

CODE OF OPERATIONS

PART C

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CAPACITY

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VERSION 5.03

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

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

## Part C

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## 1. CAPACITY

### 1.1 Interpretation and General Provisions

For the purposes of this Code:

1.1.1 A class of capacity shall for the purpose of this Code mean:

- (i) capacity which is firm; or
- (ii) capacity which is interruptible (and may be subject to Interruption in accordance with this Code); and

where all capacity shall be treated as firm save where it is specifically designated as Interruptible in accordance with this Code.

1.1.2 The direction of capacity for the purpose of this Code shall be:

- (a) forward flow in the case of capacity required to offtake natural gas from the Interconnected System and deliver natural gas to the Transportation System; or
- (b) reverse flow in the case of capacity required to offtake natural gas from the Transportation System and deliver natural gas to the Interconnected System.

1.1.3 A category of capacity shall for the purpose of this Code mean:

- (a) with respect to IP Capacity:
  - (i) Bundled IP Entry Capacity at an individual IP Entry Point; and/or
  - (ii) Unbundled IP Entry Capacity at an individual IP Entry Point;
  - (iii) Bundled IP CSEP Offtake Capacity at an individual IP CSEP; and/or
  - (iv) Unbundled IP CSEP Offtake Capacity at an individual IP CSEP;
  - (v) Interruptible IP VEntry Capacity at an individual IP VEntry; and/or
  - (vi) Interruptible IP VExit Capacity at an individual IP VExit.

- (b) Entry Capacity at an individual Entry Point which is not located at an IP;
- (c) with respect to Exit Capacity:
  - (i) LDM Exit Capacity held at or in respect of an individual LDM Offtake; and/or
  - (ii) Aggregate Primary DM Exit Capacity; and/or
  - (iii) Aggregate Primary NDM Exit Capacity; or
- (d) with respect to Supply Point Capacity:
  - (i) LDM Supply Point Capacity held in respect of an individual LDM Supply Point; and/or
  - (ii) DM Supply Point Capacity in respect of an individual DM Supply Point; and/or
  - (iii) NDM Supply Point Capacity in respect of an individual NDM Supply Point.

1.1.4 A duration of capacity shall for the purpose of this Code mean:

- (a) other than at an Interconnection Point a single annual period of twelve consecutive calendar months (“**Annual**”) commencing at the start of the first Day of a calendar month and ending at the end of the last Day of a calendar month;
- (b) at an Interconnection Point only a single annual period of twelve consecutive calendar months (“**Yearly**”) commencing at the start of the first Day of a Gas Year and ending at the end of the last Day of that Gas Year;
- (c) other than at an Interconnection Point a number of whole multiples of consecutive twelve calendar month periods (“**Multi-Annual**”) commencing at the start of the first Day of a calendar month and ending at the end of the last Day of a calendar month;
- (d) at an Interconnection Point only a single period of three consecutive calendar months (“**Quarterly**”) commencing at the start of the first Day of each Quarter.

- (e) a single calendar Month (“**Monthly**”); or
- (f) a single Day (“**Daily**”).
- (g) at an Interconnection Point only IP Capacity booked for a Day after (but not pursuant to) the Rolling Day Ahead IP Capacity Auction for that Day (“**Within Day**”).

and capacity at an Interconnection Point shall be Long Term where it is held for a duration which is Yearly or Quarterly; and shall be Short Term where it is held for a duration which is Monthly, Daily or Within Day.

- 1.1.5 For the purpose of this Part C (*Capacity*) and in order to facilitate capacity bookings at new Entry Points, references to an Entry Point shall include and be deemed to include a reference to a Proposed Entry Point where the context so requires, such that Shipper(s) may submit applications for capacity pursuant to Section 3 prior to the Anticipated Entry Point Commencement Date in respect of a Proposed Entry Point.
- 1.1.6 For the purpose of this Part C (*Capacity*) where an Entry Point or a Connected System Exit Point is located at a Interconnection Point all references to capacity available for booking by Shippers shall where applicable include any Additional Capacity.
- 1.2 The Transporter shall be entitled to utilise on a daily basis all or any part of the capacity reserved by a Registered Shipper to the extent that the capacity is not utilised by such Registered Shipper, provided however that nothing herein shall, or shall be deemed to, restrict or in any way affect the right of a Registered Shipper to utilise capacity it has reserved on the Day in accordance with this Code.
- 1.3 If a Shipper does not utilise all or any part of its Primary Capacity for more than any period of twelve (12) consecutive months, except in the case of Force Majeure, the Transporter may, if it considers such non-utilisation to be prejudicial to the economic integrity of the Transportation System or any localised part thereof, or, if such non-utilisation affects system planning of the Transportation System or any localised part thereof, serve notice of not less than three (3) months on such Shipper of its intent to cancel a Shipper's Capacity Booking to the extent it relates to such unused Primary Capacity. Unless such Shipper is able to demonstrate to the Transporter's reasonable satisfaction, having due regard to all circumstances, that such non-utilisation is justified then the unused capacity shall be cancelled with effect from the expiry of the

notice period and the provisions of this Section 1.3 shall be in addition to and without prejudice to the Transporters rights and obligations with respect to Part H (*Operations*) Section 2A (*Contractual Congestion*) including without limitation with respect to Systematically Underutilised Capacity and Withdrawable Capacity.

- 1.4 Primary Capacity for the purpose of Section 1.3 shall include IP Capacity and any capacity that has been the subject of an IP Capacity Trade, Entry Capacity Trade, Exit Capacity Transfer or LDM Supply Point Capacity Title Transfer and that has not been utilised by the Shipper that is the Primary Capacity holder or the Shipper that is the Secondary Capacity holder for more than twelve (12) consecutive Months.
- 1.5 The acceptance by the Transporter of an application by a Shipper for capacity pursuant to this Code (including in particular capacity or IP Capacity which is booked for a duration of a Day or Within Day) shall not in any way limit or restrict the Transporter with respect to its rights to reject or limit Nominations or Renominations in accordance with the provisions of Part D (*Nominations, Allocations and Supply Point Reconciliation*).

## 2. **IP CAPACITY**

### 2.1 **General**

2.1.1 A Shipper shall be required:

- (a) to be a JBP User to participate in Capacity Auctions in respect of IP Entry Capacity and/or IP CSEP Offtake Capacity and/or IP VEntry Capacity and/or IP VExit Capacity at an IP; and
- (b) to have paid the applicable IP Registration Fee in respect of a Gas Year in order to participate in Capacity Auctions in respect of IP VEntry Capacity or IP VExit Capacity in respect of any Gas Day in a Gas Year.

2.1.2 A Shipper shall be required to reserve:

- (a) IP Entry Capacity at an IP Entry Point in order to have the right to submit Entry Nominations and deliver Natural Gas to the Transportation System at the IP Entry Point;



- (b) IP CSEP Offtake Capacity at an IP CSEP in order to have the right to submit IP CSEP Offtake Nominations and offtake Natural Gas from the Transportation System at the IP CSEP;
- (c) Interruptible IP Capacity in order to have the right to deliver Natural Gas at an IP VEntry or offtake Natural Gas at the IP VExit, as the case may be.

2.1.3 A Shipper which is a JBP User may apply to reserve IP Entry Capacity and/or IP CSEP Offtake Capacity to be held pursuant to this Code at any IP in accordance with this Section 2 and may reserve IP Entry Capacity and/or IP CSEP Offtake Capacity for the following durations:

- (a) Yearly ("**Yearly IP Entry Capacity**" or "**Yearly IP CSEP Offtake Capacity**", as the case may be);
- (b) Quarterly ("**Quarterly IP Entry Capacity**" or "**Quarterly IP CSEP Offtake Capacity**" as the case may be);
- (c) Monthly ("**Monthly IP Entry Capacity**" or "**Monthly IP CSEP Offtake Capacity**", as the case may be); and/or;
- (d) Daily ("**Daily IPEntry Capacity**" or "**Daily IP CSEP Offtake Capacity**", as the case may be); or
- (e) Within Day ("**Within Day IP Entry Capacity**" or "**Within Day IP CSEP Offtake Capacity**", as the case may be).

2.1.4 A Shipper which is a JBP User which has paid the applicable IP Registration Fee may apply to reserve Interruptible IP Capacity at an IP in accordance with Section 2 below and the Shipper may reserve Interruptible IP Capacity for a duration which is Daily ("**Daily Interruptible IP Capacity**").

## 2.2 IP Capacity Auctions

2.2.1 IP Capacity shall subject to Section 2.2.2 be offered and allocated in accordance with this Code pursuant to the relevant Capacity Auction to Shippers at the relevant Interconnection Point.

2.2.2 A Shipper must in order to participate in a Capacity Auction be a JBP User and have paid the applicable IP Registration Fee; in order to participate in

a Capacity Auction in respect of Bundled IP Capacity at an IP, the Shipper must be also entitled to participate in that Capacity Auction in accordance with the applicable Interconnected System Transportation Arrangements. When a Shipper participates in a Capacity Auction in respect of Bundled IP Capacity (a "**Bundled Auction**") any Bid submitted is both an application for IP Capacity pursuant to this Code and an application for Corresponding Adjacent System IP Capacity pursuant to the Interconnected System Transportation Arrangements; this Code governs the Shipper's application for IP Capacity and does not govern the Shippers application for Corresponding Adjacent System IP Capacity which application is made in accordance with the applicable Interconnected System Transportation Arrangements.

2.2.3 Capacity Auctions shall be conducted on the JBP (applying the JBP algorithms) in accordance with the JBP Users T&C's and shall include:

- (a) annual Ascending Clock Auction(s) in respect of Yearly IP Entry Capacity and/or Yearly IP CSEP Offtake Capacity (each an "**Annual Yearly IP Capacity Auction**") which shall commence on a date or dates determined pursuant to Section 2.2.4 and at which Bundled IP Capacity and/or Unbundled IP Capacity may be made available for a duration which is Yearly and separately in respect of each of at least five (5) Gas Years but not more than fifteen Gas Years commencing on the first Day of the Gas Year which commences after the Gas Year in which the Annual Yearly IP Capacity Auction takes place;
- (b) four annual Ascending Clock Auction(s) (being the First Quarterly IP Capacity Auction, the Second Quarterly IP Capacity Auction, the Third Quarterly IP Capacity Auction and the Fourth Quarterly IP Capacity Auction) in respect of Quarterly IP Entry Capacity and/or Quarterly IP CSEP Offtake Capacity (each an "**Annual Quarterly IP Capacity Auction**") which shall take place upon a date or dates determined in accordance with Section 2.2.4 and at which Bundled IP Capacity and/or Unbundled IP Capacity may be made available for a duration which is Quarterly and separately in respect of each Quarter in the Gas Year which commences in that the Auction Year;

- (c) rolling monthly Ascending Clock Auction(s) in respect of Monthly IP Entry Capacity and/or Monthly IP CSEP Offtake Capacity (each a "**Rolling Monthly IP Capacity Auction**") which shall be held once a month in accordance with the ENTSOG Auction Calendar and at which Bundled IP Capacity and/or Unbundled IP Capacity for a duration which is Monthly may be made available for the Month following the month in which the Rolling Monthly IP Capacity Auction takes place;
- (d) rolling day ahead Uniform Price Auction(s) in respect of Daily IP Entry Capacity and/or Daily IP CSEP Offtake Capacity ("**Rolling Day Ahead IP Capacity Auctions**") comprising a single Bidding Round which shall commence at 15:30 on D – 1 and at which Bundled IP Capacity and/or Unbundled IP Capacity for a duration which is Daily may be made available for the Day following the day on which the Rolling Day Ahead IP Capacity Auction takes place;
- (e) within day Uniform Price Auction(s) in respect of Within Day IP Entry Capacity and/or Within Day IP CSEP Offtake Capacity ("**Within Day IP Capacity Auction**") with the first such auction starting at 18:00 on D – 1 in respect of Within Day IP Entry Capacity and Within Day IP CSEP Offtake Capacity and with subsequent Within Day IP Capacity Auctions to commence at 02:00 on D-1 and thereafter hourly on the hour up to 00:00 on Day D; and
- (f) rolling day ahead Uniform Price Auction(s) in respect of Daily Interruptible IP Capacity ("**Rolling Day Ahead Interruptible IP Capacity Auction**") with a single Bidding Round for each Rolling Day Ahead Interruptible IP Capacity Auction commencing at 15:30 on D – 1 and at which Interruptible IP Capacity may be made available for a duration which is Daily for the Day following the Day on which the Rolling Day Ahead Interruptible IP Capacity Auction takes place.

Separate Capacity Auctions shall be held for each category of IP Capacity and for each category of Interruptible IP Capacity and separately with respect to Bundled IP Capacity and Unbundled IP Capacity, provided always

- (i) firm Unbundled IP Capacity shall only be made available by the Transporter where there is no capacity of any equivalent category and duration made available by the Adjacent TSO; and
- (ii) all Interruptible IP Capacity shall be Unbundled.

2.2.4 All Capacity Auction(s) shall take place as follows in accordance with the ENTSOG Auction Calendar or where the ENTSOG Auction Calendar has not been published or does not apply in respect of any Capacity Auction shall take place as follows:

- (a) the Annual Yearly IP Capacity Auction in respect of the Gas Year commencing 1 October 2018 and each subsequent Gas Year on the first Monday of July prior to the first Gas Year to which the applicable Annual Yearly IP Capacity Auctions relates; and
- (b) the four Annual Quarterly IP Capacity Auctions shall take place as follows:
  - (i) the First Quarterly IP Capacity Auction(s) in respect of a Gas Year shall take place on the first Monday of August preceding the first Day of the Gas Year;
  - (ii) the Second Quarterly IP Capacity Auction(s) shall take place on the first Monday of November in the Gas Year;
  - (iii) the Third Quarterly IP Capacity Auction(s) shall take place on the first Monday of February in the Gas Year;
  - (iv) the Fourth Quarterly IP Capacity Auction shall be held on the first Monday of May in the Gas Year
- (c) each Rolling Monthly IP Capacity Auction shall commence on the third Monday of each month; and
- (d) each Daily IP Capacity Auction shall be held on the day prior to the Day for which the Capacity is auctioned.

2.2.5 The Transporter shall:

- (a) not later than one month before each Annual Yearly IP Capacity Auction commences calculate and notify Shippers of the amount of available IP Capacity of each category to be offered for each Gas Year for which Shipper(s) may bid pursuant to the relevant Annual Yearly IP Capacity Auction and shall notify Shippers whether any Additional Capacity may be made available;

- (b) not later than two weeks before each Annual Quarterly IP Capacity Auction commences calculate and notify Shippers of the amount of available IP Capacity of each category to be offered in the Annual Quarterly IP Capacity Auction for each Quarter of the Gas Year which commences after the Gas Year in which the Annual Quarterly IP Capacity Auction takes place and shall notify Shippers whether any Additional Capacity may be made available;
- (c) one week before each Rolling Monthly IP Capacity Auction commences calculate and notify Shippers of the amount of available IP Capacity of each category to be offered in the Rolling Monthly IP Capacity Auction and shall notify Shippers whether any Additional Capacity may be made available;
- (d) at the time the relevant Bidding Round opens calculate and notify Shippers of the amount of available IP Capacity of each category to be offered for the Rolling Day Ahead IP Capacity Auction and shall notify Shippers whether any Additional Capacity may be made available;
- (e) after closure of the Rolling Day Ahead IP Capacity Auction in accordance with Section 2.11
  - (i) the available amount (if any) of Within Day IP Capacity of each category to be offered in the Within Day IP Capacity Auction; and
  - (ii) if known, the amount of Interruptible IP Capacity available prior to the commencement of the relevant Rolling Day Ahead Interruptible IP Capacity Auction.

Any notification or publication required pursuant to this Section 2.2.5 shall be made by the publication of the relevant information on the JBP.

2.2.6 A Shipper may in accordance with this Code apply for and be allocated by the Transporter with IP Capacity pursuant to Capacity Auctions at an Interconnection Point as follows:

- (a) Yearly IP Capacity may be applied for by a Shipper and may be allocated to the Shipper in accordance with this Code pursuant to the Annual Yearly IP Capacity Auction;

- (b) Quarterly IP Capacity may be applied for by a Shipper and allocated to the Shipper in accordance with this Code pursuant to the Annual Quarterly IP Capacity Auction;
- (c) Monthly IP Capacity may be applied for by a Shipper and allocated to the Shipper in accordance with this Code pursuant to the Rolling Monthly IP Capacity Auction;
- (d) Daily IP Capacity may be applied for by a Shipper and allocated to the Shipper in accordance with this Code pursuant to the Rolling Day Ahead IP Capacity Auction;
- (e) Within Day IP Capacity may be applied for by Shipper and allocated to the Shipper in accordance with this Code pursuant to the applicable Within Day IP Capacity Auction(s); and
- (f) Daily Interruptible IP Capacity may be applied for by a Shipper and allocated to the Shipper in accordance with the Code pursuant to the Rolling Day Ahead Interruptible IP Capacity Auction.

## 2.3 Capacity Set Aside

2.3.1 The Transporter shall subject to and without prejudice to Section 2.3.2 set aside a percentage of the Technical Capacity at each IP Entry Point and each IP CSEP as follows:

- (a) an amount of the Technical Capacity (or such other quantity as may be approved by the Competent Authority) at each IP Entry Point and at each IP CSEP shall be set aside and excluded from the amount of capacity made available in the Annual Yearly IP Capacity Auctions in each year as follows:
  - (i) an amount equal to 10% of such Technical Capacity shall be excluded from the Annual Yearly IP Capacity Auction in a year (Yearly) in respect of each of the first five (5) Gas Years (Y + 1 to Y + 5);
  - (ii) 20% (or such lesser quantity in the event that the quantity set aside is less than 20%) of such Technical Capacity so set aside shall be set aside and excluded from the Annual Yearly Capacity

Auction in a year in respect of each of the next succeeding ten (10) Gas Years (Y+6 to Y+15).

- 2.3.2 An amount equal at least to 10% of the incremental technical capacity at an IP shall be set aside and offered no earlier than the Annual Quarterly Capacity Auction held during the year preceding the year in which the relevant Incremental Capacity will be available.

## 2.4 Auctionable Capacity Calculation

- 2.4.1 The amount of IP Capacity which shall be made available at Capacity Auction(s) shall be calculated as follows:

- (a) the capacity to be offered in each Annual Yearly IP Capacity Auction (the "**Yearly IP Auctionable Capacity**") shall be calculated as follows:

$$A - B - C + D + E - F$$

- (b) the capacity to be offered in an Annual Quarterly IP Capacity Auction (the "**Quarterly IP Auctionable Capacity**") shall be calculated as follows:

$$A - C + D$$

- (c) the capacity to be offered in a Rolling Monthly IP Capacity Auction (the "**Monthly IP Auctionable Capacity**") shall be calculated as follows:

$$A - C + D$$

- (d) the capacity to be offered in a Rolling Day Ahead IP Capacity Auction (the "**Daily IP Auctionable Capacity**") shall be calculated as follows:

$$A - C + D$$

- (e) the capacity to be offered in the Within Day IP Capacity Auction (the "**Within Day IP Auctionable Capacity**") shall be calculated as follows in respect of each hour:

$$A - C + D$$

- (f) the capacity to be offered in the Rolling Day Ahead Interruptible IP Capacity Auction (the "**Daily Interruptible IP Auctionable Capacity**") shall be calculated in accordance with a methodology determined by the Transporter with the approval of the Commission;

Where:

“A” is the Transporter's Technical Capacity at or in respect of the applicable IP Entry Point or IP CSEP and for each standard capacity product;

“B” for Annual Yearly IP Capacity Auction is

- (i) for each of the first five Gas Years for which Yearly IP Capacity is offered 10% of the Technical Capacity ; and
- (ii) for the 10 Gas Years subsequent to the first five Gas Years for which Yearly IP Capacity is offered, the 20% of the Technical Capacity;

"C" is the previously sold technical capacity, adjusted by the capacity which is reoffered in accordance with any applicable congestion management procedures;

"D" is the applicable Additional Capacity (if any);

“E” is the amount of Incremental Capacity for such Year included in the Offer Level (if any);

“F” is the amount of Incremental Capacity (E) if any set aside in accordance with Section 2.3.2.

Each of the calculations set out above shall be made separately for IP Capacity of each category (but not as between Bundled IP Capacity and Unbundled IP Capacity) at each Interconnection Point and for each Capacity Auction in respect of which a Shipper may submit a Bid. The Transporter shall not be required to apportion the Auctionable Capacity as between Bundled IP Capacity and Unbundled IP Capacity which apportionment shall be made by the JBP Operator in accordance with the principles as set out in Section 2.5.



## 2.5 Capacity Bundling for Auctions

- 2.5.1 IP Entry Capacity and IP CSEP Offtake Capacity shall be made available pursuant to Capacity Auctions on the JBP as Bundled IP Capacity to the extent that the applicable Auctionable Capacity made available by the Transporter at the IP can prior to each relevant Capacity Auction be bundled in a single Capacity Auction with an equal amount of Corresponding Adjacent TSO Capacity at the same IP;
- 2.5.2 The amount of relevant Bundled IP Capacity which will be made available in a Capacity Auction shall be determined by the JBP Operator and published on the JBP having regard to the Auctionable Capacity as notified by the Transporter and the relevant information made available by the Adjacent TSO.
- 2.5.3 IP Capacity which is firm may only be offered as Unbundled IP Capacity when relevant Auctionable Capacity which the Transporter makes available cannot be made available as Bundled IP Capacity.
- 2.5.4 All Interruptible IP Capacity shall be Unbundled IP Capacity.
- 2.5.5 When as at 1 October 2015 a Shipper has an Entry Capacity Booking in respect of Entry Capacity at an IP Entry Point such Entry Capacity shall for the purpose of this Code be deemed to be and treated as Unbundled IP Entry Capacity

## 2.6 Linked Auctions

- 2.6.1 References to "Linked Auctions" in Section 2.6 to 2.11 mean the GB-RoI Auction and the GB-NI Auction or such one or more of them as the case may be.
- 2.6.2 In respect of the Moffat IP Entry Point, a Bundled Auction (the "**GB-RoI Auction**") may become linked ("**Linked**") to another bundled auction (the "**GB-NI Auction**") for Adjacent System IP Capacity being held by the Adjacent TSO at that IP.
- 2.6.3 Where Ascending Clock Auctions are Linked the Linked Auctions will be held in parallel on the JBP with simultaneous bid rounds in each Linked Auction until such time as:

- (a) the Linked Auctions cease to be Linked in accordance with section 2.8.8(d); or
- (b) each of the Linked Auctions closes in accordance with section 2.8.8(a) and/or 2.8.8(c).

2.6.4 In respect of the Moffat IP Entry Point if for any Ascending Clock Auction

- (a) the GB Allocable Capacity exceeds the Aggregate Auctionable RoI/NI Capacity then the GB-RoI Auction will not be Linked to the GB-NI Auction and their respective auctions will be held separately;
- (b) the GB Allocable Capacity is less than the Aggregate Auctionable RoI/NI Capacity then the auctions will be Linked.

2.6.5 The auction process for any Linked Auction which is an Ascending Clock Auction shall be held separately and the GB-RoI Auction shall be held in accordance with Section 2.8.1 to 2.8.7 as modified by Section 2.8.8.

2.6.6 In respect of the Moffat IP Entry Point if for any Uniform Price Auction:

- (a) the GB Allocable Capacity exceeds the Aggregate Auctionable RoI / NI Capacity then the GB-RoI Auction will not be Linked to the GB-NI Auctions and the respective auctions will be held separately;
- (b) the GB Allocable Capacity is less than the Aggregate Auctionable RoI/NI Capacity then the GB-RoI Auction and the GB-NI Auction shall be Linked and
  - (i) the GB-RoI Auction shall be held separately in accordance with section 2.10.1 to 2.10.8 and the GB NI Auction shall be held separately in accordance with the applicable rules of the Interconnected System Transportation Arrangements; and
  - (ii) Section 2.11.7 to Section 2.11.10 shall apply to the Linked Auction.

2.6.7 When Capacity Auctions are Linked they will be identified as such on the JBP and the amount of capacity in respect of such Linked Auction will be published on the JBP.

## 2.7 Reserve Price, Auction Price and Price Steps

- 2.7.1 In the first Bidding Round in each Ascending Clock Auction, the auction price shall be the applicable Reserve Price and in each subsequent Bidding Round shall be the Auction Price in the previous Bidding Round adjusted by Price Step(s) in accordance with Section 2.7.2. (each an "**Ascending Clock Auction Price**")
- 2.7.2 The Ascending Clock Auction Price in respect of the second and each subsequent Bidding Round in each Ascending Clock Auction shall be established as follows:
- (a) in the second Bidding Round and each subsequent Bidding Round where the Aggregate Bid Quantity in the previous Bidding Round is in excess of the applicable Auctionable Capacity (each a "**LPS Bidding Round**"), the Ascending Clock Auction Price in such Bidding Round shall be the Ascending Clock Auction Price in the previous Bidding Round plus the relevant Large Price Step;
  - (b) if a First Time Undersell occurs then the applicable Ascending Clock Auction Price for the next Bidding Round shall be calculated as the Ascending Clock Auction Price in the Pre-FTU Bidding Round plus the relevant Small Price Step; and
  - (c) in each Bidding Round following a FTU Bidding Round (each a "**SPS Bidding Round**") the Ascending Clock Auction Price shall be in accordance with 2.6.2(b) above or as applicable the Ascending Clock Auction Price in the previous Bidding Round plus the relevant Small Price Step.
- 2.7.3 The Transporter shall notify to the JBP Operator the applicable Transporter Reserve Price for each Standard Capacity Product which may be applied in each Capacity Auction and the Transporter Large Price Step and Transporter Small Price Step for each Standard Capacity Product which may be applied for in each Ascending Clock Auction.

## 2.8 **Ascending Clock Auctions**

- 2.8.1 The following provisions shall (subject to Section 2.8.8 in respect of Linked Auctions) apply with respect to all Capacity Auctions which are Ascending Clock Auctions:

- (a) a Shipper shall submit Bids in respect of amounts of IP Capacity against escalating prices announced in consecutive Bidding Rounds starting at the applicable Ascending Clock Auction Price;
- (b) Bidding Rounds shall take place between 08:00 hours and 17:00 hours on relevant days. The first Bidding Round shall continue for a period of three (3) hours; a second and each subsequent Bidding Round shall continue for a period of one (1) hour;
- (c) there shall be a period of one (1) hour between Bidding Rounds.
- (d) all Bids shall be submitted on the JBP in accordance with this Code and the JBP T&C's;
- (e) all Ascending Clock Auctions shall be conducted on the JBP in accordance with the applicable JBP algorithms.

2.8.2 A Shipper shall apply for IP Capacity which is made available pursuant to an Ascending Clock Auction by submitting a Bid and each such Bid shall specify:

- (a) the EIC of the Shipper submitting the Bid;
- (b) the Interconnection Point in respect of which the Bid is submitted and the direction of gas flow;
- (c) the Standard Capacity Product for which the Bid is submitted which shall be Yearly IP Entry Capacity, Quarterly IP Entry Capacity, Monthly IP Entry Capacity, Yearly IP CSEP Offtake Capacity, Quarterly IP CSEP Offtake Capacity, or Monthly IP CSEP Offtake Capacity, as the case may be;
- (d) the amount of IP Capacity per Price Step to which the Bid relates which shall not exceed the applicable Auctionable Capacity for the Standard Capacity Product for which the Bid is submitted; and
- (e) such other information as the JBP Operator may specify in the JBP User T&C's.

2.8.3 A Shipper's Bid in an Ascending Clock Auction shall be considered valid if;

- (a) it is submitted by a Shipper on the JBP and complies with the provisions of this Code and the JBP User T&C's;
- (b) the Bid quantity is equal to or greater than the Minimum IP Capacity Booking Quantity;
- (c) the amount of capacity specified in the Bid is equal to or less than the applicable Auctionable Capacity in the relevant Capacity Auction;
- (d) the Shipper submitting the Bid has complied with any applicable financial security requirements of the applicable Financial Security Policy;
- (e) subject to (g) and (h) in the case of a Bid in a second or subsequent Bidding Round the amount of IP Capacity specified by the Shipper at a specific price is less than or equal to the amount of IP Capacity specified in the Bid placed by the same Shipper in the previous Bidding Round;
- (f) in the case of a second or subsequent Bidding Round the Shipper has submitted a Bid in all of the previous Bidding Rounds, each of which complies with the provisions of this Code and the JBP User T&C's;
- (g) in the first SPS Bidding Round the amount of IP Capacity specified in the Bid is equal to or less than the amount of IP Capacity specified in the Bid submitted by the Shipper in the pre FTU Bidding Round; and
- (h) subject to (g) in the case of a Bid submitted in any SPS Bidding Round the amount of IP Capacity specified in the Bid is:
  - (i) equal to or greater than the amount of IP Capacity specified by the Shipper in the FTU Bidding Round; and
  - (ii) is equal to or smaller than the amount of IP Capacity specified by the Shipper in the previous SPS Bidding Round;

Invalid bids will not be processed.

- 2.8.4 Shippers may modify, withdraw any Bid submitted during a Bidding Round providing all such Bids (including modified Bids) comply with the

provisions of this Code and the JBP User T&C's. Bids shall remain valid until modified withdrawn or rejected. A Shipper shall not and shall not be entitled to modify or withdraw any Bid once the Bidding Round in which it has been submitted closes.

- 2.8.5 Shippers may elect to enter Bids on the JBP automatically against any Price Step in an Ascending Clock Auction.
- 2.8.6 After each Bidding Round the sum of all Bids of all Shippers in the relevant Ascending Clock Auction shall be published as soon as reasonably possible in an aggregated form.
- 2.8.7 If at the end of the first or any subsequent Bidding Round the Aggregate Bid Quantity is greater than the applicable Auctionable Capacity, a further Bidding Round shall be opened with the relevant IP Capacity to be offered at the applicable Ascending Clock Auction Price until such time as the Auction closes in accordance with Section 2.9.
- 2.8.8 The following shall apply in respect of Linked Ascending Clock Auctions:
- (a) if in the first Bid Round in the Auctions the Aggregate Total Bid Quantity is less than or equal to the GB Allocable Capacity both Linked Auctions shall close.
  - (b) if following any other LPS Bid Round (other than the first such Bid Round) the Aggregate Total Bid Quantity is less than or equal to the GB Allocable Capacity then subject to Section 2.8.8(d):
    - (i) that Bid Round will be the FTU Bid Round (or its equivalent) (for both Linked Auctions);
    - (ii) the auctions will proceed as Linked Auctions utilising Small Price Steps.
  - (c) if in any SPS Bid Round where the Auctions are Linked the Aggregate Total Bid Quantity is less than or equal to the GB Allocable Quantity the Linked Auction shall close.
  - (d) if in any Bid Round the Aggregate Bid Quantity for the GB-RoI Auction is less than or equal to the RoI-NCC and/or the equivalent

aggregate bid quantity in the GB-NI Auction is less than or equal to the NI NCC then:

- (i) the Linked Auctions shall cease to be Linked;
- (ii) if the Aggregate Bid Quantity:
  - (1) is equal to the Auctionable Capacity the Linked Auction shall close in accordance with Section 2.9.2;
  - (2) is less than the applicable Auctionable Capacity that Bid Round shall be treated as an FTU Bid Round and the Auction shall proceed with SPS Bid Rounds in accordance with Section 2.7 and 2.8;
  - (3) is greater than the Auctionable Capacity the Auction shall proceed with LPS Bid Rounds and SPS Bid Rounds in accordance with Sections 2.7 and 2.8 and shall close in accordance with Section 2.9 as applicable.

## **2.9 Closing of Ascending Clock Auction and Allocation of IP Capacity:**

- 2.9.1 If at the end of the first Bidding Round of an Ascending Clock Auction the Aggregate Bid Quantity is less than or equal to the applicable Auctionable Capacity, then the Ascending Clock Auction shall close at the end of such Bidding Round.
- 2.9.2 If at the end of the second Bidding Round or a subsequent Bidding Round, the Aggregate Bid Quantity is equal to the applicable Auctionable Capacity the Ascending Clock Auction shall close at the end of such second or subsequent Bidding Round.
- 2.9.3 If a First Time Undersell occurs further Bidding Round(s) shall be opened and the Ascending Clock Auction Price shall be recalculated in respect of such Bidding Round(s) in accordance with Section 2.7.2(b) and 2.7.2(c) until such time as the Aggregate Bid Quantity specified in Bids submitted by Shippers is less than or equal to the applicable Auctionable Capacity at which point the Ascending Clock Auction shall close.
- 2.9.4 If in a Bidding Round following a FTU Bidding Round the Aggregate Bid Quantity is greater than the IP Capacity offered in the Bidding Round with

an Ascending Clock Auction Price equal to that specified in the FTU Bidding Round minus one Small Price Step the Ascending Clock Auction shall close.

2.9.5 Linked Ascending Clock Auctions shall close in accordance with Section 2.8.8(a) or 2.8.8(c) and Linked Auctions which ceases to be Linked in accordance with Section 2.8.8(d) shall close in accordance with this Section 2.9.

2.9.6 If an Ascending Clock Auction has not closed in accordance with Sections 2.9.1 to 2.9.4

(a) where the next relevant Capacity Auction is an Ascending Clock Auction, by the fifth Business Day; or

(b) where the next relevant Capacity Auction is a Uniform Price Auction, by the Business Day before the information publication date for the next relevant Capacity Auction,

the first Ascending Clock Auction shall terminate without closing. For the purpose of this Section 2.9.6 the next relevant Capacity Auction is the next IP Capacity Auction for IP Capacity in the same direction as and for a duration which includes any Day or Days in the duration to which the first Auction relates.

2.9.7 Shippers shall be allocated IP Capacity following closing of an Ascending Clock Auction as follows:

(a) where the Ascending Clock Auction closes in accordance with Section 2.8.8(a), 2.8.8(b), 2.9.1 or 2.9.2 then each Shipper shall be allocated the amount of IP Capacity in respect of which the Shipper has submitted a Bid at the applicable Ascending Clock Auction Price;

(b) if the Ascending Clock Auction closes in accordance with Section 2.9.4 above, then each Shipper shall be allocated the amount of IP Capacity specified in the Bid submitted by such Shipper in the FTU Bidding Round;

(c) if an Ascending Clock Auction terminates in accordance with Section 2.9.6 no IP Capacity shall be allocated; and



Subject to the foregoing, in all other circumstances all Shippers who have placed valid Bids at the Clearing Price shall be allocated that amount of IP Capacity specified in that Shipper's Bid in the Bidding Round following which the Auction closes at the Clearing Price.

2.9.8 As soon as reasonably practicable after an Ascending Clock Auction closes and in any event no later than the next Business Day after the relevant Ascending Clock Auction closes the JBP Operator shall:

- (a) as agent for the Transporter notify individual Shippers who participated in the relevant Ascending Clock Auction of:
  - (i) the amount of IP Capacity (if any) allocated to that Shipper pursuant to the relevant Ascending Clock Auction; and
  - (ii) the Clearing Price at which such IP Capacity has been allocated to that Shipper;
- (b) publish aggregated information on the results of each Ascending Clock Auction including the aggregate allocated IP Capacity and the Clearing Price.

2.9.9 A Shipper shall and shall be deemed to have a Booked IP Capacity Quantity of the amount allocated to the Shipper in accordance with Section 2.9.7 and for an IP Capacity Booking Period of the duration for which such IP Capacity was auctioned.

## 2.10 Uniform Price Auction

2.10.1 Each Uniform Price Auction shall be conducted on the JBP in accordance with the JBP Users T&C's and shall comprise a single Bidding Round.

2.10.2 Each day there shall be:

- (a) a single Uniform Price Rolling Day Ahead Capacity Auction in respect of Daily IP Entry Capacity at each IP Entry Point;
- (b) a single Uniform Price Rolling Day Ahead IP Capacity Auction in respect of Daily IP CSEP Offtake Capacity at each IP CSEP; and
- (c) Uniform Price Within Day IP Capacity Auctions at each IP.

- 2.10.3 The first Within Day IP Capacity Auction shall commence at 18:00 on D - 1. The second Within Day IP Capacity Auction for a Day shall commence at 05:00 hours on Day D and each subsequent Within Day IP Capacity Auction shall commence on the hour during the Day and the last such Auction shall commence at 00:00 on Day D.
- 2.10.4 The Bidding Round in a Uniform Price Auction shall be as follows:
- (a) in the case of the Rolling Day Ahead IP Capacity Auctions the Bidding Round shall open at 15:30 hours on D – 1 and shall close at 16:00 on D - 1;
  - (b) in the case of Rolling Day Ahead Interruptible IP Capacity Auctions the Bidding Round shall open at 15:30 on D – 1 and close at 16:00 on D - 1;
  - (c) in the case of Within Day IP Capacity Auctions:
    - (i) the first Within Day IP Capacity Auction for Day D the Bidding Round shall open at 18:00 on D – 1 and shall close at 01:30 hours on D - 1; and
    - (ii) the second Within Day IP Capacity Auction the Bidding Round for Day D shall commence at 02:00 on D-1; and
    - (iii) thereafter there shall be a new Bidding Round in respect of each Within Day IP Capacity Auction commencing at the start of each hour throughout the Day with the last such Auction commencing at 00.00 hours on Day D;
    - (iv) the duration of each Bidding Round commencing at the start of each hour (other than as referred to in (i) above) shall be 30 minutes.
- 2.10.5 A Shipper may in each Uniform Price Auction to submit up to 10 Bids each of which shall be treated separately and independently. Each Bid shall be submitted on the JBP in accordance with this Code and JBP Users T&C's and shall specify:
- (a) the EIC of the Shipper;
  - (b) the Interconnection Point;

- (c) the category of capacity to which the Bid relates which shall be Daily IP Entry Capacity or Daily IP CSEP Offtake Capacity, Within Day IP Entry Capacity, Within Day IP CSEP Offtake Capacity, Daily Interruptible IP VEntry Capacity or Daily Interruptible IP VExit Capacity (as the case may be);
- (d) the amount in kWh of Daily IP Entry Capacity, Daily IP CSEP Offtake Capacity, Within Day IP Entry Capacity, Within Day IP CSEP Offtake Capacity, Daily Interruptible IP VEntry Capacity or Daily Interruptible IP VExit Capacity (as the case may be) applied for;
- (e) the IP Capacity Booking Period to which the Bid relates (including the requested effective time which shall be four hours after the commencement of the Capacity Auction in which the Bid is submitted in the case of a Within Day IP Capacity Auction);
- (f) the minimum amount of capacity in kWh day referred to in Section (d) above which the Shipper is willing to accept in accordance with Section 2.11.3(b) in the event the Shipper is not to be allocated the amount requested in accordance with the Bid; and
- (g) a price (the "**Bid Price**") in euro which the Shipper is willing to pay in respect of the capacity applied for, which shall not be less than the Reserve Price applicable for the relevant capacity.

2.10.6 A Bid may be withdrawn cancelled or modified on the JBP during the Bidding Round. A modified Bid shall supersede the previous Bid to which it relates. A Bid may not be withdrawn, cancelled or modified after the closing of the Bidding Round.

2.10.7 Any Bid which:

- (a) is not submitted in accordance with Section 2.10.5;
- (b) specifies a Bid Price which is less than the applicable Reserve Price;
- (c) specifies more than one category of IP Capacity;
- (d) is not in accordance with the JBP Users T&C's;

- (e) in respect of which the Shipper has insufficient financial security in accordance with the applicable Financial Security Policy; or
- (f) is in respect of Bundled Capacity and which is rejected in accordance with the Interconnected System Transportation Arrangement,

shall be rejected.

2.10.8 Any Bid which is not withdrawn or cancelled in accordance with 2.10.6 or rejected in accordance with Section 2.10.7 shall be a valid Bid.

## 2.11 Closing of Uniform Price Auction and Allocation of Capacity

2.11.1 Each Uniform Price Auction shall close after the single Bidding Round.

2.11.2 All valid Bids shall be ranked after the closing of the Bidding Round in a Uniform Price Auction in accordance with the Bid Price with the highest Bid Price (the "**Highest Bid Price**") ranking first.

2.11.3 IP Capacity and/or Interruptible IP Capacity shall subject in the case of Linked Auctions to Section 2.11.7 to 2.11.10 be allocated as follows following the closing of a Uniform Price Auction:

- (a) firstly to those Shippers which have valid Bids at the Highest Bid Price and thereafter any unallocated capacity shall be allocated to the remaining Shippers in order of price ranking with the Bid with the higher Bid Price being first allocated capacity;
- (b) where the amount of capacity specified by Shippers in Bids at a particular Bid Price exceeds the then remaining unallocated IP Capacity (after IP Capacity has been allocated to Shippers specifying higher Bid Prices) such Shippers shall be allocated IP Capacity equal to the remaining unallocated capacity pro rata to the amounts specified in each such Bid (where applicable) and;
- (c) where the amount to be allocated in respect of a Bid in accordance with paragraph (b) is less than the minimum amount of capacity specified by the Shipper pursuant to Section 2.10.5(e) such Shipper's Bid shall be disregarded and a revised allocation may be made in accordance with the provisions of this Section 2.11.

- 2.11.4 Each Shipper shall be notified by the JBP Operator of the amount of IP Capacity or Interruptible IP Capacity (including where applicable zero amount) which the Shipper has been allocated in accordance with Section 2.11.3 no later than thirty (30) minutes after the closing of the Uniform Price Auction.
- 2.11.5 A Shipper shall be deemed to have booked the amounts of IP Capacity allocated to the Shipper in accordance with Section 2.11.4. Where a Shipper is allocated capacity as a result of Within Day IP Capacity Auction then the capacity allocation will be effective:
- (a) from the start of Day D where the capacity is allocated pursuant to the first Within Day IP Capacity Auction; and
  - (b) 4 hours after the hour on which the relevant Capacity Auction commenced where the capacity is allocated pursuant to any Within Day IP Capacity Auction other than the first Within Day IP Capacity Auction.
- 2.11.6 Aggregate information with respect to each Uniform Price Auction shall be published on the JBP including the total amount of IP Capacity allocated and the applicable Clearing Price.
- 2.11.7 The allocation of IP Capacity following the closing of a Uniform Price Auction which is Linked is provisional (the "**Provisional Allocation**"); no Bid shall be accepted and no Clearing Price shall be determined, and Sections 2.11.8 to 2.11.10 shall apply.
- 2.11.8 the Bids to which IP Capacity have been provisionally allocated in the Provisional Allocation shall be combined with bids in the Linked GB-NI Auction into a consolidated set of bids in respect of both Linked Auctions and in respect of each Bid submitted in each Linked Uniform Price Auction the quantity provisionally allocated in the Provisional Allocation shall be deemed to be the bid quantity.
- 2.11.9 All Bids in the combined set of bids shall be ranked according to price and IP Capacity shall be allocated to such bids in accordance with the process in Section 2.11.3 (mutatis mutandis) in a Linked Auction allocation on the basis that the Auctionable Capacity is the GB Allocable Capacity.

2.11.10 Each Shipper shall be notified of the amount of IP Capacity such Shipper has been allocated in accordance with Section 2.11.9.

2.11.11 The results of the Linked Auction allocation are final and binding as to the IP Capacity to be allocated and the determination of the Clearing Price.

## 2.12 Auction Clearing Price (Ascending Clock Auctions and Uniform Price Auctions)

2.12.1 The Clearing Price in respect of IP Capacity allocated pursuant to any Capacity Auction shall be established in accordance with the remaining provisions of this Section 2.12:

(a) in the case of an Ascending Clock Auction the Clearing Price shall be:

(i) subject to (ii) the Auction Price in the last Bidding Round following which the relevant Ascending Clock Auction closes; or

(ii) where the Ascending Clock Auction closes in accordance with Section 2.9.4 the Auction Price in the Bidding Round which resulted in the First Time Undersell;

(b) in the case of a Uniform Price Auction (including any Linked Auction) the Clearing Price shall be:

(i) subject to (ii) below the lowest Bid Price specified in any Bid in respect of which an amount of capacity is allocated;

(ii) the Reserve Price if the amount of capacity in respect of which valid Bids are submitted is less than or equal to the applicable Auctionable Capacity.

## 2.13 IP Charges/Interruptible IP Charges

2.13.1 Charges in respect of IP Capacity ("**IP Charges**") shall comprise IP Capacity Charges and IP Commodity Charges as set out below.

2.13.2 Charges in respect of Interruptible IP Capacity ("**Interruptible IP Charges**") shall comprise Interruptible IP Capacity Charges and Interruptible IP Commodity Charges as set out below.

2.13.3 The IP Capacity Charges in respect of IP Capacity and Interruptible IP Capacity Charges in respect of IP Interruptible Capacity shall be:

- (a) in respect of IP Capacity allocated as Bundled IP Capacity pursuant to any Capacity Auction that element of the Clearing Price which comprises the capacity component of the Transporter Reserve Price together with the Transporter Auction Premium (if any);
- (b) in respect of IP Capacity allocated as Unbundled IP Capacity the capacity component of the applicable Tariff plus the Auction Premium; and
- (c) in respect of Interruptible IP Capacity allocated as Unbundled IP Capacity pursuant to any Capacity Auction the capacity component of the applicable Tariff plus the Auction Premium.

2.13.4 IP Commodity Charges shall in respect of all categories of IP Capacity comprise the commodity component of the applicable Tariff in respect of all Natural Gas allocated (whether physical or otherwise) to such Shipper at an IP and/or allocated as offtaken whether (physical or otherwise) by such Shipper at an IP.

IP Capacity Charges and IP Commodity Charges will be calculated and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*). Notwithstanding any termination of any IP Capacity Booking pursuant to Part I (*Legal and General*) Section 4 (*Suspension and Termination*) a Shipper will be liable for any unpaid IP Charges after the expiry of the relevant period. Notwithstanding the acceptance of a Trade Proposal by the Transporter the IP Transferor Shipper shall remain liable to the Transporter for any applicable IP Capacity Charges at the relevant IP Entry Point or IP CSEP as if the relevant IP Capacity Trade had not taken place. All other applicable charges, including the commodity component of the applicable charges shall be payable by the IP Transferor Shipper or the IP Transferee Shipper (as the case may be) in accordance with the provisions of this Code.

2.13.5 In the event of any conflict between the provisions of this Section 2.13 and the provisions of Part H (*Operations*) (*Section 2A*) with respect to charges the provisions of Part H Section 2A shall apply.

- 2.13.6 IP Charges and Interruptible IP Charges shall be invoiced to and payable by Shippers in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

## 2.14 Voluntary Bundling

- 2.14.1 A Shipper which has Unbundled IP Entry Capacity or Unbundled IP CSEP Offtake Capacity and has also booked Corresponding Adjacent System Capacity which is Unbundled at an IP may at any time on or after 1 August 2015 submit a request (a "**Bundling Request**") to the Transporter utilising GNI (IT) Systems in accordance with the remaining provisions of this Section 2.14.

- 2.14.2 A Bundling Request submitted by a Shipper shall contain the information necessary to enable the Transporter to process the Bundling Request including:

- (a) the Shipper ID of the Shipper submitting the Bundling Request;
- (b) the Booking Reference of the IP Entry Capacity or IP CSEP Offtake Capacity to which the Bundling Request relates;
- (c) the IP;
- (d) the identity of the Adjacent TSO; and
- (e) the Corresponding Adjacent System IP Capacity;
- (f) the first Day of the requested Bundling Period which shall not be less than sixty days (60 days) after the date of submission of the Bundling Request;
- (g) the requested period for which the bundling is to take effect (the "**Bundling Period**") including both the first Day and the last Day of such period;
- (h) the category of IP Capacity to be bundled which shall be IP Entry Capacity or IP CSEP Offtake Capacity (as the case may be).

All Bundling Requests submitted by the Shipper shall be submitted utilising GNI (IT) Systems and shall be confirmed by email.



2.14.3 The Transporter shall reject a Bundling Request submitted by a Shipper for any of the following reasons:

- (a) the Bundling Request has not been submitted at least 60 days prior to the start Day of the requested Bundling Period;
- (b) the Bundling Request has not been submitted in accordance with Section 2.14.2;
- (c) the Shipper's Primary IP Entry Capacity or Primary IP CSEP Offtake Capacity (as the case may be) for any one or more Days of the requested Bundling Period is less than the amount of IP Capacity which the Shipper has requested to be bundled in the Bundling Request;
- (d) the Bundling Request did not specify a valid Shipper EIC; or
- (e) the Shipper is or would otherwise be in breach of this Code.

2.14.4 Any Bundling Request which is not rejected by the Transporter in accordance with 2.14.3 shall be a valid Bundling Request (a "**Valid Bundling Request**"). The Transporter shall within 10 Business Days of receipt of a Valid Bundling Request as agent of the Shipper notify the Adjacent TSO of such Valid Bundling Request and shall provide the following information to the Adjacent TSO:

- (a) the EIC of the Shipper submitting the Valid Bundling Request;
- (b) the IP;
- (c) the direction of gas flow;
- (d) the requested Bundling Period including the first Day and the last Day of the requested Bundling Period;
- (e) the amount of IP Capacity to which the Bundling Request relates.

2.14.5 Where the Transporter not later than one month prior to the first Day of the requested Bundling Period receives confirmation from the Adjacent TSO that the Adjacent TSO accepts the Bundling Request as notified by the Transporter pursuant to clause 2.14.4 the Bundling Request shall be accepted by the Transporter.

- 2.14.6 The Transporter shall notify the Shipper of the acceptance or rejection of the Bundling Request which has not previously been rejected for processing no later than five Business Days prior to the first Day of the requested Bundling Period. Where the Transporter does not notify the Shipper of the acceptance or rejection of the Bundling Request the Bundling Request shall be deemed rejected.
- 2.14.7 Where a Bundling Request is accepted then:
- (a) the Shipper's relevant Bundled IP Capacity at the relevant IP shall be increased by the amount of IP Capacity specified in the Bundling Request and in respect of the Bundling Period; and
  - (b) the Shipper's Unbundled IP Capacity at the relevant IP shall be decreased by the amount specified in the Bundling Request and in respect of the Bundling Period.
- 2.14.8 The Transporter may receive from the Adjacent TSO a notification on behalf of the Shipper (a "**Bundling Notification**") which shall include all the information referred to in Section 2.14.2 that the Adjacent TSO has received the equivalent of a Bundling Request ("**Adjacent TSO Bundling Request**") from a Shipper.
- 2.14.9 The Transporter shall within 10 Business Days of receipt of a Bundling Notification reject the notification if:
- (a) the notification does not include all of the information necessary to process the Bundling Notification;
  - (b) for any of the reasons for which the Transporter might reject a Bundling Request as specified in Section 2.14.3 (c), (d) and (e);
  - (c) the Shipper is (or would otherwise be) in breach of this Code.
- 2.14.10 The Transporter shall accept a Bundling Notification which is not otherwise rejected in accordance with Section 2.14.9.
- 2.14.11 If the Transporter does not notify the Adjacent TSO of its rejection of the Bundling Notification within 10 Business Days of receipt of the notification it shall be deemed accepted.

2.14.12 Where the Transporter accepts or is deemed to accept a Bundling Notification:

- (a) the Shipper's relevant Bundled IP Capacity at the relevant IP shall be increased by the amount of IP Capacity specified in the Bundling Notification and in respect of the Bundling Period; and
- (b) the Shipper's Unbundled IP Capacity at the relevant IP shall be decreased by the amount specified in the Bundling Notification and in respect of the Bundling Period.

## 2.15 Capacity Unbundling

2.15.1 Bundled Capacity shall cease to be Bundled and shall become Unbundled Capacity for the purpose of this Code:

- (a) where the Capacity ceases to be Bundled Capacity in accordance with any applicable provisions of this Code; and/or
- (b) if the Adjacent System IP Capacity with which the applicable IP Capacity is Bundled become unbundled in accordance with the Interconnected System Transportation Arrangements.

## 2.16 Capacity Conversion Process

2.16.1 A Shipper shall apply in writing (or in such other manner as may be prescribed by the Transporter from time to time) to the Transporter to effect Capacity Conversion in respect of a Shipper's Primary IP Capacity at an Interconnection Point and the Transporter shall consider and where applicable approve a Shipper's application for Capacity Conversion in accordance with this Section 2.16.

2.16.2 A Shipper shall notify the Transporter (in writing) of its intention to request Capacity Conversion such notice to include:

- (a) the EIC of the Shipper;
- (b) the location of the applicable Interconnection Point;
- (c) the category of IP Capacity to which the notice relates;
- (d) confirmation that there is insufficient Unbundled Adjacent System IP Capacity available at the IP;

- (e) the amount of Bundled IP Capacity which the Shipper proposes to apply for at a Bundled Auction at the IP;
- (f) the specific Bundled Auction in which the Shipper proposes to participate which shall be a Yearly IP Capacity Auction, a Quarterly IP Capacity Auction or a Rolling Monthly IP Capacity Auction;
- (g) the maximum amount of the Shipper's Unbundled IP Capacity for which the Shipper intends to request Capacity Conversion;
- (h) the duration for which the Shipper wishes to effect Capacity Conversion which duration shall be Yearly, Quarterly or Monthly.

2.16.3 The Transporter shall acknowledge any notice submitted by the Shipper in accordance with Section 2.16.2 within ten days after receipt of the relevant notice. Any such acknowledgement is without prejudice to the Transporter's right to reject the application for Capacity Conversion in accordance with Section 2.16.6.

2.16.4 A Shipper which has submitted a notification to the Transporter pursuant to Section 2.16.2 and has been allocated Bundled IP Capacity in the applicable Bundled Auction shall submit an application (“**Capacity Conversion Application**”) to the Transporter or Capacity Conversion which application shall specify:

- (a) the amount of Bundled IP Capacity allocated to the Shipper in the applicable Bundled Auction;
- (b) the amount of the Shippers mismatched Unbundled IP Capacity which the Shipper wishes to have treated as Converted Capacity which amount shall not exceed:
  - (i) the Shipper's mismatched Unbundled IP Capacity;
  - (ii) the amount of Bundled IP Capacity allocated to the Shipper pursuant to the Bundled Auction; and
- (c) the duration for which the Capacity is to be converted which duration shall be Yearly, Quarterly or Monthly and shall not exceed;

- (i) the unexpired residue of the period for which the mismatched Unbundled IP Capacity has been booked by the Shipper;
- (ii) the duration for which the Bundled IP Capacity has been allocated pursuant to the Bundled Auction.

2.16.5 The Transporter shall notify the Shipper of its acceptance or rejection of the Shipper's Capacity Conversion Application within 20 days after receipt of the said application submitted by the Shipper in accordance with Section 2.16.4, and where the Transporter rejects the application the reason for such rejection.

2.16.6 The Transporter may reject a Shipper's Capacity Conversion Application for the reasons in (a) and (b) below and shall reject a Shipper's Capacity Conversion Application for the reasons in (c) and (d) below:

- (a) where the Shipper has not submitted a notice in accordance with Section 2.16.2;
- (b) where the Shipper's application for Capacity Conversion has not been submitted in accordance with Section 2.16.4;
- (c) where the Shippers mismatched Unbundled IP Capacity is not of the same category as the Bundled IP Capacity (in each case as specified in the Capacity Conversion Application); and/or
- (d) the Shipper's mismatched Unbundled IP Capacity is not Primary IP Capacity.

2.16.7 Where the Shipper's Capacity Conversion Application is accepted by the Transporter:

- (a) the Transporter shall notify the Shipper of the amount of Converted Capacity;
- (b) the Transporter shall reduce the Shipper's entitlement to utilise the amount of the Shippers Unbundled IP Capacity at the Interconnection Point by an amount equivalent to the amount of Converted Capacity;
- (c) the Shipper shall be obliged to pay IP Capacity Charges in respect of the reduced Unbundled IP Capacity such that the Shipper shall not be obliged to pay IP Capacity Charges for the amount of the Converted Capacity as both Bundled IP Capacity and as Unbundled IP Capacity; and

- (d) the amount of the Shippers Unbundled IP Capacity which is Converted Capacity shall be available to the Transporter for the duration for which it is converted.

### 3. ENTRY CAPACITY

#### 3.1 General

3.1.1 A Shipper shall be required to reserve Entry Capacity in order to have the right to make Entry Nominations and deliver Natural Gas to the Transportation System at an Entry Point (which is not at an Interconnection Point).

3.1.2 Subject to the Transitional Arrangements as set out in Section 3.3. A Shipper may apply to the Transporter pursuant to this Code to make Entry Capacity available at an Entry Point and the Shipper may reserve Entry Capacity other than IP Entry Capacity for the following durations:

- (a) Multi-Annual (“**Multi-Annual Entry Capacity**”);
- (b) Annual (“**Annual Entry Capacity**”);
- (c) Monthly (“**Monthly Entry Capacity**”); and/or
- (d) Daily (“**Daily Entry Capacity**”).

3.1.3 A Shipper which is a Registered Shipper at an Entry Point may request the Transporter to make the following information available to such Shipper:

- (a) the amount of the Technical Capacity at the Entry Point that is unbooked and is available to be booked by Shippers as Multi-Annual Entry Capacity (the “**Multi-Annual Entry Capacity Quantity**”);
- (b) the amount of the Technical Capacity at the Entry Point that is unbooked and is available to be booked by Shippers as Annual Entry Capacity in respect of a specified period (the “**Annual Entry Capacity Quantity**”);
- (c) the amount of the Technical Capacity at the Entry Point that is unbooked in respect of a specified calendar month and that the Transporter may make available to be booked by Shippers as

Monthly Entry Capacity in respect of that calendar month (the “**Monthly Entry Capacity Quantity**”); and

- (d) the amount of the Technical Capacity at the Entry Point which is unbooked in respect of a specific Day or Days and that the Transporter can make available to be booked by Registered Shippers at the Entry Point in respect of a specified Day or Days (the “**Daily Entry Capacity Quantity**”).

The Transporter shall provide to a Shipper the information requested pursuant to Section 3.1.3 as soon as reasonably practicable. The provision by the Transporter to such Shipper of any such information or the notification of any quantity shall not constitute a representation or warranty that the said quantity is or may be available to the Shipper or Shippers on submission of an application or request in respect thereof pursuant to this Code.

- 3.1.4 Notwithstanding Section 3.1.2, which specifies the duration for which Entry Capacity may be booked and Section 2 which provides for booking of IP Capacity Shippers may in accordance with Section 3.3 (*Transitional Arrangements*) align the Capacity Booking Periods of Long Term Entry Capacity Bookings at the Moffat Entry Point made prior to 1 October 2015 and which would otherwise expire subsequent to 1 October 2015 and prior to 1 October 2016 with the potential to book Yearly IP Capacity in accordance with Section 2.

## 3.2 **Entry Capacity Request and Booking**

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

- (a) the requested Entry Capacity Effective Date which shall be the first Day of a calendar month provided however, that the requested Entry Capacity Effective Date shall, where the request relates to a Proposed Entry Point, be the first Day of the calendar month which

is (or the first Day of the calendar month which follows) the month in which the Anticipated Entry Point Commencement Date occurs;

- (b) the duration for which the Shipper wishes to book Long Term Entry Capacity (which shall be Annual or Multi-Annual) and in the case of Multi-Annual Entry Capacity the number of whole multiples of twelve (12) Months for which the capacity is requested;
- (c) the Entry Point at which Entry Capacity is requested;
- (d) the requested amount of Entry Capacity (in kWh/Day); and
- (e) the applicable Shipper ID of the Shipper requesting Entry Capacity.

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

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

3.2.3 The Transporter will reject a Long Term Entry Capacity Request for any of the following reasons:

- (a) the Long Term Entry Capacity Request has not been submitted within the Long Term Capacity Booking Window;
- (b) the Long Term Entry Capacity Request specifies a Capacity Booking Effective Date which is not the first Day of the calendar month which is (or the first Day of the calendar month which follows) the month in which the Anticipated Entry Point Commencement Date occurs;



- (c) the Transporter has notified the Shipper of the amount of capacity which the Transporter deems to be available at the Entry Point in respect of the requested duration and the Shipper has not, within two (2) Business Days of receipt of such notification, instructed the Transporter pursuant to Section 3.2.2 that the Shipper wishes to withdraw, or proceed with, the Long Term Entry Capacity Request;
- (d) (to the extent that) the amount of Entry Capacity specified in the Long Term Entry Capacity Request would, if accepted, require financial security or an increase in the amount in respect of which financial security is to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy, and the Shipper has not, within ten (10) Business Days of submission by the Shipper of the Long Term Entry Capacity Request or two (2) Business Days prior to the requested Entry Capacity Effective Date (whichever shall be the earlier), provided the required financial security so as to comply with the Financial Security Policy;
- (e) the amount of capacity requested is less than the applicable Minimum Booking Quantity; or
- (f) the Shipper is not the holder of such documentation as may be necessary at the relevant Entry Point (including such documentation as is specified in any Entry Point Procedures).

3.2.4 The Transporter may reject a Long Term Entry Capacity Request for any of the following reasons:

- (a) the Shipper is not already a Registered Shipper at the Entry Point and the requested Entry Capacity Effective Date is less than twenty (20) days after the date of receipt by the Transporter of the Long Term Entry Capacity Request; or
- (b) the Shipper is not already a Registered Shipper at the Entry Point and the requested Entry Capacity Effective Date is less than twenty (20) days after the date of receipt by the Transporter of a request from the Shipper, pursuant to Section 3.2.2 to proceed with the Long Term Entry Capacity Request; or

- (c) the Long Term Entry Capacity Request is submitted outside of the Long Term Capacity Booking Window; or
- (d) the Entry Point specified in the Long Term Entry Capacity Request is an IP Entry Point.

3.2.5 If the Long Term Entry Capacity Request is rejected in accordance with either Section 3.2.3 or Section 3.2.4 above, then the Transporter shall provide the reason therefor to the Shipper as soon as reasonably practicable but in any event within three (3) Business Days of such rejection.

3.2.6 A Shipper:

- (a) which is Registered Shipper at an Entry Point; or
- (b) in respect of which the Transporter has accepted a Short Term Entry Capacity Notice in accordance with Part F Section 1.3

shall be entitled to apply to the Transporter for Short Term Entry Capacity at the Entry Point (to which that Entry Capacity Booking relates) by submitting a request (a “**Short Term Entry Capacity Request**”) which shall specify the information required by the Transporter to process the Short Term Entry Capacity Request as set out in Schedule 1 Part 2 including:

- (a) the requested Entry Capacity Effective Date which shall be the first Day of a calendar month where the application relates to Monthly Entry Capacity and shall be the Day (or the first Day of a number of consecutive Days) in respect of which the Entry Capacity is requested where the request relates to Daily Entry Capacity;
- (b) the duration for which the Shipper wishes to book Entry Capacity (which shall be a single calendar month or a single Day (or a number of consecutive single Days));
- (c) the Entry Point at which Entry Capacity is requested;
- (d) the requested amount of Entry Capacity (in kWh/day); and
- (e) the applicable Shipper ID of the Shipper requesting Entry Capacity.

3.2.7 The Transporter will reject a Short Term Entry Capacity Request for any of the following reasons:

- (a) the Short Term Entry Capacity Request is not submitted in accordance with Section 3.2.6;
- (b) the Short Term Entry Capacity Request relates to Monthly Entry Capacity and has not been submitted within the Monthly Capacity Booking Window;
- (c) the Short Term Entry Capacity Request is submitted with respect to Daily Capacity and is not submitted within the Daily Capacity Booking Window in respect of any one or more Days specified in the request (where each such Day is treated as a separate Capacity Booking Effective Date);
- (d) the Shipper is not a Registered Shipper at the Entry Point and/or has not submitted a Short Term Entry Capacity Notice which has been accepted by the Transporter in accordance with Part F (*Administration*) Section 1.3.
- (e) the requested amount of Entry Capacity is in excess of the amount of capacity which is available at the Entry Point for the requested duration;
- (f) the amount of Entry Capacity requested is less than the applicable Minimum Booking Quantity (if any); or
- (g) the Shipper has not provided adequate financial security to the Transporter (as determined in accordance with the Financial Security Policy) including in respect of the amount of capacity requested.

The Transporter shall notify the Shipper of the reason for rejection of any Short Term Entry Capacity request as soon as reasonably practicable and in any event within one (1) Business Day of such request.

3.2.8 The Transporter may reject a request for Short Term Entry Capacity where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

3.2.9 Where the Transporter accepts an Entry Capacity Request the Shipper shall be registered as having reserved an amount of Primary Entry Capacity (the "**Booked Entry Capacity Quantity**") at the relevant Entry

Point from the Entry Capacity Effective Date for the Entry Capacity Booking Period as set out in the Entry Capacity Request or as otherwise agreed with the Transporter (an "**Entry Capacity Booking**"). Provided however where a Shipper has submitted a Long Term Entry Capacity Request which specifies a Capacity Booking Effective Date which is less than 20 days after receipt by the Transporter of the Long Term Entry Capacity Request or a request from the Shipper pursuant to Section 3.2.2(a) to proceed with the application, the acceptance of such Long Term Entry Capacity Request shall be without prejudice to the ongoing and continuing obligation of the Shipper to pay Overrun Charges as if the Entry Capacity the subject matter of the Long Term Entry Capacity Request had not been applied for in respect of the period up to the date upon which the Transporter accepts the Shipper's Long Term Entry Capacity Request or the Entry Capacity Booking Effective Date (whichever is the later) and notwithstanding that such capacity was applied for and paid for.

3.2.10 The Transporter shall at the request of a Shipper issue to the Shipper a written confirmation notice in respect of a Long Term Entry Capacity Booking which shall include the following information:

- (a) Entry Point;
- (b) Booked Entry Capacity Quantity;
- (c) Entry Capacity Booking Period;
- (d) Long Term Entry Capacity Booking Reference; and
- (e) the date of acceptance by the Transporter of the Shipper's Long Term Entry Capacity Request for the purpose of Section 3.2.9 (where relevant).

3.2.11 Where the Anticipated Entry Point Commencement Date in respect of a Proposed Entry Point is varied or the Entry Point Commencement Date is not the Anticipated Entry Point Commencement Date such that the Entry Capacity Effective Date of any applicable Long Term Entry Capacity Booking is earlier than the first Day of the calendar month in which the Anticipated Entry Point Commencement Date or Entry Point Commencement Date (as the case may be) occurs then the Entry Capacity

Effective Date of such Long Term Entry Capacity Booking shall be varied to the first Day of the calendar month in which (or following which) the Anticipated Entry Point Commencement Date, or, the Entry Point Commencement Date, as the case may be, occurs.

If the Shipper fails to notify the Transporter accordingly prior to 18:00 hours on the Day prior to Entry Point Commencement Date then the Entry Capacity Effective Date shall be the first Day of the calendar month in which the Anticipated Entry Point Commencement Date (or the Entry Point Commencement Date) as the case may be occurs.

In either event the relevant Entry Capacity Booking Period shall commence on the first Day of the relevant calendar month and the Transporter shall if so requested by the Shipper submit a revised written confirmation to the Shipper pursuant to Section 3.2.10.

3.2.12 Notwithstanding the acceptance by the Transporter of any Long Term Entry Capacity Booking with respect to a Proposed Entry Point and that the Entry Capacity Booking Date may have occurred, the Shipper shall not be entitled to submit Nominations to deliver Natural Gas at such Proposed Entry Point in respect of any Day prior to the Day on which the Proposed Entry Point becomes an Entry Point in accordance with Part F (*Administration*) Section 1.3, it being acknowledged and accepted by the Shipper that Nominations may only be submitted with respect to an Entry Point and not with respect to a Proposed Entry Point. The Shipper shall however, remain liable for all Tariffs and Capacity Charges in respect of capacity reserved for the Entry Capacity Booking Period pursuant to the applicable Entry Capacity Booking and all financial obligations associated therewith.

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

- (a) at the end of the relevant Entry Capacity Booking Period (as recorded in the Capacity Register); or
- (b) otherwise in accordance with the provisions of this Code and/or any Ancillary Agreement.

### 3.3 Transitional Arrangements

3.3.1 Where a Shipper holds Multi-Annual Entry Capacity at the Moffat Entry Point (and which Entry Capacity is deemed to be IP Entry Capacity in accordance with Section 2.5.5) the Capacity Booking Period in respect of such capacity shall automatically terminate on the earlier:

- (a) the last Day of the Capacity Booking Period of such Entry Capacity Booking; or
- (b) the end of the Day which commences on 30 September 2023; or
- (c) otherwise in accordance with this Code.

without prejudice to the foregoing Entry Capacity booked by a Shipper prior to 1 October 2015 and with an Entry Capacity Booking Period which expires after 1 October 2015 at an Entry Point which is located at an IP shall with effect from 1 October 2015 be treated as a Shipper's Booked IP Entry Capacity.

3.3.2 The following provisions of this Section 2.15 shall apply with respect to applications for Entry Capacity at the Moffat Entry Point and South/North CSEP Offtake Capacity:

- (a) applications for Multi-Annual Entry Capacity or Annual Entry Capacity at the Moffat Entry Point or South/North CSEP Offtake Capacity may not be submitted after the Annual Capacity Booking Window which closes in September 2015 and shall not specify a requested Capacity Booking Effective Period which extends after the Gas Day which ends on 1 October 2020;
- (b) applications for Monthly Entry Capacity may not be submitted after the closure of the Monthly Capacity Booking Window which occurs in October 2015;
- (c) requests for Daily Entry Capacity shall not specify an Entry Capacity Effective Date which is after the 31 October 2015;
- (d) requests for Daily Entry Capacity may not be submitted after 03:00 hours on 31 October 2015.

3.3.3 In order to align Long Term Entry Capacity Booking(s) at the Moffat Entry Point (which will be the Moffat IP Entry Point), where such Long

Term Entry Capacity Bookings would otherwise expire subsequent to 1 October 2015 and prior to 1 October 2016 with the Shipper's ability to book Yearly IP Capacity at that IP, each Shipper with such a Long Term Entry Capacity Booking (a "**Qualifying Shipper**") may apply to extend the Shipper's Long Term Entry Capacity Booking or otherwise book Entry Capacity which will be deemed Long Term Entry Capacity at an IP Entry Point in accordance with the remaining provisions of this Section 3.3.

- 3.3.4 A Qualifying Shipper may submit to the Transporter either:
- (a) an application to extend the Shipper's Long Term Entry Capacity Booking (an "**Extension Application**") at the Moffat IP Entry Point in accordance with Section 3.3.6 and 3.3.7; or
  - (b) a request (a "**Transitional Booking Request**") for Long Term Entry Capacity at the Moffat IP Entry Point (which shall be treated as IP Entry Capacity in accordance with Section 3.1.2);

and in either case in respect of a period (a "**Transitional Booking Period**") from the date of expiry (or the date on which the Capacity Booking Period would otherwise expire) of the Shipper's Long Term Entry Capacity Booking until 05:00 on 1 October 2016.

- 3.3.5 A Qualifying Shipper may not submit both an Extension Application and a Transitional Booking Request in respect of the same Entry Capacity Booking.
- 3.3.6 A Qualifying Shipper may at any time on or after 1 August 2015 and/on/or prior to 24 September 2015 submit an Extension Application in accordance with Section 3.3.7 or a Transitional Booking Request in accordance with Section 3.3.8.
- 3.3.7 An Extension Application submitted by a Qualifying Shipper shall specify the information necessary for the Transporter to process the request including:
- (a) the Shipper ID of the Shipper submitting the application;
  - (b) the Capacity Booking Reference of the Shipper's Long Term Entry Capacity Booking to which the application relates;
  - (c) the Moffat Entry Point;

- (d) the period for which the Long Term Entry Capacity Booking is requested to be extended which shall be the Transitional Booking Period.

3.3.8 A Qualifying Shipper may apply for Entry Capacity in respect of a Transitional Booking Period by submitting a Transitional Booking Request. A Transitional Booking Request shall specify the information necessary to enable the Transporter to process the request including:

- (a) the Long Term Entry Capacity Booking Reference of the Shipper's Long Term Entry Capacity Booking;
- (b) Shipper ID of the Shipper submitting the request;
- (c) the Moffat Entry Point;
- (d) the requested amount of Entry Capacity (in kWh/day); and
- (e) the duration for which the Shipper wishes to book the requested amount of Entry Capacity which shall be the Transitional Booking Period.

3.3.9 The Transporter may reject an Extension Application submitted by a Shipper in accordance with Section 3.3.7 above and/or a Transitional Booking Request submitted by the Shipper in accordance with Section 3.3.8 above for any of the following reasons:

- (a) the applicable Extension Application or Transitional Booking Request has not been submitted in accordance with Section 3.3.7 or Section 3.3.8 above (as the case may be);
- (b) the Extension Application or Transitional Booking Request is received prior to 1 August 2015 or after 24 September 2015;
- (c) the Shipper has not provided financial security in accordance with the Financial Security Policy in respect of the capacity requested pursuant to the Extension Application or the Transitional Booking Request (as the case may be);
- (d) the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement;



- (e) the Shipper submitting the Extension Application or the Transitional Booking Request is not a Qualifying Shipper.

3.3.10 The Transporter shall accept a Shipper's Extension Application or Transitional Booking Request which is not otherwise rejected in accordance with Section 3.3.9 above on or prior to 30 September 2015.

3.3.11 The Transporter shall be deemed to reject a Shipper's Extension Application or Transitional Booking Request (as the case may be) if the Transporter has not issued notice of rejection in accordance with Section 3.3.9 on or prior to 30 September, 2015.

3.3.12 Where the Transporter accepts or is deemed to accept a Shipper's Extension Application or Transitional Booking Request then:

- (a) in the case of an Extension Application the Capacity Booking Period in respect of the Shipper's Long Term Entry Capacity Booking as specified in the Extension Application shall be deemed to be extended until the end of the Transitional Booking Period; and

- (b) in the case of a Transitional Booking Request the Shipper shall be deemed to have a Long Term Entry Capacity Booking in respect of the amount of Entry Capacity specified in the Transitional Booking Request and the Capacity Booking Period of such Long Term Entry Capacity Booking shall be the Transitional Period.

3.3.13 Where a Qualifying Shipper does not submit an Extension Application or a Transitional Booking Request in accordance with the foregoing provisions of this Section 3.3 then the Shipper's subsisting Entry Capacity Booking shall not be extended or revised and shall otherwise expire on the last day of the Long Term Capacity Booking Period or otherwise in accordance with the provisions of this Code.

#### 3.4 **Entry Capacity Charges**

3.4.1 Charges in respect of Entry Capacity ("**Entry Capacity Charges**") will comprise the capacity component of the applicable Tariff.

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

- (a) Entry Capacity Charges in respect of its Primary Entry Capacity from the applicable Entry Capacity Effective Date for the applicable Entry Capacity Booking Period;
- (b) the commodity component of the applicable Tariff in respect of all Natural Gas allocated as delivered by such Shipper at an Entry Point as the case may be; and
- (c) any other applicable charges;

notwithstanding any termination of an Entry Capacity Booking pursuant to Part I (*Legal and General*) Section 4 (*Suspension and Termination*) a Shipper will remain liable for any unpaid Entry Capacity Charges and charges in respect of the commodity component of the applicable Tariff after the expiry of the relevant Entry Capacity Booking Period. Entry Capacity Charges and the commodity component of the applicable Tariff will be calculated and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

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

## 4. ENTRY CAPACITY TRADES

### 4.1 General

- 4.1.1 A Shipper (for the purposes of this Section 3, the "**Transferor Shipper**") may trade all or part of its Active Entry Capacity in respect of a particular Entry Point to another Shipper (for the purposes of this Section 4, the "**Transferee Shipper**") such that the Entry Capacity traded will form (or form part of) the Transferee Shipper's Secondary Capacity at the same Entry Point.

Entry Capacity may not be traded as between Entry Points. A Shipper may not trade Entry Capacity prior to the applicable Entry Point Commencement Date in respect of an Entry Point.

- 4.1.2 **"Entry Capacity Trade"** means an arrangement between a Transferor Shipper and a Transferee Shipper whereby certain of the rights of the Transferor Shipper in relation to Entry Capacity may be exercised by the Transferee Shipper in accordance with the provisions of this Code and the Transferee Shipper shall be subject to certain obligations in relation to such capacity.
- 4.1.3 An Entry Capacity Trade may take place for any Day or consecutive Days for which the Transferor Shipper is registered as the holder of Active Entry Capacity at an Entry Point in accordance with the provisions of this Section 4. A Transferor Shipper may submit multiple Entry Capacity Trade Request(s) in respect of the same Transferee Shipper. For the avoidance of doubt, the quantity to be traded under all Entry Capacity Trade(s) effected by a Transferor Shipper in respect of a Day shall not exceed the Active Entry Capacity of the Transferor Shipper for that Day.
- 4.1.4 The Transferor Shipper shall, in order to effect an Entry Capacity Trade, notify the Transporter by way of a request ("**Entry Capacity Trade Registration Request**") which shall specify the information required by the Transporter to process the Entry Capacity Trade Registration Request as set out in Schedule 1 Part 3 including:
- (a) the identities (including Shipper ID) of each of the Transferor Shipper and the Transferee Shipper;
  - (b) the Entry Point in respect of which the Entry Capacity Trade is to take place;
  - (c) the intended amount of Entry Capacity (in kWh/Day) which is the subject matter of the proposed Entry Capacity Trade (the "**Entry Capacity Trade Quantity**"); and
  - (d) the period of the proposed Entry Capacity Trade, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.

- 4.1.5 Subject as hereinafter provided, such Entry Capacity Trade Registration Request must be submitted to the Transporter before 03:00 hours on the Day in respect of which the proposed Entry Capacity Trade is to commence.
- 4.1.6 The Transporter shall process an Entry Capacity Trade Registration Request upon receipt by the Transporter of confirmation from the Transferee Shipper that it accepts the terms of such Entry Capacity Trade Registration Request.
- 4.1.7 The Transporter will reject the Entry Capacity Trade Registration Request for any of the following reasons:
- (a) the Entry Capacity Trade Registration Request is not submitted by the Transferor Shipper in accordance with the provisions of Section 4.1.4;
  - (b) the Entry Capacity Trade Registration Request is submitted to the Transporter after 01:45 hours on the start Day specified in the Entry Capacity Trade Registration Request;
  - (c) the Transferee Shipper has not notified the Transporter of its acceptance of the Entry Capacity Trade Registration Request on or before 03:00 hours on the start Day specified in the Entry Capacity Trade Registration Request or the notification is received after 01:45 hours on such Day;
  - (d) the effect of the Entry Capacity Trade would be to reduce the Transferor Shipper's Active Entry Capacity at the Entry Point to less than zero in respect of any Day within the period of the proposed Entry Capacity Trade;
  - (e) the Transferee Shipper is not a Registered Shipper at that Entry Point, or has not adhered to the applicable Entry Point Procedures (if any); or
  - (f) the Entry Capacity Trade Registration Request specifies a Proposed Entry Point.
- 4.1.8 The Transporter may reject the Entry Capacity Trade Registration Request where a Valid Entry Nomination has been submitted by the Transferor

Shipper utilising all or part of the Entry Capacity that is the subject matter of the Entry Capacity Trade Registration Request.

4.1.9 Without prejudice to its rights referenced under this Section 4, the Transporter shall also have the right for operational reasons to:

- (a) limit, suspend or cancel the amount of Entry Capacity, which may be traded in accordance with the provisions of Part H (*Operations*) Section 1 (*Emergencies*) and Section 2 (*Congestion Management*) and/or Part I (*Legal and General*) Section 3 (*Force Majeure*);
- (b) suspend or terminate an Entry Capacity Trade(s) where any event specified in Part I (*Legal and General*) Section 4 (*Suspension and Termination*) has occurred or as provided in Part B (*General Principles*); and
- (c) impose such operational conditions on Entry Capacity Trade(s) as it deems appropriate and/or necessary in the circumstances in accordance with Part B (*General Principles*) and Part H (*Operations*),

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

4.1.10 Where the Transporter has rejected an Entry Capacity Trade it shall inform both the Transferor Shipper and the Transferee Shipper of the reason for such rejection.

4.1.11 An Entry Capacity Trade Registration Request shall be accepted upon receipt by the Transporter of notice of acceptance of the Entry Capacity Trade Registration Request by the Transferee Shipper where the Entry Capacity Trade Registration Request and the Transferee Shipper's acceptance thereof comply with the provisions of, and are not subject to rejection pursuant to, this Section 4.1.

4.1.12 Upon acceptance by the Transporter of an Entry Capacity Trade, the Active Entry Capacity of the Transferor Shipper will be reduced by the amount specified in the Entry Capacity Trade and the Active Entry Capacity of the Transferee Shipper will be increased by the corresponding

traded amount in respect of the period set out in the Entry Capacity Trade Registration Request.

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

4.1.14 An Entry Capacity Trade will be terminated if:

- (a) either the Transferor Shipper or Transferee Shipper ceases to be a Shipper under the terms of this Code; and/or
- (b) the Transferor Shipper or the Transferee Shipper ceases to be a Registered Shipper at the relevant Entry Point

and in each case with effect from the end of the Day upon which the relevant Shipper ceases to be a Shipper or a Registered Shipper as the case may be.

4.1.15 If as a result of the termination of any Entry Capacity Trades in accordance with Section 4.1.14 above a Shipper's Active Capacity at an Entry Point is or would be reduced to less than zero in respect of any Day such that the Shipper has a negative Active Capacity at the Entry Point then such Shipper shall either book additional Entry Capacity (being Daily Entry Capacity or Entry Capacity of any other duration) or effect another Entry Capacity Trade in order to secure that such Shippers Active Capacity at the Entry Point is at least zero on each Day. If the Shipper fails to acquire such additional Entry Capacity as is required in accordance with this Section 4.1.15 then the Shipper shall be liable for capacity charges in respect of such additional Entry Capacity as may be necessary to restore such Shipper's Active Capacity at the Entry Point to zero and the applicable Tariff shall be the Tariff applicable to Daily Entry Capacity.

## 5. IP CAPACITY TRADES

### 5.1 General

5.1.1 A Shipper (for the purpose of this Section 5 the "**IP Transferor Shipper**") may trade for use all or part of its Active IP Capacity (other than Interruptible IP Capacity) at an IP to another Shipper (which is a JBP User) at the same IP (for the purpose of this Section 5 the "**IP Transferee Shipper**") such that the Active IP Capacity traded will form part of the IP Transferee Shipper's Secondary IP Capacity at the same IP for the duration of the IP Capacity Trade Period.

5.1.2 IP Capacity may not be traded as between Interconnection Points.

5.1.3 Interruptible IP Capacity may not be traded.

5.1.4 Bundled IP Capacity may only be traded as Bundled IP Capacity; Unbundled IP Capacity may only be traded as Unbundled IP Capacity.

5.1.5 In order to effect a trade of IP Capacity (a "**IP Capacity Trade**") an IP Transferor Shipper or the IP Transferee Shipper shall submit an application (a "**Trade Proposal**") utilising the JBP. A Trade Proposal shall include the following information:

- (a) the EIC of the Shipper submitting the Trade Proposal;
- (b) the EIC of the counterparty Shipper (the "**Counterparty Trade Shipper**") (who shall submit the IP Trade Acceptance Notice) and who shall be the IP Transferor Shipper or the IP Transferee Shipper (as the case may be);
- (c) whether the Shipper submitting the Trade Proposal is submitting as the IP Transferor Shipper or as the IP Transferee Shipper;
- (d) the identity of the Transporter;
- (e) whether the IP Capacity is Bundled IP Capacity or Unbundled IP Capacity;
- (f) where the IP Trade Proposal relates to Bundled IP Capacity the identity of the Adjacent TSO;

- (g) the trade facility and transaction type which shall be the "OTC Trade Facility" and "Transfer of Use" transaction type;
- (h) the location of the IP;
- (i) the amount of IP Capacity which is to be traded;
- (j) the category of IP Capacity to which the Trade Proposal relates;
- (k) the period (the "**IP Capacity Trade Period**") for which the IP Capacity is traded (which shall be a Day or a number of consecutive Days and shall include both the first and last Days);
- (l) the amount (in Euro) payable by the IP Transferee Shipper to the IP Transferor Shipper;
- (m) such other information as may be required pursuant to the JBP Users T&C.

All IP Capacity Trades shall utilise the OTC Trade Facility on the JBP and the Transfer of Use transaction type.

5.1.6 The Counterparty Trade Shipper specified in the Trade Proposal may accept the Trade Proposal by submitting a notice ("**IP Trade Acceptance Notice**") on the JBP.

5.1.7 The Transporter may decide not to validate a Trade Proposal notified to it by the JBP Operator for any of the following reasons:

- (a) the trading procedure selected on the JBP is not OTC Trade Facility;
- (b) the transaction type selected on the JBP is not "transfer of use";
- (c) the category of capacity is not IP Entry Capacity or IP CSEP Offtake Capacity;
- (d) the IP Transferee Shipper has the same EIC as the IP Transferor Shipper;
- (e) the Transporter has not received notification of the Trade Proposal from the JBP Operator by 03:00 on the first Day of the requested IP Capacity Trade Period; and



- (f) the effect of the Trade Proposal would be to reduce the IP Transferor Shipper's applicable Bundled IP Capacity or Unbundled IP Capacity (as the case may be) to less than zero on any Day within the IP Capacity Trade Period.

5.1.8 The Transporter shall within sixty (60) minutes of receipt from the JBP Operator of notification of a Trade Proposal in respect of which an IP Trade Acceptance Notice has been submitted advise the JBP Operator that:

- (a) the Trade Proposal is validated; or
- (b) that the Transporter in accordance with Section 5.1.7 has not validated the Trade Proposal.

If the Transporter does not within 60 minutes of receipt by the Transporter of notice of the Trade Proposal notify the JBP Operator that the Trade Proposal has been validated then the Transporter shall be deemed not to have validated the Trade Proposal.

5.1.9 Where the Trade Proposal refers to Bundled IP Capacity then the Trade Proposal will also require validation by the Adjacent TSO and be rejected on the JBP unless it is validated by both the Transporter and the Adjacent TSO.

5.1.10 Where the Trade Proposal refers to Unbundled IP Capacity then it shall be rejected on the JBP if it is not validated by the Transporter.

5.1.11 Where a Trade Proposal has been rejected the JBP Operator will inform both the IP Transferor Shipper and the IP Transferee Shipper.

5.1.12 Where a Trade Proposal is accepted on the JBP (following validation by the Transporter and by the Adjacent TSO (where applicable).

- (a) the Active IP Capacity of the IP Transferor Shipper will be reduced by the amount specified in the Trade Proposal; and
- (b) the Active IP Capacity of the IP Transferee Shipper will be increased by the corresponding traded amount in respect of the period set out in the Trade Proposal.

5.1.13 For the avoidance of doubt acceptance of a Trade Proposal in accordance with the provisions of this Section 5 shall not, and shall not be deemed to

constitute a representation that a IP Nomination, or IP Renomination by the IP Transferee Shipper in respect of the IP Capacity traded would be accepted by the Transporter and shall not prejudice the Transporter's rights to reject such IP Nominations or IP Renominations pursuant to Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*).

5.1.14 A Trade Proposal:

- (a) will be terminated if either the IP Transferor Shipper or the IP Transferee Shipper ceases to be a Shipper under the terms of this Code; and/or
- (b) may be terminated if the IP Transferor Shipper or the IP Transferee Shipper ceases to be a Registered Shipper at the relevant IP Entry Point;

and in each case with effect from the end of the Day upon which the relevant Shipper ceases to be a Registered Shipper as the case may be. The IP Capacity Trade Period shall automatically terminate on termination of the Trade Proposal.

5.1.15 If as a result of any termination of any Trade Proposal in accordance with Section 5 above a Shipper's Active IP Entry Capacity at an IP Entry Point is or would be reduced to less than zero in respect of any Day such that the Shipper has a negative Active IP Entry Capacity at the IP Entry Point then such Shipper shall either book additional IP Entry Capacity or effect another Trade Proposal in order to secure that such Shipper's Active IP Capacity at the IP Entry Point is at least zero on such Day. If the Shipper fails to acquire such additional IP Capacity as required in accordance with this Section 5.1.15 then the Shipper shall be liable for IP Capacity Charges in respect of such additional IP Capacity as would be required to restore such Shipper's Active IP Entry Capacity at the IP Entry Point to zero and the applicable tariff shall be the tariff applicable to Daily IP Entry Capacity.

## 6. ENTRY POINT TRANSFERS

### 6.1 General

- 6.1.1 A Shipper may in accordance with the following provisions of this Section 6.1 transfer all, or part, of its Primary Entry Capacity or Unbundled Primary IP Entry Capacity held pursuant to an Entry Capacity Booking which is Multi-Annual or Annual or Yearly (as the case may be) in duration (but excluding any Primary IP Entry Capacity booked pursuant to a Treaty Entitlement) from an Entry Point or IP Entry Point (the "**Original Entry Point**") to an alternative Entry Point or to a Proposed Entry Point (the "**New Entry Point**") by way of a transfer of Entry Capacity to such New Entry Point ("**Entry Point Transfer**") in accordance with this Section 6.
- 6.1.2 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.
- 6.1.3 The effect of an Entry Point Transfer shall be to reduce, pro tanto, the Primary Entry Capacity or Unbundled Primary IP 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.
- 6.1.4 Where an Entry Point Transfer has been successfully effected, the transferred Entry Capacity or IP Entry Capacity shall be Primary Entry Capacity of a duration which is Multi-Annual or Annual of the same Registered Shipper at the New Entry Point.
- 6.1.5 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 Entry Capacity Booking Period at the Original Entry Point.

6.1.6 In order to transfer Primary Entry Capacity or Primary IP Entry Capacity which is Unbundled 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 7 including:

- (a) the Original Entry Point and the New Entry Point;
- (b) the Entry Capacity Booking Reference of the Primary Entry Capacity Booking or Primary IP Entry Capacity Booking to which the Entry Point Transfer relates;
- (c) the end Day of the Entry Capacity Booking Period or IP Entry Capacity Booking Period to which the Entry Point Transfer relates;
- (d) the amount of Primary Entry Capacity or Primary IP Entry Capacity (as the case may be) to be transferred from the Original Entry Point to the New Entry Point which shall be less than or equal to, but not greater than, the Shipper's Primary Entry Capacity or Primary IP Entry Capacity Booking referred to in Section 6.1.6(b);
- (e) the amount of Primary Entry Capacity or Primary IP Entry Capacity (as the case may be) to be retained at the Original Entry Point pursuant to the relevant Entry Capacity Booking;
- (f) the proposed Entry Point Transfer Effective Date;
- (g) confirmation that the Entry Point Transfer Request is made in order to facilitate the delivery of Natural Gas from a New Gas Source at a New Entry Point in respect of which a First Commercial Gas Date has been declared within twelve (12) Months of the date of the Entry Point Transfer Request, together with documentary evidence from the producer specifying the quantity of Natural Gas which is expected to be delivered to the Shipper at the New Entry Point; and
- (h) the Shipper ID of the Shipper.

6.1.7 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 6.1.6;
- (b) where the Entry Point Transfer Request is the second or subsequent Entry Point Transfer Request in respect of the same Entry Capacity Booking or IP 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 where 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 necessary at the relevant New Entry Point (including such documentation as may be requisite pursuant to any Entry Point Procedures);
- (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 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 submission by the Shipper of the application provided the required financial security so as to satisfy the requirements of the Financial Security Policy;

- (h) if the Entry Point Transfer Request includes capacity which is Short Term Entry Capacity;
- (i) where the New Entry Point specified in an Entry Point Transfer Request is a Proposed Entry Point if the Entry Point Transfer Effective Date specified in the Entry Point Transfer Request is prior to the Anticipated Entry Point Commencement Date in respect of the New Entry Point; or
- (j) where the Entry Point Transfer Request includes Bundled IP Entry Capacity.

6.1.8 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.

6.1.9 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 or Unbundled IP 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 or IP Capacity Trades conducted by the relevant Shipper and/or Entry Point Transfers).

6.1.10 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.

6.1.11 If a Shipper has previously transacted Entry Capacity Trade(s) or IP Capacity Trades in respect of the Entry Capacity Booking or IP 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 or IP Capacity Trade would result in the Shipper's Retained Primary Entry Capacity or Unbundled IP Capacity pursuant to the specified Entry Capacity Booking or IP 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 5.1.9, the Shipper will:

- (a) cancel all or part of the Entry Capacity Trade(s) or IP Capacity Trades such that the relevant Retained Primary Entry Capacity or Unbundled IP Entry Capacity holding shall be greater than or equal to zero; or
- (b) in the case of Entry Capacity reserve a quantity of Short Term Entry Capacity for such period as shall ensure that the relevant Retained Primary Entry Capacity holding shall be greater than or equal to zero; or

If the Shipper has not either reserved additional Short Term Entry Capacity or has not cancelled all or part of an Entry Capacity Trade(s) or IP Capacity Trades 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 the start of Day D.

6.1.12 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 8 including:

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

If at any time the Entry Point Transfer Effective Date is prior to the then applicable Anticipated Entry Point Commencement Date, or the Entry Point Commencement Date a Shipper shall be deemed to have submitted a Deferral Request specifying a revised Entry Point Transfer Effective Date being a date not earlier than the then applicable Anticipated Entry Point Commencement Date or the Day which is the Entry Point Commencement Date.

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

- (a) the Deferral Request is not submitted in accordance with Section 6.1.12;

- (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 or IP Entry Capacity (as the case may be) is no longer available at the Original Entry Point.

6.1.14 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.

6.1.15 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**").

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

6.1.17 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 or IP Entry Capacity (as the case may be) is no longer available at the Original Entry Point.

6.1.18 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.

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

6.1.20 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 6.

## 7. EXIT CAPACITY

### 7.1 General

7.1.1 A Shipper shall be entitled to reserve or shall be deemed to reserve Exit Capacity in accordance with the provisions of this Section 7.

7.1.2 Long Term Exit Capacity reservations shall become effective

- (a) in respect of LDM Offtakes from the LDM Capacity Booking Effective Date of any relevant LDM Capacity Booking;
- (b) in respect of a DM Offtake from the Day on which a Shipper becomes the Registered Shipper at a DM Offtake;
- (c) in respect of a Sub-Sea Interconnector Offtake from the Sub-Sea I/C Offtake Capacity Booking Effective Date of any relevant Sub-Sea I/C Offtake Capacity Booking.

Exit Capacity reservations at or in respect of NDM Supply Points shall become effective from the Day on which the Shipper becomes the Registered Shipper at the NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

7.1.3 Short Term Exit Capacity reservations shall become effective:

- (a) in respect of LDM Exit Capacity as at the LDM Capacity Booking Effective Date in respect of the applicable Short Term LDM Exit Capacity Booking;
- (b) in respect of Short Term Aggregate DM Exit Capacity as at the Capacity Booking Effective Date in respect of the applicable Short Term Aggregate DM Exit Capacity Booking.

## 7.2 LDM Exit Capacity and LDM Capacity Application

### 7.2.1 LDM Exit Capacity

- (a) A Shipper shall not be entitled to offtake Natural Gas at a LDM Offtake unless the Shipper has a LDM Capacity Booking in respect of that LDM Offtake and holds Active LDM Exit Capacity (and Active LDM Supply Point Capacity where relevant) at or in respect of such LDM Offtake.
- (b) The Shipper shall cease to be the holder of LDM Exit Capacity (and LDM Supply Point Capacity where relevant) at the end of the LDM Capacity Booking Period of the LDM Capacity Booking or as otherwise provided in accordance with this Code and any relevant Ancillary Agreement.
- (c) For the avoidance of doubt, in the case of Multiple Shippers to a LDM Offtake, a LDM Capacity Booking shall be required for each of the Shippers which shall each be required to hold LDM Exit Capacity (and where relevant LDM Supply Point Capacity).
- (d) A Shipper shall be required to:
  - (i) be a Registered Shipper at or in respect of a LDM Offtake; or
  - (ii) have submitted a Short Term LDM Capacity Notice which has been accepted by the Transporter in accordance with Part F (*Administration*) Section 1.4 in order to submit an application(s) for Short Term LDM Exit Capacity at or in respect of such LDM Offtake.

7.2.2 A Shipper shall be entitled to apply to the Transporter for LDM Exit Capacity at or in respect of an LDM Offtake (as the case may be) for the following durations:

- (a) Multi-Annual (“**Multi-Annual LDM Exit Capacity**”);
- (b) Annual (“**Annual LDM Exit Capacity**”);
- (c) Monthly (“**Monthly LDM Exit Capacity**”); and
- (d) Daily (“**Daily LDM Exit Capacity**”).

7.2.3 A Registered Shipper at an LDM Offtake may apply to the Transporter for the following information:

- (a) the amount of the Technical Capacity at or in respect of the LDM Offtake that is unbooked and may be made available to be booked by Shippers as Multi-Annual LDM Exit Capacity (the “**Multi-Annual LDM Exit Capacity Quantity**”) for a specified Multi-Annual period;
- (b) the amount of the Technical Capacity at or in respect of the LDM Offtake that is unbooked and may be made available to be booked by Shippers as Annual LDM Exit Capacity (the “**Annual LDM Exit Capacity Quantity**”) for a specified Annual period;
- (c) the amount of the Technical Capacity at or in respect of the LDM Offtake that is unbooked and may be made available to be booked by Registered Shippers as Monthly LDM Exit Capacity (the “**Monthly LDM Exit Capacity Quantity**”) for a specified calendar month; and
- (d) the amount of the Technical Capacity at or in respect of the LDM Offtake that is unbooked and may be made available to be booked by Registered Shippers as Daily LDM Exit Capacity for a specified Day (the “**Daily LDM Exit Capacity Quantity**”).

The Transporter shall provide to a Shipper the information referred to in this Section 7.2.3 as soon as reasonably practicable following receipt of the Shipper’s request. Provision by the Transporter of any such information shall not constitute a representation or warranty that the quantity is or may be available to a Shipper or Shippers on submission of an application or request in respect thereof pursuant to this Code.

#### 7.2.4 **Long Term LDM Capacity Request**

- (a) A Shipper shall apply to the Transporter for Long Term LDM Exit Capacity (and where relevant LDM Supply Point Capacity) by submitting a request (a “**Long Term LDM Capacity Request**”) which shall specify the information required by the Transporter to process the Long Term LDM Capacity Request (as the case may be) as set out in Schedule 1 Part 9 including the following:

- (i) the requested LDM Capacity Booking Effective Date which shall be the first day of a calendar month provided however that the requested LDM Capacity Booking Effective Date shall, where the request relates to a Proposed LDM Exit Point or Proposed LDM Supply Point, be the first day of the calendar month in which (or following which) the Proposed LDM Exit Point or the Proposed LDM Supply Point is (having regard to the provisions of any applicable Siteworks Agreement) anticipated to become a LDM Exit Point or a LDM Supply Point (as the case may be);
  - (ii) the requested duration of the LDM Capacity Booking Period which shall be Annual or Multi-Annual;
  - (iii) the Proposed LDM Exit Point, Proposed LDM Supply Point, LDM Exit Point or the LDM Supply Point at or in respect of which LDM Exit Capacity (and where relevant LDM Supply Point Capacity) is requested;
  - (iv) the requested LDM Exit Capacity (in kWh/Day) and in the case of a Proposed LDM Supply Point or LDM Supply Point the requested LDM Supply Point Capacity (in kWh/Day);
  - (v) the Shipper ID of the applicant Shipper;
  - (vi) if the request is a Long Term LDM Capacity Request and the Shipper is not itself the End User, written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for offtake at the End User's offtake facilities;
  - (vii) the requested MHQ, pressure and maximum ramp rate; and
- (b) The Transporter will reject a Long Term LDM Capacity Request for any of the following reasons:
- (i) the Long Term LDM Capacity Request is not submitted in accordance with Section 7.2.4(a);
  - (ii) the Long Term LDM Capacity Request is not submitted within the Long Term Capacity Booking Window;

- (iii) the requested pressure is in excess of the Transmission Minimum Pressure (as referred to in Part G (*Technical*) Section 1.2.1) and the Shipper and the Transporter have not entered into an agreement for the provision of the requested pressure;
- (iv) the application specifies an amount of LDM Exit Capacity or amount of LDM Supply Point Capacity greater than that which the Transporter deems to be available for the requested LDM Capacity Booking Period;
- (v) in the case of an LDM Capacity Booking Request the requested MHQ or ramp rates are in excess of those which the Transporter reasonably believes can be consistently available at the LDM Offtake having regard to inter alia, design parameters and anticipated operating and transportation requirements;
- (vi) (to the extent that) the reservation of LDM Exit Capacity (and where relevant LDM Supply Point Capacity) specified in the Long Term LDM Capacity Request would result in an increase in the amount of financial security to be provided by the Shipper to the Transporter, determined in accordance with the Financial Security Policy, and the Shipper has not within ten (10) Business Days of submitting the application or two (2) Business Days prior to the requested LDM Capacity Booking Effective Date (whichever is the earlier) provided the required financial security so as to satisfy the requirements of the Financial Security Policy;
- (vii) the amount of LDM Exit Capacity and/or LDM Supply Point Capacity specified in the Long Term LDM Capacity Request is less than the applicable Minimum Booking Quantity.

7.2.5 The Transporter may reject a Long Term LDM Capacity Request (in whole or in part) for any of the following reasons:

- (a) where the Shipper is not already a Registered Shipper at or in respect of the LDM Offtake and the requested LDM Capacity Booking Effective Date is less than twenty (20) Business Days after the date of receipt by the Transporter of the Long Term LDM Capacity Request;

- (b) where the Shipper is (or would otherwise be) in breach of this Code and/or an Ancillary Agreement; or
- (c) the Long Term LDM Capacity Request is at or in respect of a LDM Supply Point or Proposed LDM Supply Point to which Part F (*Administration*) Section 1.4.5 applies and the Shipper has not discharged all applicable tariffs as required pursuant to Part F (*Administration*) Section 1.4.5.

7.2.6 If the Long Term LDM Capacity Request is rejected, then the Transporter shall provide the reason to the Shipper as soon as reasonably practicable.

7.2.7 Where the Transporter accepts a Long Term LDM Capacity Request the Shipper shall be registered as having reserved an amount of:

- (a) primary LDM Exit Capacity (the “**Booked LDM Exit Capacity Quantity**”) and where relevant an amount of Primary Supply Point Capacity (the “**Booked LDM Supply Point Capacity Quantity**”) at the relevant LDM Offtake from the LDM Capacity Booking Effective Date for the LDM Capacity Booking Period as set out in the Long Term LDM Capacity Request or as otherwise agreed with the Transporter (the “**Long Term LDM Capacity Booking**”).
- (b) The Shipper may request the Transporter to issue to the Shipper a written confirmation notice which shall include the following information:
  - (i) LDM Offtake;
  - (ii) Booked LDM Exit Capacity Quantity;
  - (iii) Booked LDM Supply Point Capacity Quantity (where relevant);
  - (iv) LDM Capacity Booking Period;
  - (v) Exit Capacity Booking Reference in respect of each Long Term LDM Capacity Booking.

7.2.8 Where the Transporter has accepted a Long Term LDM Capacity Request in respect of a Proposed LDM Exit Point or a Proposed LDM Supply Point and the date upon which the Proposed LDM Offtake is anticipated to become a LDM Offtake is varied (having regard to the provisions of any

applicable Siteworks Agreement) then the LDM Capacity Booking Effective Date shall be varied to such one of the following Days as shall be notified by the Shipper to the Transporter:

- (a) the first Day of the calendar month in which the Proposed LDM Offtake becomes a LDM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*); or
- (b) the first Day of the calendar month immediately subsequent to the calendar month in which the Proposed LDM Offtake becomes a LDM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*),

and if the Shipper fails to notify the Transporter prior to 18.00 on the day prior to the Day on which the proposed LDM Offtake becomes an LDM Offtake of which of (a) or (b) shall apply, then (a) shall apply. In either event the LDM Capacity Booking Period shall commence on the first Day of the relevant calendar month and the Transporter shall submit a revised written confirmation to the Shipper pursuant to Section 7.2.7.

7.2.9 Notwithstanding the acceptance by the Transporter of any Long Term LDM Capacity Booking with respect to a Proposed LDM Offtake and that the LDM Capacity Booking Effective Date may have occurred the Shipper shall not be entitled to submit Nominations to offtake Natural Gas or to offtake Natural Gas at such Proposed LDM Offtake in respect of any Day prior to the Day on which the Proposed LDM Offtake becomes a LDM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*) it being acknowledged and accepted by the Shipper that Nominations may only be submitted with respect to a LDM Offtake and not with respect to a Proposed LDM Offtake. The Shipper shall however remain liable for all Tariffs and Capacity Charges in respect of the capacity reserved for the LDM Capacity Booking Period pursuant to the applicable Long Term LDM Capacity Booking and all financial obligations associated therewith.

7.2.10 The Registered Shipper shall in respect of the relevant LDM Offtake cease to be a holder of Long Term LDM Exit Capacity and/or LDM Supply Point Capacity (where relevant) pursuant to a Long Term LDM Capacity Booking either:

- (a) at the end of the relevant LDM Capacity Booking Period (as recorded in the Capacity Register); or
- (b) otherwise in accordance with the provisions of this Code and/or any (Ancillary Agreement).

### 7.3 Additional LDM Exit Capacity

7.3.1 A Shipper which is a Registered Shipper at or in respect of an LDM Offtake may apply to the Transporter for additional LDM Exit Capacity at or in respect of the LDM Offtake at which the Shipper is a Registered Shipper:

- (a) by submitting a Long Term LDM Capacity Request in accordance with Section 7.2.4; or
- (b) by submitting an application for Short Term LDM Exit Capacity in accordance with Section 7.4.

7.3.2 A Shipper which is a Registered Shipper at an LDM Supply Point:

- (a) shall submit an application to the Transporter for additional LDM Exit Capacity to be held at or in respect of the LDM Supply Point in the manner outlined in Section 7.3.1 above; or
- (b) shall apply to the Transporter for additional LDM Supply Point Capacity to be held at the LDM Supply Point by submitting to the Transporter an application in accordance with Section 8.3.

### 7.4 Short Term LDM Exit Capacity

7.4.1 A Shipper:

- (a) which is a Registered Shipper at an LDM Offtake; or
- (b) in respect of which the Transporter has accepted a Short Term LDM Capacity Notice at the LDM Offtake in accordance with Part F (*Administration*) Section 1.4,

shall be entitled to apply to the Transporter for Short Term LDM Exit Capacity at the LDM Offtake by submitting a request (a “**Short Term LDM Exit Capacity Request**”) which shall specify the information required by the Transporter to process the Short Term LDM Exit Capacity Request as set out in Schedule 1 Part 10 including:



- (a) the requested LDM Exit Capacity Effective Date which shall be the first Day of a calendar month where the application relates to Monthly Capacity and shall be the first Day to which the request relates where the request relates to Daily LDM Exit Capacity;
- (b) the duration for which the Shipper wishes to book LDM Exit Capacity (which shall be a single calendar month, a single Day or a number of consecutive Days);
- (c) the LDM Offtake at which the LDM Exit Capacity is requested;
- (d) the requested amount of LDM Exit Capacity (in kWh/Day); and
- (e) the identity of the Shipper requesting LDM Exit Capacity.

7.4.2 The Transporter will reject a Short Term LDM Exit Capacity Request for any of the following reasons:

- (a) the Short Term LDM Exit Capacity Request is not submitted in accordance with Section 7.4.1;
- (b) the Short Term LDM Exit Capacity Request relates to Monthly LDM Exit Capacity and has not been submitted within the Monthly Capacity Booking Window;
- (c) the Short Term LDM Exit Capacity Request is submitted with respect to Daily LDM Exit Capacity and is not submitted within the Daily Capacity Booking Window in respect of any one or more Days specified in the request where each such Day is treated as a separate LDM Exit Capacity Effective Date;
- (d) the Shipper is not a Registered Shipper at the LDM Offtake or the Transporter has not accepted the Shipper's Short Term LDM Capacity Notice at the LDM Exit Point in accordance with Part F (*Administration*) Section 1.4 for the requested duration;
- (e) the Shipper has not provided adequate financial security to the Transporter (as determined in accordance with the Financial Security Policy) including in respect of the amount of capacity requested;

- (f) the amount of capacity requested is less than the applicable Minimum Booking Quantity (if any);
- (g) the amount of capacity requested pursuant to the Short Term LDM Exit Capacity Request is in excess of the amount of capacity which the Transporter deems to be available for the requested duration (or any part thereof);
- (h) the requested MHQ or ramp rates are in excess of those which the Transporter reasonably believes can be consistently available at the LDM Offtake having regard to, inter alia, design parameters and anticipated operating and transportation requirements;
- (i) the Shipper is or would otherwise be in breach of this Code or any Ancillary Agreement.

7.4.3 If the Short Term LDM Exit Capacity Request is rejected then the Transporter shall provide the reason to the Shipper as soon as reasonably practicable and in any event within two (2) Business Days of such rejection.

7.4.4 Where the Transporter accepts a Short Term LDM Exit Capacity Request the Shipper shall be recorded as having reserved an amount of Primary LDM Exit Capacity at or in respect of the relevant LDM Offtake from the LDM Capacity Booking Effective Date for the LDM Capacity Booking Period as set out in the Short Term LDM Exit Capacity Request or as otherwise agreed with the Transporter (the “**Short Term LDM Exit Capacity Booking**”).

## 7.5 DM Exit Capacity

### General

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

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

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

- (a) the peak Natural Gas usage of the relevant DM Offtake in the previous twelve (12) Months; or
- (b) where the profile of the DM Offtake indicates that it is a temperature sensitive load, the estimated 1-in-50 peak Day consumption.

7.5.4 For the avoidance of doubt, the DM Exit Capacity as calculated by the Transporter pursuant to Section 7.5.3 shall be the Transporter Recommended DM Exit Capacity with effect from the first Day of the next Gas Year and the Capacity Register shall be updated accordingly.

7.5.5 A Shipper shall have:

- (a) a single DM Exit Capacity reservation in respect of each DM Offtake at which the Shipper is the Registered Shipper; and
- (b) a single Aggregate Primary DM Exit Capacity in respect of all DM Offtakes at which the Shipper is the Registered Shipper including any Short Term Aggregate DM Exit Capacity and for the duration of the applicable Short Term Aggregate DM Exit Capacity Bookings.

A Shipper may have one or more Short Term Aggregate DM Exit Capacity Bookings.

7.5.6 The DM Exit Capacity reserved by a Shipper in respect of a DM Offtake shall on a Day be:

- (a) the initial DM Exit Capacity requested by the Registered Shipper in such Shipper's deemed application for DM Exit Capacity (in accordance with this Section 7) and accepted by the Transporter as reflected in the Capacity Register where the Shipper becomes the Registered Shipper at such DM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*); and thereafter

- (b) with effect from the first Day of each Gas Year on which the Shipper is the Registered Shipper at a DM Offtake, the Transporter Recommended DM Exit Capacity entered on the Capacity Register following the annual reappraisal and revision of DM Exit Capacity in accordance with Sections 7.5.3 and 7.5.4,

in each case as amended pursuant to any DM Exit Capacity Revision Request which has been accepted by the Transporter. The DM Exit Capacity so reserved by a Shipper shall be regarded as Long Term Exit Capacity.

- 7.5.7 A Shipper which is a Registered Shipper at one or more DM Offtakes may apply to the Transporter to reserve Short Term Aggregate DM Exit Capacity pursuant to Section 7.8.

## 7.6 **Application for DM Exit Capacity in respect of a DM Offtake**

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

- 7.6.2 The Transporter will reject a deemed application for DM Exit Capacity where:

- (a) such application, if accepted would require financial security or an increase in the amount in respect of which financial security is to be provided by the Registered Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not, within ten (10) Business Days of submitting such deemed application, provided financial security so as to satisfy the requirements of the Financial Security Policy; or
- (b) such application specifies an amount of DM Exit Capacity which is in excess of the DM Exit Capacity which the Transporter deems to be available.

- 7.6.3 The Transporter may reject (in whole or in part) a deemed application for DM Exit Capacity where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

- 7.6.4 If a deemed application for DM Exit Capacity is rejected then the Transporter shall provide the reason to the Shipper as soon as reasonably practicable, but in any event within three (3) Business Days of such rejection.
- 7.6.5 For the avoidance of doubt, the amount of DM Exit Capacity reserved by a Shipper at or in respect of a DM Offtake shall (subject to the Transporter's right of rejection pursuant to this Section 7.6) be determined by the Shipper (and recorded by the Transporter in the Capacity Register) and, save as otherwise stated in this Section 7.6, and subject to the Transporter's rights under Section 7.6.6, need not be equal to the Transporter Recommended DM Exit Capacity or the DM Exit Capacity that was reserved by the outgoing Shipper in respect of the DM Offtake at the date of submission of the Change of Shipper Request.
- 7.6.6 A Shipper shall not be entitled to reserve less than the amount of DM Exit Capacity as may be specified by the Transporter in respect of a DM Offtake until such time as the Transporter shall have recovered through payment by a Registered Shipper at such DM Offtake, the costs incurred by the Transporter in respect of works undertaken pursuant to any Connection Agreement in respect of such DM Offtake.

## 7.7 **DM Exit Capacity Revision**

- 7.7.1 Where a Shipper is the Registered Shipper at a DM Offtake and has reserved or been deemed to have reserved DM Exit Capacity at or in respect of such DM Offtake in accordance with this Section 7 such Shipper may by request to the Transporter ("**DM Exit Capacity Revision Request**") apply to vary such Shipper's Long Term DM Exit Capacity reserved in respect of that DM Offtake. For the avoidance of doubt a Shipper shall not be entitled to submit a DM Exit Capacity Revision Request with respect to Short Term Aggregate DM Exit Capacity.
- 7.7.2 A DM Exit Capacity Revision Request shall specify the information required to process such DM Exit Capacity Revision Request as set out in Schedule 1 Part 11 including:
- (a) the proposed "**Effective Date**" for the revised booking which shall be:

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

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

- (a) the DM Exit Capacity Revision Request is not submitted in accordance with Section 7.7.2;
- (b) the DM Exit Capacity Revision Request specifies an amount of proposed DM Exit Capacity in respect of the relevant DM Offtake Point which is greater than that which the Transporter deems to be available;
- (c) the proposed Effective Date specified in the DM Exit Capacity Revision Request is less than twenty (20) days from the date of receipt by the Transporter of the DM Exit Capacity Revision Request;
- (d) the proposed Effective Date specified in the DM Exit Capacity Revision Request is not achievable having regard to any outstanding Siteworks;
- (e) (to the extent that) the DM Exit Capacity Revision Request requests reservation of additional DM Exit Capacity the increased DM Exit Capacity specified in the DM Exit Capacity Revision Request

would if accepted require an increase in the amount in respect of which financial security is to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not, within ten (10) Business Days of submitting the application provided financial security so as to satisfy the requirements of the Financial Security Policy;

- (f) the DM Exit Capacity Revision Request relates to a reduction in the DM Exit Capacity and the Transporter has not recovered, through payment by a Registered Shipper at such DM Offtake all costs incurred by the Transporter in respect of works undertaken pursuant to any Connection Agreement and/or Siteworks in respect of such DM Offtake; or
- (g) the DM Exit Capacity Revision Request relates to an increase in DM Exit Capacity and the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

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

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

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

## 7.8 Short Term DM Exit Capacity

7.8.1 A Shipper which is the Registered Shipper at or in respect of one or more DM Offtakes and accordingly, has an Aggregate Primary DM Exit

Capacity shall be entitled to apply to the Transporter for Short Term Aggregate DM Exit Capacity by submitting a request (a “**Short Term Aggregate DM Exit Capacity Request**”) which shall specify the information required by the Transporter to process the Short Term Aggregate DM Exit Capacity Request as set out in Schedule 1 Part 12 including:

- (a) the requested Short Term Aggregate DM Exit Capacity Effective Date which shall be the first Day of a calendar month where the application relates to capacity of a Monthly duration and shall be a Day (or the first Day of a specified number of consecutive Days) in respect of which the capacity is requested where the requested duration is Daily;
- (b) the duration for which the Shipper wishes to book the Short Term Aggregate DM Exit Capacity which will be a single Day (or a number of consecutive Days) or a single calendar month;
- (c) the requested amount of Short Term Aggregate DM Exit Capacity (in kWh/Day); and
- (d) the identity of the Shipper requesting Short Term Aggregate DM Exit Capacity.

7.8.2 The Transporter will reject a Short Term Aggregate DM Exit Capacity Request for any of the following reasons:

- (a) the Short Term Aggregate DM Exit Capacity Request is not submitted in accordance with Section 7.8.1;
- (b) the Short Term Aggregate DM Exit Capacity Request specifies a duration of one (1) Month and has not been submitted within the Monthly Capacity Booking Window;
- (c) the Short Term Aggregate DM Exit Capacity Request specifies a duration of one (1) or more consecutive Days and is not submitted within the Daily Capacity Booking Window in respect of each Day to which the request relates, where each such Day is treated as a separate Short Term DM Exit Capacity Effective Date;



- (d) the Shipper is not a Registered Shipper at one or more DM Offtake(s);
- (e) the amount of Short Term Aggregate DM Exit Capacity requested is in excess of the amount of capacity which the Transporter deems to be available for the requested duration or any part thereof;
- (f) the amount of Short Term Aggregate DM Exit Capacity requested is less than the applicable Minimum Booking Quantity (if any); or
- (g) the Shipper has not provided adequate financial security to the Transporter (as determined in accordance with the Financial Security Policy) including in respect of the amount of capacity requested.

7.8.3 The Transporter may reject a Short Term Aggregate DM Exit Capacity Request if the Shipper is (or would otherwise be) in breach of this Code or any Ancillary Agreement or the Financial Security Policy.

7.8.4 Where the Transporter rejects a Short Term Aggregate DM Exit Capacity Request the Transporter shall notify the Shipper of the reason for such rejection as soon as reasonably practicable and in any event within one (1) Business Day.

7.8.5 Where the Transporter accepts a Short Term Aggregate DM Exit Capacity Request the Transporter shall notify the Shipper of such acceptance and the Shipper shall be recorded as having reserved an amount of Short Term Aggregate DM Exit Capacity from the Short Term DM Exit Capacity Effective Date and for the duration as set out in the Short Term Aggregate DM Exit Capacity Request or as otherwise agreed with the Transporter (a **“Short Term Aggregate DM Exit Capacity Booking”**).

7.8.6 The Shipper shall in respect of the relevant Short Term Aggregate DM Exit Capacity Booking cease to be the holder of the Short Term Aggregate DM Exit Capacity pursuant to such Short Term Aggregate DM Exit Capacity Booking either:

- (a) at the end of the relevant Capacity Booking period as recorded in the Capacity Register; or
- (b) otherwise in accordance with the provisions of this Code.

## 7.9 Aggregate DM Exit Capacity

- 7.9.1 The Aggregate Primary DM Exit Capacity of a Shipper will be increased by an amount equal to the DM Exit Capacity reserved by the Registered Shipper, at or in respect of the DM Offtake at which the Shipper becomes the Registered Shipper in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*), unless the Shipper becomes the Registered Shipper at a Proposed DM Offtake pursuant to Part F (*Administration*) Section 1.5.4(a) in which case the Aggregate Primary DM Exit Capacity of such Shipper shall be increased by an amount equal to DM Exit Capacity reserved by the Registered Shipper at or in respect of the Proposed DM Offtake at which the Shipper becomes the Registered Shipper with effect from the date upon which the Meter Fit is completed.
- 7.9.2 The Aggregate Primary DM Exit Capacity of a Shipper shall be varied to reflect any variation in the DM Exit Capacity reserved by a Shipper pursuant to a DM Exit Capacity Revision Request from the Day on which a DM Exit Capacity Revision Request becomes effective.
- 7.9.3 The Aggregate Primary DM Exit Capacity of a Shipper shall be varied to reflect commencement and/or termination of any reservation of Short Term Aggregate DM Exit Capacity by a Shipper pursuant to this Code.
- 7.9.4 The Aggregate Primary DM Exit Capacity in respect of a Shipper which ceases to be the Registered Shipper at a DM Offtake in accordance with Part F (*Administration*) will be decreased by an amount equal to the DM Exit Capacity reserved by the Shipper at or in respect of the DM Offtake when the Shipper ceases to be the Registered Shipper at the DM Offtake, provided that any ongoing obligations of the Shipper under this Code and/or any payment as may be due pursuant to any relevant Ancillary Agreement, Siteworks and/or Connection Agreement shall continue and provided further where a Shipper ceases to be a Registered Shipper at a DM Offtake in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*) the Shipper's Short Term Aggregate DM Exit Capacity Bookings shall not be affected.

## 7.10 NDM Exit Capacity

- 7.10.1 NDM Exit Capacity shall be required to be reserved in order for a Shipper to nominate Natural Gas for offtake from the Transmission System to facilitate onward delivery to NDM Supply Point(s) at which the Shipper is the Registered Shipper.
- 7.10.2 A Shipper shall be deemed to apply for Long Term NDM Exit Capacity on submission of a request to become the Registered Shipper at a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*). A Shipper on becoming the Registered Shipper to a NDM Supply Point, in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*), shall be deemed to have reserved an amount of Long Term NDM Exit Capacity equal to the amount of Supply Point Capacity reserved or deemed to have been reserved by it in respect of such NDM Supply Point.
- 7.10.3 The Transporter shall reject an application for Long Term NDM Exit Capacity if the Shipper is in breach of the Financial Security Policy.
- 7.10.4 A Shipper shall be deemed to have reserved Long Term NDM Exit Capacity in respect of a NDM Supply Point from the first Day on which it becomes the Registered Shipper at a NDM Supply Point.
- 7.10.5 The Aggregate Primary NDM Exit Capacity of any Shipper will be reduced by an amount equal to the Long Term NDM Exit Capacity which the Shipper is registered as holding in respect of a NDM Supply Point with effect from the date on which the Shipper ceases to be the Registered Shipper at a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*), subject (and without prejudice) to any ongoing obligations of the Shipper under this Code and/or any payments as may continue to be due pursuant to any Ancillary Agreement and/or a Connection Agreement. For the avoidance of doubt, where a Change of Shipper Request is not accepted by the Transporter for any reason, the then Registered Shipper shall remain the Registered Shipper at the NDM Supply Point.

7.10.6 A Shipper which is a Registered Shipper at one or more NDM Supply Points may apply to the Transporter to reserve Short Term Aggregate NDM Exit Capacity pursuant to Section 7.11.

7.10.7 For information purposes only, the Transporter will, on a reasonable endeavours basis, make available to each Shipper no later than 09:00 hours on D-1, its Aggregate Primary NDM Exit Capacity holding for the Day by reference to the Capacity Register at the time such information is made available. For the avoidance of doubt, the Shipper's Aggregate Primary NDM Exit Capacity in respect of a Day may vary from the Aggregate Primary NDM Exit Capacity as made available to the Shipper pursuant to this Section 7.10.7, including as a result of any completed Change of Shipper.

#### 7.11 Short Term NDM Exit Capacity

7.11.1 A Shipper shall be entitled to apply to the Transporter for Short Term Aggregate NDM Exit Capacity by submitting a request (a "**Short Term Aggregate NDM Exit Capacity Request**") which shall specify the information required by the Transporter to process the Short Term Aggregate NDM Exit Capacity Request set out in Schedule 1 Part 13 including:

- (a) the requested Short Term Aggregate NDM Exit Capacity Effective Date which shall be the first Day of the calendar month where the application relates to capacity of a Monthly duration and shall be a Day (or the first Day of a specified number of consecutive Days) in respect of which the capacity is requested where the requested duration is Daily;
- (b) the duration for which the Shipper wishes to book the Short Term Aggregate NDM Exit Capacity which will be a single Day (or a number of consecutive Days) or a single calendar month;
- (c) the requested amount of Short Term Aggregate NDM Exit Capacity (in kWh/Day);
- (d) the identity of the Shipper requesting the Short Term Aggregate NDM Exit Capacity.

- 7.11.2 The Transporter will reject a Short Term Aggregate NDM Exit Capacity Request for any of the following reasons:
- (a) the Short Term Aggregate NDM Exit Capacity Request is not submitted in accordance with Section 7.11.1;
  - (b) the Short Term Aggregate NDM Exit Capacity Request specifies a duration of one (1) Month and has not been submitted within the Monthly Capacity Booking Window;
  - (c) the Short Term Aggregate NDM Exit Capacity Request specifies a duration of one (1) Day (or a number of consecutive Days) and is not submitted within the Daily Capacity Booking Window in respect of each Day to which the request relates, where each such Day is treated as a separate Short Term NDM Exit Capacity Effective Date;
  - (d) the Shipper is not the Registered Shipper at one or more NDM Supply Points;
  - (e) the amount of Short Term NDM Exit Capacity requested is in excess of the amount of capacity which the Transporter deems to be available for the requested duration or any part thereof;
  - (f) the Shipper has not provided adequate financial security to the Transporter (as determined in accordance with the Financial Security Policy) including in respect of the amount of capacity requested; or
  - (g) the amount of Short Term Aggregate NDM Exit Capacity requested is less than the applicable Minimum Booking Quantity (if any).
- 7.11.3 The Transporter may reject a Short Term Aggregate NDM Exit Capacity Request if the Shipper is (or would otherwise be) in breach of this Code or any Ancillary Agreement.
- 7.11.4 Where the Transporter rejects a Short Term Aggregate NDM Exit Capacity Request the Transporter shall notify the Shipper of the reason for such rejection as soon as is reasonably practicable and in any event within one (1) Business Day.

7.11.5 Where the Transporter accepts a Short Term Aggregate NDM Exit Capacity Request the Transporter shall notify the Shipper of such acceptance and the Shipper shall be recorded as having reserved an amount of Short Term Aggregate NDM Exit Capacity from the Short Term NDM Exit Capacity Effective Date and for the duration as set out in the Short Term Aggregate NDM Exit Capacity Request or as otherwise agreed with the Transporter (a “**Short Term Aggregate NDM Exit Capacity Booking**”).

7.11.6 The Shipper shall in respect of the relevant Short Term Aggregate NDM Exit Capacity Booking cease to be the holder of the Short Term Aggregate NDM Exit Capacity pursuant to such Short Term Aggregate NDM Exit Capacity Booking either:

- (a) at the end of the relevant Capacity Booking period as recorded in the Capacity Register; or
- (b) otherwise in accordance with the provisions of this Code.

## 7.12 **Aggregate NDM Exit Capacity**

7.12.1 The Aggregate Primary NDM Exit Capacity of a Shipper will be increased or reduced to reflect any variations in the Supply Points in respect of which the Shipper is the Registered Shipper and to reflect the commencement and/or termination of any Short Term Aggregate NDM Exit Capacity reserved by a Shipper pursuant to this Code.

Where a Shipper ceases to be the Registered Shipper at one or more NDM Supply Point(s) in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*) the Shipper’s Short Term Aggregate NDM Exit Capacity Bookings shall not be affected.

## 7.13 **Sub-Sea I/C Offtake Capacity**

7.13.1 A Shipper shall not be entitled to offtake Natural Gas at the Sub-Sea Interconnector Offtake until the Shipper has a Sub-Sea I/C Offtake Capacity Booking in respect of that Sub-Sea I/C Offtake and holds Active Sub-Sea I/C Offtake Capacity at the Sub-Sea I/C Offtake.

7.13.2 A Shipper shall apply to the Transporter for Long Term Sub-Sea I/C Offtake Capacity by submitting a request (a “**Sub-Sea I/C Offtake**”

**Capacity Request**”) which shall specify the information required by the Transporter to process the Sub-Sea I/C Offtake Capacity Request set out in Schedule 1 Part 24 including the following:

- (a) the requested Sub-Sea I/C Capacity Effective Date which shall be the first day of a calendar month;
- (b) the requested duration of the Sub-Sea I/C Capacity Booking Period which shall be Annual or Multi-annual;
- (c) the requested Sub-Sea I/C Offtake Capacity (in kWh/Day);
- (d) the identity of the applicant Shipper;
- (e) evidence that the Shipper is submitting the Sub-Sea I/C Offtake Capacity Request pursuant to a Treaty Entitlement (where applicable);
- (f) where the request is not made pursuant to a Treaty Entitlement the Shipper is the holder of such documentation as may be reasonably necessary, to offtake Natural Gas at the Sub-Sea I/C Offtake for onward delivery to the Isle of Man;
- (g) the requested MHQ Pressure and Ramp Rate.

7.13.3 The Transporter will reject a Sub-Sea I/C Offtake Capacity Request for any of the following reasons:

- (a) the Sub-Sea I/C Offtake Capacity Request is not submitted in accordance with Section 7.13.2;
- (b) the Sub-Sea I/C Offtake Capacity Request is not submitted within the Long Term Capacity Booking Window (unless such request is submitted pursuant to a Treaty Entitlement prior to the commencement of the Long Term Capacity Booking Window);
- (c) the requested pressure is in excess of the applicable Transmission Minimum Pressure as referred to in Part G (*Technical*) Section 1.2.1 and the Shipper and the Transporter have not entered into an agreement for the provision of the requested pressure;
- (d) the application specifies an amount of Sub-Sea I/C Offtake Capacity greater than that which the Transporter deems to be available (having regard, inter alia, to the provisions of the Second Interconnector Treaty) for the requested booking period;

- (e) the requested MHQ or Ramp Rates are in excess of those which the Transporter reasonably believes can be consistently available at the Sub-Sea I/C Offtake having regard to, inter alia, design parameters and anticipated operating and transportation requirements;
- (f) to the extent that the reservation of the amount of Sub-Sea I/C Offtake Capacity specified in the application would result in an increase in the amount of financial security to be provided by the Shipper to the Transporter, determined in accordance with the Financial Security Policy and the Shipper does not within ten (10) Business Days of submitting the application or two (2) Business Days prior to the requested Sub-Sea I/C Capacity Booking Effective Date (whichever is the earlier) provide the required financial security so as to satisfy the requirements of the Financial Security Policy;
- (g) the Shipper has not reserved an amount of IP Entry Capacity at the Moffat Entry Point which is equal to or in excess of the aggregate Sub-Sea I/C Offtake Capacity which would be booked by the Shipper if the application is accepted and for a period which is not less than the requested Capacity Booking Period of the Sub-Sea I/C Offtake Capacity Request;
- (h) the acceptance of the Sub-Sea I/C Offtake Capacity Request would result in a breach of any provisions of this Code or any applicable Legal Requirement or would in the reasonable opinion of the Transporter adversely affect the Transporters ability to comply with any such Legal Requirement including for avoidance of doubt any Treaty Entitlement.

7.13.4 The Transporter may reject a Sub-Sea I/C Offtake Capacity Request (in whole or in part) for any of the following reasons:

- (a) where the Shipper is not already a Registered Shipper at or in respect of the Sub-Sea I/C Offtake and the requested Sub-Sea I/C Offtake Capacity Booking Effective Date is less than twenty (20) Business Days after the date of receipt by the Transporter of the Sub-Sea I/C Offtake Capacity Request; or



- (b) where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement;
- (c) where request has been submitted pursuant to a Treaty Entitlement and the Shipper has not provided evidence of any applicable Treaty Entitlement.

If the Sub-Sea I/C Offtake Capacity Request is rejected then the Transporter shall provide the reason to the Shipper as soon as it is reasonably practicable.

7.13.5 Where the Transporter accepts a Sub-Sea I/C Offtake Capacity Request the Shipper shall be registered as having reserved the amount of Sub-Sea I/C Offtake Capacity (the “**Booked Sub-Sea I/C Offtake Capacity Quantity**”) at the Sub-Sea I/C Offtake from the Sub-Sea I/C Offtake Capacity Booking Effective Date for the Sub-Sea I/C Offtake Capacity Booking Period set out in the Sub-Sea I/C Offtake Capacity Request or as otherwise agreed with the Transporter (the “**Sub-Sea I/C Offtake Capacity Booking**”).

7.13.6 The Registered Shipper shall in respect of the Sub-Sea I/C Offtake cease to be a holder of Sub-Sea I/C Offtake Capacity pursuant to a Sub-Sea I/C Offtake Capacity Booking either:

- (a) at the end of the relevant Sub-Sea I/C Capacity Booking Period as recorded in the Capacity Register; or
- (b) otherwise in accordance with the provisions of this Code and/or any Ancillary Agreement.

7.13.7 A Shipper which is a Registered Shipper at or in respect of the Sub-Sea I/C Offtake may apply to the Transporter for additional Sub-Sea I/C Offtake Capacity at or in respect of the Sub-Sea I/C Offtake at which the Shipper is the Registered Shipper by submitting a Sub-Sea I/C Offtake Capacity Request in accordance with Section 7.13.2.

#### 7.14 **Exit Capacity Charges**

7.14.1 Charges in respect of Exit Capacity (“**Exit Capacity Charges**”) will comprise the capacity component of the applicable Tariff.

7.14.2 A Shipper will be liable to pay to the Transporter:-

- (a) Exit Capacity Charges in respect of its Primary Exit Capacity from the Exit Capacity Effective Date for the Exit Capacity Booking Period in respect of LDM Exit Capacity or, if later, the date notified by the Transporter to the Shipper pursuant to Part F (*Administration*) Section 1.4.3;
- (b) Exit Capacity Charges in respect of Primary DM Exit Capacity reserved at or in respect of DM Offtakes:
  - (i) where the Shipper becomes the Registered Shipper at the DM Offtake pursuant to Part F (*Administration*) Section 1.5.4(a) from the date upon which the Meter Fit is completed until the Shipper ceases to be the Registered Shipper at such DM Offtake; and
  - (ii) save as in Section 7.14.2(b)(i) from the date and in respect of the period for which such Shipper is the Registered Shipper at such DM Offtakes and in respect of the period of any Short Term Aggregate DM Exit Capacity Bookings;
- (c) without prejudice to Section 7.10.5 Exit Capacity Charges in respect of Primary NDM Exit Capacity reserved in respect of NDM Supply Point(s) in respect of the period for which such Shipper is Registered Shipper at such NDM Supply Point(s) (but excluding any period in respect of which such NDM Supply Point is a Tariff Exempt NDM Supply Point in accordance with the Deregistration Procedures) and in respect of any Short Term Aggregate NDM Exit Capacity.

7.14.3 Any Shipper that holds Primary Exit Capacity shall be liable for Exit Capacity Charges in respect of such Primary Exit Capacity regardless of any Exit Capacity Transfers that may have been transacted with a counter-party Shipper.

7.14.4 Exit Capacity Charges in respect of LDM Exit Capacity will be calculated on a monthly basis and invoiced in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

7.14.5 Exit Capacity Charges in respect of DM Exit Capacity will be calculated on a monthly basis taking into account the Aggregate Primary DM Exit Capacity that is held by a Shipper on each Day during the relevant Month

and invoiced in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*). Exit Capacity Charges in respect of NDM Exit Capacity will be calculated on a monthly basis taking into account the Aggregate Primary NDM Exit Capacity which is held by a Shipper on each Day of the relevant Month and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

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

## 7.15 **LDM Transitional Capacity Bookings**

- 7.15.1 In order to align Long Term LDM Capacity Booking(s) at an LDM Offtake with capacity bookings at Interconnection Points where such Long Term LDM Capacity Bookings would otherwise expire subsequent to 1 October 2015 and prior to 1 October 2016 each Shipper with a Long Term LDM Capacity Booking(s) (a "**Qualifying LDM Shipper**") may apply to extend the Shipper's Long Term LDM Exit Capacity Booking and LDM Supply Point Capacity (where applicable) or otherwise book LDM Exit Capacity which will be deemed Long Term LDM Exit Capacity and associated LDM Supply Point Capacity (as applicable) at an LDM Offtake in accordance with the remaining provisions of this Section 7.15.

- 7.15.2 A Qualifying LDM Shipper may submit to the Transporter either:
- (a) an application to extend the Shipper's Long Term LDM Capacity Booking (an "**LDM Extension Application**") at the LDM Offtake in accordance with Section 7.15.4 and 7.15.5; or
  - (b) a request (a "**Transitional Booking Request**") for Long Term LDM Exit Capacity and where applicable LDM Supply Point Capacity at the LDM Offtake in accordance with Section 7.15.4 and 7.15.6);

and in either case in respect of a period (a "**Transitional Booking Period**") from the date of expiry (or the date on which the applicable Capacity Booking Period would otherwise expire) of the Shipper's

Long Term Exit Capacity Booking and the Shipper's LDM Supply Point Capacity Booking (where applicable) until 05:00 on 1 October 2016. Where the LDM Extension Application or where the Transitional Booking Request relates to a LDM Supply Point it shall relate to both the LDM Exit Capacity and the LDM Supply Point Capacity in respect of the LDM Supply Point.

- 7.15.3 A Qualifying LDM Shipper may not submit both an LDM Extension Application and a Transitional LDM Booking Request in respect of the same LDM Offtake.
- 7.15.4 A Qualifying LDM Shipper may at any time on or after 1 August 2015 and on or prior to 24 September 2015 submit an LDM Extension Application in accordance with Section 7.15.5 or a Transitional LDM Booking Request in accordance with Section 7.15.6.
- 7.15.5 An LDM Extension Application submitted by a Qualifying LDM Shipper shall specify the information necessary for the Transporter to process the request including:
- (a) the Shipper ID of the Shipper submitting the application;
  - (b) the Capacity Booking Reference of the Shipper's Long Term LDM Capacity Booking to which the application relates;
  - (c) the LDM Offtake;
  - (d) the period for which the Long Term LDM Capacity Booking is requested to be extended which shall be the Transitional LDM Booking Period.
- 7.15.6 A Qualifying LDM Shipper may apply for LDM Exit Capacity and LDM Supply Point Capacity (where applicable) in respect of a Transitional LDM Booking Period by submitting a Transitional LDM Booking Request. A Transitional LDM Booking Request shall specify the information necessary to enable the Transporter to process the request including:
- (a) the Long Term LDM Capacity Booking Reference of the Shipper's Long Term LDM Capacity Booking;

- (b) the Shipper ID of the Shipper submitting the request;
- (c) the LDM Offtake;
- (d) the requested amount of LDM Exit Capacity and where applicable LDM Supply Point Capacity (in kWh)/Day; and
- (e) the duration for which the Shipper wishes to book the requested amount of LDM Exit Capacity and LDM Supply Point Capacity (where applicable) which shall be the Transitional LDM Booking Period.

7.15.7 The Transporter may reject an LDM Extension Application submitted by a Shipper in accordance with Section 7.15.5 above and/or a Transitional LDM Booking Request submitted by the Shipper in accordance with Section 7.15.6 above for any of the following reasons:

- (a) the applicable LDM Extension Application or Transitional LDM Booking Request has not been submitted in accordance with Section 7.15.5 or Section 7.15.6 above (as the case may be);
- (b) the LDM Extension Application or Transitional LDM Booking Request is received prior to 1 August 2015 or after 24 September 2015;
- (c) the Shipper has not provided financial security in accordance with the Financial Security Policy in respect of the capacity requested pursuant to the LDM Extension Application or the Transitional LDM Booking Request (as the case may be);
- (d) the Shipper is (or would otherwise be) in breach of this Code and/or any ancillary agreement;
- (e) the Shipper submitting the LDM Extension Application or the Transitional LDM Booking Request is not a Qualifying LDM Shipper.

7.15.8 The Transporter shall accept a Shipper's LDM Extension Application or Transitional LDM Booking Request which is not otherwise rejected in accordance with Section 7.15.10 above on or prior to 30 September 2015.

- 7.15.9 The Transporter shall be deemed to reject a Shipper's LDM Extension Application or Transitional LDM Booking Request (as the case may be) if the Transporter has not accepted the Shipper's LDM Extension Application or Transitional LDM Booking Request on or prior to 30 September 2015.
- 7.15.10 Where the Transporter accepts or is deemed to accept a Shipper's Extension Application or Transitional LDM Booking Request then:
- (a) in the case of an LDM Extension Application the Capacity Booking Period in respect of the Shipper's Long Term LDM Capacity Booking as specified in the LDM Extension Application shall be deemed to be extended until the end of the Transitional LDM Booking Period; and
  - (b) in the case of a Transitional LDM Booking Request the Shipper shall be deemed to have a Long Term LDM Capacity Booking in respect of the amount of LDM Exit Capacity and where applicable LDM Supply Point Capacity specified in the Transitional LDM Booking Request and the Capacity Booking Period of such Long Term LDM Capacity Booking shall be the Transitional Period.
- 7.15.11 Where a Qualifying LDM Shipper does not submit an LDM Extension Application or a Transitional LDM Booking Request in accordance with the foregoing provisions of this Section 7.15 then the Shipper's subsisting LDM Capacity Booking shall not be extended or revised and shall otherwise expire on the last day of the Long Term Capacity Booking Period or in accordance with the provisions of this Code.

## 8. SUPPLY POINT CAPACITY

### 8.1 General

- 8.1.1 A Shipper may become a Registered Shipper at:
- (a) a LDM Supply Point by submitting a Long Term LDM Capacity Request which is accepted by the Transporter in accordance with Sections 7.2.4 and 8.3;
  - (b) a DM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*); and/or
  - (c) a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).
- 8.1.2 Supply Point Capacity will be deemed to be reserved by a Shipper on becoming the Registered Shipper at a Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).
- 8.1.3 The Transporter shall calculate the Supply Point Capacity for each Proposed Offtake Point connected to the Distribution System prior to the completion of a Meter Fit at the Proposed Offtake Point in accordance with the applicable Procedure(s).
- 8.1.4 The Transporter shall reappraise and revise (where appropriate) the Supply Point Capacity in respect of each Supply Point in advance of each Gas Year. Such reappraisal and revision will be in accordance with the applicable Procedure(s).
- 8.1.5 Supply Point Capacity at a LDM Supply Point or a proposed LDM Supply Point calculated pursuant to Section 8.1.3 as revised by the Transporter as a result of annual reappraisal and revision pursuant to Section 8.1.4 above shall be entered on the Capacity Register as the Transporter Recommended LDM Supply Point Capacity.
- 8.1.6 Supply Point Capacity at a DM Supply Point, a proposed DM Supply Point, a NDM Supply Point or a Proposed NDM Supply Point calculated by the Transporter pursuant to Sections 8.1.3 and 8.1.4 above shall be entered on the Capacity Register as the Transporter Determined DM

Supply Point Capacity or Transporter Determined NDM Supply Point Capacity in respect of the relevant Supply Point (as the case may be).

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

8.1.8 For a DM Supply Point and/or a NDM Supply Point, the updated Supply Point Capacity calculated by the Transporter pursuant to Sections 8.1.3 and/or 8.1.4 will become effective as from the start of the Gas Year.

## 8.2 **Supply Point Capacity Reservation**

8.2.1 The Supply Point Capacity reserved by a Shipper shall:

- (a) in the case of a LDM Supply Point, be the Supply Point Capacity specified in the Long Term LDM Capacity Booking, as varied in accordance with Section 8.1.4;
- (b) in the case of a DM Supply Point, be the Transporter Determined DM Supply Point Capacity or the increased DM Supply Point Capacity accepted by the Transporter pursuant to Section 8.5.10; and
- (c) in respect of a NDM Supply Point, be the Transporter Determined NDM Supply Point Capacity.

## 8.3 **LDM Supply Point Capacity**

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

8.3.2 The application for LDM Supply Point Capacity will form part of the Long Term LDM Exit Capacity application process in accordance with Section 7.2.4. For the avoidance of doubt, a Shipper at a LDM Supply



Point and holding LDM Supply Point Capacity will also require LDM Exit Capacity, which shall be applied for in accordance with Section 7.2.4.

- 8.3.3 On receipt of a Long Term LDM Capacity Request in respect of a LDM Supply Point from a Shipper in accordance with Section 7.2.4 the Transporter shall inform the Shipper of the Transporter Recommended LDM Supply Point Capacity. The Shipper may reserve a different level of Supply Point Capacity to the Transporter Recommended LDM Supply Point Capacity in accordance with Section 7.3.
- 8.3.4 A Shipper which has a LDM Capacity Booking which is of Annual or Multi-Annual duration may apply to the Transporter for additional LDM Supply Point Capacity at the LDM Supply Point to which the said LDM Capacity Booking relates:
- (a) by submitting a Long Term LDM Capacity Request to the Transporter in accordance with the provisions of Section 7.2 (where the Registered Shipper requires both LDM Supply Point Capacity and LDM Exit Capacity); or
  - (b) by submitting an application for additional LDM Supply Point Capacity in accordance with Section 8.4 below.
- 8.3.5 The Shipper shall cease to be the holder of LDM Supply Point Capacity at the end of the applicable LDM Capacity Booking Period or increased additional LDM Supply Point Capacity Booking Period in respect of the LDM Supply Point or otherwise in accordance with the provisions of this Code and/or any Ancillary Agreement.
- 8.3.6 In the case of a LDM Supply Point at which there are Multiple Shippers, each of the Multiple Shippers shall have a LDM Capacity Booking and each of the Multiple Shippers shall be required to hold LDM Supply Point Capacity at that LDM Supply Point.
- 8.3.7 The Maximum Hourly Quantity (MHQ) at a LDM Supply Point shall not exceed 1/16<sup>th</sup> of the Active LDM Supply Point Capacity. The MHQ at a LDM Supply Point shall be as notified by the Transporter from time to time including in an End User's Agreement.

## 8.4 Application for additional LDM Supply Point Capacity

8.4.1 A Shipper which has a Capacity Booking which is a LDM Capacity Booking which is of Annual or Multi-Annual duration at or in respect of an LDM Supply Point may apply to the Transporter for additional LDM Supply Point Capacity at or in respect of the LDM Supply Point to which the LDM Capacity Booking relates to be effective from the first Day of a calendar month of the LDM Capacity Booking Period of such LDM Capacity Booking.

8.4.2 A Registered Shipper at an LDM Supply Point shall apply to the Transporter for additional LDM Supply Point Capacity by submitting to the Transporter a request (the “**LDM Supply Point Capacity Booking Request**”) which shall specify the information required by the Transporter to process the LDM Supply Point Capacity Booking Request as set out in Schedule 1 Part 14 including the following:

- (a) the requested LDM Supply Point Capacity Booking Effective Date in respect of the LDM Supply Point Capacity requested which shall be the first Day of a calendar month;
- (b) the requested duration for the additional capacity which shall be Annual or Multi-Annual;
- (c) the booking reference of the Shipper’s existing LDM Capacity Booking;
- (d) the LDM Supply Point in respect of which the additional LDM Supply Point Capacity is requested;
- (e) the requested additional LDM Supply Point Capacity (in kWh/Day);
- (f) if the Shipper is not itself the End User written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for offtake at the End User’s Offtake facilities; and
- (g) the requested MHQ and maximum ramp rates.

8.4.3 The Transporter will reject a request for additional LDM Supply Point Capacity for any of the following reasons:

- (a) the application was not submitted in accordance with Section 8.4.2;
- (b) the application specifies an additional amount of LDM Supply Point Capacity greater than that which the Transporter deems to be available for the requested duration;
- (c) the requested MHQ or ramp rates are in excess of those which the Transporter reasonably believes can be consistently available at the LDM Offtake having regard to inter alia, design parameters and anticipated operating and transportation requirements;
- (d) the extent of the reservation of the additional LDM Supply Point Capacity specified in the application would result in an increase in the amount of financial security to be provided by the Shipper to the Transporter determined in accordance with the Financial Security Policy and the Shipper has not within ten (10) Business Days of submitting the application provided the required financial security so as to satisfy the requirements of the Financial Security Policy; or
- (e) the Shipper has not reserved Long Term LDM Exit Capacity and LDM Supply Point Capacity at or in respect of the LDM Supply Point for the duration of the requested additional LDM Supply Point Capacity.

8.4.4 The Transporter may reject a request for additional LDM Supply Point Capacity where:

- (a) the proposed LDM Supply Point Capacity Booking Effective Date is less than twenty (20) Business Days after the receipt by the Transporter of the application; or
- (b) the Shipper is (or would otherwise be) in breach of this Code or any Ancillary Agreement.

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

8.4.6 Where the Transporter accepts an application for additional LDM Supply Point Capacity the Transporter shall not less than seven (7) Business Days

prior to the requested additional LDM Supply Point Capacity Booking Effective Date (or within such other period as may be agreed between the Transporter and the Shipper) issue to the Shipper confirmation of the LDM Supply Point Capacity Booking to reflect such additional capacity in respect of the period from the LDM Supply Point Capacity Booking Effective Date as specified in the confirmation.

8.4.7 Where the LDM Supply Point Capacity is increased, the Shipper shall be liable for Capacity Charges in respect of such additional LDM Supply Point Capacity which has been booked from the LDM Supply Point Capacity Booking Effective Date in respect of such additional capacity specified in the confirmation of the LDM Supply Point Capacity Booking.

8.4.8 Where the Transporter accepts an application for additional LDM Supply Point Capacity any such increase shall also be without prejudice to the ongoing and continuing obligation of the Shipper to pay Overrun Charges in respect of the period up to the date upon which the Transporter accepts the Shipper's application for additional LDM Supply Point Capacity and notwithstanding that such increased capacity was subsequently applied for and paid for.

8.4.9 On acceptance of the application in respect of the additional LDM Supply Point Capacity such additional LDM Supply Point Capacity shall be reserved by the Shipper from the LDM Supply Point Capacity Booking Effective Date as specified in the confirmation of the LDM Supply Point Capacity Booking issued by the Transporter.

## 8.5 **DM Supply Point Capacity**

8.5.1 A Shipper shall require DM Supply Point Capacity to enable it to offtake Natural Gas from the Distribution System at a DM Supply Point. For the avoidance of doubt, a Registered Shipper at a DM Supply Point shall also be deemed to reserve DM Exit Capacity when reserving the DM Supply Point Capacity.

8.5.2 A Shipper shall be deemed to apply to the Transporter to reserve DM Supply Point Capacity when such Shipper applies to become the Registered Shipper at a DM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*). A Shipper shall be

deemed to have reserved the Transporter Determined DM Supply Point Capacity in respect of a DM Supply Point on becoming the Registered Shipper at such DM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).

- 8.5.3 The Shipper shall on or prior to submitting or being deemed to submit an application for DM Supply Point Capacity in respect of a DM Supply Point ascertain the Transporter Determined DM Supply Point Capacity and the Transporter Recommended DM Exit Capacity in respect of such DM Supply Point.
- 8.5.4 The Shipper may vary the level of DM Exit Capacity reserved with respect to the DM Supply Point subject to and in accordance with Sections 7.4 and 7.6.
- 8.5.5 If during a Gas Year:
- (a) physical works are to be completed with respect to a DM Supply Point so to increase the capacity of the DM Supply Point, the Registered Shipper may apply to the Transporter in accordance with the provisions of the applicable Procedures to increase the DM Supply Point Capacity and associated DM Exit Capacity; or
  - (b) a Shipper's Allocation at a DM Supply Point on a Day exceeds the Transporter Determined DM Supply Point Capacity (or the amount of DM Supply Point Capacity reserved by the Registered Shipper at that DM Supply Point) then the Transporter shall save in respect of a DM Supply Point Capacity Reduction Period in relation to that DM Supply Point review the available Supply Point Capacity in the Distribution System in order to ascertain whether the Transporter can make increased Supply Point Capacity available at the relevant DM Supply Point (such increased Supply Point Capacity to reflect the DM Supply Point Capacity Overrun Quantity) at the relevant DM Supply Point; and
    - (i) if the Transporter can make all or part of the increased Supply Point Capacity available at the relevant DM Supply Point then the Transporter Determined DM Supply Point Capacity at the relevant DM Supply Point shall be increased to reflect the DM

Supply Point Overrun Quantity or such part thereof as the Transporter can make available and with effect from the first Day of the calendar month following completion of the review by the Transporter of the available Supply Point Capacity and the Transporter shall amend the Capacity Register to reflect, and shall notify the Shipper of, such increased Transporter Determined DM Supply Point Capacity; or

- (ii) if the Transporter determines that all or part of the increased Supply Point Capacity cannot be made available at the DM Supply Point without the necessity for physical works then the Transporter shall notify the Shipper accordingly and the Shipper may apply to the Transporter, in accordance with the applicable Procedures, to undertake the required physical works to enable the provision of the increased capacity and to increase the DM Supply Point Capacity accordingly.
- (c) a Shipper requires an increase in the offtake of Natural Gas at a DM Offtake, the Registered Shipper may make a revision request to increase DM Supply Point Capacity by submitting to the Transporter a request pursuant to Section 8.5.6;
- (d) a Shipper requires a reduction in the offtake of Natural Gas at a DM Offtake, the Registered Shipper may make a request to reduce DM Supply Point Capacity by submitting to the Transporter a DM Supply Point Capacity Reduction Request pursuant to Section 8.5.12.

8.5.6 A Shipper may make a revision request to increase DM Supply Point Capacity by submitting to the Transporter a request (“**DM Supply Point Capacity Revision Request**”) which shall specify the information required by the Transporter to process the DM Supply Point Capacity Revision Request as set out in Schedule 1 Part 15 including the following:

- (a) the requested Day on which the requested revised DM Supply Point Capacity booking is requested which shall be:
  - (i) the first Day of the calendar month in which the DM Supply Point Capacity Revision Request is made; or

- (ii) the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Supply Point Capacity Revision Request;
- (b) the requested revised DM Supply Point Capacity (in kWh/Day) from the requested DM Supply Point Capacity booking effective date;
- (c) the specific DM Supply Point in respect of which the DM Supply Point Capacity Revision Request is made;
- (d) the SPRN in respect of the specific DM Supply Point in respect of which the DM Supply Point Capacity Revision Request is made; and
- (e) the identity of the Shipper making the DM Supply Point Capacity Revision Request.

8.5.7 The Transporter may reject a DM Supply Point Capacity Revision Request for any of the following reasons:

- (a) the DM Supply Point Capacity Revision Request is not submitted in accordance with Section 8.5.6;
- (b) the requested DM Supply Point Capacity booking effective date is the first Day of the calendar month in which the request is submitted and:
  - (i) the Shipper has incurred a DM Supply Point Capacity Overrun in respect of the DM Supply Point specified in the request in the month in which the request is submitted; or
  - (ii) the Transporter Determined DM Supply Point Capacity has been set at a level below that initially advised by the Transporter during the process for determination of the Transporter Determined DM Supply Point Capacity in respect of the DM Supply Point (as referred to in Section 8.1.3 and/or 8.1.4) as a result of submissions by or on behalf of the End User or the Registered Shipper at the DM Supply Point;

- (c) the DM Supply Point Capacity Revision Request specifies an amount of requested DM Supply Point Capacity in respect of the relevant DM Supply Point which is in excess of the capacity which the Transporter deems to be available on the Distribution System or any localised part thereof;
- (d) the proposed DM Supply Point Capacity booking effective date specified in the DM Supply Point Capacity Revision Request is not achievable having regard to any outstanding Siteworks;
- (e) the requested Day from which the revised DM Supply Point Capacity booking is to be effective is the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Supply Point Capacity Revision Request and is less than ten (10) Business Days from the date of receipt by the Transporter of the DM Supply Point Capacity Revision Request;
- (f) subject to (g) to the extent that the increased DM Supply Point Capacity specified in the DM Supply Point Capacity Revision Request would, if accepted by the Transporter, require an increase in the amount in respect of which financial security is provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy and the Shipper has not, within ten (10) Business Days of submitting the application provided financial security so as to satisfy the requirements of the Financial Security Policy;
- (g) the requested Day from which the revised DM Supply Point Capacity is to be effective is the first Day of the calendar month in which the request is submitted and the increased DM Supply Point Capacity would, if accepted by the Transporter require an increase in the amount in respect of which financial security is required to be provided by the Shipper to the Transporter as determined in accordance with the Financial Security Policy; or
- (h) the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.



- 8.5.8 A DM Supply Point Capacity Revision Request shall be deemed rejected unless the Transporter has notified the Shipper of the acceptance of such DM Supply Point Capacity Revision Request:
- (a) within ten (10) Business Days from the date of receipt by the Transporter of the DM Supply Point Capacity Revision Request where such request specifies a requested DM Supply Point Capacity booking effective date which is the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Supply Point Capacity Revision Request; or
  - (b) within three (3) Business Days after receipt of the DM Supply Point Capacity Revision Request where the requested Capacity Booking effective date is the first Day of the calendar month in which the application is submitted.
- 8.5.9 Where the DM Supply Point Capacity Revision Request is rejected, the Transporter will provide the reason to the Shipper as soon as reasonably practicable and in any event within three (3) Business Days of such rejection.
- 8.5.10 Where the Transporter accepts the Registered Shipper's application for increased DM Supply Point Capacity Revision Request, the Shipper shall be deemed to have reserved such increased DM Supply Point Capacity from the Day (which shall be the first Day of a calendar month) notified by the Transporter to the Shipper and the Capacity Register shall be amended to reflect such increase and the Transporter Determined DM Supply Point Capacity shall be amended to reflect such increase in the Transporter Determined DM Supply Point Capacity and the Transporter Recommended DM Exit Capacity shall be amended to reflect such increase.
- 8.5.11 Notwithstanding the acceptance by the Transporter of a Registered Shipper's DM Supply Point Capacity Revision Request in respect of the first Day of the calendar month in which the request is submitted the Shipper shall not be entitled to utilise the increased Capacity in respect of any Day (in that month) which is prior to receipt by the Shipper of notification from the Transporter that the Transporter has accepted such DM Supply Point Capacity Revision Request however, for the avoidance

of doubt the Shipper shall be obliged to pay Supply Point Capacity Charges from the first day of the applicable calendar month.

8.5.12 A Shipper may make a request to reduce DM Supply Point Capacity by submitting to the Transporter a request (“**DM Supply Point Capacity Reduction Request**”) which shall specify the information required by the Transporter to process the DM Supply Point Capacity Reduction Request as set out in Schedule 1 Part 16 including the following:

- (a) the Day on which the reduced DM Supply Point Capacity booking is requested to be effective which shall be the first Day of a calendar month which occurs after the Shipper submits such DM Supply Point Capacity Reduction Request;
- (b) the amount of DM Supply Point Capacity to be reduced at the DM Supply Point pursuant to the DM Supply Point Capacity Reduction Request and the reduced DM Supply Point Capacity (in kWh/Day) which shall apply (if the DM Supply Point Capacity Reduction Request is accepted by the Transporter);
- (c) the specific DM Supply Point in respect of which the DM Supply Point Capacity Reduction Request is made;
- (d) the SPRN in respect of the specific DM Supply Point in respect of which the DM Supply Point Capacity Reduction Request is made; and
- (e) the identity of the Shipper making the DM Supply Point Capacity Reduction Request.

8.5.13 The Transporter may reject a DM Supply Point Capacity Reduction Request for any of the following reasons:

- (a) the DM Supply Point Capacity Reduction Request is not submitted in accordance with Section 8.5.12;
- (b) the requested DM Supply Point Capacity Reduction Effective Date is less than five (5) Business Days from the date of receipt by the Transporter of the DM Supply Point Capacity Reduction Request;

- (c) the Transporter has not recovered, through payment by a Registered Shipper, all costs incurred by the Transporter in respect of works undertaken pursuant to any Connection Agreement and/or Siteworks at a DM Supply Point;
- (d) the amount of capacity requested is less than the applicable Minimum Booking Quantity (if any);
- (e) the Day on which the reduced DM Supply Point Capacity booking is requested to be effective from occurs during a DM Supply Point Capacity Reduction Period and the Transporter has already accepted a request to increase DM Supply Point Capacity to take effect during that DM Supply Point Capacity Reduction Period;
- (f) the Shipper has incurred a DM Supply Point Capacity Overrun in respect of the DM Supply Point specified in the DM Supply Point Capacity Reduction Request in the Gas Year in which that DM Supply Point Capacity Reduction Request is submitted;
- (g) the Shipper is, pursuant to any provision of this Code, entitled to relief, in whole or in part, of the liability to pay Overrun Charges in respect of Overruns at the DM Supply Point specified in the DM Supply Point Capacity Reduction Request; or
- (h) the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.

8.5.14 A DM Supply Point Capacity Reduction Request shall be deemed rejected unless the Transporter has notified the Shipper of the acceptance of such DM Supply Point Capacity Reduction Request within five (5) Business Days from the date of receipt by the Transporter of the DM Supply Point Capacity Reduction Request.

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

8.5.16 Where the Transporter accepts the Shipper's DM Supply Point Capacity Reduction Request, the Shipper shall be deemed to have reserved such

reduced DM Supply Point Capacity from the Day (which shall be the first Day of a calendar month) notified by the Transporter to the Shipper (“**DM Supply Point Capacity Reduction Effective Date**”) and the Capacity Register shall be amended to reflect such reduction and each of the Transporter Determined DM Supply Point Capacity and the Transporter Recommended DM Exit Capacity shall be amended to reflect such reduction.

- 8.5.17 Where the Transporter accepts the Shipper’s DM Supply Point Capacity Reduction Request, the reduced DM Supply Point Capacity shall apply for a period (“**DM Supply Point Capacity Reduction Period**”) from the DM Supply Point Capacity Reduction Effective Date until the end of the Gas Year subsequent to the Gas Year in which the DM Supply Point Capacity Reduction Effective Date occurs.
- 8.5.18 For the avoidance of doubt, a Shipper may request an increase in Supply Point Capacity to take effect during a DM Supply Point Capacity Reduction Period by submitting a DM Supply Point Capacity Revision Request in accordance with Section 8.5.6. Where the Transporter accepts a DM Supply Point Capacity Revision Request to take effect during a DM Supply Point Capacity Reduction Period, no further reduction in DM Supply Point Capacity will be permitted during that DM Supply Point Capacity Reduction Period.
- 8.5.19 Where the Transporter accepts a DM Supply Point Capacity Revision Request to take effect during a DM Supply Point Capacity Reduction Period the Shipper shall be deemed to have reserved:
- (a) that amount of the increased capacity which is less than or equal to the level of DM Supply Point Capacity reserved at the relevant DM Supply Point prior to the DM Supply Point Capacity Reduction Effective Date from the DM Supply Point Capacity Reduction Effective Date; and
  - (b) that amount of the increased capacity which is above the level of DM Supply Point Capacity reserved at the relevant DM Supply Point prior to the DM Supply Point Capacity Reduction Effective Date from the first day of the calendar month notified by the

Transporter to the Shipper as the date from which the DM Supply Point Capacity Revision Request has been accepted,

for the remainder of the relevant DM Supply Point Capacity Reduction Period.

- 8.5.20 Where the Transporter accepts a DM Supply Point Capacity Revision Request to take effect during a DM Supply Point Capacity Reduction Period which increases the level of capacity to less than or equal to the level of DM Supply Point Capacity reserved at the relevant DM Supply Point prior to the DM Supply Point Capacity Reduction Effective Date, the Shipper shall pay to the Transporter an administrative fee and such fee shall be that as agreed between the Commission from time to time and published by the Transporter.
- 8.5.21 A Shipper may submit to the Transporter a request to withdraw or cancel a DM Supply Point Capacity Reduction Request up to five (5) Business Days prior to the DM Supply Point Capacity Reduction Effective Date.
- 8.5.22 Where the Transporter accepts a DM Supply Point Capacity Reduction Request any such reduction shall be without prejudice to the ongoing and continuing obligation of the Shipper to pay Overrun Charges incurred in respect of the period up to the DM Supply Point Capacity Reduction Effective Date.
- 8.5.23 Where the Transporter accepts a DM Supply Point Capacity Revision Request to take effect during a DM Supply Point Capacity Reduction Period any such increase shall be without prejudice to the ongoing and continuing obligation of the Shipper to pay Overrun Charges incurred, notwithstanding that the Shipper may be deemed to have booked the increased capacity from the DM Supply Capacity Reduction Effective Date and/or from the first day of the calendar month notified by the Transporter to the Shipper as the date from which the DM Supply Point Capacity Revision Request has been accepted.
- 8.5.24 A Shipper will cease to be (a) the Registered Shipper to a DM Supply Point, (b) the holder of DM Supply Point Capacity and (c) the holder of all associated Primary DM Exit Capacity, on ceasing to be the Registered Shipper to that DM Supply Point in accordance with the provisions of Part F (*Administration*) Section 1 (*Registered Shipper*) subject (and without

prejudice) to any accrued liabilities and any ongoing obligations of the Shipper under any relevant Ancillary Agreement and/or any payments as may continue to be due pursuant to an Ancillary Agreement and/or a Connection Agreement and/or Siteworks.

- 8.5.25 Where a Change of Shipper is not completed then the Registered Shipper shall remain the Registered Shipper in respect of the DM Offtake.
- 8.5.26 The Maximum Hourly Quantity (MHQ) at a DM Supply Point shall not exceed 1/16<sup>th</sup> of the DM Supply Point Capacity.

## 8.6 NDM Supply Point Capacity

- 8.6.1 A Shipper shall be required to have reserved NDM Supply Point Capacity and NDM Exit Capacity to enable it to offtake Natural Gas from the Distribution System at a NDM Supply Point.
- 8.6.2 A Shipper shall be deemed to apply to the Transporter to reserve NDM Supply Point Capacity when such Shipper applies to become the Registered Shipper at a NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*). A Shipper shall be deemed to have reserved the Transporter Determined NDM Supply Point Capacity in respect of a NDM Supply Point on becoming the Registered Shipper at such NDM Supply Point in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*).
- 8.6.3 The NDM Exit Capacity deemed to be reserved by the Registered Shipper in respect of a NDM Supply Point shall be equal to the amount of Transporter Determined NDM Supply Point Capacity.
- 8.6.4 The Shipper shall cease to: (a) be the Registered Shipper at a NDM Supply Point and (b) hold NDM Supply Point Capacity in respect of the NDM Supply Point and (c) hold the associated NDM Exit Capacity in accordance with Part F (*Administration*) Section 1 (*Registered Shipper*) subject (and without prejudice) to any outstanding obligations of the Shipper under any relevant Ancillary Agreement (including, for the avoidance of doubt, any Operational Siteworks Services Agreement/Connection Agreement) and/or any payment as may continue to be due pursuant to such Operational Siteworks Services Agreement, Ancillary Agreement and/or Connection Agreement.

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

## 8.7 Supply Point Capacity Charges

- 8.7.1 Charges in respect of Supply Point Capacity (“**Supply Point Capacity Charges**”) will comprise the capacity component of the applicable Tariff.

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

- (a) Supply Point Capacity Charges in respect of Primary Supply Point Capacity held in respect of a LDM Supply Point from and including:

- (i) the date with effect from which the Supply Point Capacity is booked pursuant to a LDM Capacity Booking or, if later the date notified by the Transporter to the Shipper pursuant to Part F (*Administration*) Section 1.4.3; and
- (ii) from the LDM Supply Point Capacity Booking Effective Date for the LDM Supply Point Capacity where the Shipper has requested and booked additional LDM Supply Point Capacity pursuant to Section 8.4;

- (b) Supply Point Capacity Charges in respect of DM Supply Point Capacity reserved at a DM Supply Point:

- (i) where the Shipper becomes the Registered Shipper at the DM Supply Point pursuant to Part F (*Administration*) Section 1.5.4(a) from the date upon which the Meter Fit is completed until the Shipper ceases to be the Registered Shipper at such DM Supply Point; and
- (ii) save as in Section 8.7.2(b)(i) from the date and in respect of the period for which such Shipper is the Registered Shipper at such DM Supply Point;

- (c) Supply Point Capacity Charges in respect of NDM Supply Point Capacity reserved in respect of a NDM Supply Point (other than a Tariff Exempt NDM Supply Point) in respect of the period for

which such Shipper is the Registered Shipper at such NDM Supply Point.;

- (d) the commodity component of the applicable Tariff in respect of all Natural Gas allocated to such Shipper at and in respect of a Supply Point(s).

8.7.3 Any Shipper that holds Primary Supply Point Capacity at or in respect of a LDM Offtake shall be liable for Supply Point Capacity Charges in respect of such Primary Supply Point Capacity regardless of any LDM Supply Point Capacity Title Transfer that may have been transacted with a counterparty Shipper.

8.7.4 Supply Point Capacity Charges in respect of LDM Supply Point Capacity will be calculated on a monthly basis and invoiced in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

8.7.5 Supply Point Capacity Charges in respect of DM Supply Point Capacity will be calculated on a monthly basis taking into account the Supply Point Capacity that is held by a Shipper on each Day in the relevant month and invoiced in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*) provided always that where a Shipper becomes a Registered Shipper at a DM Supply Point pursuant to Part F (*Administration*) Section 1.5.4(a) the DM Supply Point Capacity held by the Shipper in respect of such DM Supply Point shall only be invoiced from the date upon which the Meter Fit is completed.

8.7.6 Supply Point Capacity Charges in respect of NDM Supply Point Capacity shall be calculated on a monthly basis taking into account the Supply Point Capacity which is held by a Shipper at each NDM Supply Point on each Day of the relevant month and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

8.7.7 The amount payable by a Shipper in respect of the commodity component of the Tariff will be calculated on a monthly basis taking into account the quantity of Natural Gas allocated to such Shipper on each Day at each Supply Point at which the Shipper is the Registered Shipper each Day of the relevant month and invoiced on a monthly basis in accordance with Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).



## 9. EXIT CAPACITY TRANSFERS

### 9.1 Definitions

9.1.1 For the purposes of this Code:

- (a) **“Exit Capacity Transfer”** means the transfer by a Transferor Shipper of Active LDM Exit Capacity at or in respect of a Multiple Shipper LDM Offtake to a Transferee Shipper to increase such Transferee Shipper’s Active LDM Exit Capacity at or in respect of the same Multiple Shipper LDM Offtake in accordance with the remaining provisions of this Section 9;
- (b) **“Exit Capacity Transfer Request”** means an application by a Transferor Shipper to the Transporter in accordance with Section 9.3.2;
- (c) **“Transferor Shipper”** means (in the context of this Section 8 only) the Registered Shipper at a Multiple Shipper LDM Offtake transferring all or a portion of such Shipper’s Active LDM Exit Capacity to a Transferee Shipper at the same Multiple Shipper LDM Offtake in accordance with the provisions of this Section 9.1;
- (d) **“Transferee Shipper”** means (in the context of this Section 9 only) a Registered Shipper to whom Active LDM Exit Capacity is transferred or intended to be transferred in accordance with the provisions of this Section 9;
- (e) [Not used];
- (f) **“Retained Primary LDM Exit Capacity”** means that part of a Shipper’s Active LDM Exit Capacity in respect of a LDM Offtake that is not Secondary Capacity;

### 9.2 General

9.2.1 A Shipper shall not be permitted to transfer:

- (a) Sub-Sea I/C Offtake Capacity;
- (b) DM Exit Capacity; or
- (c) NDM Exit Capacity.

- 9.2.2 The Transferee Shipper may be one and the same as the Transferor Shipper in which case an Exit Capacity Transfer Request may be deemed to constitute the acceptance thereof by the Transferee Shipper for the purpose of this Section 9, provided in the case of an Exit Capacity Transfer Request the Transporter shall have been notified of all relevant information.
- 9.2.3 The provisions of this Section 9 shall only apply to Active LDM Exit Capacity and for the avoidance of doubt shall not apply to Sub-Sea I/C Offtake Capacity, DM Exit Capacity or NDM Exit Capacity. Supply Point Capacity may not be transferred save in accordance with Section 10.
- 9.2.4 An Exit Capacity Transfer may take place for any Day or consecutive Days for which the Transferor Shipper is registered as the holder of such Active LDM Exit Capacity.
- 9.2.5 Each Exit Capacity Transfer Request may only specify one Transferee Shipper. For the avoidance of doubt a Shipper may submit multiple Exit Capacity Transfer Requests in respect of the same Transferee Shipper.
- 9.2.6 [Not used].
- 9.2.7 Without prejudice to the generality of Section 9.2.4 above, the duration of an Exit Capacity Transfer cannot exceed the period for which the Transferor Shipper has Active LDM Exit Capacity nor the term for which the Transferee Shipper is Registered Shipper at the Multiple Shipper LDM Offtake.
- 9.2.8 The approval by the Transporter of an Exit Capacity Transfer Request, shall not affect the Transporter's right to reject Nominations or Renominations in accordance with Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) Section 1 (*Nominations*).
- 9.2.9 Where a Shipper wishes to effect a transfer of both LDM Exit Capacity and LDM Supply Point Capacity at a Multiple Shipper LDM Offtake, it shall submit an Exit Capacity Transfer in accordance with this Section 9 and a LDM Supply Point Capacity Title Transfer in accordance with Section 10.

### 9.3 Exit Capacity Transfer Process

- 9.3.1 A Transferor Shipper shall request the Transporter to effect an Exit Capacity Transfer by submitting an Exit Capacity Transfer Request in accordance with Section 9.3.2 not later than 16:00 hours on D-1.
- 9.3.2 An Exit Capacity Transfer Request submitted by the Transferor Shipper shall specify the information required by the Transporter to process such Exit Capacity Transfer Request as set out in Schedule 1 Part 17 including:
- (a) the identities of the Transferor Shipper and the Transferee Shipper (which may be the same);
  - (b) the Multiple Shipper LDM Offtake at or in respect of which the Exit Capacity Transfer is requested);
  - (c) the proposed amount of LDM Exit Capacity to be transferred (in kWh/Day) and the applicable Exit Capacity Booking of such LDM Exit Capacity;
  - (d) the proposed amount of LDM Exit Capacity to be retained (in kWh/Day) by the Transferor Shipper at or in respect of the Multiple Shipper LDM Offtake; and
  - (e) the proposed period of Exit Capacity Transfer which must specify both the start Day and end Day and which shall include all consecutive Days between the start Day and the end Day.
- 9.3.3 The Transporter will reject the Exit Capacity Transfer Request for any of the following reasons:
- (a) the Exit Capacity Transfer Request is not submitted by the Transferor Shipper in accordance with Section 9.3.2;
  - (b) the Transferee Shipper has not notified the Transporter of its acceptance of the Exit Capacity Transfer Request (not being a Within-Day Exit Capacity Transfer Request at the LDM Offtake) by 16:00 hours on D-1;
  - (c) the Exit Capacity Transfer Request does not specify LDM Exit Capacity;

- (d) the Transferee Shipper is not a Registered Shipper at the Multiple Shipper LDM Offtake specified in the Exit Capacity Transfer and for the duration of such transfer;
- (e) the time of submission of a second or subsequent Exit Capacity Transfer Request is after 16:00 hours on D-1 and the additional information with regard to Within-Day Exit Capacity Transfers is not submitted in accordance with Section 9.4.3;
- (f) the effect of the proposed Exit Capacity Transfer would be to reduce the Transferor Shipper's Active LDM Exit Capacity to less than zero for all or any part of the duration of the period specified pursuant to Section 9.3.2; or
- (g) the Exit Capacity Transfer Request specifies a category of Capacity other than LDM Exit Capacity.

9.3.4 The Transporter may reject the Exit Capacity Transfer Request where ten (10) days notice has not been given in the case where the Exit Capacity Transfer Request relates to a first Exit Capacity Transfer between the same Shippers with respect to the same Multiple Shipper LDM Offtake.

9.3.5 The Transporter shall have the right for operational reasons, to:

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

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

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

- 9.3.8 An Exit Capacity Transfer Request shall, unless rejected within two (2) hours of receipt by the Transporter of the notice of acceptance of the Exit Capacity Transfer Request by the Transferee Shipper specifying the LDM Offtake referred to in the Exit Capacity Transfer Request and the Exit Capacity Booking of the Transferee Shipper, be deemed accepted by the Transporter.
- 9.3.9 On approval by the Transporter of an Exit Capacity Transfer Request, the Active Exit Capacity of the Transferor Shipper at or in respect of the applicable Multiple Shipper LDM Offtake shall be reduced by the amount of capacity the subject matter of the Exit Capacity Transfer, and the Active Exit Capacity of the Transferee Shipper at or in respect of the same Multiple Shipper LDM Offtake shall be increased by the amount specified in the Exit Capacity Transfer Request (as amended where appropriate).
- 9.3.10 Where an Exit Capacity Transfer has taken place, the Transferor Shipper shall nonetheless remain liable to the Transporter for Capacity Charges in respect of the Primary Exit Capacity as if the Exit Capacity Transfer had not taken place and the Transferor Shipper and the Transferee Shipper (as the case may be) shall be liable to the Transporter for all other charges in accordance with this Code.
- 9.3.11 An Exit Capacity Transfer shall be terminated
- (a) if either the Transferor Shipper or the Transferee Shipper ceases to be a Shipper under the terms of the Code; and/or
  - (b) if the Transferor Shipper or the Transferee Shipper ceases to be a Registered Shipper at the relevant Multiple Shipper LDM Offtake.
- and in each case with effect from the end of the Day upon which the relevant Shipper ceases to be a Shipper or a Registered Shipper as the case may be.
- 9.3.12 As a result of the termination of any Exit Capacity Transfer in accordance with Section 9.3.11 a Shipper's Active LDM Exit Capacity is or would be reduced to less than zero in respect of any Day such that the Shipper has a negative Active Capacity at the LDM Exit Point then such Shipper shall either book additional LDM Exit Capacity (being Daily LDM Exit Capacity or LDM Exit Capacity of any other duration) or effect another

LDM Exit Capacity Transfer in order to secure that such Shipper's Active LDM Exit Capacity at the LDM Exit Point is at least zero on each Day. If a Shipper fails to book or acquire such additional LDM Exit Capacity as is required in accordance with this Section 9.3.12 the Shipper shall be liable to pay to the Transporter Exit Capacity Charges in respect of the amount of LDM Exit Capacity as shall be necessary to restore such Shipper's Active LDM Exit Capacity to zero and the applicable Tariff shall be the Tariff in respect of Daily LDM Exit Capacity.

#### 9.4 **Within-Day Exit Capacity Transfers**

- 9.4.1 Without prejudice to the matters outlined in Sections 9.2 and 9.3 above, the following provisions of Section 9 shall apply to Within-Day Exit Capacity Transfers.
- 9.4.2 An Exit Capacity Transfer Request that is received after 16:00 hours on D-1 and on or before 01:45 hours on D shall be a request for a “**Within-Day Exit Capacity Transfer**”. A Transferor Shipper may only request a Within-Day Exit Capacity Transfer where an Exit Capacity Transfer has previously been effected between the same Transferor Shipper and Transferee Shipper, in respect of the same Multiple Shipper LDM Offtake.
- 9.4.3 In order to effect a Within-Day Exit Capacity Transfer, the Transferor Shipper shall submit to the Transporter an Exit Capacity Transfer Request (a “**Within-Day Exit Capacity Transfer Request**”) which shall specify the information required by the Transporter to process such Within-Day Exit Capacity Transfer Request as set out in Schedule 1 Part 18 including:
- (a) the information required pursuant to Section 9.3.2(a) to 9.3.2(d); and
  - (b) the Day to which the Within-Day Exit Capacity Transfer Request relates.
- 9.4.4 [Not used].
- 9.4.5 In order for the Within-Day Exit Capacity Transfer Request to be processed the Transferee Shipper must first notify the Transporter that it accepts the terms of the Within-Day Exit Capacity Transfer Request at or

in respect of the Multiple Shipper LDM Offtake that has been submitted by the Transferor Shipper by 01.45 hours on D.

- 9.4.6 The Transporter will reject a Within-Day Exit Capacity Transfer Request:
- (a) for any of the reasons specified in Section 9.3.3 (other than 9.3.3(b));
  - (b) if the Transferee Shipper has failed to notify the Transporter of its acceptance of the Within-Day Exit Capacity Transfer Request at or in respect of the same Multiple Shipper LDM Offtake by 01:45 hours on D;
  - (c) if the Within-Day Exit Capacity Transfer Request does not specify the Day to which it relates; or
  - (d) if a previous Exit Capacity Transfer has not been effected between the Transferor Shipper at or in respect of the same Multiple Shipper LDM Offtake.

Where a Within-Day Exit Capacity Transfer Request is rejected in accordance with this Section 9.4.6 the Transporter shall inform the Transferor Shipper and the Transferee Shipper of the reason for such rejection with the notice of rejection.

A Within-Day Exit Capacity Transfer Request that is not accepted or rejected by the Transporter within two (2) hours of receipt by the Transporter from the Transferee Shipper of the notice of acceptance of the Within-Day Exit Capacity Transfer Request at or in respect of the LDM Offtake specified in the Within-Day Exit Capacity Transfer Request shall be deemed to be accepted.

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

- 9.4.8 Where a Within-Day Exit Capacity Transfer Request has been accepted, the Transferor Shipper shall remain liable for Capacity Charges in respect of the Primary Exit Capacity as if the Exit Capacity Transfer had not taken

place. All other charges shall be payable by the Transferor Shipper or the Transferee Shipper (as the case may be) in accordance with this Code.



## 10. MULTIPLE SHIPPER LDM SUPPLY POINT TITLE TRANSFERS

### 10.1 Overview

- 10.1.1 **“Retained Primary LDM Supply Point Capacity”** means that part of a Shipper’s Active LDM Supply Point Capacity that is not Secondary Capacity.
- 10.1.2 **“Multiple Shipper LDM Supply Point”** means on a Day a LDM Supply Point in respect of which there are two or more Registered Shippers.
- 10.1.3 A Shipper (the **“Transferor Shipper”**) may transfer all or part of its Active LDM Supply Point Capacity reserved in respect of a particular Multiple Shipper LDM Supply Point to another Shipper (the **“Transferee Shipper”**) such that the LDM Supply Point Capacity transferred will form (or form part of) the Transferee Shipper’s Secondary Capacity at the same LDM Supply Point (**“LDM Supply Point Capacity Title Transfer”**). For the avoidance of doubt the Transferor Shipper may be one and the same as the Transferee Shipper. Supply Point Capacity cannot be transferred other than in accordance with this Section 10.
- 10.1.4 A LDM Supply Point Capacity Title Transfer is an arrangement between a Transferor Shipper and a Transferee Shipper whereby certain of the rights of the Transferor Shipper in relation to LDM Supply Point Capacity may be exercised by the Transferee Shipper in accordance with the provisions of this Code and the Transferee Shipper shall be subject to certain obligations in relation to such capacity. For the avoidance of doubt, if a Transferor Shipper wishes to also transfer the LDM Exit Capacity associated with the LDM Supply Point Capacity, which is the subject of the LDM Supply Point Capacity Title Transfer, it shall be required to submit a separate Exit Capacity Transfer Request in accordance with the provisions of Section 9.
- 10.1.5 A LDM Supply Point Capacity Title Transfer may take place for any Day or consecutive Days for which the Transferor Shipper is registered as the holder of Primary LDM Supply Point Capacity in accordance with the provisions of this Section 10.1. For the avoidance of doubt, the amount to be transferred under a LDM Supply Point Capacity Title Transfer shall not exceed the Active LDM Supply Point Capacity of the Transferor Shipper.

- 10.1.6 The Transferor Shipper shall, in order to effect a LDM Supply Point Capacity Title Transfer, notify the Transporter by way of request (“**LDM Supply Point Capacity Title Transfer Request**”), which shall specify the information required by the Transporter to process the LDM Supply Point Capacity Title Transfer Request as set out in Schedule 1 Part 21 including:
- (a) the identities of the Transferor Shipper and the Transferee Shipper;
  - (b) the LDM Supply Point in respect of which the LDM Supply Point Capacity Title Transfer is to take place;
  - (c) [Not used].;
  - (d) the intended amount of LDM Supply Point Capacity the subject matter of the proposed LDM Supply Point Capacity Title Transfer (in kWh/Day); and
  - (e) the period of the proposed LDM Supply Point Capacity Title Transfer, specifying both the start Day and end Day and including all consecutive Days between such start Day and end Day.
- 10.1.7 Subject as hereinafter provided, such LDM Supply Point Capacity Title Transfer Request must be submitted to the Transporter after 05:00 hours on Day D-31 and on or before 01:45 hours on the Day in respect of which the proposed LDM Supply Point Capacity Title Transfer is to commence.
- 10.1.8 The Transporter will reject the LDM Supply Point Capacity Title Transfer Request for any of the following reasons:
- (a) the LDM Supply Point Capacity Title Transfer Request is not submitted by the Transferor Shipper in accordance with the provisions of Section 10.1.5 and 10.1.6;
  - (b) the Transferee Shipper has not given notice of acceptance of the LDM Supply Point Capacity Title Transfer Request specifying the Transferee Shipper to the Transporter by 01:45 on D;
  - (c) the LDM Supply Point Capacity Title Transfer Request is made before 05:00 hours on Day D-31 or after 01:45 hours on D; or
  - (d) the effect of the LDM Supply Point Capacity Title Transfer would be to reduce the Transferor Shipper’s Active LDM Supply Point

Capacity at the LDM Supply Point to less than zero (taking into account any prior and subsisting LDM Supply Point Capacity Title Transfers).

- 10.1.9 The Transporter may reject (in whole or in part) a LDM Supply Point Capacity Title Transfer Request where the Shipper is (or would otherwise be) in breach of this Code and/or any Ancillary Agreement.
- 10.1.10 In order for the LDM Supply Point Capacity Title Transfer Request to be processed by the Transporter, the Transferee Shipper must first notify the Transporter that it accepts the terms of the LDM Supply Point Title Transfer Request that has been submitted by the Transferor Shipper.
- 10.1.11 Without prejudice to its foregoing rights referenced under this Section 10, the Transporter shall also have the right for operational reasons to:
- (a) limit, suspend or cancel the amount of LDM Supply Point Capacity which may be transferred in accordance with the provisions of Part H (*Operations*) Sections 1 (*Emergencies*) and 2 (*Congestion Management*) and Part I (*Legal and General*) Section 3 (*Force Majeure*);
  - (b) suspend or terminate LDM Supply Point Capacity Title Transfer(s) where any event specified in Part I (*Legal and General*) Section 4 (*Suspension and Termination*) has occurred; and/or
  - (c) impose such operational conditions on LDM Supply Point Capacity Title Transfer(s) as it deems appropriate and/or necessary in the circumstances in accordance with Part B (*General Principles*) and Part H (*Operations*).
- 10.1.12 Where the Transporter rejects a LDM Supply Point Capacity Title Transfer under Section 10.1.8(a) or 10.1.11 or suspends, cancels or limits a LDM Title Transfer, then it shall inform both the Transferor Shipper and Transferee Shipper of the reason therefor with the notice of rejection.
- 10.1.13 The Transporter shall have the right to suspend LDM Supply Point Capacity Title Transfers (including LDM Supply Point Capacity Title Transfer Update Requests and LDM Supply Point Capacity Title Transfer Reduction Requests) as a result of a Restricted Capacity Day(s),

Emergencies or Force Majeure in accordance with the provisions of Part H (*Operations*) Section 2 (*Physical Congestion*).

- 10.1.14 A LDM Supply Point Capacity Title Transfer Request shall be accepted upon receipt by the Transporter of the notice of acceptance of the LDM Supply Point Capacity Title Transfer Request by the Transferee Shipper where the LDM Supply Point Capacity Title Transfer Request and the Transferee Shipper's acceptance thereof comply with the provisions of, and are not subject to rejection pursuant to, this Section 10.1.
- 10.1.15 Upon acceptance by the Transporter of a LDM Supply Point Capacity Title Transfer Request, the Active LDM Supply Point Capacity of the Transferor Shipper will be reduced by the amount specified in the LDM Supply Point Capacity Title Transfer Request and the Active LDM Supply Point Capacity of the Transferee Shipper will be increased by the corresponding transferred amount with effect from the effective LDM Supply Point Capacity Title Transfer.
- 10.1.16 A LDM Supply Point Capacity Title Transfer shall be terminated:
- (a) if the Transferor Shipper or Transferee Shipper ceases (i) to be a Shipper under the terms of this Code and/or any Ancillary Agreement or
  - (b) If the Transferor Shipper or Transferee Shipper ceases to be a Registered Shipper in respect of such LDM Supply Point.

If as a result of the termination of any LDM Supply Point Capacity Title Transfer in accordance with this Section 10.1.16 the Shipper's Active LDM Supply Point Capacity in respect of an LDM Offtake is or would be reduced to less than zero in respect of any Day such that the Shipper has a negative Active Capacity at the LDM Supply Point then such Shipper shall either book additional LDM Supply Point Capacity or effect another LDM Supply Point Capacity Trade in order to secure such Shipper's Active LDM Supply Point Capacity is at least zero on each Day. If the Shipper fails, for any reason to book or acquire additional LDM Supply Point Capacity in accordance with this Section 10.1.16 then the Shipper shall be liable to the Transporter for capacity charges at the relevant LDM Supply Point as if the Shipper had booked such amount of additional LDM Supply

Point Capacity for each Day in order to restore such Shipper's LDM Supply Point Capacity to zero. The applicable tariff shall be the daily equivalent of the annual tariff in respect of LDM Supply Point Capacity.

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

## 11. CAPACITY OVERRUNS

### 11.1 General

- 11.1.1 IP Capacity OVERRUNS, Entry Capacity OVERRUNS and Exit Capacity OVERRUNS will apply in respect of IP Capacity, Entry Capacity and Exit Capacity.
- 11.1.2 Interruptible IP Capacity OVERRUNS will apply in respect of Interruptible IP Capacity.
- 11.1.3 Supply Point Capacity OVERRUNS will apply with respect to LDM Supply Point Capacity and DM Supply Point Capacity.

### 11.2 Definitions

- 11.2.1 For the purpose of the Code:
- (a) **“Overrun Quantity”** means an IP Capacity Overrun Quantity, an Entry Capacity Overrun Quantity, a LDM Exit Capacity Overrun Quantity, a DM Exit Capacity Overrun Quantity, a Sub-Sea I/C Offtake Capacity Overrun Quantity, an Interruptible IP Capacity Overrun Quantity or a Supply Point Capacity Overrun Quantity (as the case may be);
  - (b) **"IP Capacity Overrun"** means where the quantity of Natural Gas allocated to an individual Shipper at an IP Entry Point at an IP VExit or at an IP CSEP or at a IP VEntry is greater than the Active IP Entry Capacity or the Active IP CSEP Offtake Capacity or the Daily Interruptible IP VEntry Capacity or the Daily Interruptible IP VExit Capacity (as the case may be) which is held by that Shipper at the IP in respect of the Day;
  - (c) **"IP Capacity Overrun Quantity"** means a quantity of Natural Gas that is calculated in accordance with Section 11.3;
  - (d) **“Entry Capacity Overrun”** means where the quantity of Natural Gas allocated to an individual Shipper at an Entry Point is greater than the Active Entry Capacity which is held by that Shipper at such Entry Point in respect of a Day;

- (e) **“Entry Capacity Overrun Quantity”** means a quantity of Natural Gas calculated in accordance with Section 11.3.2;
- (f) **“Exit Capacity Overrun”** means a LDM Exit Capacity Overrun or a DM Exit Capacity Overrun (as the case may be);
- (g) **“LDM Exit Capacity Overrun”** means the quantity of Natural Gas allocated to an individual Shipper at or in respect of a LDM Offtake is greater than the Active LDM Exit Capacity which is held by that Shipper at or in respect of that Offtake Point to which the allocation relates;
- (h) **“DM Exit Capacity Overrun”** means the aggregate quantity of Natural Gas allocated to an individual Shipper in respect of DM Offtakes in respect of which such Shipper is registered is greater than the Aggregate Primary DM Exit Capacity which is held by that Shipper;
- (i) **NOT USED**
- (j) **“LDM Exit Capacity Overrun Quantity”** means the quantity of Natural Gas calculated in accordance with Section 11.4.2(c);
- (k) **“DM Exit Capacity Overrun Quantity”** means a quantity of Natural Gas calculated in accordance with Section 11.4.3(b);
- (l) **NOT USED**
- (m) **“Supply Point Capacity Overrun”** means a LDM Supply Point Capacity Overrun or a DM Supply Point Capacity Overrun;
- (n) **“LDM Supply Point Capacity Overrun”** means where the quantity of Natural Gas allocated to an individual Shipper at a LDM Supply Point is greater than the Active LDM Supply Point Capacity which is held by that Shipper at that LDM Supply Point to which the allocation relates;
- (o) **“DM Supply Point Capacity Overrun”** means where the quantity of Natural Gas allocated to an individual Shipper at that DM Supply Point is greater than the DM Supply Point Capacity which is held by that Shipper at that DM Supply Point;

- (p) **“Supply Point Capacity Overrun Quantity”** means a quantity of Natural Gas calculated in accordance with Section 11.6.2;
- (q) **“Sub-Sea I/C Capacity Overrun”** means where the quantity of Natural Gas allocated to the Shipper at the Sub-Sea I/C Offtake is in excess of the Shippers Active Sub-Sea I/C Offtake Capacity;
- (r) **“Sub-Sea I/C Offtake Capacity Overrun Quantity”** means a quantity of Natural Gas calculated in accordance with Section 11.4.2;
- (s) **“Interruptible IP Capacity Overrun Quantity”** means the quantity of Natural Gas calculated in accordance with Section 11.5;
- (t) **“IP Capacity Overrun”** means the quantity of Natural Gas allocated to an individual Registered Shipper at a IP VExit or IP VEntry (as the case may be) which is in excess of the Shipper’s booked IP VExit Offtake Capacity or IP VEntry Capacity (as the case may be).

### 11.3 IP Entry Capacity Overruns and IP CSEP Offtake Capacity Overruns

- 11.3.1 An IP Capacity Overrun Quantity in respect of a Shipper at each Interconnection Point shall be calculated separately in respect of IP Entry Capacity and IP CSEP Offtake Capacity in respect of a Day.
- 11.3.2 The IP Capacity Overrun Quantity in respect of a Shipper at an IP Entry Point and/or at an IP CSEP shall be calculated as follows:
  - (a) for an OBA-Day the IP Capacity Overrun Quantity for a Shipper for the Day shall be the excess of the sum of the Shipper's Final IP Entry Allocation(s) or Final IP CSEP Offtake Allocation(s) for the Day over the Shipper's Active IP Entry Capacity or IP CSEP Offtake Capacity (as the case may be) for that Day;
  - (b) on a Non-OBA Day the Shipper's IP Capacity Overrun Quantity for the Day shall be the lesser of:
    - (i) the excess of the sum of the Shipper's Final IP Entry Allocations or IP CSEP Offtake Allocations for the Day over the Shipper's IP Nomination Confirmed Quantities at the IP



Entry Point or IP Nomination Confirmed Quantity at the IP CSEP for the Day; or

- (ii) the excess of the sum of the Shipper's Final IP Entry Allocation(s) or Final IP CSEP Offtake Allocation(s) for the Day over the Shipper's Active IP Entry Capacity at the IP Entry Point or IP CSEP Offtake Capacity at the IP CSEP (as the case may be) for that Day in each case adjusted to take account of any applicable Entry Overrun Tolerance or Variance Percentage.

### 11.3.3 IP Capacity Overrun Charge

- (a) A Shipper shall be liable for a charge ("**IP Capacity Overrun Charge**") in respect of a Day when the IP Capacity Overrun Quantity in respect of the applicable IP Capacity is positive.
- (b) The IP Capacity Overrun Charge in respect of IP Entry Capacity or IP CSEP Offtake Capacity at each IP will be calculated according to the following formula:

$$\text{OV Charge} = \text{IP}_{\text{OQ}} * \text{OM} * \text{T}$$

where:

OV Charge = The IP Capacity Overrun Charge.

IP<sub>OQ</sub> = The IP Capacity Overrun Quantity.

OM = 4

T = The applicable IP Capacity Charge with respect to Daily IP Entry Capacity or Daily IP CSEP Offtake Capacity (as the case may be).

- (c) a Shipper's liability in respect of the IP Capacity Overrun Charge in respect of each IP Entry Point and in respect of each IP CSEP shall be subject to a maximum yearly cap as follows:
  - (i) 0.5 times the applicable IP Capacity Charges in respect of IP Capacity Overrun Charges incurred in the Summer Period;
  - (ii) twice the applicable Annual IP Capacity Charges in respect of IP Capacity Overrun Charges incurred in the Shoulder Period; and
  - (iii) three times the applicable IP Capacity Charges in respect of IP Capacity Overrun Charges in any Gas Year,

and where the applicable IP Capacity Charges shall be the charges for IP Capacity which is Yearly,

The cap shall be applied to the maximum amount by which the Shippers applicable Active IP Capacity is exceeded. The caps will be reset at the start of each Gas Year.

- (d) On a Restricted Capacity Day affecting an IP all references to Active IP Capacity in this Section 11.3 shall be references to the Shipper's Available Active IP Capacity on that Day.

#### 11.3.4 **Entry Capacity Overrun Tolerance**

- (a) A tolerance quantity (“**Entry Overrun Tolerance**”) will be applied at an Entry Point or (for an non-OBA Day at an IP Entry Point) as follows;
- (i) at an Entry Point which is not located at an IP and is not configured within a Bi-Directional CSP where the quantity of Natural Gas metered as delivered at the Entry Point is greater than the EODQ; and
  - (ii) at an Entry Point which is configured within a Bi-Directional CSP where the Net Metered Quantity (Entry) exceeds the difference between the EODQ and the Aggregate CSEP Nomination Quantity at the Bi-Directional CSP;
  - (iii) at an IP Entry Point for a Non OBA Day where the Metered Quantity or the Adjusted Metered Quantity (as applicable) exceeds the difference between the Aggregate IP Entry Confirmed Quantity and the Aggregate IP VExit Confirmed Quantity;
- (b) The Entry Overrun Tolerance to be applied in respect of a Shipper on a Day shall be calculated according to the following formula:

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

where:

EOT = Entry Overrun Tolerance for a Shipper;

AC = Active Entry Capacity or Active IP Entry Capacity for a

Shipper on a Day; and

VP = Variance Percentage;

and where the Entry Point is not configured within a Bi-Directional CSP:

**VP = ((MeDQ – EODQ) / (EODQ)) \* 100**

MeDQ = Metered Delivered Quantity delivered at the Entry Point;

EODQ = the End of Day Quantity at the Entry Point; or

where the Entry Point is configured within a Bi-Directional CSP:

**VP =  $\left[ \frac{\text{NMQE} - (\text{EODQ} - \text{CSEP}_{\text{NOMQ}}) * 100}{\text{EODQ} - \text{CSEP}_{\text{NOMQ}}} \right]$**

where:

NMQE = the Net Metered Quantity (Entry);

EODQ = the End of Day Quantity;

CSEP<sub>NOMQ</sub> = the Aggregate IP CSEP Nomination Quantity in respect of the Day; and

the Variance Percentage shall, subject to Section 11.3.4(c), be subject to a cap of 1.5 per cent; and

and in respect of an IP Entry Point

**VP =  $\left[ \frac{\text{MQ} - (\text{EQ}_{\text{EN}} - \text{CQ}_{\text{VExit}})}{\text{EQ}_{\text{EN}} - \text{CQ}_{\text{VExit}}} \times \frac{100}{1} \right]$**

MQ = the Metered Quantity or the Adjusted Metered Quantity (as applicable in respect of a Day)

EQ<sub>EN</sub> = the Aggregate IP Entry Confirmed Quantity for that Day

$CQ_{VExit} =$  the Aggregate IP VExit Confirmed Quantity for that Day.

- (c) If the Metered Delivered Quantity at an Entry Point on a Day exceeds the EODQ by in excess of 1.5 per cent or the Net Metered Quantity (Entry) or exceeds the difference between the EODQ and the Aggregate CSEP Nomination Quantity at the Bi-Directional CSP by in excess of 1.5 per cent of such difference, or exceeds the difference between the Aggregate IP Entry Confirmed Quantity and the IP VExit Confirmed Quantity at the IP Entry Point the Transporter shall use reasonable endeavours to determine the reason for such excess; and

If the Transporter determines that such excess was not attributable, in whole or in part, to any act, default or omission of the Shippers registered at the Entry Point then a cap of 1.5 per cent on the Variance Percentage (calculated in accordance with Section 11.3.1(b)) shall not apply to the extent that such excess was not so attributable to the Shippers registered at such Entry Point or IP Entry Point [or IP VExit].

#### 11.3.5 **Entry Capacity Overrun and Entry Capacity Overrun Quantity**

- (a) An Entry Capacity Overrun Quantity in respect of a Shipper shall be calculated separately in respect of Entry Capacity at each Entry Point on a Day.
- (b) The Entry Capacity Overrun Quantity in respect of a Shipper at an Entry Point on a Day shall be calculated according to the following formula:

$$EnOQ = EnA - (AC + EOT)$$

where:

EnOQ = Entry Capacity Overrun Quantity for a Shipper on a Day;

EnA = Final Entry Allocation at the Entry Point 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 11.3.4 for a Shipper on a Day.

### 11.3.6 **Entry Capacity Overrun Charge**

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

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

where:

OvCharge = Entry Capacity Overrun Charge;

EnOQ = Entry Capacity Overrun Quantity;

OM = 4; and

EnT = applicable Daily Entry Capacity Charges with respect to Daily Entry Capacity.

- (c) A Shipper’s liability in respect of Entry Capacity Overrun Charges shall, in respect of each Entry Point, be subject to a maximum annual cap as follows;
- (i) 0.5 times the applicable annual Entry Capacity Charges in respect of Entry Capacity Overrun Charges incurred in the Summer Period; and
- (ii) twice the applicable annual Entry Capacity Charges in respect of Entry Capacity Overrun Charges incurred in the Shoulder Period; and
- (iii) three times the applicable annual Entry Capacity Charges in respect of Entry Capacity Overrun Charges incurred in any Gas Year.

The cap will be applied to the maximum amount by which the Shipper's Active Entry Capacity is exceeded. The cap will be reset at the start of each Gas Year.

- 11.3.7 On a Restricted Entry Capacity Day all references to Active Entry Capacity in this Section 11 shall be references to the Shipper's Available Active Entry Capacity on that Day.
- 11.3.8 [Not used].
- 11.3.9 If a Shipper registered at an Entry Point demonstrates in writing to the Transporter that the Entry Capacity Overrun in respect of a Day was not attributable in any way to the act, default or omission of the Shipper then such Shipper shall be entitled to relief from the Entry Capacity Overrun Charge to the extent that the Entry Capacity Overrun was not so attributable in any way to that Shipper.

#### 11.4 **Exit Capacity Overruns**

##### 11.4.1 **Restricted Capacity Days**

On a Day on which a Shipper is affected by a Restricted Capacity Day all references to Active Capacity and Shipper's Active Capacity for the purpose of this Section 11.4 shall be references to the Shipper's Available Active Exit Capacity of Shipper's Available Sub-Sea I/C Offtake Capacity on the Day.

##### 11.4.2 **LDM Exit Capacity Overrun Quantity, Sub-Sea I/C Offtake Capacity Overrun Quantity**

- (a) LDM Exit Capacity Overruns shall apply in respect of each individual Shipper and at individual LDM Offtake(s) where the LDM Exit Allocation for an individual Shipper at or in respect of the relevant LDM Offtake is greater than the Active LDM Exit Capacity held by that Shipper at or in respect of the relevant LDM Offtake on a Day to which the LDM Exit Allocation relates.
- (b) Sub-Sea I/C Offtake Capacity Overruns shall apply in respect of each individual Shipper at the Sub-Sea I/C Offtake where the Sub-Sea I/C Offtake Allocation for the individual Shipper at such Sub-Sea I/C Offtake is greater than the Active Sub-Sea I/C Offtake

Capacity held by that Shipper at the Sub-Sea I/C Offtake on the Day to which the Sub-Sea I/C Offtake Allocation relates.

- (c) A LDM Exit Capacity Overrun Quantity or a Sub-Sea I/C Offtake Capacity Overrun Quantity in respect of a Shipper at or in respect of a LDM Offtake or a Sub-Sea I/C Offtake on a Day (as the case may be) shall be calculated according to the following formula:

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

where:

ExOQ = the Shipper's LDM Exit Capacity Overrun Quantity or Sub-Sea I/C Offtake Capacity Overrun Quantity (as the case may be) on the Day;

ExA = the Shipper's LDM Final Exit Allocation, or Sub-Sea I/C Offtake Allocation at or in respect of the LDM Offtake or the Sub-Sea I/C Offtake (as the case may be) on the Day;  
and

AC = the Shipper's Active LDM Exit Capacity or Active Sub-Sea I/C Offtake Capacity at or in respect of the LDM Offtake or Sub-Sea I/C Offtake (as the case may be) on the Day.

#### 11.4.3 **DM Exit Capacity Overrun Quantity**

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

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

where:

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

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

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

11.4.4 **NOT USED**

11.4.5 **Exit Capacity Overrun Charge**

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

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

where:

OvCharge = Exit Capacity Overrun Charge;

ExOQ = Exit Capacity Overrun Quantity;

OM = 4; and

ExT = applicable Exit Capacity Charges in respect of capacity of a Daily duration.

- (c) The Shipper's liability in respect of Exit Capacity Overrun Charges shall be subject to a maximum annual cap as follows;
- (i) 0.5 times the applicable annual Exit Capacity Charges in respect of Exit Capacity Overrun Charges incurred in the Summer Period; and
- (ii) twice the applicable annual Exit Capacity Charges in respect of Exit Capacity Overrun Charges incurred in the Shoulder Period; and
- (iii) three times the applicable annual Exit Capacity Charges in respect of Exit Capacity Overrun Charges incurred in any Gas Year.

The cap refers to the limit of the number of multiples of the applicable annual Exit Capacity Charges that will be applied in that Gas Year in



respect of the relevant LDM Exit Capacity at or in respect of each LDM Offtake and Aggregate Primary DM Exit Capacity for each Shipper. The cap will be applied to the maximum amount by which the Active Exit Capacity at the applicable LDM Offtake or the Aggregate Primary DM Exit Capacity of the Shipper is exceeded. The cap will be reset at the start of each Gas Year.

- (d) A Shipper shall be liable for a charge (“**Sub-Sea I/C Offtake Capacity Overrun Charge**”) in respect of each Sub-Sea I/C Offtake Overrun Quantity which is positive.
- (e) The Sub-Sea I/C Offtake Capacity Overrun Charge will be calculated according to the following formula:

$$\text{OV Charge} = \text{I/C}_{\text{off}} \text{ OQ} * \text{OM} * \text{ExT}$$

where:

OV Charge = Sub-Sea I/C Offtake Capacity Overrun Charge

$\text{I/C}_{\text{off}} \text{ OQ}$  = the Sub-Sea I/C Offtake Capacity Overrun Quantity

OM = 4; and

ExT = the Exit Capacity Charges in respect of capacity of a daily duration.

- (f) [Not used.]
- (g) The provisions of Section 11.4.5(c) shall apply mutatus mutandis to the Shipper’s liability in respect of Sub-Sea I/C Offtake Capacity Overrun Charges.

## 11.5 IP VExit Overrun Quantity, IP VEntry Overrun Quantity and Charges

- 11.5.1 On a day in respect of which the Transporter issues a IP VEntry or IP VExit Capacity Interruption Notice with respect to a IP VEntry or IP VExit as the case may be, all references to a Shippers booked. Daily Interruptible IP VEntry Capacity or booked Daily Interruptible IP VExit Capacity shall for the purpose of this Section 11 be references to the

Shippers reduced Daily Interruptible IP VEntry Capacity or to the Shippers reduced Daily Interruptible IP VExit Capacity (as the case may be).

11.5.2 Interruptible IP Capacity Overruns shall apply in respect of each individual Registered Shipper:

- (a) at the IP VEntry when the IP VEntry Allocation for such Shipper at the IP VEntry is greater than the booked Daily Interruptible IP VEntry Capacity held by the Shipper on the Day to which the IP VEntry Allocation relates; or
- (b) at the IP VExit where the IP VExit Allocation for such a Shipper at the IP VExit is greater than the booked Daily Interruptible IP VExit Capacity held by the Shipper on the Day to which the VExitP Allocation relates.

11.5.3 An IP VEntry Capacity Overrun Quantity or IP VExit Capacity Overrun Quantity in respect of a Registered Shipper at the IP VEntry or IP VExitP on or in respect of a Day will be calculated according to the following formula:

$$\text{IOQ} = (\text{VA} - \text{VP}_{\text{cap}})$$

Where:

IOQ = the Shippers IP VExit or IP VEntry Overrun Quantity (as the case may be)

VA = the Shippers Final Daily Interruptible IP VEntry Allocation or Final Daily Interruptible IP VExit Allocation at or in respect of the IP VEntry or IP VExit as the case may be on the Day.

VPcap = the Shippers booked IP VEntry Capacity or the Shipper's booked IP VExit Capacity at the IP VEntry or at the IP VExit on the Day.

11.5.4 A Shipper shall be liable for a charge (“**IP Interruptible Capacity Overrun Charge**”) in respect of each VEntry and/or VExit Capacity Overrun Quantity.

11.5.5 The IP Interruptible Capacity Overrun Charge will be calculated in accordance with the following formula:

$$\text{OvCharge} = \text{IOQ} * \text{OM} * \text{VXT}$$

Where:

OvCharge = the IP Interruptible Capacity Overrun Charge

IOQ = the IP VEntry Capacity Overrun Quantity or the IP VExit Capacity Overrun Quantity (or applicable)

OM = 4

VXT = the applicable Daily IP Capacity Charges with respect to Daily IP Capacity at the IP at which the IP VEntry or IP VExit is located.

11.5.6 The application of Sections 11.5.1 to 11.5.5 (both inclusive) is suspended until such date as shall be notified by the Transporter with the approval of the Commission;

## 11.6 Supply Point Capacity Overruns

### 11.6.1 General

(a) Supply Point Capacity Overruns will not apply to NDM Supply Points.

(b) All references in Sections 11.6.2 and 11.6.3 to Active Supply Point Capacity shall, on a Restricted Capacity Day, be construed as references to Available Active Supply Point Capacity on a Day on which a Shipper’s Active Supply Point Capacity is restricted in accordance with Part H (*Operations*) Section 2 (*Congestion Management*).

### 11.6.2 Supply Point Overrun Quantities

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

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

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 or DM Supply Point on the Day; and

SPC = Supply Point Capacity held by the Shipper at the Supply Point or Active Supply Point Capacity in the case of a Multiple Shipper LDM Supply Point on the Day.

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

### 11.6.3 Supply Point Capacity Overrun Charges

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

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

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, referred to in Section 11.6.3(d); and

SPT = applicable annual Tariff.

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

(i) where:

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

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

(3) at a DM Supply Point during a DM Supply Point Capacity Reduction Period unless a DM Supply Point Capacity Revision Request to increase the level of capacity above that reserved at the relevant DM Supply Point prior to the DM Supply Point Capacity Reduction Effective Date has been accepted by the Transporter to take effect during that DM Supply Point Capacity Reduction Period,

then the overrun multiplier shall be as set out in Section 11.6.3(f); or

(ii) where:

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

- (2) at a Multiple Shipper LDM Supply Point, the Shippers registered at such Multiple Shipper LDM Supply Point have reserved in aggregate a level of LDM Supply Point Capacity that is greater than or equal to the Transporter Recommended LDM Supply Point Capacity; or
- (3) any Supply Point Capacity Overrun occurs at a DM Supply Point other than at a DM Supply Point as identified at Section 11.6.3(i)(3) above,

then the overrun multiplier shall be as set out in Section 11.6.3(g).

- (e) A Shipper shall be deemed for the purpose of calculation of Supply Point Capacity Overrun Charges to have reserved the Transporter Recommended LDM Supply Point Capacity for the duration of the LDM Capacity Booking Period where the Shipper has reserved the Transporter Recommended LDM Supply Point Capacity on the first day of such LDM Capacity Booking Period notwithstanding any variations to the Transporter Recommended LDM Supply Point Capacity pursuant to Section 8.3.
- (f) The multiplier for Supply Point Capacity Overruns, where the Supply Point Capacity reserved by the Shipper at a LDM Supply Point and/or by all Shippers in aggregate at a Multiple Shipper LDM Supply Point, is less than the Transporter Recommended LDM Supply Point Capacity, or at a DM Supply Point as identified at Section 11.6.3(d)(i)(3) above, shall be as follows:

<b>Period</b>	<b>Multiplier</b>	<b>Cap</b>
Gas Year	1.5	3

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

- (g) The multiplier for Supply Point Capacity Overruns, where the Supply Point Capacity reserved by the Shipper at a LDM Supply Point and/or by all Shippers in aggregate at a Multiple Shipper

LDM Supply Point, is greater than or equal to the Transporter Recommended LDM Supply Point Capacity and/or at a DM Supply Point, other than at a DM Supply Point as identified at Section 11.6.3 (d)(i)(3)above, shall be as follows:

<b>Period</b>	<b>Multiplier</b>	<b>Cap</b>
Gas Year	1	1

- (h) For the avoidance of doubt, the cap in Sections 11.6.3(f) and 11.6.3(g) above refers to the limit of the number of multiples of the capacity component of the applicable annual Tariff that will be applied in that Gas Year in respect of each Shipper in respect of each LDM Offtake and/or in respect of each DM Supply Point. The cap will be applied to the maximum amount by which the Supply Point Capacity is exceeded.
- (i) The applicable annual Tariff payable by a Shipper in respect of Supply Point Capacity at a Supply Point shall not be affected, varied or otherwise amended solely as a result of a Supply Point Capacity Overrun at such Supply Point.
- (j) The Supply Point Capacity Overrun Charge shall be incurred by a Shipper on the Day on which the applicable Supply Point Capacity Overrun occurs. The Supply Point Capacity Overrun Charge shall be calculated in accordance with Section 11.6.3 and shall be invoiced by the Transporter and payable by the Shipper in accordance with the provisions of Section 11.7.1 below.

## 11.7 Invoicing of Supply Point Capacity Overrun Charge

11.7.1 Supply Point Capacity Overrun Charge calculated in accordance with Section 10.6.3 shall be invoiced as follows:

- (a) where the Supply Point Capacity Overrun Charge relates to an overrun at a LDM Offtake the Overrun Charge shall be included in the Monthly Invoice issued (pursuant to Part I (*Legal and General*) Section 11 (*Invoicing and Payment*)) in respect of the Month in which the Overrun Charge was incurred; and

- (b) where the Overrun Charge relates to an overrun at a DM Supply Point the Overrun Charge shall be invoiced as follows:
  - (i) in the Month immediately following the Month in which the Overrun Charge was incurred the Monthly Invoice shall include an Invoice Item in respect of that proportion of the Overrun Charge attributable to the period of the Gas Year up to and including the last Day of the Month in which the Overrun Charge was incurred; and
  - (ii) the Monthly Invoice in respect of each subsequent Month of the Gas Year shall include an Invoice Item with respect to the Overrun Charge attributable to each Day of the Month to which the Monthly Invoice relates.

11.7.2 Relief from Overrun Charges in respect of DM Supply Point Capacity Overruns:

- (a) if the Transporter Determined Supply Point Capacity is increased in accordance with Section 7.5.5(b) the Shipper shall be relieved of the liability to pay the Overrun Charge in respect of those Months of the Gas Year in respect of which the Transporter Determined Supply Point Capacity is so increased and paid for by the Shipper and to the extent to which the Transporter Determined Supply Point Capacity is so increased and for the avoidance of doubt where the Supply Point Capacity is increased in part only the relief from the Supply Point Capacity Overrun Charge shall reflect the extent of such increase; and
- (b) if the Transporter Determined Supply Point Capacity is increased following application by the Shipper to undertake physical works as referred to in Section 8.5.5(a) then the Shipper shall be relieved of the amount of the Supply Point Capacity Overrun Charge in respect of each Day of each Month in respect of which the Transporter Determined Supply Point Capacity is increased and paid for by the Shipper following completion of the physical works so requested;
- (c) where a NDM Supply Point is reclassified as a DM Supply Point the Shipper registered at such DM Supply Point shall be relieved of the



liability to pay Supply Point Capacity Overrun Charges in respect of Overruns at the reclassified DM Supply Point where such Overruns occur within a period of twelve months from the date on which such DM Supply Point reclassification takes effect; and

- (d) where a Proposed DM Offtake Point becomes a DM Supply Point the Shipper registered at such DM Supply Point shall be relieved of the liability to pay DM Supply Point Capacity Overrun Charges in respect of Overruns at the relevant DM Supply Point, where such Overruns occur within a period of twelve months from the date on which the Proposed DM Offtake Point becomes a DM Supply Point.

#### 11.7.3 Relief from Overrun Charges in respect of LDM Supply Point Capacity Overruns:

Where a Proposed LDM Offtake becomes a LDM Supply Point the Shipper registered at such LDM Supply Point shall be relieved of the liability to pay LDM Supply Point Capacity Overrun Charges in respect of Overruns at the relevant LDM Supply Point provided:

- (a) the Supply Point Capacity reserved by the Shipper in respect of that LDM Supply Point is greater than or equal to the Transporter Recommended LDM Supply Point Capacity; and
- (b) such Overruns occur within a period of twelve months from the date on which the Proposed LDM Offtake becomes a LDM Supply Point.

Provided always that such relief shall not apply with respect to a Proposed LDM Offtake which has been previously classified as a LDM Supply Point and has ceased to be classified as such and/or become a Proposed LDM Offtake on the basis that previous Capacity Bookings at the particular offtake have been terminated or expired and have not been renewed or on the reclassification of an NDM Supply Point or DM Supply Point as an LDM Supply Point.

## 12. CAPACITY OVERRUNS DISBURSEMENTS ACCOUNT

- 12.1 The Transporter shall establish an Entry and Exit Capacity Overrun Disbursements Account, which shall subject to Section 12.3 hold any payments received by the

- Transporter in respect of Overrun Charges incurred against Entry Capacity and Exit Capacity.
- 12.2 The Transporter shall establish a Supply Point Capacity Overrun Disbursements Account, which shall subject to Section 12.3 hold any payments received by the Transporter in respect of Overrun Charges incurred against Supply Point Capacity.
- 12.3 For the avoidance of doubt, the Transporter shall retain such part of Capacity Overrun revenue received by the Transporter as shall be equal to the applicable IP Capacity Charge in respect of Daily IP Entry Capacity or Daily IP CSEP Offtake Capacity (as the case may be) on the Day on which the overrun occurs and/or the applicable Entry Capacity Charge in respect of Daily Entry Capacity on the Day on which the overrun occurs or Exit Capacity Charge in respect of Daily Exit Capacity on the Day on which the overrun occurred or the capacity component of the applicable annual Tariff in respect of Supply Point Capacity (as the case may be) in respect of the capacity utilised by the Shipper or where a DM Supply Point Capacity Reduction Request has been accepted by the Transporter, all Capacity Overrun revenue received in respect of the DM Supply Point Capacity Reduction Period at the DM Supply Point.
- 12.4 Revenue received in respect of Capacity Overruns in excess of the amount retained by the Transporter pursuant to Section 12.3 shall be held in the Entry and Exit Capacity Overrun Disbursements Account in the case of either an Entry Capacity Overrun or an Exit Capacity Overrun and in the Supply Point Capacity Overrun Disbursements Account in the case of a Supply Point Capacity Overrun.
- 12.5 The part of the Capacity Overrun revenue retained by the Transporter pursuant to Section 12.3 shall be equal to the revenue that the Transporter would have received if that level of capacity, to which the Capacity Overrun relates, had been booked by the Shipper that incurs the Capacity Overrun in the case of IP Entry Capacity or Exit Capacity for the Day on which the Capacity Overrun occurs and in the case of a Supply Point Capacity Overrun, for the entire Gas Year in which the Capacity Overrun occurs.
- 12.6 After the end of each Month the revenue held in the Entry and Exit Capacity Overrun Disbursements Account will be attributed to Shippers on the basis of the proportion of total Active Entry Capacity and Active Exit Capacity held by each Shipper over the relevant Month.

- 12.7 After the end of each Month the revenue held in the Supply Point Capacity Overrun Disbursements Account will be attributed to Shippers on the basis of the proportion of total Active LDM Supply Point Capacity and DM Supply Point Capacity held by each Shipper over the relevant Month.
- 12.8 An individual Shipper's share of the Capacity Overruns Disbursements Accounts shall be calculated according to the following formula:

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

where:

- SHDA = the individual Shipper's share of the Capacity Overruns Disbursements Account;
- SHAC = the sum of Active Capacity, Aggregate Primary DM Exit Capacity, Aggregate Primary NDM Exit Capacity held by the Shipper on each Day of the relevant Month but excluding any Sub-Sea I/C Offtake Capacity;
- TOTPC = the sum of Primary Capacity held by all Shippers on each Day of the relevant Month but excluding any Sub-Sea I/C Offtake Capacity; and
- REV = the revenues held in the Capacity Overruns Disbursements Accounts to be redistributed.

- 12.9 For the avoidance of doubt two calculations will be performed, one for Entry Capacity IP Capacity and Exit Capacity and one for Supply Point Capacity.
- 12.10 Shippers will be invoiced for Capacity Overruns on a monthly basis with any outstanding balances in the Capacity Overruns Disbursements Accounts settled at the end of the Gas Year.
- 12.11 All references to Exit Capacity in this Section 12 shall be deemed to include equivalent references to IP CSEP Offtake Capacity and all reference to Entry Capacity shall be deemed to include equivalent references to IP Entry Capacity.

### 13. CAPACITY REGISTER

- 13.1 The Transporter shall maintain a record of the capacity (the “**Capacity Register**”).
- 13.2 The Capacity Register shall record the following information in respect of each Day:
  - 13.2.1 Primary IP CSEP Offtake Capacity reserved by each Shipper at each IP CSEP;
  - 13.2.2 Active IP CSEP Offtake Capacity held by each Shipper at each IP CSEP;
  - 13.2.3 Primary IP Entry Capacity reserved by each Shipper at each IP Entry Point;
  - 13.2.4 Active IP Entry Capacity held by each Shipper at each IP Entry Point;
  - 13.2.5 Primary Entry Capacity reserved by each Shipper at each Entry Point;
  - 13.2.6 Active Entry Capacity in respect of each Shipper at each Entry Point;
  - 13.2.7 Active LDM Exit Capacity in respect of each Shipper at a LDM Offtake;
  - 13.2.8 Primary LDM Exit Capacity in respect of each Shipper at a LDM Offtake;
  - 13.2.9 Transporter Recommended DM Exit Capacity in respect of each DM Offtake;
  - 13.2.10 DM Exit Capacity reserved by the Shipper in respect of each DM Offtake;
  - 13.2.11 Primary DM Exit Capacity in respect of each DM Offtake;
  - 13.2.12 DM Exit Capacity per Shipper in respect of all DM Offtakes at which the Shipper is a Registered Shipper;
  - 13.2.13 Aggregate Primary DM Exit Capacity;
  - 13.2.14 NDM Exit Capacity per Shipper in respect of each NDM Supply Point;
  - 13.2.15 Aggregate Primary NDM Exit Capacity per Shipper;
  - 13.2.16 NDM Exit Capacity in respect of each Shipper and in respect of all NDM Supply Point(s) at which the Shipper is a Registered Shipper;
  - 13.2.17 LDM Supply Point Capacity reserved by each Shipper at each LDM Offtake;

- 13.2.18 Active LDM Supply Point Capacity in respect of each Shipper at such LDM Supply Point;
- 13.2.19 Applicable MHQ at each LDM and DM Exit Point/Supply Point;
- 13.2.20 Transporter Determined DM Supply Point Capacity in respect of each DM Supply Point;
- 13.2.21 Transporter Recommended LDM Supply Point Capacity in respect of each LDM Supply Point;
- 13.2.22 Transporter Determined NDM Supply Point Capacity in respect of each NDM Supply Point;
- 13.2.23 the Registered Shipper in respect of each DM Offtake and NDM Supply Point;
- 13.2.24 The Registered Shipper at the Sub-Sea I/C Offtake and the Shipper's Booked Capacity at the Sub-Sea I/C Offtake;
- 13.2.25 The booked VExitP Offtake Capacity in respect of each Shipper which is a Registered Shipper at the VExitP;
- 13.2.26 A Shipper's Capacity Surrender Available Amount;
- 13.2.27 A Shipper's Withdrawable Capacity.

The Capacity Register shall identify separately any capacity which is booked pursuant to a Treaty Entitlement obligation.

- 13.3 The Capacity Register shall be updated by the Transporter to reflect a Shipper's Primary Capacity and a Shippers Active Capacity as a consequence of any:
  - 13.3.1 Change of Shipper implemented;
  - 13.3.2 new Offtake Point(s);
  - 13.3.3 new capacity acquired by a Shipper upon completing any Siteworks at an existing Offtake Point;
  - 13.3.4 Entry Capacity Trade;
  - 13.3.5 IP Trade Proposal;
  - 13.3.6 Entry Point Transfer;

- 13.3.7 Exit Capacity Transfer;
  - 13.3.8 Multiple Shipper LDM Supply Point Title Transfer;
  - 13.3.9 Isolation;
  - 13.3.10 Deregistration Application;
  - 13.3.11 any Shippers Surrendered Capacity for the Surrendered Capacity Duration;
  - 13.3.12 a Shippers Withdrawn Capacity for the Withdrawal Period; and/or
  - 13.3.13 any other provisions of this Code.
- 13.4 Each IP Capacity Booking will be assigned a unique identifier (the "**IP Entry Capacity Booking Reference**", the "**IP CSEP Offtake Capacity Booking Reference**", the "**IP VEntry Capacity Booking Reference**" or the "**IP VExit Capacity Booking Reference**") as the case may be.
- 13.5 Each Entry Capacity Booking will be assigned a unique identifier (the "**Entry Capacity Booking Reference**") which will be communicated to the Shipper as soon as practicable thereafter.
- 13.6 Each Exit Capacity Booking will be assigned a unique identifier (the "**Exit Capacity Booking Reference**"), each Sub-Sea I/C Offtake Capacity Booking will be assigned a unique identifier (the "**Sub-Sea I/C Offtake Capacity Booking Reference**") and which will be communicated to the Shipper as soon as possible.
- 13.7 Each Supply Point Capacity Booking will be assigned a unique identifier (the "**Supply Point Capacity Reference**") which will be communicated to the Shipper as soon as possible.
- 13.8 The Transporter shall assign a unique identifier reference number to each:
- 13.8.1 IP Capacity Trade (the "**IP Capacity Trade Reference**");
  - 13.8.2 Entry Capacity Trade (the "**Entry Capacity Trade Reference**");
  - 13.8.3 Entry Point Transfer (the "**Entry Point Transfer Reference**");
  - 13.8.4 Exit Capacity Transfer (the "**Exit Capacity Transfer Reference**");
  - 13.8.5 LDM Supply Point Capacity Title Transfer (the "**LDM Supply Point Capacity Title Transfer Reference**"),

- 13.8.6 IP Capacity Trades.
- 13.9 The Capacity Register shall be updated by the Transporter to take account of any changes to the capacity holdings of each Shipper.
- 13.10 Each Shipper shall be entitled to access information recorded in the Capacity Register in relation to its own capacity holdings at the relevant Entry Point or Offtake Point in respect of the period for which such Shipper is a Registered Shipper in respect of an Entry Point or (as the case may be) Offtake Point.
- 13.11 The Transporter shall be entitled to disclose all relevant information to the GPRO to facilitate any update of the GPR.
- 13.12 The Transporter shall be entitled to update the Capacity Register to reflect information recorded on the Gas Point Register.
- 13.13 The Transporter shall ensure that relevant information recorded in the Gas Point Register regarding registration of Offtake Points is also recorded in the Capacity Register.
- 13.14 For the avoidance of doubt, the Capacity Register is separate and distinct from the Gas Point Register and, in the event of a conflict between the information recorded in each register, the information recorded in the Capacity Register shall prevail over the information recorded in the Gas Point Register.
- 13.15 Each Shipper shall be responsible for reviewing information in relation to such Shipper's Capacity as recorded in the Capacity Register and shall notify to the Transporter any error or inaccurate recording of such Shipper's capacity in the Capacity Register.

## **SCHEDULE 1**

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

### **Part 1**

#### **Long Term Entry Capacity Request**

- (a) the requested Entry Capacity Effective Date which shall be the first Day of a calendar month provided however, that the requested Entry Capacity Effective Date shall, where the request relates to a Proposed Entry Point be the first Day of the calendar month which is (or the first Day of the calendar month which follows) the month in which the Anticipated Entry Point Commencement Date occurs;
- (b) the duration for which the Shipper wishes to book Long Term Entry Capacity (which shall be Annual or Multi-Annual) and in the case of Multi-Annual Entry Capacity the number of whole multiples of twelve (12) Months for which the capacity is requested;
- (c) the Entry Point at which Entry Capacity is requested;
- (d) the requested amount of Entry Capacity (in kWh/Day); and
- (e) the identity of the Shipper requesting Entry Capacity.



**Part 2****Short Term Entry Capacity Request**

- (a) the requested Entry Capacity Effective Date which shall be the first Day of a calendar month where the application relates to Monthly Entry Capacity and shall be the Day (or the first Day of a number of consecutive Days) in respect of which the Entry Capacity is requested where the request relates to Daily Entry Capacity;
- (b) the duration for which the Shipper wishes to book Entry Capacity (which shall be a single calendar month or a single Day (or a number of consecutive single Days));
- (c) the Entry Point at which Entry Capacity is requested;
- (d) the requested amount of Entry Capacity (in kWh/Day); and
- (e) the identity of the Shipper requesting Entry Capacity.

## Part 3

**Entry Capacity Trade Registration Request**

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

**Part 4**

**[Not used]**

**Part 5**

**[Not used]**

**Part 6**

**[Not used]**

**Part 7****Entry Point Transfer Request**

- (a) the Original Entry Point and the New Entry Point;
- (b) the Entry Capacity Booking Reference of the Primary Entry Capacity Booking or the IP Capacity Trade Reference of the Primary IP Entry Capacity Booking to which the Entry Point Transfer relates;
- (c) the end Day of the Entry Capacity Booking Period or IP Entry Capacity Booking Period to which the Entry Point Transfer relates;
- (d) the amount of Primary Entry Capacity or Primary IP Entry Capacity (as the case may be) to be transferred from the Original Entry Point to the New Entry Point which shall be less than or equal to, but not greater than, the Shipper's Primary Entry Capacity, or Primary IP Entry Capacity reserved pursuant to the Entry Capacity Booking or IP Entry Capacity Booking (as the case may be) referred to in Section 6.1.6(b);
- (e) the amount of Primary Entry Capacity or Primary IP Entry Capacity (as the case may be) to be retained at the Original Entry Point pursuant to the relevant Entry Capacity Booking, or IP Entry Capacity Booking;
- (f) the proposed Entry Point Transfer Effective Date;
- (g) confirmation that the Entry Point Transfer Request is made in order to facilitate the delivery of Natural Gas from a New Gas Source at a New Entry Point in respect of which a First Commercial Gas Date has been declared within twelve (12) Months of the date of the Entry Point Transfer Request, together with documentary evidence from the producer specifying the quantity of Natural Gas which is expected to be delivered to the Shipper at the New Entry Point; and
- (h) the Shipper ID of the Shipper.

## **Part 8**

### **Deferral Request**

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

**Part 9****Long Term LDM Capacity Request**

- (a) the requested LDM Capacity Booking Effective Date which shall be the first day of a calendar month;
- (b) the requested duration of the LDM Capacity Booking Period which shall be Annual or Multi-Annual;
- (c) the LDM Exit Point or the LDM Supply Point at or in respect of which LDM Exit Capacity (and where relevant LDM Supply Point Capacity) is requested;
- (d) the requested LDM Exit Capacity (in kWh/Day) and in the case of a Proposed LDM Supply Point or LDM Supply Point the requested LDM Supply Point Capacity (in kWh/Day);
- (e) the Shipper ID of the applicant Shipper;
- (f) if the request is a Long Term LDM Capacity Request and the Shipper is not itself the End User, written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for Offtake at the End User's offtake facilities; and
- (g) the requested MHQ, pressure and maximum ramp rate.



**Part 10****Short Term LDM Exit Capacity Request**

- (a) the requested LDM Exit Capacity Effective Date which shall be the first Day of a calendar month where the application relates to Monthly Capacity and shall be the first Day to which the request relates where the request relates to Daily LDM Exit Capacity;
- (b) the duration for which the Shipper wishes to book LDM Exit Capacity (which shall be a single calendar month, a single Day or a number of consecutive Days);
- (c) the LDM Offtake at which the LDM Exit Capacity is requested;
- (d) the requested amount of LDM Exit Capacity (in kWh/Day); and
- (e) the identity of the Shipper requesting LDM Exit Capacity.

**Part 11****DM Exit Capacity Revision Request**

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

**Part 12****Short Term Aggregate DM Exit Capacity Request**

- (a) the requested Short Term Aggregate DM Exit Capacity Effective Date which shall be the first Day of a calendar month where the application relates to capacity of a Monthly duration and shall be a Day (or the first Day of a specified number of consecutive Days) in respect of which the capacity is requested where the requested duration is Daily;
- (b) the duration for which the Shipper wishes to book the Short Term Aggregate DM Exit Capacity which will be a single Day (or a number of consecutive Days) or a single calendar month;
- (c) the requested amount of Short Term Aggregate DM Exit Capacity (in kWh/Day); and
- (d) the identity of the Shipper requesting Short Term Aggregate DM Exit Capacity.

**Part 13****Short Term Aggregate NDM Exit Capacity Request**

- (a) the requested Short Term Aggregate NDM Exit Capacity Effective Date which shall be the first Day of the calendar month where the application relates to capacity of a Monthly duration and shall be a Day (or the first Day of a specified number of consecutive Days) in respect of which the capacity is requested where the requested duration is Daily;
- (b) the duration for which the Shipper wishes to book the Short Term Aggregate NDM Exit Capacity which will be a single Day (or a number of consecutive Days) or a single calendar month;
- (c) the requested amount of Short Term Aggregate NDM Exit Capacity (in kWh/Day); and
- (d) the identity of the Shipper requesting the Short Term Aggregate NDM Exit Capacity.

**Part 14****LDM Supply Point Capacity Booking Request**

- (a) the requested LDM Supply Point Capacity Booking Effective Date in respect of the LDM Supply Point Capacity requested which shall be the first Day of a calendar month;
- (b) the requested duration for the additional capacity which shall be Annual or Multi-Annual;
- (c) the booking reference of the Shipper's existing LDM Capacity Booking;
- (d) the LDM Supply Point in respect of which the additional LDM Supply Point Capacity is requested;
- (e) the requested additional LDM Supply Point Capacity (in kWh/Day);
- (f) if the Shipper is not itself the End User written confirmation from the End User that the Shipper has entered into an agreement with the End User for the supply of Natural Gas for offtake at the End User's offtake facilities; and
- (g) the requested MHQ and maximum ramp rates.

**Part 15****DM Supply Point Capacity Revision Request**

- (a) the requested Day on which the requested revised DM Supply Point Capacity booking is requested which shall be:
  - (i) the first Day of the calendar month in which a DM Supply Point Capacity Revision Request is made; or
  - (ii) the first Day of a calendar month which occurs after acceptance by the Transporter of such DM Supply Point Capacity Revision Request;
- (b) the requested DM Supply Point Capacity (kWh/Day) for the DM Supply Point from the requested DM Supply Point Capacity booking effective date;
- (c) the specific DM Supply Point in respect of which the DM Supply Point Capacity Revision Request is made;
- (d) the SPRN in respect of the specific DM Supply Point in respect of which the DM Supply Point Capacity Revision Request is made; and
- (e) the identity of the Shipper making the DM Supply Point Capacity Revision Request.

**Part 16****DM Supply Point Capacity Reduction Request**

- (a) the Day on which the reduced DM Supply Point Capacity booking is requested to be effective from which shall be the first Day of a calendar month which occurs after the Shipper submits such DM Supply Point Capacity Reduction Request;
- (b) the amount of DM Supply Point Capacity to be reduced at the DM Supply Point pursuant to the DM Supply Point Capacity Reduction Request and the reduced DM Supply Point Capacity (in kWh/Day) which shall apply (if the DM Supply Point Capacity Reduction Request is accepted by the Transporter);
- (c) the specific DM Supply Point in respect of which the DM Supply Point Capacity Reduction Request is made;
- (d) the SPRN in respect of the specific DM Supply Point in respect of which the DM Supply Point Capacity Reduction Request is made; and
- (e) the identity of the Shipper making the DM Supply Point Capacity Reduction Request.

**Part 17****Exit Capacity Transfer Request**

- (a) the identities of the Transferor Shipper and the Transferee Shipper (which may be the same);
- (b) the LDM Offtake at or in respect of which the Exit Capacity Transfer is requested;
- (c) the proposed amount of LDM Exit Capacity to be transferred (in kWh/Day) and the applicable Exit Capacity Booking reference of such LDM Exit Capacity; (d) the proposed amount of LDM Exit Capacity to be retained (in kWh/Day) by the Transferor Shipper at or in respect of the LDM Offtake; and
- (e) the proposed period of the Exit Capacity Transfer which must specify both the start Day and end Day and which shall include all consecutive Days between the start Day and the end Day.



**Part 18**

**Within-Day Exit Capacity Transfer Request**

- (a) the information required pursuant to Part C Section 9.3.2(a) to 9.3.2(d); and
- (b) the Day to which the Within-Day Exit Capacity Transfer Request relates.

**[Part 19]**

**[Not used]**

**Part 20**

**[Not used]**

**Part 21****LDM Supply Point Capacity Title Transfer Request**

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

**Part 22**

**[Not used]**

**Part 23**

**[Not used]**

**Part 24****Sub-Sea I/C Offtake Capacity Request**

- (i) the requested Sub-Sea I/C Capacity Effective Date which shall be the first day of a calendar month;
- (ii) the requested duration of the Sub-Sea I/C Capacity Booking which shall be Annual or Multi-annual;
- (iii) the requested Sub-Sea I/C Offtake Capacity (in kWh/day);
- (iv) the identity of the applicant Shipper;
- (v) evidence that the Shipper is submitting the Sub-Sea I/C Offtake Capacity Request pursuant to a Treaty Entitlement (where applicable);
- (vi) where the request is not made pursuant to a Treaty Entitlement the Shipper is the holder of such documentation as may be reasonably necessary, to offtake Natural Gas at the Sub-Sea I/C Offtake for onward delivery to the Isle of Man;
- (vii) the requested MHQ Pressure and ramp rate.