FINAL LEGAL TEXT

The following draft Legal Text has been provided by National Grid Distribution.

Modification 0369 TPD

TPD Section G Supply Points

Amend paragraph 3.7.4 as follows:

3.7.4 Where a Supply Meter Point has been Isolated and is Re-established, and an Effective Supply Point Withdrawal has not occurred and the Supply Meter continues to remain physically connected to a System during the period from the date of Isolation to the date of Re-establishment the Transporter identifies that the previously connected Supply Meter (with the same serial number and number of dials as provided as part of the Meter Information) is physically connected to a System such that gas is capable of being offtaken (without any further action being taken) from the Total System then where gas was or is being offtaken from the Total System during such period, (as evidenced by Meter Readings), each Registered User in respect of the period for which it is or was the Registered User shall be liable for all charges (including without limitation Transportation Charges and Energy Balancing Charges) associated with such Supply Meter Point as if it had not been so Isolated. 1

Amend paragraph 3.7.5 as follows:

- 3.7.5 Without prejudice to the generality of paragraph 3.7.4 where a Supply Meter Point has been Isolated and an Effective Supply Point Withdrawal has occurred and the Supply MeterTransporter identifies that the previously connected Supply Meter (with the same serial number and number of dials as provided as part of the Meter Information) is still capable of flowing gas (without any further action being taken) from the Total System continues to remain physically connected to a System then:2
 - (a) the Effective Supply Point Withdrawal shall be deemed to be void as if such Effective Supply Point Withdrawal had never been effective, as set out at 3.7.7

¹ This Section sets out the circumstances where in the case of an Isolated only Supply Meter Point (SMP) the Transporter will seek to apply commodity and energy charges retrospectively where it finds that the meter (which will not include any meter which is owned by a Consumer where metering equipment cannot be readily removed from a Consumer's site) is connected to the network and not disabled in any way. Because the SMP is not Withdrawn the Shipper remains registered and given that it has continued to pay Capacity charges, there is no need to seek to recover these. The existing UNC Provisions only allow Transporters to recover commodity charges where the meter has never been physically disconnected. This section extends this principle to include situations where the meter was disconnected.

² <u>This section sets out how SMPs which have been Isolated and Withdrawn should be treated</u> from a perspective of Transporters ability to recover all charges (including Capacity) from the previous registered Shipper. This is given that Isolation and Withdrawal leads to de-registration of the Shipper and leaves the relevant Supply Point shipperless. The scope of this ability is where the same meter is subsequently found to be connected and capable of flowing gas (i.e. has not been disabled in any way).

below;3

- (b) where gas was or is being offtaken at such Supply Meter Point during such period the RelevantTransporter shall notify the party that was the Registered User at the time of Isolation (the "Relevant Registered User") and such Relevant Registered User shall be liable for:4
 - subject to paragraph (d) below, all charges (including without limitation Transportation Charges and Energy Balancing Charges) associated with such Supply Meter Point, as if an Isolation and Effective Supply Point Withdrawal had not occurred;
 - (ii) shall register such Supply Meter Point in accordance with paragraph 2 or, failing which shall be deemed to be registered at such Supply Point in accordance with paragraph 3.7.7;.5
 - (iii) all reasonable costs incurred by the relevant Transporter in accordance with Siteworks Terms and Procedures (as defined in Section G7.2.2) where the relevant Transporter undertakes a visit to carry out a service disconnection in accordance with the Gas Safety (Installation and Use) Regulations 1998 and where the Supply Meter remains connected and capable of flowing gas;6
- (c) where gas has not been offtaken (but is capable of being offtaken without further action being taken) at such Supply Meter Point during such period then the Relevant Registered User:
 - (i) shall be liable for Capacity Charges and Customer Charges associated with such Supply Meter Point, as if an Isolation and Effective Supply Point Withdrawal had not occurred and such Relevant Registered User;7
 - (ii) shall register such Supply Point in accordance with paragraph 2 or failing which shall be deemed to be registered at such Supply Point in accordance with paragraph 3.7.7;
 - (iii) shall be liable for all reasonable costs incurred by the relevant Transporter in accordance with Siteworks Terms and Procedures (as defined in Section G7.2.2) where the relevant Transporter undertakes a visit to carry out a service disconnection in accordance with the Gas Safety (Installation and Use) Regulations 1998 and where the Supply Meter

⁴ This paragraph covers scenarios where gas has flowed.

³ <u>The purpose of this paragraph is to establish that where the Transporter identifies the above scenario that it will seek that the previous Shipper re-registers the Supply Point (see below) and then for the purposes of UNC the previous registration never ceased i.e. in Code terms the Registration is continuous and an Isolation and Withdrawal never happened.</u>

⁵ Paragraph 2 of Section G sets out the Supply Point registration process (Confirmation, etc)

⁶ <u>It is anticipated that instances where the meter is found to be connected and capable of</u> <u>flowing gas are likely to be discovered by the Transporter as a consequence of a GSI&U visit</u> <u>(which the Transporter discharges on behalf of the Supplier). Therefore the purpose of this</u> <u>paragraph is to enable the Transporter to recover its costs where it is unable to undertake the</u> <u>GSI&U disconnection.</u>

⁷ <u>This paragraph covers scenarios where gas has not flowed (but where the meter is connected and not disabled). In this case only Capacity and Customer charges are due.</u>

remains connected and capable of flowing gas;

- (d) the charges set out in (b) (i) above shall not apply where:
 - (i) the connected Supply Meter is a consumer owned meter (and the Registered User has taken steps to disconnect the consumer owned meter and such Supply Meter cannot be readily removed from the consumer's control); or
 - (ii) a Transporter has undertaken physical works to disconnect the Supply Meter pursuant to Section G3.6).

Delete paragraph 3.7.6

Renumber paragraph 3.7.7 to 3.7.6

Insert new paragraph 3.7.7 as follows:

- 3.7.7 Where the Relevant Registered User does not submit an appropriate Supply Point Confirmation in accordance with paragraphs 3.7.5 (b) (ii) and 3.7.5 (c) (i) above within 1 calendar month of being notified by the Transporter:
 - (a) the Relevant Registered User shall be deemed to have granted the Transporter authority to do so effective from the date of such Effective Supply Point Withdrawal; and
 - (b) the Transporter shall submit a Supply Point Confirmation using the information on the Supply Point Register in relation to such Supply Point together with the Meter Reading provided by the Relevant Registered User immediately upon the Isolation;

such that the Effective Supply Point Withdrawal shall be deemed to be void and any obligations associated with such Supply Point shall be applied as if the Effective Supply Withdrawal had never become effective.