

## ANNEX B

### NOTICE UNDER ARTICLE 14(8)-(10) OF THE GAS (NORTHERN IRELAND) ORDER 1996

#### MODIFICATIONS TO THE GAS CONVEYANCE LICENCE HELD BY KINECX ENERGY LIMITED

In accordance with Article 14(2) of the Gas (Northern Ireland) Order 1996 (the Order) the Northern Ireland Authority for Utility Regulation (**the Authority**) published on 13 August 2025 a notice (**the Consultation Notice**) of its intention to modify the conditions of the gas conveyance licence (**the Licence**) held by Kinecx Energy Limited (the **Licensee**).

The proposed modifications to the Licence were set out in Annex B of the consultation document published alongside the Consultation Notice.

In accordance with Article 14(5) of the Order the Authority has considered all the representations duly made to it in response to the Consultation Notice. The Authority has decided to proceed with the making of the modifications of the conditions of the Licence in exercise of its powers under Article 14(1) of the Order.

In accordance with Article 14(8) of the Order the Authority gives notice as follows:

1. The conditions of the Licence shall be modified in the manner set out in redline format in Schedule 1 to this notice.
2. The Authority has also published on the same day as this notice the Decision document entitled "Decision on Biomethane Modifications to Gas Conveyance Licences" (**the Decision Paper**). The Decision Paper is incorporated by reference into this notice and shall be considered an integral part of it.
3. Chapter 2 of the Decision Paper summarises the representations received to the modifications proposed in the Consultation Notice and the Authority's response to the representations and thereby how it has taken them into account. It also gives reasons for the differences between the modifications now being made and those which were set out in the Consultation Notice.
4. Chapter 3 of the Decision Paper explains the key effects of the modifications.

5. In accordance with Articles 14(9)-(10) of the Order, the licence modifications made in accordance with this notice shall have effect on and from 27 May 2026.
6. The Authority has, pursuant to Article 14(8)(a) of the Order, published this notice on its website, sent a copy of it to the Licensee and provided a copy it to the Department for the Economy and the Consumer Council for Northern Ireland.

The modifications can be obtained in hard copy by sending a request to:

Veronika Gallagher  
Utility Regulator  
Millennium House  
Great Victoria Street  
Belfast BT2 7AQ

Alternatively, a copy hard copy of the modifications may be requested by email to:

[Gas\\_networks\\_responses@uregni.gov.uk](mailto:Gas_networks_responses@uregni.gov.uk) with cc to [veronika.gallagher@uregni.gov.uk](mailto:veronika.gallagher@uregni.gov.uk)

Dated this 31 March 2026



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John French

Chief Executive

For and on behalf of the Northern Ireland Authority for Utility Regulation

# Schedule 1

**Kinecx Energy Limited**

**Licence Modifications**

This schedule sets out the Licence modifications for the gas conveyance licence held by Kinecx Energy Limited.

Deletions are indicated by ~~red text~~ which has been struck through. Additions are indicated by red text which has been underlined.

Where text is moved from a place and to another place, this has been indicated by green font and:

- ~~double strike through~~ for text moved from a place;
- double underlining for text moved to a place, and additional simple strike through where such text is modified.

This schedule only includes those provisions (in whole or in part) to which modifications are made.

## **PART 1 GENERAL CONDITIONS APPLICABLE TO THE LICENCE HOLDER**

### **Condition 1.1: Interpretation and Construction**

#### 1.1.1 Interpretation Act (Northern Ireland) 1954 and Gas (Northern Ireland) Order 1996

Unless the contrary intention appears:

- (a) words and expressions used in this or any of the following Parts of the licence or in the Schedules hereto shall be construed as if they were in an enactment and the Interpretation Act (Northern Ireland) 1954 applied to them;
- (b) references to an enactment shall include subordinate legislation and in both cases any statutory modification or re-enactment thereof after the date when the licence comes into force; and
- (c) words and expressions defined in the Gas (Northern Ireland) Order 1996 or the Energy (Northern Ireland) Order 2003 shall have the same meaning when used in this or any of the following Parts of the licence or in the Schedules hereto.

#### 1.1.2 General Rules of Construction

Unless otherwise specified:

- (a) any reference to a numbered Part or Schedule is a reference to the Part or Schedule bearing that number;
- (b) any reference to a numbered Condition is a reference to the Condition bearing that number in the Part in which the reference occurs and within any Condition a reference to “this Condition” shall be to the whole of the Condition under its heading;
- (c) any reference to “the Conditions” means the Conditions to which the licence is subject and references to “any Conditions” and to any cognate expression shall be construed accordingly;
- (d) any reference to a numbered paragraph is a reference to the paragraph bearing that number in the Part, Condition or Schedule in which the reference occurs; and

- (e) (without prejudice to any provision which restricts such variation, supplement or replacement) any reference to any agreement, licence (other than this licence), code or other instrument shall include a reference to such agreement, licence, code or other instrument as varied, supplemented or replaced from time to time.

### 1.1.3 Headings

The heading or title of any Part, Condition, Schedule or paragraph shall not affect the construction thereof.

### 1.1.4 Time Related Obligations

Where any obligation of the Licensee is expressed to require performance within a specified time limit that obligation shall continue to be binding and enforceable after that time limit if the Licensee fails to perform that obligation within that time limit (but without prejudice to all rights and remedies available against the Licensee by reason of the Licensee's failure to perform within the time limit).

### 1.1.5 Natural Persons

These Conditions shall have effect as if, in relation to a licence holder who is a natural person, for the words “it”, “its” and “which” there were substituted the words “he”, “his” or “whom” and cognate expressions shall be construed accordingly.

### 1.1.6 Definitions

Except where expressly stated to the contrary and unless the context otherwise requires, the following terms shall have the meanings ascribed to them below:

“affiliate” means, in relation to any person, any company which is a subsidiary of such person or a company of which such person is a subsidiary or a company which is another subsidiary of a company of which such person is a subsidiary;

“amount” means, in relation to gas, the energy content thereof expressed in therms or kilowatt hours; except with

effect from 1st January 2000, it means the said content expressed in kilowatt hours;

“auditors” means the Licensee's auditors for the time being holding office in accordance with the requirements of the Companies Act 1985;

“authorisation of persons” means the power of the Licensee to authorise persons, pursuant to Schedule 5 of the Order;

“Authority” means the Northern Ireland Authority for Utility Regulation;

“balancing” means (in relation to the Network and any relevant period for balancing under the Network Code) taking such measures as may be available to the Licensee, in particular, measures:

(i) for managing the relationship between deliveries of gas to and offtakes of gas from the Network during that period; and

(ii) to maintain pressures in the Network at levels;

which will, in the reasonable opinion of the Licensee, ensure the safety and efficiency of the Network in that or any subsequent relevant period;

“company” means a company within the meaning of Article 3 of the Companies (Northern Ireland) Order 1986 or any other body corporate;

“Competition and Markets Authority (CMA)” means the body of that name established by section 25 of the Enterprise and Regulatory Reform Act 2013;

“consumer” means any person supplied with gas to premises;

“conveyance charges”	means the charges made by the Licensee for the conveyance of gas;
“conveyance services”	means all services provided by the Licensee of conveying gas to, through and within the Licensed Area;
“Department”	means the Department for the Economy;
“distribution pipe-line”	means any pipe-line which is not a transmission pipe-line;
“distribution system operator”	means any person authorised to convey gas through distribution pipelines by virtue of holding a licence granted under Article 8(1)(a) of the Order;
“domestic consumer”	means a consumer supplied, or requiring to be supplied, with gas at Domestic Premises;
“domestic premises”	means premises where the supply of gas is taken wholly or mainly for domestic purposes;
“Energy Order”	means the Energy (Northern Ireland) Order 2003;
“exemption holder”	means the holder of an exemption under Article 7 of the Order;
“exercise of powers of entry”	means the Licensee entering any premises, in accordance with the powers conferred by Schedule 5 of the Order;
<u>“Gas Delivery Facility”</u>	<u>means any building, structure, facility or pipe-line from which gas is, or may be, introduced into the Network, but excluding: any pipe-line or pipe-line system from which gas is or may be conveyed by any person holding a licence granted under Article 8(1)(a) of the Order;</u>

"Gas Delivery Facility Operator" means any person that owns and/or operates a Gas Delivery Facility;

"Gas Delivery Point" means a point on the Network at which gas is, or may be, introduced into the Network from a Gas Delivery Facility;

"gas supplier" means any person authorised by licence under Article 8 of the Order or by exemption under Article 7 of the Order to supply gas including the Licensee as so authorised or exempted;

"General Consumer Council" means the General Consumer Council for Northern Ireland;

"Grant" means the commencing section of this licence by which the Authority grants the Licensee the licence;

"high pressure pipe-line" means any pipe-line having a design operating pressure exceeding 7 bar gauge;

"information" includes documents, accounts, estimates, returns, reports or other information;

"licence" means the Grant, together with those Conditions and Schedules referred to in paragraphs 1 and 2 thereof (as modified from time to time);

"Licensed Area" means the area in which the Licensee is authorised to convey gas pursuant to Schedule 1 of this Licence.

"Licensed Business" means the activities connected with the conveyance of gas pursuant to the licence, including (without limitation) the development, construction, operation and maintenance of the Network, the connection of premises to the Network, and the provision and maintenance of gas meters (but not meter reading);

“Licensee”	means the person referred to as such in the Grant, and/or any person to whom the Licence is subsequently assigned in accordance with the Order, the Energy Order or the Licence;
“low pressure pipe-line”	means any pipe-line which is not a high pressure pipe-line;
“Network”	“means all the pipe-lines (as defined by the Gas (Northern Ireland) Order 1996, and shall also include any plant, equipment or apparatus used for, or for any purposes connected with, the conveyance of gas) within the Licensed Area that are owned and/or operated by any licensee, which pipe-lines shall, in the case of conveyance to consumer’s premises and for the purposes of this definition, be deemed to terminate immediately prior to the inlet of the first gas meter at such premises:”
“Network Code”	means the document prepared by the Licensee under Condition 2.4.2;
“non-domestic consumer”	means a consumer who is not a domestic consumer;
“non-domestic premises”	means premises which are not domestic premises;
“non standard gas credit meter”	means a gas credit meter owned by the Licensee which is not a standard gas credit meter;
“non standard gas meter”	means either a non standard gas credit or pre-payment meter;
“non standard gas pre-payment meter”	means a gas pre-payment meter owned by the Licensee which is not a standard gas pre-payment meter;
“Order”	means the Gas (Northern Ireland) Order 1996;

“Other Business”	means any business of the Licensee other than the Licensed Business;
“owned”	means in relation to any gas meter title in or control over a meter and includes meters leased to a person;
“person”	means any company, firm, partnership, association, body corporate or individual;
“related undertaking”	means any undertaking in which any person has a participating interest within the meaning of section 421A of the Financial Services and Markets Act 2000;
“separate accounts”	means the accounts which are to be prepared for each Separate Business;
“Separate Business”	<p>means each of the activities of the Licensee connected with:</p> <ul style="list-style-type: none"> <li>(a) the conveyance of gas by means of a transmission pipe-line pursuant to a licence granted in accordance with Article 8(1)(a) of the Order;</li> <li>(b) the conveyance of gas by means of a distribution pipe-line pursuant to a licence granted in accordance with Article 8(1)(a) of the Order;</li> <li>(c) the storage of gas pursuant to a licence granted in accordance with Article 8(1)(b) of the Order; and</li> <li>(d) the supply of gas pursuant to a licence granted in accordance with Article 8(1)(c) of the Order;</li> </ul> <p>each taken separately from one another and from any other business of the Licensee or any affiliate or related undertaking of the Licensee, but so that where all or any part of such business is carried on by an affiliate or related undertaking of the Licensee (save in respect of</p>

an affiliate or related undertaking which has a separate licence or exemption), such part of the business as is carried on by that affiliate or related undertaking shall be consolidated with any other such business of the Licensee (and of any other affiliate or related undertaking of the Licensee) so as to form a single Separate Business;

- “standard gas credit meter” means a gas credit meter of a type so specified and owned by the Licensee;
- “standard gas meter” means either a standard gas credit or pre-payment meter;
- “standard gas pre-payment meter” means a gas pre-payment meter of a type so specified and owned by the Licensee;
- “subsidiary” has the same meaning as given to it in Article 4 of the Companies (Northern Ireland) Order 1986;
- “Supply Licensee” means the person from time to time authorised to supply gas under a licence originally granted, on the same date as the date of the Grant, to Bord Gais Eireann;
- “transmission pipe-line” means any pipe-line having a design operating pressure exceeding 7 bar gauge;
- “transportation arrangements” means the arrangements which licence holders or exemption holders may have with the Licensee to have gas introduced into, conveyed by means of and taken out of the Network; and
- “working day” means any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday within the meaning of the Banking and Financial Dealings Act 1971.

1.1.7 References to energy

References to amounts of gas in therms shall, with effect from 1st January 2000, be converted to equivalent amounts of gas in kilowatt hours.

1.1.8 Singular/plural

The terms defined under Condition 1.1.6 shall include the singular and the plural, as the context requires.

## Condition 2.3: Connection Charges and Obligation to Connect

### Part A – Connection Charges – Charging Methodology Statements

#### 2.3.1 Statement of connection charges and terms for connection of Premises to the Network

The Licensee shall, no later than three months after this Condition takes effect, prepare and submit to the Authority for approval as to form and content, a statement (Connection Charging Methodology Statement) showing the methods by, and the principles on, which charges are to be determined by the Licensee, for, connecting to, and disconnecting from, the Network:

- (a) any ~~P~~premises; and
- (b) any non standard gas meter and any gas meter that is not owned by the Licensee (or any affiliate or related undertaking of the Licensee) and is located in any ~~p~~Premises,

and in each case the statement shall include:

- (i) the methods by, and principles on, which charges are to be determined by the Licensee for maintaining, repairing or modifying any connection between the Network and any ~~P~~premises, including removing any gas fittings that are owned by the Licensee and comprised in the connection; and
- (ii) the Licensee's other terms for such a connection, and an explanation of those terms together with the Licensee's technical design and operational requirements which shall apply to the making of any particular, or particular type of, connection.

#### 2.3.2 ~~Connections by any pipe-line system~~ Terms for connection of a Pipe-Line System to the Network

- (a) Where any person requests a connection to the Network ~~is requested for of~~ any pipe-line system to or from which gas ~~will is or may~~ be conveyed ~~by means of the Network by any person holding a licence granted under Article 8(1)(a) of the Order (Pipe-Line System)~~, the terms of such connection shall, subject to the requirements of Condition 2.3.2(b), be those agreed between the Licensee and

the person requesting such a connection to the Network, on a case-by-case basis. This principle shall be included in the statement referred to in Condition 2.3.1.

(b) The Licensee shall not show any undue preference towards or undue discrimination against any person or classes of person (including any other business of the Licensee) that own or operate (or proposes to own or operate) a Pipe-Line System and seek a connection of that system to the Network.

2.3.3 Explanation of connection charging methodology for introducing gas to the Network  
Statement of methodology for connection of Gas Delivery Facilities to the Network

(a) Condition 2.3.3(b) applies where the Authority has, pursuant to this Condition 2.3.3(a), issued to the Licensee a direction describing or specifying a particular category or type of Gas Delivery Facility, which category or type may be described or specified by reference to the type or blend of gas which may be introduced into the Network from such a Gas Delivery Facility.

(b) Where this Condition 2.3.3(b) applies, the Licensee shall, in accordance with the requirements specified in the direction given by the Authority under Condition 2.3.3(a) (which requirements may, without limitation, relate to timings), prepare and submit to the Authority for approval as to form and content, a statement showing, so far as reasonably practicable, the methods by, and the principles on, which charges are to be determined by the Licensee for making, maintaining, repairing or modifying a connection to the Network of that category or type of Gas Delivery Facility (a **GDF Connection Methodology Statement**).

~~The Licensee shall comply with any direction given by the Authority to submit a statement to the Authority for approval showing, so far as reasonably practicable, the methods by which and the principles on which charges are to be made by the Licensee for making a connection for the purposes of introducing gas into the Network and, in the context of making such a connection, for:~~

~~(a) — modifying apparatus and works associated with a pipe-line so as to increase the~~

~~capacity of a pipe line; or~~

~~(b) — supplying and installing any pipe line or works,~~

~~including where practicable an indication of likely costs and other terms for the making of such a connection.~~

### **Part B – Premises Connections – Other Requirements**

2.3.4 ~~Other requirements-provisions~~ to be included in the ~~statement~~ Connection Charging Methodology Statement

~~A statement~~The Connection Charging Methodology Statement submitted to the Authority by the Licensee under Condition 2.3.1 shall:

- (a) subject to Condition ~~2.3.15~~ 2.3.10, clearly distinguish between ~~eases-persons~~ and classes of ~~eases-of~~ person for whom the Licensee proposes different methods by, or principles on which charges are to be determined for connection;
- (b) in respect of any such ~~easesperson~~, or classes of ~~easesperson~~, show that element of connection costs the Licensee proposes to recover by way of conveyance charges to gas suppliers, including any Separate Business engaged in the supply of gas; and
- (c) identify the types of connection where:
  - (i) a standard quotation will be provided on a request for a quotation in accordance with Condition ~~2.3.12~~2.3.7(a); and
  - (ii) a non standard quotation will be provided on a request for a quotation in accordance with Condition ~~2.3.12~~2.3.7(b).

2.3.5 ~~The statement~~ Connection Charging Methodology Statement to give likely indication of costs

~~A statement~~The Connection Charging Methodology Statement submitted to the Authority by the Licensee under Condition 2.3.1 shall:

- (a) where practicable, indicate ~~for the Authority's information~~ the costs likely to arise in respect of work done and materials used in connecting any ~~Pp~~premises or

gas meter (including a non standard gas meter, or a gas meter not owned by the Licensee);

- (b) include such information as will reasonably enable any person to estimate the Licensee's connection charges in connecting any ~~P~~premises or gas meter (including a non standard gas meter, or a gas meter not owned by the Licensee); and
- (c) include such information as will reasonably enable any Relevant Person requesting a connection to the Network to determine the works and/or other actions he would need to undertake, including, without limitation, any work or action required to comply with the Licensee's technical design and operational requirements, in order for the connection to be made.

### 2.3.6 Standards of Performance Regulations

The Licensee shall ensure that each ~~statement~~ Connection Charging Methodology Statement submitted by it to the Authority under Condition 2.3.1 includes, for the purposes of the Standards of Performance Regulations:

- (a) a description of a connection that is classed by the Licensee as an excluded connection; and
- (b) a description of a connection that is classed by the Licensee as a complex connection,

each description as approved by the Authority after such consultation as the Authority directs.

### ~~2.3.7 Authority's approval~~

~~The Authority shall, in approving the Licensee's basis for charging for connection as set out in the statement submitted to it by the Licensee under Condition 2.3.1, have regard to the need of the Licensee to be able to finance the carrying on of its activities and obtain a return equal to that which is, in the reasonable opinion of the Authority, appropriate.~~

### ~~2.3.8 Publication of and compliance with statement~~

~~The Licensee shall:~~

- ~~(a) put in place and comply with the statement, as approved by the Authority under Condition 2.3.7;~~
- ~~(b) publish each approved statement in such manner as will secure adequate publicity for it; and~~
- ~~(c) send a copy of any such statement to any person who requests one.~~

#### ~~2.3.9 Direction by the Authority~~

~~Where the Authority determines that it is necessary for the Licensee to revise:~~

- ~~(a) the methods and principles on which it has determined the charges and other terms for connection in the latest published statement; and/or~~
- ~~(b) the charges and other terms for connection it has determined and included in the latest published statement;~~

~~in order to ensure that they are (or continue to be) proportionate and applied in a non-discriminatory manner, the Authority may direct the Licensee to revise its methods, principles, charges or terms (as the case may be) in accordance with the provisions of the direction.~~

#### ~~2.3.10 Revising connection charges~~

~~Without prejudice to Condition 2.3.9 the Licensee shall:~~

- ~~(a) periodically, and on each occasion Condition 2.3 is modified, review its published statement for compliance with the Licensee's obligations under the Licence and propose, and submit to the Authority for approval, any changes necessary in light of the review;~~
- ~~(b) not revise the basis of its charges for a connection of any premises, gas meter (including a non-standard gas meter, or a gas meter not owned by the Licensee), or the other terms for connection, without first giving the Authority a revised statement in the same terms as Condition 2.3.1 and, where such revision is other than any increase in the Consumer Prices Index including owner occupiers' housing costs, or applicable indexation base, as approved by the Authority.~~

#### ~~2.3.11 Compliance with a Direction~~

~~The Licensee shall comply with the requirements of any direction issued by the Authority under Condition 2.3.9 and shall publish any revised statement as soon as reasonably practical in accordance with Condition 2.3.8.~~

### 2.3.122.3.7 Quotation Requests

The Licensee shall, in accordance with Condition 2.3.6 and the Standards of Performance Regulations:

- (a) within 10 working days of receiving a request from any Relevant Person for a standard quotation in respect of a connection to the Network provide that Relevant Person with a specific statement of the connection charges and other terms of connection, applicable to the request; and
- (b) within 28 days of receiving a request from any Relevant Person for a non standard quotation in respect of a connection to the Network provide that Relevant Person with a specific statement of the connection charges, and other terms of connection, applicable to the request.

### 2.3.132.3.8 Treatment of Request for Quotation

For the purposes of Conditions ~~2.3.122.3.7~~(a) and (b) and the Licensee's obligation to provide a specific statement of connection charges, a request for a quotation of the applicable connection charges shall be treated as such if it is in such form that it can be reasonably expected of the Licensee to provide a specific statement of connection charges in response to it.

### 2.3.142.3.9 Accuracy of Quotations

The Licensee shall:

- (a) from time to time submit to the Authority for its approval an accuracy review scheme ~~through~~under which any Relevant Person can require the Licensee to review the accuracy of a quotation provided to that Relevant Person for a new connection or altering an existing connection; and
- (b) publish the approved accuracy review scheme in such manner as will secure adequate publicity for it.

The agreed accuracy review scheme shall be the published accuracy scheme for the purposes of the Standards of Performance Regulations.

~~2.3.15~~2.3.10 Prohibition on undue discrimination in relation to connections

The Licensee shall not show any undue preference towards or undue discrimination against any person or ~~eases or~~ classes of ~~eases of~~ person (including any other business of the Licensee):

- (a) seeking, and entitled pursuant to the provisions of Condition ~~2.3.16~~ 2.3.11, a connection to be made between their Premises and the Network;
- (b) seeking a connection to be made between a non standard gas meter, or a gas meter not owned by the Licensee (or any affiliate or related undertaking of the Licensee), and the Network~~;~~
- ~~(c) — that own or operate (or proposes to own or operate) a pipe-line system and seek a connection of that system to the Network;~~
- ~~(d) — seeking a connection for the purposes of introducing gas to the Network.~~

~~2.3.16~~2.3.11 Obligation to Connect Premises

Upon acceptance by the Relevant Person of the quotation made, in respect of a connection of a Premises to the Network pursuant to Condition ~~2.3.12~~ 2.3.7, any requirements pursuant to Condition 2.3.17–2.3.12 and subject to Condition ~~2.3.18~~ 2.3.13, the Licensee shall make a-the connection to the Network on the basis of such quotation.

~~2.3.17~~2.3.12 Connection Requirements (Premises connections)

The Licensee may require that, prior to making any connection to a Premises:

- (~~ia~~) the owner of the Premises, in respect of which the connection is to be made, accepts the connection terms offered by the Licensee's ~~terms and conditions~~ (including ~~as set out in the statement~~ those that may be set out in the Connection Charging Methodology Statement- submitted to the Authority by the Licensee under Condition 2.3.1) for making the connection, including terms in respect of:

(~~ai~~)\_\_\_ the design and operational requirements which apply; and

(~~bi~~)\_\_\_ the recovery by the Licensee of its charges for making the connection;

and

(~~ib~~)\_\_\_ ~~A~~-a gas supplier confirms to the Licensee its willingness to supply gas (or continue to supply gas) to the occupier of the ~~P~~premises following the making of the connection.

### 2.3.18~~2.3.13~~ No obligation to connect ~~P~~premises

Nothing in Condition ~~2.3.16~~-2.3.11 shall require the Licensee to make or maintain ~~the~~ a connection of a Premises to the Network:

- (a) if the making or maintaining of the connection involves danger to the public and / or a risk to the safety of the Network, provided that the Licensee has taken all such reasonable steps to prevent such danger from occurring;
- (b) if there is insufficient capacity in the Network; or
- (c) if the Licensee has reasonable grounds to believe the making of the connection would be in conflict with:
  - (i) the relevant objectives set out in Condition 2.4.1; or
  - (ii) any public service obligation (where applicable)

and in any such case the Licensee shall give duly substantiated reasons for believing such circumstances apply.

## Part C – Gas Delivery Facility Connections – Other Requirements

### 2.3.14 Other provisions to be included in a GDF Connection Methodology Statement

- (a) A GDF Connection Methodology Statement prepared pursuant to Condition 2.3.3 shall, subject to Condition 2.3.16, clearly distinguish between persons and classes of person for whom the Licensee proposes different methods by, or principles on which charges are to be determined for:

- (i) making, maintaining, repairing or modifying a connection of a Gas Delivery Facility of the category or type described or specified in any direction given by the Authority under Condition 2.3.3; and
  - (ii) accepting the introduction of gas into the Network from a Gas Delivery Facility.
- (b) A GDF Connection Methodology Statement prepared pursuant to paragraph (a) shall, without limitation, include:
  - (i) the process and procedures to be followed, and the information likely to be required, by the Licensee for the purposes of offering terms for:
    - (A) the making and maintaining of the connection; of each particular category or type of Gas Delivery Facility described or specified in any direction given by the Authority under Condition 2.3.3; and
    - (B) accepting the introduction of gas into the Network from such a Gas Delivery Facility.
  - (ii) the methods by, and principles on, which charges will be determined for:
    - (A) any extension or reinforcement of any part of the Network, which is necessary or appropriate by virtue of the required connection to the Network of such a Gas Delivery Facility;
    - (B) the maintenance and repair required of any gas plant or apparatus provided and installed for the purposes of making a connection of such a Gas Delivery Facility;
    - (C) disconnection from the Network of such a Gas Delivery Facility and the removal of gas plant and apparatus at a Gas Delivery Point following disconnection;
    - (D) the Licensee's operational costs in respect of the maintenance and use of the Gas Delivery Point established by virtue of the connection of such a Gas Delivery Facility; and

- (E) such other matters as may be specified in any direction issued to the Licensee under this Condition 2.3.14(b) for the purposes of this Condition 2.3.

#### 2.3.15 Gas Delivery Facility Connections – Requirement to offer terms

Where the Licensee receives a request for a connection to be made to the Network of a Gas Delivery Facility of a category or type described or specified in any direction given by the Authority under Condition 2.3.3, it shall:

- (a) as soon as reasonably practicable, following receipt of the information reasonably required from the person making the request (the 'applicant'):
- (i) offer terms for the making and maintaining of the requested connection; and
  - (ii) offer terms for the introduction of the gas from the Gas Delivery Facility into the Network; and
- (b) ensure that any terms offered by it pursuant to the requirements of paragraph (a) provide that where:
- (i) the terms are accepted by the applicant, neither the Licensee nor the applicant shall take any action under or pursuant to the agreement (as resulting from the applicant's acceptance of the offered terms) prior to the date on which the agreement is approved by the Authority;
  - (ii) there is a dispute between the Licensee and the applicant in respect of the terms offered by the Licensee such that the applicant does not accept the offered terms, either the applicant or the Licensee may make an application to the Authority for determination of the dispute.

#### 2.3.16 Prohibition on undue discrimination in relation to Gas Delivery Facility Operators

The Licensee shall not show any undue preference towards or undue discrimination against any person or classes of person (including any other business of the Licensee) requesting, or having, a connection to the Network of a Gas Delivery Facility.

#### 2.3.17 Obligation to Connect a Gas Delivery Facility

Where the Licensee has, upon request by any person, offered terms for connection pursuant to Condition 2.3.15 and the person requesting the connection accepts the connection terms offered, the Licensee shall make and maintain the requested connection on the basis of the accepted terms.

#### 2.3.18 Exceptions to requirement to offer connection terms for a Gas Delivery Facility

Nothing in Condition 2.3.15 shall require the Licensee to offer terms to make and maintain a connection to the Network of a Gas Delivery Facility, if:

- (a) to make and maintain the requested connection would involve a danger to the public and/or or a risk to the safety of the Network, provided that the Licensee has taken all reasonable steps to prevent such danger from occurring and/or to mitigate the risk to the safety of the Network;
- (b) there is insufficient capacity in the Network to accept the delivery of the gas from the Gas Delivery Facility; or
- (c) the Licensee has reasonable grounds to believe that making and maintaining the requested connection would be in conflict with:
  - (i) the relevant objectives set out in Condition 2.4.1; or
  - (ii) any public service obligation (where applicable),

and in any such case the Licensee shall give duly substantiated reasons for believing such circumstances apply.

#### 2.3.19 Calorific Value Management Statement

The Licensee shall comply with any direction given by the Authority to prepare and submit to the Authority for approval a statement (the **Calorific Value Management Statement**), setting out:

- (a) the methods by, and the principles on, which the Licensee will manage the Calorific Value in the Network; and
- (b) such information as is required by gas suppliers for the purposes of carrying out their respective activities, including (without limitation) information relating to:

- (i) the measurement and/or the methodology for establishing the energy content of gas;
- (ii) monitoring the accuracy of the measurement and/or the methodology for establishing the energy content of gas;
- (iii) the Calorific Value information required by gas suppliers for the purposes of customer billing; and
- (iv) such other matters as may be specified in the Authority's direction.

### **Part D – Approval and publication of statements prepared under this Condition 2.3**

#### 2.3.72.3.20 Authority's approval of connection charging methodology statements

The Authority shall, in approving the Licensee's basis for charging for connection as set out in the ~~statement~~ Connection Charging Methodology Statement submitted to it by the Licensee under Condition 2.3.1 or the GDF Connection Methodology Statement submitted to it by the Licensee under Condition 2.3.3, have regard to the need of the Licensee to be able to finance the carrying on of its activities and obtain a return equal to that which is, in the reasonable opinion of the Authority, appropriate.

#### 2.3.82.3.21 Publication of and compliance with statements prepared under this Condition 2.3

The Licensee shall:

- (a) put in place and comply with the statement, as approved by the Authority under Condition 2.3.7;
  - (a) implement and comply with the Connection Charging Methodology Statement, the GDF Connection Methodology Statement, and the Calorific Value Management Statement, in each case as approved by the Authority under and in accordance with any provision of this Condition 2.3;
  - (bb) publish each approved statement in such manner as will secure adequate publicity for it; and
  - (ec) send a copy of any such statement to any person who requests one.

#### 2.3.22 Review and Revision of Statements – Direction by the Authority

- (a) The Authority may, where it determines it necessary for the purposes of the Licensee ensuring that any Statement in effect pursuant to the requirements of this Condition 2.3 is, and/or continues to be, proportionate and applied in a non-discriminatory manner, direct the Licensee to review and revise the Statement in accordance with the requirements specified in the direction and to submit the revisions to the Authority for approval.
- (b) The Licensee shall comply with any direction given by the Authority under Condition 2.3.22(a) above.

#### 2.3.9 Direction by the Authority

Where the Authority determines that it is necessary for the Licensee to revise:

- (a) the methods and principles on which it has determined the charges and other terms for connection in the latest published statement; and/or
- (b) the charges and other terms for connection it has determined and included in the latest published statement,

in order to ensure that they are (or continue to be) proportionate and applied in a non-discriminatory manner, the Authority may direct the Licensee to revise its methods, principles, charges or terms (as the case may be) in accordance with the provisions of the direction.

#### 2.3.11 Compliance with a Direction

The Licensee shall comply with the requirements of any direction issued by the Authority under Condition 2.3.9 and shall publish any revised statement as soon as reasonably practical in accordance with Condition 2.3.8.

#### 2.3.23 Review and Revision of Statements – General

The Licensee shall:

- (a) periodically, and on each occasion this Condition 2.3 is modified, review each Statement prepared by the Licensee, and approved by the Authority, pursuant to this Condition 2.3, for the purposes of ensuring that the Statement continues to meet the requirements of this Condition 2.3 and following such review

prepare and submit to the Authority for approval, any changes proposed by the Licensee in light of the review;

- (b) not revise the basis of its charges for a connection of any Premises, gas meter (including a non standard gas meter, or a gas meter not owned by the Licensee), or the other terms for connection, without first submitting to the Authority a revised Connection Charging Methodology Statement that meets the requirements of Conditions 2.3.1 and 2.3.4 and, where any such revision is other than an increase in the Consumer Prices Index including owner occupiers' housing costs (CPIH), or applicable indexation base as approved by the Authority, obtaining the Authority's approval to such a revision;
- (c) not revise a GDF Connection Methodology Statement applying in respect of connections of a Gas Delivery Facility of a category or type described or specified in a direction given by the Authority under Condition 2.3.3, without first submitting to the Authority a revised GDF Connection Methodology Statement, as applicable to that category or type of Gas Delivery Facility, that meets the requirements of Conditions 2.3.3 and 2.3.14 and obtaining the Authority's approval to such a revision; and
- (d) not revise the methods by, and the principles on, which the Licensee will manage Calorific Value in the Network without first submitting to the Authority a revised Calorific Value Management Statement that meets the requirements of Condition 2.3.19 and obtaining the Authority's approval to such a revision.

#### 2.3.10 Revising connection charges

Without prejudice to Condition 2.3.9 the Licensee shall:

- (a) periodically, and on each occasion Condition 2.3 is modified, review its published statement for compliance with the Licensee's obligations under the Licence and propose, and submit to the Authority for approval, any changes necessary in light of the review;
- (b) not revise the basis of its charges for a connection of any premises, gas meter (including a non standard gas meter, or a gas meter not owned by the Licensee);

~~or the other terms for connection, without first giving the Authority a revised statement in the same terms as Condition 2.3.1 and, where such revision is other than any increase in the Consumer Prices Index including owner occupiers' housing costs, or applicable indexation base, as approved by the Authority.~~

## **Part E – Connection Disputes – Authority's Role**

### **2.3.192.3.24 Resolution of disputes by the Authority**

~~Where:~~

~~(a) (a) — Where there is a dispute between the Licensee and any person entitled, or claiming to be entitled, to a connection to the Network in respect of the terms of an agreement for the connection to be made ('connection agreement'), under and in accordance with any provision of this Condition 2.3 in respect of the terms of an agreement offered by the Licensee to, and not accepted by, that person for:~~

~~(i) where the person is not a Gas Delivery Facility Operator, a connection to be made,~~

~~(ii) where the person is a Gas Delivery Facility Operator:~~

~~(aa) making and maintaining the connection of the Gas Delivery Facility to the Network; and/or~~

~~(bb) permitting gas to be introduced into the Network from that operator's Gas Delivery Facility,~~

any party to the dispute may make an application to the Authority for determination of the ~~terms of the connection agreement—dispute.~~

~~(b) Any dispute referred to the Authority receives an application pursuant to sub-paragraph (a) and the dispute: Condition 2.3.24(a)(i) which relates to a connection to the Network of any Premises (and any non standard gas meter and any gas meter that is not owned by the Licensee (or any affiliate or related undertaking of the Licensee) and is located in any Premises) which :~~

- (i) has not previously been referred by either party to the General Consumer Council for investigation; or
- (ii) has previously been referred by one of the parties to the General Consumer Council but the General Consumer Council ~~has advised~~ advises the Authority that it has not concluded its investigation of the dispute,

may be referred by the Authority ~~may refer the dispute~~ to the General Consumer Council for the purposes of enabling the General Consumer Council to ~~assist the parties in the resolution~~ investigate and/or conclude its investigation of the dispute; and

(iii) notification of any such referral will be given by the Authority to both parties; and

~~(e) the Authority refers the dispute to the General Consumer Council under paragraph (b) it will at the same time inform the parties of that referral;~~

~~(div)~~ where the General Consumer Council has not been able to assist the parties in the resolution of the dispute within 3 months of the Authority's referral ~~under paragraph (b)~~ (the 'applicable timescale'), either party to the dispute may then refer the ~~matter back~~ dispute to the Authority for determination;

(c) Condition 2.3.24(d) applies:

(i) in respect of a dispute referred to the Authority under Condition 2.3.24(a)(i) which is not referred to the General Consumer Council under Condition 2.3.24(b);

(eii) in respect of a dispute referred to the Authority under ~~paragraph (a)~~ Condition 2.3.24(b)(iv); and

~~(i)-(iii) is not in respect of any other dispute referred by to the Authority to the General Consumer Council under paragraph (e); under Condition~~

2.3.24(a).~~or~~

~~(ii) is referred by the Authority to the General Consumer Council under paragraph (c) but is referred back to the Authority under paragraph (d),~~

(d) Where this Condition applies:

(i) the Authority may, having given both parties not less than one month in which to make any further representations, settle the ~~terms of the connection agreement dispute~~ in such manner as appears to the Authority to be reasonable having regard (insofar as is relevant and appropriate) to the obligations that would otherwise have applied to the Licensee under this Condition 2.3; and

(ii) ~~where (f)~~ the person entitled or claiming to be entitled to a connection to the Network wishes to proceed on the basis of the terms ~~the connection agreement as~~ settled by the Authority, the Licensee shall ~~forthwith~~ enter into ~~and implement such the required~~ agreement ~~in accordance with its on the basis of such~~ terms.

**Part F – Definitions and Interpretation**2.3.20–2.3.25 Interpretation and construction

- (a) References in this Condition 2.3 to "charges" shall include references to means whereby such charges may be ascertained.
- (b) In this Condition:

<b><u>“Calorific Value”</u></b>	<u>has the meaning given to it in the Network Code.</u>
<b><u>“Premises”</u></b>	<u>includes any land, building or structure supplied, or to be supplied, with gas from the Network but does not include any Pipe-Line System or Gas Delivery Facility.</u>
<b><u>“Relevant Person”</u></b>	<u>is a person who is the:</u> <u>(a) owner of the Premises; or</u>

(b) occupier of the Premises in respect of which the request for connection is made.

**“Standards of Performance Regulations”** **of** means The Gas (Individual Standards of Performance) Regulations (Northern Ireland) 2014.

~~(i) “Standards of Performance Regulations” means The Gas (Individual Standards of Performance) Regulations (Northern Ireland) 2014.~~

~~(ii) “Relevant Person” is a person who is the:~~

~~(a) owner of the premises; or~~

~~(b) occupier of the premises~~

~~in respect of which the request for connection is made.~~

## **Condition 2.4: Network Code**

### 2.4.1 The relevant objective

The Licensee shall establish transportation arrangements, being arrangements other than those to which Conditions 2.2 and 2.3 relate, for the conveyance of gas through distribution pipelines which are calculated to facilitate the achievement of the "relevant objective", that is to say:

- (a) the secure, safe, reliable, efficient and economic development and operation and maintenance of the Network with due regard to the environment;
- (b) where the Licensee is responsible for the balancing of the Network, the balancing of the Network pursuant to rules for that purpose which are objective, transparent and non-discriminatory (including the rules for the charging of system users for energy imbalances); and
- (c) subject thereto:
  - (i) compliance with the Licensee's other obligations under this Licence Document; and
  - (ii) subject to Condition 2.4.1(c)(i), the promotion of effective competition between Users .

### 2.4.2 The Network Code

The Licensee shall:

- (a) by the earlier of the date:
  - (i) 12 months after the Authority issues a direction requiring the Licensee to do so;
  - (ii) 12 months before the Supply Licensee is scheduled (in accordance with its licence) to cease to have the exclusive right to supply a premises it was previously entitled to supply exclusively; and

(iii) two months after the Supply Licensee ceases to have the exclusive right to supply a premises it was previously entitled to supply exclusively,

prepare and provide the Authority for its approval a “Network Code”, that is to say a document setting out the arrangements established under Condition 2.4.1 and the terms on which it will enter into such arrangements with gas suppliers for the conveyance of gas;

(b) where pursuant to Condition 2.14.1 the Licensee is designated as a transmission system operator, ensure that the Network Code contains provisions that establish:

(i) the measures that the Licensee will put in place for the balancing of the Network;

(ii) the methodology used by the Licensee to procure the gas required for balancing the Network;

the methodology by which the charges to be levied on Users for the (where the applicant is willing to accept the same), in such manner as the Authority considers appropriate having regard to (in so far as is appropriate) the obligations that would otherwise have applied to the Licensee under Condition balancing of the Network are to be determined;

(c) where, pursuant to Condition 2.14.2 the Licensee is designated as a distribution system operator, ensure that the Distribution Network Code contains provisions that establish, where the Licensee undertakes these activities:

(i) the measures that the Licensee will put in place for the balancing of the Network;

(ii) the methodology used by the Licensee to procure the gas required for balancing the Network;

(iii) the methodology by which the charges to be levied on gas suppliers for the balancing of the Network are to be determined; and

(iv) the technical safety criteria applicable to the operation of the Network;

- (d) put such Network Code in place except as the Authority otherwise consents and comply with the provisions of the approved Network Code;
- (e) put in place appropriate contractual arrangements, approved by the Authority, which require compliance with the Network Code by the Licensee, the Users, and any third parties who may become parties to the Network Code; and
- (f) except in so far as the Authority consents to the Licensee doing so, not enter into any arrangements for the conveyance of gas (including with any Other Business) except in accordance with the provisions of the Network Code applicable from time to time to the circumstances of the case.

2.4.3 Where a term of the Network Code or of the modification rules referred to in Condition 2.4.5 is framed so that its proper implementation is to be determined with regard to whether it facilitates the achievement of the relevant objective, either the Licensee or any party to the Network Code who has entered into the arrangements to which that term applies, may, to the extent that the term so provides, refer to the Authority for determination any question as to whether a manner in which the Licensee proposes to implement the term would secure that objective.

#### 2.4.4 Modification of the Network Code

The Licensee shall establish and implement procedures for the modification of the Network Code by the Licensee, subject to the provisions of this Condition, so as to better facilitate the achievement of the relevant objective and which will enable:

- (a) the Network Code to be reviewed;
  - (aa) the Network Code to be reviewed so as to enable gas suppliers to have gas conveyed in the Network to premises in the Licensed Area at such times as it can reasonably be anticipated that a gas supplier may supply such premises;
- (b) modifications to be proposed by the Authority, the Licensee or by any other party to the Network Code;
- (c) adequate publicity to be given to any proposal by:

- (i) drawing it to the attention of other parties to the Network Code;
  - (ii) sending a copy of it to anyone who asks for one; and
  - (iii) making it otherwise available in an appropriate manner where it is necessary for establishing whether the proposal would better facilitate the achievement of the relevant objective;
- (d) the preliminary views of the Authority to be sought in relation to any matter arising on a proposal to modify the Network Code; and
- (e) the representations or objections, with respect to any proposal to modify the Network Code, made (and not withdrawn) by any other party to the Network Code and by other persons who are likely to be materially affected by the proposal to be properly considered.

#### 2.4.5 Modification Rules

The Licensee shall:

- (a) prepare “the modification rules”, that is to say a document setting out the terms of the procedures established under Condition 2.4.4, and shall furnish the Authority with a copy of the modification rules;
- (b) not make any modification to the modification rules except:
  - (i) after consulting the other parties to the Network Code;
  - (ii) after furnishing the Authority with a report on such consultation and consideration; and
  - (iii) with the consent of the Authority; and
- (c) furnish the Authority with a copy of any modification so made.

#### 2.4.6 Prohibition on irregular modification

The Licensee shall not make any modification to the Network Code except:

- (a) to comply with Condition 2.4.7(c); or

- (b) with the consent of the Authority;

and shall furnish the Authority with a copy of any modification made.

#### 2.4.7 Role of Authority in modifications

Where a proposal is made pursuant to the modification rules to modify the Network Code, the Licensee shall:

- (a) refer for determination by the Authority any question whether the representations or objections by any other party to the Network Code or by any other person, in respect of the proposal have been properly considered in accordance with those rules;
- (b) as soon as reasonably practicable, give notice to the Authority:
  - (i) giving particulars of the proposal;
  - (ii) where the proposal is made by any other party to the Network Code , giving particulars of any alternative proposal by the Licensee to modify the Network Code in respect of the same matter;
  - (iii) giving particulars of any representations or objections made by a party to the Network Code or by any other person in respect of those proposals;
  - (iv) stating whether, in its opinion, any proposed modification should or should not be made;
  - (v) stating the factors which, in its opinion, justify making or not making the proposed modification; and
  - (vi) giving such further information as may be prescribed by the modification rules; and
- (c) comply with any direction given by the Authority to make a modification to the Network Code in accordance with a proposal described in a notice given to the Authority under sub-paragraph (b) which, in the opinion of the Authority will,

as compared to the existing provisions of the Network Code or any alternative proposal, better facilitate the achievement of the relevant objective.

#### 2.4.8 Publication of Network Code

The Licensee shall:

- (a) publish the Network Code and the modification rules as modified from time to time in such form and manner as the Authority may from time to time direct; and
- (b) send a copy of the Network Code and modification rules as modified from time to time to any person who asks for one on payment of a charge in respect of the cost incurred by the Licensee in complying with this requirement which does not exceed such amount as the Authority may from time to time direct.

#### 2.4.9 Authority to determine material affect on persons of transportation arrangements

Except in so far as the Authority otherwise consents, the Licensee shall refer for determination by the Authority any question as to whether a person is likely to be materially affected by transportation arrangements or by a proposal to modify the Network Code.

#### 2.4.10 Reasons for refusal of access

The Network Code prepared in accordance with this Condition shall require the Licensee to give duly substantiated reasons for any refusal of access to the Network.

#### 2.4.11 Prohibition on undue discrimination

The Licensee shall not show an undue preference for or undue discrimination against any person or class or classes of person:

- (a) in assessing a person's application to become a party to the Network Code; and/or
- (b) in its interpretation of the Network Code and the application of procedures contained in the Network Code.

#### 2.4.12 Definitions

In this Condition 2.4, "User" means, as the context requires, any gas supplier or any person acting on behalf of a gas supplier who has made, or seeks to make, arrangements with the Licensee in pursuance of which gas is, or is to be, conveyed through the Network.

#### 2.4.13 Performance of Obligations

- (a) The Licensee shall in fulfilling its obligations under Conditions 2.4.1 to 2.4.2 and 2.4.4 to 2.4.5:
  - (a) liaise and co-operate with any other person authorised by virtue of a licence granted under Article 8(1)(a) of the Order to convey gas through low pressure pipe-lines (a 'relevant licence holder') for the purposes of ensuring that the Network Code is, in so far as is possible, consistent with the network codes of relevant licence holders; and
  - (b) comply with directions issued by the Authority (following consultation with the Licensee and relevant licence holders) for the purposes of this Condition 2.4.13.

## **Condition 2.9: Maintenance of Records**

### 2.9.1 Recorded information

The Licensee shall hold in an appropriate form recorded information, insofar as the Licensee is reasonably able to acquire it, as to:

- (a) every premises and pipe-line system to which gas has been conveyed by means of the Network during the relevant period;
- (b) every Gas Delivery Point from which gas has been conveyed by means of the Network during the relevant period;
- ~~(bc)~~ every third party who has arranged with the Licensee for gas to be conveyed by means of the Network at any place referred to in Condition 2.9.1(a) or (b) during the relevant period;
- ~~(ed)~~ insofar as the Licensee has been furnished with the information, in respect of each premises referred to in Condition 2.9.1(a) every gas supplier who has supplied during the relevant period gas which has been conveyed to those premises by means of the Network;
- (e) in respect of each Gas Delivery Point referred to in Condition 2.9.1(b), details of each gas supplier that, during the relevant period, was under and in accordance with the Network Code a registered user for that Gas Delivery Point and the period for which each such gas supplier was a registered user;
- ~~(df)~~ insofar as the Licensee has been furnished with the information, the ownership of every meter first installed after the outlet of the final control valve of the service pipe at any premises referred to in Condition 2.9.1(a) for ascertaining the quantity of gas conveyed to the premises by means of that system during the relevant period;
- ~~(eg)~~ any information contained in a notice given to the Licensee under any regulations made by the Authority under Article 22 of the Order during the relevant period; and

(fn) any information which has been provided to the Licensee by any other licence or exemption holder whether directly or indirectly pursuant to the conditions of his licence or exemption.

#### 2.9.2 Additional definition

In this Condition, “the relevant period” means the preceding five years or such shorter period to which the Authority may consent in respect of any of the above requirements.

## **Condition 3.2            Development Plan**

### **3.2.1    Development of the Network**

Subject to Conditions 3.2.3 and 3.2.5, the Licensee shall:

- (a) subject to Condition 3.2.2, install and bring into operation (or make readily capable of being brought into operation) distribution pipe-lines such that, in respect of any Development Area and each Gas Year, the number of premises that are readily connected by the end of that Gas Year is equal to or greater than 50% of the Annual Target for that Development Area and that Gas Year; and
- (b) subject to Condition 3.2.2, install and bring into operation (or make readily capable of being brought into operation) distribution pipe-lines such that, in respect of each Gas Year, the aggregate number of premises in all the Development Areas that are readily connected by the end of that Gas Year is equal to or greater than 90% of the Cumulative Target for that Gas Year.

### **3.2.2    Housing Executive & Regional Development Strategy**

The Annual Target for any Development Area and any Gas Year shall be reduced by a number equal to the number of:

- (a) premises in that Development Area which are owned by the Northern Ireland Housing Executive or any housing association in Northern Ireland and which have not during that Gas Year been adapted for the consumption of gas; and
- (b) premises that are forecast to be constructed in that Development Area and that Gas Year in the timetable outlined in an estimated rollout plan (developed by the Licensee in accordance with the Department for Regional Development Regional Development Strategy Document for Northern Ireland 2025 “Shaping Our Future” (published on 20 September 2001) and agreed with the Authority) and which have not during that Gas Year been so constructed;

provided and to the extent that:

- (c) the Licensee is able to demonstrate to the Authority’s satisfaction that this shortfall in the number of premises so adapted and/or so constructed prevented

the Licensee from meeting its obligations under Conditions 3.2.1, in which case the Authority shall make a consequent adjustment to the relevant Annual Targets for that Development Area in each subsequent Gas Year; and

- (d) in the event that any such premises are subsequently so adapted and/or so constructed, the Licensee shall inform the Authority as soon as reasonably practicable after becoming aware of the same, and the Authority may (having first consulted the Licensee), by notice in writing to the Licensee, add to the Annual Target for that Development Area and any subsequent Gas Year(s) a number of premises not exceeding that previously excluded pursuant to this Condition 3.2.2 which appears to the Authority to be appropriate in the circumstances.

### 3.2.3 Revising the Licensee's Obligations to Develop the Network

- (a) At the request of the Licensee, any Annual Target for any Development Area shall be revised as reasonably appropriate in all the circumstances:
  - (i) if the Authority is reasonably satisfied that exceptional circumstances (excluding lack of funds) which could not have been reasonably foreseen by the Licensee have prevented, or could reasonably be expected to prevent, the Licensee from complying with its obligations under Condition 3.2.1; or
  - (ii) if the Licensee and Authority so agree; or
  - (iii) if the Authority is reasonably satisfied that, due to any process required to be followed by an Applicable Law, which could not reasonably have been further expedited or avoided by the Licensee, the Licensee has been delayed in complying with its obligations under Condition 3.2.1.
- (b) Without prejudice to Condition 3.2.3(a), the Authority may, where the Licensee consents, by notice to the Licensee:
  - (i) increase the Annual Target for any Development Area and any Gas Year to such number as is agreed; and/or

- (ii) modify the Towns Development Plan and/or any Additional Development Plan as is agreed.
- (c) Without prejudice to Article 14 of the Order, where by virtue of the provisions of Condition 3.2.2 or this Condition 3.2.3, any Annual Target is revised, the revised Annual Target shall be applied for the purposes of this Licence and the revision shall (to the extent applicable) modify the relevant Conditions (including annex 2 to this Part 3).

#### 3.2.4 General Development Plan

Without prejudice to the generality of any other provisions of this Licence, the Licensee shall in good faith pursue the general objectives of the General Development Plan set out in annex 3 to this Part 3.

#### 3.2.5 Loss of Exclusivity

Notwithstanding Condition 1.1.4, where the Licensee ceases, in respect of any Development Area, to be entitled to exclusively convey gas by means of distribution pipe-lines (in accordance with Schedule 3), the obligations set out in Conditions 3.2.1 and 3.2.4 shall cease to apply to such Development Area with effect from the date on which such exclusivity is lost.

#### 3.2.6 Annual Development Plan Report

The Licensee shall, by no later than 31 December of each year, provide to the Authority a report of its progress in (i) the development of the Network (having regard to its obligations under Conditions 3.2.1 and 3.2.4) and (ii) the development of the market for gas supplies (having regard to its obligations under Conditions 3.2.4 and 3.2.10) for (in each case) the Gas Year that ended on 30 September of that year. The Licensee shall also set out in that report, for the three Gas Years following that Gas Year, its plans for developing the Network (having regard to its obligations under Conditions 3.2.1 and 3.2.4). The obligation to provide such a report shall cease generally in respect of the Gas Year commencing 1 October 2018 and each Gas Year thereafter; and shall cease in particular with regard to the development of the market

for gas supplies in respect to those markets for gas in which the Supply Licensee is subject to competition from other gas suppliers.

### 3.2.7 Publication of Report

The Licensee shall, subject to any requirement to comply with Condition 3.2.8:

- (a) publish the report provided under Condition 3.2.6 in such form and manner as the Authority, having regard, so far as practicable, to the need to exclude publication of a matter that would or might seriously and prejudicially affect the commercial interests of the Supply Licensee, may direct; and
- (b) send a copy of that report to any person who asks for one on payment of a charge in respect of the cost incurred by the Licensee in complying with this requirement which shall not exceed such amount as the Authority may from time to time direct.

### 3.2.8 Particular interests

In complying with the requirements of Condition 3.2.7, the Licensee shall have regard to the need for excluding, so far as practicable:

- (a) any matter which relates to the affairs of an individual, where the publication of that matter would or might seriously and prejudicially affect the interests of that individual; and
- (b) any matter which relates specifically to the affairs of a particular body of persons, whether corporate or unincorporated where publication of that matter would or might seriously and prejudicially affect the interests of that body.

### 3.2.9 Determination by Authority of particular interests

Except in so far as the Authority consents to the Licensee not doing so, the Licensee shall refer for determination by the Authority any question as to whether any matter seriously and prejudicially affects the interests of an individual or a body of persons or of the Licensee.

### 3.2.10 Development of the Market

The Licensee shall act to encourage the development of the market for gas supplies throughout all Development Areas, and shall, with respect to the premises in the Development Areas to which the Supply Licensee is entitled to supply gas exclusively (and for the periods during which the Supply Licensee may supply those premises exclusively), act so as to enable the Supply Licensee to compete effectively, in so far as is reasonably practicable, with alternative fuel supplies for those premises.

### 3.2.11 Conveyance in the Remaining Licensed Area

The Licensee shall not convey gas by means of distribution pipe-lines:

(a) \_\_\_\_\_-to any premises in the Remaining Licensed Area

(b) from any Gas Delivery Point, in the Remaining Licensed Area

-unless and until those premises or the location of that Gas Delivery Point fall(s) within an Additional Development Area as designated under Schedule 1 of this licence.

### 3.2.12 Publication

(a) The Licensee shall publish each of the following documents on its website and, in addition, using such other methods as the Authority may from time to time reasonably require:-

- (i) the Towns Development Plan and any revisions thereto; and
- (ii) all Additional Development Plans and any revisions thereto.

(b) Publication as required by Condition 3.2.12(a) shall be effected by the Licensee as soon as reasonably practicable, and in any event not more than:

- (i) 6 months after the date of the Grant of the Licence in the case of the Towns Development Plan;
- (ii) 1 month after the date of approval thereof by the Authority in the case of any Additional Development Plan; and
- (iii) 1 month after the date of the making thereof in the case of any revisions.

- (c) The Licensee shall, in addition, provide a copy of any document referred to in Condition 3.2.12(a) to any person requesting one on payment of a charge in respect of the cost incurred by the Licensee in complying with this requirement which shall not exceed such amount as the Authority may from time to time direct.