

**POSTALISATION**

**GENERAL CONDITIONS FOR THE SUPPLY LICENCE OF GAS SUPPLIERS SHIPPING GAS  
ACROSS DESIGNATED NETWORKS**

**INTRODUCTORY NOTES:**

- These postalisation provisions are intended to be inserted as General Conditions in the supply licence of gas suppliers on designated networks.
- Drafting and numbering will be standardised as far as possible to fit in with existing Licences.

## **PART 3A**

### **Condition 3A.1**

#### **INTERPRETATION AND CONSTRUCTION**

##### **DEFINITIONS FOR SUPPLIER POSTALISATION LICENCE CONDITIONS**

###### **Interpretation and Construction**

###### **Definitions**

In Part 3A of this Licence, except where expressly stated to the contrary and unless the context otherwise requires, the following terms shall have the meanings ascribed to them below:

- “Business Day” means a day, other than a Saturday or Sunday, on which banks are open for ordinary banking business in Belfast;
- “Credit Committee” means the committee which is convened and operates in accordance with the “Terms of Reference” appended to the Network Code;
- “Designation Date” means the date specified in a Designation Order on which any part of a Designated Operator’s Network through which the Licensee is entitled to have gas conveyed shall be designated as subject to a common tariff;
- “Designation Order” means an order made pursuant to Article 59 of the Energy (Northern Ireland) Order 2003 designating gas plant comprised within the Network as being subject to a common tariff;
- “Designated Operator” means a person licensed to convey gas under Article 8(1)(a) of the Order for the Licensee through the Postalised System;
- “Designated Network” means such parts of a Designated Operator’s Network as is or are designated from time to time pursuant to the Designation Order;
- “Exit”, “Exiting” or forms thereof, refers to the offtaking of gas at an Exit Point;
- “Exit Point” means a point on the Designated Network at the outlet of the final control valve at which gas is offtaken from the Designated Network by the Licensee, which is not a Transit Point;

“Forecast Supplier Volume[s]”	means the volume[s] of gas which the Licensee forecasts it will Exit from a Designated Network in a given period, provided that, if in relation to the Licensee such volume is less than any applicable Minimum Volume Value, the Forecast Supplier Volume in relation to the Licensee shall be such Minimum Volume Value;
“Gas Year”	means the period of time beginning at 06:00 hours on 01 October in any calendar year and ending at 06:00 hours on 01 October in the next succeeding calendar year;
“Minimum Volume Value”	means any minimum volume of gas (in KWh) in respect of which the Licensee is obliged under contract to a Designated Operator to pay transmission charges in respect of a Gas Year or part thereof;
“Network”	means all gas plant owned, operated or utilised by a Designated Operator through which that Designated Operator is conveying gas for the Licensee;
“Network Code”	means that document so described and published by a Designated Operator by virtue of the licence granted to that Designated Operator under Article 8(1)(a) of the Order;
“Order”	means The Gas (Northern Ireland) Order 1996;
“Postalised System”	comprises all gas plant designated as being subject to a common tariff pursuant to all orders made pursuant to Article 59 of the Energy (Northern Ireland) Order 2003 in force at such time;
“Primary TO”	means a Designated Operator holding a licence to convey gas in respect of a Designated Network from which the Licensee is entitled to Exit gas;
“Primary TO Network”	means all gas plant owned, operated or utilised by a Primary TO through which that Primary TO is conveying gas for the Licensee and from which the Licensee is entitled to Exit gas;

“PS 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) and who is entitled to Exit gas from the Designated Network or any person who is not so authorised, but is with the Authority’s consent either: (i) allocated Firm Capacity; or (ii) is entitled to Exit gas from the Postalised System;
“PS Transmission Charges”	means any amount which a Primary TO is obliged or entitled to charge to the Licensee under such Primary TO’s licence to convey gas;
“Transit Point”	means a point of interconnection between a Designated Network and another pipeline forming part of the Postalised System;
“Quarter”	means each successive three month period in a Gas Year, the first of which shall run from and including 01 October until and including 31 December in that Gas Year; and “Quarterly” shall be construed accordingly.

### **3A.1.1 Interpretation**

In Part 3A all capitalised terms shall have the meaning ascribed to them in such part, notwithstanding any other definition of any such term elsewhere in the licence. Capitalised terms within Part 3A which are not defined within such part shall have the meaning ascribed to them elsewhere in the licence.

### **3A.1.2 Provision of Information**

Nothing in Part 3A shall require the Licensee to produce any information or provide any document to any other party which the Licensee could not be compelled to produce or provide in any civil proceedings before the Courts of Northern Ireland.

## **Condition 3A.2**

### **GENERAL CONDITIONS APPLICABLE TO THE LICENCE HOLDER IN RELATION TO POSTALISATION CHARGES**

#### **3A.2 Conveyance Charges**

##### **3A.2.1 Application of provisions relating to common tariff**

In respect of the Gas Year commencing on or after the Designation Date and each Gas Year thereafter and to the extent that a Designation Order is and remains in force in respect of any Primary TO Network, the Licensee shall be subject to the provisions of this Condition 3A.

##### **3A.2.2 Forecasts and information relating to following Gas Years**

**3A.2.2.1** The Licensee shall, each Gas Year, provide the following forecasts and information to each Primary TO (in respect of each such Primary TO Network only), in each case no later than the tenth Business Day in June in respect of the next Gas Year (GY) and each of the following four Gas Years (GY+1 to GY+4):

- (a) the Forecast Supplier Volumes together with:
  - (i) an explanation of the reasons why any Forecast Supplier Volume in respect of any of the Gas Years GY+1 to GY+4 are expected to be greater or less than the Forecast Supplier Volume in respect of GY;
  - (ii) a breakdown showing the proportions of the Forecast Supplier Volumes in respect of each Exit Point attributable to each Quarter of GY; and

(b) the assumptions on which the figures provided pursuant to Condition 3A.2.1.1(a) are based. In respect of power stations this shall include but not be limited to load factors, generation output and efficiency. In respect of a Licensee supplying gas to distribution networks this shall include but not be limited to numbers of consumers and average forecast volumes per consumer.

**3A.2.2.2** The Licensee shall use its best endeavours to ensure that all forecasts and information supplied in accordance with Condition 3A.2.2.1 are as accurate as possible having regard to the information and forecasts available to the Licensee and shall provide with such forecasts a full breakdown and reasoning as to how it has calculated those forecasts.

***(Note to Licensee: Ofreg will compile and publish information and forecasts provided to it by the TOs. Such information and forecasts will be provided and published on a per Exit Point basis.)***

**3A.2.2.3** The Licensee shall promptly submit to any Primary TO any further information, explanation and access to relevant documents and records, in each case as such Primary TO reasonably requires in respect of the figures provided pursuant to this Condition 3A.2.2.

**3A.2.3 Payment of PS Transmission Charges**

The Licensee shall pay all PS Transmission Charges in accordance with the provisions of the Network Code.

### **3A.3 Credit Committee**

The Licensee shall promptly and competently take all actions necessary to facilitate the efficient functioning of the Credit Committee, in accordance with the Terms of Reference, which such actions shall include:

- (A) attendance at any meeting of the Credit Committee convened;
- (B) full and due consideration of any matters (including all relevant information) in respect of which a Credit Committee is convened;
- (C) all proper participation in the decision making process in relation to any matter with respect to which any Credit Committee has been convened with a view that appropriate decisions be made by such Credit Committee in a timely manner; and
- (D) full participation in the passing of any decisions made by any Credit Committee.