

Special Condition C11: Transmission Planning Code

1. The licensee shall, in consultation with interested parties for a period of not less than 28 days, prepare and have in force by 1 October 2008 a transmission planning code, which shall be in a form approved by the Authority (the “**transmission planning code**”).
2. Once the transmission planning code is in force, the licensee shall at all times maintain the transmission planning code and comply with its provisions.
3. The transmission planning code shall cover all material technical aspects relating to the planning and development of the pipe-line system to which this licence relates, which may have a material impact upon persons connected to or using (or intending to connect to or use) the pipe-line system to which this licence relates, and shall include:
 - (a) a methodology to determine the physical capability of the pipe-line system to which this licence relates specifying in detail how the licensee is taking into account:
 - (i) its entry capacity release obligations pursuant to Special Condition C8D (NTS gas entry incentive, costs and revenues) and its exit capacity release obligations pursuant to Special Condition C8E (NTS gas exit incentive, costs and revenues);
 - (ii) the amount of capacity that may technically be transferred or traded between NTS entry points;
 - (iii) the impact of incremental gas flows upon the capability of the pipe-line system to which this licence relates at each NTS entry point and NTS exit point; and
 - (iv) statutory network security standards.
 - (b) the detailed assumptions that the licensee is using in respect of:

- (i) the likely developments in the patterns of the supply of gas and the demand for gas;
 - (ii) the likely developments in the levels of the supply of gas and the demand for gas; and
 - (iii) the likely operation of the pipe-line system to which this licence relates for any given pattern and/or level of supply of gas or demand for gas.
- 5. The licensee shall periodically review (being not less than once every two years including, upon the request of the Authority) the transmission planning code (maintained pursuant to paragraph 2). As part of the review, the licensee shall consult interested parties liable to be materially affected thereby.
- 6. Within 28 days of completing any such review, the licensee shall send to the Authority:
 - (a) a report on the outcome of such review;
 - (b) any proposed revisions to the transmission planning code from time to time as the licensee (having regard to the outcome of such review) reasonably considers fit; and
 - (c) any written representations or objections from interested parties arising during the consultation process (including any proposals by such parties for revisions to the transmission planning code not accepted by the licensee in the course of the review) and not withdrawn.
- 7. Revisions to the transmission planning code proposed by the licensee and sent to the Authority pursuant to paragraph 5 shall require the approval of the Authority. If the Authority does not inform the licensee in writing of its decision in respect of such revisions within 28 days from the date of the report pursuant to paragraph 5 being submitted to the Authority, the Authority shall be deemed to have approved such revisions.
- 8. The Authority may (following consultation with the licensee) issue directions relieving the licensee of its obligations to implement or comply with the licensee's

transmission planning code in respect of such parts of the pipe-line system to which the licence relates and/or to such extent as may be specified in the directions.

9. In this condition:

“statutory network security standards” shall have the meaning given to “gas security standard” as defined in Standard Special Condition A9 (Pipe-Line System Security Standards) ; and

“interested parties” means gas shippers, DN operators, owners of storage facilities and the owners of LNG import facilities.