and maximum ~~Ramp Rates~~ ramp rates requested at the LDM Offtake.

6.3.3 The Transporter will reject a request for additional LDM Exit Capacity (and where relevant LDM Supply Point Capacity) for any of the following reasons:

- (a) the application is not submitted in accordance with Section 6.3.2;
- (b) the application specifies an additional amount of LDM Exit Capacity or additional amount of LDM Supply Point Capacity greater than that which the Transporter deems to be available for the requested LDM Capacity Booking Period (or any part thereof);
- (c) the requested pressure is in excess of the Minimum Pressure and the Shipper and the Transporter have not entered into an agreement for the provision of the requested pressure;
- (d) the requested MHQ or ~~Ramp Rates~~ ramp rates are in excess of those which the Transporter reasonably believes can be consistently available at the LDM Offtake having regard to inter alia, design parameters and anticipated operating and transportation requirements; or
- ~~(e) the proposed LDM Capacity Booking Effective Date is less than twenty (20) Business Days from the date of the application (where relevant);~~
- (e) ~~(f)~~ to the extent that the reservation of the additional LDM Exit Capacity (and where relevant LDM Supply Point Capacity) specified in the application would result in an increase in the amount of financial security to be provided by the Shipper to the Transporter determined in accordance with the Financial Security Policy and the Shipper has not within ten (10) Business Days of ~~being notified by the Transporter that it has otherwise satisfied the provisions of this Section 6.3.3~~ submitting the

application provided the required financial security so as to satisfy the requirements of the Financial Security Policy; ~~or~~

~~(e) — the application of Part B (General Principles) so requires.~~

6.3.4 The Transporter may reject (in whole or in part) a request for additional LDM Exit Capacity and/or additional LDM Supply Point Capacity where :

(a) the proposed LDM Capacity Booking Effective Date is less than 20 Business Days after the date of receipt by the Transporter of the application (where relevant); or

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

6.3.5 If the application for additional LDM Exit Capacity (and LDM Supply Point Capacity where relevant) is rejected then the Transporter shall provide the reason to the Shipper as soon as reasonably practicable, but in any event within three (3) Business Days of such rejection.

6.3.6 Where the Transporter accepts an application for additional LDM Exit Capacity (and LDM Supply Point Capacity where relevant) to be held pursuant to an existing LDM Agreement the Transporter shall not less than seven (7) Business Days prior to the requested additional LDM Capacity Booking Effective Date (or within such other period as may be agreed between the Transporter and the Shipper) issue to the Shipper an addendum to the Shipper's LDM Agreement to reflect such increased capacity in respect of the period from the LDM ~~Exit~~ Capacity Booking Effective Date as specified in the addendum.

6.3.7 Where the LDM Exit Capacity (and LDM Supply Point Capacity where relevant) is increased, the Shipper shall be liable for Capacity Charges in respect of such additional LDM Exit Capacity (and LDM Supply Point Capacity where relevant) which has been booked from the LDM Capacity Booking Effective Date in respect of such additional capacity specified in the addendum to the LDM Agreement. Where the Transporter accepts an application for additional LDM Exit Capacity (and LDM Supply Point Capacity where relevant) any such increase shall also be without prejudice to the ongoing and continued obligation of the Shipper to pay Overrun Charges in respect of the period up to the date upon which the Transporter accepts the Shipper's application for additional LDM Exit Capacity and/or LDM Supply Point Capacity (as appropriate) and notwithstanding that such increased capacity was subsequently applied for and paid for.

~~For the avoidance of doubt, the Transporter shall be deemed to accept an application for additional LDM Exit Capacity (and LDM Supply Point Capacity where relevant) to be held pursuant to an existing LDM Agreement on execution by or on behalf of the Transporter of an addendum, duly executed by the Shipper, to the Shipper's LDM Agreement to reflect such increased capacity.~~

6.3.8 On execution by the Shipper of the addendum to the LDM Agreement as issued by the Transporter and upon receipt of such duly executed addendum by the Transporter not less than five (5) Business Days prior to the LDM Capacity Booking Effective Date (or within such other period as may be agreed between the Transporter and the Shipper) in respect of the additional LDM Exit Capacity (and where relevant LDM Supply Point Capacity) the addendum shall be binding on both the Transporter and the Shipper and such additional LDM Exit Capacity (and where relevant LDM Supply Point Capacity) shall be reserved by the Shipper from the LDM Capacity Booking Effective Date as specified in the addendum to the LDM Agreement.

6.3.9 If the Shipper wishes to vary or alter the addendum to the LDM Agreement as issued by the Transporter then the additional LDM Exit Capacity (and where relevant LDM Supply Point Capacity) shall be reserved by the Shipper in accordance with the terms of the addendum to the LDM Agreement as agreed between the Shipper and the Transporter and upon execution by both the Shipper and the Transporter of the addendum to the LDM Agreement.

6.3.10 ~~6.3.8~~ Where the application relates to LDM Supply Point Capacity the provisions of Section 7.3.4 shall also apply.

6.4 **DM Exit Capacity**

General

6.4.1 A Shipper shall be required to be the Registered Shipper at or in respect of a DM Offtake and hold Active DM Exit Capacity in order to offtake Natural Gas from the Transmission System at or in respect of a DM Offtake.

6.4.2 The Transporter shall enter in the Capacity Register the Transporter Recommended DM Exit Capacity in respect of each DM Offtake.

6.4.3 The Transporter shall reappraise and recalculate the DM Exit Capacity in respect of each DM Offtake in advance of the Gas Year. Such calculation will be in accordance with a methodology approved by the Commission and will be based, inter alia, on the following:

- (a) the peak Natural Gas usage of the relevant DM Offtake in the previous twelve (12) Months; or
 - (b) where the profile of the DM Offtake indicates that it is a temperature sensitive load, the estimated 1-in-50 peak Day consumption.
- 6.4.4 For the avoidance of doubt, the DM Exit Capacity as calculated by the Transporter pursuant to Section 6.4.3 shall be the Transporter Recommended DM Exit with effect from the first Day of the next Gas Year and the Capacity Register shall be updated accordingly.
- 6.4.5 A Shipper shall have:
- (a) a DM Exit Capacity reservation in respect of each DM Offtake at which the Shipper is the Registered Shipper; and
 - (b) a single aggregate Active DM Exit Capacity holding in respect of all DM Offtakes at which the Shipper is the Registered Shipper.
- 6.4.6 The DM Exit Capacity reserved by a Shipper in respect of a DM Offtake shall on a Day, be:
- (a) the initial DM Exit Capacity requested by the Registered Shipper in such Shipper's deemed application for DM Exit Capacity (in accordance with Section 6.5) and accepted by the Transporter as reflected in the Capacity Register where the Shipper becomes the Registered Shipper at such DM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*); and thereafter
 - (b) with effect from the first Day of each Gas Year on which the Shipper is the Registered Shipper at a DM Offtake, the Transporter Recommended DM Exit Capacity entered on the Capacity Register following the annual reappraisal and revision of DM Exit Capacity in accordance with Sections 6.4.3 and 6.4.4,

in each case as amended pursuant to any DM Exit Capacity Revision Request which has been accepted by the Transporter.

6.5 **Application for DM Exit Capacity in respect of a DM Offtake**

- 6.5.1 A Shipper shall be deemed to apply to the Transporter for DM Exit Capacity on submission of a request to become the Registered Shipper at a DM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

- 6.5.2 The Transporter will reject a deemed application for DM Exit Capacity where:
- (a) such application, if accepted would require financial security or an increase in the amount in respect of which financial security is to be provided by the Registered Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not, within ten (10) Business Days of ~~being notified by the Transporter that it has otherwise satisfied the provisions of Part F (Administration) Section 1 (Registered Shipper)~~ submitting such deemed application provided financial security so as to satisfy the requirements of the Financial Security Policy; or
 - (b) such application specifies an amount of DM Exit Capacity which is in excess of the DM Exit Capacity which the Transporter deems to be available; ~~or~~
 - ~~(c) the application of Part B (General Principles) so requires.~~
- 6.5.3 The Transporter may reject (in whole or in part) a deemed application for DM Exit Capacity where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.
- 6.5.4 If a deemed application for DM Exit Capacity is rejected then the Transporter shall provide the reason to the Shipper as soon as reasonably practicable but in any event within three (3) Business Days of such rejection.
- 6.5.5 For the avoidance of doubt, the amount of DM Exit Capacity reserved by a Shipper at or in respect of a DM Offtake shall (subject to the Transporter's right of rejection pursuant to this Section 6.5) be determined by the Shipper (and recorded by the Transporter in the Capacity Register) and, save as otherwise stated in this Section 6.5, and subject to the Transporter's rights under Section 6.5.6, need not be equal to the Transporter Recommended DM Exit Capacity or the DM Exit Capacity that was reserved by the outgoing Shipper in respect of the DM Offtake at the date of submission of the Change of Shipper Request.
- 6.5.6 A Shipper shall not be entitled to reserve less than the amount of DM Exit Capacity as may be specified by the Transporter in respect of a DM Offtake until such time as the Transporter shall have recovered through payment by a Registered Shipper at such DM Offtake, the costs incurred by the Transporter in respect of works undertaken pursuant to any Connection Agreement ~~and/or Siteworks~~ in respect of such DM Offtake.

6.6 DM Exit Capacity Revision

6.6.1 Where a Shipper is the Registered Shipper at a DM Offtake and has reserved or been deemed to have reserved DM Exit Capacity at or in respect of such DM Offtake in accordance with this Section 6 such Shipper may by request to the Transporter ("**DM Exit Capacity Revision Request**") apply to vary such Shipper's DM Exit Capacity reserved in respect of that DM Offtake, in accordance with Section 6.5.

6.6.2 A DM Exit Capacity Revision Request shall specify the information required to process such DM Exit Capacity Revision Request as set out in Schedule 1 Part 10 including:

- (a) the proposed "Effective Date" for the revised booking which shall be:
 - (i) the first day of a calendar month which occurs after acceptance by the Transporter of such DM Exit Capacity Revision Request where the request is to increase the DM Exit Capacity reserved; or
 - (ii) the first Day of the next succeeding Gas Year after acceptance by the Transporter of such DM Exit Capacity Revision Request where the request is to reduce the DM Exit Capacity,
- (b) the proposed DM Exit Capacity (in kWh/Day) for the DM Offtake from the proposed Effective Date;
- (c) the specific DM Offtake in respect of which the DM Exit Capacity Revision Request is made; and
- (d) the identity of the Shipper making the DM Exit Capacity Revision Request.

6.6.3 The Transporter may reject a DM Exit Capacity Revision Request for any of the following reasons:

- (a) the DM Exit Capacity Revision Request is not submitted in accordance with Section 6.6.2;
- (b) the DM Exit Capacity Revision Request specifies an amount of proposed DM Exit Capacity in respect of the relevant DM Offtake Point which is greater than that which the Transporter deems to be available;
- (c) the proposed Effective Date specified in the DM Exit Capacity Revision Request is less than twenty (20) ~~Business Days~~ days from the

~~submission~~ date of receipt by the Transporter of the DM Exit Capacity Revision Request;

- (d) the proposed Effective Date specified in the DM Exit Capacity Revision Request is not achievable having regard to any outstanding Siteworks;
- (e) (to the extent that) the DM Exit Capacity Revision Request requests reservation of additional DM Exit Capacity the increased DM Exit Capacity specified in the DM Exit Capacity Revision Request would if accepted require an increase in the amount in respect of which financial security is to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not, within ten (10) Business Days of ~~being notified by the Transporter that it has otherwise satisfied the provisions of Section 6.6.2,~~ submitting the application provided financial security so as to satisfy the requirements of the Financial Security Policy;
- (f) the DM Exit Capacity Revision Request relates to a reduction in the DM Exit Capacity and the Transporter has not recovered, through payment by a Registered Shipper at such DM Offtake all costs incurred by the Transporter in respect of works undertaken pursuant to any Connection Agreement and/or Siteworks in respect of such DM Offtake; or

~~(g) — the application of Part B (General Principles) so requires; or~~

- ~~(g)~~ (h) the DM Exit Capacity Revision Request relates to an increase in DM Exit Capacity and the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

6.6.4 Where the DM Exit Capacity Revision Request is rejected, the Transporter will provide the reason to the Shipper as soon as reasonably practicable and in any event within three (3) Business Days of such rejection.

6.6.5 Where the Transporter accepts a DM Exit Capacity Revision Request, the DM Exit Capacity reserved by the Shipper in respect of the relevant DM Offtake shall be equal to the amount of DM Exit Capacity specified in the DM Exit Capacity Revision Request from the Effective Date as specified in the DM Exit Capacity Revision Request.

6.6.6 If a Shipper, on becoming a Registered Shipper to a DM Offtake, reserves less than the Transporter Recommended DM Exit Capacity, and such Shipper submits a DM Exit Capacity Revision Request which is accepted by the

Transporter to increase its DM Exit Capacity on the first Day of the Gas Year which commences after the Day upon which the Shipper becomes the Registered Shipper to such DM Offtake, then such Shipper shall be obliged to pay to the Transporter an amount equal to the applicable Tariff together with any Exit Capacity Charges in respect of the difference between the DM Exit Capacity originally reserved and the lesser of:

- (a) the Transporter Recommended DM Exit Capacity as at the time the Shipper became the Registered Shipper to the relevant DM Offtake; and
- (b) the increased DM Exit Capacity reserved by the Shipper at the start of the Gas Year,

and shall pay such amount in respect of the period from the date on which the Shipper became the Registered Shipper to the DM Offtake up to the first Day of the Gas Year in which the increased DM Exit Capacity is effective.

- 6.6.7 A Shipper will cease to be the holder of DM Exit Capacity at or in respect of a DM Offtake, on ceasing to be the Registered Shipper to that DM Offtake in accordance with the provisions of Part F (*Administration*) Section 1 (*Registered Shipper*) subject (and without prejudice) to any ongoing obligations of the Shipper under any relevant Ancillary Agreement and/or any payments as may continue to be due pursuant to any Ancillary Agreement and/or a Connection Agreement.

6.7 **Aggregate DM Exit Capacity**

- 6.7.1 The Aggregate Primary DM Exit Capacity of a Shipper will be increased by an amount equal to the DM Exit Capacity reserved by the Registered Shipper, at or in respect of the DM Offtake at which the Shipper becomes the Registered Shipper in accordance with Part F (*Administration*) Section 1.5.
- 6.7.2 The Aggregate Primary DM Exit Capacity of a Shipper shall be varied to reflect any variation in the DM Exit Capacity reserved by a Shipper pursuant to a DM Exit Capacity Revision Request from the Day on which a DM Exit Capacity Revision Request becomes effective.
- 6.7.3 The Aggregate Primary DM Exit Capacity in respect of a Shipper which ceases to be the Registered Shipper at a DM Offtake in accordance with Part F (*Administration*) will be decreased by an amount equal to the DM Exit Capacity reserved by the Shipper at or in respect of the DM Offtake when the Shipper ceases to be the Registered Shipper at the DM Offtake, provided that any

ongoing obligations of the Shipper under this Code and/or any payment as may be due pursuant to any relevant Ancillary Agreement, Siteworks and/or Connection Agreement shall continue.

6.7.4 Where a Shipper's Aggregate DM Exit Capacity is decreased in accordance with Section 6.7.3 such that the effect of such decrease and any existing Exit Capacity Transfer would be to reduce the Retained Primary DM Exit Capacity to less than zero then:

- (a) the Transporter shall inform the Shipper by 12:00 hours on Day D-1 that it will have a negative Retained Primary DM Exit Capacity holding; and
- (b) the Shipper shall procure the cancellation of one or more DM Exit Capacity Transfers (where it is the Transferor Shipper),

such that the Retained Primary DM Exit Capacity shall be equal to or greater than zero.

6.7.5 Where, by 18:00 hours on D-1, the Shipper fails to take the actions required by Section 6.7.4, the DM Exit Capacity of such one or more other DM Offtakes at which the Shipper is the Registered Shipper shall be increased so that the Retained Primary DM Exit Capacity is equal to zero. This will have effect from D and the Shipper will be liable for charges associated with the increased level of Retained Primary DM Exit Capacity from such Day.

6.8 **NDM Exit Capacity**

6.8.1 NDM Exit Capacity shall be required to be reserved in order for a Shipper to nominate Natural Gas for offtake from the Transmission System to facilitate onward delivery to NDM Supply Point(s) at which the Shipper is the Registered Shipper.

6.8.2 A Shipper shall be deemed to apply for NDM Exit Capacity on submission of a request to become the Registered Shipper ~~to~~ a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*). A Shipper on becoming the Registered Shipper to a NDM Supply Point, in accordance with Part F (*Administration*), shall be deemed to have reserved an amount of NDM Exit Capacity equal to the ~~quantity~~ amount of Supply Point Capacity reserved or deemed to have been reserved by it in respect of such NDM Supply Point.

- 6.8.3 ~~If an application for NDM Exit Capacity would, if accepted, require an increase in the amount of financial security to be provided by the Shipper to the Transporter, as determined in accordance with the Financial Security Policy, and the Shipper has not within ten (10) Business Days of submitting a deemed application for NDM Exit Capacity, provided the required financial security so as to comply with the Financial Security Policy, the~~The Transporter shall reject ~~such~~an application for NDM Exit Capacity if the Shipper is in breach of the Financial Security Policy.
- 6.8.4 The Aggregate Primary NDM Exit Capacity reserved by a Shipper will be increased or reduced to reflect any variations in the Supply Points in respect of which the Shipper is the Registered Shipper.
- 6.8.5 A Shipper shall be deemed to have reserved NDM Exit Capacity in respect of a NDM Supply Point from the first Day on which it becomes the Registered Shipper at a NDM Supply Point.
- 6.8.6 The Aggregate Primary NDM Exit Capacity of any Shipper will be reduced by an amount equal to the NDM Exit Capacity which the Shipper is registered as holding in respect of a NDM Supply Point with effect from the date on which the Shipper ceases to be the Registered Shipper at a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*), subject (and without prejudice) to any ongoing obligations of the Shipper under this Code and/or any payments as may continue to be due pursuant to any Ancillary Agreement and/or a Connection Agreement. For the avoidance of doubt, where a Change of Shipper Request is not accepted by the Transporter for any reason, the then Registered Shipper shall remain the Registered Shipper at the NDM Supply Point.
- 6.8.7 For information purposes only, the Transporter will, on a reasonable endeavours basis, make available to each Shipper no later than 09:00 hours on D-1, its Active NDM Exit Capacity holding for the Day by reference to the Capacity Register at the time such information is made available. For the avoidance of doubt, the Shipper's Active NDM Exit Capacity in respect of a Day may vary from the Active NDM Exit Capacity as made available to the Shipper pursuant to this Section 6.8.7, including as a result of any completed Change of Shipper.
- 6.9 **Exit Capacity Charges**
- 6.9.1 Charges in respect of Exit Capacity ("Exit Capacity Charges") will ~~be set out in~~comprise the capacity component of the applicable Tariff.

6.9.2 A Registered Shipper will be liable to pay to the Transporter:-

- (a) ~~6.9.2 A Registered Shipper will be liable to the Transporter for~~ Exit Capacity Charges in respect of its Primary Exit Capacity from the Exit Capacity Effective Date for the Exit Capacity Booking Period in respect of LDM Exit Capacity; and ~~without prejudice to Section 6.8.6 for so long as the Shipper is the Registered Shipper at a DM Offtake or a NDM Supply Point.~~
- (b) Exit Capacity Charges in respect of Primary DM Exit Capacity reserved at or in respect of a DM Offtake(s) in respect of the period for which such Shipper is Registered Shipper at such DM Offtake(s); and
- (c) without prejudice to Section 6.8.6 Exit Capacity Charges in respect of Primary NDM Exit Capacity reserved in respect of NDM Supply Point(s) in respect of the period for which such Shipper is Registered Shipper at such NDM Supply Point(s); and
- (d) The commodity component of the applicable Tariff in respect of all Natural Gas allocated to such Shipper at or in respect of an Offtake Point(s).
- 6.9.3 Any Shipper that holds Primary Exit Capacity shall be liable for Exit Capacity Charges in respect of such Primary Exit Capacity regardless of any Exit Capacity Transfers that may have been transacted with a counter-party Shipper.
- 6.9.4 Exit Capacity Charges in respect of LDM Exit Capacity will be calculated on a monthly basis and invoiced in accordance with Part I (*Legal and Miscellaneous*) Section ~~{11}~~ (*Invoicing and Payment*).
- 6.9.5 Exit Capacity Charges in respect of DM Exit Capacity will be calculated on a monthly basis taking into account the Aggregate Primary DM Exit Capacity that is held by a Shipper on each Day during the relevant Month and invoiced in accordance with Part I (*Legal and Miscellaneous*) Section ~~{11}~~ (*Invoicing and Payment*).
- 6.9.6 Exit Capacity Charges in respect of NDM Exit Capacity will be calculated on a monthly basis taking into account the Aggregate Primary NDM Exit Capacity which is held by a Shipper on each Day of the relevant Month and invoiced on a monthly basis in accordance with Part I (*Legal and Miscellaneous*) Section ~~{11}~~ (*Invoicing and Payment*).

6.9.7 The amount payable by a Shipper in respect of the commodity component of the Tariff will be calculated on a monthly basis taking into account the aggregate quantity of Natural Gas allocated to such Shipper on each Day of the relevant month and invoiced on a monthly basis in accordance with Part I (*Legal and Miscellaneous*) Section 11 (*Invoicing and Payments*).

7. SUPPLY POINT CAPACITY

7.1 General

7.1.1 A Shipper may become a Registered Shipper at:

- (a) a LDM Supply Point pursuant to a LDM Agreement in accordance with Sections 6.2.2 and 7.3;
- (b) a DM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*); and/or
- (c) a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

7.1.2 Supply Point Capacity will be deemed to be reserved by a Shipper on becoming the Registered Shipper at a Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

7.1.3 The Transporter shall ~~determine~~calculate the Supply Point Capacity for each ~~Proposed~~proposed Supply Point prior to the completion of a Meter Fit at a Proposed ~~Supply~~Offtake Point as follows:

- (a) where it is a Proposed LDM ~~Supply Point~~Offtake, by negotiation with the relevant ~~Shipper prior to signing the relevant LDM Agreement~~party seeking connection of the Proposed LDM Offtake to the Transportation System;
- (b) where it is a Proposed ~~DM Supply Point~~DM Offtake, the amount of DM Supply Point Capacity for a new DM Supply Point calculated in accordance with the ~~Siteworks~~applicable Procedure ~~for a new DM Supply Point(s)~~; and
- (c) where it is a Proposed NDM Supply Point, the amount of NDM Supply Point Capacity for a new NDM Supply Point calculated in accordance with the ~~Siteworks~~applicable Procedure ~~for a new NDM Supply Point(s)~~.

7.1.4 The Transporter shall reappraise and revise (where appropriate) the Supply Point Capacity in respect of each Supply Point annually in advance of each Gas Year. Such reappraisal and revision will be in accordance with a methodology approved by the Commission and will be based, inter alia, on the following:

- (a) for a LDM Supply Point, on the peak Natural Gas usage of the LDM Supply Point in the previous twelve (12) Months;
- (b) for DM Supply Points, the greater of:
 - (i) the peak Natural Gas usage of the relevant DM Supply Point in the previous twelve (12) Months; or
 - (ii) where the profile of the DM Supply Point indicates that it is a temperature sensitive load, the estimated 1-in-50 peak Day consumption; or
 - (iii) the capacity established pursuant to the ~~Siteworks Procedures~~applicable procedures and/or Connection Agreement;
- (c) for a NDM Supply Point the greater of:
 - (i) the estimated 1-in-50 Peak Day consumption in respect thereof; or
 - (ii) the capacity established pursuant to ~~the Siteworks Procedures~~applicable procedures and/or Connection Agreement.

7.1.5 Supply Point Capacity as revised by the Transporter as a result of annual reappraisal and revision pursuant to 7.1.3(a) and 7.1.4(a) above shall be entered on the Capacity Register as the Transporter Recommended LDM Supply Point Capacity.

7.1.6 Supply Point Capacity calculated by the Transporter pursuant to 7.1.3(b) and 7.1.3(c) and pursuant to 7.1.4(b) and 7.1.4(c) shall be entered on the Capacity Register as the Transporter Determined DM Supply Point Capacity or Transporter Determined NDM Supply Point Capacity in respect of the relevant Supply Point (as the case may be).

7.1.7 If the Registered Shipper at a Supply Point reasonably believes that the Transporter has made ~~a material and/or manifest~~an error in its calculation of the Supply Point Capacity applicable to the Supply Point, the Shipper may prior to the commencement of the following Gas Year and within five (5) days of being notified of the Transporter's¹ determination, notify the Transporter, and shall provide such supporting evidence as the Transporter may reasonably require. If the Transporter determines that it has made ~~a material and/or manifest~~an error, it shall revise the Supply Point Capacity applicable to the Supply Point with effect from the commencement of the applicable Gas Year.

7.1.8 For a DM Supply Point and/or a NDM Supply Point, the updated Supply Point Capacity calculated by the Transporter pursuant to Section 7.1.3 and/or 7.1.4 will become effective as from the start of the Gas Year.

7.2 Supply Point Capacity Reservation

7.2.1 The Supply Point Capacity reserved by a Shipper shall:

- (a) ~~(i)~~ in the case of a LDM Supply Point, be the Supply Point Capacity specified in the LDM Agreement, ~~or as varied in accordance with~~ any addendum thereto;
- (b) ~~(ii)~~ in the case of a DM Supply Point, be the Transporter Determined DM Supply Point Capacity or the increased DM Supply Point Capacity accepted by the Transporter pursuant to Section 7.4.7; and
- (c) ~~(iii)~~ in respect of a NDM Supply Point, be the Transporter Determined NDM Supply Point Capacity.

7.3 LDM Supply Point Capacity

7.3.1 A Shipper shall reserve LDM Supply Point Capacity to offtake Natural Gas from the Distribution System at a LDM Supply Point pursuant to a LDM Agreement.

7.3.2 The application for LDM Supply Point Capacity will form part of the LDM Agreement application process in accordance with Section 6.2.2. For the avoidance of doubt, a Shipper ~~transporting Natural Gas to~~ at a LDM Supply Point and holding LDM Supply Point Capacity will also require LDM Exit Capacity, which shall be applied for in accordance with Section 6.2.

7.3.3 On receipt of a LDM Agreement application in respect of a LDM Supply Point from a Shipper in accordance with Section 6.2.2 the Transporter shall inform the Shipper of the Transporter Recommended LDM Supply Point Capacity. The Shipper may reserve a different level of Supply Point Capacity to the Transporter Recommended LDM Supply Point Capacity in accordance with Section 6.2.1(d).

7.3.4 A Shipper which is party to a LDM Agreement may apply to the Transporter for additional LDM Supply Point Capacity at the LDM Supply Point to which the LDM Agreement relates and the provisions of Section 6.3 with respect to an application for additional capacity shall apply mutatis mutandis.

- 7.3.5 The Shipper shall cease to be the holder of LDM Supply Point Capacity at the end of the ~~Supply Point~~LDM Capacity Booking Period in respect of the LDM Supply Point or otherwise in accordance with the provisions of this Code and/or any Ancillary Agreement ~~and/or in the event of a breach of any of its obligations as Shipper.~~
- 7.3.6 In the case of a LDM Supply Point at which there are Multiple Shippers, each of the Multiple Shippers shall execute a LDM Agreement and each of the Multiple Shippers shall be required to hold LDM Supply Point Capacity at that LDM Supply Point.
- 7.3.7 The Maximum Hourly Quantity (MHQ) at a LDM Supply Point shall not exceed 1/16th of the Active LDM Supply Point Capacity. The MHQ at a LDM Supply Point shall be specified in the LDM Agreement.

7.4 **DM Supply Point Capacity**

- 7.4.1 A Shipper shall require DM Supply Point Capacity to enable it to offtake Natural Gas from the Distribution System at a DM Supply Point. For the avoidance of doubt, a Registered Shipper at a DM Supply Point shall also be deemed to reserve DM Exit Capacity when reserving the DM Supply Point Capacity.
- 7.4.2 A Shipper shall be deemed to apply to the Transporter to reserve DM Supply Point Capacity when such Shipper applies to become the Registered Shipper at a DM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*). A Shipper shall be deemed to have reserved the Transporter Determined DM Supply Point Capacity in respect of a DM Supply Point on becoming the Registered Shipper at such DM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).
- 7.4.3 The Shipper shall on or prior to submitting or being deemed to submit an application for DM Supply Point Capacity in respect of a DM Supply Point ascertain the Transporter Determined DM Supply Point Capacity and the Transporter Recommended DM Exit Capacity in respect of such DM Supply Point.
- 7.4.4 The Shipper shall not be entitled to reduce the level of DM Supply Point Capacity below the Transporter Determined DM Supply Point Capacity. The Shipper may vary the level of DM Exit Capacity reserved with respect to the DM Supply Point subject to and in accordance with Section ~~6.4~~6.5 and ~~6.5~~6.6.

7.4.5 If during a Gas Year:

- (a) a Shipper requires an increase in the offtake of Natural Gas at a DM Offtake, the Registered Shipper may make a revision request to increase DM Supply Point Capacity and the process set out in Section 6.6 shall apply mutatis mutandis and the Transporter shall have the additional rights of rejection set out in Section 7.4.6; or
- (b) physical works are to be completed with respect to a DM Supply Point so to increase the capacity of the DM Supply Point, the Registered Shipper may apply to the Transporter in accordance with the provisions of the ~~Siteworks Procedure~~ applicable procedures to increase the DM Supply Point Capacity and associated DM Exit Capacity.

7.4.6 The Transporter may reject an application for such increased DM Supply Point Capacity for any of the following reasons:

- (a) the increased capacity requested is in excess of the capacity which the Transporter deems to be available on the Distribution System or any localised part thereof; or
- (b) the increased DM Supply Point Capacity requested by the Shipper would, if accepted by the Transporter, require an increase in the amount in respect of which financial security is to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not within ten (10) Business Days of ~~being notified by the Transporter that it has otherwise satisfied the provisions of this Section 7.4~~ submitting the application provided financial security so as to satisfy the requirements of the Financial Security Policy.

7.4.7 Where the Transporter accepts the Registered Shipper's application for increased DM Supply Point Capacity, the Shipper shall be deemed to have reserved such increased DM Supply Point Capacity from the date the Capacity Register reflects such increase is to apply and the Transporter Determined DM Supply Point Capacity shall be amended to reflect such increased capacity in the Transporter Determined DM Supply Point Capacity and the Transporter Recommended DM Exit Capacity shall be amended to reflect such increase.

7.4.8 A Shipper will cease to be (a) the Registered Shipper to a DM Supply Point, (b) the holder of DM Supply Point Capacity and (c) the holder of all associated

Primary DM Exit Capacity, on ceasing to be the Registered Shipper to that DM Supply Point in accordance with the provisions of Part F (*Administration*) Section 1 (*Registered Shipper*) subject (and without prejudice) to any accrued liabilities and any ongoing obligations of the Shipper under any relevant Ancillary Agreement and/or any payments as may continue to be due pursuant to an Ancillary Agreement and/or a Connection Agreement and/or Siteworks.

7.4.9 Where a Change of Shipper is not completed then the Registered Shipper shall remain the Registered Shipper in respect of the DM Offtake.

7.4.10 The Maximum Hourly Quantity (MHQ) at a DM Supply Point shall not exceed 1/16th of the DM Supply Point Capacity.

7.5 **NDM Supply Point Capacity**

7.5.1 A Shipper shall be required to have reserved NDM Supply Point Capacity and NDM Exit Capacity to enable it to offtake Natural Gas from the Distribution System at a NDM Supply Point.

7.5.2 A Shipper shall be deemed to apply to the Transporter to reserve NDM Supply Point Capacity when such Shipper applies to become the Registered Shipper at a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*). A Shipper shall be deemed to have reserved the Transporter Determined NDM Supply Point Capacity in respect of a NDM Supply Point on becoming the Registered Shipper at such NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

7.5.3 The NDM Exit Capacity deemed to be reserved by the Registered Shipper in respect of a NDM Supply Point shall be equal to the amount of Transporter Determined NDM Supply Point Capacity.

7.5.4 The Shipper shall cease to: (a) be the Registered Shipper at a NDM Supply Point and (b) hold NDM Supply Point Capacity in respect of the NDM Supply Point and (c) hold the associated NDM Exit Capacity in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*) subject (and without prejudice) to any outstanding obligations of the Shipper under any relevant Ancillary Agreement (including, for the avoidance of doubt, any [Operational Siteworks Services](#) Agreement/Connection Agreement) and/or any payment as may continue to be due pursuant to such [Operational Siteworks Services Agreement](#), Ancillary Agreement and/or Connection Agreement).

- 7.5.5 Where a Change of Shipper Request in respect of a NDM Supply Point is not completed for any reason the then Registered Shipper shall remain the Registered Shipper in respect of the NDM Supply Point.

8. EXIT CAPACITY TRANSFERS

8.1 Definitions

8.1.1 For the purposes of this Code:

- (a) **"Exit Capacity Transfer"** means the transfer by a Transferor Shipper of Retained Primary Exit Capacity to a Transferee Shipper to increase such Transferee Shipper's Active LDM Exit Capacity in respect of a LDM Offtake, or to increase the Active Aggregate DM Exit Capacity or Active Aggregate NDM Exit Capacity of the Transferee Shipper in accordance with the remaining provisions of this Section 8;
- (b) **"Exit Capacity Transfer Request"** means an application by a Transferor Shipper to the Transporter in accordance with Section ~~8.3.3~~ 8.3.2;
- (c) **"Transferor Shipper"** means (in the context of this Section 8 only) the Registered Shipper transferring all or a portion of such Shipper's Retained Primary Exit Capacity in accordance with the provisions of this Section 8;
- (d) **"Transferee Shipper"** means (in the context of this Section 8 only) a Registered Shipper to whom Retained Primary Exit Capacity is transferred or intended to be transferred in accordance with the provisions of this Section 8;
- (e) **"Retained Primary Exit Capacity"** means Retained Primary LDM Exit Capacity or Retained Primary DM Exit Capacity or Retained Primary NDM Exit Capacity as the case may be;
- (f) **"Retained Primary LDM Exit Capacity"** means that part of a Shipper's Active LDM Exit Capacity held pursuant to a LDM Agreement in respect of a LDM Offtake that is not Secondary Capacity;
- (g) **"Retained Primary DM Exit Capacity"** means that part of a Shipper's Active DM Exit Capacity that is not Secondary Capacity; and
- (h) **"Retained Primary NDM Exit Capacity"** means that part of a Shipper's Active NDM Exit Capacity that is not Secondary Capacity.

8.2 General

- 8.2.1 A Shipper shall not be permitted to transfer Secondary Exit Capacity.
- 8.2.2 The Transferee Shipper may be one and the same as the Transferor Shipper in which case an Exit Capacity Transfer Request, an Exit Capacity Transfer Update Request or an Exit Capacity Transfer Reduction Request may be deemed to constitute the acceptance thereof by the Transferee Shipper for the purpose of this Section ~~8-8~~, provided in the case of an Exit Capacity Transfer Request the Transporter shall have been notified of all relevant information including the category of Exit Capacity of the Transferee Shipper to which the proposed amount of Exit Capacity is to be transferred (i.e. LDM Exit Capacity, Active DM Exit Capacity or Active NDM Exit Capacity) and in the case of LDM Exit Capacity the LDM Offtake and the LDM Agreement.
- 8.2.3 The provisions of this Section 8 shall only apply to Exit Capacity and for the avoidance of doubt Supply Point Capacity may not be transferred save in accordance with Section 9.
- 8.2.4 An Exit Capacity Transfer may take place for any Day or consecutive Days for which the Transferor Shipper is registered as the holder of such Retained Primary Exit Capacity.
- 8.2.5 A Transferor Shipper shall submit a separate Exit Capacity Transfer for each category of Retained Primary Exit Capacity to be transferred, and each Exit Capacity Transfer Request may only specify one Transferee Shipper ~~and~~. For the avoidance of doubt a Shipper may submit multiple Exit Capacity Transfer Requests in respect of the same Transferee Shipper.
- 8.2.6 A Transferee Shipper shall specify only one category of Exit Capacity ~~of the Transferee Shipper~~ in its notice of acceptance of an Exit Capacity Transfer (i.e. LDM Exit Capacity, Active DM Exit Capacity or Active NDM Exit Capacity) and in the case of LDM Exit Capacity the LDM Offtake and the LDM Agreement.
- 8.2.7 ~~8.2.6~~ Without prejudice to the generality of Section 8.2.4 above, the duration of a LDM Exit Capacity Transfer cannot exceed the ~~Primary-LDM-Exit~~ Capacity Booking Period of the Transferor Shipper nor the term of the LDM Agreement of the Transferee Shipper.
- 8.2.8 ~~8.2.7~~ The approval by the Transporter of an Exit Capacity Transfer, an Exit Capacity Reduction Request or an Exit Capacity Update Request shall not affect the Transporter's right to reject Nominations or Renominations in accordance

with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*)
Section 2 (*Nominations*).

8.3 Exit Capacity Transfer Process

8.3.1 A Transferor Shipper shall request the Transporter to effect an Exit Capacity Transfer by submitting an Exit Capacity Transfer Request in accordance with Section 8.3.2 not later than 16:00 hours on D-1.

8.3.2 An Exit Capacity Transfer Request submitted by the Transferor Shipper shall specify the information required by the Transporter to process such Exit Capacity Transfer Request [as set out in Schedule 1 Part 11](#) including:

- (a) the identities of the Transferor Shipper and the Transferee Shipper (which may be the same);
- (b) the category of Retained Primary Exit Capacity from which the Transferor Shipper wishes to effect the Exit Capacity Transfer and, in the case of Retained Primary LDM Exit Capacity, the LDM Offtake and LDM Agreement;

~~(c) the category of Exit Capacity of the Transferee Shipper to which the proposed amount of the Exit Capacity is to be transferred (i.e. LDM Exit Capacity, Active DM Exit Capacity or Active NDM Exit Capacity) and in the case of LDM Exit Capacity the LDM Offtake;~~

~~(c)~~ ~~(d)~~ the proposed amount of Exit Capacity to be transferred (in kWh/Day);

~~(d)~~ ~~(e)~~ the proposed amount of Exit Capacity to be retained (in kWh/Day):

- (i) at or in respect of the LDM Offtake where the category of Retained Primary Capacity identified at (b) above is LDM Exit Capacity; or
- (ii) the Retained Primary DM Exit Capacity or Retained Primary NDM Exit Capacity in the event the Exit Capacity Transfer is effected where the category of Retained Primary Exit Capacity referred to at (b) above is Retained Primary DM Exit Capacity or Retained Primary NDM Exit Capacity; and

~~(e)~~ ~~(f)~~ the proposed period of Exit Capacity Transfer (~~"Exit Capacity Transfer Period"~~) which must specify both the start Day and end Day and which shall include all consecutive Days between the start Day and the end Day.

8.3.3 The Transporter will reject the Exit Capacity Transfer Request for any of the following reasons:

- (a) the Exit Capacity Transfer Request is not submitted by the Transferor Shipper in accordance with Section 8.3.2;
- (b) the Transferee Shipper has not notified the Transporter of its acceptance of the Exit Capacity Transfer Request (not being a Within Day Exit Capacity Transfer Request) specifying the category of Exit Capacity of the Transferee Shipper to which the proposed amount of the Exit Capacity is to be transferred (i.e. LDM Exit Capacity, Active DM Exit Capacity or Active NDM Exit Capacity) and in the case of LDM Exit Capacity the LDM Offtake and relevant LDM Agreement by 16:00 hours on D-1;
- (c) the Exit Capacity Transfer specifies more than one category of Retained Primary Capacity of the Transferor Shipper;
- (d) the Exit Capacity Transfer specifies more than one category of Exit Capacity in respect of the Transferee Shipper;
- (e) the Transferee Shipper is not party to a LDM Agreement where the Exit Capacity Transfer is to or in respect of a LDM Offtake;
- ~~(f) ten (10) Business Days notice has not been given in the case where the Exit Capacity Transfer Request relates to a first Exit Capacity Transfer between the same Shippers with respect to the same category of Retained Primary Exit Capacity;~~
- (f) ~~(g)~~ the time of submission of a second or subsequent Exit Capacity Transfer Request is after 16:00 hours on D-1 and the additional information with regard to Within-Day Exit Capacity Transfers is not submitted in accordance with Section 8.4.3;
- (g) ~~(h)~~ the effect of the proposed Exit Capacity Transfer would be to reduce the Transferor Shipper's Retained Primary Exit Capacity to less than zero for all or any part of the duration of the ~~Exit Capacity Transfer Period;~~ period specified pursuant to Section 8.3.2(e); or
- (h) ~~(i)~~ a Valid IBP Nomination has been submitted by the Transferor Shipper utilising all or part of the Exit Capacity that is the subject matter of an Exit Capacity Transfer Request; ~~or.~~
- ~~(i) the application of Part B (General Principles) so requires.~~

8.3.4 The Transporter may reject ~~(in whole or in part) an~~the Exit Capacity Transfer Request where ~~the Transferor Shipper and/or the Transferee Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.;~~

(a) ~~8.3.5 The Transporter may reject the Exit Capacity Transfer Request where~~ a Valid Exit Nomination has been submitted by the Transferor Shipper utilising all or part of the Exit Capacity that is the subject matter of the Exit Capacity Transfer Request; or

(b) ten (10) days notice has not been given in the case where the Exit Capacity Transfer Request relates to a first Exit Capacity Transfer between the same Shippers with respect to the same category of Retained Primary Exit Capacity.

8.3.5 ~~8.3.6~~ The Transporter shall have the right for operational reasons, to:

- (a) reject any Exit Capacity Transfer Request;
- (b) limit the amount of Exit Capacity that can be transferred; or
- (c) cancel (in whole or in part) any Exit Capacity Transfer.

8.3.6 ~~8.3.7~~ Where the Transporter has rejected an Exit Capacity Transfer Request, or has limited, cancelled or imposed conditions upon an Exit Capacity Transfer then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notification of such rejection.

8.3.7 ~~8.3.8~~ Where an Exit Capacity Transfer is limited by the Transporter then the Transferor Shipper may, if it wishes to do so, amend the amount contained in the Exit Capacity Transfer Request to that specified by the Transporter, and in the event that the Transferor Shipper does not so amend the amount contained in the Exit Capacity Transfer Request then the Transporter shall reject the Exit Capacity Transfer Request.

8.3.8 ~~8.3.9~~ An Exit Capacity Transfer Request shall unless rejected within two (2) hours of receipt by the Transporter of the notice of acceptance of the Exit Capacity Transfer Request by the Transferee Shipper specifying the category of Exit Capacity of the Transferee Shipper to which the proposed amount of Exit Capacity is to be transferred (i.e. LDM Exit Capacity, Active DM Exit Capacity or Active NDM Exit Capacity) and in the case of LDM Exit Capacity the LDM Exit Capacity, the LDM Offtake and LDM Agreement, be deemed accepted by the Transporter.

8.3.9 ~~8.3.10~~ On approval by the Transporter of an Exit Capacity Transfer, the Active Exit Capacity and Retained Primary Exit Capacity of the Transferor Shipper shall be reduced by the amount of capacity the subject matter of the Exit Capacity Transfer, and the Active Exit Capacity of the Transferee Shipper shall be increased by the amount specified in the Exit Capacity Transfer Request (as amended where appropriate).

8.3.10 ~~8.3.11~~ Where an Exit Capacity Transfer has taken place, the Transferor Shipper shall nonetheless remain liable to the Transporter for Capacity Charges in respect of the Primary Exit Capacity as if the Exit Capacity Transfer had not taken place and the Transferor Shipper and the Transferee Shipper (as the case may be) shall be liable to the Transporter for all other charges in accordance with this Code.

8.3.11 ~~8.3.12~~ An Exit Capacity Transfer shall be terminated:

- (a) if either the Transferor Shipper or the Transferee Shipper ceases to be a Shipper under the terms of the Code; and/or
- (b) where the Exit Capacity Transfer relates to LDM Exit Capacity:
 - (i) from the Day of termination of the ~~Exit~~LDM Capacity Booking Period (for any reason) of the Transferor Shipper's LDM Agreement; or
 - (ii) from the Day that the Transferor Shipper or the Transferee Shipper is no longer a party (whether due to termination, expiry or another reason) to the relevant LDM Agreements to which the transfer relates.

8.4 **Within-Day Exit Capacity Transfers**

8.4.1 Without prejudice to the matters outlined in Sections 8.2 and 8.3 above, the following provisions of Section 8 shall apply to Within-Day Exit Capacity Transfers.

8.4.2 An Exit Capacity Transfer Request that is received after 16:00 hours on D-1 and on or before ~~23~~01:45 hours on D shall be a request for a ~~"~~" **Within-Day Exit Capacity Transfer**~~"~~". A Transferor Shipper may only request a Within-Day Exit Capacity Transfer where an Exit Capacity Transfer has previously been effected between the same Transferor Shipper and Transferee Shipper, in

respect of the same category of Exit Capacity, and where relevant in respect of the same LDM Offtake(s) and LDM Agreement(s).

8.4.3 In order to effect a Within-Day Exit Capacity Transfer, the Transferor Shipper shall submit to the Transporter a Exit Capacity Transfer Request (“a Within-Day Exit Capacity Transfer Request”) which shall specify the information required by the Transporter to process such Within-Day Exit Capacity Transfer Request as set out in Schedule 1 Part 12 including:

- (a) the information required pursuant to Section 8.3.2(a) to 8.3.2(ed); and
- (b) the ~~duration of Day to which~~ the Within-Day Exit Capacity Transfer ~~which shall be limited to one Day~~ relates.

~~8.4.4 Where the capacity transferred is to form part of the Transferee Shipper's Secondary Capacity at or in respect of a LDM Offtake (the "Secondary Exit Point"), the amount of Exit Capacity that may be transferred from the Primary Exit Point to the Secondary Exit Point shall:~~

8.4.4 ~~(a) if the Within-Day Exit Capacity Transfer Request is to take effect at or prior to 06:00 hours on D;~~ Where the capacity transferred is to form part of the Transferee Shipper's Secondary Capacity at or in respect of a LDM Offtake (the "Secondary Exit Point"), the amount of Exit Capacity that may be transferred to the Secondary Exit Point shall not exceed the difference between the Active LDM Exit Capacity at the Secondary Exit Point and the MHQ x 24 at such Secondary Exit Point (including for the avoidance of doubt any capacity otherwise transferred to the Secondary Exit Point in respect of D); ~~and~~.

~~(b) if the Within-Day Exit Capacity Transfer Request is to take effect after 06:00 hours on D shall not exceed the MHQ multiplied by the remaining hours in the Day (D) after the Capacity Transfer becomes effective provided that in any event, Active Capacity (including for the avoidance of doubt any capacity otherwise transferred to the Secondary Exit Point shall not exceed the MHQ x 24 at such Secondary Exit Point).~~

8.4.5 In order for the Within-Day Exit Capacity Transfer Request to be processed the Transferee Shipper must first notify the Transporter that it accepts the terms of the Within-Day Exit Capacity Transfer and specify the category of Exit Capacity of the Transferee Shipper to which the proposed amount of Exit Capacity is to be transferred (i.e. LDM Exit Capacity, Active DM Exit Capacity or Active NDM Exit Capacity and in the case of LDM Exit Capacity the LDM

Offtake and the LDM Agreement that has been submitted by the Transferor Shipper by ~~23:45~~01:45 hours on D.

- 8.4.6 The Transporter will reject a Within-Day Exit Capacity Transfer Request:
- (a) for any of the reasons specified in Section 8.3.3 (other than 8.3.3(b));
 - (b) if the Transferee Shipper has failed to notify the Transporter of its acceptance of the Within Day Exit Capacity Transfer ~~by 23:~~specifying the category of Exit Capacity of the Transferee Shipper to which the proposed amount of Exit Capacity is to be transferred (i.e. LDM Exit Capacity, Active DM Exit Capacity or Active NDM Exit Capacity and in the case of LDM Exit Capacity the LDM Offtake and the LDM Agreement by 01:45 hours on D;
 - (c) if the Within-Day Exit Capacity Transfer Request ~~is not submitted by the Transferor Shipper in accordance with Section 8.4.2 or 8.4.3~~does not specify the Day to which it relates; or
 - (d) if a previous Exit Capacity Transfer has not been effected between the Transferor Shipper and the Transferee Shipper in respect of the same category of Exit Capacity.

Where a Within Day Exit Capacity Transfer Request is rejected in accordance with this Section 8.4.6 the Transporter shall inform the Transferor Shipper and the Transferee Shipper of the reason for such rejection with the notice of rejection.

- 8.4.7 ~~The Transporter shall use reasonable endeavours to accept or reject Within Day Exit Capacity Transfer Requests as soon as reasonably practicable but in any event within two (2) hours of receiving notification of its acceptance of such Within Day Exit Capacity Transfer Request from the Transferee Shipper.~~ A Within-Day Exit Capacity Transfer Request that is not accepted or rejected by the Transporter within two (2) hours of receipt by the Transporter of the notice of acceptance of the Within Day Exit Capacity Transfer Request specifying the category of Exit Capacity of the Transferee Shipper to which the proposed amount of Exit Capacity is to be transferred (i.e. LDM Exit Capacity, Active DM Exit Capacity or Active NDM Exit Capacity and in the case of LDM Exit Capacity the LDM Offtake and the LDM Agreement from the Transferee Shipper shall be deemed to be accepted.

8.4.8 A Within-Day Exit Capacity Transfer Request that is accepted by the Transporter shall become effective on the hour which is two (2) hours following receipt by the Transporter of notice of acceptance of such Within-Day Exit Capacity Transfer Request from the Transferee Shipper.

8.4.9 Where a Within-Day Exit Capacity Transfer has been accepted, the Transferor Shipper shall remain liable for Capacity Charges in respect of the Primary Exit Capacity as if the Exit Capacity Transfer had not taken place. All other charges shall be payable by the Transferor Shipper or the Transferee Shipper (as the case may be) in accordance with this Code.

8.5 **Exit Capacity Transfer Update**

8.5.1 An Exit Capacity Transfer which has been accepted by the Transporter may, subject to agreement by the Transporter, be updated to amend the Exit Capacity Transfer amount and/or the start Day or end Day prior to 16:00 hours on D-1 by request to the Transporter (an "Exit Capacity Transfer Update Request") to be submitted by the Transferor Shipper and accepted by the Transferee Shipper.

8.5.2 In order to update an Exit Capacity Transfer, the Transferor Shipper shall submit an Exit Capacity Transfer Update Request which shall specify the information required by the Transporter to process the Exit Capacity Transfer Update Request as set out in Schedule 1 Part 13 including:

(a) the Exit Capacity Transfer to which the update relates (identified by the reference assigned to such Exit Capacity Transfer);

~~(b) the requested start Day of the Exit Capacity Transfer Update;~~

(b) ~~(e)~~ the requested end Day, if the Exit Capacity Transfer Update Request is a request to change the end Day of the Exit Capacity Transfer;

(c) ~~(d)~~ the revised amount of Exit Point Capacity (in kWh/Day) to be specified in the updated Exit Capacity Transfer; and

(d) ~~(e)~~ the specific Day on which such ~~Exit Capacity Transfer Update Request~~update is to commence.

8.5.3 The Exit Capacity Transfer Update Request, if accepted by the Transporter, shall take effect on the Day specified in the Exit Capacity Transfer Update Request and shall (where the request is to vary the amount specified in the Exit Capacity Transfer) apply in respect of that Day and all of the remaining period of the Exit Capacity Transfer.

8.5.4 The Transporter will reject the Exit Capacity Transfer Update Request for any of the following reasons:

- (a) if the Exit Capacity Transfer Update Request is not submitted in accordance with Section 8.5.2;
- (b) the time of submission of the Exit Capacity Transfer Update Request is after 16:00 hours on D-1;
- (c) the Transferee Shipper has not given notice of acceptance of the Exit Capacity Transfer Update Request to the Transporter by 16:00 hours on D-1;
- (d) a Valid IBP Nomination has been submitted by the Transferor Shipper or the Transferee Shipper (as the case may be) utilising all or part of the Exit Capacity that is the subject matter of an Exit Capacity Transfer Update Request;

~~(e) the application of Part B (General Principles) so requires;~~

(e) ~~(e)~~ the Exit Capacity Transfer Update Request requests an increased quantity of Exit Capacity and the revised amount is in excess of the Transferor Shipper's Retained Primary Exit Capacity; or

(f) ~~(e)~~ the requested extended period of the Exit Capacity Transfer would if accepted result in an Exit Capacity Transfer in excess of the Transferor Shipper's Retained Primary Exit Capacity.

8.5.5 The Transporter may reject an Exit Capacity Transfer Update Request where a Valid Exit Nomination has been submitted by the Transferor Shipper or Transferee Shipper utilising all or part of the Exit Capacity that is the subject matter of the Exit Capacity Transfer Update Request.

~~8.5.6 The Transporter may reject (in whole or in part) an Exit Capacity Transfer Update Request where the Transferor Shipper and/or Transferee Shipper is (or would otherwise be) in breach of the Code and/or any Ancillary Agreement.~~

8.5.6 ~~8.5.7~~ The Transporter shall have the right for operational reasons to:

- (a) reject an Exit Capacity Transfer Update Request; or
- (b) limit the amount of Exit Capacity to which the Update may relate.

8.5.7 ~~8.5.8~~ Where the Transporter has rejected in whole or in part an Exit Capacity Transfer Update Request, or has limited or imposed conditions upon the Exit Capacity Transfer Update then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notification of the rejection or limitation.

8.5.8 ~~8.5.9~~ An Exit Capacity Transfer Update Request shall be accepted or rejected by the Transporter as soon as reasonably practicable but in any event within two (2) hours of receipt by the Transporter of the acceptance by the Transferee Shipper of the terms of the Exit Capacity Transfer Update Request submitted by the Transferor Shipper.

8.5.9 ~~8.5.10~~ If an Exit Capacity Transfer Update Request is neither accepted nor rejected by the Transporter within two (2) hours of receipt by the Transporter of the notice of acceptance by the Transferee Shipper of the terms of the Exit Capacity Transfer Update Request then the Exit Capacity Transfer Update Request shall be deemed to be accepted by the Transporter.

8.6 **Exit Capacity Transfer Reduction**

8.6.1 An Exit Capacity Transfer may, subject to agreement by the Transporter, be reduced for a single Day by notice to the Transporter (an ~~"Exit Capacity Transfer Reduction Request"~~) to be submitted by the Transferor Shipper and accepted by the Transferee Shipper between 16:00 hours on D-1 and ~~23:01~~:45 hours on D.

8.6.2 In order to reduce an Exit Capacity Transfer, the Transferor Shipper shall submit an Exit Capacity Transfer Reduction Request which shall specify the information required by the Transporter to process the Exit Capacity Transfer Reduction Request as set out in Schedule 1 Part 14 including:

- (a) the Exit Capacity Transfer to which the reduction relates (identified by the reference assigned to such Exit Capacity Transfer);
- (b) the revised amount of Exit Capacity (in kWh/Day) to which the Exit Capacity Transfer will relate (if the Exit Capacity Transfer Reduction Request is accepted by the Transporter);
- (c) the Day to which the ~~Entry~~Exit Capacity ~~Trade~~Transfer Reduction Request relates.

8.6.3 A ~~Within Day~~within day Exit Capacity Transfer Reduction Request shall be subject to the limitations specified in Section ~~8.4.4~~8.4.3.

8.6.4 The Transporter will reject the Exit Capacity Transfer Reduction Request for any of the following reasons:

(a) the Exit Capacity Transfer Reduction Request is not submitted in accordance with Section 8.6.2;

(b) the time of submission of such Exit Capacity Transfer Reduction Request is after ~~2301~~2301:45 hours on D;

(c) the amount of Exit Point Capacity specified in the Exit Capacity Transfer Reduction Request is greater than the amount of the original Exit Capacity Transfer (or as previously updated or reduced where relevant) to which the reduction relates;

(d) the ~~Exit Capacity Transfer Reduction Request relates to a Within Day Exit Capacity Reduction Request and the amount specified in the Exit Capacity Transfer Reduction Request is in excess of the limits of Section 8.4.4;~~

~~(e) the~~ Transferee Shipper has not given the Transporter notice of acceptance of the Exit Capacity Transfer Reduction Request by ~~2301~~2301:45 hours on D;

~~(e)~~ (e) the Exit Capacity Transfer Reduction Request is the ~~third~~fourth or subsequent Exit Capacity Transfer Reduction Request to be submitted by the same Transferor Shipper and to be accepted by the same Transferee Shipper in respect of the same Exit Capacity Transfer in respect of any Day; or

(f) ~~(e)~~ a Valid IBP Nomination has been submitted by the Transferee Shipper utilising the Exit Capacity that is the subject matter of the Exit Capacity Transfer Reduction Request; ~~or~~

~~(h) the application of Part B (General Principles) so requires.~~

~~8.6.5 The Transporter may reject the Exit Capacity Transfer Reduction Request where the either the Transferor Shipper and/or Transferee Shipper is (or would otherwise be) in breach of the Code and/or any Ancillary Agreement.~~

8.6.5 ~~8.6.6~~ In order for the Exit Capacity Transfer Reduction Request to be processed by the Transporter the Transferee Shipper must first notify the Transporter that

it accepts the terms of the Exit Capacity Transfer Reduction Request that has been submitted by the Transferor Shipper.

8.6.6 ~~8.6.7~~ The Transporter may reject the Exit Capacity Transfer Reduction Request where a Valid Exit Nomination has been submitted by the Transferee Shipper utilising all or part of the Exit Capacity that is the subject matter of the Exit Capacity Transfer Reduction Request.

8.6.7 ~~8.6.8~~ The Transporter shall have the right for operational reasons to:

- (a) reject the Exit Capacity Transfer Reduction Request; or
- (b) limit the amount of Exit Capacity to which the Reduction may relate.

8.6.8 ~~8.6.9~~ Where the Transporter has rejected in whole or in part an Exit Capacity Transfer Reduction Request, then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notification of the rejection.

8.6.9 ~~8.6.10~~ An Exit Capacity Transfer Reduction Request that has not been accepted or rejected by the Transporter within two (2) hours of receipt by the Transporter of the notice of acceptance of the Exit Capacity Transfer Reduction Request from the Transferor Shipper shall be deemed accepted.

8.6.10 ~~8.6.11~~ An Exit Capacity Transfer Reduction Request that is accepted by the Transporter shall become effective on the hour that is not less than two (2) hours following receipt by the Transporter of notice from the Transferee Shipper that it accepts the terms of the Exit Capacity Transfer Reduction Request.

8.6.11 ~~8.6.12~~ Upon acceptance by the Transporter of an Exit Capacity Transfer Reduction, the Active Exit Capacity of the Transferor Shipper will be increased by the amount specified in the Exit Capacity Transfer Reduction Request and the Active Exit Capacity of the Transferee Shipper will be reduced by the corresponding amount.

9. MULTIPLE SHIPPER LDM SUPPLY POINT TITLE TRANSFERS

9.1 Overview

- 9.1.1 **“Retained Primary LDM Supply Point Capacity”** means that part of a Shipper’s Active LDM Supply Point Capacity that is not Secondary Capacity.
- 9.1.2 **“Multiple Shipper LDM Supply Point”** means on a Day a LDM Supply Point in respect of which there are two or more ~~Shippers have~~ valid and subsisting LDM Agreements.
- 9.1.3 A Shipper (the **“Transferor Shipper”**) may transfer all or part of its Retained Primary LDM Supply Point Capacity reserved in respect of a particular Multiple Shipper LDM Supply Point in accordance with the LDM Agreement to another Shipper (the **“Transferee Shipper”**) such that the LDM Supply Point Capacity transferred will form (or form part of) the Transferee Shipper’s Secondary Capacity at the same LDM Supply Point (**“LDM Supply Point Capacity Title Transfer”**). For the avoidance of doubt, ~~the Transferor Shipper may be one and the same as the Transferee Shipper.~~ Supply Point Capacity cannot be transferred between LDM Supply Points or other than in accordance with this Section 9.
- 9.1.4 A LDM Supply Point Capacity Title Transfer is an arrangement between a Transferor Shipper and a Transferee Shipper whereby certain of the rights of the Transferor Shipper in relation to LDM Supply Point Capacity may be exercised by the Transferee Shipper in accordance with the provisions of this Code and the Transferee Shipper shall be subject to certain obligations in relation to such capacity. For the avoidance of doubt, if a Transferor Shipper wishes to also transfer the LDM Exit Capacity associated with the LDM Supply Point Capacity, which is the subject of the LDM Supply Point Capacity Title Transfer, it shall be required to submit a separate Exit Capacity Transfer Request in accordance with the provisions of Section 8.
- 9.1.5 A LDM Supply Point Capacity Title Transfer may take place for any Day or consecutive Days for which the Transferor Shipper is registered as the holder of Primary LDM Supply Point Capacity in accordance with the provisions of this Section 9.1. For the avoidance of doubt, the amount to be transferred under a LDM Supply Point Capacity Title Transfer shall not exceed the Retained Primary LDM Supply Point Capacity of the Transferor Shipper.

9.1.6 The Transferor Shipper shall, in order to effect a LDM Supply Point Capacity Title Transfer, notify the Transporter by way of request ("~~LDM Supply Point Capacity Title Transfer Request~~"), which shall specify the information required by the Transporter to process the LDM Supply Point Capacity Title Transfer Request as set out in Schedule 1 Part 15 including:

- (a) the identities of the Transferor Shipper and the Transferee Shipper;
- (b) the LDM Supply Point in respect of which the LDM Supply Point Capacity Title Transfer is to take place;
- (c) the LDM Agreement of the Transferor Shipper;
- (d) ~~(e)~~ the LDM Supply Point Capacity Booking ~~Reference~~reference of the relevant Primary Capacity;
- (e) ~~(d)~~ the intended amount of LDM Supply Point Capacity the subject matter of the proposed LDM Supply Point Capacity Title Transfer ~~(the "LDM Supply Point Capacity Title Transfer Quantity")~~ (in kWh/Day);
and
- (f) ~~(e)~~ the period of the proposed LDM Supply Point Capacity Title Transfer, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.

9.1.7 Subject as hereinafter provided, such LDM Supply Point Capacity Title Transfer Request must be submitted to the Transporter after 06:00 hours on Day D-31 and on or before ~~2301~~2301:45 hours on the Day in respect of which the proposed LDM Supply Point Capacity Title Transfer is to commence.

9.1.8 The Transporter will reject the LDM Supply Point Capacity Title Transfer Request for any of the following reasons:

- (a) the LDM Supply Point Capacity Title Transfer Request is not submitted by the Transferor Shipper in accordance with the provisions of Section 9.1.5 and 9.1.6;
- (b) the Transferee Shipper has not given notice of acceptance of the LDM Supply Point Capacity Title Transfer Request specifying the LDM Agreement of the Transferee Shipper to the Transporter by ~~2301~~2301:45 on D;
- (c) the LDM Supply Point Capacity Title Transfer Request is made before 06:00 hours on Day D-31 or after ~~2301~~2301:45 hours on D; or

- (d) the effect of the LDM Supply Point Capacity Title Transfer would be to reduce the Transferor Shipper's Retained Primary LDM Supply Point Capacity at the LDM Supply Point to less than zero; (taking into account any prior and subsisting LDM Supply Point Capacity Title Transfers); ~~or~~

~~(e) — the application of Part B (General Principles) so requires.~~

9.1.9 The Transporter may reject (in whole or in part) a LDM Supply Point Capacity Title Transfer Request where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

9.1.10 In order for the LDM Supply Point Capacity Title Transfer Request to be processed by the Transporter, the Transferee Shipper must first notify the Transporter that it accepts the terms of the LDM Supply Point Title Transfer Request that has been submitted by the Transferor Shipper and notifying the Transporter of the Transferee Shipper's LDM Agreement.

9.1.11 Without prejudice to its foregoing rights referenced under this Section 9, the Transporter shall also have the right for operational reasons to:

- (a) limit, suspend or cancel the amount of LDM Supply Point Capacity ~~Quantity~~, which may be transferred in accordance with the provisions of Part H (*Operations*) Sections ~~{1}~~ (*Emergencies*) and ~~{2}~~ (*Congestion Management*) and Part I (*Legal and Miscellaneous*) Section ~~{3}~~ (*Force Majeure*);
- (b) suspend or terminate LDM Supply Point Capacity Title Transfer(s) where any event specified in Part I (*Legal and Miscellaneous*) Section ~~{4}~~ (*Suspension and Termination*) has occurred;
- (c) impose such operational conditions on LDM Supply Point Capacity Title Transfer(s) as it deems appropriate and/or necessary in the circumstances in accordance with Part B (*General Principles*) and Part H (*Operations*).

9.1.12 Where the Transporter rejects a LDM Supply Point Capacity Title Transfer under Section 9.1.8 or 9.1.11, then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notice of rejection.

9.1.13 The Transporter shall have the right to suspend LDM Supply Point Capacity Title Transfers (including LDM Supply Point Capacity Title Transfer ~~Updates and Reductions~~ Update Requests and LDM Supply Point Capacity Title Transfer Reduction Requests) as a result of a Restricted Capacity Days,

Emergencies or Force Majeure in accordance with the provisions of Part H (Operations) Section ~~[2]~~ (Congestion Management).

9.1.14 A LDM Supply Point Capacity Title Transfer Request shall be accepted upon receipt by the Transporter of the notice of acceptance of the LDM Supply Point Capacity Title Transfer Request by the Transferee Shipper specifying the Transferee Shipper's LDM Agreement where the LDM Supply Point Capacity Title Transfer Request and the Transferee Shipper's acceptance thereof comply with the provisions of, and are not subject to rejection pursuant to, this Section 9.1.

9.1.15 Upon acceptance by the Transporter of a LDM Supply Point Capacity Title Transfer, the Active LDM Supply Point Capacity of the Transferor Shipper will be reduced by the amount specified in the LDM Supply Point Capacity Title Transfer and the Active LDM Supply Point Capacity of the Transferee Shipper will be increased by the corresponding transferred amount with effect from the effective Day of the Supply Point Title Transfer.

9.1.16 ~~Without prejudice to Part B (General Principles), a~~ LDM Supply Point Capacity Title Transfer may be terminated if the Transferor Shipper or Transferee Shipper ceases (i) to be a Shipper under the terms of this Code and/or any Ancillary Agreement or (ii) to be a party to a LDM Agreement in respect of such LDM Supply Point.

9.1.17 Notwithstanding the acceptance of a LDM Supply Point Capacity Title Transfer by the Transporter the Transferor Shipper shall continue to remain liable to the Transporter for Capacity Charges at the relevant LDM Supply Point as if the LDM Supply Point Capacity Title Transfer had not taken place. All other charges shall be payable by the Transferor Shipper or the Transferee Shipper in accordance with this Code.

9.2 LDM Supply Point Capacity Title Transfer Update

9.2.1 A LDM Supply Point Capacity Title Transfer may, subject to agreement by the Transporter, be updated in respect of the start Day and/or end Day and/or quantities specified therein prior to 16:00 hours Day D-1 by notice to the Transporter (a "LDM Supply Point Capacity Title Transfer Update Request") to be submitted by the Transferor Shipper and accepted by the Transferee Shipper.

9.2.2 In order to update a LDM Supply Point Capacity Title Transfer, the Transferor Shipper shall submit a LDM Supply Point Capacity Title Transfer Update Request which shall specify the information required by the Transporter to process the LDM Supply Point Capacity Title Transfer Update Request as set out in Schedule 1 Part 16 including:

- (a) the LDM Supply Point Capacity Title Transfer Reference;
- (b) the requested start Day of the LDM Supply Point Capacity Title Transfer Update;
- (c) where the LDM Supply Point Capacity Title Transfer Update Request is a request to change the end Day of the LDM Supply Point Capacity Title Transfer, the requested end Day;
- (d) the revised amount of LDM Supply Point Capacity (in kWh/Day) to be specified in the updated LDM Supply Point Capacity Title Transfer; and
- (e) where the LDM Supply Point Capacity Title Transfer Update Request is in respect of an amendment to the amount of the LDM Supply Point Capacity, the Day on and with effect from which the amended amount is to take effect. For the avoidance of doubt, the amended amount shall on acceptance by the Transporter of such LDM Supply Point Capacity Title Transfer Update Request take effect on the Day specified and for all of the remaining period of the LDM Supply Point Capacity Title Transfer.

9.2.3 The Transporter will reject the LDM Supply Point Capacity Title Transfer Update Request for any of the following reasons:

- (a) if the LDM Supply Point Capacity Title Transfer Update Request is not submitted in accordance with Section 9.2.2;
- (b) the time of submission of the LDM Supply Point Capacity Title Transfer Update Request is after 16:00 hours on Day D-1;
- (c) the Transferee Shipper has not given the Transporter notice of acceptance of the LDM Supply Point Capacity Title Transfer Update Request by 16:00 hours on Day D-1; or
- (d) where the LDM Supply Point Capacity Title Transfer Update Request requests an increase in the amount of the LDM Supply Point Capacity Title Transfer, if the increased amount is in excess of the Shipper's Retained Primary LDM Supply Point Capacity; ~~or~~

~~(e) — the application of Part B (General Principles) so requires.~~

~~9.2.4 — The Transporter may reject (in whole or in part) a LDM Supply Point Capacity Title Transfer Update Request where the either the Transferor Shipper and/or Transferee Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.~~

9.2.4 ~~9.2.5~~ Where the Transporter has rejected a LDM Supply Point Capacity Title Transfer Update Request, then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notification of the rejection.

9.2.5 ~~9.2.6~~ In order for the LDM Supply Point Capacity Title Transfer Update Request to be processed by the Transporter the Transferee Shipper must first notify the Transporter that it accepts the terms of the LDM Supply Point Capacity Title Transfer Update Request that has been submitted by the Transferor Shipper.

9.2.6 ~~9.2.7~~ A LDM Supply Point Capacity Title Transfer Update Request shall be accepted upon receipt by the Transporter of the notice of acceptance of the LDM Supply Point Capacity Title Transfer Update Request where the LDM Supply Point Capacity Title Transfer Update Request and the Transferee Shipper's acceptance thereof comply with the provisions of, and are not subject to rejection pursuant to, this Section 9.2.

9.2.7 ~~9.2.8~~ A LDM Supply Point Capacity Title Transfer Update Request that is accepted by the Transporter shall become effective at 06:00 hours on the Day specified for the commencement of the LDM Supply Point Capacity Title Transfer Update in the LDM Supply Point Capacity Title Transfer Update Request, and where the request relates to a variation in the amount of the LDM Supply Point Capacity Transfer, shall apply for the remaining period of such LDM Supply Point Capacity Title Transfer.

9.3 **LDM Supply Point Capacity Title Transfer Reduction**

9.3.1 A LDM Supply Point Capacity Title Transfer may, subject to agreement by the Transporter, be reduced for a single Day by notice to the Transporter (a "**LDM Supply Point Capacity Title Transfer Reduction Request**") to be submitted by the Transferor Shipper and accepted by the Transferee Shipper between 16:00 hours on Day D-1 and ~~23~~01:45 hours on Day D.

9.3.2 In order to reduce a LDM Supply Point Capacity Title Transfer, the Transferor Shipper shall submit a LDM Supply Point Capacity Title Transfer Reduction Request which shall specify the information required by the Transporter to

process the LDM Supply Point Capacity Title Transfer Reduction Request as set out in Schedule 1 Part 17 including:

- (a) the LDM Supply Point Capacity Title Transfer Reference;
- (b) the revised amount of LDM Supply Point Capacity (in kWh/Day) to which the LDM Supply Point Capacity Title Transfer Reduction Request relates; and
- (c) the Day to which the LDM Supply Point Capacity Title Transfer Reduction Request relates.

9.3.3 In order for the LDM Supply Point Capacity Title Transfer Reduction Request to be processed by the Transporter, the Transferee Shipper must first notify the Transporter that it accepts the terms of the LDM Supply Point Capacity Title Transfer Reduction Request that has been submitted by the Transferor Shipper.

9.3.4 The Transporter will reject the LDM Supply Point Capacity Title Transfer Reduction Request for any of the following reasons:

- (a) the LDM Supply Point Capacity Title Transfer Reduction Request is not in accordance with Section 9.3.2;
- (b) the time of receipt of such LDM Supply Point Capacity Title Transfer Reduction Request is after ~~23~~01:45 hours on D;
- (c) the revised amount of LDM Supply Point Capacity specified in the LDM Supply Point Capacity Title Transfer Reduction Request is greater than the amount of the original LDM Supply Point Capacity Title Transfer (as previously updated or reduced where relevant) to which the reduction relates;
- (d) the Transferee Shipper has not given the Transporter notice of its acceptance of the LDM Supply Point Capacity Title Transfer Reduction Request by ~~23~~01:45 hours on Day D; or
- (e) the LDM Supply Point Capacity Title Transfer Reduction Request is the ~~third~~fourth or subsequent LDM Supply Point Capacity Title Transfer Reduction Request submitted by the same Transferor Shipper and Transferee Shipper in respect of any one Day at the same LDM Supply Point; ~~or~~

~~(f) — where the application of Part B (General Principles) so requires.~~

~~9.3.5~~ ~~The Transporter may reject (in whole or in part) a LDM Supply Point Capacity Title Transfer Reduction Request where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.~~

9.3.5 ~~9.3.6~~ Where the Transporter has rejected in whole or in part a LDM Supply Point Capacity Title Transfer Reduction Request, then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notification of the rejection.

9.3.6 ~~9.3.7~~ A LDM Supply Point Capacity Title Transfer Reduction Request shall be accepted upon receipt by the Transporter of the notice of acceptance of the LDM Supply Point Capacity Title Transfer Reduction Request from the Transferee Shipper where the LDM Supply Point Capacity Title Transfer Reduction Request complies with the provisions of, and is not subject to rejection pursuant to, this Section 9.3.

9.3.7 ~~9.3.8~~ Upon acceptance by the Transporter of a LDM Supply Point Capacity Title Transfer Reduction Request, the Active LDM Supply Point Capacity of the Transferor Shipper will be increased by the amount specified in the LDM Supply Point Capacity Title Transfer Reduction Request and the Active LDM Supply Point Capacity of the Transferee Shipper will be reduced by the corresponding amount.

10. CAPACITY OVERRUNS

10.1 General

10.1.1 Entry Capacity OVERRUNS and Exit Capacity OVERRUNS will apply in respect of Entry Capacity and Exit Capacity.

10.1.2 Supply Point Capacity OVERRUNS will apply with respect to LDM Supply Point Capacity and DM Supply Point Capacity.

10.2 Definitions

10.2.1 For the purpose of the Code:

- (a) **"Overrun Quantity"** means an Entry Capacity Overrun Quantity, a LDM Exit Capacity Overrun Quantity, a DM Exit Capacity Overrun Quantity, a NDM Exit Capacity Overrun Quantity or a Supply Point Capacity Overrun Quantity (as the case may be);
- (b) **"Entry Capacity Overrun"** means where the quantity of Natural Gas allocated to an individual Shipper at an Entry Point is greater than the Active Entry Capacity or Active Back-Up Entry Capacity which is held by that Shipper at such Entry Point in respect of a Day;
- (c) **"Entry Capacity Overrun Quantity"** means a quantity of Natural Gas calculated in accordance with Section 10.3.2;
- (d) **"Exit Capacity Overrun"** means a LDM Exit Capacity Overrun, a DM Exit Capacity Overrun, or, a NDM Exit Capacity Overrun as the case may be;
- (e) **"LDM Exit Capacity Overrun"** means ~~where~~ the quantity of Natural Gas allocated to an individual Shipper at or in respect of a LDM Offtake and relevant LDM Agreement is greater than the Active LDM Exit Capacity which is held by that Shipper at or in respect of that Offtake Point and pursuant to the LDM Agreement to which the allocation relates;
- (f) **"DM Exit Capacity Overrun"** means ~~where~~ the aggregate quantity of Natural Gas allocated to an individual Shipper in respect of DM Offtakes in respect of which such Shipper is registered is greater than the Active DM Exit Capacity which is held by that Shipper;
- (g) **"NDM Exit Capacity Overrun"** means ~~where~~ the aggregate quantity of Natural Gas allocated to an individual Shipper for onward delivery in

respect of NDM Supply Points is greater than the Active NDM Exit Capacity which is held by such Shipper on a Day ~~and on which~~ an Exit Capacity Transfer has resulted in the Active NDM Exit Capacity of such Shipper being reduced for such Day;

- (h) ~~"LDM Exit Capacity Overrun Quantity"~~ means the quantity of Natural Gas calculated in accordance with Section 10.4.2(b);
- (i) ~~"DM Exit Capacity Overrun Quantity"~~ means a quantity of Natural Gas calculated in accordance with Section 10.4.3(b);
- (j) ~~"NDM Exit Capacity Overrun Quantity"~~ means a quantity of Natural Gas calculated in accordance with Section 10.4.4(b);
- (k) ~~"Supply Point Capacity Overrun"~~ means an LDM Supply Point Capacity Overrun or a DM Supply Point Capacity Overrun;
- (l) ~~"LDM Supply Point Capacity Overrun"~~ means where the quantity of Natural Gas allocated to an individual Shipper at a LDM Supply Point ~~and relevant LDM Agreement~~ is greater than the Active LDM Supply Point Capacity which is held by that Shipper at that LDM Supply Point; ~~and pursuant to the LDM Agreement to which the allocation relates; and~~
- (m) ~~"DM Supply Point Capacity Overrun"~~ means where the quantity of Natural Gas allocated to an individual Shipper at that DM Supply Point is greater than the DM Supply Point Capacity which is held by that Shipper at that DM Supply Point; and
- (n) ~~"Supply Point Capacity Overrun Quantity"~~ means a quantity calculated in accordance with Section 10.6.2.

10.3 Entry Capacity Overrun

10.3.1 Entry Capacity Overrun Tolerance

- (a) A tolerance quantity (~~"Entry Overrun Tolerance"~~) at an Entry Point will be ~~available~~ applied where the quantity of Natural Gas metered as delivered at the Entry Point is greater than the EODQ.
- (b) ~~Where the~~ The Entry Overrun Tolerance ~~is~~ to be ~~made available~~ to be applied in respect of a Shipper on a Day ~~it~~ shall be calculated according to the following formula:

$$\text{EOT} = \text{AC} * \text{VP}$$

where:

- EOT = Entry Overrun Tolerance for a Shipper;
AC = Active Entry Capacity for a Shipper on a Day;
VP = Variance Percentage.

~~where~~ Where:

$$\text{VP} = ((\text{MeDQ} - \text{EODQ}) / (\text{EODQ})) * 100$$

MeDQ = Metered Daily Quantity delivered at the Entry Point;

~~EoDQ~~ EODQ = the End of Day Quantity at the Entry Point;

The Variance Percentage shall, subject to Section 10.3.1(c), be subject to a cap of 1.5 per cent.

- (c) If the Metered Daily Quantity at an Entry Point on a Day exceeds the EODQ by in excess of 1.5 percent of the EODQ the Transporter shall use reasonable endeavours to determine the reason for such excess.

If the Transporter determines that such excess was not attributable, in whole or in part, to any act, default or omission of the Shippers registered at the Entry Point then a cap of 1.5 percent on the Variance Percentage (calculated in accordance with Section 10.3.1(b)) shall not apply to the extent that such excess was not so attributable to the Shippers at such Entry Point.

10.3.2 **Entry Capacity Overrun Quantity**

An Entry Capacity Overrun Quantity in respect of a Shipper at an Entry Point on a Day shall be calculated according to the following formula:

$$\text{EnOQ} = \text{EnA} - (\text{AC} + \text{EOT})$$

Where:

- EnOQ = Entry Capacity Overrun Quantity for a Shipper on a Day;
EnA = Final Entry Allocation at the Entry Point for a Shipper on a Day;
AC = Active Entry Capacity at the Entry Point for a Shipper on a Day;
EOT = Entry Overrun Tolerance as calculated in accordance with Section 10.3.1 for a Shipper on a Day.

10.3.3 **Entry Capacity Overrun Charge**

- (a) A Shipper shall be liable for a charge ("Entry Capacity Overrun Charge") on a Day when the Entry Capacity Overrun Quantity is positive.
- (b) The Entry Capacity Overrun Charge will be calculated according to the following formula:

$$\text{OvCharge} = \text{EnOQ} * \text{OM} * \text{EnT}$$

where:

- OvCharge = Entry Capacity Overrun Charge;
- EnOQ = Entry Capacity Overrun Quantity;
- OM = Overrun Multiplier as specified in Section 10.3.3(d);
- EnT = applicable annual ~~Tariff~~ Entry Capacity Charges.

- (c) The calculation of Entry Capacity Overrun Charge shall be subject to a maximum annual cap as specified in Section 10.3.3(d).
- (d) The multiplier and cap for Entry Capacity Overruns shall be as follows:

Period (of Gas Year)	Multiplier	Cap
Winter Period	1.5	3
Shoulder Period	1	2
Summer Period	0.25	0.5

- (e) The cap refers to the limit of the number of multiples of the applicable annual ~~Tariff~~ Entry Capacity Charges that will be applied in that Gas Year in respect of the relevant Entry Point for each Shipper. The cap will be applied to the maximum amount by which the Entry Capacity is exceeded. The cap will be reset at the commencement of each Entry Capacity Booking and thereafter at the start of each Gas Year.

10.3.4 On a Restricted Entry Capacity Day all references to Active Entry Capacity in this Section 10.3 shall be references to the Shipper's Available Active Entry Capacity on that Day.

10.3.5 Entry Capacity Overruns (if applicable) will be ~~applied~~ calculated separately as against Allocations which are in excess of a Shipper's Entry Capacity and

Allocations which are in excess of ~~a Shipper's~~the Back-Up Entry Capacity available to such Shipper pursuant to Section 4.3.7 and Entry Capacity Charges shall be applied accordingly.

10.3.6 If a Shipper registered at an Entry Point demonstrates in writing to the Transporter that the Entry Capacity Overrun in respect of a Day was not attributable in any way to the act, default or omission of the Shipper then such Shipper shall be entitled to relief from the Entry Capacity Overrun Charge to the extent that the Entry Capacity Overrun was not so attributable in any way to that Shipper.

10.4 Exit Capacity Overruns

10.4.1 Restricted Capacity Days

On a Day on which a Shipper is affected by a Restricted Capacity Day all references to Active Capacity and Shipper's Active Capacity for the purpose of this Section 10.4 shall be references to the Shipper's Available Active Exit Capacity on the Day.

10.4.2 LDM Exit Capacity Overrun Quantity

- (a) LDM Exit Capacity Overruns shall apply in respect of each individual LDM Agreement and at individual LDM Offtake(s) where the LDM Exit Allocation for an individual Shipper at or in respect of the relevant LDM Offtake and relevant LDM Agreement is greater than the Active LDM Exit Capacity held by that Shipper at or in respect of the relevant LDM Offtake on a Day and the LDM Agreement to which the LDM Exit Allocation relates.
- (b) A LDM Exit Capacity Overrun Quantity in respect of a Shipper at or in respect of a LDM Offtake on a Day shall be calculated according to the following formula:

$$\text{ExOQ} = (\text{ExA} - \text{AC})$$

where:

ExOQ = the Shipper's LDM Exit Capacity Overrun Quantity on the Day;

ExA = the Shipper's LDM Final Exit Allocation at or in respect of the LDM Offtake and applicable LDM Agreement on the Day;

AC = the Shipper's Active LDM Exit Capacity at or in respect of the LDM Offtake on the Day and the applicable LDM Agreement.

10.4.3 DM Exit Capacity Overrun Quantity

- (a) DM Exit Capacity Overruns shall apply in respect of a Shipper where the Final DM Allocation in respect of such DM Offtakes for such Shipper is greater than the Active DM Exit Capacity held by that Shipper on a Day.
- (b) A DM Exit Capacity Overrun Quantity in respect of a Shipper on a Day shall be calculated according to the following formula:

$$\mathbf{ExOQ = (ExA - AC)}$$

where:

ExOQ = the Shipper's DM Exit Capacity Overrun Quantity on the Day;

ExA = the Shipper's Final DM Exit Allocation on the Day;

AC = the Shipper's Active DM Exit Capacity on the Day.

10.4.4 NDM Exit Capacity Overrun Quantity

- (a) NDM Exit Capacity Overrun Quantities shall be calculated in respect of a Shipper where the Shipper has reduced its Active NDM Exit Capacity holding as a result of an Exit Capacity Transfer and/or Within-Day Exit Capacity Transfer in respect of a Day.
- (b) A NDM Exit Capacity Overrun Quantity in respect of a Shipper on a Day shall be calculated according to the following formula:

$$\mathbf{ExOQ = (ExA - AC)}$$

where:

ExOQ = the Shipper's NDM Exit Capacity Overrun Quantity on the Day;

ExA = the Shipper's Final NDM Exit Allocation on the Day;

AC = the Shipper's Active NDM Exit Capacity on the Day.

10.4.5 Exit Capacity Overrun Charge

- (a) A Shipper shall be liable for a charge ("Exit Capacity Overrun Charge") in respect of each Exit Capacity Overrun Quantity which is positive.
- (b) The Exit Capacity Overrun Charge will be calculated according to the following formula:

$$\text{OvCharge} = \text{ExOQ} * \text{OM} * \text{ExT}$$

where:

OvCharge = Exit Capacity Overrun Charge;

ExOQ = Exit Capacity Overrun Quantity;

OM = Overrun Multiplier as specified in Section 10.4.5(d);

ExT = applicable annual ~~Tariff~~ Exit Capacity Charges.

- (c) The calculation of Exit Capacity Overrun Charges shall be subject to a maximum annual cap as specified in Section 10.4.5(d).
- (d) The multiplier and cap for Exit Capacity Overruns shall be as follows:

Period (of Gas Year)	Multiplier	Cap
Winter Period	1.5	3
Shoulder Period	1	2
Summer Period	0.25	0.5

- (e) The cap refers to the limit of the number of multiples of the applicable annual ~~Tariff~~ Exit Capacity Charges that will be applied in that Gas Year in respect of the relevant DM Exit Capacity and NDM Exit Capacity for each Shipper. The cap will be applied to the maximum amount by which

the Exit Capacity is exceeded. The cap will be reset at the start of each Gas Year.

- (f) The cap ~~shall be set at zero at the commencement of each LDM Agreement and thereafter at the start of each Gas Year.~~ refers to the limit of the number of multiples of the applicable annual tariff that will be applied in that Gas Year in respect of the relevant LDM Agreement in respect of each Shipper. The cap will be applied to the maximum amount by which the LDM Exit Capacity in respect of each LDM Agreement is exceeded.

10.5 Authorised Overruns

10.5.1 A Shipper to a LDM Exit Point or LDM Supply Point that is a Natural Gas fuelled ~~Power Generation Plant~~ power generation plant may submit an enquiry (an "Authorised Overrun Enquiry") in respect of the availability of Entry Capacity, LDM Exit Capacity (and LDM Supply Point Capacity where relevant) before ~~the~~ an overrun in accordance with the Authorised Overrun Mechanism is incurred.

10.5.2 The Authorised Overrun Enquiry shall ~~include~~ specify the ~~following~~ information required pursuant to Schedule 1 Part 18 including:

- (a) where the enquiry relates to Entry Capacity, the Entry Point the Authorised Overrun Enquiry relates to, and the LDM Offtake at which the quantity of Natural Gas is proposed to be offtaken;
- (b) where the enquiry relates to Exit Capacity and/or Supply Point Capacity, the LDM Offtake Point the Authorised Overrun Enquiry relates to;
- (c) the Day to which the Authorised Overrun Enquiry relates;
- (d) the amount of capacity (in kWh/Day) to which the enquiry relates; and
- (e) confirmation that the ~~Shipper proposes to apply to the Commission for approval of an~~ overrun is required in accordance with the Authorised Overrun Mechanism.

10.5.3 ~~For the avoidance of doubt where a Shipper proposes to apply to the Commission for an Authorised Overrun for both Entry Capacity and Exit Capacity/Supply Point Capacity the~~ The Shipper shall submit separate

Authorised Overrun Enquiries in respect of ~~the~~ Entry Capacity and ~~the~~ Supply Point/Exit Point Capacity.

- 10.5.4 Where the quantity specified in the Authorised Overrun Enquiry may be accommodated (in whole or in part), the Transporter will advise the Shipper accordingly and will notify the Shipper of any restrictions that may apply with regard to MHQ and Ramp Rates.
- 10.5.5 For the avoidance of doubt, where the Transporter advises the Shipper that it may be in a position to accommodate the quantity specified in the Authorised Overrun Enquiry at the time the enquiry is submitted, such advice by the Transporter shall not in any way ~~bind the Transporter in respect of the quantity specified in the Authorised Overrun Enquiry or otherwise nor shall it in any way~~ imply or be deemed to imply that any overrun which is incurred shall be an Authorised Overrun.
- 10.5.6 The Transporter shall reserve the right, at all times, to restrict, limit or cancel the quantity notified under Section 10.5.4 where it is possible that the operational integrity of the Transportation System may be adversely affected or that the Transporter's ability to comply with other Shippers' entitlement within contracted capacity limits may be impaired.
- 10.5.7 The Transporter may inform the Shipper that the quantity specified in the Authorised Overrun Enquiry is not available for the following reasons:
- (a) the information specified in Section 10.5.2 is not provided in the Authorised Overrun Enquiry; or
 - (b) sufficient capacity is not available on the Transportation System at the relevant Entry Point, Exit Point or Supply Point, as applicable; ~~or~~
 - ~~(c) where the application of Part B (General Principles) so requires.~~
- 10.5.8 ~~The Shipper shall be responsible for applying to the Commission for approval of an Authorised Overrun and the Shipper shall provide documentary evidence to the Commission that the Authorised Overrun Enquiry was made due to a genuine Authorised Overrun event. The Shipper shall provide to the Transporter a copy of such Shipper's application to the Commission for approval of an Authorised Overrun within five (5) Days of the Day on which the Overrun occurred.~~ If a Shipper has submitted an Authorised Overrun Enquiry and has, in accordance

with the Authorised Overrun Mechanism and this Code, been advised by the Transporter that the Transporter is in a position to accommodate the quantity specified in the Authorised Overrun Enquiry in respect of a Day then such Shipper shall on or prior to D+5 deliver to the Transporter written confirmation that such Shipper has complied with the Authorised Overrun Mechanism together with such supporting documentation as the Transporter, with the consent of the Commission, may reasonably require, including such documentary evidence from the transmission system operator of the electricity system as is contemplated by the Authorised Overrun Mechanism. Such a certificate delivered by a Shipper in accordance with the provisions of this Section 10.5.8 and the Authorised Overrun Mechanism shall be prima facie evidence of compliance with the Authorised Overrun Mechanism and an overrun incurred by such Shipper as referred to in the relevant Authorised Overrun Enquiry and specified in the certificate so delivered shall be an Authorised Overrun.

- 10.5.9 ~~The Transporter shall provide information, as appropriate, to~~ For the avoidance of doubt, any dispute as to whether an overrun is an Authorised Overrun shall be referred to the Commission for final resolution and the Shipper and Transporter shall be bound by any decision of the Commission in order to facilitate its decision on the approval of an Authorised Overrun. relation thereto.
- 10.5.10 ~~For the avoidance of doubt, the decision with respect to the approval of~~ Where an Authorised Overrun shall be made occurs the Overrun Charge (the "Authorised Overrun Charge") shall be such charge as may be directed by the Commission from time to time pursuant to the Authorised Overrun Mechanism.
- 10.5.11 ~~Where the Shipper provides written confirmation from the Commission to the Transporter that the Commission has approved an overrun in respect of which an Authorised Overrun Enquiry was submitted as an Authorised Overrun then the Shipper shall pay a charge ("Authorised Overrun Charge") for the amount of capacity granted under the Authorised Overrun.~~ Where the Shipper fails to provide such written confirmation to the Transporter pursuant to Section 10.5.8 or written confirmation is provided to the Transporter but the Transporter, in its reasonable opinion, deems it to be unsatisfactory, then any specified Entry Capacity Overrun Quantities, Exit Capacity Overrun Quantities or Supply Point Capacity Overrun Quantities in excess of the Shipper's applicable Active Capacity on the

Day shall not be regarded as an Authorised Overrun and Overrun Charges shall apply in accordance with Section 10.3 in the case of an Entry Capacity Overrun and Section 10.4 in the case of an Exit Capacity Overrun and Section 10.6 in the case of a Supply Point Capacity Overrun.

~~10.5.12 The Authorised Overrun Charge shall be calculated in accordance with Section 10.5 utilising the following multipliers:~~

Period (of Gas Year)	Multiplier
Winter Period	4
Shoulder Period	2
Summer Period	1

~~10.5.13 The Authorised Overrun Charge for a Day shall be calculated according to the following formula:~~

$$~~AOCharge = (21/365) * T * OM~~$$

~~where:~~

~~AOCharge = Authorised Overrun Charge;~~

~~T = applicable annual Tariff for Entry or Exit or Supply Point Capacity, (where relevant);~~

~~OM = Multipliers as specified in Section 10.5.12.~~

10.6 Supply Point Capacity Overruns

10.6.1 General

- (a) Supply Point Capacity Overruns will not apply to NDM Supply Points.
- (b) All references in Section 10.6.2 and 10.6.3 to Active Supply Point Capacity shall, on a Restricted Capacity Day, be construed as references to Available Active Supply Point Capacity on a Day on which a Shipper's Active Supply Point Capacity is restricted in accordance with Part H (Operations) Section ~~f2~~ (Congestion Management).

10.6.2 Supply Point Overrun Quantities

A Supply Point Capacity Overrun Quantity on a Day shall be calculated according to the following formula:

$$\text{SPOQ} = (\text{SPA} - \text{SPC})$$

where:

SPOQ = the Shipper's Supply Point Capacity Overrun Quantity on the Day;

SPA = the Shipper's Final Supply Point Allocation at the LDM Supply Point (and relevant LDM Agreement) or DM Supply Point on the Day;

SPC = Supply Point Capacity held by the Shipper at the Supply Point or Active Supply Point Capacity (held pursuant to an individual LDM Agreement) in the case of a Multiple Shipper LDM Supply Point on the Day.

For the avoidance of doubt the Supply Point Capacity Overrun Quantity shall be calculated separately by reference to each LDM Agreement on each Day.

10.6.3 Supply Point Capacity Overrun Charges

- (a) A Shipper shall be liable for a charge (~~"~~**Supply Point Capacity Overrun Charge**~~"~~) in respect of each LDM Supply Point Capacity Overrun and each DM Supply Point Capacity Overrun when the Supply Point Capacity Overrun Quantity is positive.
- (b) The Supply Point Capacity Overrun Charge shall be a multiple of the applicable annual Tariff applying to the relevant LDM and/or DM Supply Point Capacity reserved by a Shipper, subject to a maximum annual cap.
- (c) The Supply Point Capacity Overrun Charge will be calculated according to the following formula:

$$\text{SPOCharge} = \text{SPOQ} * \text{OM} * \text{SPT}$$

where:

SPOCharge = Supply Point Capacity Overrun Charge;

SPOQ = the Shipper's LDM and/or DM Supply Point Overrun Quantity on the Day;

OM = Overrun Multiplier, ~~specified~~referred to in Section 10.6.3(d);

SPT = applicable annual Tariff.

(d) Different Multipliers shall apply relative to the level of Supply Point Capacity that is reserved by the Shipper as follows:

(i) where:

(1) at a LDM Supply Point, the Shipper has at the commencement of the Capacity Booking Period reserved a level of Primary LDM Supply Point Capacity that is less than the Transporter Recommended LDM Supply Point Capacity; or

(2) at a Multiple Shipper LDM Supply Point, the Shippers registered at such multiple Shipper Supply Point have reserved in aggregate a level of LDM Supply Point Capacity that is less than the Transporter Recommended LDM Supply Point Capacity,

then the Overrun Multiplier shall be as set out in Section 10.6.3(f);
or

(ii) where:

(1) at a LDM Supply Point, the Shipper has reserved a level of LDM Supply Point Capacity that is greater than or equal to the Transporter Recommended LDM Supply Point Capacity; or

(2) at a Multiple Shipper LDM Supply Point, the Shippers registered at such Multiple Shipper Supply Point have reserved in aggregate a level of LDM Supply Point Capacity that is greater than or equal to the Transporter Recommended LDM Supply Point Capacity; or

(3) an Overrun occurs at a DM Supply Point,

then the Overrun Multiplier shall be as set out in Section 10.6.3(g).

(e) A Shipper shall be deemed for the purpose of calculation of Supply Point Capacity Overrun Charges to have reserved the Transporter Recommended LDM Supply Capacity for the duration of the LDM Capacity Booking Period of the LDM Agreement where the Shipper has reserved the Transporter Recommended LDM Supply Capacity on the first day of such LDM Capacity Booking Period notwithstanding any

variations to the Transporter Recommended LDM Supply Point Capacity pursuant to Section 7.3.

- (f) The multiplier for Supply Point Capacity Overruns, where the Supply Point Capacity reserved by the Shipper at a LDM Supply Point and/or by all Shippers in aggregate at a Multiple Shipper LDM Supply Point, is less than the Transporter Recommended Supply Point Capacity, shall be as follows:

Period	Multiplier	Cap
Gas Year	1.5	3

On a Day declared by the Transporter as a Difficult Day and/or Restricted Capacity Day, the multiplier will be two times that shown above.

- (g) The multiplier for Supply Point Capacity Overruns, where the Supply Point Capacity reserved by the Shipper at a LDM Supply Point and/or by all Shippers in aggregate at a Multiple Shipper LDM Supply Point, is greater than or equal to the Transporter Recommended Supply Point Capacity and/or at a DM Supply Point, shall be as follows:

Period	Multiplier	Cap
Gas Year	1	1

- (h) For the avoidance of doubt, the cap in Sections 10.6.3(f) and 10.6.3(g) above refers to the limit of the number of multiples of the capacity component of the applicable annual Tariff that will be applied in that Gas Year in respect of ~~such~~ each Shipper in respect of each LDM Agreement and/or in respect of each DM Supply Point. The cap will be applied to the maximum amount by which the Supply Point Capacity is exceeded.
- (i) ~~The cap shall be set at zero at the commencement of each LDM Agreement and thereafter at the commencement of each Gas Year~~ applicable annual Tariff payable by a Shipper in respect of Supply Point Capacity at a Supply Point shall not be affected, varied or otherwise amended solely as a result of a Supply Point Capacity Overrun at such Supply Point.
- ~~(j) Where there is a Change of Shipper at a DM Supply Point during a Gas Year, the cap will be set back to zero from the date on which the new Shipper becomes the Registered Shipper to the DM Supply~~

~~Point and any DM Supply Point Capacity Overruns incurred in respect of the previous Shipper shall be disregarded.~~

11. **CAPACITY OVERRUNS DISBURSEMENTS ACCOUNT**

- 11.1 The Transporter shall establish an Entry and Exit Capacity Overrun Disbursements Account, which shall subject to Section 11.3 hold any payments received by the Transporter in respect of Overrun Charges (excluding Authorised Overruns) incurred against Entry Capacity and Exit Capacity.
- 11.2 The Transporter shall establish a Supply Point Capacity Overrun Disbursements Account, which shall subject to Section 11.3 hold any payments received by the Transporter in respect of Overruns (excluding Authorised Overruns) incurred against Supply Point Capacity.
- 11.3 For the avoidance of doubt, the Transporter shall retain ~~the first multiple of any such part of~~ Capacity Overrun revenue received by the Transporter as ~~a payment of~~ shall be equal to the applicable annual Entry Capacity Charge or annual Exit Capacity Charge or the capacity component of the applicable annual Tariff in respect of Supply Point Capacity (as the case may be) in respect of the capacity utilised by the Shipper.
- 11.4 Revenue received in respect of Capacity Overruns in excess of the ~~first multiple of any Capacity Overrun~~ amount retained by the Transporter pursuant to Section 11.3 shall be held in the Entry and Exit Capacity Overrun Disbursements Account in the case of either an Entry Capacity Overrun or an Exit Capacity Overrun and in the Supply Point Capacity Overrun Disbursements Account in the case of a Supply Point Capacity Overrun.
- 11.5 The ~~first multiple~~ part of ~~the~~ Capacity Overrun revenue retained by the Transporter pursuant to Section 11.3 shall be equal to the revenue that the Transporter would have received if that level of capacity, to which the Capacity Overrun relates, had been booked by the Shipper that incurs the Capacity Overrun for the entire Gas Year in which the Capacity Overrun occurs.
- 11.6 After the end of each Month the revenue held in the Entry and Exit Capacity Overrun Disbursements Account will be attributed to Shippers on the basis of the proportion of total Active Entry Capacity and Active Exit Capacity held by each Shipper over the relevant Month.
- 11.7 After the end of each Month the revenue held in the Supply Point Capacity Overrun Disbursements Account will be attributed to Shippers on the basis of the proportion of total Active LDM Supply Point Capacity and DM Supply Point Capacity held by each Shipper over the relevant Month.
- 11.8 An individual Shipper's share of the Capacity Overruns Disbursements Accounts shall be calculated according to the following formula:

$$\text{SHDA} = (\text{SHAC} / \text{TOTPC}) * \text{REV}$$

where:

- SHDA = the individual Shipper's share of the Capacity Overruns Disbursements Account;
- SHAC = the sum of Active Capacity held by the Shipper on each Day of the relevant Month;
- TOTPC = the sum of Primary Capacity held by all Shippers on each Day of the relevant Month;
- REV = the revenues held in the Capacity Overruns Disbursements Accounts to be redistributed.

- 11.9 For the avoidance of doubt two calculations will be performed, one for Entry Capacity and Exit Capacity and one for Supply Point Capacity.
- 11.10 Shippers will be invoiced for Capacity Overruns on a monthly basis with any outstanding balances in the Capacity Overruns Disbursements Accounts settled at the end of the Gas Year.

12. CAPACITY REGISTER

- 12.1 The Transporter shall maintain a record of the capacity (the "Capacity Register").
- 12.2 The Capacity Register shall record the following information in respect of each Day:
- 12.2.1 Primary Entry Capacity reserved by each Shipper at each Entry Point;
 - 12.2.2 Active Entry Capacity in respect of each Shipper at each Entry Point;
 - 12.2.3 Back-Up Entry Capacity reserved by each Shipper at each Back-Up Entry Point;
 - 12.2.4 Active Back-Up Entry Capacity in respect of each Shipper at each Back-Up Entry Point;
 - 12.2.5 Active LDM Exit Capacity in respect of each Shipper ~~at each~~ pursuant to each LDM Agreement in respect of each such Shipper at a LDM Offtake;
 - 12.2.6 Primary LDM Exit Capacity in respect of each Shipper ~~at each~~ pursuant to each LDM Agreement in respect of each such Shipper at a LDM Offtake;
 - 12.2.7 Transporter Recommended DM Exit Capacity in respect of each DM Offtake;
 - 12.2.8 DM Exit Capacity reserved by the Shipper in respect of each DM Offtake;
 - 12.2.9 Primary DM Exit Capacity in respect of each DM Offtake;
 - 12.2.10 DM Exit Capacity per Shipper in respect of all DM Offtakes at which the Shipper is a Registered Shipper;
 - 12.2.11 Active DM Exit Capacity per Shipper;
 - 12.2.12 NDM Exit Capacity per Shipper in respect of each NDM Supply Point;
 - 12.2.13 Active NDM Exit Capacity per Shipper;
 - 12.2.14 NDM Exit Capacity in respect of each Shipper and in respect of all NDM Supply Point(s) at which the Shipper is a Registered Shipper;
 - 12.2.15 LDM Supply Point Capacity reserved by each Shipper pursuant to each LDM Agreement;
 - 12.2.16 Active LDM Supply Point Capacity in respect of each Shipper ~~at each~~ pursuant to each LDM Agreement in respect of each such Shipper at such LDM Supply Point;
 - 12.2.17 Applicable MHQ at each LDM and DM Exit Point/Supply Point;

- 12.2.18 Transporter Determined DM Supply Point Capacity in respect of each DM Supply Point;
 - 12.2.19 Transporter Recommended LDM Supply Point Capacity in respect of each LDM Supply Point;
 - 12.2.20 Transporter Determined NDM Supply Point Capacity in respect of each NDM Supply Point; and
 - 12.2.21 the Registered Shipper in respect of each DM Offtake and NDM Supply Point.
- 12.3 The Capacity Register shall be updated by the Transporter to reflect a Shipper's Active Capacity as a consequence of any:
- 12.3.1 Change of Shipper implemented;
 - 12.3.2 new Offtake Point(s);
 - 12.3.3 new capacity acquired by a Shipper upon completing any Siteworks at an existing Offtake Point;
 - 12.3.4 Entry Capacity Trade, Update or Reduction;
 - 12.3.5 Entry Point Transfer;
 - 12.3.6 Back-Up Entry Capacity Trade, Update or Reduction;
 - 12.3.7 Exit Capacity Transfer, Update or Reduction;
 - 12.3.8 Multiple Shipper LDM Supply Point Title Transfer, Update or Reduction;
 - 12.3.9 Isolation;
 - 12.3.10 Deregistration Application; and/or
 - 12.3.11 ~~12.3.10~~ any other provisions of this Code.
- 12.4 Each Primary Entry Capacity Booking will be assigned a unique identifier (the **“Entry Capacity Booking Reference”**) which will be communicated to the Shipper as soon as practicable thereafter.
- 12.5 Each Primary Exit Capacity Booking will be assigned a unique identifier (**“Exit Capacity Booking Reference”**) which will be communicated to the Shipper as soon as possible.

- 12.6 Each Primary Supply Point Capacity Booking will be assigned a unique identifier ("Supply Point Capacity Reference") which will be communicated to the Shipper as soon as possible.
- 12.7 The Transporter shall assign a unique identifier reference number to each:
- (a) Entry Capacity Trade ("Entry Capacity Trade Reference");
 - (b) Entry Point Transfer ("Entry Point Transfer Reference");
 - (c) Exit Capacity Transfer ("Exit Capacity ~~Trade~~Transfer Reference"); and
 - (d) LDM Supply Point Capacity Title Transfer ("LDM Supply Point Capacity Title Transfer Reference");
- 12.8 The Capacity Register shall be updated by the Transporter to take account of any changes to the capacity holdings of each Shipper.
- 12.9 Each Shipper shall be entitled to access information recorded in the Capacity Register in relation to its own capacity holdings at the relevant Entry Point or Offtake Point in respect of the period for which such Shipper is ~~the~~ Registered Shipper in respect of an Entry Point or (as the case may be) Offtake Point.
- 12.10 The Transporter shall be entitled to disclose all relevant information to the GPRO to facilitate any update of the GPR.
- 12.11 The Transporter shall be entitled to update the Capacity Register to reflect information recorded on the Gas Point Register.
- 12.12 The Transporter shall ensure that relevant information recorded in the Gas Point Register regarding registration of Offtake Points is also recorded in the Capacity Register.
- 12.13 For the avoidance of doubt, the Capacity Register is separate and distinct from the Gas Point Register and, in the event of a conflict between the information recorded in each register, the information recorded in the Capacity Register shall prevail over the information recorded in the Gas Point Register.
- 12.14 Each Shipper shall be responsible for reviewing information in relation to such Shipper's Capacity as recorded in the Capacity Register and shall notify to the Transporter any error or inaccurate recording of such Shipper's Capacity in the Capacity Register.

SCHEDULE 1

Each Part of this Schedule 1 sets out the information to be submitted by a Shipper in relation to application(s) to the Transporter pursuant to Part C (Capacity) of this Code.

Part 1

Entry Capacity Request

- (a) the requested Entry Capacity Effective Date which shall be the first day of a calendar month;
- (b) the requested Entry Capacity Booking Period (which shall be a period of twelve (12) Months or in whole multiples of twelve (12) Months);
- (c) the Entry Point at which Entry Capacity is requested;
- (d) the requested amount of Entry Capacity (in kWh/Day); and
- (e) the identity of the Shipper requesting Entry Capacity.

Part 2

Entry Capacity Trade Registration Request

- (a) the identities of the Transferor Shipper and the Transferee Shipper;
- (b) the Entry Point in respect of which the Entry Capacity Trade is to take place;
- (c) the Entry Capacity Booking Reference for the Primary Capacity to be traded;
- (d) the intended Entry Capacity Trade Quantity (in kWh/Day) which is the subject matter of the proposed Entry Capacity Trade; and
- (e) the period of the proposed Entry Capacity Trade, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.

Part 3

Entry Capacity Trade Update Request

- (a) the Entry Capacity Trade Reference to which the update relates;
- (b) the Entry Point to which the Entry Capacity Trade relates;
- (c) the requested start Day and end Day of the Entry Capacity Trade update;
- (d) the revised amount of Entry Capacity (in kWh/Day) to be specified in the updated Entry Capacity Trade where applicable; and
- (e) where the Entry Capacity Trade Update Request is in respect of an amendment to the amount of the Entry Capacity Trade, the specific Day in respect of which such updated Entry Capacity Trade is to commence.

Part 4

Entry Capacity Trade Reduction Request

- (a) the Entry Capacity Trade Reference to which the reduction relates;
- (b) the revised amount of Entry Capacity (in kWh/Day) to which the Entry Capacity Trade will relate if the Entry Capacity Trade Reduction Request is accepted by the Transporter;
and
- (c) the Day to which the Entry Capacity Trade Reduction Request relates.

Part 5

Back-Up Capacity Request

- (a) the relevant Entry Point;
- (b) the Back-Up Entry Point;
- (c) the Entry Capacity Booking at the Entry Point as identified by the Entry Capacity Booking Reference (where relevant) therefor and in respect of which Back-Up Entry Capacity is requested;
- (d) whether the request relates to Onshore Back-Up Entry Capacity and/or Offshore Back-Up Entry Capacity;
- (e) where the request relates to Offshore Back-Up Entry Capacity, confirmation that the Entry Capacity Booking at the Entry Point identified by the Entry Capacity Booking Reference is at an Entry Point connected to a Gas Source;
- (f) the amount of Back-Up Entry Capacity required at the Back-Up Entry Point:
 - (i) in the event of an Offshore Operational Outage;
 - (ii) in the event of a Restricted Entry Capacity Day; and
- (g) the Effective Date of the Back-Up Entry Capacity reservation which shall be:
 - (i) the first Day of the Back-Up Capacity Booking Period of the Back-Up Capacity Booking or any anniversary thereof; or
 - (ii) the Entry Point Transfer Effective Date where the Back-Up Entry Capacity is requested in respect of Primary Entry Capacity specified in an Entry Point Transfer.

Part 6

Entry Point Transfer Request

- (a) the Original Entry Point and the New Entry Point;
- (b) the Entry Capacity Booking Reference of the Entry Capacity Booking, to which the Entry Point Trade Registration relates;
- (c) the end Day of the Entry Capacity Booking Period to which the Entry Point Transfer relates;
- (d) the amount of Primary Entry Capacity to be transferred from the Original Entry Point to the New Entry Point which shall be less than or equal to, but not greater than, the Shipper's Primary Entry Capacity reserved pursuant to the Entry Capacity Booking referred to in Section 5.1.6(b);
- (e) the amount of Primary Entry Capacity to be retained at the Original Entry Point pursuant to the relevant Entry Capacity Booking;
- (f) the proposed Entry Point Transfer Effective Date; and
- (g) confirmation that the Entry Point Transfer Request is made in order to facilitate the delivery of Natural Gas from a New Gas Source at a New Entry Point in respect of which a First Commercial Gas Date has been declared within twelve (12) Months of the date of the Entry Point Transfer Request, together with documentary evidence from the producer specifying the quantity of Natural Gas which is expected to be delivered to the Shipper at the New Entry Point.

Part 7
Deferral Request

- (a) the Entry Point Transfer Request to which the deferral relates; and
- (b) the revised Entry Point Transfer Effective Date.

Part 8

LDM Agreement Application

- (a) the requested LDM Capacity Booking Effective Date which shall be the first day of the LDM Capacity Booking Period;
- (b) the requested LDM Capacity Booking Period which shall commence on the first Day of a calendar month and which shall be of twelve (12) Months in duration and in whole multiples of twelve (12) Months thereafter;
- (c) the LDM Exit Point or the LDM Supply Point at or in respect of which LDM Exit Capacity (and where relevant LDM Supply Point Capacity in (kWh/Day)) is requested;
- (d) the requested LDM Exit Capacity (in kWh/Day) and in the case of a LDM Supply Point the requested LDM Supply Point Capacity (in kWh/Day);
- (e) the identity of the applicant Shipper;
- (f) if the Shipper is not itself the End User, written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for Offtake at the End User's Offtake; and
- (g) the requested MHQ, pressure and maximum Ramp Rate.

Part 9

Application for Additional Capacity at a LDM Offtake

- (a) the requested LDM Capacity Booking Effective Date in respect of the additional capacity requested which shall be the first Day of a calendar month which is the LDM Capacity Booking Effective Date of the relevant LDM Agreement or any anniversary thereof;
- (b) the requested LDM Capacity Booking Period for the additional capacity which shall be a period of twelve (12) Months and in whole multiples of twelve (12) Months thereafter;
- (c) the Shipper's LDM Agreement;
- (d) the LDM Exit Point (and where relevant the LDM Supply Point) at or in respect of which the additional LDM Exit Capacity and/or LDM Supply Point Capacity is requested;
- (e) the requested additional LDM Exit Capacity (in kWh Day) and in the case of a LDM Supply Point the requested additional LDM Supply Point Capacity (in kWh/Day);
- (f) if the Shipper is not itself the End User, written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for Offtake at the End User's Offtake facility; and
- (g) any variations to the MHQ, pressure and maximum Ramp Rates requested at the LDM Offtake.

Part 10

DM Exit Capacity Revision Request

- (a) the proposed “Effective Date” for the revised booking which shall be:
- (i) the first day of a calendar month which occurs after acceptance by the Transporter of such DM Exit Capacity Revision Request where the request is to increase the DM Exit Capacity reserved; or
 - (ii) the first Day of the next succeeding Gas Year after acceptance by the Transporter of such DM Exit Capacity Revision Request where the request is to reduce the DM Exit Capacity.
- (b) the proposed DM Exit Capacity (in kWh/Day) for the DM Offtake from the proposed Effective Date;
- (c) the specific DM Offtake in respect of which the DM Exit Capacity Revision Request is made; and
- (d) the identity of the Shipper making the DM Exit Capacity Revision Request.

Part 11

Exit Capacity Transfer Request

- (a) the identities of the Transferor Shipper and the Transferee Shipper (which may be the same);
- (b) the category of Retained Primary Exit Capacity from which the Transferor Shipper wishes to effect the Exit Capacity Transfer and, in the case of Retained Primary LDM Exit Capacity, the LDM Offtake and LDM Agreement.
- (c) the proposed amount of Exit Capacity to be transferred (in kWh/Day);
- (d) the proposed amount of Exit Capacity to be retained (in kWh/Day):
 - (i) at or in respect of the LDM Offtake where the category of Retained Primary Capacity identified at (b) above is LDM Exit Capacity; or
 - (ii) the Retained Primary DM Exit Capacity or Retained Primary NDM Exit Capacity in the event the Exit Capacity Transfer is effected where the category of Retained Primary Exit Capacity referred to at (b) above is Retained Primary DM Exit Capacity or Retained Primary NDM Exit Capacity; and
- (e) the proposed Exit Capacity Transfer Period which must specify both the start Day and end Day and which shall include all consecutive Days between the start Day and the end Day.

Part 12

A Within Day Exit Capacity Request

- (a) the information required pursuant to Part C Section 8.3.2(a) to 8.3.2(d); and
- (b) the Day to which the Within-Day Exit Capacity Transfer relates.

Part 13

Exit Capacity Transfer Update Request

- (a) the Exit Capacity Transfer to which the update relates (identified by the reference assigned to such Exit Capacity Transfer);
- (b) the requested end Day, if the Exit Capacity Transfer Update Request is a request to change the end Day of the Exit Capacity Transfer;
- (c) the revised amount of Exit Capacity (in kWh/Day) to be specified in the updated Exit Capacity Transfer; and
- (d) the specific Day on which such update is to commence.

Part 14

Exit Capacity Transfer Reduction Request

- (a) the Exit Capacity Transfer to which the reduction relates (identified by the reference assigned to such Exit Capacity Transfer);
- (b) the revised amount of Exit Capacity (in kWh/Day) to which the Exit Capacity Transfer will relate (if the Exit Capacity Transfer Reduction Request is accepted by the Transporter);
- (c) the Day to which the Entry Capacity Trade Reduction Request relates.

Part 15

LDM Supply Point Capacity Title Transfer Request

- (a) the identities of the Transferor Shipper and the Transferee Shipper;
- (b) the LDM Supply Point in respect of which the LDM Supply Point Capacity Title Transfer is to take place;
- (c) the LDM Agreement of the Transferor Shipper;
- (d) the LDM Supply Point Capacity Booking reference of the relevant Primary Capacity;
- (e) the intended amount of LDM Supply Point Capacity the subject matter of the proposed LDM Supply Point Capacity Title Transfer (in kWh/Day); and
- (f) the period of the proposed LDM Supply Point Capacity Title Transfer, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.

Part 16

LDM Supply Point Capacity Title Transfer Update Request

- (a) the LDM Supply Point Capacity Title Transfer Reference;
- (b) the requested start Day of the LDM Supply Point Capacity Title Transfer Update Request;
- (c) where the LDM Supply Point Capacity Title Transfer Update Request is a request to change the end Day of the LDM Supply Point Capacity Title Transfer, the requested end Day;
- (d) the revised amount of LDM Supply Point Capacity (in kWh/Day) to be specified in the updated LDM Supply Point Capacity Title Transfer; and
- (e) where the LDM Supply Point Capacity Title Transfer Update Request is in respect of an amendment to the amount of the LDM Supply Point Capacity, the Day on and with effect from which the amended amount is to take effect. For the avoidance of doubt, the amended amount shall on acceptance by the Transporter of such LDM Supply Point Capacity Title Transfer Update Request take effect on the Day specified and for all of the remaining period of the LDM Supply Point Capacity Title Transfer.

Part 17

LDM Supply Point Capacity Title Transfer Reduction Request

- (a) the LDM Supply Point Capacity Title Transfer Reference;
- (b) the revised amount of LDM Supply Point Capacity (in kWh/Day) to which the LDM Supply Point Capacity Title Transfer Reduction Request relates; and
- (c) the Day to which the LDM Supply Point Capacity Title Transfer Reduction Request relates.

Part 18

Authorised Overrun Enquiry

- (a) where the enquiry relates to Entry Capacity, the Entry Point the Authorised Overrun Enquiry relates to, and the LDM Offtake at which the quantity of Natural Gas is proposed to be offtaken;
- (b) where the enquiry relates to Exit Capacity and/or Supply Point Capacity, the LDM Offtake Point the Authorised Overrun Enquiry relates to;
- (c) the Day to which the Authorised Overrun Enquiry relates;
- (d) the amount of capacity (in kWh/Day) to which the enquiry relates; and
- (e) confirmation that the overrun is required in accordance with the Authorised Overrun Mechanism.

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Input:	
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Document 2	file://C:/Documents and Settings/Norma.OFX.000/Desktop/PART C (CAPACITY) (CLEAN).doc
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
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Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
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Deletions	639
Moved from	29
Moved to	29
Style change	0
Format changed	0
Total changes	1445