

CODE OF OPERATIONS
PART D

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

NOMINATIONS,
ALLOCATIONS AND
NDM SUPPLY POINT RECONCILIATION

VERSION 5.03

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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.**

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1. NOMINATIONS AND RENOMINATIONS

1.1 General

1.1.1 [Not used.]

1.1.2 A Registered Shipper shall be deemed to have made a zero Entry Nomination at an Entry Point, and/or a zero Nomination in respect of a LDM Offtake, DM Offtake(s), NDM Supply Point(s), the Sub-Sea I/C Offtake and/or zero CSEP Exit Nomination and/or a zero IBP Nomination [*and/or a zero VIP Injection Nomination and/or a zero VIP Withdrawal Nomination*] respectively, if:

- (a) the Shipper has not made such a Nomination in relation to that Day; or
- (b) the Shipper's relevant Nomination(s) in relation to that Day is rejected or revoked in accordance with this Code.

1.1.3 For the purposes of this Code, any change in the rate of delivery or offtake of Natural Gas to or from the Transportation System by a Shipper following a Valid Renomination or Valid IP Renomination shall be deemed to commence at the applicable Effective Flow Rate Time in accordance with Section 1.10.

1.1.4 Shippers shall be entitled to submit relevant Nominations and IP Nominations in accordance with this Code subject always to Section 1.1.11.

1.1.5 A Shipper at an IP may in respect of a Day have only one prevailing IP Nomination in respect of each Counterparty IP Shipper in each direction at that IP.

1.1.6 A Shipper at an Entry Point shall have only one prevailing Entry Nomination in respect of each Day at each Entry Point at which the Shipper is a Registered Shipper.

1.1.7 A Shipper shall have only one prevailing LDM Exit Nomination in respect of each LDM Offtake at which the Shipper is a Registered Shipper notwithstanding that the Shipper may have multiple LDM Capacity Bookings at such Offtake.

1.1.8 Shippers acknowledge that the MHQ as notified by the Transporter to Shippers registered at an LDM Offtake or at the Sub-Sea I/C Offtake (including pursuant to any applicable End User Agreement) or at the South North IP CSEP and/or as entered on the Capacity Register is the MHQ applicable in respect of the LDM Offtake or the Sub-Sea I/C Offtake or the South-North IP CSEP and is not exclusive to any Shipper or any individual LDM Capacity Booking or Sub-Sea I/C Offtake Capacity Booking, or IP CSEP Capacity Booking (as the case may be).

1.1.9 [*The Transporter shall have the right to suspend or instruct the submission of VIP Injection Nominations and/or VIP Withdrawal Nominations and/or VIP Renominations for operational reasons.*]

1.1.10 The Transporter shall have the right to suspend or instruct the submission of IP VExit Nominations, IP VEntry Nominations, IP VExit Renominations or IP VEntry Renominations where a IP VExit Capacity Interruption Notice with respect to the IP VExit has issued or where a IP VEntry Capacity Interruption Notice with respect to the IP VEntry has issued.

1.1.11 Where the Transporter is

- (a) the Initiating TSO at an IP, Shippers at the IP may:
 - (i) submit relevant Double Sided IP Nominations to the Transporter in accordance with this Code; and
 - (ii) submit relevant Single Sided IP Nominations to the Transporter; andwhere the Transporter as Initiating TSO receives Single Sided IP Nominations, it does so as Transporter pursuant to this Code and as agent of the Adjacent TSO to the extent that such Single Sided Nomination is an IP Nomination pursuant to the Adjacent TSO Transportation Arrangements;
- (b) the Matching TSO at an IP, Shippers at the IP may:
 - (i) submit relevant Double Sided IP Nomination(s) to the Transporter in accordance with this Code; and
 - (ii) submit relevant Single Sided IP Nomination(s) to the Initiating TSO at the relevant IP in accordance with the Adjacent TSO Transportation Arrangements (as agent for the Transporter).
- (c) A Single Sided IP Nomination shall, where the Transporter is the Matching TSO at an IP, be deemed rejected in accordance with this Code where it is rejected in accordance with the Adjacent TSO Transportation Arrangements.

1.2 **Nomination Process**

1.2.1 Nominations

- (a) Nominations shall be submitted within the Nomination Period in accordance with the provisions of this Section 1;
- (b) Each Shipper shall submit accurate information with respect to Nominations;
- (c) All Nominations shall be submitted in accordance with the remaining provisions of this Section 1.2;
- (d) a Nomination at an Entry Point or at an LDM Exit Point submitted by a Shipper which has submitted a Short Term Entry Capacity or Short Term LDM Capacity Notice (as applicable) and in each case which has been

accepted by the Transporter in accordance with Part F (*Administration*) Section 1.3.5 or 1.4.6 as the case may be but is not at the time of submission of a relevant Nomination a Registered Shipper at the Entry Point or at the LDM Exit Point in respect of the Day for which the Nomination is submitted may be accepted by the Transporter and such Nomination if accepted by the Transporter shall be treated as a Nomination in excess of Active Capacity.

The acceptance by the Transporter of such a Nomination shall not be treated as a representation or warranty that the required capacity is available or may be booked by the Shipper.

Save to the extent the Shipper becomes a Registered Shipper at the Entry Point or the LDM Exit Point (as the case may be) in respect of the Day and acquires relevant capacity and the subsequent Allocation shall be treated as an Overrun.

- (e) This section 1.2 does not apply to IP Nominations which shall be submitted in accordance with Section 1.3.

1.2.2 **Entry Nominations**

- (a) Each Entry Nomination shall specify the information necessary to enable the Transporter to process the Nomination as set out in Schedule 2 Part 1 including the following:
 - (i) the Day in respect of which the Entry Nomination is being made;
 - (ii) the Entry Point in respect of which the Entry Nomination is being made;
 - (iii) the Nominated Quantity (in kWh/d);
 - (iv) the applicable Shipper ID of the Shipper making the Entry Nomination; and
 - (v) in the event that there is no Entry Allocation Agent, the identity and contact details of the Third Party Shipper(s) with the corresponding quantities of Natural Gas to be delivered by such Third Party Shipper(s).
- (b) The Transporter shall reject an Entry Nomination, for any of the reasons specified in (i) or (ii) below and may reject any Entry Nomination for any of the reasons specified in (iii) or (iv) below:
 - (i) such Entry Nomination has not been submitted by a Shipper in accordance with Sections 1.2.1 and 1.2.2(a); or
 - (ii) the Entry Nomination has not been submitted within the applicable Nomination Period;

- (iii) the Shipper is not a Registered Shipper at the Entry Point; or
 - (iv) the Nominated Quantity is in excess of the Shippers Active Entry Capacity at the Entry Point;
- (c) Where a Shipper has submitted an Entry Nomination in accordance with Sections 1.2.1 and 1.2.2(a) and such an Entry Nomination is not already a Valid Entry Nomination, then at any time following the time at which the Entry Nomination was submitted and within the Nomination Period and before such Entry Nomination is a Valid Entry Nomination, the Shipper shall be entitled to resubmit the Entry Nomination specifying a revised Nominated Quantity and such resubmitted Entry Nomination shall supersede the previously submitted Entry Nomination.

The Transporter shall at a time up to 15:00 on D-1 accept an Entry Nomination submitted within the Nomination Period in respect of Day D which is not otherwise rejected pursuant to Section 1.2.2(b) or Section 1.2.2(g). An Entry Nomination which has been accepted by the Transporter pursuant to this Section 1.2.2(d) shall be a valid Entry Nomination (“**Valid Entry Nomination**”).

- (d) The Transporter will, at any time following a receipt of an Entry Nomination and in any event not later than 15:00 hours on D-1, notify a Shipper of the rejection of an Entry Nomination if the Entry Nomination is rejected in accordance with Section 1.2.2(b) or Section 1.2.2(g) prior to the Nomination End Time.
- (e) Where the Transporter has received an Entry Nomination in accordance with Sections 1.2.1 and 1.2.2(a) but which:
- (i) has not been submitted by a Shipper which is a Registered Shipper for the Day to which the Nomination relates and/or;
 - (ii) specifies a Nominated Quantity in excess of the relevant Shipper's Active Entry Capacity:
 - (1) the Transporter shall be entitled (but not obliged) to determine that such Entry Nomination is not acceptable and accordingly, reject the Entry Nomination; or
 - (2) if within two (2) hours of the Transporter receiving the Entry Nomination:
 - (A) the Transporter has not notified the Shipper of its determination, the Entry Nomination shall be deemed to have been rejected by the Transporter; or

- (B) the Transporter notifies the Shipper that the Entry Nomination has not been rejected on the basis that the Shipper is not a Registered Shipper at the Entry Point or that it specifies a Nominated Quantity in excess of the Shipper's Active Entry Capacity, then, subject to the Transporter's subsequent right of revocation pursuant to Section 1.6.1, the Entry Nomination may be accepted by the Transporter.

1.2.3 Exit Nominations, CSEP Exit Nominations (excluding for the avoidance of doubt IP CSEP Offtake Nominations) and Sub-Sea I/C Offtake Nominations:

- (a) An Exit Nomination, a CSEP Exit Nomination and a Sub-Sea I/C Offtake Nomination, shall specify the information necessary to enable the Transporter to evaluate the Nomination as set out in Schedule 2 Part 2 including the following:
- (i) the Day in respect of which the Exit Nomination, the CSEP Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be) is being made;
 - (ii) the applicable Shipper ID of the Shipper making the Exit Nomination, the CSEP Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be); and
 - (iii) where the Nomination is a:
 - (1) LDM Exit Nomination:
 - (A) the Offtake Point;
 - (B) the Nominated Quantity (in kWh); and
 - (C) an hourly offtake profile (in kWh) and specify, in respect of each hour of each Day to which the Nomination (or Renomination) relates, a quantity which is less than or equal to the applicable MHQ in respect of such LDM Offtake;
 - (2) DM Exit Nomination, the aggregate Nominated Quantity (in kWh) in respect of all DM Offtakes at which the Shipper is a Registered Shipper; or
 - (3) NDM Exit Nomination, the aggregate Nominated Quantity (in kWh) of Natural Gas for onward delivery to NDM Supply Points at which the Shipper is a Registered Shipper; or
 - (iv) where the Nomination is a CSEP Exit Nomination:

- (1) the CSEP to which the Nomination relates;
 - (2) the Nominated Quantity (in kWh); and
 - (3) whether the CSEP Exit Nomination is Interruptible (provided it shall not be necessary for the Shipper to so specify where all CSEP Exit Nominations at the specified CSEP are Interruptible pursuant to this Code);
- (v) where the Nomination is a Sub-Sea I/C Offtake Nomination:
- (1) the Sub-Sea I/C Offtake; and
 - (2) the Nominated Quantity (in kWh).
- (b) The Transporter shall reject an Exit Nomination or a CSEP Exit Nomination received at any time during the Nomination Period, when:
- (i) such Exit Nomination, CSEP Exit Nomination or Sub-Sea I/C Offtake Nomination (as the case may be) has not been submitted by a Shipper in accordance with Sections 1.2.1 and 1.2.3(a);
 - (ii) in the case of a LDM Exit Nomination, or Sub-Sea I/C Offtake Nomination it results in an Implied Nomination Flow Rate which exceeds the MHQ at the LDM Offtake or at the Sub-Sea I/C Offtake (as the case may be);
 - (iii) in the case of a LDM Exit Nomination at a Multiple Shipper LDM Offtake or at the Sub-Sea I/C Offtake the Implied Nomination Flow Rate of the Nomination as submitted, in conjunction with the Implied Nomination Flow Rate in respect of all other Valid Nominations at such LDM Offtake or at the Sub-Sea I/C Offtake would result in a negative Implied Nomination Flow Rate;
 - (iv) in the case of a LDM Exit Nomination or a Sub-Sea I/C Offtake Nomination it specifies an hourly offtake profile which, in respect of any hour, exceeds the MHQ at such LDM Offtake or at the Sub-Sea I/C Offtake (as the case may be);
 - (v) in respect of a Multiple Shipper LDM Offtake or the Sub-Sea I/C Offtake, the Nomination specifies an hourly offtake profile which when aggregated with the hourly offtake profile in the Nomination(s) submitted in respect of that LDM Offtake or the Sub-Sea I/C Offtake and by all Registered Shippers at such LDM Offtake or the Sub-Sea I/C Offtake exceeds, in respect of one or more hours, the MHQ at the LDM Offtake or the Sub-Sea I/C Offtake (as the case may be); and
 - (vi) in the case of a CSEP Exit Nomination which is an Interruptible CSEP Exit Nomination:

- (1) the Nominated Quantity when aggregated with the aggregate of the Nominated Quantities of all Valid CSEP Exit Nominations exceeds the applicable CSEP Nominations Limit or the Aggregate Available Interruptible Nomination Limit; and
 - (2) on a Day in respect of which an Interruption Notice is issued the Nominated Quantity exceeds the Shipper's Available Interruptible Exit Nomination Quantity.
- (c) Where the Transporter has received an Exit Nomination or Sub-Sea I/C Offtake Nomination in accordance with Sections 1.2.1 and 1.2.3(a) but which has been submitted by a Shipper which is not a Registered Shipper at the LDM Exit Point, specifies a Nominated Quantity in excess of the relevant Shipper's Active Exit Capacity, Aggregate Primary DM Exit Capacity, Aggregate Primary NDM Exit Capacity or the Shipper's Sub-Sea I/C Offtake Capacity (as the case may be); the Transporter shall be entitled but not obliged to determine that such Exit Nomination is not acceptable and, accordingly, reject the Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be) if within two (2) hours after the hour which commences after the Shipper submits the Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be):
- (1) the Transporter has not notified the Shipper of its determination, the Exit Nomination or Sub-Sea I/C Offtake Nomination shall be deemed to have been rejected by the Transporter; or
 - (2) the Transporter notifies the Shipper that the Exit Nomination or Sub-Sea I/C Offtake Nomination has not been rejected on the basis that it specifies a Nominated Quantity in excess of the Shipper's Active Exit Capacity or the Shipper's Active Sub-Sea I/C Offtake Capacity, then, subject to the Transporter's subsequent right of revocation pursuant to Section 1.6.1, the Exit Nomination may be approved for processing by the Transporter and accepted by the Transporter.

An Exit Nomination or Sub-Sea I/C Offtake Nomination in excess of Active Exit Capacity or Active Sub-Sea I/C Offtake Capacity (as the case may be) which is not considered acceptable in accordance with this Section 1.2.3(c) shall be rejected.

- (d) Where a Shipper has submitted an Exit Nomination (including a Sub-Sea I/C Offtake Nomination or a CSEP Exit Nomination) in accordance with Sections 1.2.1 and 1.2.3(a) and such Exit Nomination, or CSEP Exit Nomination is:

- (i) not already a Valid Exit Nomination, a Valid CSEP Exit Nomination or a Valid Sub-Sea I/C Offtake Nomination then at any time following the time at which the Exit Nomination was submitted and before the Nomination End Time and before such Nomination is a Valid Nomination, the Shipper shall be entitled to resubmit the Exit Nomination, the CSEP Exit Nomination or Sub-Sea I/C Offtake Nomination (as the case may be) specifying a revised Nominated Quantity and such resubmitted Exit Nomination, the CSEP Exit Nomination or Sub-Sea I/C Offtake Nomination shall supersede the previously submitted Exit Nomination or CSEP Exit Nomination (including Sub-Sea I/C Offtake Nomination) (as the case may be); or
 - (ii) a Valid Exit Nomination, Valid CSEP Exit Nomination or Valid Sub-Sea I/C Offtake Nomination, then at any time before the Nomination End Time, the Shipper shall be entitled to resubmit the Exit Nomination or CSEP Exit Nomination or Sub-Sea I/C Offtake Nomination (as the case may be) specifying a revised Nominated Quantity provided always that an Exit Nomination, CSEP Exit Nomination, Sub-Sea I/C Offtake Nomination submitted pursuant to this Section 1.2.3(d)(ii) shall only supersede the Valid Exit Nomination or Valid CSEP Nomination or Valid Sub-Sea I/C Offtake Nomination when it is accepted by the Transporter pursuant to Section 1.2.3(b) and itself becomes a Valid Exit Nomination or Valid CSEP Exit Nomination or Valid Sub-Sea I/C Offtake Nomination.
- (e) The Transporter shall no later than 15:00 on D-1 accept an Exit Nomination, CSEP Exit Nomination and/or a Sub-Sea I/C Offtake Nomination (as the case may be) submitted within the Nomination Period and which has not been rejected or deemed rejected. An Exit Nomination or a CSEP Exit Nomination which is accepted by the Transporter pursuant to this Section 1.2.3(e) shall be a valid Exit Nomination (“**Valid Exit Nomination**”) or valid CSEP Exit Nomination (“**Valid CSEP Exit Nomination**”) or valid Sub-Sea I/C Offtake Nomination (“**Valid Sub-Sea I/C Offtake Nomination**”) as the case may be.

An Exit Nomination including a Sub-Sea I/C Offtake Nomination or, a CSEP Exit Nomination which does not become a Valid Exit Nomination or a Valid CSEP Exit Nomination or Valid Sub-Sea I/C Offtake Nomination, (as the case may be) in accordance with this Section 1.2.3(e) shall be rejected.

- (f) The Transporter will at any time up to 15:00 hours on D - 1 reject an Exit Nomination, a CSEP Exit Nomination and/or a Sub-Sea I/C Offtake Nomination submitted within the Nomination Period that has not

previously become a Valid Exit Nomination, Valid Sub-Sea I/C Offtake Nomination or Valid CSEP Exit Nomination (as the case may be) was not submitted in accordance with Section 1.2.1 and 1.2.3.

1.2.4 Renominations (including IBP Renominations)

- (a) A Shipper may, consistent with the terms of this Code and/or any relevant Connected System Agreement and/or any Ancillary Agreement, submit a Renomination which may be a request to amend the Nominated Quantity specified in any previous Valid Nomination or Valid Renomination by making a Renomination,
- (b) A Shipper may only make a Renomination (including with respect to the IBP during the Renomination Period.
- (c) The Transporter shall, subject to and in accordance with this Code accept Renominations, properly submitted in accordance with this Code;
- (d) Except as otherwise specified in this Code, a Valid Renomination shall supersede a previous Valid Nomination or a previous Valid Renomination that has been made by the Shipper with respect to the same Entry Point, the same LDM Offtake or with respect to DM Offtakes or for onward delivery to NDM Supply Points, or with respect to the same Connected System Exit Point, [*or with respect to the VIP as the case may be*];
- (e) A Renomination shall specify the information set out in Schedule 2 Part 3 required to be submitted for Nominations in accordance with Section 1.2.2(a), 1.2.3(a), 1.2.5(b) or 1.2.5(c), as the case may be, including the following:
 - (i) the previous Valid Nomination or Valid Renomination which the Renomination is intended to supersede (if any);
 - (ii) in respect of a Renomination(s) in respect of an LDM Offtake the time at which the Shipper expects the Renomination to become effective (such expected time to be reflected in the hourly offtake profile in connection with such Renomination), subject to Section 1.9;
 - (iii) the Renominated Quantity (in kWh); and
 - (iv) the applicable Shipper ID of the Shipper making the Renomination.
- (f) The Transporter shall reject a Renomination that:
 - (i) was not submitted in accordance with Section 1.2.1 or Section 1.2.4(e);

- (ii) in the case of an IBP Renomination, does not match with an equal and opposite IBP Nomination or IBP Renomination, as appropriate, within one (1) hour of the time it is submitted;
- (iii) in the case of a LDM Offtake or the Sub-Sea I/C Offtake, it results in an Implied Nomination Flow Rate which is greater than the MHQ at such LDM Offtake or MHQ at the Sub-Sea I/C Offtake (as the case may be);
- (iv) in the case of a Multiple Shipper LDM Offtake or the Sub-Sea I/C Offtake, the Implied Nomination Flow Rate of the Renomination as submitted, in conjunction with the Implied Nomination Flow Rate in respect of all Valid Nominations or Valid Renominations at such LDM Offtake or at the Sub-Sea I/C Offtake would result in an Implied Nomination Flow Rate which is greater than the MHQ at the LDM Offtake or the MHQ at the Sub-Sea I/C Offtake (as the case may be);
- (v) it specifies an hourly offtake profile for the LDM Offtake which exceeds, in respect of one (1) or more hours, the MHQ at such LDM Offtake;
- (vi) in respect of a Multiple Shipper LDM Offtake the Renomination specifies an hourly offtake profile which when aggregated with the hourly offtake profiles in the Valid Nominations, Valid Renominations and Renominations submitted in respect of that LDM Offtake exceeds, in respect of one (1) or more hours, the MHQ at the LDM Offtake;
- (vii) was not submitted within the applicable Renomination Period;
- (viii) results in a Negative INFR;
- (ix) in the case of a CSEP Exit Renomination:
 - (1) such Renomination would when aggregated with all other Valid CSEP Exit Nominations and Valid CSEP Exit Renominations at the CSEP exceed the CSEP Nominations Limit or the Aggregate Available Interruptible Nomination Limit (as the case may be); or
 - (2) such Renomination is in excess of the Shipper's Available Interruptible Exit Nomination Quantity (where applicable);
- (x) In the case of a Sub-Sea I/C Offtake Renomination such Renomination is in respect of a Nominated Quantity which is in excess of the IP Nominated Quantity of the Shipper's Valid IP Entry Nomination at the Moffat IP Entry Point;

- (xi) *[in the case of a VIP Injection Renomination:*
- (1) *such Renomination exceeds the Shipper's Available I/C Inventory Space in respect of the Day;*
 - (2) *such Renominated Quantity would be greater than the Quantity specified in a IP Entry Nomination at the in respect of the Day;*
 - (3) *such Renomination was submitted after the Renomination End Time; or*
 - (4) *the Shipper has a Valid VIP Withdrawal Nomination (or Valid VIP Withdrawal Renomination) which specifies a Nominated Quantity other than zero) in respect of the Day.;*
- (xii) *in the case of a VIP Withdrawal Renomination:*
- (1) *such Renomination exceeds the Shipper's Projected VIP Utilisation in respect of the Day;*
 - (2) *such Renomination was submitted before the Renomination Start Time or after the Renomination End Time; and*
 - (3) *the Shipper has a Valid VIP Injection Nomination (or Valid VIP Injection Renomination) which specifies a Nominated Quantity other than zero) in respect of the Day;]*
- (g) The Transporter may (notwithstanding that such Renomination has not been rejected pursuant to Section 1.2.4(f)) reject a Renomination for any of the following reasons:
- (i) where subject to Section 1.2.4(i) the Renomination specifies a Nominated Quantity (in kWh) in excess of such Shipper's relevant Active Capacity, Aggregate Primary DM Exit Capacity or Aggregate Primary NDM Exit Capacity on the Day;
 - (ii) where there are difficulties due to the profiling of Natural Gas into the Transportation System at an Entry Point such that, on a Day in respect of which the Renomination is submitted, the hourly gas flows into the Transportation System differ from the EODQ divided by twenty four (24) during the early hours of the Day such that the Transporter's ability to accept such Renominations is adversely affected;
 - (iii) where there are difficulties due to the profiling of Natural Gas from the Transportation System at Offtake Points such that on a Day in respect of which the Renomination is submitted, the hourly Gas flows out of the Transportation System differ from the EODQ divided by twenty four (24) during the early hours of the Day and

the Transporter's ability to accept Renominations is adversely affected;

- (iv) where the Renomination is made in respect of an Entry Point and which results in a Negative INFR;
 - (v) where the Renomination is made in respect of a Bi-Directional CSP where the Renomination may result in a change in direction of physical flow at the Bi-Directional CSP;
 - (vi) where the Renomination is with respect to a Bi-Directional CSP and there are difficulties due to the profiling of Natural Gas from or to the Bi-Directional CSP such that the Transporter's ability to accept Renominations is adversely affected; or
 - (vii) [*where the Renomination is with respect to a VIP Injection Nomination or VIP Withdrawal Nomination or a Valid VIP Renomination and would result in a negative INFR at the VIP at the Renomination Effective Time; or*
 - (viii) *where the Renomination is with respect to a Valid VIP Injection Nomination, or a Valid VIP Withdrawal Nomination, or a Valid VIP Renomination for operational reasons.*]
- (h) The Transporter shall accept a Renomination which is not rejected in accordance with Section 1.2.4(f) or 1.2.4(g).

A Renomination which is accepted pursuant to this Section 1.2.4(h) shall become a valid Entry Renomination (“**Valid Entry Renomination**”) or a valid Exit Renomination (“**Valid Exit Renomination**”), a valid CSEP Exit Renomination (“**Valid CSEP Exit Renomination**”), [*a valid VIP Renomination (“**Valid VIP Renomination**”)*], a Valid Sub-Sea I/C Offtake Nomination (“**Valid Sub-Sea I/C Offtake Renomination**”) as the case may be. A Renomination which is not accepted pursuant to this Section 1.2.4(h) shall be rejected.

- (i) Where a Shipper has submitted a Renomination in accordance with Section 1.2.4 which specifies a Renominated Quantity in excess of such Shipper's Active Capacity, Aggregate Primary DM Exit Capacity or Aggregate Primary NDM Exit Capacity (as the case may be):
 - (i) the Transporter shall be entitled to determine that such Renomination is not acceptable and accordingly reject the Renomination; or
 - (ii) if within two hours of the Transporter receiving the Renomination:

- (1) the Transporter has not notified the Shipper of its determination, the Renomination shall be deemed to have been accepted [] by the Transporter; or
 - (2) the Transporter notifies the Shipper that the Renomination has not been rejected on the basis that it specifies a Renominated Quantity in excess of the Shipper's Active Capacity, Aggregate Primary DM Exit Capacity or Aggregate Primary NDM Exit Capacity (as the case may be), then, subject to the Transporter's subsequent right of revocation pursuant to Section 1.6.1, the Renomination may be accepted by the Transporter in accordance with Section 1.2.4(h).
- (j) Where the Transporter has not accepted a Renomination which has been submitted by a Shipper in accordance with this Section 1.2.4 within two (2) hours after the hour which commences following receipt of the Renomination by:
- (i) the Renomination (other than a CSEP Exit Renomination) shall be deemed to be accepted by the Transporter in accordance with Section 1.2.4(h); and
 - (ii) the CSEP Exit Renomination (as the case may be) shall be deemed to be rejected.
- (k) Where the Transporter rejects a Renomination, the prevailing Valid Nomination or Valid Renomination shall remain in place.

1.2.5 IBP Nominations

- (a) Subject to Section 1.2.5A in respect of IBP Nominations for Market Balancing Transactions a Shipper may submit an IBP Nomination(s) in respect of a Day at any time within the applicable Nomination Period in accordance with this Section 1.2.5.
- (b) An IBP Buy Nomination shall specify the information necessary to enable the Transporter to process the IBP Nomination as set out in Schedule 2 Part 4 including the following:
 - (i) the Day in respect of which the IBP Buy Nomination is being made;
 - (ii) the Nominated Quantity (in kWh);
 - (iii) details of the matching IBP Sell Nomination, including the identity and contact details of the counter-party Shipper; and
 - (iv) the Shipper ID of the Shipper making the IBP Buy Nomination.

- (c) An IBP Sell Nomination shall specify the information necessary to enable the Transporter to process the IBP Sell Nomination as set out in Schedule 2 Part 5 including the following:
 - (i) the Day in respect of which the IBP Sell Nomination is being made;
 - (ii) the Nominated Quantity (in kWh);
 - (iii) details of the matching IBP Buy Nomination, including the identity and contact details of the counter-party Shipper; and
 - (iv) the Shipper, ID of the Shipper making the IBP Sell Nomination.
- (d) The Transporter shall accept an IBP Nomination received at any time within the Nomination Period where such IBP Nomination:
 - (i) has been submitted in accordance with Section 1.2.1 and Sections 1.2.5(a) and 1.2.5(b) and/or 1.2.5(c) (as appropriate);
 - (ii) is matched with an equal and opposite IBP Buy Nomination or IBP Sell Nomination, as appropriate, within one (1) hour of the time it was submitted and within the Nomination Period; and
 - (iii) is not required to be rejected by the Transporter in accordance with Section 1.2.5(e).
- (e) The Transporter shall reject an IBP Nomination:
 - (i) which is not submitted in accordance with Sections 1.2.5(a), 1.2.5(b) and/or 1.2.5(c);
 - (ii) which does not match with an equal and opposite IBP Nomination within one (1) hour of the time it is submitted and in any event within the Nomination Period;
 - (iii) which is not submitted within the Nomination Period.

1.2.5A IBP Nominations for Market Balancing Transactions

- (a) where the Transporter and a Shipper agree a Market Balancing Transaction pursuant to a TPTA the Transporter shall notify the Shipper of:
 - (i) the Shipper ID of the Shipper (the “**Counterparty Trading Shipper**”) with which the Market Balancing Transaction has been concluded;
 - (ii) whether the Market Balancing Transaction is an IBP Balancing Trade, a Locational Balancing Trade or a Temporal Balancing Trade (as the case may be) and where the Transporter does not so

specify the Market Balancing Transaction shall be an IBP Balancing Trade;

- (iii) the price at which the Market Balancing Transaction has been concluded (in pence/therm);
- (iv) the quantity (in Ktherm) of Natural Gas the subject matter of the Market Balancing Transaction;
- (v) the quantity referred to in (iv) expressed in kWh of Natural Gas the subject matter of the Market Balancing Transaction; and
- (vi) the Market Balancing Transaction reference number;

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

$K = 29307.1 \times T$ rounded to the nearest kilowatt hour, an exact half being rounded upwards where “**K**” is the quantity expressed in kilowatt hours and “**T**” is the quantity expressed in Therms.

- (b) the Counterparty Trading Shipper shall within one (1) hour of receipt of notification pursuant to Section 1.2.5A (a) above confirm to the Transporter:
 - (i) that the information notified is correct; and/or
 - (ii) that the information notified is not correct in which case the Shipper shall notify to the Transporter the corrected information;

If the Transporter accepts that the corrected information notified by the Shipper is accurate the Transporter shall notify the Shipper accordingly.

- (c) where the Shipper confirms to the Transporter that the information notified by the Transporter pursuant to paragraph (a) is correct or where the Transporter accepts that the corrected information notified by the Counterparty Trading Shipper pursuant to (b) above is accurate then the Transporter shall and is hereby authorised by the Counterparty Trading Shipper to submit and/or generate IBP Nominations on behalf of both the Counterparty Trading Shipper and on behalf of the Transporter to secure that the relevant IBP Buy Nomination and IBP Sell Nomination are matched and become Valid IBP Nominations in accordance with Section 1.2.5;
- (d) where the Transporter does not accept that corrected information is accurate then the Transporter shall not generate IBP Nominations in accordance with Section 1.2.5A(c);

- (e) where the Transporter undertakes a Market Balancing Transaction under a Trading Platform Transactions Agreement, without prejudice to paragraph (c) the Counterparty Trading Shipper shall submit all relevant Nominations (or IP Nominations) under this Code in order to give effect to the Market Balancing Transaction in accordance with this Code including without limitation to Shippers obligations under Part E (*Balancing and Shrinkage*) Section 1.1;

1.2.6 [VIP Nominations]

- (a) *A Shipper shall be required to be Registered Shipper at the Moffat IP Entry Point and to be a VIP Shipper in order to submit VIP Nominations;*
- (b) *Each VIP Shipper shall submit accurate information with respect to VIP Nominations;*
- (c) *Notwithstanding 1.2.6(a) a Shipper which is a Registered Shipper at the Moffat IP Entry Point pursuant to a Shipper ID S/N may not be a VIP Shipper however, for the avoidance of doubt where a Shipper holds multiple Shipper IDs a Shipper may be a VIP Shipper pursuant to an alternate ID (other than Shipper ID S/N).*

1.2.7 VIP Nominations Process

- (a) *A VIP Shipper may make a VIP Nomination where:*
 - (i) *in the case of a VIP Injection Nomination, the Nominated Quantity does not exceed the Shipper's Available I/C Inventory Space and the Shipper has submitted a Moffat IP Entry Nomination in respect of the Day which is at least equal to the Nominated Quantity specified in the VIP Injection Nomination; and*
 - (ii) *in the case of a VIP Withdrawal Nomination, the Shipper's VIP Utilisation in respect of the Day is at least equal to the Nominated Quantity specified in the VIP Withdrawal Nomination.*
- (b) *A VIP Injection Nomination shall specify the information necessary to enable the Transporter to process the VIP Injection Nomination as set out in Schedule 2 Part 6 including the following:*
 - (i) *the Day in respect of which the VIP Injection Nomination is made;*
 - (ii) *the Nominated Quantity (in kWh); and*
 - (iii) *the identity of the Shipper making the VIP Injection Nomination.*

- (c) *A VIP Withdrawal Nomination shall specify the information necessary to enable the Transporter to process the VIP Withdrawal Nomination as set out in Schedule 2 Part 7 including the following:*
- (i) *the Day in respect of which the VIP Withdrawal Nomination is made;*
 - (ii) *the Nominated Quantity (in kWh); and*
 - (iii) *the identity of the Shipper making the VIP Withdrawal Nomination.*
- (d) *The Transporter shall accept a VIP Nomination received at any time after the VIP Nomination Start Time and before the VIP Nomination End Time where such VIP Nomination:*
- (i) *has been submitted in accordance with Section 1.2.6 and Sections 1.2.7(a), 1.2.7(b) and 1.2.7(c) (as appropriate);*
 - (ii) *is a VIP Injection Nomination and specifies a Nominated Quantity which does not exceed the Shipper's Valid Entry Nomination at the Moffat Entry Point in respect of the Day; or*
 - (iii) *is a VIP Withdrawal Nomination which specifies a Nominated Quantity which does not exceed the Shipper's VIP Utilisation in respect of the Day; and*
 - (iv) *is not required to be rejected by the Transporter in accordance with Section 1.2.7(e).*
- (e) *The Transporter shall reject a VIP Nomination:*
- (i) *which is not submitted in accordance with Sections 1.2.6 and 1.2.7(a), 1.2.7(b) and 1.2.7(c) as appropriate;*
 - (ii) *where the VIP Nomination is a:*
 - (1) *VIP Injection Nomination,*
 - (A) *which specifies a Nominated Quantity in excess of such Shipper's Available I/C Inventory Space; or*
 - (B) *specifies a Nominated Quantity in excess of such Shipper's Valid Entry Nomination at the Moffat Entry Point in respect of the Day; or*
 - (C) *the Shipper has a Valid VIP Withdrawal Nomination in respect of that Day;*
 - (2) *VIP Withdrawal Nomination:*

(A) which specifies a Nominated Quantity in excess of such Shipper's Projected VIP Utilisation in respect of the Day; or

(B) the Shipper has a Valid VIP Injection Nomination in respect of that Day;

(iii) for operational reasons.]

1.3 **IP Nomination Process**

1.3.1 A Shipper shall be a Registered Shipper at the applicable IP Entry Point, IP CSEP Offtake, IP VEntry or IP VExit as applicable at an IP in order to have the right to submit a relevant IP Nomination(s) at that IP PROVIDED ALWAYS that where a Shipper is a JBP User the Shipper may submit relevant IP Nominations at an IP in anticipation that the Shipper shall become a Registered Shipper in respect of the Day. The IP Nomination shall be treated as a IP Nomination in excess of Active IP Capacity and if the Shipper fails to book or acquire requisite IP Capacity or sufficient requisite IP Capacity (as the case may be) the relevant IP Allocation shall (save in respect of an IP VEntry Allocation or an IP VExit Allocation) be treated as an IP Overrun (in whole or in part).

The acceptance by the Transporter of the Shipper's IP Nomination or IP Renomination shall not be or be treated as a representation or warranty that the Shipper's application for IP Capacity in respect of the Day can or will be accepted (in whole or in part).

1.3.2 IP Nominations and IP Renominations may be submitted:

- (a) within the applicable IP Nomination Period, in the case of IP Nomination(s);
- (b) within the IP Renomination Period in the case of IP Renomination(s).

1.3.3 The Transporter shall, in the IP Nominations Cycle commencing at each IP Nomination Deadline, submit to Matching each IP Nomination and each IP Renomination properly submitted prior to the applicable IP Nomination Deadline and which is not otherwise rejected in accordance with this Code.

1.3.4 The Transporter shall in or pursuant to the Interconnection Agreement in respect of each IP establish and adopt or procure the establishment and adoption in conjunction with the Adjacent TSO at the applicable IP (and may revise and vary from time to time) of a procedure (the "**IP Matching Procedure**") for:

- (a) identifying the Corresponding IS Nomination (if any) in respect of each IP Nomination and/or IP Renomination;

- (b) comparing the IP Nomination Processed Quantities of each IP Nomination and each IP Renomination with the processed quantity determined by the Adjacent TSO in respect of the Corresponding IS Nomination; and
- (c) the determination of IP Nomination Confirmed Quantities in respect of each IP Nomination or IP Renomination (as the case may be).

1.3.5 Each Shipper shall submit accurate information with respect to IP Nominations and IP Renominations.

1.4 **IP Nominations and IP Renominations**

1.4.1 Each IP Nomination and each IP Renomination submitted by a Shipper at an IP shall specify the information necessary to enable the Transporter to process the IP Nomination or IP Renomination and to facilitate the IP Matching Procedure (as the case may be) as set out in Schedule 1 Part 8 including the following:

- (a) the identity of the IP;
- (b) whether the IP Nomination or IP Renomination is Single Sided or Double Sided;
- (c) the direction of gas flow;
- (d) the IP Nominated Quantity or the IP Renominated Quantity (in kWh/d);
- (e) the EIC of the Shipper making the IP Nomination;
- (f) the identity of the Counterparty IP Shipper including balancing portfolio (if any) identification of such Counterparty IP Shipper where applicable and where the IP Nomination is a Single Sided Nomination the Counterparty IP Shipper shall be the Shipper;
- (g) the Day in respect of which the IP Nomination or IP Renomination is submitted; and
- (h) in respect an IP Renomination the requested Effective Flow Rate Time (which shall be two hours after the IP Nomination Deadline which occurs on the hour after submission of the IP Nomination or the IP Renomination (as applicable)).

1.4.2 Where the Transporter receives more than one IP Nomination or IP Renomination at the same IP from the same Shipper and in respect of the same Counterparty Shipper, direction and Day prior to any IP Nomination Deadline the Transporter shall only process the last such IP Nomination or IP Renomination received before the applicable IP Nomination Deadline.

- 1.4.3 Except as otherwise provided in this Code an IP Nomination Confirmed Quantity notified following the submission of an IP Renomination shall supercede the IP Nomination Confirmed Quantity in a previous IP Nomination or IP Renomination (if any) that has been made by the Shipper with respect to the same IP for the same Day, direction and the same Counterparty IP Shipper.
- 1.4.4 Each IP Nomination and each IP Renomination shall (unless otherwise rejected) be submitted to Matching within the IP Nomination Cycle or the IP Renomination Cycle which commences at the IP Nomination Deadline which occurs following receipt of the IP Nomination.
- 1.4.5 The Transporter shall reject an IP Nomination or an IP Renomination which:
- (a) has not been submitted in accordance with Section 1.4.1;
 - (b) which is not received within the applicable IP Nomination Period, or IP Renomination Period as the case may be;
 - (c) is an IP Renomination and is not received within the IP Renomination Period; or
 - (d) has not been submitted by a Shipper which is a JBP User at the IP Entry, IP CSEP, IP VEntry or IP VExit in respect of which the IP Nomination or IP Renomination has been submitted; or
 - (e) in the case of an IP Renomination acceptance of such IP Renomination would result in a Negative INFR;
- 1.4.6 The Transporter may reject an IP Nomination or an IP Renomination where:
- (a) the IP Nominated Quantity or IP Renominated Quantity in aggregate with the IP Nominated Quantity(ies) or IP Renomination Quantity(ies) in all other IP Nominations and IP Renominations at the same IP and in the same direction submitted by that Shipper exceeds the Shipper's applicable Active IP Capacity;
 - (b) Not Used;
 - (c) it is not submitted by a Registered Shipper at the IP Entry Point, IP CSEP Offtake, the IP VEntry or IP VExit to which the IP Renomination relates;
 - (d) the IP Nomination or IP Renomination is in respect of the South North IP CSEP and the IP Nominated Quantity in aggregate with all other IP Confirmed Nomination Quantities or IP Nominated Quantities at the IP CSEP is greater than the quantity scheduled to physically flow into the Transportation System at the Moffat IP Entry Point on that Day;
 - (e) there are difficulties due to the profiling of Natural Gas at the Interconnection Point such that on a Day in respect of which the IP

Renomination is submitted the hourly gas flows at the Interconnection Point differ from the required physical flow at the Interconnection Point divided by 24 during the early hours of the Day such that the Transporter's ability to accept such IP Renomination is affected;

- (f) the Shipper is or would otherwise be in breach of this Code.

1.4.7 The Transporter

- (a) shall in respect of each IP Nomination and each IP Renomination submitted and which is not otherwise rejected determine a quantity (the "**IP Nomination Processed Quantity**") (which shall not be more than the applicable IP Nominated Quantity) for the purpose of the relevant IP Nomination or IP Renomination and which IP Nomination Processed Quantity shall:
 - (i) subject to (ii) below and (iii) below be the IP Nominated Quantity as specified in the applicable IP Nomination; or:
 - (ii) where an Exceptional Event occurs such other quantity as the Transporter [determines in accordance with Section 1.4.12 or otherwise in accordance with this Code;
 - (iii) where there is an Interruption at the IP VEntry or at the IP VExit and/or an IP VEntry Capacity Interruption Notice or an IP VExit Capacity Interruption Notice is issued in respect of a Day or where the Transporter receives from an Adjacent TSO notice of an interruption affecting an Interconnected System and an Interconnection Point in respect of a Day such other quantity as the Transporter determines in accordance with Section 1.4.13 or otherwise in accordance with this Code.
- (b) without prejudice to Section 1.4.13 shall not submit to Matching an IP Nomination which is rejected and neither an IP Nomination Processed Quantity nor an IP Nomination Confirmed Quantity will be determined with respect to a rejected IP Nomination;
- (c) without prejudice to Section 1.4.13 shall not develop an IP Nomination Processed Quantity in respect of it an IP Renomination which is rejected and a rejected IP Renomination shall not be submitted to Matching and the Shipper's prevailing IP Nomination Confirmed Quantity (if any) shall remain.

1.4.8 Where the Transporter is the Initiating TSO at an IP the Transporter shall within the applicable IP Nomination Cycle or IP Renomination Cycle and in accordance with the applicable IP Matching Procedure:

- (i) forward each Single Sided IP Nomination and each Single Sided IP Renomination (as the case may be) to the Matching TSO;

- (ii) determine the IP Nomination Processed Quantity in accordance with Section 1.4.7 and notify the IP Nomination Processed Quantity in respect of each Single Sided IP Nomination, each Single Sided IP Renomination each Double Sided IP Nomination and each Double Sided IP Renomination to the Matching TSO;
- (iii) receive the IP Nomination Confirmed Quantity in respect of each IP Nomination and IP Renomination submitted to Matching in the relevant IP Nomination Cycle or IP Renomination Cycle (as applicable); and
- (iv) notify the IP Nomination Confirmed Quantity in respect of each IP Nomination and each IP Renomination to the relevant Shipper.

1.4.9 Where the Transporter is the Matching TSO at the IP the Transporter shall within the applicable IP Nomination Cycle or IP Renomination Cycle and in accordance with the applicable IP Matching Procedure:

- (i) receive Single Sided IP Nominations and Single Sided IP Renominations from the Initiating TSO;
- (ii) receive processed nomination quantities in respect of a Single Sided Nominations and Double Sided Nominations from the Initiating TSO;
- (iii) develop an IP Nomination Processed Quantity in respect of each Double Sided IP Nomination, each Double Sided IP Renominations and each Single Sided IP Nomination and Single Sided IP Renomination which it receives (including Single Sided Nominations notified by the Adjacent TSO in accordance with the Matching Procedure);
- (iv) undertake Matching in accordance with the applicable IP Matching Procedure;
- (v) notify an IP Nomination Confirmed Quantity to the relevant Shipper not later than the end of the applicable IP Nomination Cycle or IP Renomination Cycle in accordance with the IP Matching Procedure in respect of:
 - (1) each Double Sided IP Nomination and/or Double Sided IP Renomination which has been submitted to and processed by the Transporter; and
 - (2) each Single Sided IP Nomination and/or Single Sided IP Renomination which has been notified to the Transporter on behalf of the Shipper by the Initiating TSO; and

- (vi) notify the IP Nomination Confirmed Quantities in respect of each Counterparty IP Shipper specified in each Corresponding IS Nomination in accordance with the IP Matching Procedure.

1.4.10 Each Shipper acknowledges that each IP Nomination Confirmed Quantity shall be determined in accordance with the applicable IP Matching Procedure at the IP and that the IP Nomination Confirmed Quantity may not reflect the IP Nominated Quantity and/or the IP Nomination Processed Quantity (as the case may be).

1.4.11 Where:

- (a) the Transporter does not notify the Shipper of the applicable IP Nomination Confirmed Quantity by the end of the applicable IP Nomination Cycle or IP Renomination Cycle the IP Nomination or IP Renomination shall be deemed rejected;
- (b) an IP Nomination is rejected the Shipper shall not have an IP Nomination Confirmed Quantity;
- (c) an IP Renomination is rejected the Shipper's prevailing IP Nomination Confirmed Quantity (if any) shall subsist.

1.4.12 Where in respect of a Day:

- (a) an Exceptional Event has occurred in respect of the Transportation System or any localised part thereof which affects an Interconnection Point; or
- (b) the Transporter has been notified of an exceptional event (as that term is defined in the Interconnected System Transportation Arrangements) affecting the Interconnected System; or
- (c) in respect of the Moffat Interconnection Point the Transporter has been notified of a gas deficit emergency (as defined in the Moffat Interconnection Agreement) in respect of the NGG System;

then the Transporter may within the then Matching Cycle or prior to the commencement of next Matching Cycle generate and submit to Matching an IP Nomination Processed Quantity on behalf of each Shipper at the IP which has submitted an IP Renomination or which has a prevailing IP Nomination Confirmed Quantity (notwithstanding that such Shipper may not have submitted an IP Nomination in or for the relevant Matching Cycle) and such IP Nomination Processed Quantity shall be calculated in accordance with Part H (*Operations*) Section 2.1.6.:

1.4.13 Where in respect of a Day:

- (a) Interruption applies at an IP VEntry or at an IP VExit as determined in accordance with Section 1.4.14 and irrespective of whether or not an IP

VEntry Capacity Interruption Notice and/or an IP VExit Capacity Interruption Notice has been issued by the Transporter in respect of the IP VEntry and/or the IP VExit (as the case may be); or

- (b) the Transporter is notified of an interruption affecting an Interconnected System

within the then Matching Cycle or in the next applicable Matching Cycle a revised IP Nomination Processed Quantity and a revised IP Nomination Confirmed Quantity may be generated on behalf of each Shipper at the IP VEntry and/or the IP VExit at the affected Interconnection Point at which the Interruption applies or in respect of which the Transporter has received notice of interruption from the Adjacent TSO. An IP Nomination Processed Quantity and an IP Nomination Confirmed Quantity may be generated in respect of a Shipper which has a prevailing IP Nomination Confirmed Quantity (notwithstanding that such Shipper may not have submitted an IP Nomination prior to the applicable Nomination Deadline); and

- (i) where an Interruption applies at an IP VEntry and/or at an IP VExit orf where an IP VEntry Capacity Interruption Notice and/or IP VExit Capacity Interruption Notice has issued the IP Nomination Processed Quantity in respect of each Shipper at the IP VEntry or the IP VExit (as the case may be) shall be calculated in accordance with Section 1.4.14;
- (ii) where the interruption has been notified by the Adjacent TSO as affecting the Interconnected System the IP Nomination Processed Quantity shall reflect the Shipper's prevailing IP Nomination Processed Quantity or prevailing IP Nomination Confirmed Quantity (as the case may be); and

in each case the Shipper will be notified of a revised IP Nomination Confirmed Quantity determined in accordance with the IP Matching Procedure, such that the Effective Flow Rate Time of the revised IP Nomination Confirmed Quantity shall not be later than the time at which the applicable Interruption (or interruption) is scheduled to be effective.

1.4.14 The decision as to whether Interruption is necessary at an IP VEntry and/or an IP VExit shall be made as follows:

- (a) Where the Matching Cycle is in respect of IP Nominations with an Effective Flow Rate Time of not later than 05:00 on Day D the assessment of whether Interruption at the IP VEntry and/or the IP VExit is necessary shall be as follows:

If:

- 1) $AGGcq \geq AGGpcq$

at the Interconnection Point, the IP VEntry or the IP VExit (as the case may be) shall not be Interrupted in such Matching Cycle.

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

at the Interconnection Point

then:

- (i) the IP VEntry or the IP VExit as the case may be shall be Interrupted; and
- (ii) the IP Nomination Processed Quantities submitted by the Transporter during the applicable Matching Cycle and IP Nomination Confirmed Quantities which would otherwise be determined by reference to them and each prevailing IP Nomination Confirmed Quantity at the IP VEntry or the IP VExit as the case may be, shall be recalculated in accordance with (iii) below; and
- (iii) where IP Nomination Processed Quantities and IP Nomination Confirmed Quantities are to be calculated or recalculated pursuant to Section 1.14.4(a)(ii) above each Shipper's IP Nomination Processed Quantity including in respect of Shippers which have a prevailing IP Nomination Confirmed Quantity, but had not submitted a relevant IP Renomination prior to the relevant Nomination Deadline and (subject to and without prejudice to the Matching Process) at the IP VExit or at the IP VEntry as the case may be shall be calculated as follows:

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

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

and

- (iv) revised IP Nomination Confirmed Quantities shall be notified as such to Shippers and Shippers shall be notified of the Interruption and
- (b) At each Interconnection Point and for each Matching Cycle in a Day in respect of IP Nominations with an Effective Flow Rate Time which commences after 05:00 on the Day, the assessment of whether Interruption is necessary at the IP VEntry and/or at the IP VExit (and separately in respect of each) shall be as follows:

If

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

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

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

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

(1) at the Interconnection Point then the IP VEntry or IP VExit as the case may be shall be Interrupted; and

(2) each Shipper's IP Nomination Processed Quantity submitted in the Matching Cycle, (and IP Nomination Confirmed Quantities which would otherwise be developed from them) at the IP VEntry and at the IP VExit and/or the prevailing IP Nomination Confirmed Quantity (of each Shipper which has not submitted an IP Renomination at the IP VEntry or at the IP VExit at the applicable Nomination Deadline) shall be recalculated in accordance with paragraph (c) below

(c) the Shippers revised IP Processed Nomination Quantities and IP Nomination Confirmed Quantities at the IP VEntry or at the IP VExit (as the case may be) shall be calculated as the sum of:

(i) the Shipper's Deemed Flow at the IP VEntry or at the IP VExit (as the case may be) being the amount of the sum of the Shipper's INFR for each hour of the Day up to the end of the applicable Matching Cycle; plus

(ii) a quantity (if any) calculated as follows:

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

Where:URTBs = in respect of a Shipper that Shipper's prevailing IP Nomination Confirmed Quantity (which for the avoidance of doubt means the prevailing IP Nomination Confirmed Quantity immediately prior to the applicable Matching Cycle) at the IP VEntry or at the IP VExit (as the case may be) less the Shipper's Deemed Flow or where the Shipper does not have a prevailing IP Nomination Confirmed Quantity the IP Nomination Processed Quantity as calculated

within the applicable Matching Cycle;

AGG URTBs = is the aggregate of all individual Shipper's URTBs.

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

Flow = the aggregate of the Deemed Flow of all Shippers at the applicable IP VEntry or IP VExit. and

(d) Revised IP Nomination Confirmed Quantity(ies) shall be notified to Shippers and Shippers shall be notified of the Interruption.

(e) For the purpose of (a), (b) and (c) above and in respect of each Matching Cycle:

PQs = the IP Nomination Processed Quantity for the Shipper at the IP VEntry or at the IP VExit at the Interconnection Point (as the case may be)

AGGcq = the sum of all prevailing IP Confirmed Nomination Quantities at the IP Entry Point or the IP CSEP (following preliminary Matching during the applicable Matching Cycle) at the same Interconnection Point as the case may be; and

AGGpcq = means the sum of all prevailing IP Nomination Confirmed Quantities of all Shippers as adjusted to take account of any provisional IP Nomination Confirmed Quantities at the IP VEntry or at the IP VExit at the Interconnection Point as the case may be.

CQs = the individual Shippers (a) IP Nominated Quantity in the IP Nomination submitted by the Shipper at the IP VEntry or at the IP VExit prior to the applicable Nomination Deadline (b) prevailing IP Nomination Confirmed Quantity for the Shipper at the IP VEntry or at the IP VExit where the Shipper has not submitted a relevant IP Nomination which would otherwise be submitted for Matching in the applicable Matching Cycle.

M_Q = Metered Quantity at the IP at the commencement of the Matching Cycle.

PDQ = the quantity projected to be delivered at the Interconnection Point between the start of the Matching Cycle and the end of the Matching Cycle.

1.5 Calculation of the Implied Nomination Flow Rate

1.5.1 The Implied Nomination Flow Rate shall be calculated as follows:

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

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

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

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

where in respect of Section 1.5.1:

INFR = the Implied Nomination Flow Rate;

NQ = the Nominated Quantity in respect of a Day;

RQ = the undelivered part of the Renominated Quantity at the Flow Rate Effective Time, being the Renominated Quantity less the quantity deemed to have been delivered to or offtaken from the Transportation System at any time prior to the Renomination Effective Time which quantity shall be:

- (i) in respect of a LDM Offtake or the Sub-Sea I/C Offtake that quantity metered as offtaken at such LDM Offtake or at the Sub-Sea I/C Offtake (as the case may be) at the time of receipt by the Transporter of the Renomination plus the quantity anticipated to be offtaken by reference to the hourly offtake profile of the prevailing Valid Nomination or Valid Renomination between the time of submission of the Renomination and the Renomination Effective Time or, where the quantity metered as offtaken at such LDM Offtake or at the Sub-Sea I/C Offtake (as the case may be) is not available the quantity calculated by reference to the hourly offtake profile of the

prevailing Valid Nomination or the prevailing Valid Renomination up to the applicable Effective Flow Rate Time; and

(ii) in respect of an Entry Point, an IP Entry Point the IP CSEP, the IP VEntry, the IP VExit, DM Offtakes, a CSEP, [*the VIP*] or for onward transportation to NDM Supply Points that quantity calculated by reference to the applicable INFR of the prevailing Valid Nomination or IP Nomination Confirmed Quantity or Valid Renomination or IP Renomination Confirmed Quantity immediately prior to the applicable Effective Flow Rate Time; and

T = the period of time (measured in hours) from the point in time when the Renomination would become effective until the end of the Day.

An Implied Nomination Flow Rate shall be negative (a "**Negative Implied Nomination Flow Rate**" or "**Negative INFR**") if the result of any calculation at (b) above is such that RQ is a negative number.

1.6 Revocation of Valid Nominations and Valid IP Nominations

1.6.1 The Transporter shall be entitled to revoke or limit any Valid Nomination or Valid Renomination, any Valid IP Nomination or Valid IP Renomination in accordance with Section 1.6.2 where:

- (a) the Nominated Quantity or Renominated Quantity specified in a Shipper's Valid Nomination or Valid Renomination or the IP Nomination Confirmed Quantity in respect of a Shipper's IP Nomination or IP Renomination, as the case may be, is in excess of such Shipper's Active Capacity, Active IP Capacity, Aggregate Primary DM Exit Capacity or Aggregate Primary NDM Exit Capacity or Sub-Sea Offtake Capacity (as the case may be) or is in breach of any applicable requirement of this Code; and
- (b) it considers such revocation of a Shipper's Valid Nomination or Valid Renomination, IP Nomination Confirmed Quantity or IP Renomination Confirmed Quantity to be required in order to accommodate Nominations and Renominations or IP Renominations by Shippers which specify Nominated Quantities or IP Nominated Quantities which are not in excess of their applicable Active Capacity or applicable Active IP Capacity.

The Transporters right to revoke or limit any Valid IP Nomination or Valid IP Renomination is without prejudice to the Transporter's right to redetermine a

Shipper's IP Nomination Processed Quantity and/or IP Nomination Confirmed Quantity in accordance with Section 1.4.12 or Section 1.4.13.

1.6.2 Where the Transporter proposes to exercise its right to revoke or limit a Valid Nomination or Valid Renomination or Valid IP Nomination or IP Nomination Confirmed Quantity pursuant to Section 1.6.1, then:

- (a) the Transporter shall notify all relevant Shippers:
 - (i) that have prevailing Valid Nominations or Valid Renominations specifying a Nominated Quantity or Renominated Quantity in excess of their relevant Active Capacity, Aggregate Primary DM Exit Capacity and/or Aggregate Primary NDM Exit Capacity (as the case may be) or IP Nomination Confirmed Quantities or IP Renomination Confirmed Quantities in excess of their relevant Active IP Capacity; or
 - (ii) that their Nominated Quantity or Renominated Quantity or IP Nomination Confirmed Quantity or IP Renomination Confirmed Quantity as the case may be, can no longer be accommodated on the Transportation System;
- (b) within one (1) hour of receipt of such notification, the Shipper shall be required to submit a revised Nomination(s) or Renomination(s) or IP Nomination(s) or IP Renomination(s) which specifies a Nominated Quantity(s) or IP Nominated Quantity which is not in excess of its relevant Active Capacity, Active IP Capacity, Aggregate Primary DM Exit Capacity and/or Aggregate Primary NDM Exit Capacity (as the case may be);
- (c) if the Shipper has not resubmitted its Nomination(s) or Renomination(s) or IP Nominations or IP Renominations and within the one (1) hour time period in accordance with Section 1.6.2(b) or any such Nomination, Renomination has failed to become a Valid Nomination or Valid Renomination or in the case of an IP Nomination has not been submitted to Matching and resulted in an IP Nomination Confirmed Quantity in the next available IP Renomination Cycle the Transporter shall be entitled, but not obliged, to:
 - (i) revoke the Shipper's Valid Nomination or Valid Renomination or IP Nomination Confirmed Quantity or IP Renomination Confirmed Quantity in accordance with Section 1.6.1; and
 - (ii) take whatever action it deems necessary to limit the Nominated Quantity or Renominated Quantity IP Nomination Confirmed Quantity in such Shipper's Nomination or Renomination or IP Nomination or IP Renomination, as appropriate, so that it does not exceed the Shipper's Active Capacity, Active IP Capacity,

Aggregate Primary DM Exit Capacity, Aggregate Primary NDM Exit Capacity or Sub-Sea I/C Offtake Capacity and, where such action is taken by the Transporter, the Shipper shall be deemed to have a Renominated Quantity or IP Renominated Quantity in respect of the limited Nominated Quantity or Renominated Quantity, as the case may be; and

- (d) the Transporter shall reject any subsequent Nominations or Renominations or IP Renomination made in respect of the Day by Shippers where the Nominated Quantity, Renominated Quantity or IP Renominated Quantity specified therein is in excess of such Shipper's Active Capacity, Active IP Capacity, Aggregate Primary DM Exit Capacity, Aggregate Primary NDM Exit Capacity or Sub-Sea I/C Offtake Capacity (as the case may be).

1.6.3 *[The Transporter shall be entitled to revoke or limit any Valid VIP Nomination or Valid VIP Renomination for operational reasons.*

1.6.4 *Where the Transporter proposes to exercise its right to revoke or limit Valid VIP Nominations or Valid VIP Renominations pursuant to Section 1.6.3 then the Transporter shall:*

- (a) *notify all relevant Shipper's that have prevailing Valid VIP Nominations or Valid VIP Renominations where the Transporter wishes to exercise its right to revoke or limit such Valid VIP Nominations or Valid VIP Renominations for operational reasons;*
- (b) *within one (1) hour of receipt of such notification the Shipper shall be required to submit a revised Nomination(s) or Renomination(s) to specify a Nominated Quantity as specified by the Transporter (for operational reasons);*
- (c) *if the Shipper has not resubmitted its VIP Nominations or VIP Renominations within one (1) hour time period in accordance with Section 1.5.4(b) or any such Nomination or Renomination has failed to become a Valid Nomination or Valid Renomination the Transporter shall be entitled, but not obliged, to:*
 - (i) *revoke the Shipper's Valid Nomination or Valid Renomination in accordance with Section 1.6.3; and*
 - (ii) *take whatever action it deems necessary to limit the Nominated Quantity or Renominated Quantity and such Shipper's Nomination or Renomination as appropriate as required by the Transporter for operational reasons and the Shipper shall be deemed to have a Renominated Quantity in respect of the limited Nominated Quantity or Renominated Quantity as the case may be.]*

1.6.5 Not Used.

- 1.6.6 Without prejudice to any other right or entitlement of the Transporter in accordance with this Code where the Transporter exercises its right to revoke any IP Nomination Confirmed Quantity or IP Nomination Confirmed Quantity at the IP VEntry or at the IP VExit (as the case may be) the Transporter shall be entitled, but not obliged to take whatever action it deems necessary to limit the Shippers prevailing IP Nomination Confirmed Quantity as appropriate so that it does not exceed the Shipper's Reduced Daily Interruptible IP VEntry Capacity or Reduced Daily Interruptible IP VExit Capacity (as applicable) where such action is taken by the Transporter, the Shipper shall be deemed to have a IP Renominated Quantity in respect of the limited quantity, as the case may be, but without prejudice to the liability of the Shipper's Failure to Interrupt Charge in accordance with Part H (*Operations*) Section 4.

1.7 NDM Nomination Advice

- 1.7.1 The Transporter shall use reasonable endeavours by 09:00 hours on D-1 to advise each Shipper registered as holding NDM Exit Capacity of the quantity of Natural Gas (based on the Transporter's forecast of Natural Gas consumption at NDM Supply Points for the Day) to be nominated for a Day in respect of such Shipper's NDM Supply Points by way of a NDM Exit Nomination ("**NDM Nomination Advice**").
- 1.7.2 The Transporter shall recalculate the NDM Nomination Advice to reflect the Transporter's revised forecast of Natural Gas consumption at NDM Supply Points for the Day ("**NDM Renomination Advice**").
- 1.7.3 The Transporter shall use reasonable endeavours to communicate on Day D any NDM Renomination Advice to NDM Shippers by 11:00 hours, 15:45 hours, 20:45 hours and 23.30 hours in respect of such Day.
- 1.7.4 The Transporter may issue further revisions of the NDM Nomination Advice at other additional times during the Day. The Transporter shall use reasonable endeavours to communicate such further revisions to Shippers.
- 1.7.5 The Shipper will be liable to pay Exit Scheduling Charges in accordance with Part E (*Balancing and Shrinkage*) Section 1.10.3 and the Shipper shall not be entitled to the NDM Forecast Tolerance set out in Part E (*Balancing and Shrinkage*) Section 1.7.5, where the Shipper to which the Transporter issues a NDM Nomination Advice or NDM Renomination Advice does not achieve a Valid Nomination or Valid Renomination and in respect of the quantity specified at the NDM Nomination Advice or NDM Renomination Advice by 15:00 on D-1 in the case of each NDM Nomination Advice and within two (2) hours after the issue of each NDM Renomination Advice by the Transporter to such Shipper.

Where the Transporter fails to provide a NDM Nomination Advice to a Shipper pursuant to Section 1.7.1, the Valid Nomination achieved by such Shipper by 15:00 on D-1 in respect of such NDM Supply Points shall for the purpose of

this Section 1.7.5 and Part E (*Balancing and Shrinkage*) Section 1.7.5 be deemed to comply with the relevant NDM Nomination Advice until such time as the Shipper receives a NDM Renomination Advice(s) in respect of the Day issued by the Transporter.

- 1.7.6 Where a Change of Shipper occurs at a NDM Supply Point, any NDM Renomination Advice issued on a Day shall take into account the Change of Shipper in respect of such NDM Supply Point.

1.8 Profiling

- 1.8.1 The Transporter shall be entitled to develop and make available to a Connected System Operator or Adjacent TSO offtake profile notices otherwise exit flow profiles (and shall be entitled to enter into arrangements with any Affiliate, Connected System Operator, Adjacent TSO, Shippers, Third Party Shippers, Counterparty IP Shippers or other third parties to develop and make available offtake profile notices or exit flow profiles) with respect to Natural Gas to be delivered to or offtaken at an Interconnection Point, a Bi-Directional CSP or Entry Point on a Day in accordance with this Code, including in accordance with the provisions of any relevant CSA or Interconnection Agreement or otherwise as the Transporter considers appropriate. For the avoidance of doubt the Transporter shall be entitled to provide information to any Affiliate, Adjacent TSO, Connected System Operator, Shippers, Third Party Shippers, Counterparty IP Shippers, third parties insofar as same shall be relevant to facilitate the development of such offtake profile notices. Shippers acknowledge that the quantity of Natural Gas profiled for delivery to or offtake from the Transportation System at an Interconnection Point or at a Bi-Directional CSP or to be delivered at an Entry Point may differ from the quantities nominated by Shippers for delivery or offtake (as the case may be).
- 1.8.2 Without prejudice to the general provisions of this Section 1.8, the Transporter shall use reasonable endeavours, where practicable, to provide a Within-Day offtake profile at a LDM Offtake, subject always to the provisions of this Code (including those provisions relating to Difficult Day(s), Restricted Capacity Day(s) and Emergencies, Part B (*General Principles*)) and taking into account the provisions of the relevant LDM Capacity Booking the MHQ in respect of the LDM Offtake and, to the extent relevant, the location of the LDM Offtake and the provisions of any applicable End User Agreement.
- 1.8.3 The Transporter shall only be obliged to deliver Natural Gas at an Offtake Point, a CSEP, the Sub-Sea I/C Offtake or at an IP CSEP at a uniform rate.
- 1.8.4 The Transporter shall be entitled to profile Natural Gas to be delivered or offtaken at the Sub-Sea I/C Offtake in accordance with the provisions of any applicable Sub-Sea I/C Offtake Agreement or otherwise as the Transporter considers appropriate.

1.8.5 The Transporter shall not be liable to Shippers, or any of them, in respect of the development and provision of any such offtake profile notices (or exit flow profiles) or the failure to develop and/or provide such offtake profile notices or to secure that such profiles are in accordance with the terms and conditions of such agreement(s) including as may be developed between the Transporter and Shippers or otherwise in connection with the development of such offtake profile notices or exit flow profiles. Each Shipper hereby waives any and all rights of action against the Transporter (or its Affiliate) and any Adjacent TSO in respect of any loss, damage or otherwise that may be suffered by any Shipper as a result of the development and provision of such offtake profile notices or exit flow profiles, the failure to provide such notices or the failure to provide such notices or profiles other than in respect of rights of actions expressly contained in such Agreement(s) as may be developed and agreed between the Transporter and Shippers in connection with profiling of Natural Gas to be delivered or offtaken from the Transportation System (as the case may be).

1.9 Under Deliveries and Over Deliveries

1.9.1 If there are, or are likely to be, under deliveries of the Nominated Quantities of a Shipper's Natural Gas at an Entry Point, for whatever reason on any Day, the Transporter shall not be liable to any Registered Shipper at such Entry Point to provide Natural Gas to make up such Under Delivery.

1.9.2 If there are, or are likely to be, Over Deliveries of the Nominated Quantities of a Shipper's Natural Gas at an Entry Point on any Day the Transporter will be under no obligation to store the Natural Gas in the Transportation System.

1.9.3 Without prejudice to the application of any IP OBA Provisions if there are, or are likely to be under deliveries or over deliveries of the aggregate of Shippers IP Nomination Confirmed Quantities at the IP for whatever reason on any Day the Transporter shall not be liable to any Shipper at the IP to make up or store such over or under deliveries as the case may be.

1.10 Effective Flow Time

1.10.1 The time (the "**Effective Flow Rate Time**") at which the flow rate of Natural Gas will change or be deemed to change to give effect to the Nominated Quantity or IP Nomination Confirmed Quantity in respect of a Renomination or IP Renomination shall be:

- (a) the start of Day D in respect of all Nominations or IP Nominations submitted prior to 13:00 on D-1;
- (b) the later of the start of Day D or two hours after commencement of the applicable IP Renomination Cycle in respect of any IP Renomination submitted after 15:00 on Day D;

- (c) subject to Section 1.10.1(d) in respect of any other Renomination the later of the start of Day D or two (2) hours after start of the hour which commences not less than 15 minutes after the Renomination becomes a Valid Renomination;
- (d) six (6) hours after the hour (which is not less than 15 minutes after the relevant Nomination is submitted) where a change of physical flow direction at a Bi-Directional CSP is required;

subject in each case to any applicable ramp rates, offtake rates and/or Exit Point specific items which in the case of an Interconnection Point or an Entry Point shall be in accordance with the applicable Interconnection Agreement or CSA and in the case of an Exit Point shall be in accordance with the relevant LDM Capacity Booking or the Sub-Sea I/C Offtake Capacity Booking (where applicable) or otherwise as notified by the Transporter to the Shipper from time to time including pursuant to any applicable End User Agreement.

1.11 Commissioning New End User Facilities

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

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

and

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

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

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

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

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

1.11.4 The Shipper shall notify the Transporter:

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

1.12 **Plant Trip(s)**

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

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

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

1.13 **Interruption**

1.13.1

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Where

NQ_{agg} = The aggregate of the Nominated Quantities of all Valid Interruptible CSEP Exit Nominations and/or Valid Interruptible CSEP Exit Renominations in respect of the Day; and

T = The number of hours of the Day up to the Interruption Effective Time.

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

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

Where

NQ = The Shippers prevailing Valid CSEP Exit Nomination.

NQ_{agg} = The aggregate of the Nominated Quantities of all Valid Interruptible CSEP Exit Nominations and/or Valid Interruptible CSEP Exit Renominations in respect of the Day; and

DQ = The aggregate quantity of Natural Gas deemed to have been offtaken at the CSEP at the Interruption Effective Time on the Day as calculated pursuant to Section 1.13.5.

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

1.14 Failure to Interrupt Charges

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

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

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

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

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

Where

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

and

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

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

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

and

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

or

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

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

Where

FTI	=	The Failure to Interrupt Charge;
and		
ALL	=	The Shipper's Allocation at the CSEP in respect of the Day;
NQ	=	The Nominated Quantity in the Shipper's Valid CSEP Exit Nomination or Valid CSEP Exit Renomination;
NQ_{agg}	=	The aggregate of the Nominated Quantities in all Shippers' Valid CSEP Exit Nominations or Valid CSEP Exit Renominations in respect of the Day;
AV_{agg}	=	The Aggregate Available Interruptible Nomination Limit in respect of the Day;
T	=	The Shipper's Failure to Interrupt Tolerance Quantity calculated in accordance with Section 1.15;
and		
M	=	The relevant multiplier of the capacity component of the applicable Tariff.

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

Location	Multiplier	Cap
Inch Connected System Exit Point	0.75	Not applicable

1.15 Failure to Interrupt Tolerance Quantity

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

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

$$T = AISN \times P$$

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

$$T = \left[\frac{NQ}{NQ_{agg}} \times \frac{AV_{agg}}{1} \right] \times P$$

Where:

T	=	The Shipper's Failure to Interrupt Tolerance Quantity
AIN	=	The Shipper's Available Interruptible Exit Nomination Quantity
NQ	=	The Nominated Quantity in the Shipper's Valid CSEP Exit Nomination or Valid CSEP Exit Renomination
NQ _{agg}	=	The Aggregate of the Nominated Quantities in all Shipper's Valid CSEP Exit Nominations or Valid CSEP Exit Renominations in respect of the Day
AV _{agg}	=	The Aggregate Available Interruptible Nomination Limit in respect of the Day
and		
P	=	1.5%

1.16 Provisions with respect to IP VEntry / IP VExit

The provision of Part H Section 3.5 and 4.6 apply with respect to IP Entry Capacity Interruption Notice(s) and IP VExit Capacity Interruption Notice(s) as the case may be and applicable failure to interrupt charges. The provisions of this Section 1.13 to 1.16 shall not apply with respect to IP VEntry Nominations or IP VExit Nominations or IP CSEP Offtake Nominations.

2. ALLOCATIONS

2.1 General

2.1.1 All Allocations (other than IP Allocations which shall be made in accordance with Section 3) shall be made in accordance with the remaining provisions of this Section 2. The Transporter shall for and including the Day which commences on 1 October 2015 or such other date as may be specified by the Transporter with the approval of the CER make IP Allocations in accordance with Section 3.

- 2.1.2 Subject to any relevant Entry Point Procedures and/or any relevant Bi-Directional CSP Procedures, the Transporter shall allocate amongst Shippers in a transparent and fair manner in accordance with this Section 2 the Allocable Quantity at each Entry Point in respect of each Day, such that the sum of Entry Allocations for all Shippers registered at the Entry Point on a Day (other than at an Entry Point configured within a Bi-Directional CSP) shall be equal to the Allocable Quantity for such Day.
- 2.1.3 Without prejudice to section 2.1.1 for the duration of the PTL Agreement for any Day for which Allocations at the Moffat Entry Point are made in accordance with this Section 2, the Transporter shall procure that the Allocable Quantity of Natural Gas at the Moffat Entry Point shall be allocated amongst Shippers and PTL in accordance with the provisions of this Section 2 and the PTL Agreement.
- 2.1.4 Allocations at an Entry Point and at a Connected System Exit Point shall be made in accordance with Sections 2.12 to 2.15.
- 2.1.5 Where Operational Reverse Flow Arrangements apply at an Entry Point all Natural Gas offtaken at such Entry Point pursuant to such Operational Reverse Flow Arrangements shall be attributed in accordance with such applicable Reverse Flow Arrangements.

2.2 Allocations (excluding IP Allocations)

- 2.2.1 **[Not used]**
- 2.2.2 The Transporter shall provide each Registered Shipper:
- (a) with a separate Entry Allocation in respect of each Entry Point;
 - (b) with a separate Exit Allocation in respect of its Valid Nomination or Valid Renomination at each LDM Offtake at which the Shipper is the Registered Shipper (including a Multiple Shipper LDM Offtake);
 - (c) with an aggregate DM Exit Allocation in respect of all DM Offtakes at which the Shipper is the Registered Shipper;
 - (d) with an aggregate NDM Exit Allocation in respect of all NDM Supply Points at which the Shipper is the Registered Shipper;
 - (e) with an aggregate CSEP Exit Allocation at each Connected System Exit Point (other than an IP CSEP) at which the Shipper is a Registered Shipper; and
 - (f) *[with such Shipper's VIP Injection Allocations and VIP Withdrawal Allocations in respect of each Day.]*

2.3 **Entry Allocations**

2.3.1 Subject to the provisions of this Section 2 (including the provisions of Sections 2.12 to 2.15), the Transporter shall accept Entry allocations from an Entry Allocation Agent.

2.3.2 In the event that:

- (a) no Entry Allocation Agent has been appointed in respect of an Entry Point, all Entry Allocations will be made by the Transporter; or
- (b) an Entry Allocation Agent has been appointed but where:
 - (i) the aggregate initial Entry Allocations or final Entry allocations (as appropriate) for a Day in respect of all Registered Shippers at the Entry Point submitted by the Entry Allocation Agent are rejected by the Transporter pursuant to Section 2.4; or the aggregate initial Entry Allocations or final Entry Allocations (as appropriate) for the Day in respect of all Registered Shippers at the Entry Point submitted by the Entry Allocation Agent which would otherwise be valid do not match or equal the Allocable Quantity in respect of that Day;
 - (ii) The Entry Allocation Agent has submitted initial Entry Allocations or final Entry Allocations in respect of a Day and the Allocable Quantity in respect of such Day has changed and the Entry Allocation Agent has not submitted Entry Reallocations to the Transporter to comply with Section 2.4.4,

then the Initial Entry Allocations or Final Entry Allocations (as appropriate) for such Entry Points on such Day shall be determined by the Transporter in accordance with Section 2.5.

For the avoidance of doubt if an Entry Point is configured within a Bi-Directional CSP the provisions of Sections 2.12 to 2.15 shall apply with respect to Allocations at that Entry Point.

2.4 **Entry Allocations by an Entry Allocation Agent**

2.4.1 Where an Entry Allocation Agent has been appointed to make allocations on behalf of Registered Shippers at an Entry Point, Shippers registered at that Entry Point shall procure that the Entry Allocation Agent so appointed complies with the provisions of this Section 2.4.

2.4.2 Initial Entry Allocation

- (a) An Entry Allocation Agent on behalf of a Registered Shipper shall specify and submit to the Transporter such information as is necessary to enable the Transporter to process the Initial Entry Allocation(s) including:

- (i) the Day that the proposed Initial Entry Allocation(s) relates to;
 - (ii) the Entry Point in respect of which the Initial Entry Allocation(s) is made;
 - (iii) the quantity of Natural Gas (in kWh) allocated to each Shipper at the relevant Entry Point;
 - (iv) the identity of the Registered Shipper(s) on whose behalf the Entry Allocation Agent submits an Initial Entry Allocation; and
 - (v) the identity of the Entry Allocation Agent.
- (b) The Entry Allocation Agent shall notify the Transporter of the information referred to at Section 2.4.2(a) for Registered Shippers at the relevant Entry Point by 16:00 hours on D+1.
- (c) The aggregate quantities submitted by the Entry Allocation Agent for Registered Shippers at an Entry Point on a Day shall equal the Allocable Quantity in respect of that Day.
- (d) The Transporter shall notify each Shipper registered at an Entry Point of such Shipper's Initial Entry Allocation (save where the allocations submitted by the Entry Allocation Agent are rejected pursuant to Section 2.4.3) within two (2) hours after receipt of such allocations by the Transporter from the Entry Allocation Agent or by 16:00 hours on D + 1 whichever is the later.
- 2.4.3 The Transporter will reject an allocation(s) submitted by an Entry Allocation Agent that fails to comply with the provisions of Section 2.4.2.
- 2.4.4 An Entry reallocation may be submitted by an Entry Allocation Agent to the Transporter between 16:00 hours on D+1 and 16:00 hours on D+4 provided that:
- (a) such Entry reallocation contains the information required under Section 2.4.2; and
 - (b) the total quantity of Natural Gas to be allocated in respect of the Day at that Entry Point remains or is equal to the Allocable Quantity in respect of such Day.

The Entry Allocation Agent shall submit Entry Reallocations in respect of a Day for which the Allocable Quantity has been changed such Entry Reallocations to be submitted prior to 16:00 hours on D+4.

- 2.4.5 The Transporter may reject any Entry reallocations which it receives from an Entry Allocation Agent after 16:00 hours on D+4.

- 2.4.6 Where the Transporter has accepted Entry allocations or Entry reallocations from an Entry Allocation Agent at any time prior to 16:00 hours on D+5, subject to Section 2.3.2 the last Entry allocation(s) or Entry reallocation(s) accepted by the Transporter shall form the basis of the Final Entry Allocation(s) for such Entry Point.
- 2.4.7 Any queries or disputes with respect to Entry allocations made by an Entry Allocation Agent shall be a matter solely for the affected Shippers and the Entry Allocation Agent, and a Shipper shall not be entitled to dispute with the Transporter any Entry allocations made by an Entry Allocation Agent nor shall a Shipper be entitled to dispute with the Transporter any Entry Allocations made by the Transporter having regard to allocations made by an Entry Allocation Agent.
- 2.4.8 The Transporter shall not be liable in respect of the compliance or non-compliance by an Entry Allocation Agent with the terms of appointment of such Entry Allocation Agent or with the provisions of this Code or in respect of any act or omission of the Entry Allocation Agent howsoever arising. For the avoidance of doubt the Transporter shall not and shall not be required to verify that allocations submitted by an Entry Allocation Agent have been properly made.

2.5 Entry Allocations made by the Transporter

- 2.5.1 Where the Transporter is required to make an Initial Entry Allocation in accordance with Section 2.3.2 it shall allocate the Allocable Quantity of Natural Gas delivered at an Entry Point on a Day amongst the Registered Shippers at such Entry Point in accordance with the following formula:

$$SQ = Q * (SNQ/EODQ)$$

where:

- SQ = the quantity of Natural Gas (expressed in kWh) allocated to an individual Shipper at the Entry Point on the Day;
- Q = the Allocable Quantity in respect of the Entry Point in respect of a Day;
- SNQ = the individual Shipper's Valid Entry Nomination or Valid Entry Renomination on the Day in respect of the Entry Point; and
- EODQ = the End of Day Quantity in respect of the Entry Point on the Day.

The Transporter shall notify each Shipper of such Shipper's Initial Entry Allocation(s) in respect of each Entry Point at which the Shipper is registered by 16:00 hours on D + 1 or where the Transporter is required to make such

Initial Entry Allocations in accordance with Section 2.3.2(b) by the later of 16:00 hours on D + 1 or two (2) hours after receipt of the initial allocations from the Entry Allocation Agent.

For the avoidance of doubt if the Allocable Quantity in respect of an Entry Point is zero each Registered Shipper's Entry Allocation at such Entry Point shall be zero.

If there is an Allocable Quantity at an Entry Point for a Day on which there are no Shipper's Entry Nomination(s) at that Entry Point for that Day, the Allocable Quantity shall be allocated among all Shippers which are Registered Shippers at the Entry Point on that Day pro rata to the Shipper's Active Entry Capacity at that Entry Point and where all Shippers Active Entry Capacity is zero, the Allocable Quantity shall be allocated among such Shippers in equal shares.

- 2.5.2 During the period between 16:00 hours on D+1 and 16:00 hours on D+4, the Transporter may, including following acceptance by the Transporter of an Initial Entry Allocation Adjustment Request or adjustment by the Transporter of the Allocable Quantity, adjust the Entry Allocation for a Shipper by making an Entry Reallocation.
- 2.5.3 Where the Transporter has made Initial Entry Allocations in respect of an Entry Point at which multiple Shippers are registered, such Shippers may, during the period between 16:00 hours on D+1 and 16:00 hours on D+4, agree on a different allocation between themselves of the Allocable Quantity at such Entry Point to the Initial Entry Allocations made by the Transporter. Such agreed Entry Allocation shall be notified in writing to the Transporter by all affected Shippers by 16:00 hours on D+4 and shall be accepted by the Transporter subject to the Transporter being satisfied that the aggregate quantity of Natural Gas to be allocated on such Day in respect of such Entry Point is equal to the Allocable Quantity at such Entry Point on such Day.
- 2.5.4 Where the Transporter has made an Initial Entry Allocation, a Shipper may submit a request to the Transporter between 16:00 hours on D+1 and 16:00 hours on D+4 to adjust the Initial Entry Allocation (an "**Initial Entry Allocation Adjustment Request**"). The Initial Entry Allocation Adjustment Request shall specify the information necessary to enable the Transporter to process the request including:
- (a) the identity of the Shipper;
 - (b) the Entry Point subject to the Initial Entry Allocation Adjustment Request;
 - (c) the Day that the Initial Entry Allocation Adjustment Request relates to; and

(d) the quantity of the requested adjustment and the reason for the adjustment.

2.5.5 The Transporter shall reject the Initial Entry Allocation Adjustment Request if it is not submitted in accordance with Section 2.5.4.

2.5.6 Where the Transporter accepts that an adjustment to the Initial Entry Allocation is required, it shall make an Entry Reallocation by adjusting the Initial Entry Allocation in accordance with the adjustment requested in the Initial Entry Allocation Adjustment Request or as otherwise determined by the Transporter. The Entry Reallocation shall supersede the previous Entry Allocation.

2.5.7 Where the Transporter does not accept the adjustment specified in the Initial Entry Allocation Adjustment Request, it shall not adjust the Initial Entry Allocation on that basis and shall provide to the Shipper submitting the Initial Entry Allocation Adjustment Request with the reason for the non-acceptance thereof.

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

2.5.9 Where on a Day a Shipper has Valid Nominations for both Entry Capacity and Back-Up Entry Capacity at the same Entry Point the Allocation(s) as between the two types of Capacity at such Entry Point in respect of the same Day shall not be revised pursuant to an Initial Entry Allocation Adjustment Request save where an error has been made in respect of such Allocation(s).

2.5.10 The Transporter may make an Entry Reallocation to a Shipper where an adjustment is necessary (including as a result of a revision to the Allocable Quantity in respect of a Day) in respect of any previous Entry Allocation, including for the avoidance of doubt where the Entry Allocation Agent has submitted Initial Entry Allocations, but has not submitted an Entry Reallocation to address a revision to the Allocable Quantity.

2.5.11 The Transporter shall make available to Shippers an Entry Reallocation made pursuant to Section 2.5.6 or Section 2.5.10 prior to 16:00 hours on D+4.

2.6 **Final Entry Allocation**

The Transporter shall make available to Shippers the Final Entry Allocation at 16:00 hours on D+5.

2.7 **Initial Exit Allocations**

2.7.1 Initial LDM Exit Allocation

LDM Exit Allocations shall be determined as follows:

- (a) If only one Shipper is registered at a LDM Offtake on a Day, the aggregate metered quantity of Natural Gas determined as having been offtaken in accordance with this Code on a Day at that LDM Offtake shall be allocated to that Shipper for that Day.
- (b) In the case of a Multiple Shipper LDM Offtake, the aggregate metered quantity of Natural Gas determined as having been offtaken in accordance with this Code at the Multiple Shipper LDM Offtake shall be allocated by the Transporter to the Shipper(s) registered at that Multiple Shipper LDM Offtake on that Day, according to the following formula:

$$SQ = Q * SNQ/ANQ$$

where:

- SQ = the quantity of Natural Gas (expressed in kWh) allocated to an individual Shipper in respect of the LDM Offtake on the Day;
- Q = the aggregate metered quantity of Natural Gas; (expressed in kWh) determined as having been offtaken at the LDM Offtake on the Day;
- SNQ = the individual Shipper's Valid Exit Nomination or Valid Exit Renomination in respect of the LDM Offtake on the Day; and
- ANQ = the aggregate of all the Valid Exit Nominations or Valid Exit Renominations in respect of the LDM Offtake on the Day.
- (c) All Shippers registered at a Multiple Shipper LDM Offtake may jointly request the Transporter to implement a procedure to make Allocations in respect of such Multiple Shipper LDM Offtake in a different manner to that set out in Section 2.7.1(b). The Transporter may, but shall not be obliged to, approve any procedure(s) proposed by such Shipper(s) provided that:
- (i) any costs incurred by the Transporter associated with implementing such procedures shall be for the account of such Shippers;
 - (ii) the Transporter shall have no liability in respect of, or arising out of Allocations made pursuant to such procedures;
 - (iii) such differing procedures shall apply for a period to be agreed with the Transporter;
 - (iv) the implementation of such procedures is subject to such notice and time periods as may be necessary to implement such procedures; and

- (v) such procedures take effect (a) not less than ten (10) Business Days after acceptance of such request by the Transporter or (b) upon the completion of the implementation process in (iv) above, whichever is the later.

Where the Transporter accepts a procedure(s) as proposed by Shippers pursuant to this Section 2.7.1(c) the Transporter shall allocate Natural Gas offtaken at such Multiple Shipper LDM Offtake in accordance with such procedure and the Transporter shall not be liable in respect of any consequences arising as a result of such Allocations(s).

2.7.2 Initial DM Exit Allocation

- (a) DM Exit Allocations shall be made in aggregate for each Shipper with respect to all DM Offtakes at which the Shipper is the Registered Shipper on a Day;
- (b) The aggregate DM Exit Allocation for a Shipper on a Day shall be equal to the sum of the aggregate metered quantities of Natural Gas determined as having been offtaken in accordance with this Code on such Day at each of the individual DM Offtakes at which the Shipper is the Registered Shipper;
- (c) Where a Valid Meter Read at a DM Offtake is unavailable to the Transporter on a Day, the Transporter shall include in the DM Exit Allocation in respect of the Shipper registered at the affected DM Offtake:
 - (i) in the case of a Business Day, the quantity of Natural Gas offtaken on the preceding Business Day for which a Valid Meter Read is available; and
 - (ii) in the case of a Non-Business Day, the quantity of Natural Gas offtaken on the preceding Non-Business Day for which a Valid Meter Read is available.
- (d) Where a Valid Meter Read at a DM Offtake is unavailable to the Transporter for more than five (5) consecutive Days, the Transporter shall include in the DM Exit Allocation of the Registered Shipper at the affected DM Offtake the quantity of Natural Gas determined as having been offtaken in accordance with Part G (*Technical*) Section 3.7 (*Absence of Valid Meter Reads at DM Offtakes*) within two (2) Days following the expiry of such five (5) Day period.

2.7.3 Initial NDM Exit Allocation

- (a) Initial NDM Exit Allocations shall be made in aggregate for each Shipper with respect to all NDM Supply Points at which the Shipper is

the Registered Shipper on a Day in accordance with Section 2.7.3(d) below;

- (b) The aggregate NDM Supply Point Allocation of Natural Gas for a Day is determined as follows:
- (i) the total consumption of Natural Gas for a Day downstream of the city gate meters is calculated following receipt of city gate Meter Reads by 08:00 hours on D+1;
 - (ii) the LDM Offtake and DM Offtake consumptions of Natural Gas for a Day are calculated following receipt of LDM Meter Reads and DM Meter Reads at each LDM Offtake and DM Offtake downstream of the city gate meters by 08:30 hours on D+1;
 - (iii) Distribution System consumption of Natural Gas for a Day is calculated as a quantity of Natural Gas being equal to the total city gate Meter Reads for a Day less the aggregate total quantity of Natural Gas determined as having been offtaken on a Day at all LDM Exit Points and TCDM Exit Points that are downstream of the city gate meters;
 - (iv) Distribution System Shrinkage Gas for a Day is calculated by applying the Distribution System Shrinkage Factor to the Distribution System consumption of Natural Gas for the relevant Day; and
 - (v) the aggregate NDM Exit Allocation for all Shippers for a Day (which shall be the same as the aggregate NDM Supply Point Allocation for all Shippers for the relevant Day) shall be calculated by the Transporter and determined by the following formula:

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

where in respect of a Day:

- NDM = the aggregate NDM Exit Allocation;
- CC = the quantity of Natural Gas (in kWh) metered at the city gate meters;
- RNG = the quantity of Natural Gas (in kWh) metered as delivered to the Transportation System at an RNG Entry Point downstream of the city gate meters;
- DS = Distribution System Shrinkage Gas (in kWh);
- LDM = the aggregate quantity of Natural Gas (in kWh) offtaken at all LDM Offtakes downstream of the city gate meters; and

DM = the aggregate quantity of Natural Gas (in kWh) offtaken at all DM Offtakes downstream of the city gate meters.

- (c) The aggregate NDM Exit Allocation for a Day shall be apportioned between Shippers by the Transporter by scaling the bottom up estimates of demand made in accordance with the NDM Allocation Procedure so that the aggregate of all Shippers' NDM Supply Point Allocations for a Day are equal to the aggregate NDM Exit Allocation determined in accordance with Section 2.7.3(b) for such Day;
- (d) Each Shipper's NDM Exit Allocations for a Day shall in turn be the aggregate quantity of such Shipper's NDM Supply Point Allocation(s) for such Day.

2.7.4 Initial Sub-Sea I/C Offtake Allocations

- (a) Sub-Sea I/C Offtake Allocations shall be determined as follows:
 - (i) if only one Shipper is registered at the Sub-Sea I/C Offtake on a Day, the aggregate metered quantity of Natural Gas determined as having been offtaken in accordance with this Code on a Day at the Sub-Sea I/C Offtake shall be allocated to that Shipper for that Day;
 - (ii) if more than one Shipper is registered at the Sub-Sea I/C Offtake on a Day the aggregate metered quantity of Natural Gas determined as having been offtaken in accordance with this Code on a Day at the Sub-Sea I/C Offtake shall be allocated by the Transporter to the Shipper's registered at the Sub-Sea I/C Offtake on that Day according to the following formula:

$$SQ = Q * SNQ/ANQ$$

where:

SQ = the quantity of Natural Gas (expressed in kWh) allocated to an individual Shipper in respect of the Sub-Sea I/C Offtake on the Day;

Q = the aggregate metered quantity of Natural Gas (expressed in kWh) determined as having been offtaken at the Sub-Sea I/C Offtake on the Day;

- SNQ = the individual Shipper's Valid Sub-Sea I/C Offtake Nomination or Valid Sub-Sea I/C Offtake Renomination in respect of the Sub-Sea I/C Offtake on the Day; and
- ANQ = the aggregate of all the Valid Sub-Sea I/C Offtake Nominations or Valid Sub-Sea I/C Offtake Renominations in respect of the Sub-Sea I/C Offtake on the Day.

(iii) Where there is more than one Shipper registered at the Sub-Sea I/C Offtake all such Shippers may jointly request the Transporter to implement a procedure to make allocations in respect of the Sub-Sea I/C Offtake in a different manner to that set out in Section 2.7.4(ii). The Transporter may, but shall not be obliged to, approve any procedure(s) proposed by such Shippers provided that:

- (1) any costs incurred by the Transporter associated with implementing such procedures shall be for the account of such Shippers;
- (2) the Transporter shall have no liability in respect of, or arising out of Allocations made pursuant to such procedures;
- (3) such different procedures shall apply for a period to be agreed with the Transporter;
- (4) the implementation of such procedures is subject to such notice and time periods as may be necessary to implement such procedures; and
- (5) such procedures shall take effect:
 - (A) not less than ten (10) Business Days after acceptance of such request by the Transporter; or
 - (B) upon the completion of the implementation process in (4) above whichever is the later.

(iv) Where the Transporter accepts procedure(s) as proposed by Shippers pursuant to this Section 2.7.4(a) the Transporter shall allocate Natural Gas offtaken at the Sub-Sea I/C Offtake in accordance with such procedure and the Transporter shall not be liable in respect of any consequences arising as a result of such Allocations.

2.8 **Exit Allocation Adjustments and Sub-Sea I/C Offtake Allocation Adjustments**

- 2.8.1 During the period between 16:00 hours on D+1 and 16:00 hours on M+5, the Transporter may, as circumstances require (including following acceptance by the Transporter of an Initial Exit Allocation Adjustment Request or adjustment of the metered delivered quantity in respect of the Day), adjust the Exit Allocation for a Shipper by making an Exit Reallocation.
- 2.8.2 A Shipper may submit a request to the Transporter between 16:00 hours on D+1 and 16:00 hours on M+4 for the Initial Exit Allocation to be adjusted (an "**Initial Exit Allocation Adjustment Request**"). An Initial Exit Allocation Adjustment Request shall specify the information necessary to enable the Transporter to process the request including:
- (a) the identity of the Shipper;
 - (b) the Allocation to which the request relates;
 - (c) in the case of a LDM Shipper, the LDM Offtake subject to the Initial Exit Allocation Adjustment Request, the Supply Point Registration Number;
 - (d) the Day that the request relates to; and
 - (e) the quantity of the requested adjustment and reason for the adjustment.
- 2.8.3 The Transporter will reject the Initial Exit Allocation Adjustment Request if it is not submitted in accordance with Section 2.8.2.
- 2.8.4 Where the Transporter accepts that an adjustment to the Initial Exit Allocation is required, it shall make an Exit Reallocation by adjusting the Initial Exit Allocation or Exit Reallocation (as relevant) in accordance with the adjustment requested in the Initial Entry Allocation Adjustment Request or as otherwise determined by the Transporter. The Exit Reallocation shall supersede the Initial Exit Allocation or any previous Exit Reallocation.
- 2.8.5 Where the Transporter does not accept the adjustment specified in the Initial Exit Allocation Adjustment Request, it shall not adjust the Initial Exit Allocation on that basis.
- 2.8.6 The Transporter shall not accept any Initial Exit Allocation Adjustment Request received by the Transporter after 16:00 hours on D+4.
- 2.8.7 The Transporter may make an Exit Reallocation to a Shipper where an adjustment is necessary (including as a result of a revision to the metered quantity of Natural Gas offtaken in respect of a Day) in respect of any previous Exit Allocation.
- 2.8.8 The Transporter shall notify a Shipper of an Exit Reallocation made pursuant to Section 2.8.4 prior to 16:00 hours on M+4.

2.8.9 The provisions of Sections 2.8.1 to 2.8.8 shall apply, *mutatis mutandis* with respect to the adjustment of Sub-Sea I/C Offtake Allocations.

2.9 Notification of Exit Allocations

2.9.1 The Transporter shall make available to Shippers the Initial Exit Allocation in respect of a Shipper's LDM Offtakes, DM Offtake(s) and/or NDM Supply Point(s) and/or the Sub-Sea I/C Offtake by 16:00 hours on D + 1.

2.9.2 The Transporter shall make available to Shippers the Final Exit Allocation in respect of a Shipper's LDM Offtake(s), DM Offtake(s), NDM Supply Point(s) and/or the Sub-Sea I/C Offtake by 16:00 hours on M+5.

2.10 Supply Point Allocations

2.10.1 Initial Supply Point Allocation(s) in respect of a LDM Supply Point on a Day shall be equal to the metered quantity of Natural Gas offtaken from that Supply Point on such Day or, in the case of a Multiple Shipper LDM Supply Point, in accordance with the procedures contained in Sections 2.7.1 and 2.9.

2.10.2 Initial Supply Point Allocations in respect of DM Supply Points on a Day shall for each DM Shipper be equal to the metered quantities of Natural Gas determined as having been offtaken on such Day at each DM Supply Point at which the Shipper is registered.

2.10.3 Initial Supply Point Allocations in respect of NDM Supply Points shall for each NDM Shipper be determined in accordance with the NDM Allocation Procedure.

2.10.4 Where a Shipper considers that an adjustment is necessary to its Initial Supply Point Allocation, it shall be entitled to submit a request to the Transporter and the Transporter may consider such request in accordance, *mutatis mutandis*, with the provisions of Section 2.8.

2.10.5 The Transporter shall make available to Shippers the Final Supply Point Allocation at 16:00 hours on M+5.

2.10.6 The Transporter may make a Supply Point Reallocation to a Shipper where an adjustment is necessary (including as a result of a revision to the metered quantity of Natural Gas offtaken from the Supply Point in respect of a Day) in respect of any previous Supply Point Allocation.

2.11 IBP Allocations

2.11.1 IBP Allocations shall be made available by the Transporter by 16:00 hours on D+1. For the avoidance of doubt, IBP Allocations will be final IBP Allocations and may not be adjusted.

2.12 **Bi-Directional CSP Allocation**

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

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

- 2.12.2 In the event that:

- (a) a Bi-Directional CSP Agent has been appointed the Transporter shall accept Allocations at the Bi-Directional CSP submitted by the Bi-Directional CSP Agent; and
- (b) if a Bi-Directional CSP Agent has not been appointed or where a Bi-Directional CSP Agent has been appointed but where:
 - (i) the aggregate Initial Allocations or Final Allocations (as appropriate) for a Day in respect of all Shippers at the Entry Point and Connected System Exit Point configured within the Bi-Directional CSP are rejected by the Transporter pursuant to Section 2.13.3; or
 - (ii) the difference between the aggregate Entry Allocation(s) and the aggregate CSEP Exit Allocations is not equal to the Net Metered Quantity (Entry) or Net Metered Quantity (Exit) as the case may be;

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

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

2.13 **Allocations at Bi-Directional CSP by Bi-Directional CSP Agent**

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

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

2.13.2 Initial Allocations

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

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

- 2.13.3 The Transporter will reject an Allocation(s) submitted by the Bi-Directional CSP Agent that fails to comply with the provisions of Section 2.13.2.
- 2.13.4 A Reallocation(s) may be submitted by the Bi-Directional CSP Agent to the Transporter between 16:00 on D + 1 and 16:00 on D + 4 provided that:
- (a) such Reallocations contain the information required under Section 2.13.2; and
 - (b) the difference between the total quantities of Natural Gas to be allocated in respect of the Day at that Entry Point and the total quantity of Natural Gas to be allocated in respect of that Day at that Connected System Exit Point remains, or is equal to the Net Metered Quantity (Entry) or the Net Metered Quantity (Exit) as the case may be on such Day.
- 2.13.5 The Transporter may reject any Reallocations at the Bi-Directional CSP which it receives from the Bi-Directional CSP Agent after 16:00 hours on D + 4.
- 2.13.6 Where the Transporter has accepted Allocations or Reallocations from a Bi-Directional CSP Agent at any time prior to 16:00 on D+5 the last Entry Allocation or Entry Reallocation and the last CSEP Exit Allocation or CSEP Exit Reallocation accepted by the Transporter shall form the basis of the Final Entry Allocations and the Final CSEP Exit Allocations for such Bi-Directional CSP.
- 2.13.7 Any queries or dispute(s) with respect to Entry Allocations or CSEP Exit Allocations made by a Bi-Directional CSP Agent shall be a matter solely for the affected Shippers and the Bi-Directional CSP Agent, and a Shipper shall not be entitled to dispute with the Transporter any Entry Allocations or CSEP Exit Allocations made by the Bi-Directional CSP Agent.
- 2.13.8 The Transporter shall not be liable in respect of compliance or non-compliance by the Bi-Directional CSP Agent with the terms of appointment of such Bi-Directional CSP Agent or with the provisions of this Code or in respect of any act or omission of the Bi-Directional CSP Agent howsoever arising. For the avoidance of doubt the Transporter shall not and shall not be required to verify that Allocations submitted by the Bi-Directional CSP Agent have been properly made.

2.14 **Allocations at a Bi-Directional CSP by the Transporter**

- 2.14.1 Where the Transporter is required to make an Initial Entry Allocation(s) and an Initial Exit Allocation(s) shall make such Allocation in accordance with the formulae set out at (a) and (b) below:
- (a) On a Day in respect of which there is a Net Metered Quantity (Entry) a Shipper's Initial Entry Allocation shall be calculated in accordance with the following formulae:

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

where:

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

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

SNQ = the individual Shipper's Valid Entry Nomination or Valid Entry Renomination on the Day in respect of the Entry Point; and

EODQ = the End of Day Quantity in respect of the Entry Point;

and

- (b) the Shipper's Initial CSEP Exit Allocation in respect of that Day shall be equal to the Shipper's prevailing Valid CSEP Exit Nomination or prevailing Valid CSEP Exit Renomination for the Day as the case may be;
- (c) On a Day where there is a Net Metered Quantity (Exit) then a Shipper's Initial Entry Allocation shall for that Day:
 - (i) be equal to the Shipper's prevailing Valid Entry Nomination or prevailing Valid Renomination (as the case may be); and
 - (ii) the Shipper's Initial CSEP Exit Allocation (as the case may be) shall be calculated in accordance with the following formula:

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

where

SQ = the Shipper's Initial CSEP Exit Allocation;

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

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

and

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

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

- (1) where no Valid Nominations (other than deemed zero Nominations (if any)) have been received by the Transporter at the Entry Point and at the CSEP configured within the Bi-Directional CSP all Allocations shall be zero;
- (2) where the aggregate of the Nominated Quantities in respect of the Entry Point or Connected System Exit Points is equal to the aggregate of the Nominated Quantities at the CSEP the Shipper's Entry Allocation shall be equal to the Shipper's prevailing Valid Entry Nomination or prevailing Valid Entry Renomination and the Shipper's CSEP Exit Allocation shall be equal to the Shipper's Valid CSEP Exit Nomination or Valid CSEP Exit Renomination; and
- (3) in all other circumstances at a Bi-Directional CSP which comprises an Entry Point and Connected System Exit Point the Shipper's Initial CSEP Exit Allocation and Shipper's Initial Entry Allocation shall be calculated as follows:

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

where:

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

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

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

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

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

- 2.14.2 During the period between 16:00 hours on D + 1 and 16:00 hours on D + 4 the Transporter may, including following acceptance by the Transporter of an Initial CSP Allocation Adjustment Request or adjustment by the Transporter of the Net Metered Quantity (Entry) or Net Metered Quantity (Exit) (as the case may be) adjust the Initial Entry Allocation and/or the Initial CSEP Exit Allocation for a Shipper by making an Entry Reallocation or a CSEP Exit Reallocation.
- 2.14.3 Where the Transporter has made Initial Entry Allocations and/or Connected System Exit Allocations in respect of a Bi-Directional CSP, Shippers at the Entry Point and Shippers at the CSEP may during the period between 16:00 hours on D + 1 and 16:00 hours on D + 4 agree on a different allocation between themselves at such Entry Point or Connected System Exit Point (as the case may be) to the Initial Entry Allocations or the Initial CSEP Exit Allocations made by the Transporter. Such agreed Entry Allocations or CSEP Exit Allocations shall be notified in writing to the Transporter by all affected Shippers by 16:00 on D + 4 and shall be accepted by the Transporter subject to the Transporter being satisfied that:
- (a) the difference between the aggregate quantity of Natural Gas allocated on such Day in respect of the Entry Point and the Connected System Exit Point is equal to the Net Metered Quantity (Entry) or Net Metered Quantity (Exit) as the case may be;
 - (b) the difference between the aggregate quantity of Natural Gas allocated on such a Day at the South-North CSEP and at the VEntryP is equal to the Net Metered Quantity (Exit); and
 - (c) on a Zero Flow Day there is no change in the aggregate Allocations at the Entry Point and the aggregate Allocations at the Connected System Exit Point.

- 2.14.4 Where the Transporter has made the Initial Entry Allocation and/or an Initial CSEP Exit Allocation, a Shipper may submit a request to the Transporter between 16:00 on D + 1 and 16:00 hours on D + 4 to adjust the Initial Entry Allocation and the Initial CSEP Exit Allocation, (as the case may be) (an “**Initial CSP Allocation Adjustment Request**”). The Initial CSP Allocation Adjustment Request shall specify the information necessary to enable the Transporter to process the request including:
- (a) the identity of the Shipper;
 - (b) the Entry Point or the Connected System Exit Point, subject to the Initial CSP Allocation Adjustment Request;
 - (c) the Day that the Initial CSP Allocation Adjustment Request relates to; and
 - (d) the quantity of the requested readjustment and the reason for the adjustment.
- 2.14.5 The Transporter shall reject the Initial CSP Allocation Adjustment Request if it is not submitted in accordance with Section 2.14.4.
- 2.14.6 Where the Transporter accepts that an adjustment to the Initial Entry Allocation or Initial CSEP Exit Allocation is required, it shall make an Entry Reallocation or a CSEP Exit Reallocation (as the case may be) by adjusting the relevant Initial Allocation in accordance with the adjustment requested in the Initial CSP Allocation Adjustment Request or as otherwise determined by the Transporter. The Entry Reallocation or CSEP Exit Reallocation (as the case may be) shall supercede the previous Entry Allocation or CSEP Exit Allocation, (as the case may be).
- 2.14.7 Where the Transporter does not accept the adjustment specified in the Initial CSP Allocation Adjustment Request the Transporter shall not adjust the Allocation on that basis and shall provide to the Shipper submitting the Initial CSP Allocation Adjustment Request the reasons for the non-acceptance thereof.
- 2.14.8 The Transporter shall reject any Initial CSP Allocation Adjustment Request received by the Transporter after 16:00 hours on D + 4.
- 2.14.9 The Transporter may make an Entry Reallocation or a CSEP Exit Reallocation to a Shipper where an adjustment is necessary (including as a result of a revision to the Net Metered Quantity (Entry) or the Net Metered Quantity (Exit) in respect of a Day) in respect of any previous Entry Allocation or CSEP Exit Allocation.
- 2.14.10 The Transporter shall make available to Shippers an Entry Reallocation or a CSEP Exit Reallocation made pursuant to Sections 2.14.6 or 2.14.9 prior to 16:00 hours on D + 4.

2.15 **Final Allocations**

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

2.16 **[VIP Allocations**

2.16.1 *A Shipper's VIP Injection Allocation in respect of a Day shall be equal to the Nominated Quantity in such Shipper's Valid VIP Injection Nomination or Valid VIP Injection Renomination in respect of that Day.*

2.16.2 *A Shipper's VIP Withdrawal Allocation in respect of a Day shall be equal to such Shipper's Valid VIP Withdrawal Nomination or Valid VIP Withdrawal Renomination with respect to that Day.*

2.16.3 *VIP Allocations shall be made available by the Transporter by 16:00 hours on D + 1. For the avoidance of doubt, VIP Allocations shall be final VIP Allocations and may not be adjusted.*

2.16.4 *A Shipper's Final Entry Allocation at the Moffat Entry Point for a Day shall not be affected by such Shipper's VIP Injection Allocation for the Day.]*

3. INTERCONNECTION POINT ALLOCATIONS

3.1 Introduction

3.1.1 The Transporter shall make allocations at all Interconnection Points in accordance with this Section 3.

3.1.2 Section 3.4 shall apply on each OBA Day at an Interconnection Point where the applicable Interconnection Agreement includes IP OBA Provisions.

3.1.3 Section 3.5 shall apply at an Interconnection Point:

- (a) in respect of each Day where the applicable Interconnection Agreement does not include IP OBA Provisions; and
- (b) on a Non-OBA Day.

3.2 Interpretation

3.2.1 For the purpose of this Code:

- (a) "**IP Allocation**" means any one or more of the following:
 - (i) an IP Entry Allocation;
 - (ii) an IP CSEP Offtake Allocation;
 - (iii) an IP VEntry Allocation;
 - (iv) an IP VExit Allocation.
- (b) "**IP Reallocation**" means a revision made between 16.00 hours on D + 1 and 11.00 hours on D + 4 of the quantity of Natural Gas in any IP Allocation (and a "**IP Entry Reallocation**", a "**IP CSEP Offtake Reallocation**", a "**IP VEntry Reallocation**" and a "**IP VExit Reallocation**" shall be construed accordingly);
- (c) "**Metered Quantity**" is in respect of each Day and at each Interconnection Point the aggregate quantity determined in accordance with Part G Section 3 of this Code and the applicable Interconnection Agreement as having being physically delivered to or physically offtaken from the Transportation System at the IP or where there are physical flows in both directions at the same Interconnection Point at different times on the same Day the net amount of such Metered Quantities;
- (d) "**Adjusted Metered Quantity**" is in respect of the Moffat Interconnection Point for a Non OBA Day the quantity of Natural Gas attributed to the Transportation System in accordance with Section 3.5.2;
- (e) "**Aggregate IP Entry Confirmed Quantity**" is for a Day the sum of all IP Nomination Confirmed Quantities in respect of all Shippers at the IP Entry for that Day;

- (f) "**Aggregate IP CSEP Confirmed Quantity**" is for a Day the sum of all prevailing IP Nomination Confirmed Quantities in respect of all Shippers at the IP CSEP for the Day;
- (g) "**Aggregate IP VExit Confirmed Quantity**" is for a Day the sum of all prevailing IP VExit Confirmed Nomination Quantities in respect of all Shippers at the IP VExit in respect of that Day;
- (h) "**Aggregate IP VEntry Confirmed Quantity**" is the sum of all prevailing IP VEntry Confirmed Nomination Quantities in respect of all Shippers at the IP VEntry in respect of the Day;
- (i) "**Steering Difference**" shall in respect of an Interconnection Point have the meaning in the applicable IP OBA Provisions;
- (j) "**Cumulative Steering Difference**" in respect of each Day and at each Interconnection Point in respect of each Day the sum as so established in accordance with the applicable IP OBA Provisions;
- (k) "**IP Operational Balancing Account**" or "**IP OBA**" means an account of Natural Gas maintained between the Transporter (or its Affiliate) and the Adjacent TSO at an IP pursuant to which any Steering Difference for a Day overflows or underflows of Natural Gas at the IP is managed operationally between the Transporter (or its Affiliate) and the Adjacent TSO;
- (l) "**Steering Tolerance**" is in respect of an IP the amount (in kWh) specified in the IP OBA Provisions for that IP as the maximum normally allowable amount of the Cumulative Steering Difference or as otherwise defined in the applicable IP OBA Provisions;
- (m) "**IP OBA Provisions**" are those provisions of the Interconnection Agreement which provide for the operation and management of the IP Operational Balancing Account and the reconciliation as between the Transporter and the Adjacent TSO at the IP of any over flows and under flows of Natural Gas in respect of the IP for a Day;
- (n) "**IP Entry Allocation(s)**" means the quantity(ies) of Natural Gas that is allocated as having been delivered by a Shipper to the Transportation System at an IP Entry Point on a Day;
- (o) "**Final IP Entry Allocation**" means in respect of a Shipper the Shippers IP Entry Allocation at 16:00 hours on D + 5 in respect of an IP Entry;
- (p) "**Final IP VExit Allocation**" means in respect of a Shipper and a Day the Shipper's IP VExit Allocation at 16:00 hours on D+5 in respect of a IP VExit;

- (q) "**Initial IP Entry Allocation**" means the IP Entry Allocation made at or before 16.00 hours on D +1 to a Shipper in respect of an IP Entry Point;
- (r) "**Initial IP VExit Allocation**" means the IP VExit Allocation made on or prior to 16:00 hours on D+1 to a Shipper in respect of a IP VExit;
- (s) "**IP VExit Allocation**" is the quantity of Natural Gas (in kWh) that is allocated to a Shipper in accordance with Section 3.4, 3.5 or 3.10 as having been offtaken from the Transportation System at an IP VExit by the Shipper on a Day;
- (t) "**IP VEntry Allocation**" means the quantity of Natural Gas (in kWh) that is allocated to a Shipper in accordance with Section 3.4 to 3.5 or 3.10 as having been delivered by the Shipper to the Transportation System at an IP VEntry on a Day;
- (u) "**Final IP VEntry Allocation**" means in respect of a Shipper and a Day the Shipper's IP VEntry Allocation at 16:00 hours on D+5 to a Shipper in respect of a IP VEntry;
- (v) "**Initial IP VEntry Allocation**" means the IP VEntry Allocation made at or prior to 16:00 on D+1 to a Shipper in respect of an IP VEntry;
- (w) "**Non-OBA Day**" means in respect of an IP a Day for which it is determined in accordance with the applicable IP OBA Provisions that IP Allocations for Shippers at the IP shall be based on pro-rata allocation of the Metered Quantity at the IP and each Day in respect of an IP at which IP OBA Provisions do not apply;
- (x) "**OBA Day**" means in respect of an IP at which IP OBA Provisions apply, each Day other than a Non OBA Day in respect of such IP;
- (y) "**IP CSEP Offtake Allocation**" is the quantity of Natural Gas (in kWh) that is allocated to a Shipper in accordance with Section 3.4, 3.5 or 3.10 as having been offtaken from the Transportation System at the IP CSEP by a Shipper on the Day;
- (z) "**Initial IP CSEP Offtake Allocation**" means an IP CSEP Offtake Allocation made on or prior to 16:00 hours on D+1 to a Shipper in respect of the CSEP;
- (aa) "**Final IP CSEP Offtake Allocation**" means in respect of a Shipper and a Day the Shipper's IP CSEP Offtake Allocation at 16:00 hours on D+5 in respect of the Shipper at the applicable IP CSEP.

3.3 General

- 3.3.1 Each Shipper shall have a separate IP Allocation in respect of each prevailing IP Nomination or IP Renomination for each Day, Counterparty IP Shipper and direction and at each IP.

- 3.3.2 Each Shipper shall have a single IP Allocation in respect of each Counterparty IP Shipper at each IP Entry Point, each IP CSEP, each IP VEntry and each IP VExit in respect of which the Shipper has submitted a Valid IP Nomination.
- 3.3.3 A Shipper's Initial IP Allocation shall only be varied by way of an IP Reallocation in accordance with Section 3.10 (*Error Correction*).
- 3.3.4 Unless the Transporter notifies the Shipper of a Final IP Allocation at 16.00 hours on D + 5 the Shipper's prevailing IP Allocation or IP Reallocation as at 16.00 hours on D + 5 shall be the Shipper's Final IP Allocation.
- 3.3.5 The Transporter shall notify Shippers:
- (a) if IP OBA Provisions do not apply at an IP in which case each Day shall be a Non-OBA Day; or
 - (b) by 16:00 on D + 1 if a Day is a Non-OBA Day at an IP where IP OBA Provisions apply at that IP.

3.4 IP Allocations on an OBA Day

- 3.4.1 A Shippers IP Allocation(s) at each Interconnection Point in respect of an OBA Day shall in respect of each of the Shippers IP Nomination(s) or IP Renomination(s) be equal to the prevailing IP Nomination Confirmed Quantity in respect of the Shipper's IP Nomination or IP Renomination as the case may be) at such Interconnection Point at the end of the Day to which the IP Nomination or IP Renomination related.

3.4.2 [Not used.]

3.5 IP Allocation on a Non OBA Day

- 3.5.1 For the duration of the PTL Agreement, the Transporter shall procure that for a Non OBA Day the quantity of Natural Gas delivered or deemed delivered to the Transportation System at the Moffat IP Entry Point shall be calculated in accordance with 3.5.2.
- 3.5.2 For a Non-OBA Day the Adjusted Metered Quantity for the purpose of this Code shall be calculated as follows:-

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

Where AQ = The Adjusted Metered Quantity.

Q = the quantity metered as physically delivered at the Moffat Interconnection Point on the Day.

NI_{VRF} = the aggregate quantity of Natural Gas nominated for offtake at the Moffat IP for delivery to the NGG System for PTL for the Day.

ROI_{VRF} = the Aggregate IP VExit Confirmed Quantity at the Moffat IP for the Day.

ROI_{FF} = the Aggregate IP Confirmed Nomination Quantity at the Moffat IP for the Day.

NI_{FF} = the aggregate quantity nominated for delivery at the Moffat IP for PTL.

3.5.3 For a Non OBA Day and separately for each IP, Counterparty IP Shipper and direction:

- (a) the Shipper's prevailing IP VEntry Nomination Confirmed Quantity at the end of the Day for which the IP Allocation is made shall be the Shippers Initial IP VEntry Allocation;
- (b) the Shipper's prevailing IP VExit Nomination Confirmed Quantity at the end of the Day shall be the Shippers Initial IP VExit Allocation;
- (c) a Shippers prevailing IP Entry Nomination Confirmed Quantity or IP CSEP Nomination Confirmed Quantity shall be the Shippers Initial IP Entry Allocation or IP CSEP Offtake Allocation;
- (d) the Shipper's Initial IP Entry Allocation(s) or Initial IP CSEP Offtake Allocation(s) shall in respect of each Non-OBA Day be recalculated by 16.00 on D + 2 (separately in respect of each IP Entry Nomination and IP CSEP Offtake Nomination) for each Shipper and in respect of each IP as follows:

$$IP_{all} = \left[AQ = \frac{Scq}{AggSeq} \right]$$

IP_{all} = a Shipper's IP Entry Allocation,– or IP CSEP Offtake Allocation in respect of the IP for the Non-OBA Day.

AQ = the sum of the Metered Quantity at the IP for the Day plus (i) in the case of an IP Entry) the Aggregate IPVExit Confirmed Quantity or (ii) in the case of an IP CSEP Nomination the Aggregate IP VEntry Confirmed Quantity (as the case may be) in respect of that IP and that Non-OBA Day) or in the case of the Moffat IP the Adjusted Metered Quantity.

Scq = the Shipper's IP Nomination Confirmed Quantity in respect of the Shippers IP Entry Nomination (or IP Renomination) or IP CSEP Offtake Nomination (or IP Renomination) at the IP in respect of the Non-OBA Day;

Agg Scq = The Aggregate IP Entry Confirmed Quantity or the Aggregate IP CSEP Confirmed Quantity (as the case may be) for the Day.

- (e) the Shipper's IP Entry Reallocation or IP CSEP Offtake Reallocation is calculated in accordance with Section 3.5.3(d) shall be notified to the Shipper by 16:00 hours on D + 2 by way of an IP Reallocation.

3.6 Initial IP Allocation

3.6.1 The Shipper's Initial IP Allocation in respect of each IP Counterparty Shipper, Day and direction shall:

- (a) for an OBA Day be the Shipper's applicable IP Nomination Confirmed Quantity at the IP in respect of the Day; and
- (b) for a Non OBA Day may be the Shipper's applicable:
- (i) IP Nomination Confirmed Quantity at the IP in respect of the Day;
or
- (ii) a quantity calculated in accordance with Section 3.5.3;

provided always where the Shipper's Initial IP Allocation on a Non-OBA Day is notified as the Shipper's applicable IP Nomination Confirmed Quantity such IP Allocation shall be subject to recalculation and adjustment in accordance with clause 3.5.3 (d).

3.6.2 The Transporter shall notify to each IP Shipper in respect of each Non-OBA Day at the IP the Shipper's applicable IP Entry Reallocation or IP CSEP Offtake Reallocation as calculated in accordance with Section 3.5.3 by 16:00 on D + 2.

3.7 Final IP Allocation

3.7.1 The Shipper's Final IP Allocation(s) shall:

- (a) for an OBA Day be the Shipper's Initial IP Allocation(s) in respect of that Day or where Section 3.10 (*Error Correction*) applies the Shippers prevailing IP Reallocation(s) at 16.00 hours on D + 5 in respect of the Day; and
- (b) for a Non-OBA Day be the Shipper's IP Reallocation(s) in respect of Day D as notified by the Transporter by 16:00 hours on D + 2 or where

there is an IP Reallocation made in accordance with Section 3.10 (*Error Correction*) the prevailing IP Reallocation at 16.00 hours on D + 5.

3.8 IP Allocation Notification

3.8.1 The Transporter shall notify to each Shipper:

- (a) the Shippers Initial IP Allocation in respect of Day D by 16:00 on Day D + 1;
- (b) for a Non OBA Day the Shippers IP Reallocation in respect of Day D by 16.00 on D + 2;
- (c) each IP Reallocation made in respect of the Shipper by 16.0 has on D + 5; and
- (d) the Shipper's Final IP Allocation by 16.00 on D + 5 (where the Shipper's Final IP Allocation is different from any previously notified Shipper's Initial IP Allocation or prevailing IP Reallocation).

3.9 Non OBA Day

3.9.1 The Transporter may, in respect of a Non-OBA Day at an IP at which IP OBA Provisions apply, and, in accordance with any applicable arrangement with the Adjacent TSO, provide including to the Adjacent TSO for each IP Nomination made for each IP Shipper pursuant to this Code:

- (a) the EIC of the Counterparty IP Shipper;
- (b) the EIC of the Shipper;
- (c) the identity of the Adjacent TSO;
- (d) the Day;
- (e) the direction of gas flow; and
- (f) the quantity allocated to the Shipper in accordance with this Section 3.

3.10 Error Correction

3.10.1 The provisions of this Section 3.10 shall apply if an error (a "**Potential Error**") may have been made:

- (a) in implementing the Matching Procedure in respect of an IP Nomination submitted by a Shipper in respect of a Day; and/or
- (b) the determination of a Shipper's IP Allocation at an IP in respect of that Day.

3.10.2 A Potential Error may be identified by:

- (a) the Transporter; or
- (b) a Shipper at the Interconnection Point; or
- (c) the Adjacent TSO at the Interconnection Point; or
- (d) a Counterparty IP Shipper;

and the Transporter may receive notice of a Potential Error from a Shipper or an Adjacent TSO.

3.10.3 If a Shipper is of the reasonable opinion that a Potential Error may have been made the Shipper shall as soon as reasonably practical and in any event not later than 16:00 hours on D + 3 after the Day to which the Potential Error relates notify the Transporter of the Potential Error in accordance with Section 3.10.4 and shall provide to the Transporter such information as the Transporter may reasonably require to enable the Transporter to investigate the Potential Error.

3.10.4 The Shipper shall provide to the Transporter such information as the Transporter may reasonably require to enable the Transporter to investigate the Potential Error including:

- (a) the EIC of the Shipper;
- (b) the identity of the Counterparty IP Shipper;
- (c) the Day in respect of which the IP Nomination (or IP Allocation) as the case may be was made;
- (d) the IP Nominated Quantity notified by the Shipper, the IP Nomination Processed Quantity determined by the Transporter and the IP Nomination Confirmed Quantity notified to the Shipper;
- (e) the quantity specified in the IP Allocation made in respect of the Shipper in connection with the relevant IP Nomination; and
- (f) the quantity which the IP Shipper submitting the notification reasonably believes should have been determined as:
 - (i) the applicable IP Nomination Processed Quantity; and/or
 - (ii) the applicable IP Nomination Confirmed Quantity; and/or
 - (iii) the applicable IP Allocation.

3.10.5 The Transporter shall where the Transporter identifies a Potential Error; or on receipt of notification of a Potential Error:

- (a) where the Potential Error is identified by the Transporter or notified to the Transporter by a Shipper notify the Adjacent TSO (and the Adjacent

TSO may notify the Counterparty IP Shipper of the alleged Potential Error);

- (b) where the Transporter has identified the Potential Error notify any potentially affected Shipper and the adjoining TSO;
- (c) an Adjacent TSO notifies the Transporter of a Potential Error and of the identity of any Shipper which is potentially affected by such Potential Error;
- (d) investigate or participate in the investigation of the alleged Potential Error, including where appropriate in consultation with the Adjacent TSO (or such other party as the Transporter considers appropriate) and may consult with the affected Shipper;
- (e) provide such information as may be reasonably necessary (including information with respect to Shipper IP Nominations, Shipper's IP Nomination Processed Quantities and IP Nomination Confirmed Quantities) as the Transporter considers appropriate to the proper investigation of a Potential Error; and
- (f) either the Transporter or the Adjacent TSO (as appropriate) may investigate the alleged Potential Error including where appropriate in consultation with such third parties as may be necessary.

3.10.6 If following such investigation it is confirmed that an error ("**Error**") has taken place:

- (a) where the Transporter has investigated the Potential Error, the Transporter shall notify the Shipper (and the Adjacent TSO) of such corrective action as the Transporter considers reasonably necessary in order to correct the Error, including where applicable the determination of a revised IP Nomination Processed Quantity or revised IP Nomination Confirmed Quantity;
- (b) where the Adjacent TSO has investigated the Potential Error notify the Shipper of the corrective action which has been determined by the Adjacent TSO as the Adjacent TSO identifies as necessary in order to correct the Error, including where applicable the determination of a revised IP Nomination Processed Quantity or a revised IP Nomination Confirmed Quantity; and
- (c) where the correction of an Error results in a revised IP Nomination Processed Quantity or a revised IP Nomination Confirmed Quantity any revised IP Allocation calculated following any such Error shall be an IP Reallocation.

3.10.7 No correction of a Potential Error may be made in respect of a Day unless:

- (a) the Potential Error is identified or notification of the Potential Error is received prior to 16:00 on D + 3;
- (b) the Potential Error can be investigated; and
- (c) any applicable redetermination of relevant quantities is completed by 11.00 on D + 5.

4. NDM SUPPLY POINT RECONCILIATION

4.1 Overview

- 4.1.1 The provisions of this Section 4 shall only apply in respect of NDM Gas Points and NDM Supply Points.
- 4.1.2 The Transporter shall keep, maintain and publish Reconciliation Procedures.
- 4.1.3 The reconciliation of differences between energy values (in kWh) derived from NDM Meter Reads and Final Supply Point Allocations in respect of the NDM Supply Points at which a Shipper is registered shall be conducted in accordance with the applicable Reconciliation Procedures and this Section 4.

4.2 Reconciliation

- 4.2.1 Following receipt by the Transporter of a NDM Meter Read, the Transporter shall calculate in accordance with the Reconciliation Procedures the difference between the quantity of Natural Gas allocated in accordance with the NDM Allocation Procedure and Section 2 during the period to which the NDM Meter Read relates and the quantity determined by the NDM Meter Read as having been offtaken from such NDM Supply Point during such period (the "**Reconciliation Quantity**").
- 4.2.2 Following the calculation of the Reconciliation Quantity the Transporter shall calculate the amount of any adjustments to be made to any charges paid or payable by the Shipper (the "**Reconciliation Charging Adjustments**") in accordance with the Reconciliation Procedures.
- 4.2.3 The Transporter shall, after the end of each Month, submit a reconciliation statement (the "**Monthly Reconciliation Statement**") to each Shipper in accordance with the Reconciliation Procedures.
- 4.2.4 The Transporter shall, after the end of each Gas Year, submit an annual reconciliation statement (the "**Annual Reconciliation Statement**") to each Shipper for the preceding Gas Year in accordance with the Reconciliation Procedures.
- 4.2.5 The aggregate Reconciliation Charging Adjustments shown on the Annual Reconciliation Statement shall be payable by the Shipper to the Transporter or credited by the Transporter to the Shipper, as the case may be, in accordance

with the Reconciliation Procedures and Part I (*Legal and General*) Section 11 (*Invoicing and Payment*).

4.3 Residual Gas Value

After the end of each Gas Year any residual gas value shall be calculated and attributed in accordance with the Reconciliation Procedures.

4.4 Final Allocation and System Imbalance Charges

The outcome of the reconciliation process carried out in accordance with this Section 4 and the Reconciliation Procedures shall not affect a Shipper's Final Exit Allocation or System Imbalance Charges, if any.

SCHEDULE 2**Part 1****Entry Nominations**

- (i) the Day in respect of which the Entry Nomination is being made;
- (ii) the Entry Point in respect of which the Entry Nomination is being made;
- (iii) the Nominated Quantity (in kWh);
- (iv) the applicable ID of the Shipper making the Entry Nomination; and
- (v) in the event that there is no Entry Allocation Agent, the identity and contact details of the Third Party Shipper(s) with the corresponding quantities of Natural Gas to be delivered by such Third Party Shipper(s).

Part 2**Exit Nominations, CSEP Exit Nominations, Sub-Sea I/C Offtake Nominations,**

- (i) the Day in respect of which the Exit Nomination, the CSEP Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be) is being made;
- (ii) the applicable Shipper ID of the Shipper making the Exit Nomination, the CSEP Exit Nomination or the Sub-Sea I/C Offtake Nomination (as the case may be);
- (iii) where the Exit Nomination is a:
 - (1) LDM Nomination:
 - (A) the Offtake Point;
 - (B) the Nominated Quantity (in kWh); and
 - (C) an hourly offtake profile (in kWh) and specify, in respect of each hour of each Day to which the Nomination (or Renomination) relates, a quantity which is less than or equal to the applicable MHQ in respect of such LDM Offtake;
 - (2) DM Exit Nomination, the aggregate Nominated Quantity (in kWh) in respect of all DM Offtakes at which the Shipper is a Registered Shipper; or
 - (3) NDM Exit Nomination, the aggregate Nominated Quantity (in kWh) of Natural Gas for onward delivery to NDM Supply Points at which the Shipper is a Registered Shipper;
- (iv) where the Nomination is a CSEP Exit Nomination:
 - (1) the CSEP to which the Nomination relates;
 - (2) the Nominated Quantity (in kWh); and
 - (3) whether the CSEP Exit Nomination is Interruptible (unless all CSEP Exit Nominations at the specified CSEP are Interruptible pursuant to this Code);
- (v) where the Nomination is a Sub-Sea I/C Offtake Nomination:
 - (1) the Sub-Sea I/C Offtake; and
 - (2) the Nominated Quantity (in kWh).

Part 3

Renomination

- (i) the information required to be submitted for Nominations in accordance with Sections 1.2.2(a), 1.2.3(a), 1.2.5(a), 1.2.5(b) or 1.2.5(c) as the case may be;
- (ii) the previous Valid Nomination or Valid Renomination which the Renomination is intended to supersede;
- (iii) the time at which the Shipper expects the Renomination to become effective, subject to the relevant notice periods;
- (iv) the Renominated Quantity (in kWh); and
- (v) the applicable Shipper ID of the Shipper making the Renomination.

Part 4

IBP Buy Nominations

- (i) the Day in respect of which the IBP Buy Nomination is being made;
- (ii) the Nominated Quantity (in kWh);
- (iii) the identity of the counter-party Shipper submitting the IBP Sell; and
- (iv) the identity of the Shipper making the IBP Buy Nomination.

Part 5**IBP Sell Nomination**

- (i) the Day in respect of which the IBP Sell Nomination is being made;
- (ii) the Nominated Quantity (in kWh);
- (iii) the identity of the Shipper submitting the matching IBP Buy Nomination; and
- (iv) the identity of the Shipper making the IBP Sell Nomination.

Part 6***[VIP Injection Nominations***

- (i) the Day in respect of which the VIP Injection Nomination is being made;
- (ii) the Nominated Quantity (in kWh); and
- (iii) the identity of the Shipper making the VIP Injection Nomination.]

Part 7***[VIP Withdrawal Nominations***

- (i) *the Day in respect of which the VIP Withdrawal Nomination is being made;*
- (ii) *the Nominated Quantity (in kWh); and*
- (iii) *the identity of the Shipper making the VIP Withdrawal Nomination.]*

Part 8**IP Nomination**

- (a) the identity of the IP;
- (b) whether the IP Nomination or IP Renomination is Single Sided or Double Sided;
- (c) the direction of gas flow;
- (d) the IP Nominated Quantity or the IP Renominated Quantity (in kWh/d);
- (e) the EIC of the Shipper making the IP Nomination;
- (f) the identity of the Counterparty IP Shipper including balancing portfolio (if any) identification of such Counterparty IP Shipper where applicable and where the IP Nomination is a Single Sided Nomination the Counterparty IP Shipper shall be the Shipper;
- (g) the Day in respect of which the IP Nomination or IP Renomination is submitted; and
- (h) in respect an IP Renomination the requested Effective Flow Rate Time (which shall be two hours after the IP Nomination Deadline which occurs on the hour after submission of the IP Nomination or the IP Renomination (as applicable)).