UNIFORM NETWORK CODE – INDEPENDENT GAS TRANSPORTER ARRANGEMENTS DOCUMENT

SECTION B – IGT SYSTEMS – CONNECTION AND OPERATIONAL ARRANGEMENTS

1 GENERAL

1.1 Introduction

1.1.1 This Section B sets out:

(a) requirements (including requirements as to connection and operation in relation to an IGT System at a CSEP) applying to the directly-connected Independent Gas Transporter only;

(b) certain such requirements applying to both the directly-connected Independent Gas Transporter and any indirectly-connected Independent Gas Transporter; and

(c) in respect of a directly-connected IGT System within the meaning of Section A2.1(a)(i) only, provisions (at paragraph 3.5) relating to reverse compression.

1.1.2 For the purposes of this Section B:

(a) **"CSEP Connection Arrangements"** is defined in paragraph 1.2.1

(b) **"CSEP Connection Data"** is defined in paragraph 2.2.2;

(c) a **"CSEP Registration"** is the record of data in respect of a CSEP maintained by the DN Operator (or as the case may be, and to the extent required) National Gas Transmission under paragraph 1.3;

(d) an **"IGT System Registration"** is the registration of an IGT System provided for in paragraph 2.4; and

(e) **"AQ Calculation Table"** means the table in Annex B-1.

1.1.3 For the purposes of this Document, in relation to a LDZ CSEP or (so far as applicable as further provided in this Section B) a NTS CSEP:

(a) **"Aggregate IGT System"** means the directly-connected IGT System and all (if any) indirectly-connected IGT Systems, taken together;

(b) **"AIGTS AQ"**, in relation to a Gas Year, means the aggregate quantity of gas which is expected to be offtaken from all IGTS Supply Meter Points on the Aggregate IGT System in that Gas Year, determined in accordance with paragraph 1.5;

(c) **"Connection or Load Change"** means any of the things specified in paragraph

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2.2.2 (a), (b) and (c);

(d) **"Connection Facilities"** means any equipment or facilities installed (pursuant to the CSEP Connection Arrangements or otherwise) by the Transporter or the directly-connected Independent Gas Transporter at the site of a CSEP for the purposes of connecting or enabling the connection of the DNO System or the NTS and the IGT System at that CSEP; and

(e) the **"Maximum CSEP Offtake Rate":**

(i) in relation to a LDZ CSEP and a Gas Year, is the maximum instantaneous rate at which (on the basis of 1-in-20 peak day demand) gas is expected to be offtaken at the CSEP at any time in that Gas Year, determined on the basis of the same assumptions as to connected load as the AIGTS AQ;

(ii) in relation to a NTS CSEP, is the maximum instantaneous rate at which gas can flow to the IGT System at the CSEP, as determined by National Gas Transmission.

1.1.4 In this Section B a reference to a 'Party' in the context of a CSEP is to the DN Operator or (where comprised in an Unmetered IGT-NTS System Point) National Gas Transmission and a directly-connected Independent Gas Transporter.

1.1.5 The requirements in Section E in respect of DM IGTS Supply Points apply separately from and in addition to this Section B.

1.1.6 So far as provisions equivalent to those in this Section B are required in relation to a USEP, they are contained in the Network Entry Agreement or Tripartite Agreement (as provided in Section G).

1.2 CSEP Connection Arrangements

1.2.1 Each Transporter individually has established processes and other arrangements (such processes and arrangements, as from time to time in force, the **"CSEP Connection Arrangements"**) by which an Independent Gas Transporter may apply for and (subject to the conditions and requirements stipulated by the Transporter) obtain approval for the connection of a directly-connected IGT System to a DNO System at an Unmetered Connected System Exit Point or (as the case may be) to the NTS at an Unmetered IGT-NTS System Point, or a subsequent increase in expected load at such a System Point.

1.2.2 The CSEP Connection Arrangements are set out in separate documentation established by each Transporter, and do not form part of the Code.

1.2.3 The CSEP Connection Arrangements provide (among other things) for:

(a) the submission by the directly-connected Independent Gas Transporter of initial and updated CSEP Connection Data (in accordance with paragraph 2.2.1) (LDZ CSEPs only);

(b) requirements as to the Connection Facilities to be installed by either Party at a CSEP;

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(c) the basis on which the annual quantity in respect of premises not within the AQ Calculation Table will initially be determined by the Independent Gas Transporter for the purposes of determining the AIGTS AQ (LDZ CSEPs only);

(d) the identification of the point of offtake at each ISEP comprised in a CSEP for the purposes of TPD Section J3.2.1; and

(e) arrangements for the commissioning of the directly-connected IGT System and any indirectly-connected IGT System.

1.2.4 The CSEP Connection Arrangements may provide for:

(a) the determination of the maximum number of Days in a Planned Maintenance Period or in any three consecutive Planned Maintenance Periods in respect of a CSEP for the purposes of TPD Section L4.3.2(a);

(b) establishing a provision as to the pressure of gas to be made available for offtake at a CSEP, or the basis on which (in different circumstances) such pressure will be determined.

1.2.5 Any estimate required to be made by an Independent Gas Transporter under this Section B shall be made to the standards required in and otherwise in accordance with the CSEP Connection Arrangements (and in the absence of any such standards, in good faith and to the standard of a Reasonable and Prudent Operator and where applicable after enquiry of any downstream Independent Gas Transporter).

1.3 CSEP Registration

1.3.1 The Transporter shall maintain, and update to reflect information provided by the directly-connected Independent Gas Transporter, a record in respect of each CSEP setting out:

(a) the identity and geographical location of the CSEP;

(b) a list of the Connection Facilities installed by the Independent Gas Transporter and by the Transporter;

(c) the point of offtake (for each Independent System Exit Point) identified in accordance with the CSEP Connection Arrangements;

(d) the identity of each downstream IGT System;

(e) the number (if any) of Days of allowed maintenance in a Planned Maintenance Period or in any three consecutive Planned Maintenance Periods determined pursuant to the CSEP Connection Arrangements (as provided in paragraph 1.2.4(a));

(f) any provision as to pressure established pursuant to the CSEP Connection Arrangements (as provided in paragraph 1.2.4(b)); and

(g) the prevailing CSEP Connection Data (LDZ CSEPs only).

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1.3.2 The Transporter shall upon request provide to the directly-connected Independent Gas Transporter and any indirectly-connected Independent Gas Transporter the details contained in the CSEP Registration in respect of a CSEP.

1.3.3 The Transporter is entitled to make available (pursuant to TPD Section J6.1.1) to any User the details contained in the CSEP Registration in respect of a CSEP.

1.4 Responsibility of directly-connected Independent Gas Transporter

1.4.1 Except where any provision of this Section B is expressly binding on indirectly-connected Independent Gas Transporters, the directly-connected Independent Gas Transporter is responsible for ensuring that the requirements of this Section B are complied with in relation to the Aggregate IGT System as a whole.

1.4.2 The directly-connected Independent Gas Transporter undertakes that it will make (and in relation to indirectly-connected IGT Systems in existence at the Nexus Implementation Date, warrants that it has made) arrangements with each indirectly-connected Independent Gas Transporter which enable the directly-connected Independent Gas Transporter to comply with this Section B.

1.5 AIGTS AQ

1.5.1 In relation to a LDZ-Connected IGT System, the AIGTS AQ for a Gas Year shall be determined by aggregating, for the maximum number of premises expected to be connected to the Aggregate IGT System at the end of the Gas Year (as provided in paragraph 2.2.2(a)), quantities determined as follows:

(a) for premises which are not (at the time at which the AIGTS AQ is to be determined) connected to the Aggregate IGT System:

(i) in respect of premises of a type within the AQ Calculation Table, the 'AQ' determined in accordance with the AQ Calculation Table on the basis of the type of premises and the relevant LDZ; and

(ii) in respect of other premises, the annual quantity determined by the Independent Gas Transporter pursuant to the CSEP Connection Arrangements;

(b) for premises which (at such time) are connected to the Aggregate IGT System, the prevailing Annual Quantity of the relevant IGTS Supply Point determined in accordance with Section D.

1.6 Miscellaneous

1.6.1 The provisions of the Code are without prejudice to any lease or other instrument made between the Parties in respect of the land where any Connection Facilities of the Transporter or the Independent Gas Transporter are situated.

1.6.2 Without prejudice to anything agreed pursuant to the CSEP Connection Arrangements, nothing in this Document imposes any obligations on the Transporter, or takes effect as a warranty by the Transporter, in favour of any Independent Gas Transporter in relation to any Connection Facilities of the Transporter; and (in accordance with Section F6) the

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Transporter will not be liable to any Independent Gas Transporter in respect of any failure or misfunction of any such Connection Facilities.

1.6.3 Without prejudice to anything agreed pursuant to the CSEP Connection Arrangements, nothing in this Document imposes any obligations on the Independent Gas Transporter, or takes effect as a warranty by the Independent Gas Transporter, in favour of any Transporter in relation to any Connection Facilities of the Independent Gas Transporter; and (in accordance with Section F6) the Independent Gas Transporter will not be liable to any Transporter in respect of any failure or misfunction of any such Connection Facilities.

1.7 CDSP Functions

1.7.1 Agency Functions of the CDSP to support implementation of this Section B are maintaining IGT System Registrations on behalf of Transporters.

2 CSEP CONNECTION

2.1 Right to be connected and permit offtake

2.1.1 Provided it complies with the requirements in this Section B (and without prejudice to the requirements under the Code and Network Entry Agreement in respect of a NTS System Entry Point), a directly-connected Independent Gas Transporter shall be entitled to have:

(a) the Aggregate IGT System connected to the DNO System; or

(b) its IGT System connected to the NTS,

at each Individual System Exit Point comprised in the relevant CSEP.

2.1.2 A directly-connected Independent Gas Transporter shall not offtake gas or permit gas to be offtaken from the DNO System or (as the case may be) the NTS at any Individual Exit Point comprised within the CSEP:

(a) before the date (determined in accordance with the CSEP Connection Arrangements) on which the connection of the IGT System to the relevant System has been completed, as demonstrated by successful commissioning of the pipeline(s) and other facilities forming part of the relevant System, so as to permit the safe transportation of gas on the relevant System to the furthest downstream isolation valve before the IGT System; or

(b) except for the purposes of commissioning (as provided in, and in accordance with, the CSEP Connection Arrangements) the directly-connected IGT System and any downstream IGT System, before the date (as determined in accordance with those arrangements) on which such commissioning is treated as completed.

2.2 CSEP connection requirements

2.2.1 It is a requirement for the purposes of the Code that, before any of the following:

(a) the initial connection of the directly-connected IGT System to the DNO System

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at a CSEP;

(b) the connection of any indirectly-connected IGT System to any upstream IGT System; or

(c) the expansion of any part of the Aggregate IGT System by the connection of any premises (or a change in load at premises) such that the number of premises or AIGTS AQ exceeds what was specified in the prevailing CSEP Connection Data,

the directly-connected Independent Gas Transporter shall estimate or (as the case may be) determine and submit to the DN Operator the CSEP Connection Data or (as the case may be) updated CSEP Connection Data, and obtain from the DN Operator approval for the connection or (as the case may be) change in load, in accordance with the CSEP Connection Arrangements.

2.2.2 For the purposes of the Code, **"CSEP Connection Data"** in relation to a Connection or Load Change means, for each of the 10 Gas Years starting with the Gas Year in which a Connection or Load Change occurs or (as the case may be) in which an update is notified under paragraph 2.3:

(a) the maximum number of premises expected to be connected to the Aggregate IGT System at the end of the Gas Year;

(b) the AIGTS AQ;

(c) the amount of the AIGTS AQ referable to:

(i) Smaller IGTS Supply Points;

(ii) Larger IGTS Supply Points; and

(d) the Maximum CSEP Offake Rate,

and a reference to the **"prevailing"** CSEP Connection Data is to the data most recently submitted and for which approval (as referred to in paragraph 2.2.1) has been obtained.

2.2.3 The directly-connected Independent Gas Transporter shall not make or permit any downstream Independent Gas Transporter to make any connection of any IGT System to another System, or of premises to any IGT System, or take or permit to be taken any other action, which would result in a failure to comply with the requirement in paragraph 2.2.1.

2.2.4 This paragraph 2.2 and paragraph 2.3 apply only in relation to LDZ-Connected IGTS Systems.

2.3 Updated CSEP Connection Data

2.3.1 Without prejudice to paragraph 2.2.1, the directly-connected Independent Gas Transporter shall:

(a) keep the prevailing CSEP Connection Data under review, and in any event review such data upon the request of (and within the timetable reasonably required by) the DN Operator; and

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(b) if there is any change (whether in respect of an increase or decrease in the expected number of premises connected or load on the Aggregate IGT System) in its estimate of the matters comprised in the CSEP Connection Data as compared with the estimates in the prevailing CSEP Connection Data, notify the DN Operator and submit updated CSEP Connection Data accordingly.

2.4 IGT System Registration

2.4.1 Each (directly-connected or indirectly-connected) Independent Gas Transporter shall, before any IGT System is connected to a DNO System or (as the case may be an upstream IGT System), or to the NTS, register the IGT System with the Transporter (for the purposes, among others, of the application of Section D) by submitting the following data to the Transporter:

(a) the identity of the Independent Gas Transporter;

(b) an identifier (as specified by the Transporter) for the IGT System;

(c) the identity of the relevant CSEP; and

(d) in the case of an indirectly-connected IGT System, the identity of the upstream IGT System to which it is immediately connected.

2.4.2 No Independent Gas Transporter shall connect or permit the connection of any downstream IGT System unless the DN Operator confirms that the requirement in paragraph 2.4.1 has been complied with.

2.4.3 The Transporter will not be required to accept the registration of a LDZ-Connected IGT System under paragraph 2.4.1 unless the requirements of paragraph 2.2.1 have been complied with in respect of the connection of that IGT System.

3 OPERATIONAL REQUIREMENTS

3.1 Connection Facilities

3.1.1 Where (pursuant to the CSEP Connection Arrangements) any Connection Facilities are installed by either Party at a CSEP:

(a) that Party shall not modify, remove or replace such Connection Facilities, if such Connection Facilities would as a result cease to be compatible with the other Party's Connection Facilities or System, or if gas flows at the CSEP would be materially affected, except:

(i) where required (in relation to a subsequent Connection or Load Change) under, and in accordance with, the CSEP Connection Arrangements; or

(ii) with the approval of the other Party, which is not to be unreasonably withheld or delayed;

(b) that Party shall in any event give to the other Party as much notice as is practicable of any proposal to modify, remove or replace such Connection Facilities; and

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(c) the CSEP Registration shall be updated to reflect any such modification, removal or replacement.

3.1.2 Each Party shall be entitled, upon reasonable notice to the other Party, and subject to compliance with such reasonable procedural requirements as the other Party may specify, to inspect (and to have access accordingly to) the other Party's Connection Facilities for the purposes of verifying that those Connection Facilities remain compatible with the first Party's Connection Facilities and System.

3.2 Maintenance

3.2.1 The Parties shall exchange information as to:

(a) in the case of the Transporter, its proposals for carrying out maintenance on the relevant System; and

(b) in the case of the directly-connected Independent Gas Transporter, any proposal by it or any indirectly-connected Independent Gas Transporter for carrying out maintenance on any part of the Aggregate IGT System,

where such proposed maintenance is materially likely to affect gas flows at the CSEP, or the operation of the Aggregate IGT System or (as the case may be) the relevant System.

3.3 System security and emergencies

3.3.1 Each directly-connected or indirectly-connected Independent Gas Transporter and the Transporter agree to cooperate with each other and to comply with all requests made by the other (save those which are manifestly unreasonable) for the purposes of:

(a) averting or reducing danger to life or property; or

(b) securing the safety of their respective Systems or the same conveyance of gas by such System or reducing risk thereto.

3.3.2 Each directly-connected or indirectly-connected Independent Gas Transporter and the Transporter shall exercise their respective powers (to disconnect premises or parts of their respective Systems or otherwise suspend or restrict the flow of gas in or from any part of their respective Systems) under the Act, their gas transporter licences and (respectively) the Code and the IGT Code, with a view to ensuring the safety and security of the Total System and IGT Systems as a whole.

3.3.3 Where the Transporter exercises any right under the Code to suspend or discontinue the offtake by Users of gas at a CSEP, or to limit the rate of such offtake, the Transporter will advise the directly-connected Independent Gas Transporter by telephone as soon as possible.

3.4 Network validation

3.4.1 The directly-connected Independent Gas Transporter shall, on request from a Transporter, provide to the Transporter such information concerning the Aggregate IGT System as the Transporter may reasonably require for the purposes of carrying out network validation in respect of the relevant System.

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3.4.2 Without limitation, the information referred to in paragraph 3.4.1 includes current and projected information as to connected sites, connected load, pressures and gas flows.

3.5 Reverse Compression

3.5.1 For the purposes of this paragraph 3.5 "**reverse compression**" occurs where a directly-connected LDZ-Connected IGT System includes reverse compression facilities the operation of which by the Independent Gas Transporter causes gas which has flowed out of the DNO System and into the IGT System to flow back from the IGT System to the DNO System at an IGT LDZ System Entry Point.

3.5.2 An Independent Gas Transporter and a DN Operator will not permit gas to flow into a DNO System at an IGT LDZ System Entry Point as a result of reverse compression unless:

(a) there is in force an LDZ System Network Entry Agreement;

(b) such agreement contains, on terms satisfactory to the DN Operator (acting reasonably), inter alia:

(i) provisions relating to the monitoring by the DN Operator of the characteristics of gas subject to reverse compression (and the basis on which the Independent Gas Transporter will compensate the DN Operator for all reasonable costs and expenses incurred by the DN Operator for such purpose); and

(ii) provisions regarding the basis on which the Independent Gas Transporter will comply with the DN Operator's instructions regarding operation of the reverse compression facilities following notification by the DN Operator of maintenance to the DNO System affecting such operation.

3.5.3 An Independent Gas Transporter will not permit gas which is the subject of reverse compression to be delivered to premises connected to the IGT System.

3.5.4 In respect of any such LDZ System Network Entry Agreement TPD Section I2.1, 2.2, 2.3.1(c)(ii), 2.5, 3.11.2, 3.11.3(b), 3.11.4 and 3.11.6 to 3.11.9 (inclusive) shall not apply.

3.5.5 Where reverse compression occurs and gas flows back from an IGT System to a DNO System:

(a) the gas is treated as taken out of the IGT System by IGTS Users (pursuant to and as provided in the IGT Code) and put into the DNO System by Shippers Users;

(b) title and risk in such gas shall pass (as gas is taken out of the IGT System) from the Independent Gas Transporter to Shipper Users, and simultaneously (as the gas is put back into the DNO System) from Shipper Users to the DN Operator (in accordance with paragraph 3.5.7);

(c) subject to paragraph 3.5.2, no requirements apply as between the DNO Operator and Shipper Users as regards the making of nominations in respect of the composition, measurement or the pressure of such gas; and

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(d) notwithstanding the fact the Independent Gas Transporter or DN Operator may cause or permit such gas flow, neither shall be treated as taking gas out of the IGT System or putting it into the DNO System, and nothing in the Code shall be construed as having any contrary effect.

3.5.6 So far as it may be necessary for any purpose to determine the same, in relation to an IGT LDZ System Delivery Point on a Day, the proportions in which Shipper Users:

(a) put gas into the DNO System; and

(b) have title and risk in such gas

shall be equal to the proportions of the sums respectively of their UDQOs in respect of the IGTS System connected to the DNO System.

3.5.7 The point at which risk and title in gas passes for the purposes of paragraph 3.5.5(b) shall be the relevant point specified in the LDZ System Network Entry Agreement.

3.5.8 Where requested by the Independent Gas Transporter the DN Operator will provide to it reasonable details of the DN Operator's planned use, operation and development of its DNO System which the Independent Gas Transporter may reasonably request for the purposes of any decision by the Independent Gas Transporter regarding the installation and operation of reverse compression facilities on its IGT System.

3.5.9 No DN Operator shall be liable pursuant to paragraph 3.5.8 to any Independent Gas Transporter in relation to any information, forecast of other information provided to the Independent Gas Transporter, and nothing contained therein will bind a DN Operator to take (or not take) any action regarding the use, operation or development of its DNO System.

4 CERTAIN PROVISIONS APPLICABLE FOR THE PURPOSES OF THE TRANSPORTATION PRINCIPAL DOCUMENT

4.1 Pressures

For the purposes of the Applicable Offtake Requirements in relation to a CSEP, any provision (as provided in paragraph 1.2.4(b)) as to pressure or the basis for determining pressure established in respect of a CSEP pursuant to the CSEP Connection Arrangements is a provision within TPD Section J2.1.1(b)(iii).

4.2 Maintenance

For the purposes of TPD Section L4.3.2(a), the number of Days in a Planned Maintenance Period or in any three consecutive Planned Maintenance Periods Planned will be the number determined under the CSEP Connection Arrangements (and if no such number is so determined the number will be zero).

4.3 Maximum CSEP Offtake Rate

For the purposes of TPD Sections J3.9.2 and J3.9.3(a), the maximum aggregate rate permitted in any Gas Year is the Maximum CSEP Offtake Rate (in accordance with the prevailing CSEP Connection Data).

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Annex B-1

AQ Calculation Table

Standard Nominations for Domestic AQs

ESTIMATED AVERAGE ANNUAL GAS CONSUMPTION FOR NEW BUILD DWELLINGS IN THE UK

Regionalised Annual Quantities

(for use where no meter readings are available)

ESTIMATED AVERAGE ANNUAL GAS CONSUMPTION FOR NEW BUILD DWELLINGS IN THE UK **AQ Values Effective from 29 June 2012**							
Band	**House Type**	**South** **SW, NT, WS, SO**		**Average** **WN, SE, NW, EA, EM, WM, NE**		**North** **NO, SC**	
		AQ (kWh)		**AQ (kWh)**		**AQ (kWh)**	
A	**1 Bed**	**6,473**		**7,022**		**7,718**	
B	**2BF, 2BT**	**7,989**		**8,383**		**8,684**	
C	**2BS, 2BD, 3BT, 3BF**	**10,776**		**11,304**		**11,372**	
D	**3BS, 2BB**	**11,748**		**12,221**		**12,596**	
E	**3BD, 3BB**	**13,429**		**14,468**		**16,276**	
F	**4BD, 4BT, 4BS, 4BB**	**16,256**		**17,655**		**19,296**	
G	**5BD, 5BS, 6BD**	**22,644**		**24,423**		**25,606**	

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