# NETWORK EXIT AGREEMENT 

relating to

## CORYTON NTS SUPPLY METER POINT

with minimum offtake facilities
between

BG ple

AND

CORYTON ENERGY COMPANY, LTD. as Operator

AND<br>CORYTON ENERGY COMPANY, LTD. as Relevant Shipper

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AGREEMENT dated
27 November 1998

## BETWEEN:

(1) BG ply whose registered office is at 100 Thames Valley Park Drive, Reading, Berkshire, RG6 1PT
("Transco").
(2) Coryton Energy Company, Ltd. whose registered office is at 20 St. James's Street, London, SW1A 1ES acting in its capacity of operator of the Operator Offtake Facilities and the Gas Consuming Plant, (the "Operator").

AND
(3) Coryton Energy Company, Ltd. whose registered office is at 20 St. James's Street, London, SW1A 1ES (the "Relevant Shipper").

## WHEREAS:

A Transco is the operator of a pipeline system in Great Britain and the Transco Minimum Offtake Facilities (as defined) and holds a licence as a public gas transporter under the Gas Act 1986 (as amended), pursuant to which Transco has prepared the Network Code to which the Relevant Shippers) is a Party and a copy of which (as in force at the date hereof) has been provided to the Operator (at the Operator's expense) which sets out the terms on which Shippers may arrange with Transco for the conveyance of gas by (including in particular the offtake of gas from) the System.

B The Operator will be the operator of the Operator Offtake Facilities and the Gas Consuming Plant (as hereinafter defined) which is (subject as provided in this Agreement) connected to the System. The Operator holds a licence to operate a
pipeline or has been granted an exemption or is exempt from any such requirement to hold a licence under the Gas Act 1986 (as amended).

C For the purposes of the Network Code, the point at which the Operator Offtake Facilities are connected to the System constitutes a VLDMC Supply Meter Point, and (in relation thereto) the Operator is the consumer.

D The Network Code contemplates that a Network Exit Agreement may be entered into between Transco and the consumer and the Registered User(s) in respect of a Supply Point incorporating such VLDMC Supply Meter Point for the purposes of providing for the application (as between Transco and the Relevant Shippers) of certain provisions of the Network Code and setting out certain other matters in relation to the measurement of gas offtaken by Shippers from the System at a VLDMC Supply Meter Point, and the ownership and nature of plant in the vicinity thereof.

E This Agreement is the Network Exit Agreement relating to the Premises Supply Meter Point for the purposes of the Network Code.

IT IS HEREBY AGREED AS FOLLOWS:

## 1. Definitions

1.1 In this Agreement the following terms shall have the following meanings:
"Accession Date": in relation to any Applicant the Date established as such in accordance with the relevant NEXA Accession Agreement;
"Act": the Gas Act 1986 (as amended);
"Applicant": an Operator Applicant or a Relevant Shipper Applicant;
"Commissioning Completion Date": the date of handover of the Gas Consuming Plant to the Operator pursuant to the contract for the construction of the Gas Consuming Plant between the Operator and Bechtel Limited;
"Construction Completion Date": the date of substantial completion of the Gas Consuming Plant;
"CSEP NEXA": a CSEP Network Exit Agreement incorporating provisions pursuant to Section J5.4.5 of the Network Code, defining the circumstances in which CSEP Users are entitled to offtake gas at the Premises Supply Meter Point;
"Forced Outage": an unplanned unexpected and unavoidable failure of any part of the Gas Consuming Plant resulting in the immediate cessation or reduction of the level of its operation;
"Gas Code": Schedule 2B to the Act;
"Gas Consuming Plant": the gas fired power generation equipment and pipework installed downstream of the Operator Offtake Facilities;
"Local Emergency": an emergency arising in connection with the operation of the Gas Consuming Plant, the Operator Offtake Facilities, or the Transco Minimum Offtake Facilities which affects the safety of any person or threatens to cause damage to the Gas Consuming Plant, the Operator Offtake Facilities, the Transco Minimum Offtake Facilities or the System;
"Maximum Flow Rate": has the meaning ascribed to it in Annex C 4.1;
"Network Code": the network code prepared by Transco, as from time to time modified, pursuant to the Transco Licence;
"NEXA Accession Agreement": an agreement substantially in the form of the draft agreement set out in Annex H;

## "NEXA Accession Requirements":

(1) In the case of an Operator Applicant:
(a) the Applicant has applied to Transco to become a Party giving the following details:
(i) its name;
(ii) the legal nature of the Applicant and, where the Applicant is not a company incorporated under the Companies Act 1985 (as amended), such further information concerning the constitution of the Applicant as Transco may reasonably require;
(iii) the address and telephone and facsimile numbers of the Applicant, and the individual(s) for whose attention such notices are to be marked, for the purposes of notices under this Agreement;
(iv) where the Applicant is not a company incorporated under the Companies Act 1985 (as amended), an address for service of process on its behalf in any proceedings;
(b) the Applicant has given Transco a warranty that it has entered into an agreement whereby, or pursuant to -
which, it shall become the operator of the Operator Offtake Facilities and Gas Consuming Plant on the proposed date of accession to this Agreement; or
(2) In the case of a Relevant Shipper Applicant:
(i) the Operator has notified Transco that the Applicant has entered into an agreement whereby the Applicant will (subject to the provisions of the Network Code) offtake gas from the Premises Supply Meter Point for onward supply by such Applicant or any third party to the Operator; and
(ii) the Applicant is a User and has identified itself to Transco;
"Operator": Coryton Energy Company, Ltd for as long as it remains a Party and any subsequent operator of the Gas Consuming Plant and the Operator Offtake Facilities for as long as such operator remains a Party;
"Operator Applicant": a person which notifies Transco that it intends to become the operator of the Operator Offtake Facilities and the Gas Consuming Plant;
"Operator Offtake Facilities": the facilities and pipeline installed between the Premises Supply Meter Point and the final valve downstream of and comprised in the Supply Point Measurement Equipment as described in Annex B;
"Party": in respect of any time, any person that is party to this Agreement;
"Premises": the power station, details of which are contained in Annex B;
"Premises Supply Meter Point": the Supply Meter Point (for the purposes of the Network Code) at which the Operator Offtake Facilities are connected to the System, as described in Annex B;
"Primary Meters": the meters specified in Annex B used to measure the quantity of gas made available for offtake at the Premises Supply Meter Point;
"Regulations": the Gas (Meters) Regulations 1983 (S.I. 1983/684);
"Relevant Shipper": the Shipper or (in the case of a Shared Supply Meter Point) one of the Shippers who is for the time being a Registered User of a Supply Point which includes the Premises Supply Meter Point;
"Relevant Shipper Applicant": a person who notifies Transco that it intends to become a Relevant Shipper;
"Retirement Date": in respect of any Operator from time to time, the date on which such Operator ceases to be a Party pursuant to Clause 8.7;
"Shipper": a gas shipper as defined in the Act;
"Supply Point Measurement Equipment": the Primary Meters and the calorimeter specified in Annex B;
"System": Transco's pipeline system (the conveyance of gas by which is authorised by the Transco Licence);
"Transco Construction Agreement": the Agreement for the provision of the Transco Minimum Offtake Facilities made or to be made between Transco and the Operator;
"Transco Minimum Offtake Facilities": the facilities installed and owned by Transco at the Premises Supply Meter Point, as described in Annex B;
1.2 Words and expressions defined in the Network Code and not defined in this Agreement have the meanings ascribed to them under the Network Code.
1.3 Reference in this Agreement to Clauses, Sub-Clauses and Annexes are to clauses, sub-clauses and annexes of this Agreement.
1.4 References in the Annexes to Sections are to Sections of the Network Code.
1.5 A reference to a paragraph is a reference to the paragraph to the Annex in which such reference is made.
1.6 Where the context so admits, references to the singular shall include the plural and vice versa.
1.7 Headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.
1.8 Reference to any statute, Code of Practice, ISO, IGE documents (whether specifically named or not) includes reference to all orders, statutory instruments, regulations denoting validity therefrom and all amendments and reenactments thereof.
2.1 This Agreement shall be effective from the date of signature hereof and shall continue in force until its termination in accordance with the provisions hereof or by agreement between the Parties whereupon this Agreement shall expire.
2.2 This Agreement may be terminated by Transco on twenty eight (28) days written notice to the other Parties if the Construction Completion Date has not occurred within three (3) years and six (6) months of the date hereof, other than as a result of a breach by Transco of the terms of the Transco Construction Agreement.
2.3 Transco may terminate this Agreement on three (3) months written notice in the event that:
(a) at any time after the Construction Completion Date, there has been no offtake of gas from the Premises Supply Meter Point for consumption by the Gas Consuming Plant for a period commencing no earlier than the Construction Completion Date and continuing for one (1) year prior to the service of such notice; and
(b) the Operator is unable within such three (3) month notice period to provide evidence to the reasonable satisfaction of Transco that the offtake of gas from the Premises Supply Meter Point for consumption by the Gas Consuming Plant will be resumed within eighteen (18) months of the date of service of such notice; and
(c) the Relevant Shipper(s) do(es) not at the time of expiry of such notice hold in aggregate Registered NTS Exit Capacity in respect of the Premises Supply Meter Point equal to or greater than 38,157,884 $\mathrm{kWh} /$ Day; or
(d) the Operator makes a material change to the Operator Offtake Facilities (including but not limited to a material change in the pipework layout, configuration and ancillary equipment or meter reading frequency) unless Transco has consented to such change in writing prior to its implementation (such consent not to be unreasonably withheld or delayed).
2.4 Transco may suspend this Agreement on fourteen (14) days written notice to the other Parties in the event that any gas is offtaken from the Premises Supply Meter Point for the purposes of supply to any premises other than the Premises. Upon being provided with evidence to its reasonable satisfaction that the offtake of gas from the Premises Supply Meter Point for onwards supply to premises other than the Premises has ceased and will not in the reasonably foreseeable future be resumed, Transco shall terminate the suspension of this Agreement pursuant to this Clause 2.4 by giving written notice to the other Parties, whereupon this Agreement shall continue in full force and effect.
2.5 Transco may, on twenty-one (21) days written notice to the Operator and Relevant Shippers, suspend the application of this Agreement in the event that the Operator is in material breach of any of its obligations under this Agreement (including a material breach of Clause 6.2), other than as a result of a breach of this Agreement by Transco, and the Operator has within such period of notice failed to rectify such breach.
2.6 Following suspension of this Agreement pursuant to Clause 2.5 Transco shall, on being reasonably satisfied that the Operator has taken such steps as are reasonable in the circumstances to rectify the breach giving rise to such suspension and such further steps as are reasonable to ensure that a repetition of such breach or a similar breach does not occur, terminate the period of suspension of this Agreement by giving written notice to the Operator and Relevant Shippers, whereupon this Agreement shall continue in full force and effect.
2.7 This Agreement shall terminate at the time of commencement of any CSEP NEXA in respect of the Premises Supply Meter Point. Transco will notify the other Parties of the commencement date of such CSEP NEXA as soon as reasonably practicable.
2.8 Transco may on written notice to the Relevant Shippers suspend the application of this Agreement following the service of a notice by the Operator pursuant to Clause 8.6, with effect from the Retirement Date if no subsequent operator of the Operator Offtake Facilities and Gas Consuming Plant has acceded to this Agreement with effect from such Retirement Date.
2.9 Any period of suspension of this Agreement in accordance with Clause 2.8 shall cease following the accession to this Agreement of a subsequent operator of the Operator Offtake Facilities and the Gas Consuming Plant.
2.10 The Operator shall ensure that at all times it remains responsible for the operation of the Operator Offtake Facilities and the Gas Consuming Plant whether or not it utilises the services of an operation and maintenance contractor.

## 3. Network Exit Provisions

The matters recorded in relation to the offtake of gas between Transco and the Operator and the Relevant Shipper(s) for the purposes of the Network Code in respect of the Premises Supply Meter Point are set out in Annexes A to G.
4.1 Without prejudice to the provisions of the Network Code, nothing in this Agreement shall confer on the Operator any obligation or entitlement to offtake gas from the System, nor make any provision of the Network Code binding as between Transco and the Operator.
4.2 Nothing in this Agreement shall affect or prejudice the application of any provision of the Gas Code.

## 5. Network Code

As between the Relevant Shipper(s) and Transco this Agreement shall constitute an Ancillary Agreement for the purposes of the Network Code.
6. Change
6.1 This Agreement shall not be amended except by the prior written agreement of the Parties.
6.2 Where a modification is made to the Network Code, as soon as reasonably practicable, the Parties agree to make such amendments (if any) as are necessary to ensure that this Agreement is consistent with and will give effect to the Network Code as so modified.

## 7. Connection and Offtake Facilities

7.1 This Agreement shall be without prejudice to the terms of the Transco Construction Agreement and any lease or other instrument made between Transco and the Operator in respect of the land on which the Transco Minimum Offtake Facilities are situated.
7.2 Transco and the Relevant Shippers shall have the right of access at all times for the purposes of Annex $C$ to the Supply Point Measurement Equipment and to the Operator Offtake Facilities for the purposes of determining whether the Operator is in compliance with the warranty given under Clause 14. The Operator shall ensure such access is permitted on receiving reasonable notice from the other Parties and subject to the compliance of the Parties seeking such access with the reasonable site security and safety rules of the Operator. The Operator shall ensure that such rights of access may be exercised safely.
7.3 The Operator shall give the other Parties at least 3 months prior written notice of any gas being offtaken from the Premises Supply Meter Point for the purposes of supply to premises other than the Premises, so as to permit the Operator and Transco to negotiate the terms of a CSEP NEXA that will supersede this Agreement.

## 8. Accession and Retirement

8.1 In the event that the Operator proposes to transfer the operation of the Gas Consuming Plant the Operator shall use reasonable endeavours to procure that the transferee accedes to this Agreement.
8.2 Transco is authorised to enter into on behalf of the Parties a NEXA Accession Agreement with any Applicant that has satisfied the NEXA Accession Requirements.
8.3 On the Accession Date the Applicant shall become a Party to this Agreement:
a) In the case of an Operator Applicant, as the Operator, being subject to the rights and obligations of the Operator under this Agreement;
b) In the case of a Relevant Shipper Applicant, as a Relevant Shipper.
8.4 In the event that a Relevant Shipper intends to cease being a Relevant Shipper it shall notify the other Parties of such intention at least fourteen (14) days prior to ceasing being a Relevant Shipper, specifying the date on which it shall cease to be a Relevant Shipper.
8.5 A Party that is a Relevant Shipper shall cease to be a Party on ceasing to be a Relevant Shipper.
8.6 In the event that the Operator intends to cease being the operator of the Operator Offtake Facilities and the Gas Consuming Plant it shall notify the other Parties at least fourteen (14) days prior to such cessation, specifying the date on which such cessation will occur.
8.7 In the event that the Operator serves a notice pursuant to Clause 8.6 it shall cease to be a Party on the date specified in such notice as being the date on which it will cease to be the operator of the Operator Offtake Facilities and Gas Consuming Plant.

## 9. Information and Confidentiality

9.1 The Operator may disclose the terms of this Agreement to any person.
9.2 Transco may disclose the terms of this Agreement to each Relevant Shipper.
9.3 Subject to Clauses 9.4, the Parties shall keep confidential and shall not disclose any information relating to the affairs of any Party which it obtains pursuant to this Agreement, other than information which is in the public domain or which it also obtains (other than under a duty of confidence) other than pursuant to this Agreement, and save to the extent to which it is required to disclose such information by law.
9.4 Transco shall own all information relating to the quantities in or rate at which gas is offtaken from the System at the Premises Supply Meter Point which is obtained by means of any equipment specified in Annex C , it being acknowledged that subject always to Clause 9.3 a Party may at all times use such information freely in relation to that Party's business. Transco may disclose such information to the Director, the Operator and each Relevant Shipper and any third party, but in the latter case only with the written consent of the other Parties, such consent not to be unreasonably withheld.
9.5 In the event of any conflict between information provided by a Relevant Shipper and information provided by the Operator, (save where such information is provided by the Operator pursuant to Annex D or F or to the procedures referred to in Clause 10, in which case Transco shall rely on the information provided by the Operator) Transco shall rely on that information provided by a Relevant Shipper.
> 9.6 The obligations of any Party pursuant to this Clause 9, shall continue for a period of 5 years from the date that it ceases to be a Party.

## 10. Operating Procedures

Where the Operator and Transco (with or without the Relevant Shippers) establish or record any procedures for the implementation of anything provided for in this Agreement, such procedures shall not (unless expressly otherwise provided) be legally binding and shall not modify or affect the interpretation of this Agreement.

## 11. Maintenance

11.1 Without prejudice to Clause 9.6, the Operator and Transco agree to exchange information as to their respective plans for maintenance of the Gas Consuming Plant or (as the case may be) the Transco Minimum Offtake Facilities and adjacent parts of the System, for the purposes of minimising the disruption to the supply of gas to the Gas Consuming Plant by Relevant Shippers.
11.2 Where the operation of any pipeline inspection or maintenance equipment in the System requires a specific even rate of offtake of gas from the System by Relevant Shippers at the Premises Supply Meter Point for any period, the Operator agrees to provide reasonable co-operation to Transco (and with each Relevant Shipper) with a view to ensuring that the Relevant Shippers' rate of offtake is maintained for such period.


#### Abstract

12.1 The Operator and Transco agree to provide reasonable co-operation to the other with a view to ensuring safety in the event of any emergency circumstances affecting the other.


12.2 In the event of a Local Emergency the provisions of Annex F shall apply.
12.3 The Operator and Transco agree to establish detailed procedures for giving effect to Clause 12.1.
12.4 The Operator shall at all times be contactable via telephone at the number detailed in Annex $F$ and shall be responsible for providing an emergency service for the Operator Offtake Facilities in accordance with statutory requirements and relevant Institution of Gas Engineers (IGE) recommendations for the time being in force.

## 13. Commissioning

13.1 The Operator shall notify Transco of the Commissioning Completion Date as soon as reasonably practicable and in any event within 2 days of such date.
13.2 The Operator shall as soon as reasonably practicable after a written request from Transco for the same provide such copies of data and information as Transco may reasonably require in connection with the commissioning of the Gas Consuming Plant. Provided that the Operator shall not be required to disclose any information relating to charges payable by it in connection with such commissioning.
13.3 The Operator shall use reasonable endeavours to procure that commissioning of the Gas Consuming Plant is conducted promptly and efficiently.
13.4 Unmetered energy used for the commissioning and purging of the Operator Offtake Facilities shall be determined in accordance with Annex C 3.7.
13.5 The Operator shall:-
(a) Provide as soon as possible after signature of this Agreement the Operator's reasonable proposals for a procedure for purging and commissioning the Operator Offtake Facilities so as to ensure that such purging and commissioning shall not prejudice the safe and efficient operation of the System and agree the said procedure with Transco, such agreement not to be unreasonably delayed or withheld by either party;
(b) Purge and commission the Operator Offtake Facilities in accordance with the agreed procedure having first given Transco not less than five (5) Days notice (or such notice as may be agreed between the Parties) at the time and date on which the Operator will so conduct such works;
(c) Confirm in writing to Transco that the Operator Offtake Facilities are safe and suitable to receive natural gas in accordance with the parameters set out in this Agreement, Gas Safety (Management) Regulations 1994 and all other relevant Statutes and Statutory Instruments.

## 14. <br> Operators Warranty

14.1 With effect from the Commissioning Completion Date the Operator warrants with continuing effect that the Operator Offtake Facilities are and will be so maintained as to continue to be technically and operationally compatible in all material respects with the Transco Minimum Offtake Facilities and the System.
14.2 In the event that at any time the condition of the Operator Offake Facilities become such that the Operator is in breach of the warranty set out in Clause 14.1 the Operator shall immediately notify Transco in writing.
14.3 In the event that Transco receives a notice from the Operator pursuant to Clause 14.2 or otherwise discovers that a breach of such warranty has occurred it may, subject to clause 14.4, disconnect the Premises Supply Meter Point(s). The Operator shall reimburse to Transco the reasonable costs and reasonable expenses incurred by Transco in such disconnection.
14.4 Where, after the service of a notice in accordance with Clause 14.2, the condition of the Operator Offtake Facilities is such that it is no longer in breach of Clause 14.1:-
(a) the Operator shall as soon as practicable notify Transco to that effect:
(b) if the Premises Supply Meter Point(s) has been disconnected pursuant to Clause 14.3 Transco will as soon as practicable following such notice reconnect the Operator Offake Facilities; and
(c) the Operator shall reimburse to Transco the reasonable costs and reasonable expenses incurred by Transco in such reconnection.

Miscellaneous
15.1 Subject to Clauses 15.2 and 15.3 no Party may assign its rights and obligations under this Agreement, except with the written consent of the other Parties (such consent not to be unreasonably withheld or delayed).
15.2 Transco may, without the written consent of the other Parties, assign all of its rights and obligations under this Agreement to any Affiliate that is (or will be at the time of such assignment taking effect) the holder of a public gas.
transporter's licence and the operator of the System. Such assignment shall take effect upon the delivery by such Affiliate to the other Parties of an undertaking to observe this Agreement and perform all of the obligations of Transco hereunder as if such Affiliate had originally been named in this Agreement in place of Transco whereupon Transco shall be released from all further obligations under this Agreement.
15.3 The Operator may assign, charge or transfer by way of security all of its rights, title and interest in this Agreement to any bank or other financial institution from which it is obtaining financing for the purpose of designing, developing, construction, commissioning, owning, maintaining and operating the Gas Consuming Plant and the Operator Offtake Facilities and to which the Operator simultaneously assigns, charges or transfers by way of security its rights and benefits under the gas supply agreement referred to in Recital B, provided that it gives notice of the identity of such bank or financial institution to Transco from time to time and forthwith upon any assignment give notice thereof to Transco.
15.4 For the purposes of Clause 15.2 "Affiliate" means any person, company, corporation, partnership, joint venture or other entity which, directly or indirectly, controls, is controlled by, or is under common control with Transco.
15.5 For the purposes of Clause 15.4 the word "controls", means the ability or entitlement to exercise, directly or indirectly, at least fifty per cent (50\%) of the voting rights attributable to the shares or other interest of the controlled person, company, corporation, partnership, joint venture or other entity and the words "control" and "controlled" should be construed accordingly.
15.6 This Agreement shall be governed by English law and the English Courts shall have exclusive jurisdiction in respect of this Agreement.

## RTPA Provisions

16.1 Any provision contained in this Agreement or in any arrangement of which this Agreement forms part by the virtue of which this Agreement or such arrangement is subject to registration under the Restrictive Trade Practices Act 1976 shall not come into effect:
(i) if a copy of the Agreement is not provided to the Director General of Gas Supply (the "Director") within 28 days of the date on which the Agreement is made; or
(ii) if, within 28 days of the provision of the copy, the Director gives notice in writing, to the Party providing it, that he or she does not approve the Agreement because it does not satisfy the criterion specified in paragraph 2(3) of the Schedule to The Restrictive Trade Practices (Gas Conveyance and Storage) Order 1996.
provided that if the Director does not approve the Agreement then Clause 16.2 shall apply.
16.2 In the event that Clause 16.1 applies, any provision contained in this Agreement or in any arrangement of which this Agreement forms part by virtue of which this Agreement or such arrangement is subject to registration under the Restrictive Trade Practices Act 1976 shall not come into effect until the day following the date on which particulars of this Agreement and of any such arrangement have been furnished to the Office of Fair Trading under Section 24 of the Act (or on such later date as may be provided for in relation to any such provision) and the Parties agree to furnish such particulars within three (3) months of the date of this Agreement.
17. Notices
17.1 Any notice or other communication under or in connection with this Agreement shall be in writing and may be delivered personally or sent by first class post or facsimile as follows:
(a) If to Transco, to:

31 Homer Road
Solihull
B91 3LT
Fax: 01216232237
Marked for the Attention of the Manager, Market Analysis and Development
(b) If to the Operator, to:

20 St. James's Street, London

SW1A 1ES
Fax: 01718390905
Marked for the attention of: Operations and Trading Manager
(c) If to the Relevant Shipper at the date hereof, to:

20 St. James's Street,
London
SWIA IES
Fax: 01718390905
Marked for the attention of: Operations and Trading Manager or to another person, address or facsimile number specified by a Party by written notice to the other.
17.2 In the absence of evidence of earlier receipt, a notice or other communication is deemed given:
(a) If delivered personally, when left at the address referred to in Clause 17.1;
(b) If sent by first class post, two (2) working days after posting it; and
(c) If sent by fax, on completion of its transmission.
17.3 In the event of an emergency as detailed in Annex $F$, the provisions of that Annex regarding contact details shall override this Clause 17.

IN WITNESS WHEREOF the duly authorised representatives of Transco and the Operator and the Relevant Shipper have executed this Agreement the day and year first before written.

Signed for and on behalf of:
BG pile

Signature:


Name: $R E R$ Rosin

Signed for and on behalf of:
Corydon Energy Company, Ltd (as the Operator)

Signature:


Name: MARTIN BASHALC.
Sicrestany

In the presence of:
Signature:


Name:
Position:

In the presence of:
Signature:


Name: $\qquad$

Position: $\qquad$

Signed for and on behalf of:

## Corydon Energy Company, Ltd.

(as the Relevant Shipper)

Signature:


Name: ..WAXTTN BASHALL
Position: ......ilitrtam

In the presence of:
Signature:


Name: AGRANSAA的 LIE

Position: EXZCTIU ASSISITAT

## ANNEX A NETWORK EXIT PROVISIONS

## 1. Plant and Equipment

1.1 The plant and equipment installed at or near the Premises Supply Meter Point comprises the following:
(i) the Transco Minimum Offtake Facilities: 450 mm valve and associated monitoring and control equipment installed at or immediately upstream of the Premises Supply Meter Point;
(ii) the Operator Offtake Facilities: plant and equipment installed and owned by the Operator for purposes connected with the offtake of gas from the System and including filters, pre-heaters, regulators, measurement and telemetry equipment and all associated pipework and equipment installed at or immediately downstream of the Premises Supply Meter Point.
as described in more detail in Annex B.
1.2 For the purposes of determining the period referred to in Section J4.4.5(b)(ii) (and without prejudice to Clause 7.1), where Transco has been notified of a requirement for maintenance of or failure or defect in the Transco Minimum Offake Facilities:
(a) Transco will:
(i) arrange for an engineer to attend at the Transco Minimum Offtake Facilities within six (6) hours after Transco being so notified for the purposes of assessing the maintenance, repair or replacement works required; and
(ii) unless such works can be carried out by the engineer upon such visit, prepare and submit to the Operator and Relevant Shipper(s) a programme for the carrying out of the works with all reasonable diligence;
(b) where the engineer carries out such works upon such visit. the period referred to in that Section shall be deemed to expire when such works are completed:
(c) except as provided in paragraph (b), the period referred to in that Section will be the period expiring at the end of the period provided for in the programme provided under paragraph (a)(ii), with any reasonable extensions necessitated by any failure of the Operator to provide reasonable access and co-operation to Transco in the carrying out of the required works.

## 2. Point of Offtake

2.1 The point of offtake at the Premises Supply Meter Point is as shown in the diagram in Annex $B$.

## 3. Pressure

3.1 For the purposes of Section J4.2.1(v) the Applicable Offtake Pressure (as at the date of this Agreement) is twenty five (25) bar gauge.
3.2 For the purposes of Section J 2.2.3, at the date of this Agreement the Relevant Shippers will be taken to have been advised by the Operator that the anticipated normal offtake pressure in respect of the Premises Supply Meter Point is forty five (45) bar gauge.

## 4. Offtake Rate Changes and Ramp Rates

4.1 For the purposes of the Network Code Sections J4.6, J4.7, J4.8 and J4.9 thereof are to apply.
4.2 For the avoidance of doubt, where there is more than one Relevant Shipper. references in this paragraph 4 to the rate of offtake are to the aggregate offtake by all Relevant Shippers.
4.3 For the purposes of this paragraph 4, the "SPOR" is the Supply Point Offtake Rate in respect of the Premises Supply Meter Point or (where there is more than one Relevant Shipper) the sum of such Supply Point Offtake Rates.
4.4 For the purposes of Section J4.6.1, the time at which the Offtake Profile Notice for each Gas Flow Day is to be given to Transco is 17.00 hours on the Preceding Day.
4.5 For the purposes of Section J4.6.3, the period of notice to be given to Transco of any change in the rate of offtake (by a revised Offtake Profile Notice) shall be as follows:
(i) for an increase, or (subject to paragraph 4.6) a relevant cumulative increase, which exceeds fifty percent ( $50 \%$ ) of the SPOR, not less than four (4) hours;
(ii) for an increase, or (subject to paragraph 4.6) a relevant cumulative increase, which exceeds twenty five percent ( $25 \%$ ) but does not exceed fifty percent (50\%) of the SPOR, not less than two (2) hours;
(iii) for an increase which does not exceed twenty five percent (25\%) of the SPOR, not less than one (1) hour;
(iv) for a decrease, not less than one (1) hour.


#### Abstract

4.6 For the purposes of paragraph 4.5 a relevant cumulative increase is the aggregate increase in rate of offtake under any two or more connected increases, for the purposes of which two increases are connected where notice of the second-notified increase is required (in accordance with paragraph 4.5) to be given before the first-notified increase has occurred.


4.7 For the purposes of Section J4.7, the tolerance within which the rate of offtake may deviate from the Prevailing Offtake Rate without the requirement for notice under paragraph 4.5 is $+/-3 \%$
4.8 For the purposes of Section J4.8:
(a) except as provided in paragraph (b), the rate of increase of the rate of offake shall not exceed fifty thousand $(50,000) \mathrm{kW} /$ minute;
(b) on each occasion on which the rate of offtake increases from zero, the rate of increase of the rate of offtake during the first two (2) minutes from the time at which offtake commences shall not exceed one hundred thousand $(100,000) \mathrm{kW}$;
(c) the rate of decrease of the rate of offake shall not exceed fifty thousand $(50,000) \mathrm{kW} /$ minute.
4.9 For the purposes of Section J4.9:
(a) the requirements under paragraphs 4.5(iv) and 4.8(c) do not apply:
(i) in the event of Operational Intertripping of the Gas Consuming Plant as defined in, and occurring in accordance
with the requirements of the Grid Code established by National Grid Company ple;
(ii) in the event of any Forced Outage;
(b) following any event within paragraph (a) above, notice under paragraph 4.5 is not required in respect of any increase in the rate of offtake which is completed within a period of sixty (60) minutes after, and results in a rate of offtake not exceeding the Prevailing Offtake Rate immediately before, the occurrence of such event.

## 5. Frequency Response

For the purposes of the Network Code Section J4.10 thereof is to apply.
6.

Measurement

For the purposes of Section J4.11, the provisions of Annex C as to the measurement of flow (and determination of volume) and the determination of calorific value of gas offtaken shall apply.
7. Planned Maintenance

For the purposes of Section L4.3.2(b), the allowable number of days of Planned Maintenance shall be eight (8) in any one (1) Planned Maintenance Period and twenty (20) in any three (3) consecutive Planned Maintenance Periods.
8. Communication Arrangements

Annex $D$ sets out the requirements (if any) which apply for the purposes of Section J4.3.3.

## ANNEX B

## THE PREMISES AND OFFTAKE FACILITIES

## 1. Premises

The Premises are the gas fired power station known as Coryton Power Station
2. Description of Offtake Facilities

The Transco Minimum Offtake Facilities are those facilities delineated in schematic diagram 1 contained in this Annex B.

The Operator Offtake Facilities are those facilities delineated in schematic diagram 2 contained in this Annex B.



## ANNEX C <br> MEASUREMENT PROVISIONS

## 1. Installation, Commissioning, Operation and Maintenance of the Supply Point Measurement Equipment comprised within the Operator Offtake Facilities

The Operator shall install, commission, operate and maintain the Supply Point Measurement Equipment in accordance with OFGAS COP/lc "Code of Practice for all Higher Pressure and all other Low Pressure Meter Installations not covered by COP/la and COP/lb" and the Institution of Gas Engineers Recommendations on Gas Measurement Practice IGE/GM/1 "Gas Meter Installations for Pressures not exceeding 100 Bar " and IGE/GM/4 "Flow Metering Practice for pressures between 38 and 250 Bar".
2. Maintenance procedures for the Supply Point Measurement Equipment comprised within the Operator Offtake Facilities

The Operator shall produce a maintenance procedure in accordance with IGE/GM/l, IGE/GM/4 and COP/1c for the Supply Point Measurement Equipment before commencement of commissioning for agreement of the Relevant Shipper and Transco.
3. Measurement of gas flows at the Premises Supply Meter Point
3.1 The Supply Point Measurement Equipment comprised within the Operator Offtake Facilities is or will be the property of and shall be maintained by the Operator
3.2 All gas offtaken from the System, except that referred to in 3.3(b), shall be measured by the Supply Point Measurement Equipment and all gas measurement data as detailed in the Transco Construction Agreement shall be provided as telemetry signals to Transco.
3.3 The quantity of gas offtaken at the Premises Supply Meter Point shall be deemed to be the sum of:-
a) the quantities determined by the Primary Meters and the calorimeter in accordance with Paragraphs 3.4 and 3.6; and
b) the unmetered energy quantities determined in accordance with paragraph 3.7 to account for unmetered energy occurring between the Premises Supply Meter Point and Supply Point Measurement Equipment.

### 3.4 Primary Meters

(1) a) The total uncertainty in the measurement of the energy flow of gas by the Primary Meters at the Premises Supply Meter Point shall in all steady-state flow conditions be within the percentage range specified in Table 1 of this Annex (the "Permitted Range") in respect of that percentage which the flow rate forms of maximum energy flow.
b) The methods specified in ISO 5168-1:1998 and ISO 5167-1:1991 shall be used for the determination of uncertainties in the measurement of volume flow rates in the calculation of the total uncertainty in the measurement of energy flow rates referred to in paragraph 3.4(1)a) above.
(2) A Relevant Shipper or Transco may request that the Primary Meters be verified at any time in which case any such verification shall be carried out as soon as reasonably practicable. Subject to paragraph $3.4(3)$ the costs and expense of such verification, and any adjustment or replacement of the components of the Primary Meters made as a result of any verification made pursuant to this paragraph 3.4(2) shall
if the Primary Meters are found to read within the Permitted Range be paid by the person requesting the verification and in any other case by the Operator.

A Relevant Shipper or Transco may request that the Primary Meters be verified if the previous verification took place more than six (6) months previously and any verification pursuant to this paragraph 3.4(3) shall be carried out as soon as reasonably practicable. The Operator shall bear the costs and expenses of such verification and any adjustment or replacement of the components of the Primary Meters made as a result thereof.
(4) Subject to paragraph 3.4(6) the Operator may at its own expense undertake verification of the Primary Meters and may following such verification adjust or replace the components in accordance with paragraph 3.4(5) also at its own expense.
(5) Immediately following verification as specified in paragraph 3.4(2), 3.4(3) or 3.4(4) the individual components of the Primary Meters shall be adjusted or replaced as necessary so that the Primary Meters read centrally within the Permitted Range. Each individual component of the Primary Meters shall read within its recommended tolerance. Where the Primary Meters are found when so verified to read outside the Permitted Range then:-
> a) the Primary Meters shall be assumed to have read outside the Permitted Range during the latter half of the period since last verified and found to be within the Permitted Range or, if later, since last adjusted to read within the Permitted Range (except in the case where it is proved that the Primary Meters have begun to read outside the Permitted Range on some other date);
b) for the purposes of calculating the amount of allowance to be made to or the surcharge to be made on the Relevant Shipper(s) the quantities read as offtaken during the period when the Primary Meters are assumed to have read outside the Permitted Range shall be adjusted by an amount corresponding to the amount by which the Primary Meters were found on verification to read outside the Permitted Range; and
c) the amount by which the quantity determined to have been offtaken on any Day differs from the quantity originally determined to have been offtaken on such Day pursuant to any verification or resolution of any dispute in relation thereto shall be treated as the DM Reconciliation Quantity in respect of the Premises Supply Meter Point and such Day and the provisions of the Network Code in respect of DM Reconciliation (including any charges payable as a consequence of the application of such provisions) shall apply in relation thereto.
(6) Any verification pursuant to this paragraph 3.4 shall be conducted by the Operator and the Operator shall give reasonable advance notice of such verification to Transco and the Relevant Shipper(s) which shall be entitled to be present. Following each verification the Operator shall affix a lead seal to the relevant meter which shall not be removed by the Operator until the next verification in accordance with paragraph 3.4. The Operator shall provide a verification report to Transco and each Relevant Shipper within fourteen (14) Days of any verification stating the results of such verification.
(7) The results of any verification conducted by the Operator shall be binding on the Operator and on the Relevant Shipper(s) and Transco
unless any of the Relevant Shipper(s) or Transco shall within fourteen (14) Days after receiving the verification report specified in paragraph 3.4(6) give notice to the Operator that it disputes the accuracy of such verification. The Relevant Shipper(s) and Transco shall not be entitled to dispute the accuracy of such verification solely on the grounds that such party did not attend such verification.

At the request of either Transco, the Operator or any Relevant Shipper, Transco, the Operator and the Relevant Shippers shall meet and discuss and endeavour to settle any dispute or failure to agree arising from the application of the provisions of this paragraph 3.4 and if within thirty (30) Days after such request they shall have been unable to agree the matter may be referred to an expert for determination (at the request of either Transco, the Operator or any of the Relevant Shippers(s)) in accordance with the provisions of Annex G.

### 3.5 Inspection Rights

Transco and the Relevant Shipper(s) shall have the right, upon giving reasonable notice to the Operator in accordance with Clause 7.2, to inspect the Supply Point Measurement Equipment and the charts and other measurements or test data of Transco but the reading calibration and adjustment of the Supply Point Measurement Equipment and the changing of any charts shall be carried out only by the Operator who shall preserve all original test data, charts and other similar records for a period of three (3) years and shall, at Transco's or the Relevant Shipper's reasonable expense, make a copy thereof available to Transco or the Relevant Shipper(s) upon request.

### 3.6 Calorific Value

The calorific value of the gas offtaken at the Premises Supply Meter Point shall be determined by the calorimeter specified in Annex B.

### 3.7 Unmetered Energy

The amount of unmetered energy and gas lost in Emergencies shall be agreed between the Operator, Transco, and the Relevant Shipper, on a case by case basis. The parties shall meet to endeavour to reach such agreement as soon as reasonably practicable (and in any event no later than thirty (30) days) after the occurrence of an event resulting in quantities of unmetered energy. If within such thirty (30) day period they have been unable to agree, the matter may be referred by any Party to be determined by an expert in accordance with the procedure set out in Annex G.

For the purposes of commissioning the Operator Offtake Facilities, the quantity of unmetered energy shall be;
unmetered energy $=736,000 \mathrm{~kW}$

## 4.

Metering Uncertainty
4.1 The Maximum Flow Rate of the Supply Point Measurement Equipment for the purposes of determining uncertainty is $1,889,040 \mathrm{~kW}$
4.2 Under steady state conditions gas shall not be offtaken from the System below twenty percent ( $20 \%$ ) of the Maximum Flow Rate.

TABLE 1 - METERING UNCERTAINTY

|  | Maximum <br> Flow Rate <br> GW | Raximum Flow Rate |  |
| :---: | :---: | :---: | :---: |
|  | Mas of |  |  |
|  |  | $20-30 \%$ | $30-100 \%$ |
| Primary Meter | 1.93 | 2.2 | 1.1 |

The meters will have a level of uncertainty as stated in Table 1 above.
4.3 For the avoidance of doubt the Maximum Flow Rate does not constitute for the purposes of the Network Code or otherwise an indication of the available Supply Point Capacity in respect of the Premises Supply Meter Point.

# ANNEX D <br> AGENT FOR COMMUNICATIONS ETC. Not Applicable 

## ANNEX E <br> FREQUENCY RESPONSE SERVICE

## This Annex is no longer applicable following Modification 217

## ANNEX F

EMERGENCY PROCEDURES

In the event of an emergency arising in connection with the operation of the Gas Consuming Plant or the Operator Offtake Facilities or the Transco Minimum Offtake Facilities which affects the safety of any person or threatens to cause damage to the Gas Consuming Plant, the Operator Offtake Facilities or the Transco Minimum Offtake Facilities or the System (a "Local Emergency"), the Operator and Transco, notwithstanding the provisions of Annex A, paragraph 4, may, pursuant to Clause 12.1 agree any variation to the rate of offtake at the Premises Supply Meter Point that may be expected to cause a reduction in the threat to the safety of any person or the threat of damage to any property and, for the purposes of the Network Code, the Offtake Profile Notice in respect of the time during which such variation takes effect shall be deemed to have been modified accordingly. As soon as reasonably practicable after any such variation is agreed Transco shall notify the Relevant Shipper(s).

Emergency Contact details:

| Transco: | System Control |  |
| :--- | :--- | :--- |
|  | Telephone: 01455251662 |  |
|  | Facsimile: | 01455891776 |
| Operator: | Operations and Trading Manager |  |
|  | Telephone: 01715433300 |  |
|  | Facsimile: | 01718390905 |

or such other details as the Operator and Transco may provide each other with from time to time.

## ANNEX G-Expert Determination

1. This Annex $G$ shall comprise the provisions of Sections T. 1 and T. 2 of the Network Code which shall be adopted mutatis mutandis, subject to the amendments set out in paragraph 2 below.
2. (a) Section T 1.1.1 shall not apply
(b) Section T.1.1.2 shall be deleted and replaced with the following:

For the purposes of this Annex G:
(i) a "dispute" is any dispute or difference arising between Transco and/or the Operator and/or the Relevant Shipper under paragraph 3.4(8) or 3.8 of Annex C;
(ii) a "User" includes the Operator and the Relevant Shipper;
(iii) in respect of any dispute "parties" means Transco and the User or Users party to such dispute and "party" shall be construed accordingly;
(iv) subject to (e) below, a reference to "the Code", "the Framework" Agreement" or any "Ancillary Agreement" shall mean a reference to "this Agreement";
(v) the "Network Code Committee" shall for the purposes of this Annex be the same committee as that designated under the Network Code;
(vi) a reference to "Section T " shall for the purposes of this Agreement be interpreted as a reference to this "Annex G"
(c) Section T1.3 shall not apply.

ANNEX H

# NEXA ACCESSION AGREEMENT 

## BETWEEN

BG ple

AND
[ ]

THIS AGREEMENT is made on the
day of

## BETWEEN:

(1) BG plc, ("Transco") on its own behalf and on behalf of all the other parties to the NEXA referred to below; and
(2) 1 ], (the "Applicant") whose principal office is at [ ].

## WHEREAS:

(A) Transco is authorised pursuant to the "NEXA", being the Network Exit Agreement dated [ ] in respect of [ ] made between Transco and the other Parties named therein and as now in force pursuant to NEXA Accession Agreements (if any) entered into by other new Parties before the date of this NEXA Accession Agreement, to enter into this Agreement on its own behalf and on behalf of the other Parties to the NEXA.
(B) The Applicant has complied with the NEXA Accession Requirements and wishes to be admitted as an additional Party under the NEXA.

IT IS HEREBY AGREED as follows:

1. In this Agreement words and expressions defined in the NEXA and not otherwise defined herein shall have the meanings ascribed thereto under the NEXA.
2. The Applicant shall by prior written notice advise the Parties to the NEXA, of the date on which it [becomes the Operator/becomes a Relevant Shipper]' and provide an address and telephone and facsimile for the purposes of service of notices under the NEXA.

[^0]3. Transco (acting on its own behalf and on behalf of each of the other Parties) hereby admits the Applicant as a Party under the NEXA on the terms and conditions hereof as from the NEXA Accession Date, being the date on which the Applicant [becomes the Operator/becomes a Relevant Shipper]. ${ }^{2}$
4. The Applicant hereby accepts its admission as a Party on the NEXA Accession Date [and undertakes with Transco (acting on its own behalf and on behalf of each of the other Parties) to perform and to be bound by the NEXA as a Party as from the NEXA Accession Date]. ${ }^{3}$
5. For all purposes in connection with the NEXA the Applicant shall as from the NEXA Accession Date be treated as if it has been a signatory of the NEXA in the capacity of a [Relevant Shipper/Operator] ${ }^{4}$, and as if this Agreement were part of the NEXA. and the rights and obligations of the Parties shall be construed accordingly.
6. This Agreement and the NEXA shall be read and construed as one document and any reference (in or pursuant to the NEXA) to the NEXA (howsoever expressed) should be read and construed as a reference to the NEXA and this Agreement.
7. Any provision contained in this Agreement or in any arrangement of which this Agreement forms part by virtue of which this Agreement or such arrangement is subject to registration under the Restrictive Trade Practices Act 1976, shall not come into effect:
(i) if a copy of the Agreement is not provided to the Director General of Gas Supply ("the Director") within 28 days of the date on which the Agreement is made; or

[^1](ii) if within 28 days of the provision of the copy, the Director gives notice in writing, to the party providing it, that he does not approve the Agreement because it does not satisfy the criterion specified in paragraph 2(3) of the Schedule to the Restrictive Trade Practices (Gas Conveyance and Storage) Order 1996;
provided that if the Director does not approve the Agreement as aforesaid then Clause 8 shall apply.
8. In the event that this Clause 8 applies, any provision contained in this Agreement or in any arrangement of which this Agreement forms part by virtue of which this Agreement or such arrangements is subject to registration under the Restrictive Trade Practices Act 1976 shall not come into effect until the day following the date on which particulars of this Agreement and of any such arrangement have been furnished to the Office of Fair Trading under Section 24 of the Act (or on such later date as may be provided for in relation to any such provision) and the parties hereto agree to furnish such particulars within three (3) months of the date of this Agreement.

IN WITNESS WHEREOF the hands of the duly authorised representatives of the parties hereto the day and year first above written.

Signed for and on behalf of:
BG ple
Signed for and on behalf of:
I
I

Signature:
Signature:

Name:
Name:

Position:
Position:

In the presence of:
In the presence of:

Signature:
Signature:

Name:
Name:

Position:
Position:


[^0]:    1
    Delete as appropriate

[^1]:    2 Delete as appropriate
    $3 \quad$ Delete if Applicant will be a Relevant Shipper

    4 Delete as appropriate

