

Annex 6: FE Proposed Licence Modification

- Proposed deletions are indicated by red text which has been struck through.
 - Proposed additions are indicated by red text.
 - Changes made as a result of the consultation are highlighted in yellow.
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Condition 2.12: Exit Capacity Booking

2.12.1 Licensee to maintain conveyance arrangements

Unless the Authority otherwise directs, the Licensee shall, in respect of each Gas Year, hold rights, in respect of use by the Licensee of Exit Capacity on the pipeline system of Other Network Operators, where such rights are available to the Licensee pursuant to and in accordance with the arrangements made by the Network Operators for such purposes, that are at least equal to the Forecast Network Exit Capacity Requirement.

2.12.2 Forecast Network Exit Capacity Requirement Definition

Forecast Network Exit Capacity Requirement means the amount of Exit Capacity required to ensure that sufficient gas can be conveyed to meet daily firm demand from Network Consumers, which having regard to historical weather and other data derived from at least the previous 50 years and to representations made by gas suppliers in accordance with the procedures set out at Condition 2.12.3, is likely to be exceeded only in 1 year out of 20 years.

2.12.3 Annual Consultation

Unless the Authority otherwise directs:

- (a) no later than 21st ~~February~~ **January** each year, the Licensee shall publish a draft statement of its best estimate of Forecast Network Exit Capacity Requirement in the following Gas Year which, having regard to historical weather and other data from at least the previous 50 years, is likely to be exceeded only in 1 year out of 20 years in such form and manner as the Authority may direct and send a

copy of the statement 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; and

- (b) no later than 21st ~~March~~ February each year, the Licensee shall publish a final statement of the matters referred to in Condition 2.12.3(a) above, having regard, in addition to the considerations referred to in that Condition, to any representations received by it within 21 days of the publication of the draft statement.

2.12.4 Additional Definitions

In this Condition:

- “daily firm demand” means the peak aggregate daily demand for gas by Network Consumers from time to time which might reasonably be expected after the supply of gas to each such consumer had been interrupted or reduced to the extent that is permitted under any contract between that consumer and its gas supplier;
- “day” means a period beginning at 05:00 on one day and ending immediately before 05:00 on the following day and “daily” shall be construed accordingly; and
- “Network Consumers” means all those persons located within the Licensed Area who are supplied with gas from the Network; and
- “Other Network Operators” means a person licensed to convey gas under Article 8(1)(a) of the Order or exempted from the requirement to be licensed to convey gas under Article 7(1) of the Order, other than the Licensee;
- “Gas Year” means the period of time beginning at 05:00 hours on 01 October in any calendar year and ending at 05:00 hours on 01 October in the next succeeding calendar year;

“Exit Capacity”

means the capacity of a pipeline system which is treated as being utilised when a quantity of gas is offtaken from that system at a system exit point.