

AGREEMENT
and
GENERAL CONDITIONS OF CONTRACT
for
ADVERSARIAL METER WORKS

between
NATIONAL GRID GAS PLC
and
«REGISTERED_COMPANY_NAME»

THIS AGREEMENT is made the _____ day of _____

BETWEEN:

- (1) **National Grid Gas plc** (registered number 2006000) whose registered office is at 1-3 Strand, London WC2N 5EH ("**National Grid**") which expression shall include its successors and/or permitted assigns; and
- (2) «**Registered_Company_Name**» (registered number «Company_Registered_Number» and market participant identity «Market_Participant_ID») whose registered office is at «Registered_Address», «Postal_Code», «Country» (the "**Customer**") which expression shall include its successors and/or permitted assigns.

WHEREAS:

- (A) The Customer may request National Grid to undertake Adversarial Meter Works to Metering Equipment which is connected to the National Grid System.
- (B) National Grid and the Customer have agreed to enter into this Agreement whereby the Customer may request such Adversarial Meter Works from time to time in accordance with the Conditions and National Grid will respond to such requests in accordance with the Conditions.

NOW IT IS HEREBY AGREED as follows:

- 1 Unless the context otherwise requires or is inconsistent herewith, terms and expressions defined in Condition 1 of the Conditions shall have the same meanings respectively when used herein.
- 2 The Customer agrees that it may only request Adversarial Meter Works, unless otherwise agreed by National Grid in writing, pursuant to the Conditions in respect of:
 - (a) Metering Equipment which National Grid has been Appointed to provide and maintain pursuant to the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) and in the circumstances therein set out; and
 - (b) the installation of Metering Equipment which National Grid shall subsequently be Appointed to provide and maintain upon the terms of Condition 17.

- 3 During the term of this Agreement, if the Customer wishes to request Adversarial Meter Works it shall submit an AMW Request Form or a Quotation Request for Non Standard Work (in the case of Quotation Meter Works) in accordance with and subject to the Conditions.
- 4 Upon receipt of an AMW Request Form or Quotation Request for Non Standard Work National Grid shall respond in accordance with the Conditions.
- 5 The Parties agree that upon each Acceptance a separate Contract will be formed and that each such Contract shall be subject to the Conditions.
- 6 This Agreement and the Conditions shall be read and construed as one document.
- 7 This Agreement shall come into force on the date hereof and shall remain in force until terminated by either Party in accordance with Condition 16.

IN WITNESS WHEREOF the Parties by their duly authorised representatives have this day set their hand.

SIGNED for and on behalf of
National Grid Gas plc

Signature:.....

Name:

Position:.....

SIGNED for and on behalf of
«Registered_Company_Name»

Signature:.....

Name:

Position:.....

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1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

For the purposes of this Agreement and any Contract made pursuant hereto, except as is otherwise expressly provided herein or unless the context otherwise requires, the terms defined in this Condition 1.1 shall have the following meanings and derivative expressions shall be construed accordingly:

"Above 7 Bar Meter Works Conditions": shall mean the document entitled "Agreement and General Conditions of Contract for Above 7 Bar Transactional Meter Works", as amended or novated from time to time, in accordance with which the Customer can request that National Grid undertakes certain non Adversarial Meter Works in respect of Metering Equipment with an inlet pressure of above 7 Bar;

"Absent PPM Exchange": shall mean the provision by National Grid of all of the activities set out in Schedule Five, Part 1 in accordance with the Absent PPM Exchange Procedure;

"Absent PPM Exchange Procedure": shall mean the procedure set out in Schedule Five, Part 2;

"Acceptance": shall have the meaning ascribed thereto in Conditions 3.2.1 or 3.3.1 (as the case may be);

"Acceptance Form": shall mean a copy of the proforma provided by National Grid to the Customer from time to time which proforma shall be (a) substantially in the form set out in the Rainbow MAM Manual or (b) any electronic replacement or alternative thereto set out in the Rainbow MAM Manual;

"Additional Emergency Control Valve": shall mean a valve (not being the Emergency Control Valve) for shutting off the supply of gas in an emergency, intended for use by a Consumer, which may be located within either the Metering Equipment or Installation Pipework and, as such, may not isolate all of the Installation Pipework or Metering Equipment;

"Adversarial Meter Works": shall mean Absent PPM Exchange and such other adversarial meter works carried out by National Grid as set out in Schedule One and requested by the Customer pursuant to this Agreement or any Contract made hereunder, in respect of activities associated with Meters connected to the National Grid System where a National Grid Operative is accompanied by the Customer's Representative due to the potentially adversarial nature of the activities and **"AMW"** shall be construed accordingly;

"Affected Party": shall have the meaning ascribed thereto in Condition 15.1.1;

"Affiliate": shall mean in relation to a body corporate:

- (a) another body corporate which holds not less than 33 $\frac{1}{3}$ (thirty three and one third) percent of the voting rights of the first body corporate; or
- (b) a subsidiary of the first body corporate or of such a body corporate as is referred to in paragraph (a),

and for these purposes 'voting rights', 'holding' and 'subsidiary' are to be construed in accordance with Section 736 of the Companies Act 1985;

"Aggregate Relevant Meter Indebtedness": shall have the meaning ascribed thereto in paragraph 2.1(c) of Schedule Three;

"Agreement": shall mean this Agreement and General Conditions of Contract for Adversarial Meter Works (including the Schedules) as amended from time to time;

"Alternative Contract Provisions": shall mean a contract or contracts (if any) to which National Grid and the Customer are a party providing (inter alia) for rental and replacement terms with respect to Metering Equipment or any category or categories thereof to apply in substitution to those set out in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement;

"AMW Date": shall mean the date agreed by National Grid and the Customer for the AMW, such date to also be the date for commencement on Site;

"AMW Hire Period": shall mean the period set out in Condition 2.2.1(c) requested by the Customer for hire of the NGO;

"AMW Request Form": shall mean the self-quotation request submitted by the Customer for the conduct of the AMW (being in a form substantially the same as set out from time to time in the Rainbow MAM Manual);

"AMW Working Hours": shall mean the hours of 8.30 a.m. to 4.30 p.m. with a 45 minute lunch break ordinarily taken between the hours of 12 noon and 2 p.m. on a Working Day and other breaks to be taken in accordance with the Working Time Regulations 1998;

"Ancillary Equipment": shall mean:

- (a) where it is attached to, or is to be attached to a Meter with a badged capacity of less than 11 SCMH:
 - (i) a Meter Regulator;
 - (ii) the flexible or rigid pipe (and any metal fittings and/or washers comprised in or attached to such pipe) connecting the Emergency Control Valve on the National Grid System to the Meter Regulator;
 - (iii) the BS 746 fitting (and any metal fittings and/or washers attached to such fitting) connecting the Meter Regulator to the Meter;
 - (iv) the Meter shelf or bracket (where fitted) unless such bracket comprises part of a Meter Housing; and
 - (v) the flexible pipe connecting a semi concealed Meter installed in a semi concealed Meter Housing to the brass outlet fitting in the Meter Housing including any washers attached to it (where applicable);
- (b) where it is attached to, or is to be attached to a Meter with a badged capacity of 11 SCMH or above:-
 - (i) any Meter Regulator;
 - (ii) associated pre heaters connected to the Meter together with any associated valves, filters, flexible connectors, seals, meter bypass, interconnecting pipework, cables, fittings brackets and supports; and
 - (iii) any Meter Housing owned by National Grid,

but it shall not include in the case of either (a) or (b) any associated fittings, pipework, installation(s) or Meter Housing owned by the Customer or a Consumer, or any third party;

"Annual Reconciliation Process": shall have the meaning ascribed thereto in paragraph 4.4.1 of Schedule Two;

"Applicable Interest Rate": shall have the meaning ascribed thereto in paragraph 3.6.3 of Schedule Two;

"Appointment": shall mean the appointment of National Grid to provide (including, where appropriate, to install) and maintain Metering Equipment as described in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) and **"Appoint"** and **"Appointed"** shall be construed accordingly;

"Arbitration Acts": shall mean the Arbitration Act 1950 and the Arbitration Act 1996;

"Asset Works Invoice": shall have the meaning ascribed thereto in paragraph 2.2 of Schedule Two;

"Asset Works Ad-Hoc Invoice": shall have the meaning ascribed thereto in paragraph 2.4 of Schedule Two;

"Authority": shall mean the Gas and Electricity Markets Authority;

"Bar": shall mean bar gauge which, for the avoidance of doubt, means pressure measured relative to atmospheric pressure;

"Batch Transfer Communications": shall mean a data file transmitted by National Grid or by the Rainbow Customer in accordance with the requirements of the Rainbow System User Agreement by means of the Rainbow Network as described in the Rainbow MAM Manual;

"Below 7 Bar Meter Works Conditions": shall mean the document entitled "Agreement and General Conditions of Contract for Transactional Meter Works Not Exceeding 7 Bar", as amended or novated from time to time, in accordance with which the Customer can request that National Grid undertake certain non Adversarial Meter Works in respect of Metering Equipment with an inlet pressure not exceeding 7 Bar;

"Billing Day": shall have the meaning ascribed thereto in paragraph 1.1.3(b) of Schedule Two;

"Billing Period": shall have the meaning ascribed thereto in paragraph 1.1.3(a) of Schedule Two;

"Business Hours": shall mean the hours between 9 a.m. and 5 p.m. on each Working Day provided always that any request, information or notice received after 5 p.m. on a Working Day will be deemed to have been received at 9 a.m. on the next Working Day;

"Cancelled Period": shall have the meaning ascribed thereto in Condition 4.2.1(b) or 4.2.1(d) (as the case may be);

"Competent Authority": shall mean the Authority, or any local, national or supra-national agency, authority, department, inspectorate, minister, official, court, tribunal or public or statutory person (whether autonomous or not) of the United Kingdom (or the government thereof) or the member states of the European Union which has jurisdiction over National Grid or the Customer or the subject matter of this Agreement or any Contract made hereunder;

"Conditions": shall mean these Conditions 1 to 26 of this Agreement and **"Condition"** shall be construed accordingly;

"Consumer": shall mean any person supplied or requiring to be supplied with natural gas at any premises by a Supplier and **"Consumer Premises"** shall be construed accordingly;

"Contingency Procedures": shall mean the document so entitled (which has been agreed by National Grid and National Grid Customers), published by National Grid which sets out those procedures which provide for the alternative means of communication for National Grid and Rainbow Customers to communicate with each other in the event of a Metering Contingency;

"Contract": shall mean these Conditions and the Acceptance and the AMW Request Form to which such Acceptance relates and (where used) the Quotation raised in response to such AMW Request Form;

"Contracts Act": shall mean the Contracts (Rights of Third Parties) Act 1999;

"Contract Sum": shall mean (as the case may be) either:

- (a) the sum specified as such in the Quotation; or
- (b) where no Quotation has been provided, the aggregate amount calculated using the Standard Charging Rate for the AMW Hire Period or the requested Meter removal;

"Convertor": shall have the same meaning as "conversion device" (as such term is defined in the Institution of Gas Engineers and Managers publication: IGE/GM/5 Edition 2) being an instrument for calculating the volume of gas at a pre-defined standard temperature and pressure which is equivalent to the volume of gas at actual temperature and pressures recorded as passing through a Meter;

"Convertor Removal Date": shall mean:

- (a) the date of removal of the Convertor as stated in a notice received by National Grid in accordance with the Rainbow MAM Manual, provided:
 - (i) such notice informs National Grid that the Convertor has been removed from the Meter Point and that it is available for collection by National Grid, together with the location for such collection;
 - (ii) if such date of removal as stated in such notice is earlier than 15 Working Days before the date upon which the notice is received, the date of removal shall be deemed to be 15 Working Days before the date upon which such notice is received; or
- (b) the date upon which National Grid has removed the Convertor from the Meter Point in accordance with a request by the Customer to do so (in accordance with a Contract made under this Agreement) or any entitlement of the Relevant Gas Transporter (acting in any capacity) to do so;

"Credit Meter": shall mean a Meter other than a Prepayment Meter;

"Customer Accession Date": shall have the meaning ascribed thereto in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement;

"Customer Agent": shall have the meaning ascribed thereto in Condition 19.1.1;

"Customer's Representative": shall mean a representative of a Customer who is acting on their behalf and with their express authority;

"Day": shall mean a calendar day;

"Diaphragm Meter": shall mean a Meter that mechanically measures gas flow by the positive displacement of a discrete volume of gas contained inside the diaphragm contained in the Meter;

"Directive": shall mean any present or future directive, request, requirement, instruction, code of practice, direction or rule of any Competent Authority and any modification, extension or replacement thereof;

"Distribution Network": shall mean such part or parts of the National Grid System the ownership of which has at any time after 1st April 2005 been transferred by National Grid (Gas Transporter);

"Domestic Premises": shall mean Consumer Premises at which a gas supply is taken or to be taken wholly or mainly for domestic purposes;

"Effective Date": shall have the meaning ascribed thereto in Condition 26.14;

"Emergency Control Valve": shall mean a valve (not being an Additional Emergency Control Valve) for shutting off the supply of gas in an emergency, intended for use by a Consumer and being located at the end of the service or distribution main;

"Enhanced IX Operational Guidelines for Use with Rainbow": shall mean the document so entitled published by National Grid, as amended or replaced from time to time, which contains information to enable Rainbow Customers to understand how to exchange files using the Enhanced Information 'Xchange Network (EIXN) batch communication system, and which defines the rules and best practices to be followed by Rainbow Customers when using the Rainbow System;

"Exceptions Procedures": shall mean the section of the Rainbow MAM Manual so entitled setting out the procedures to be followed in the event of certain unforeseen circumstances on Site;

"Expert": shall have the meaning ascribed thereto in Condition 25.9.1;

"Force Majeure": shall have the meaning ascribed thereto in Condition 15.1.1;

"Gas Act": shall mean the Gas Act 1986;

"Gas Card": shall mean a Gas Card (Consumer) and/or a Gas Card (Installer);

"Gas Card (Consumer)": shall mean a card used by a Consumer to purchase gas, being a card provided by the Supplier to the Consumer that may contain specific Consumer information;

"Gas Card (Installer)": shall mean a card used by the Meter installer to set up a new Quantum System Meter, being a card that does not contain any Consumer specific information and can only be used once;

"Gas Safe": means Gas Safe Register the gas registration body for Great Britain and Isle of Man appointed by the Health and Safety Executive for Great Britain and the Health and Safety at Work Inspectorate for Isle of Man;

"Gas Transporter Licence": shall mean a licence granted under Section 7(2) of the Gas Act (including standard and special conditions thereto) as modified from time to time;

"Geographic Zone": shall have the meaning ascribed thereto in paragraph 1.1.3(g) of Schedule Two;

"Granting Party": shall have the meaning ascribed thereto in Condition 21.3;

"Implementation Costs": shall have the meaning ascribed thereto in Condition 24.7;

"Implementation Options": shall have the meaning ascribed thereto in Condition 24.4;

"Indemnified Costs": shall have the meaning ascribed thereto in Condition 24.8;

"Implementation Date": shall have the meaning ascribed thereto in Condition 26.14;

"Installation Pipework": shall mean all pipe and gas consuming facilities installed or to be installed downstream of the Metering Equipment;

"Invoice Amount": shall have the meaning ascribed thereto in paragraph 1.1.3(e) of Schedule Two;

"Invoice Credit": shall have the meaning ascribed thereto in paragraph 1.1.5 of Schedule Two;

"Invoice Document": shall have the meaning ascribed thereto in paragraph 1.1.3(c) of Schedule Two;

"Invoice Due Date": shall have the meaning ascribed thereto in paragraph 3.1.2 of Schedule Two;

"Invoice Item": shall have the meaning ascribed thereto in paragraph 1.1.3(d) of Schedule Two;

"Invoice Query": shall have the meaning ascribed thereto in paragraph 4.1.1 of Schedule Two;

"Invoice Remittance Advice": shall have the meaning ascribed thereto in paragraph 1.3.3 of Schedule Two;

"Invoice Submission Date": shall have the meaning ascribed thereto in paragraph 1.4.1 of Schedule Two;

"Invoice Type": shall have the meaning ascribed thereto in paragraph 1.2.2 of Schedule Two;

"Legal Requirement": shall mean any Act of Parliament, regulation, licence, or Directive of a Competent Authority;

"Management of External Access to Rainbow": shall mean the document so entitled published by National Grid, as amended or replaced from time to time, which contains information to enable the administration of Supplier access to Rainbow;

"Meter": shall mean a measuring instrument that measures the volume of natural gas passing through it, with a specific badged capacity that is in accordance with Schedule 2B of the Gas Act;

"Meter Credit Limit": shall have the meaning ascribed thereto in paragraph 2.1 of Schedule Three;

"Meter Credit Rules": shall have the meaning ascribed thereto in paragraph 1.2 of Schedule Three;

"Meter Housing": shall mean such protective housing and/or compound designed to accommodate the Metering Equipment to IGE/GM1, Edition 2 and/or 1GE/GM6 (where applicable) or such other superseding specifications as may be determined from time to time by the Institution of Gas Engineers and Managers for the Metering Equipment;

"Meter Inspection": shall mean the undertaking of the following tasks by a NGO:

- (a) reading the index of the Meter;
- (b) visually inspecting the Meter and associated installation for evidence of tampering;
- (c) visually inspecting the Meter and associated installation for evidence that the Meter has not continuously been in position for the purpose of registering the quantity of gas supplied;

- (d) arranging for all necessary information with respect to a gas leakage identified in the vicinity to be passed forthwith to National Grid's emergency service;
- (e) visually inspecting the Meter for evidence of deterioration which might affect the Meter's functioning or safety;
- (f) notifying the Customer's Representative of any low battery indicator on the Meter;
- (g) such Meter Work on a National Grid Meter as may be reasonably necessary resulting from tasks (a) to (f) above;

"Meter Inspection Confirmation": shall mean a form provided by the Customer materially consistent with that set out in the Rainbow MAM Manual on which the NGO can record details of a Meter Inspection;

"Meter Inspection System Date": shall mean such date as National Grid may notify the Customer that it has the systems capability to automatically record Meter Inspections where no other work activity has taken place and **"MISD"** shall be construed accordingly;

"Meter Point": shall mean (1) a point at which gas may, by a single pipe, be offtaken from the National Grid System for the purpose of conveyance directly to one Consumer Premises connected to the National Grid System and, in the case of a Sub-deduct Arrangement, also indirectly from such Consumer Premises to one or more Consumer Premises not connected to the National Grid System but forming part of that Sub-deduct Arrangement or (2) in the case of a Sub-deduct Arrangement, each point at which gas may, by a single pipe, be offtaken for the purpose of conveyance directly to such Consumer Premises not connected to the National Grid System but forming part of that Sub-deduct Arrangement;

"Meter Point Reference Number": shall mean the reference number generated by the Relevant Gas Transporter and allocated to the Meter Point at which the Meter is (or is to be) installed and **"MPRN"** shall be construed accordingly;

"Meter Regulator": shall mean a device located in close proximity to a Meter which is used for the sole purpose of controlling the pressure of gas within the Meter and/or the Installation Pipework and which is not separated from the Meter by buried pipework, except for short lengths of pipework specifically included in the installation design for access purposes;

"Meter Removal Date": shall mean:

- (a) the date of removal of the Meter as stated in a notice received by National Grid in accordance with the Rainbow MAM Manual provided:
 - (i) such notice informs National Grid that the Meter has been removed from the Meter Point and that it is available for collection by National Grid, together with the location for such collection;
 - (ii) if such date of removal as stated in such notice is earlier than 15 Working Days before the date upon which the notice is received, the date of removal shall be deemed to be 15 Working Days before the date upon which such notice is received; or
- (b) the date upon which National Grid has removed the Meter from the Meter Point in accordance with a request by the Customer to do so (in accordance with a Contract made under this Agreement) or any entitlement of the Relevant Gas Transporter (acting in any capacity) to do so;

"Meter Works Conditions": shall mean this Agreement and/or the Above 7 Bar Meter Works Conditions and/or the Below 7 Bar Meter Works Conditions;

"Metering Agreements": shall mean the Meter Works Conditions, the Provision and Maintenance Agreement, the Network Metering Equipment Agreement, the Rainbow System User Agreement and the Metering Agreements Modification Provisions together with the documents listed in Condition 26.5;

"Metering Agreements Modification Provisions": shall mean the document so entitled which contains the provisions by which changes may be made to certain of the Metering Agreements (including without limitation this Agreement) as amended from time to time;

"Metering Communication": shall mean any communication to be given by the Customer or National Grid (including any notice, application, request, approval, acceptance, invoice or other notice to be given, made or submitted) under this Agreement or any Contract made hereunder;

"Metering Contingency": shall mean an event or circumstance affecting Rainbow, with the exception of Planned Rainbow Downtime which affects the ability of National Grid or Rainbow Customers to give or receive Batch Transfer Communications;

"Metering Equipment": shall mean the Meter and Ancillary Equipment and/or where appropriate the Convertor installed or to be installed at a Consumer Premises;

"Metering Services": shall mean the provision, installation, exchange, commissioning, inspection, repairing, alteration, re-positioning, removal, renewal and maintenance of Metering Equipment together with related services and activities;

"Multi Day Hire": shall have the meaning ascribed thereto in Condition 5.4.1;

"National Grid": shall mean National Grid Gas plc acting in its capacity as provider of Metering Services, its successors and permitted assigns;

"National Grid Customers": shall have the meaning ascribed thereto in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable);

"National Grid GT Licence": shall mean the Gas Transporter Licence treated as granted to National Grid Gas plc as modified from time to time;

"National Grid Metering Charges": shall mean the document containing, inter alia, those charges for the provision of Metering Services which is prepared and issued from time to time by National Grid pursuant to special condition 23 of the National Grid GT Licence;

"National Grid Network": shall mean the National Grid System but excluding any Distribution Network;

"National Grid Operative": shall mean the operative engaged by National Grid for the performance of the AMW and **"NGO"** shall be construed accordingly;

"National Grid System": shall mean the gas transportation pipeline system which at the 1st April 2005 is owned and operated by National Grid Gas plc for the conveyance of gas which is authorised by the National Grid GT Licence which for the purposes of this Agreement shall include all and any Distribution Networks;

"Network Code": shall mean the document so entitled prepared by National Grid Gas plc pursuant to the National Grid GT Licence as modified from time to time and in force and effect prior to 1st May 2005;

"Network Metering Equipment Agreement": shall mean the document entitled "Network Metering Equipment Agreement and General Conditions of Contract for The Provision and Maintenance of Metering Equipment Not Connected to the National Grid System", as amended (or novated) from time to time, in accordance with which the Parties are required to

comply in respect of the provision and maintenance by National Grid of Metering Equipment located at points of connection to any Distribution Network;

"Ofgem Approved Meter Installer": shall mean any such organisation as is registered by the Authority as an approved Meter installer for the purposes of standard condition 34(5) of the Supplier Licence;

"Other Party": shall have the meaning ascribed thereto in Condition 15.1.1;

"PALD Invoice": shall have the meaning ascribed thereto in paragraph 2.5 of Schedule Two;

"Party": shall mean either National Grid of the one part or the Customer of the other part, or their successors or permitted assigns and **"Parties"** shall be construed accordingly;

"Paying Party" shall have the meaning ascribed thereto in paragraph 3.3.1(b)(ii) of Schedule Two;

"Planned Rainbow Downtime": shall have the meaning ascribed thereto in Clause 1.9.1 of the Rainbow System User Agreement;

"Post Code Out-Code": shall have the meaning ascribed thereto in paragraph 1.1.3(f) of Schedule Two;

"Pre-Appointment Liquidated Damages": shall mean damages payable by the Customer in accordance with Condition 17 and **"PALD"** shall be construed accordingly;

"Prepayment Meter": shall mean a Meter which registers the volume of gas on the index and which is fitted with a device which on the insertion of a coin, token or Gas Card permits the passage of a predetermined quantity of gas;

"Provision and Maintenance Agreement": shall mean the document entitled "Agreement and General Conditions of Contract for the Provision and Maintenance of Metering Equipment", as amended or novated from time to time, in accordance with which the Parties are required to comply in respect of the provision on maintenance of by National Grid of Metering Equipment located at points of connection to the National Grid Network;

"Purging": shall mean the displacement of natural gas by air or inert gas, or the displacement of air or inert gas by natural gas and **"Purge"** and **"Purged"** shall be construed accordingly;

"Queries": shall mean "Metering Queries" as defined in the Standards of Service Query Management Operational Guidelines and **"Query"** shall be construed accordingly;

"Quotation": shall mean a form of that name referring to this Agreement addressed to the Customer containing inter alia details of the AMW and the Contract Sum, together with any other documents expressly incorporated therein;

"Quotation Meter Works": shall mean Adversarial Meter Works that are the subject of a Quotation;

"Quotation Request for Non Standard Work": shall mean the request submitted by the Customer for the undertaking of Quotation Meter Works (being in a form substantially as set out in the Rainbow MAM Manual);

"Rainbow": shall mean the Rainbow Network and, to the extent to which Rainbow Customers have access to and use of it, the Rainbow System;

"Rainbow Customer": shall have the meaning ascribed thereto in the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable);

"Rainbow Customer Agent": shall have the meaning ascribed thereto in Condition 19.2.1;

"Rainbow MAM Manual": shall mean the document so entitled and issued by National Grid, as amended or replaced from time to time;

"Rainbow Network": shall mean an information exchange system, which runs on a wide area network, allowing the electronic transfer of information between National Grid and Rainbow Customers and certain access by Rainbow Customers to the Rainbow System more particularly described in the Enhanced IX Operational Guidelines For Use with Rainbow;

"Rainbow System": shall mean the computer systems operated by National Grid to support implementation of certain provisions of the Metering Agreements and the giving of certain communications by National Grid and Rainbow Customers;

"Rainbow System User Agreement": shall mean the document so entitled in accordance with which the Customer is required to comply in respect of access to and use of Rainbow as amended from time to time;

"Rainbow System Validation Document": shall mean the document so entitled, published by National Grid which describes the rules for the validation of electronic files submitted by

Rainbow Customers to the Rainbow System and/or by National Grid to Rainbow Customers (indicating the circumstances in which a transaction would be rejected as invalid) as amended or replaced from time to time;

"Reasonable and Prudent Operator" and **"RPO"**: shall mean a person seeking in good faith to perform its contractual obligations, and in so doing and in the general conduct of its undertaking exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person complying with applicable law engaged in the same type of undertaking in the same or similar circumstances and conditions, and any reference to the standard of a Reasonable and Prudent Operator or RPO shall be construed accordingly;

"Receiving Party": shall have the meaning ascribed thereto in Condition 21.3;

"Relevant Consumers": shall have the meaning ascribed thereto in Condition 24.1;

"Relevant Consumer Data Date": shall have the meaning ascribed thereto in Condition 24.3;

"Relevant Gas Transporter": shall mean, with respect to a Meter Point, either National Grid (Gas Transporter) or the owner at the relevant time of a Distribution Network, in each case acting in its capacity as a transporter of gas, its successors and permitted assigns;

"Relevant Meter Indebtedness": shall have the meaning ascribed thereto in paragraph 2.1(b) of Schedule Three;

"Rental Charge": shall mean the appropriate charges as set out in the National Grid Metering Charges for the provision and maintenance of a Meter (and/or where applicable Ancillary Equipment and/or Converter) which is provided in accordance with the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) and (where appropriate) annualised installation charges;

"Requested Date for AMW": shall mean the date upon which the Customer would like the AMW to take place as set out in the AMW Request Form;

"Schedules": shall mean Schedules One through to Three of this Agreement;

"SCMH": shall mean the flow rate of a standard cubic metre of gas per hour, a standard cubic metre of gas being that amount of gas which at a temperature of 15°C and an absolute pressure of 1.01325 bar and being free of water vapour occupies one cubic metre;

"Self-Bill Amount": shall have the meaning ascribed thereto in paragraph 1.1.4 of Schedule Two;

"Site": shall mean such premises or land owned or occupied by the Customer and/or the Consumer to which National Grid reasonably requires access in connection with the Adversarial Meter Works;

"Standard Charging Rate": shall mean the appropriate hourly rate (being either the standard hours rate or out of hours rate as the case may be) for a NGO undertaking Adversarial Meter Works set out in the National Grid Metering Charges;

"Standards of Service Query Management Operational Guidelines": shall mean the document so entitled and published by National Grid (as amended or replaced from time to time) that sets out the detailed rules of operation for the management of Queries, including details of how Query resolution performance is calculated against relevant standards, and associated payments for failure to meet the specified standards;

"Supplier": shall mean in relation to any premises, a gas supplier licensed under section 7A(1) of the Gas Act (and acting in such capacity) supplying gas to such premises;

"Supplier Licence": shall mean a licence granted or treated as granted under Section 7(A)(1) of the Gas Act (including standard and special conditions thereto) as modified from time to time;

"Surplus National Grid Material": shall mean material taken on to Site (including barriers and any hazardous substances) and/or material created on Site by National Grid in the conduct of the Adversarial Meter Works but not incorporated into the Metering Equipment;

"Target Due Date": shall have the meaning ascribed thereto in paragraph 3.1.2(b) of Schedule Two;

"Tripartite Agreement": shall mean an agreement entered into between National Grid, the Customer and UMS pursuant to the Provision and Maintenance Agreement;

"UMS": shall mean Utility Metering Services Limited registered number 3705740 whose registered office is at 1-3 Strand, London, WC2N 5EH;

"Warrant of Entry": shall mean a justice's warrant obtained under section 2 of the Rights of Entry (Gas and Electricity Boards) Act 1954, which permits meter removal and exchange where the end consumer is not present;

"Warranty Period": shall have the meaning ascribed thereto in Condition 8.1(b);

"Web Communication": shall mean a data file transmitted by National Grid or by a Rainbow Customer by means of the internet as described in the Rainbow MAM Manual and the Web Portal User Guidelines;

"Web Portal": shall mean such computer system as may be made available by National Grid for access by the Customer via the internet for the performance of certain functions on the Rainbow System;

"Web Portal User Guidelines": shall mean the document so entitled and published by National Grid which contains training and instructions on the use of Web Communications, as amended or replaced from time to time;

"Working Day": shall mean 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.

1.2 Interpretation

In this Agreement and any Contract unless the context otherwise requires:

1.2.1 headings and sub-headings are for convenience only and shall not affect the interpretation of this Agreement and any Contract;

1.2.2 all references to any:

- (a) statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made thereunder and any conditions attaching thereto; and
- (b) technical procedure, technical standard and technical specification shall be deemed to include references to any technical procedure, technical standard and technical specification which amends, extends, consolidates or replaces the same;

- 1.2.3 reference to contractors shall be interpreted as referring to contractors and subcontractors of any tier;
- 1.2.4 reference to the word “includes” or “including” are to be construed without limitation;
- 1.2.5 where general words are followed by specific examples, the nature of the specific examples shall not restrict or qualify the natural meaning of the general words and the rule that where particular words are followed by general words the general words are limited to the same kind as the particular words shall not apply;
- 1.2.6 reference to times of the Day in this Agreement and any Contract are to official time in the United Kingdom, and except where otherwise provided:
 - (a) where anything is to be done under this Agreement or any Contract by or not later than a Day or any period under this Agreement or any Contract is to run to a Day such thing may be done or such period shall run up to the end of such Day; and
 - (b) where anything is to be done under this Agreement or any Contract from or not earlier than a Day or any period under this Agreement or any Contract made pursuant hereto is to run from a Day, such thing may be done or such period shall run from the start of such Day.
- 1.3 In the event of any conflict between these Conditions, and the Schedules the Conditions shall prevail.
- 1.4 Unless the context otherwise requires, references to a Condition or Schedule are to a Condition or Schedule in this Agreement, and references in a Schedule or part of a Schedule to a paragraph or sub-paragraph are to a paragraph or sub-paragraph of that Schedule or part of that Schedule.

2. AMW REQUEST

2.1 General

The Customer may from time to time request that National Grid undertake AMW where:

- (a) the Customer’s Aggregate Relevant Meter Indebtedness does not exceed 90% of its Meter Credit Limit; and
- (b) the Metering Equipment is connected to the National Grid System.

2.2 Self Quotation: Meters with a badged capacity of less than 11 SCMH

2.2.1 Subject to Condition 2.2.2, in respect of AMW for Meters with a badged capacity of less than 11 SCMH the Customer's request (subject to Condition 2.1) shall, on the charging basis set out in Condition 2.2.2, be in the form of an AMW Request Form submitted in accordance with the Rainbow MAM Manual and duly completed for all data fields specified as being mandatory therein PROVIDED THAT:

- (a) the Requested Date for AMW shall be not less than 11 Working Days after the date of receipt by National Grid of the AMW Request Form;
- (b) the Requested Date for AMW shall not be more than 70 days after the date of receipt by National Grid of the AMW Request Form;
- (c) the AMW Hire Period shall be:
 - (i) a specified 2 hour period within AMW Working Hours commencing at the start of an hour (a "**Two Hour Hire**"); or
 - (ii) 8:30 a.m. to 1 p.m. (an "**A.M. Hire**"); or
 - (iii) 12 noon. To 4.30 p.m. (a "**P.M. Hire**"); or
 - (iv) 8:30 a.m. to 4.30 p.m. (an "**All Day Hire**");

AND PROVIDED FURTHER that the TO shall be entitled to take breaks in accordance with AMW Working Hours.

2.2.2 AMW for Meters with a badged capacity of less than 11 SCMH will be charged on the basis set out in the National Grid Metering Charges.

2.3 Self Quotation: Meters with a badged capacity of not less than 11 SCMH

2.3.1 For Meters with a badged capacity of not less than 11 SCMH National Grid shall (subject to Condition 2.1), on the charging basis set out in Condition 2.3.3, only

undertake AMW for the removal of a Diaphragm Meter when requested by the Customer provided that:

- (a) the relevant Metering Equipment inlet pressure does not exceed 75m Bar;
- (b) no further terms or conditions are required other than those set out in this Agreement (where such further terms and conditions are required these shall be the subject of a Quotation in accordance with Condition 2.4.1); and
- (c) the Customer has complied with the requirements of Condition 2.3.2.

2.3.2 The Customer's request pursuant to Condition 2.3.1 shall be in the form of an AMW Request Form submitted in accordance with the Rainbow MAM Manual and duly completed for all data fields specified as being mandatory therein PROVIDED THAT:

- (a) the Requested Date for AMW shall be:
 - (i) for Meters with a badged capacity of up to 65 SCMH, not less than 11 Working Days after the date of receipt by National Grid of the AMW Request Form;
 - (ii) for Meters with a badged capacity of more than 65 SCMH, not less than 15 Working Days after the date of request;
 - (iii) not more than 70 Days after the date of receipt by National Grid of the AMW Request Form;
- (b) where necessary to meet relevant legislation and industry safety standards, the Customer shall notify National Grid whether the Customer will be responsible for the Purging of the Consumer's internal pipe-work or whether the Customer requires National Grid to undertake this activity.

2.3.3 National Grid shall charge for AMW requested in accordance with Condition 2.3.2 (and the Customer shall be liable to pay) for:

- (a) the charges set out in the National Grid Metering Charges for the AMW removal of the Meter; and
- (b) time spent at the nominated location (including any time waiting and/or undertaking Purging) by the NGO and/or any contractors (such time to be charged at the Standard Charging Rate) but excluding:

- (i) any time waiting to commence the AMW in the one hour period starting from the proposed meeting time (as set out in Condition 5.1.1(e)); and
- (ii) any time accounted for in Condition 2.3.3(a); and
- (c) plant and materials used at the nominated location but excluding any accounted for in Condition 2.3.3(a).

2.4 Quotation

2.4.1 For Meters with a badged capacity of not less than 11 SCMH the Customer may request a Quotation for AMW by submitting to National Grid a Quotation Request for Non Standard Work (submitted in accordance with the Rainbow MAM Manual) duly completed for all data fields specified as being mandatory therein, PROVIDED THAT the requested date for Quotation Meter Works shall be not more than 70 Days after the date of receipt by National Grid of the Quotation Request for Non Standard Work, and that where necessary to meet relevant legislation and industry safety standards, the Customer shall notify National Grid whether the Customer will be responsible for the Purging of the Consumer's internal pipe-work or whether the Customer requires National Grid to undertake this activity.

2.4.2 The Quotation:

- (a) will only be issued by National Grid upon receipt from the Customer of a Quotation Request for Non Standard Work completed as set out in Condition 2.4.1 and after having taken into account all and any Site rules provided by the Customer and/or made known to National Grid during the course of a Site visit;
- (b) is issued subject to the provisions of Condition 2.1, this Condition 2.4 and Schedule Three;
- (c) is personal to the Customer and may not be assigned without the written consent of National Grid (such consent not to be unreasonably withheld);
- (d) will be issued in accordance with the relevant Service Level set out in paragraph 2.2 of Schedule Two, Part C of (and as such term is defined in) the Below 7 Bar Meter Works Conditions.

2.4.3 National Grid shall charge for AMW requested in accordance with Condition 2.4.1 (and the Customer shall be liable to pay) for:

- (a) the charges for those AMW activities as are set out in the Quotation; and
- (b) time spent at the nominated location (including any time waiting and/or undertaking Purging) by the NGO and/or any contractors but excluding:
 - (i) any time waiting to commence the AMW in the one hour period starting from the proposed meeting time (as set out in Condition 5.1.1(e));
 - (ii) any time accounted for in Condition 2.4.3(a); and
- (c) plant and materials used at the nominated location but excluding any accounted for in Condition 2.4.3(a).

2.4.4 National Grid shall, in the Quotation, set out the time, plant and materials required for the removal of Meter(s) with a badged capacity of not less than 11 SCMH (such Quotation to be based on the information provided by the Customer). The Customer acknowledges and agrees that National Grid will not be able to offer estimates on the time required to gain access to the work area and/or (where requested) to undertake Purging of the internal pipe-work.

2.4.5 The Customer acknowledges and agrees that in the event of a material inaccuracy in the information provided by the Customer upon which National Grid base the Quotation, any changes to the AMW from those set out in the Quotation shall constitute additional AMW and shall be charged on a time and materials basis.

3. CONTRACT FORMATION

3.1 General

3.1.1 National Grid:

- (a) may reject any request that does not comply with Condition 2.2.1, 2.3.1 or 2.4.1 (as the case may be); and

- (b) shall reject any request where to do so would place National Grid in breach of its duties and obligations under Section 10(3) and Schedule 2B of the Gas Act; and
- (c) may, where National Grid does not have sufficient resources available on the Requested Date for AMW (PROVIDED ALWAYS that National Grid, acting as an RPO, has used its reasonable endeavours to have sufficient resources available) not accept the request but shall seek to agree with the Customer a suitable alternative date when National Grid shall have sufficient resources available.

3.1.2 National Grid will notify the Customer of acceptance or rejection (together with reasons for such rejection) of an AMW Request Form no later than the third Working Day after receipt of such AMW Request Form.

3.2 Self Quotation

3.2.1 For Contracts entered into in accordance with Condition 2.2.1 or 2.3.1, formation of the Contract ("**Acceptance**") shall, subject to Condition 3.1.1, take place:

- (a) upon notification of acceptance by National Grid to the Customer of the AMW Request Form; or
- (b) in the event that National Grid does not accept the AMW Request Form in accordance with Condition 3.1.1.(c), upon receipt by National Grid of the Customer's acceptance of the alternative date offered.

3.2.2 The Acceptance is personal to the Customer and may not be assigned without the consent of National Grid (such consent not to be unreasonably withheld).

3.3 Quotation

3.3.1 For Contracts entered into in accordance with Condition 2.4.1, formation of the Contract ("**Acceptance**") will take effect:

- (a) on the receipt by National Grid within Business Hours of the Acceptance Form duly completed by the Customer including a certification by the Customer that no further terms or conditions are required other than those set out in this Agreement and the relevant Quotation; or

- (b) in the event that the Customer specifies in the Acceptance Form that it requires terms and conditions in addition to those set out in this Agreement and the Quotation or specifies variations to such Agreement or Quotation, upon written acceptance (where applicable) of such additional or varied terms and conditions by National Grid (notification of acceptance or non-acceptance of such terms and conditions as the case may be to be given by National Grid as soon as reasonably practicable),

PROVIDED ALWAYS that Acceptance occurs within 90 Days of the date of issue of the Quotation, or prior to the expiry of such other period as may be agreed in writing between the Parties and PROVIDED FURTHER THAT no acceptance of an offer made by National Grid in respect of the conduct of works of substantially the same nature at the same location has been received from a third party prior to the receipt by National Grid of such completed Acceptance Form.

- 3.3.2 The Acceptance is personal to the Customer and may not be assigned without the consent of National Grid (such consent not to be unreasonably withheld).

3.4 General

The Customer shall not submit an AMW Request Form pursuant to Conditions 2.2.1 or 2.3.1 (as the case maybe) or a Quotation Request for Non Standard Work, other than in respect of Metering Equipment which at the time of Acceptance is attached to the National Grid System.

4. CANCELLATION

4.1 Cancellation before AMW Date

- 4.1.1 Following Acceptance, the Customer may by written notice to National Grid given not later than 5 p.m. hours on the second Working Day preceding the AMW Date, cancel the requested AMW (terminating the Contract in accordance with Condition 16.3(c)) without incurring any charges or costs.

- 4.1.2 Subject and without prejudice to Condition 4.1.1 and notwithstanding Condition 4.2 either Party may cancel the requested AMW (terminating the Contract in accordance with Conditions 16.2(c) or 16.3(c) as the case may be) by written notice to the other Party at any time prior to the AMW Date provided that the cancelling Party shall be obliged to pay by way of compensation an amount equal to National Grid's Standard Charging Rate for AMW for a period of two hours.

4.2 Cancellation on AMW Date

4.2.1 Cancellation for Meters with a badged capacity of less than 11 SCMH

In respect of AMW for Meters with a badged capacity of less than 11 SCMH:

- (a) Condition 4.2.1(b) shall apply where:
 - (i) the Customer cancels the AMW or part thereof before the end of the AMW Hire Period other than in accordance with Condition 4.1.1, 4.1.2 or 4.2.1(c)(ii); or
 - (ii) the Customer's Representative does not attend the proposed meeting location within 1 hour of the proposed meeting time (as determined in accordance with Condition 5.1.1);
- (b) In the circumstances set out in Condition 4.2.1(a), National Grid shall be entitled to charge (and the Customer shall be obliged to pay) in respect of the AMW Hire Period cancelled or not attended as referred to in Condition 4.2.1(a) (for the purposes of this Condition 4.2.1(b) the "**Cancelled Period**") National Grid's Standard Charging Rate in respect of AMW for:
 - (i) where the Cancelled Period is less than two hours: the Cancelled Period; or
 - (ii) where the Cancelled Period is not less than two hours: the greater of two (2) hours or 50% of the Cancelled Period,

PROVIDED ALWAYS that National Grid shall not make any other charge in respect of the Cancelled Period.
- (c) Subject to Condition 5.5.1, Condition 4.2.1(d) shall apply where:
 - (i) National Grid cancels the AMW or part thereof before the end of the AMW Hire Period otherwise than in accordance with Condition 4.1.2; or
 - (ii) the NGO does not attend the proposed meeting location within 1 hour of the proposed meeting time (as determined in accordance with Condition 5.1.1) and the Customer cancels the AMW;

- (d) In the circumstances set out in Condition 4.2.1(c), National Grid shall be liable to pay to the Customer in respect of the AMW Hire Period cancelled or not attended as referred to in Condition 4.2.1(c) (for the purposes of this Condition 4.2.1(d) the “**Cancelled Period**”) National Grid’s Standard Charging Rate for AMW Hire for:
 - (i) where the Cancelled Period is less than two hours the Cancelled Period; or
 - (ii) where the Cancelled Period is not less than two hours: the greater of 2 hours or 50% of the Cancelled Period.

4.2.2 *Cancellation for Meters with a badged capacity of not less than 11 SCMH*

4.2.2.1 In respect of AMW for Meters with a badged capacity of not less than 11 SCMH:

- (a) Condition 4.2.2.1(b) shall apply where:
 - (i) the Customer cancels the AMW other than in accordance with Conditions 4.1.1, 4.1.2 or 4.2.2.1(c)(ii); or
 - (ii) the Customer’s Representative does not attend the proposed meeting location within 1 hour of the proposed meeting time (as determined in accordance with Condition 5.1.1);
- (b) In the circumstances set out in Condition 4.2.2.1(a), the Customer shall pay to National Grid those costs, expenses and charges relating to the AMW and the cancellation thereof which National Grid has reasonably incurred PROVIDED THAT National Grid shall take all reasonable steps to minimise such costs, expenses and charges and PROVIDED FURTHER that such amounts shall not exceed the Contract Sum;
- (c) Condition 4.2.2.1(d) shall apply where:
 - (i) National Grid cancels the AMW other than in accordance with 4.1.2; or

(ii) the NGO does not attend the proposed meeting location within 1 hour of the proposed meeting time (as determined in accordance with Condition 5.1.1) and the Customer cancels the AMW.

(d) In the circumstances set out in Condition 4.2.2.1(c), National Grid shall be liable to pay to the Customer those costs, expenses and charges relating to the AMW and the cancellation thereof which the Customer has reasonably incurred PROVIDED THAT the Customer shall take all reasonable steps to minimise such costs, expenses and charges and PROVIDED FURTHER that such amounts shall not exceed the Contract Sum.

4.2.2.2 Where the NGO attends the proposed meeting location later than but within 1 hour of the proposed meeting time (as determined in accordance with Condition 5.1.1), the AMW Hire Period shall be extended by an equivalent period. For the avoidance of doubt no additional charges shall be payable by the Customer in respect of the AMW Hire Period where this Condition 4.2.2.2 applies.

5. CONDUCT OF AMW

5.1 Pre AMW Notices

5.1.1 Not later than 4 Working Days before the AMW Date the Customer shall (other than where such information has been provided in accordance with Condition 2.3.2 or 2.4.1 and subject to Condition 5.1.2) notify National Grid of the following information in respect of each location at which AMW has been requested:

- (a) the Consumer's name and full addresses including postcode;
- (b) Meter Point Reference Number;
- (c) Customer's Representative contact details;
- (d) proposed meeting location (within the geographical location notified pursuant to Condition 2.2.1);
- (e) proposed meeting time (within the AMW Hire Period) PROVIDED THAT unless otherwise agreed the proposed meeting time shall be the start time of the AMW Hire Period;

- (f) the nature of the AMW to be undertaken.

5.1.2 For Contracts entered into in accordance with Condition 2.2.1, not later than 2 Working Days before the AMW Date:

- (a) National Grid shall reconfirm the AMW Hire Period to the Customer and provide the name and contact details of the allocated TO;
- (b) the Customer may notify National Grid of any changes and/or additions or removals to the information notified to National Grid pursuant to Condition 5.1.1 provided that:
 - (i) any additional locations at which AMW has been requested are within the same geographical location as previously notified pursuant to Conditions 5.1.1 and 2.2.1; and
 - (ii) the NGO and the Customer's Representative may agree a mutually acceptable meeting location (within the geographical location notified pursuant to Condition 2.2.1) no later than 5 p.m. hours on the Working Day before the AMW Date.

5.2 **Access**

5.2.1 The NGO shall only enter a nominated Consumer's Premises in the presence of the Customer's Representative. The Customer's Representative must accompany the TO for the duration of the AMW.

5.2.2 Save as set out in Conditions 5.4.2 and 5.4.3, only the following Meters will be the subject of AMW:

- (a) Meters associated with the MPRN notified to National Grid in the notification set out in Conditions 5.1.1 and 5.1.2; and
- (b) Meters the subject of Contracts formed further to Conditions 2.2.1, 2.3.1 or 2.4.1,

for the avoidance of doubt no additional addresses or MPRNs shall be added during the AMW Hire Period.

5.2.3 The Customer's Representative shall be responsible for providing access to each nominated Meter at each Consumer Premises visited.

5.2.4 The NGO shall not take any part in the securing rights of access to Consumer's Premises.

5.2.5 Subject to Condition 10A, the NGO will not carry out any Meter Equipment exchange or installation activity in the absence of the Consumer or their agent.

5.3 Updating of Records

5.3.1 On completion of each AMW job within the AMW Hire Period, the NGO shall complete all relevant documentation and/or records in full (including without limitation all records and/or documentation required in accordance with paragraph 2.2 of Schedule One) before moving to the next location.

5.3.2 Where during the course of an AMW job the NGO has performed a Meter Inspection the NGO shall:

- (a) if the AMW Date is on or after the MISD, record and notify the Customer of such occurrence in accordance with the procedures notified to the Customer at the MISD or as may be set out in the Rainbow MAM Manual; otherwise
- (b) at the Customer's Representative's request, complete a Meter Inspection Confirmation (setting out details of what, if anything, the Customer should reasonably be made aware) before moving to the next location.

5.3.3 The Parties acknowledge and agree that:

- (a) a Meter Inspection is intended to satisfy the requirements on Suppliers (set out in standard condition 17(2) of their gas suppliers licence) in respect of Meter Inspections; and
- (b) a Meter Inspection Confirmation is intended to record that a Meter Inspection has taken place and the Customer shall not (without National Grid's prior written agreement) set out in the Meter Inspection Confirmation any data fields, warranties, undertakings or contractual information in addition to those set out in the template document in the Rainbow MAM Manual.

5.4 Multi Day Hire

- 5.4.1 Where the Customer has requested (and Contracts have been entered into for) All Day Hire for consecutive Working Days in the same geographical location (a “**Multi Day Hire**”) then:
- (a) National Grid shall not be obliged to assign the same NGO to undertake the AMW, in each day in such Multi Day Hire;
 - (b) the Customer shall comply with the provisions of Condition 5.1.1 for each All Day Hire in the Multi Day Hire.
- 5.4.2 Subject to Condition 5.4.1, during an All Day Hire in a Multi Day Hire, the Customer’s Representative may request the NGO that AMW job(s) scheduled for later days in the Multi Day Hire be undertaken in the current All Day Hire.
- 5.4.3 Subject to Condition 5.4.1, at the end of an All Day Hire in a Multi Day Hire, the Customer’s Representative may contact the NGO allocated for the next All Day Hire in the Multi Day Hire and request:
- (a) that Meters for which AMW had been scheduled (in accordance with Condition 5.1.1) for the current All Day Hire but not completed be added to the scheduled AMW for a subsequent All Day Hire in Multi Day Hire;
 - (b) a new meeting location (within the same geographical location) and/or a new meeting time (within the All Day Hire period).
- 5.4.4 The NGO shall consider any request pursuant to Conditions 5.4.2 and 5.4.3 in good faith but shall not be obliged to agree to such variation where such lack of agreement is reasonable (including without limitation any new AMW job being at a location where the occupier might be known to them).

5.5 **Post Hire**

- 5.5.1 Where the NGO and the Customer’s Representative are in attendance at nominated premises for the conduct of AMW (but have not yet commenced work) and the AMW Hire Period is scheduled to terminate within thirty minutes or less, the NGO shall notify the Customer’s Representative if the NGO reasonably considers that the AMW at the premises will require more than the remaining time. The Customer’s Representative may request that the NGO works for an additional period to undertake the requested activity, in accordance with Condition 10.

5.5.2 At the end of the AMW:

- (a) the Customer's Representative and the NGO shall sign the NGO's record confirming the time and activities undertaken. Where the Customer's Representative disputes the NGO's record they shall clearly set out the nature of such dispute on the record;
- (b) the NGO shall, where requested by the Customer's Representative, sign the Customer's Representative's copy of the AMW acknowledgement sent to the Customer by National Grid in accordance with Condition 5.1.2(a) annotated to confirm the time and activities undertaken. The Customer's Representative shall also sign such document. Where the NGO disputes the Customer's Representative's record they shall clearly set out the nature of such dispute on such document.

5.6 Consumer Communications

5.6.1 Where National Grid receive communications from a Consumer about NGO activities during the AMW Hire Period these will be investigated by National Grid in accordance with National Grid's relevant standards of service from time to time in force and effect.

5.6.2 Where National Grid receive communications from a Consumer regarding any activities undertaken by the Customer's Representative, those communications shall be promptly forwarded to the Customer within 2 Working Days of receipt of such communications.

5.7 Disconnection and removal of Meter Clamps

Where in the course of an AMW job comprising either a Credit Meter to Prepayment Meter exchange or a Prepayment Meter to Credit Meter exchange National Grid discovers that a Meter is clamped and the clamp is not owned by National Grid, the Customer agrees that:-

- (a) where, in accordance with the Exceptions Procedures (and acting as an RPO) National Grid disconnects and/or removes that clamp, the Customer acknowledges and agrees to the disposal by National Grid of such clamp and accordingly shall indemnify National Grid in full from and against any liability incurred by National Grid to the Consumer or any other third party in respect of or resulting from loss of or damage caused to such clamp; and

- (b) notwithstanding the Exceptions Procedures, National Grid shall not be obliged to disconnect and/or remove that clamp if National Grid (acting as an RPO) has reason to believe that such disconnection and/or removal might cause damage to any other property of the Consumer or any other third party, in which case National Grid shall not commence the AMW job and shall promptly notify the Customer accordingly.

6. CUSTOMER'S WARRANTY AND UNDERTAKING

6.1 The Customer warrants that it has entered into this Agreement on its own behalf, and not as an agent for a third party and undertakes that:

- (a) it will be lawfully entitled to:
 - (i) procure any AMW requested by it; and (where necessary)
 - (ii) procure entry to the Consumer's Premises on the AMW Date other than with the Consumer's consent; and
- (b) where the Installation Pipework is required to be Purged and made safe it shall (save where National Grid is to undertake such Purging pursuant to a Contract formed in accordance with Condition 2.4.1) procure that all Installation Pipework associated with AMW shall be Purged of gas either before or at the time of or forthwith upon completion of the AMW;
- (c) it will not submit an AMW Request Form pursuant to Conditions 2.2.1 or 2.3.1 (as the case may be) or a Quotation Request for Non Standard Work other than on its own behalf and not as an agent for a third party.

6.2 The Customer will not be in breach of any provision of this Condition 6 in circumstances where and to the extent that such breach would not have occurred but for a failure by National Grid to comply with any provision of this Agreement.

7. CUSTOMER'S OBLIGATIONS

7.1 The Customer will in accordance with the terms and conditions of this Agreement and the Contract:

- (a) make all payments due from it under the Contract;
- (b) provide all notifications required from it as set out in this Agreement;

- (c) so as not to delay the AMW ensure that the Customer's Representative attends at the Consumer's Premises at all times that AMW are being undertaken;
- (d) in respect of Meters with a badged capacity of not less than 11 SCMH, ensure (unless National Grid has been requested to make safe the Installation Pipework in accordance with a Contract formed in accordance with Condition 2.4.1) that any and all works necessary to render the Installation Pipework safe are completed prior to the AMW Date or will be completed forthwith upon the completion of the AMW; and
- (e) prior to and so as not to delay the AMW (unless National Grid has been requested to make safe the Installation Pipework pursuant to a Contract made in accordance with Condition 2.4.1) make reasonable written evidence available to the NGO that Condition 7.1(d) will be complied with in full.

7.2 The Customer will not be in breach of any provision of this Condition 7 in circumstances where and to the extent that such breach would not have occurred but for a failure by National Grid to comply with any provision of this Agreement.

8. NATIONAL GRID'S WARRANTIES

8.1 National Grid warrants that:

- (a) other than the making safe of the Installation Pipework in respect of which Condition 8.2 shall apply, it shall perform the Adversarial Meter Works in the manner provided for in the Contract to the standard of an RPO; and
- (b) the Metering Equipment shall be free from defects until the date of Appointment or such date as is 12 calendar months after the AMW Date (whichever shall be the sooner (the "**Warranty Period**").

8.2 National Grid warrants that, pursuant to a request by the Customer, it shall make safe the Installation Pipework on completion of the AMW PROVIDED ALWAYS that National Grid shall not be liable to the Customer for:

- (a) any defects arising as a result of incorrect or misleading information supplied by or on behalf of the Customer or Consumer; or
- (b) any other incorrect or misleading information in relation to the Site or in relation to any equipment provided by the Customer;

reasonably relied upon by National Grid in performing the Adversarial Meter Works.

8.3 In the event that National Grid is in breach of the warranty in Condition 8.1(a) or (b) or Condition 8.2 then, as soon as reasonably practicable after written notification National Grid will, at its own cost:

- (a) reperform the Adversarial Meter Works (in the case of Condition 8.1(a)) or the works to make safe the Installation Pipework (in the case of Condition 8.2); or
- (b) rectify the defect in the Metering Equipment or, at National Grid's option, replace the affected Metering Equipment (in the case of Condition 8.1(b)),

PROVIDED THAT such notification:

- (i) includes such details as the Customer is able to give relating to the nature of the defect causing National Grid to be so in breach; and
- (ii) is given by the Customer no later than 14 Days after becoming aware of the breach and, in any event, within 12 calendar months after the AMW Date (in the case of Condition 8.1(a) or Condition 8.2) or no later than the expiry of the Warranty Period (in the case of Condition 8.1(b)) and, in each case,

PROVIDED FURTHER THAT the Customer facilitates such access to the Site as National Grid reasonably requires in order to conduct such rectification and in the event that, notwithstanding the Customer attempting to facilitate such access, National Grid (acting as an RPO) is unable to access the Site then National Grid shall reperform the Adversarial Meter Works or the works to make safe the Installation Pipework or rectify such defect or replace Metering Equipment (as the case may be) as soon as reasonably practicable after suitable access is provided.

8.4 Without prejudice to Condition 14, Condition 8.3 sets out National Grid's entire liability to the Customer for breach of the warranties set out in Conditions 8.1 and 8.2 and National Grid shall not have any further or additional liability to the Customer whatsoever and howsoever arising (including in negligence) in relation to the matters referred to in Conditions 8.1, 8.2 and 8.3.

8.5 Where in respect of National Grid's breach of any warranty under this Condition 8 the Customer also has a remedy under the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) any action undertaken by National Grid in satisfaction of this Condition 8 shall also be deemed to be an action undertaken in response to the Customer's remedy under the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable).

8.6 For the avoidance of doubt National Grid's warranties under this Condition 8 will not extend to any items supplied by the Customer except in so far as the defects in such items arise as a result of a failure by National Grid to act as an RPO in conducting the Adversarial Meter Works.

8.7 National Grid will not be in breach of any provision of this Condition 8 in circumstances where and to the extent that such breach would not have occurred but for a failure by the Customer to comply with any provision of this Agreement.

9. NATIONAL GRID'S OBLIGATIONS

9.1 National Grid will to the standards of an RPO and in accordance with the terms and conditions of the Contract (including, for the avoidance of doubt, the standards set out in paragraph 2.2 of Schedule One):

- (a) attend the proposed meeting location at the proposed meeting time (as determined in accordance with Conditions 5.1.1, 5.1.2, 5.4.3 and 5.4.4) on the AMW Date and with such equipment and materials as may reasonably be required;
- (b) subject to Condition 4, carry out such of the requested AMW as is reasonably practicable in the AMW Hire Period and as the Customer's Representative shall determine provided that National Grid judges it safe, lawful and reasonable to do so;
- (c) in the course of the AMW comply with Site rules and regulations reasonably imposed in the course of the Adversarial Meter Works or agreed by the Parties prior to Acceptance;
- (d) in its conduct of the AMW not cause a breach of any permission, licence, consent or authorisation obtained by the Customer, PROVIDED ALWAYS that National Grid has been provided with material details of such permission, licence, consent or authorisation prior to such conduct;
- (e) notify the Customer in accordance with the Rainbow MAM Manual of all Meter removals and/or installations within 48 hours of such Adversarial Meter Work being completed.

9.2 Where:

- (a) without prejudice to Condition 3.4, the Customer has submitted an AMW Request Form pursuant to Condition 2.2.1 or 2.3.1 (as the case may be) or an Acceptance Form in accordance with this Agreement; and

- (b) at the time of the Adversarial Meter Works the Customer is not entitled to request such Adversarial Meter Works in accordance with this Agreement,

then National Grid and the Customer shall nevertheless carry out their respective obligations under the relevant Contract in respect of such Metering Equipment which shall be deemed to be in accordance with this Agreement. This Condition 9.2 shall survive termination of this Agreement in respect of any Contract in force at the date of such termination.

- 9.3 National Grid will not be in breach of any provision of this Condition 9 in circumstances where and to the extent that such breach would not have occurred but for a failure by the Customer to comply with any provision of this Agreement.

10. ADDITIONAL WORKS

~~a-10.1~~ The Customer Representative may request that additional AMW is undertaken after the completion of the AMW Hire Period and the NGO may agree to such request at its sole discretion.

~~b-10.2~~ Where additional AMW is agreed and undertaken pursuant to Condition 10.1 National Grid shall be entitled to charge and the Customer shall be obliged to pay for such additional AMW at the Standard Charging Rate in force at the time of Acceptance.

10A. ABSENT PPM EXCHANGE

10A.1 The Customer may request the National Grid Operative to undertake a Prepayment Meter exchange at a Site where the Customer Representative is present on the Site but the Consumer is absent. Where the Customer makes such a request, then subject always to Condition 10A.2, the National Grid Operative shall undertake an Absent PPM Exchange in accordance with this Condition 10A.

10A.2 The Customer shall only request the National Grid Operative to undertake a Prepayment Meter exchange in the circumstances specified in Condition 10A.1 if the Meter to be exchanged:-

- (a) has a badged capacity of less than 11 SCMH; and
- (b) the Customer has complied in all respects with the undertakings set out in Condition 10A.3.

10A.3 Customer Undertakings

10A.3.1 The Customer undertakes that:

- (a) before requesting Absent PPM Exchange:
 - (i) it shall have obtained a Warrant of Entry in respect of the relevant Consumer Premises;
 - (ii) it shall have undertaken a comprehensive check of the Consumer Premises to establish if the Consumer is a vulnerable Consumer;
 - (iii) it shall have procured GIST Cards for use by the Customer's Gas Safe registered engineers which attend the relevant Site after an Absent PPM Exchange has been carried out;
 - (iv) it shall have arranged for its Gas Safe registered engineers to be available to Purge and re-light all gas appliances following the Absent PPM Exchange within 24 hours of the Consumer making contact or at such other date as may be requested by the Consumer;
 - (v) it shall have provided National Grid with copies of, and obtained written approval from National Grid for:
 - (1) the pro forma warrant letter that it proposes to send to Consumers prior to the Absent PPM Exchange being carried out, as referred to in paragraph 1 of Schedule Five, Part 2; and
 - (2) the pro forma letter to the Consumer that it proposes to leave at the Consumer Premises after the Absent PPM Exchange has been carried out as referred to in paragraph 12 of Schedule Five, Part 2;
- (b) it shall not request Absent PPM Exchange where it is aware in advance that a Consumer is a vulnerable Consumer;
- (c) it shall ensure that the Customer Representative who accompanies the NGO during the Absent PPM Exchange is in possession of a letter addressed to the relevant Consumer and in the form approved by National

Grid under Condition 10A.3.1(v), which can be left at the Consumer Premises following the Absent PPM Exchange;

- (d) it shall only request Absent PPM Exchange where the relevant Consumer is absent from the Consumer Premises;
- (e) it shall comply at all times with its policy on vulnerable Consumers; and
- (f) it shall at all times comply with relevant legislation including but not limited to the Human Rights Act 1998.

10A.3.2 The Parties agree to comply at all times with the Absent PPM Exchange Procedure.

10A.4 The Customer shall indemnify and keep indemnified National Grid from and against all and any liability, loss, damage, costs and expenses (including without limitation legal costs) awarded against or incurred by National Grid, and whether arising under law, contract, tort (including negligence) or in connection with judgements, proceedings, claims or demands, as a result of or in connection with any loss or damage suffered by any person (including without limitation a Consumer) arising from National Grid carrying out an Absent PPM Exchange.

11. OWNERSHIP

Subject to Condition 24:

- (a) ownership of the Meter and/or Ancillary Equipment and/or Convertor (where it has been provided and installed by National Grid) shall remain with National Grid (or any person to whom National Grid may transfer ownership) at all times; and
- (b) the Customer shall take all reasonable steps to ensure (by making suitable arrangements with the Consumer) that any notice of ownership affixed by National Grid to the Meter and/or Ancillary Equipment and/or Convertor will not be removed or defaced.

12. METER CREDIT LIMITS

The provisions relating to Meter Credit Limits of the Customer are set out in Schedule Three.

13. CHARGES, PAYMENT AND INVOICING

- 13.1 The Customer will pay to National Grid:
- (a) in respect of AMW, the applicable Standard Charging Rate as at the date of Acceptance; and
 - (b) any PALD due in accordance with Condition 17 (charges prior to provision and maintenance appointment); and
 - (c) any other charges payable by the Customer to National Grid pursuant to the Contract.
- 13.2 National Grid shall pay to the Customer any charges payable by National Grid to the Customer pursuant to the Contract.
- 13.3 National Grid shall give no less than 3 months' notice of any change (whether increase or decrease) in the charges specified in the National Grid Metering Charges.
- 13.4 The amounts payable by the Customer to National Grid in accordance with this Agreement and any Contract made hereunder will be invoiced and payable in accordance with Schedule Two.

14. LIABILITY AND RELATED ISSUES

14.1 Limitation of Liability

14.1.1 Subject to the further provisions of this Condition 14, each Party agrees and acknowledges that:

- (a) neither Party shall be liable to the other Party for loss arising from any breach of this Agreement (or of any Contract made hereunder), other than (but without prejudice to any other provision of this Agreement or any Contract which excludes or limits liability in respect of any breach) for loss directly resulting from any such breach and which at the relevant date was reasonably foreseeable as not unlikely to occur in the ordinary course of events from such breach in respect of:
 - (i) physical damage to the property of the other Party; and/or
 - (ii) the liability (in law) of the other Party to any other person for loss in respect of physical damage to the property of such other person;

- (b) neither Party shall in any circumstances be liable in respect of any breach of this Agreement (or of any Contract made hereunder) to the other Party for any one or more of the following:
 - (i) any loss of profit, loss of revenue, loss of use, loss of contract, loss of goodwill, or increased cost of working; or
 - (ii) any other loss which is an indirect or consequential loss; or
 - (iii) loss resulting from the liability of the other Party to any other person howsoever and whensoever arising, except as provided in Conditions 14.1.1(a)(ii) and 14.1.5; or
 - (iv) loss in respect of Condition 14.1.1(a) to the extent that it results from the breach or negligent act or omission of the other Party.

14.1.2 For the purposes of Condition 14.1.1(a) the "**relevant date**" is the date of this Agreement or, in the case of a Contract, is the date of Acceptance of the Contract, except that where the breach in question would not have been a breach of the Contract but for a modification of the Contract, the relevant date shall be the date of such modification.

14.1.3 Subject to Condition 14.1.6, the amount or amounts for which either Party may be liable to the other Party pursuant to Condition 14.1.1(a) in respect of any one event or circumstance constituting or resulting in the first Party's breach of a provision of this Agreement or of any Contract made hereunder shall not exceed as respects the liability of National Grid to the Customer or of the Customer to National Grid:

- (a) £5,000,000 (five million pounds sterling) in respect of any Meter Point at which a Meter is situated with a badged capacity of less than 11 SCMH;
- (b) £10,000,000 (ten million pounds sterling) in respect of any Meter Point at which a Meter is situated with a badged capacity of 11 SCMH or above.

14.1.4 Condition 14.1.1 is without prejudice to any provision of this Agreement or any Contract which provides for an indemnity, or which provides for any Party to make a payment to another.

14.1.5 Nothing in this Agreement or any Contract shall exclude or limit the liability of either

Party for death or personal injury resulting from the negligence of such Party.

14.1.6 The limitation of liability under Condition 14.1.3 in respect of Condition 14.1.1(a)(ii) shall not apply where, by virtue of the lack (as at the date of this Agreement) of a contractual relationship with such other person referred to in Condition 14.1.1(a)(ii) the other Party has been unable to limit its liability.

14.2 Exclusions of certain rights and remedies:

14.2.1 The rights and remedies of the Parties pursuant to this Agreement or any Contract exclude and are in place of any rights or remedies of any Party in tort (including negligence and nuisance) or misrepresentation (but not fraudulent misrepresentation) in respect of the subject matter of this Agreement or any Contract and accordingly, but without prejudice to Conditions 14.1.5 and 14.2.4, each Party (to the fullest extent permitted by law):

- (a) waives any such other rights or remedies (other than those provided pursuant to this Agreement or any Contract), and
- (b) releases the other Party from any duties or liabilities arising in tort or misrepresentation (but not fraudulent misrepresentation) in respect of the subject matter of this Agreement or any Contract.

14.2.2 Without prejudice to Condition 14.2.1 and notwithstanding special condition 23 of National Grid GT's Licence, which stipulates time shall be of the essence, where any provision of this Agreement or any Contract provides for any amount to be payable by a Party upon or in respect of that Party's breach of any provision of this Agreement or any Contract, each Party agrees and acknowledges that such provisions have been the subject of discussion and negotiation and that the remedy conferred by such provision is the exclusive remedy for, and is in substitution of any remedy in damages in respect of, such breach or the event or circumstance giving rise thereto.

14.2.3 For the avoidance of doubt, nothing in this Condition 14 shall prevent or restrict either Party enforcing any obligation (including suing for a debt) owed to it under or pursuant to this Agreement.

14.2.4 Nothing in this Condition 14 shall constitute a waiver by either Party of any right or remedy it may have (other than pursuant to this Agreement or any Contract) in respect of a breach by the other Party of any Legal Requirement.

14.3 Effect of this Condition

14.3.1 Each provision of this Condition 14 shall be construed as a separate and severable contract term, and shall survive termination of this Agreement or any Contract made hereunder.

14.3.2 Each Party acknowledges and agrees that the provisions of this Condition 14 have been the subject of discussion and negotiation and are fair and reasonable having regard to the circumstances as at the date of this Agreement.

14.4 Indemnities

14.4.1 Subject to Condition 14.4.2, the amount or amounts for which a Party may be liable to the other Party pursuant to any indemnity provided for in this Agreement in respect of any one event or circumstance giving rise to liability under such indemnity shall not exceed; as respects the liability of National Grid to the Customer or of the Customer to National Grid, £1,000,000 (one million pounds sterling).

14.4.2 The provisions of Condition 14.4.1 shall not apply to the indemnity set out in Condition 24.8. The amount or amounts for which the Customer may be liable to National Grid pursuant to such indemnity in respect of any one event or circumstance giving rise to liability under such indemnity shall not exceed:

- (a) £5,000,000 (five million pounds sterling) in respect of any Meter Point at which a Meter is situated with a badged capacity less than 11 SCMH;
- (b) £10,000,000 (ten million pounds sterling) in respect of any Meter Point at which a Meter is situated with a badged capacity of 11 SCMH and above,

and consequently, any payments made pursuant to such indemnity shall be ignored in any calculation for the purposes of Condition 14.4.1.

15. FORCE MAJEURE

15.1 Meaning of Force Majeure

15.1.1 For the purposes of this Agreement or any Contract subject to Conditions 15.1.3 and 15.1.4, "**Force Majeure**" means any event or circumstance, or any combination of events and/or circumstances, the occurrence of which is beyond the reasonable control of, and could not have been avoided by steps which might reasonably be expected to have been taken by, a Party (the "**Affected Party**") and which causes or

results in the failure of the Affected Party acting as a Reasonable and Prudent Operator to perform or its delay in performing any of its obligations owed to the other Party (the "**Other Party**") under this Agreement or any Contract including but not limited to:

- (a) war declared or undeclared, threat of war, act of public enemy, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage, act of vandalism;
- (b) act of God;
- (c) strike, lockout or other industrial disturbance;
- (d) explosion, fault or failure of plant, equipment or other installation which the Affected Party could not prevent or overcome by the exercise of the degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person engaged in the same kind of undertaking under the same or similar circumstances;
- (e) governmental restraint or the coming into force of any Legal Requirement.

15.1.2 Without prejudice to the generality of Condition 15.1.1 either Party will be entitled to claim relief through Force Majeure in the event of a major gas emergency incident requiring the attendance of the Relevant Gas Transporter's personnel in support of the emergency service obligation set out in the Relevant Gas Transporter's Licence.

15.1.3 Lack of funds (howsoever caused) of a Party shall not be Force Majeure.

15.1.4 The act or omission of:

- (a) any agent or contractor of a Party; and/or
- (b) any Supplier or Consumer,

shall not be Force Majeure unless such act or omission is caused by or results from events and/or circumstances which would be Force Majeure within the meaning of Condition 15.1.1 if such person were the Affected Party.

15.2 Effect of Force Majeure

15.2.1 Subject to Condition 15.2.2, the Affected Party (from the time of occurrence of the Force Majeure) shall be relieved from liability (including any requirement under this Agreement or any Contract to make payment of any sum or to take any other action) for any delay or failure in the performance of any obligation under this Agreement or any Contract which is caused by or results from Force Majeure.

15.2.2 The Affected Party shall be relieved from liability under Condition 15.2.1 only for so long as and to the extent that the occurrence of Force Majeure and/or the effects of such occurrence could not be overcome by measures which the Affected Party might reasonably be expected to take with a view to resuming performance of its obligations.

15.3 Information

Following any occurrence of Force Majeure the Affected Party shall:

- (a) as soon as reasonably practicable notify the Other Party of the occurrence and nature of the Force Majeure, the expected duration thereof (insofar as the same can reasonably be assessed) and the obligations of the Affected Party, performance of which is affected thereby;
- (b) from time to time thereafter (and in a timely manner) provide to the Other Party reasonable details of:
 - (i) developments in the matters notified under Condition 15.3(a); and
 - ~~1-(ii)~~ the steps being taken by the Affected Party to overcome the Force Majeure occurrence or its effects and to resume performance of its relevant obligations; and
- (c) as soon as reasonably practicable notify the Other Party of the date upon which performance resumed and such date shall be the date of cessation of the Force Majeure.

16. TERMINATION AND SUSPENSION OF TERMS

Termination

16.1 Either Party may terminate this Agreement by giving to the other Party not less than 90 Days written notice where standard condition 23 of the National Grid GT Licence is revised or

revoked such that National Grid's obligation pursuant to such condition in respect of Metering Services ceases or no longer applies.

16.2 Without prejudice to any of its antecedent rights or remedies, National Grid may terminate:

- (a) this Agreement and/or any Contract made hereunder forthwith on written notice if the Customer goes into liquidation (either voluntary or compulsory) other than for the purposes of a solvent amalgamation or re-organisation; or if an administrative receiver or receiver shall be appointed in respect of the whole or any material part of its assets; or if an administrator shall be appointed of the Customer; or it shall make or offer to make any arrangement or composition for the benefit of creditors generally; or
- (b) any Contract made hereunder by giving 5 Working Days prior notice in writing if either Party is prevented by reason of Force Majeure from performing any of its obligations under the Contract for a period exceeding 60 Days; or
- (c) this Agreement and/or any Contract made hereunder as set out in Condition 4; or
- (d) this Agreement and/or any Contract made hereunder forthwith on written notice in accordance with paragraph 3.3 of Schedule Three (Aggregate Relevant Meter Indebtedness of the Customer exceeding 100% of the Meter Credit Limit of the Customer); or
- (e) this Agreement and/or any Contract made hereunder by giving 20 Working Days notice in writing of a material breach of this Agreement and/or any Contract by the Customer, provided that the Customer fails to take substantial steps to remedy the breach within that 20 Working Day period of notice.

16.3 Without prejudice to any of its antecedent rights or remedies, the Customer may terminate:

- (a) this Agreement and/or any Contract made hereunder forthwith on written notice if National Grid goes into liquidation (either voluntary or compulsory) other than for the purposes of a solvent amalgamation or re-organisation; or if an administrative receiver or receiver shall be appointed in respect of the whole or any material part of its assets; or if an administrator shall be appointed of National Grid; or it shall make or offer to make any arrangement or composition for the benefit of creditors generally; or
- (b) any Contract by giving 5 Working Days prior notice in writing if either Party is prevented by reason of Force Majeure from performing any of its obligations under the Contract for a period exceeding 60 Days; or

- (c) any Contract as set out in Condition 4; or
 - (d) any Contract by giving 20 Working Days notice in writing of a material breach of the Contract by National Grid, provided that National Grid fails to take substantial steps to remedy the breach within the 20 Working Day notice period; or
 - (e) any Contract made hereunder by giving National Grid 2 Working Days notice of termination in the circumstances set out in Condition 26.12.2.
- 16.4 Subject to Condition 16.5, where the Contract is terminated under any provision of this Condition 16 other than under Conditions 16.2(c), 16.3(a), 16.3(c) or 16.3(d), National Grid will be entitled to receive:
- (a) reimbursement for all costs and expenses reasonably incurred by National Grid in respect of all obligations performed by National Grid under the Contract at the time of termination;
 - (b) any cost or expense reasonably incurred, or for which National Grid is liable and is unable lawfully or contractually to avoid or recover from third parties in connection with any contracts placed in connection with the Contract (insofar as these have not already been paid by the Customer) including without limitation, forfeited deposits and cancellation fees.
 - (c) any and all costs reasonably incurred or expended in the restoration and/or reinstatement of land or buildings and removal of plant, apparatus and equipment which to the standard of an RPO is necessary as an result of the termination of the Contract taking into account inter alia environmental and safety considerations and contractual commitments.
- 16.5 National Grid shall use all reasonable endeavours to mitigate and minimise any amount claimed pursuant to Condition 16.4, such amount not to exceed the Contract Sum less any amounts paid by the Customer to National Grid in respect of such Contract.
- 16.6 Subject to Condition 16.7, where the Contract is terminated under Conditions 16.3(a), 16.3(d) or 16.3(e) the Customer will be entitled to receive:
- (a) reimbursement for all costs and expenses reasonably incurred by the Customer in respect of all obligations performed by the Customer under the Contract at the time of termination;

- (b) any cost or expense reasonably incurred, or for which the Customer is liable and is unable lawfully or contractually to avoid or recover from third parties in connection with any contracts placed in connection with the Contract (insofar as these have not already been paid by National Grid) including without limitation, forfeited deposits and cancellation fees;
- (c) any and all costs reasonably incurred or expended in the restoration and/or reinstatement of land or buildings and removal of plant, apparatus and equipment which to the standard of an RPO is necessary as a result of the termination of the Contract taking into account inter alia environmental and safety considerations and contractual commitments.

16.7 The Customer shall use all reasonable endeavours to mitigate and minimise any amount claimed pursuant to Condition 16.6, such amount not to exceed the Contract Sum.

Suspension

16.8 In the event that the Customer is in breach of the payment provisions of paragraph 3.2(a) of Schedule Three (Relevant Meter Indebtedness of the Customer for the time being exceeds 90% of the Customer's Meter Credit Limit), National Grid shall be entitled to suspend, all or any part of the AMW, where it is safe to do so, until the Customer has rectified such breach. In the event of such suspension the Customer will in addition to all other amounts due reimburse National Grid on invoice for all reasonable sums paid by National Grid as a direct result of such suspension.

17. PROVISION AND MAINTENANCE APPOINTMENT

17.1 The Customer acknowledges and agrees that National Grid undertakes the installation of Metering Equipment as part of the AMW in anticipation of being Appointed as provider of the Metering Equipment in accordance with the Provision and Maintenance Agreement from the date of installation (or alternatively of being appointed as the provider of Metering Equipment from such date by another National Grid Customer in accordance with the Provision and Maintenance Agreement to which National Grid and that National Grid Customer are party).

17.2 If in respect of such Metering Equipment, National Grid has not been Appointed by the date of installation then the Customer shall pay PALD to National Grid. Such PALD shall:

- (a) be due and payable for each Day following and including the date of installation in respect of which National Grid has not been so Appointed in accordance with the Provision and Maintenance Agreement (or such other agreement referred to in Condition 17.1 as the case may be);

- (b) be equal to the amount of Rental Charge that would have become due and payable to National Grid, in respect of such Metering Equipment for such Day, had the Customer complied with such obligation such that a contract for the same would have commenced on such date of installation in accordance with the Provision and Maintenance Agreement (or such other agreement referred to in Condition 17.1 as the case may be);
- (c) continue to be paid by the Customer from the date of installation until either:
 - (i) the date of Appointment in accordance with the Provision and Maintenance Agreement (or such other agreement referred to in Condition 17.1 as the case may be) in respect of such item; or
 - (ii) the Meter Removal Date or Converter Removal Date (as the case may be),whichever first occurs.

17.3 Subject to Condition 17.4, upon the date of installation of each such item of Metering Equipment installed, delivery to the Customer shall occur and risk shall pass to the Customer regardless of whether Appointment has occurred on such date.

17.4 From the date of installation until the date of Appointment National Grid shall, to the standard of an RPO, maintain the Metering Equipment in accordance with manufacturer's recommendations and as necessary as a result of fair wear and tear.

17.5 Payment of such PALD shall be levied by way of a PALD Invoice in accordance with Schedule Two.

18. NOTICES AND COMMUNICATIONS

18.1 Subject to Condition 18.3 any notice to be given by one Party to the other under this Agreement or any Contract shall be delivered by first class mail or facsimile to the other Party at such address or (as the case may be) such facsimile transmission number as the Party in question shall from time to time designate by written notice. Notices may be sent in such other manner and may be confirmed in such manner as from time to time may be set out in the Rainbow Manual or as may otherwise be agreed by the Parties for the service of notices pursuant to this Agreement or any Contract.

18.2 Subject to Condition 18.4 all notices delivered or sent in accordance with Condition 18.1 shall be effective:-

- (a) in the case of post, when received at the recipient's address as aforesaid; or
- (b) in the case of facsimile, on acknowledgement by the recipient Party's facsimile receiving equipment or as evidenced by the notifying Party's facsimile transmission report,

PROVIDED ALWAYS that a notice received after the expiry of Business Hours shall be effective at 9 a.m. on the following Working Day.

18.3 Electronic communications (whether by computer file, internet access or otherwise) shall, subject and without prejudice to the Rainbow System User Agreement, be in the manner specified in the Rainbow MAM Manual and receipt shall be deemed in accordance with the provisions set out in such manual.

18.4 For the avoidance of doubt, where a notice is given by facsimile (confirmed by the appropriate answerback) and also confirmed in a notice delivered by first class mail, the date of receipt of the notice shall be the earlier of the dates of valid receipt of the two notices.

19. CUSTOMER AGENT

19.1 General

19.1.1 The Customer may, subject to and in accordance with this Condition 19, appoint another person to be the agent of the Customer ("**Customer Agent**") for the purposes of making and receiving Metering Communications or particular Metering Communications on behalf of the Customer.

19.1.2 Subject to Condition 19.4.3, the Customer may appoint more than one person as Customer Agent.

19.1.3 A person may be appointed as Customer Agent by more than one Customer.

19.2 Agent for Batch Transfer Communications

19.2.1 A person who is a Rainbow Customer (in accordance with the Rainbow System User Agreement) may be appointed as Customer Agent (a "**Rainbow Customer Agent**") for the purposes of making and receiving Metering Communications as Batch Transfer Communications.

19.2.2 A Rainbow Customer Agent will at all times be authorised to make any Metering Communication as Batch Transfer Communications on behalf of the appointing Customer until it ceases to be a Rainbow Customer Agent.

19.2.3 The Customer shall terminate (in accordance with Condition 19.3.3) the appointment of a Rainbow Customer Agent if such Rainbow Customer Agent ceases to be a Rainbow Customer.

19.3 Customer Agent appointment

19.3.1 if the Customer wishes to appoint a Customer Agent it shall give notice to National Grid specifying:

- (a) the identity of the proposed Customer Agent;
- (b) the types of activities and process it wishes the Customer Agent to perform.

19.3.2 The appointment of the Customer Agent shall be effective from the Day specified by the Customer and shall continue, until terminated in accordance with Condition 19.3.3.

19.3.3 The appointing Customer may terminate the appointment of a Customer Agent by giving notice to National Grid to that effect specifying the date with effect from which such termination is to take effect.

19.4 Effect of appointment

19.4.1 A Metering Communication given by a Customer Agent shall identify the appointing Customer on whose behalf the Metering Communication is given, and (subject to Condition 19.4.2) shall not be effective unless it does so.

19.4.2 Where a Customer Agent appointed by the Customer who is itself a National Grid Customer gives any Metering Communication which does not state that it is given on behalf of the Customer, such Metering Communication shall be treated as given by the Customer Agent on its own account in its capacity as such National Grid Customer.

19.4.3 Any Metering Communication given by a Customer Agent where the identity of the Customer has been given in accordance with Condition 19.4.1 shall be deemed to have been given by and shall be binding on the Customer, and National Grid shall be entitled without enquiry as to the Customer Agent's authority to rely on such Metering Communication for all purposes of this Agreement and any Contract made hereunder.

19.4.4 The Customer who has appointed a Customer Agent may continue itself to give Metering Communications.

19.4.5 Where the Customer has appointed one or more Customer Agents:

- (a) the Customer shall be responsible for ensuring that the actions of the Customer and each such Customer Agent are not in conflict;
- (b) where any Metering Communication is given by the Customer or any such Customer Agent:
 - (i) to the extent any further Metering Communication is subsequently given by any of them which (in accordance with this Agreement) is effective to modify or revoke the earlier Metering Communication, the earlier Metering Communication shall be so modified or revoked;
 - (ii) except as provided in (i) above, any Metering Communication subsequently given by any of them which conflicts with the earlier Metering Communication will be disregarded.

19.4.6 National Grid shall not be responsible for any unauthorised use or disclosure by a Customer Agent of information relating to the Customer (whether or not obtained, in the case of a Rainbow Customer Agent, in its capacity as Rainbow Customer).

20. CONFIDENTIALITY AND DATA PROTECTION

20.1 Subject to Condition 20.4, the Customer will keep confidential and will not disclose to any third party any information provided by National Grid in connection with the negotiation or performance of this Agreement or any Contract made hereunder, PROVIDED THAT:

- (a) this restriction will not apply to any information which at the time of disclosure is in the public domain or thereafter becomes part of the public domain otherwise than as a consequence of a breach by the Customer of its obligations under this Condition 20.1 or to any information provided to the Customer by a third party otherwise than as a consequence of a breach by such third party of confidentiality obligations owed to National Grid; and
- (b) nothing in this Condition or any Contract will prevent the disclosure of information:
 - (i) where National Grid has consented in writing to such disclosure;

- (ii) to any government department or any governmental or regulatory agency having jurisdiction over the Customer, or as required by law or any lawful subpoena or recognised stock exchange or other process in connection with any judicial arbitration or administration proceeding, or where reasonably necessary to effect the purpose of this Agreement, or any Contract made hereunder; and
 - (iii) for any purpose contemplated by this Agreement and any Contract made hereunder or where appropriate the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) or the appropriate Meter Works Conditions;
- (c) in the event disclosure to any third party is necessary and permissible under this Condition, the Customer will use all reasonable endeavours to ensure that such third party will respect the confidentiality of such information and be bound by the terms of this Condition 20.1 as if a party thereto.

20.2 Subject to Condition 20.4, National Grid will keep confidential and will not disclose to any third party any information provided by the Customer in connection with the negotiation or performance of this Agreement or any Contract made hereunder, PROVIDED THAT:

- (a) this restriction will not apply to any information which at the time of the disclosure is in the public domain or thereafter becomes part of the public domain otherwise than as a consequence of a breach by National Grid of its obligations under this Condition 20.2 or to any information provided to National Grid by a third party otherwise than as a consequence of a breach by such third party of confidentiality obligations owed to the Customer; and
- (b) nothing in this Condition or any Contract will prevent the disclosure of information:
 - (i) where the Customer has consented in writing to such disclosure;
 - (ii) to any government department or any governmental or regulatory agency having jurisdiction over National Grid, or as required by law or any lawful subpoena or recognised stock exchange or other process in connection with any judicial arbitration or administration proceeding, or where reasonably necessary to effect the purpose of this Agreement, or any Contract made hereunder; and

- (iii) for any purpose contemplated by this Agreement and any Contract made hereunder or where appropriate the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) or the appropriate Meter Works Conditions;
 - (c) in the event disclosure to any third party is necessary and permissible under this Condition, National Grid will use all reasonable endeavours to ensure that such third party will respect the confidentiality of such information and be bound by the terms of this Condition 20.2 as if a party thereto.
- 20.3 The provisions of Conditions 20.1 and 20.2 shall continue, for a period of 3 years after termination or the AMW Date (whichever shall occur later) in respect of information provided under this Agreement and any Contract, to bind the Parties irrespective of the reason for such termination.
- 20.4 Each Party agrees that, in the performance of its respective obligations under this Agreement, it shall comply with the provisions of the Data Protection Act 1998 ("the Act") and all other applicable data protection legislation to the extent it applies to each of them. Where used in this Condition 20, the expressions "process" and "**Personal Data**", "**Data Processor**" and "**Data Subject**" shall bear their respective meanings given in the Act. Provided that for the purposes of Condition 20.5 Personal Data shall be limited to Personal Data provided by the Customer to National Grid pursuant to this Agreement for the purpose of performing the Metering Services but not otherwise and for the avoidance of doubt shall not apply to and the provisions of Condition 20.5 shall not apply to Personal Data provided by the Customer to National Grid pursuant to Condition 24 (Sale by National Grid of Metering Equipment).
- 20.5 In this Agreement National Grid is acting as a Data Processor and the following provisions shall apply:
- (a) National Grid undertakes that it shall process the Personal Data strictly in accordance with the terms of this Agreement for and on behalf of the Customer for the purpose of performing the Metering Services in this Agreement and the Customer's instructions from time to time. It is agreed and accepted by the Customer that in order to perform the Metering Services National Grid will need to provide Personal Data to its contractors (including National Grid Metering Limited) for the purpose only of performing the relevant contracted service; such processing is to be carried out in accordance with the requirements of this Agreement and does not relieve National Grid of its liability or obligations under this Agreement.

- (b) National Grid shall ensure that only such of its workers who may be required by National Grid to assist it in meeting its obligations under this Agreement shall have access to the Personal Data. National Grid shall ensure that all employees used by it to provide the services have undergone training in data protection and in the care and handling of Personal Data.
- (c) National Grid shall maintain appropriate operational and technical processes in place to safeguard against any unauthorised access, loss, destruction, theft, use or disclosure of the Customer's Personal Data.
- (d) National Grid will allow its data processing facilities, procedures and documentation which relate to the processing of the Personal Data to be inspected by the auditors (on reasonable written notice) of the Customer and/or the Customer's employees or agents, in order to ascertain compliance with this Condition 20.5 and/or on request in writing from the Company will provide to the Company evidence of compliance.
- (e) For the avoidance of doubt, National Grid shall acquire no rights in any of the Customer's Personal Data and shall only be entitled to process it in accordance with its obligations under this Agreement.
- (f) On termination, National Grid shall immediately cease to use the Personal Data and shall arrange for its safe return or destruction as shall be agreed with the Customer at the relevant time.
- (g) National Grid shall not under any circumstances transfer the Personal Data outside the European Economic Area unless authorised in writing to do so by the Customer.
- (h) National Grid shall notify the Customer promptly upon receiving any notice or communication from the Information Commissioner which relates directly to the processing of the Personal Data as defined in Condition 20.4.

21. INTELLECTUAL PROPERTY

- 21.1 All patents, copyright and other intellectual property rights (including but not limited to trademarks, registered designs, designs, know-how, inventions and valuable concepts) and, to the extent that intellectual property is embodied therein, documents (including but not limited to drawings, transparencies, prints, photographs, negatives, tapes, discs, working notes and reports), software or other items created or supplied by National Grid in connection with the AMW will be owned by National Grid and the Customer will on the AMW Date deliver up to National Grid or, at National Grid's request, destroy all copies of such documents in the possession of the Customer, and in the case of a third party to whom the Customer has

disclosed them the Customer will use reasonable endeavours to procure the delivery up or destruction of the same.

21.2 All patents, copyright and other intellectual property rights (including but not limited to trademarks, registered designs, designs, know-how, inventions and valuable concepts) and, to the extent that intellectual property is embodied therein, documents (including but not limited to drawings, transparencies, prints, photographs, negatives, tapes, discs, working notes and reports), software or other items supplied by the Customer in connection with the AMW will be owned by the Customer and National Grid will on the AMW Date deliver to the Customer or, at the Customer's request, destroy all copies of such documents in the possession of National Grid, and in the case of a third party to whom National Grid has disclosed them. National Grid will use reasonable endeavours to procure the delivery up or destruction of the same.

21.3 Each Party (the "**Granting Party**") hereby grants the other Party (the "**Receiving Party**") a royalty-free, non-exclusive licence (with power to sub-licence), in respect of any such intellectual property of the Granting Party as is reasonably necessary for the purposes only of the performance by the Receiving Party of its obligations under this Agreement or any Contract.

22. ASSIGNMENT

22.1 Subject to Condition 22.3 and 22.4, either Party may assign its rights under this Agreement:

- (a) to an Affiliate, provided that the assigning Party shall continue to be bound by and liable under this Agreement;
- (b) to any person, with the prior agreement in writing of the other Party, which agreement shall not unreasonably be withheld or delayed.

22.2 Except as provided in Condition 22.1, neither Party shall assign or otherwise transfer whether in whole or part any of its rights or obligations under this Agreement and shall not purport to do so.

22.3 No assignment shall be made to any person unless:

~~1.(a)~~ where the assigning Party is National Grid, that person holds a Gas Transporter Licence;

~~2.(b)~~ where the assigning Party is the Customer, that person holds a Supplier Licence.

- 22.4 Where a Party assigns its rights under this Agreement to a person (including an Affiliate) pursuant to Condition 22.1, the assigning Party shall remain liable for all obligations accruing up to the time at which the assignment is made and shall remain liable for all obligations arising after such time.
- 22.5 Any credit limit required under this Agreement shall be determined separately for a person to whom the Customer assigns its rights under Condition 22.1(b) and the Customer may not assign its own credit limit.
- 22.6 A reference in this Agreement to any Party shall include a reference to that Party's successors and permitted assigns.

23. MODIFICATION OF THIS AGREEMENT

This Agreement shall not be modified other than in accordance with:

- (a) the Metering Agreements Modification Provisions; or
- (b) the terms of any Alternative Contract Conditions intended to facilitate the operation of such Alternative Contract Conditions as between National Grid and the Customer (but for the avoidance of doubt only insofar as such modifications relate to National Grid and the Customer and not to any other agreement in the terms hereof between National Grid and any other National Grid Customer).

24. SALE BY NATIONAL GRID OF METERING EQUIPMENT

- 24.1 Upon notification by National Grid in accordance with Condition 24.2 of an actual or proposed sale, transfer or assignment in whole or in part of Metering Equipment the subject of a Contract made hereunder for which National Grid has not at the date of such notification by National Grid been Appointed as referred to in Condition 17.1, and subject always to Condition 24.3, the Customer undertakes to notify each Consumer in respect of Consumer Premises at which such Metering Equipment is situated ("**Relevant Consumers**") of the identity of the purchaser, transferee or assignee of such Metering Equipment and to seek an acknowledgement of that notification from each Relevant Consumer, upon and subject to the provisions of this Condition 24.
- 24.2 National Grid may invoke the provisions of this Condition 24 by notifying the Customer in writing from time to time of any actual or proposed sale, transfer or assignment in whole or in part of Metering Equipment, each such notification to make express reference to this

Condition 24 and to include the identity of the purchaser, transferee or assignee, the actual or anticipated date of sale, transfer or assignment and sufficient information to enable the Customer to identify the Relevant Consumers.

24.3 No later than 20 Working Days after National Grid's notice pursuant to Condition 24.2, the Customer may (but shall not be obliged to) notify National Grid in writing invoking this Condition 24.3 to the effect that the Customer shall provide sufficient details relating to its Relevant Consumers to enable National Grid to notify, or procure the notification to, Relevant Consumers of the identity of the purchaser, transferee or assignee, and to enable National Grid to seek an acknowledgement of that notification from each Relevant Consumer, and upon and with effect from such notice from the Customer the following terms and conditions shall apply:-

~~A.~~(a) on any one or more occasions during the period commencing on the receipt by National Grid of the Customer's notice as aforesaid and ending on the date 6 months thereafter, National Grid may by notice in writing to the Customer specify a date ("the **Relevant Consumer Data Date**"), being:-

~~B.~~(i) not earlier than 3 Working Days prior to the date of such notice from National Grid; and

~~C.~~(ii) not later than 20 Working Days after the date of such notice from National Grid,

by reference to which the Customer shall compile details of its Relevant Consumers for delivery to National Grid in accordance with (b) below;

~~D.~~(b) no later than 10 Working Days after the later of the date of National Grid's notice pursuant to (a) above and the Relevant Consumer Data Date, the Customer shall deliver to National Grid in electronic format the name and postal address of each Relevant Consumer as at the Relevant Consumer Data Date complete and up to date to such an extent as will enable National Grid to notify, or procure the notification to, such Relevant Consumer of the identity of the purchaser, transferee or assignee of the relevant Metering Equipment and to seek its attornment or acknowledgement of such notification;

~~E.~~(c) National Grid undertakes to the Customer that it shall not use and/or disclose the names and addresses delivered to it by the Customer pursuant to (b) above otherwise than for the purposes contemplated by this Condition 24.3;

~~F~~(d) in consideration of the performance by the Customer of its obligations under this Condition 24.3, and subject always to (e) and (f) below, National Grid shall reimburse to the Customer its reasonable costs reasonably incurred pursuant to (a) and (b) above, and in respect of each notice served by National Grid pursuant to (a) above the Parties shall use all reasonable endeavours to reach agreement in respect of the amount of such costs but failing agreement either Party may, upon giving to the other not less than 28 Days prior notice in writing, refer the matter or matters in dispute for determination by an Expert pursuant to Condition 25.9;

~~G~~(e) National Grid shall not be obliged to make reimbursement to the Customer pursuant to (d) above if the Customer shall not have complied with its obligations under this Condition 24.3;

~~H~~(f) payment shall be made by National Grid to the Customer no later than 30 Days after agreement or determination (as the case may be) of the Customer's costs pursuant to (d) above, against production of a valid invoice in respect thereof; and

~~I~~(g) the Customer shall use all reasonable endeavours to mitigate its costs referred to in (d) above.

24.4 If Condition 24.3 shall not have been invoked by the Customer by notice in writing to National Grid by the date specified therein, then no later than 40 Working Days after National Grid's notice pursuant to Condition 24.2, the Customer (acting reasonably) shall formulate and provide to National Grid in writing one or more alternative proposals for notification to Relevant Consumers by or on behalf of the Customer of the identity of the purchaser, transferee or assignee of such Metering Equipment and the obtaining from such Relevant Consumers of attornment to or acknowledgement of such purchaser, transferee or assignee as new owner of such Metering Equipment ("**Implementation Options**") as follows:

- (a) unless otherwise agreed in writing by National Grid, each Implementation Option shall comprise:
 - (i) a method of notification of the identity of the purchaser, transferee or assignee reasonably acceptable to National Grid, subject to (d) below; and
 - (ii) a method of obtaining the attornment to or acknowledgement of such purchaser, transferee or assignee as new owner of such Metering Equipment reasonably acceptable to National Grid, subject to (d) below; and

- (iii) a timetable for the giving of such notification and obtaining of such attornment or acknowledgement (to include, as a minimum, notification as soon as reasonably practicable after National Grid's notification pursuant to Condition 24.2, notification no later than 3 months after such notification by National Grid, notification no later than 6 months after such notification by National Grid and notification no later than 12 months after such notification by National Grid);

- (b) each Implementation Option shall be accompanied by the Customer's best estimate of its reasonable costs reasonably expected to be incurred in its implementation (including any such cost of providing reasonable evidence of performance of its obligations under this Condition 24 referred to in Condition 24.7(b), on the basis of cost per individual Relevant Consumer, together with sufficient evidence in support thereof as shall enable National Grid to verify such estimate and its reasonableness for the purposes of Condition 24.5(a));

- (c) the Implementation Options shall include as a minimum, and for the purpose of Condition 24.5(b) the Implementation Option which in the reasonable opinion of the Customer is the most cost effective and efficient means of notifying Relevant Consumers and seeking their attornment or acknowledgement as aforesaid, having regard to the nature of the Customer's business; and

- (d) the following methods of notification and obtaining attornment or acknowledgement shall be deemed to be reasonably acceptable to National Grid for the purposes of this Condition 24.4:
 - (i) notification to each Relevant Consumer by way of annotation on a gas bill (or by separate written notice accompanying a gas bill), irrespective of whether delivered in hard copy or by electronic means, specifying (1) the identity of the purchaser, transferee or assignee and (2) the date of sale, transfer or assignment; and

 - (ii) either:
 - (1) a further statement made in writing to each Relevant Consumer at the same time and in the same manner as the notification in (i) above; or

 - (2) a term in the contract for supply of gas between the Customer and each Relevant Consumer,

in each case to the effect that by continuing to accept a supply of gas the Relevant Consumer shall be treated as having attorned to or acknowledged the title of the purchaser, transferee or assignee to such Metering Equipment.

24.5 The Parties shall each use all reasonable endeavours to agree:

- (a) a best estimate of the Customer's reasonable costs reasonably expected to be incurred in the implementation of each Implementation Option; and
- (b) the most cost effective and efficient means of notifying Relevant Consumers and seeking their attornment or acknowledgement as aforesaid, having regard to the nature of the Customer's business,

and failing agreement either Party may, upon giving to the other not less than 28 Days prior notice in writing, refer the matter or matters in dispute for determination by an independent expert pursuant to Condition 25.9. For the avoidance of doubt, the most cost effective and efficient means of notifying Relevant Consumers and seeking their attornment or acknowledgement as aforesaid which is so agreed or determined shall be deemed to be an Implementation Option for the purposes of the remaining provisions of this Condition 24.

24.6 Upon agreement or determination of the matters specified in Condition 24.5, National Grid shall (after consultation with the Customer) notify the Customer as to which Implementation Option it requires the Customer to implement, and upon such notification the Customer shall notify all Relevant Consumers of the identity of the purchaser, transferee or assignee and obtain their attornment or acknowledgement accordingly in accordance with that Implementation Option (including in the manner and by the date specified therein).

24.7 In consideration of performance by the Customer of its obligations in Condition 24.6, National Grid shall reimburse to the Customer its reasonable costs reasonably incurred pursuant thereto ("**Implementation Costs**") upon and subject to the following:

- (a) National Grid shall not be obliged to reimburse to the Customer the Implementation Costs:
 - (i) to the extent that the Implementation Costs exceed the Customer's best estimate agreed or determined pursuant to Condition 24.5; and/or
 - (ii) if in respect of that notification by National Grid the Customer shall not have complied with any of its obligations under this Condition 24;

- (b) each payment shall be made by National Grid no later than 30 Days after receipt by National Grid from the Customer of reasonable evidence that it has performed its obligations under this Condition 24 (for example by the production by the Customer of a sworn statutory declaration as to posting) and against production of a valid invoice in respect thereof; and
- (c) the Customer shall use all reasonable endeavours to mitigate the Implementation Costs.

24.8 The Customer shall indemnify and keep indemnified National Grid from and against all and any liability, loss, damage and costs and expenses (including without limitation legal costs) awarded against or incurred or paid by National Grid, and whether arising under law, contract, tort (including negligence) or in connection with judgements, proceedings, claims or demands (in this Condition 24.8 "**Indemnified Costs**"), as a result of or in connection with any loss or damage suffered by a third party (including without limitation the Relevant Consumer) and caused by Metering Equipment the subject of a sale, transfer or assignment where such loss or damage occurs on or after:

- (a) except where Condition 24.3 has been invoked by the Customer, the date 11 months after National Grid's notification pursuant to Condition 24.2, or, where Condition 24.3 has been invoked or otherwise, if later;
- (b) the date on which any proposed sale, transfer or assignment of that Metering Equipment notified by National Grid pursuant to Condition 24.2 actually takes place;

provided always that the Customer shall have no liability to National Grid under this indemnity (or, in respect of (i), (iii) and (v) only, otherwise):

- (i) in respect of any Indemnified Costs to the extent they relate to loss or damage caused to or by any Metering Equipment in relation to which the Customer shall have fully and correctly performed, or is fully and correctly performing, the Implementation Option selected by National Grid pursuant to Condition 24.6 (or, where Condition 24.3 has been invoked, in relation to which the Customer shall have provided to National Grid details of the Relevant Consumer in accordance with Condition 24.3(b)) and otherwise complied with this Condition 24 (and irrespective of whether occurring before or after the time when such damage occurred); or
- (ii) if and to the extent that such loss or damage caused by any Metering Equipment occurred on or after the date on which the Relevant Consumer

shall have attorned or acknowledged, or be deemed to have attorned or acknowledged, the purchaser, transferee or assignee as new owner of that Metering Equipment, whether or not the Customer shall have fully and correctly complied with the Implementation Option selected by National Grid (or, where Condition 24.3 has been invoked whether or not the Customer shall have provided to National Grid details of the Relevant Consumer in accordance with Condition 24.3(b)) (and without prejudice to any other remedies available to National Grid in respect thereof); or

- (iii) if and to the extent that the Indemnified Costs relates to a claim from the purchaser, transferee or assignee (as the case may be) of any Metering Equipment unless founded upon National Grid's purported ownership of that Metering Equipment at the time the damage caused to or by that Metering Equipment occurred as a result of the Customer's failure to fully and correctly implement the Implementation Option (or, where Condition 24.3 has been invoked, as a result of the Customer's failure to provide to National Grid details of the Relevant Consumer in accordance with Condition 24.3(b)) or otherwise comply with this Condition 24, or
- (iv) if and to the extent that such loss or damage caused by any Metering Equipment results from the negligence or breach of statutory duty of National Grid (but without prejudice to any other remedies available to National Grid in respect thereof); or
- (v) if and to the extent that the Indemnified Costs do not comprise amounts paid or payable to a third party and relate to loss of use, loss of profit, loss of revenue, loss of contract, loss of goodwill or any indirect and/or consequential loss in each case suffered by National Grid,

and National Grid shall use all reasonable endeavours to mitigate any Indemnified Costs.

25 MEDIATION AND EXPERT DETERMINATION

25.1 Mediation

The Parties may agree to refer any dispute under or in connection with this Agreement, to mediation by a single mediator who shall explore the interests of the Parties to the dispute and encourage the Parties to resolve the dispute in light of such interests. Where more than one

National Grid Customer is party to a dispute with National Grid the term "Parties" shall be construed as referring to all the National Grid Customers which are party to such dispute.

25.2 Mediator appointment

25.2.1 Within 5 Working Days after agreeing to refer a dispute to mediation the Parties shall meet and use all reasonable endeavours to agree upon a person to act as mediator, unless they have agreed upon a mediator when agreeing so to refer the dispute.

25.2.2 Where the Parties agree upon a mediator they shall request such person to accept appointment as mediator, and shall use all reasonable endeavours to agree (between themselves and with the mediator) upon the terms of his appointment.

25.2.3 A person shall be treated as appointed as a mediator for the purposes of this Condition 25 when he has confirmed his acceptance to act as mediator in accordance herewith.

25.2.4 Where the Parties cannot agree upon a mediator or the terms of his appointment they will use the Centre for Effective Dispute Resolution (CEDR) and where the Parties have agreed to attempt to settle the dispute by mediation by using the CEDR then they shall do so in accordance with the CEDR Model Mediation Procedure in place of the procedure in this Condition 25.

25.3 Procedure and timetable

25.3.1 Within 5 Working Days following his appointment, the mediator shall require each Party to provide him with a written summary of the dispute, which written summary shall not exceed 5 pages.

25.3.2 The mediator may at his discretion:

- (a) request any Party to provide him with copies of any documentation or information which he believes will assist to explain any such summary; and
- (b) provide any such written summary and/or any information or copy documentation received under paragraph (a) to the other Party(ies) to the dispute.

25.3.3 Within 10 Working Days following his appointment, the mediator shall contact the Parties and shall arrange to meet them.

25.3.4 Each Party shall attend the meeting with the mediator with a maximum of three representatives, one of whom shall be a person with decision making authority in relation to the subject matter of the dispute and one of whom may be the legal adviser of that Party.

25.3.5 No additional persons shall attend without the prior written consent of the mediator.

25.3.6 The mediator may convene more than one meeting with the Parties but shall not convene any meetings later than 40 Working Days following his appointment, unless the Parties agree otherwise.

25.3.7 The mediator may at his discretion meet each Party on his own whether during a meeting attended by the other Parties or otherwise, but he shall not disclose to any other Party matters disclosed to him in such circumstances without the consent of the disclosing Party.

25.3.8 At any meeting attended by the Parties, the mediator may require each Party to make a brief presentation of its case and he may also require the other Parties to reply to another Party's presentation.

25.3.9 The mediator shall not act as an arbitrator (and accordingly the provisions of the Arbitration Acts shall not apply).

25.4 Result of mediation

25.4.1 The mediator shall encourage the Parties to resolve the dispute by agreement and may also discuss informally with any Party his own views as to the merits of the dispute.

25.4.2 If the dispute remains unresolved 45 Working Days after the mediator's appointment the mediator shall, if so requested by any Party, advise the Parties of his views and may, at his discretion, also inform them of what he considers to be a fair settlement of the dispute.

25.4.3 No Party shall be bound to adopt the views or advice expressed or provided by the mediator.

25.4.4 If the dispute is resolved or the Parties accept the views and advice of the mediator under Condition 25.4.2, the Parties shall use all reasonable endeavours, within 5

Working Days after such resolution or acceptance, to enter into a settlement agreement which shall:

- (a) set out the terms accepted by the Parties or on which the dispute was resolved; and
- (b) contain provisions of confidentiality similar to those set out in Condition 25.5.

25.5 Confidentiality

25.5.1 The mediator and the Parties, their representatives and advisers and any person connected in any way with the mediation shall keep confidential the fact that the mediation is taking place, and its outcome, and all documents, submissions, statements, information and data including anything revealed orally or otherwise during the mediation and any settlement agreement except as may be necessary for implementation or enforcement of the settlement agreement.

25.5.2 All documents and information prepared by a Party for and disclosed in the mediation, and all discussions which take place with a party during the course of the mediation, shall be afforded the same protection from discovery as "Without Prejudice" negotiations in proceedings in court; provided that this shall not preclude any document, which may have been disclosed during the mediation but was not prepared solely for use in the mediation, from being discoverable in any proceedings.

25.6 Costs

25.6.1 The Parties shall unless they agree otherwise bear their own costs and expenses of whatsoever nature of the mediation.

25.6.2 The Parties shall bear the fees and expenses of the mediator and all administrative costs arising from the mediation equally.

25.7 Further proceedings

25.7.1 The mediator shall not act in any subsequent legal or similar proceedings in respect of the dispute in which he acted as mediator.

25.7.2 The mediator shall not be held liable for any act or omission unless it shall be shown that he has acted fraudulently or in bad faith.

25.8 Interlocutory relief

Nothing in this Condition 25 shall prevent any party from seeking interim or interlocutory relief in any court.

25.9 Expert determination

25.9.1 Where any provision of this Agreement provides, or the Parties have agreed, for a dispute or difference between the Parties to be referred to an independent expert (the "**Expert**") the provisions of this Condition 25.9 shall apply, and no Party shall commence proceedings in any court in respect of or otherwise in connection with such dispute.

25.9.2 The Parties agree that the Expert shall act as an expert and not as an arbitrator and shall decide those matters referred to him using his skill, experience and knowledge and with regard to all such other matters as he in his sole discretion considers appropriate.

25.9.3 If the Parties cannot agree upon the selection of an Expert, the Expert shall be determined by the President for the time being of the Law Society of England and Wales.

25.9.4 All references to the Expert shall be made in writing by either Party with notice to the other being given contemporaneously, and the Parties shall promptly supply the Expert with such documents and information as he may request when considering any referral.

25.9.5 The Expert shall be requested to use his best endeavours to give his decision upon the question before him as soon as possible in writing following its referral to him, his decision shall, in the absence of fraud or manifest error, be final and binding upon the Parties.

25.9.6 If the Expert wishes to obtain independent professional and/or technical advice in connection with the question before him:

- (a) he shall first provide the Parties with details of the name, organisation and estimated fees of the professional or technical adviser; and

- (b) he may engage such adviser with the consent of the Parties (which consent shall not be unreasonably withheld) for the purposes of obtaining such professional and/or technical advice as he may reasonably require.

25.9.7 The Expert shall not be held liable for any act or omission, and his written decision will be given without any liability on the Expert's part to either Party, unless it shall be shown that he acted fraudulently or in bad faith.

25.9.8 The Parties shall share equally his fees and expenses (including the fees and all reasonable expenses incurred by any technical or professional advisers) unless the Expert determines otherwise.

25.9.9 Save to the extent otherwise expressly provided herein pending the determination by the Expert, this Agreement shall continue to the extent possible for the Parties to perform their obligations under this Agreement.

25.10 Communications

25.10.1 Except where otherwise provided in this Condition 25 any notice, submission, statement or other communication relating to any dispute to be given pursuant to this Condition 25 shall be in writing.

25.10.2 No such notice, submission, statement or communication shall be given as a Batch Transfer Communication.

25.10.3 For the purposes of any limit under this Condition 25 on the length of any submission or statement or any attachment thereto a "page" is a single sided A4 sheet which may contain single spaced type in a normal font size.

25.11 To the extent that any Affiliate of a Customer or National Grid is entitled pursuant to Condition 26.7.2 to the benefit of this Agreement it shall be entitled to be party to a dispute in accordance with this Condition 25.

26 GENERAL

26.1 National Grid performance

26.1.1 In relation to exercising its discretions and performing obligations under this Agreement National Grid shall at all times:

- (a) act to the standard of an RPO in the performance of the Adversarial Meter Works pursuant to this Agreement; and
- (b) act reasonably and in good faith in its dealings with the Customer.

26.1.2 For the avoidance of doubt the operation of this Condition 26.1 shall not prevent National Grid from performing any obligation under this Agreement.

26.2 Waiver

26.2.1 No delay by or omission of any Party in exercising any right, power, privilege or remedy under this Agreement shall operate to impair such right, power, privilege or remedy or be construed as a waiver thereof.

26.2.2 Any single or partial exercise of any such right, privilege or remedy shall not preclude any other or future exercise thereof or the exercise of any other right, power, privilege or remedy.

26.3 Language

Every Metering Communication, and every notice or other communication to be given by one Party to another under this Agreement, shall be in the English language.

26.4 Severance

If any provision of this Agreement is or becomes invalid, unenforceable or illegal, or is declared to be invalid, unenforceable or illegal by any court of competent jurisdiction or by order of any other Competent Authority, such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of this Agreement, which shall continue in full force and effect notwithstanding the same.

26.5 Entire Agreement

26.5.1 The documents listed in (a), (b) and (c) below contain or expressly refer to the entire agreement between the Parties with respect to the subject matter hereof, and supersede all previous agreements or understandings between the Parties with respect thereto and any warranty, condition or other term implied at law or by custom is (to the fullest extent permitted by law) expressly excluded therefrom:

- (a) the Provision and Maintenance Agreement; and
the Network Metering Equipment Agreement;

- (b) the relevant Meter Works Conditions;
the Rainbow System User Agreement; and
the Metering Agreements Modification Provisions;

- (c) the Rainbow MAM Manual;
Enhanced IX Operational Guidelines for use with Rainbow;
Standards of Service Query Management Operational Guidelines;
Meter Credit Rules;
National Grid Metering Charges;
Web Portal User Guidelines;
Rainbow System Validation Document;
Contingency Procedures; and
Management of External Access to Rainbow.

26.5.2 In the event of conflict between the documents listed in (a), (b) and (c), the document listed in (a) shall take precedence over the documents listed in (b) and (c) and the documents listed in (b) shall take precedence over the documents listed in (c).

26.5.3 It shall be an obligation of National Grid or the Customer to comply with a provision of the Rainbow MAM Manual where such provision is expressly identified in the Rainbow MAM Manual as one which is made binding on National Grid or the Customer by any of the documents listed in Condition 26.5.1(a) and (b) and not otherwise, but it is acknowledged that as respects all provisions of the Rainbow MAM Manual (whether or not made binding by such documents) the Customer may be unable to make a Batch Transfer Communication (and so may be unable to exercise an entitlement to make a Metering Communication required to be made as such) where the Customer does not comply with such provisions.

26.5.4 Each Party acknowledges that in entering into this Agreement it does not rely on any representation, warranty or other understanding not expressly contained in this Agreement.

26.5.5 Nothing contained in a document referred to in this Agreement beyond what is expressly contemplated by this Agreement as being contained in such document or is necessary for the purposes of giving effect to a provision of this Agreement shall modify or have any effect for the purposes of this Agreement or be construed as relevant to the interpretation of this Agreement.

26.6 Jurisdiction

26.6.1 Subject to Condition 25, the Parties irrevocably agree that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding (collectively "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts.

26.6.2 Each Party irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any Proceedings in any such court as is referred to in Condition 26.6.1 and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in the English courts shall be conclusive and binding upon such Party and may be enforced in the courts of any other jurisdiction.

26.6.3 The Customer agrees that if it is not a company incorporated under the Companies Act 1985 it shall provide to National Grid an address in England or Wales for service of process on its behalf in any Proceedings.

26.7 Third Party Rights

26.7.1 Except as provided in Condition 26.7.2 and subject to any rights which may accrue to any successor or permitted assign of the Parties, no provision of this Agreement or any Contract made hereunder shall or may be construed as creating any rights enforceable by a third party (whether under the Contracts Act or otherwise) and all third party rights as may be implied by law (whether under the Contracts Act or otherwise) are hereby excluded to the fullest extent permitted by law from this Agreement and any Contract made hereunder.

26.7.2 The benefit of Condition 14 insofar as and to the extent related to the subject matter of this Agreement shall be conferred on each and any Affiliate of each Party from time to time, and such Affiliate(s) shall have the benefit of Condition 14 under the Contracts Act.

26.7.3 No consent shall be required from any person having rights under this Agreement by virtue only of the Contracts Act to any amendment, variation, waiver or settlement of this Agreement or any right or claim arising from or under it which (in each case) has been agreed by any party to it.

26.8 Standards

National Grid will comply with the various standards contained in and more particularly described in paragraph 6 of Schedule One in respect of activities performed by National Grid pursuant to this Agreement.

26.9 Governing law

This Agreement and any Contract made hereto shall be governed by, and construed in all respects in accordance with, English law.

26.10 Further assurance

Subject to the terms and conditions of this Agreement, each Party agrees to use its reasonable endeavours at its own cost to do or cause to be done all things necessary, proper or advisable under the applicable laws and regulations to consummate the transactions contemplated by this Agreement as expeditiously as possible, including, without limitation, the performance of such further acts or the execution and delivery of any additional deeds, instruments or documents to obtain any permits, approvals, licences or waivers required for the purposes of this Agreement and the transactions contemplated hereby.

26.11 Counterparts

This Agreement may be executed by the Parties on separate counterparts, each of which when executed and delivered shall constitute an original but the counterparts shall together constitute both one and the same instrument.

26.12 Sub Contracting

26.12.1 National Grid shall be entitled to sub-contract the whole or any part of the AMW to be performed under a Contract. Any such sub-contracting by National Grid will not relieve National Grid from any liability or obligation under the Contract.

26.12.2 The Customer may reasonably request that National Grid notify it of the contractors (if any) that National Grid have engaged for the Contract and in the event that the Customer reasonably objects to the engagement of such contractor, National Grid shall reasonably consider using alternative contractors (where available pursuant to National Grid's usual commercial arrangement and practices) and in the event that National Grid does not propose an alternative contractor reasonably acceptable to the Customer, the Customer may terminate the Contract in accordance with Condition 16.3(e).

26.12.3 The Customer shall be entitled to sub-contract the whole or any part of its obligations under the Contract. Any such sub-contracting by the Customer will not relieve the Customer from any liability or obligation under the Contract.

26.13 Survival

The provisions of this Agreement and any Contract made hereunder that by their nature or from their context are intended to, or would naturally, continue to have effect after termination of this Agreement or such Contract shall survive after termination.

26.14 Commencement

This Agreement shall be effective on the date (the "**Effective Date**") on which the last of the following occurs:

- (a) signature of the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) by National Grid and the Customer;
- (b) the Customer Accession Date;
- (c) the implementation date of the Network Code modifications 672, 673, 674, 675, 677 and 678 (the "**Implementation Date**"); and
- (d) signature of this Agreement by National Grid and the Customer.

27. MODIFICATION SCHEDULE

The coming into effect of Schedule Four, Parts A (Initial Amendments) and B (Consequential Amendments Upon Transfer/Assignment by National Grid) shall be conditional upon the entering into by National Grid, the Customer and UMS of the Tripartite Agreement, whereupon:

27.1 Schedule Four, Part A (Initial Amendments) shall be effective on and from the date specified in the Tripartite Agreement; and

27.2 Schedule Four, Part B (Consequential Amendments Upon Assignment/Transfer by National Grid) shall be effective subject to and in accordance with Condition 22.10(a) (as inserted by Schedule Four, Part A).

IN WITNESS WHEREOF the Parties by their duly authorised representatives have this day set their hand.

SIGNED for and on behalf of
National Grid Gas plc

Signature:

Name:

Position:

SIGNED for and on behalf of
«Registered_Company_Name»

Signature:

Name:

Position:

SCHEDULE ONE
ADVERSARIAL METER WORKS

1. Scope

The Parties acknowledge and agree that there will be instances where the NGO will be required to work outside his/her normal geographical work area, although all NGO travelling time between jobs will be included in the AMW Hire Period. The use of different National Grid Operatives to accommodate a wide geographical spread of work addresses will be considered to be separate AMW Hire Periods.

2. General Inclusions

2.1 The following items are included in Adversarial Meter Work except where expressly stated otherwise:

- (a) provision of an Emergency Control Valve cap (where required);
- (b) the provision of a suitable Emergency Control Valve clamp and lock (where required);
- (c) for Meters with a badged capacity of less than 11 SCMH, Purging and relighting gas appliances downstream of the Metering Equipment;
- (d) removal of any surplus National Grid materials from the Site (including barriers and any hazardous substances);
- (e) the removal from the premises of Meters and/or Ancillary Equipment not owned by National Grid or the Consumer that have been removed during the course of the AMW, storage of the same at a collection location and notifying the owner of the Meter (where reasonably practicable to do so or, where not reasonably practicable, the Customer) that it is available for collection. In the event that the Meter and/or Ancillary Equipment is not collected within one calendar month of notification National Grid shall dispose of such Meter as it deems appropriate.

2.2 National Grid shall undertake Adversarial Meter Work referred to in paragraph 2.1:

- (a) in accordance with applicable legal requirements including and without limitation the Gas Meters (Information on Connection and Disconnection) Regulations 1996) and the Gas Safety (Installation and Use) Regulations 1998;

- (b) in accordance with National Grid's health, safety and environmental policies from time to time in force;
- (c) by an Ofgem Approved Meter Installer who is, where appropriate, Gas Safe registered;
- (d) (where applicable) to the requirements detailed in Ofgem Codes of Practice COP/1a, COP/1b and COP/1c.

3. General Exclusions

Unless specifically agreed between National Grid and the Customer the AMW shall not include:

- (a) the inspection, disconnection, alteration or making safe of Installation Pipework;
- (b) making good cosmetic surfaces, plasterwork and decoration;
- (c) undertaking AMW outside of AMW Working Hours;
- (d) AMW in respect of a Meter that may be supplying a sub-deduct arrangement.

4. Purge and Make Safe

If so requested by the Customer in the Quotation Request for Non Standard Work, National Grid will (when carrying out the AMW and when reasonably practicable to do so) Purge and make safe the Installation Pipework on a time and materials basis as set out in the Quotation and subject to Condition 2.4.3.

5. AMW Job Types

5.1 Type: ECV clamp installation.

Description: Provide and install Emergency Control Valve clamp.

Conditions: Where the Meter is not to be removed ECV diameter to be no greater than 25.4 mm.

5.2 Type: ECV clamp removal.

Description: Removal of Emergency Control Valve clamp.

Conditions: Where the work is undertaken on the same day as clamp installation at that address by the same National Grid Operative.

5.3 Type: Security collar installation.

Description: Provision and installation of a Meter security collar to a nominated Meter.

Conditions: Meter to have a badged capacity of less than 11 SCMH.

5.4 Type: Meter exchange.

Description: Credit Meter or Prepayment Meter exchange.

Conditions: Where the Customer's Representative confirms the Customer has authority to procure the work.

5.5 Type: Meter removal.

Description: Removal of Meter and capping of the Emergency Control Valve.

5.6 Type: National Grid Meter reinstallation.

Description: Reinstallation of a National Grid owned Credit Meter or Prepayment Meter.

Conditions: Only undertaken on the same day as the Meter was removed from the Consumer's Premises and by the same NGO who performed the removal.

5.7 Type: Meter Blanking.

Description: Fit a cap or blank flange to prevent the flow of gas through the Metering Equipment.

Conditions:

- (a) the making safe the Installation Pipework to be the Customer's responsibility;
- (b) National Grid will decide the most suitable location to fit the cap or blank flange to either the Metering Equipment or Emergency Control Valve;

- (c) the gas supply can be left in a safe condition and, where required, the Customer has:-
 - (i) made arrangements to Purge and make safe the Installation Pipework and any attached appliances; and
 - (ii) warranted to National Grid that the above arrangements have been made; or
 - (iii) requested National Grid to undertake the Purging and making safe of the Installation Pipework and any attached appliances;
- (d) the works do not require the physical removal of Metering Equipment from the current location.

5.8 Type: Meter Spading.

Description: Fit a spade to prevent the flow of gas through the Metering Equipment.

Conditions:

- (a) the making safe the Installation Pipework to be the Customer's responsibility;
- (b) National Grid will decide the most suitable location to fit the spade in the Metering Equipment;
- (c) the gas supply can be left in a safe condition and, where required, the Customer has:
 - (i) made arrangements to Purge and make safe the Installation Pipework and any attached appliances; and
 - (ii) warranted to National Grid that the above arrangements have been made; or
 - (iii) requested National Grid to undertake the Purging and making safe of the Installation Pipework and any attached appliances.
- (d) the works do not require the physical removal of Metering Equipment from the current location;
- (e) the Meters have a badged capacity of not less than 11 SCMH.

5.9 Type: Purging.

Description: Purging of Consumer owned Installation Pipework in the course of the AMW activity and/or fitting a cap, blank flange or spade.

Conditions:

- (a) the Customer is to facilitate National Grid access to the Site at least 4 Working Days in advance of a Quotation being issued by National Grid; or
- (b) where the Customer cannot facilitate access in advance of the production of a Quotation or prior to the Adversarial Meter Works taking place, National Grid will undertake Purging on a time and materials basis.

6. Standards of Service

National Grid shall comply with the obligations and standards of service arising from and in accordance with the following parts of the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable):

- (a) Schedule Two, Part B (other standards of service: Operational Queries); and
- (b) Schedule Two, Part C (standards of service: Updating Relevant Meter Information)

PROVIDED THAT any action or payment made in satisfaction of such obligation pursuant to the Provision and Maintenance Agreement or the Network Metering Equipment Agreement (as applicable) shall be deemed to be full satisfaction of such obligation pursuant to this Agreement and Contracts made hereunder, and vice versa.

**SCHEDULE TWO
INVOICING AND PAYMENT**

1. INVOICING

1.1 Introduction

1.1.1 The amounts payable by the Customer to National Grid and by National Grid to the Customer in accordance with this Agreement and any Contract will be invoiced and payable in accordance with this Schedule Two.

1.1.2 National Grid will submit to the Customer Invoice Documents in respect of each Billing Period in accordance with this Schedule Two.

1.1.3 For the purposes of this Schedule Two:

- (a) subject to paragraph 2.4.8, a "**Billing Period**" is a calendar month;
- (b) a "**Billing Day**" is a Day in a Billing Period;
- (c) an "**Invoice Document**" is an invoice document submitted electronically by National Grid to the Customer pursuant to this Schedule Two;
- (d) an "**Invoice Item**" is an item (in respect of all charges of a particular kind) shown as payable by National Grid or by the Customer in an Invoice Document (including where relevant a Self-Bill Amount in accordance with paragraph 1.1.4);
- (e) the "**Invoice Amount**" in relation to an Invoice Item is the amount shown as payable by the Customer or National Grid in respect of that item under the relevant Invoice Document;
- (f) the "**Post Code Out-Code**" is the first two to four alpha numeric characters of the post code;
- (g) "**Geographic Zone**" is a zone of a geographic area defined by National Grid by reference to Post Code Out-Code.

- 1.1.4 An Invoice Document may show as an Invoice Amount an amount (a "**Self-Bill Amount**") payable by National Grid to the Customer in respect of which Regulation 13(3) of the Value Added Tax Regulations 1995 shall apply.
- 1.1.5 An Invoice Document may contain an adjustment by way of credit ("**Invoice Credit**") in respect of an Invoice Amount in another Invoice Document.
- 1.1.6 An Invoice Document shall take effect as a separate invoice in respect of each Invoice Item, but without prejudice to paragraph 4.
- 1.1.7 No delay by National Grid in submitting an Invoice Document shall prejudice the liability (once such Invoice Document has been submitted) of National Grid or the Customer for the amounts subject thereto.

1.2 **Invoice Types**

- 1.2.1 For each Billing Period separate Invoice Documents (as described in paragraph 1.2.2) will be submitted to the Customer in respect of amounts payable (if any).
- 1.2.2 The types (each an "**Invoice Type**") of Invoice Documents to be submitted are Asset Works Invoices, Asset Works Ad-Hoc Invoices and PALD Invoices.

1.3 **Form and content of Invoice Document**

- 1.3.1 Each Invoice Document will specify those items set out as mandatory in the Rainbow MAM Manual.
- 1.3.2 An Invoice Document which contains an Invoice Credit will also identify the Invoice Document and Invoice Item to which the Invoice Credit relates and the amount of the Invoice Credit unless otherwise agreed by the Customer and National Grid.
- 1.3.3 Each Invoice Document will be accompanied by a remittance advice ("**Invoice Remittance Advice**"), to be completed by the Customer in accordance with paragraph 3.4.
- 1.3.4 Invoice Documents will be submitted to the Customer by Batch Transfer Communications in the form and manner described in the Rainbow MAM Manual, and will be accompanied by the supporting data specified in respect of each Invoice Item.

1.4 Invoice timing

1.4.1 Subject to paragraphs 1.4.2, 1.6 and 2.4.7, Invoice Documents of different Invoice Types will be submitted on the 12th Working Day after the Billing Period ("**Invoice Submission Date**") to which they relate.

1.4.2 Subject to paragraphs 1.6 and 2.4.7, National Grid will inform the Customer:

- (a) upon not less than 3 months notice of the Invoice Submission Date;
- (b) upon becoming aware that such delay will occur, of any delay of more than 1 Working Day (by reference to such Invoice Submission Date) in the submission of an Invoice Document in respect of a particular Billing Period (but National Grid may not by notifying such delays avoid the requirements under paragraphs (a) and 1.4.3).

1.4.3 Subject to Paragraph 1.6, National Grid will not change the Invoice Submission Date of Invoice Documents of a particular Invoice Type more than once in any period of 12 months.

1.5 Value Added Tax

All amounts expressed as payable by the Customer or National Grid pursuant to this Agreement or any Contract made hereunder, and whether the amount thereof is set out in this Agreement or any Contract made hereunder or determined by reference to the National Grid Metering Charges, or otherwise, are exclusive (unless expressly otherwise stated) of any applicable Value Added Tax (and accordingly Value Added Tax shall be paid by the paying party where payable in respect of any such amount).

1.6 Termination

1.6.1 Notwithstanding paragraph 1.4, National Grid may, at any time, after termination of a Contract in accordance with Condition 16, submit to the Customer any Invoice Document in respect of any Billing Period or part of a Billing Period ending at or before the time at which National Grid submits such Invoice Document.

1.6.2 Where National Grid has terminated a Contract in accordance with Condition 16, all amounts payable by the Customer to National Grid or by National Grid to the Customer (whether the Invoice Document in which such amounts are shown was

submitted before or after the date of such termination) in respect of such Contract shall be immediately payable notwithstanding paragraph 3.1.

1.7 Invoice adjustment

- 1.7.1 Subject to paragraph 1.7.5, where it appears to National Grid that any Invoice Amount has been incorrectly stated in an Invoice Document, the Invoice Amount may be adjusted by an Asset Works Ad-Hoc Invoice submitted by National Grid in accordance with paragraph 2.4 (and National Grid will not be required to revise and resubmit the original Invoice Document).
- 1.7.2 An adjustment (by way of debit) representing an increase in an Invoice Amount shall be a new Invoice Amount in respect of which the Invoice Due Date will be the Invoice Due Date of the relevant Asset Works Ad-Hoc Invoice.
- 1.7.3 As soon as reasonably practicable after any Invoice Query is resolved, and in any event by the end of the second month following the month in which the Invoice Query was resolved, National Grid will submit to the Customer an appropriate Asset Works Ad-Hoc Invoice in respect of the amount (if any) agreed or determined to be payable or repayable by National Grid or the Customer.
- 1.7.4 As soon as reasonably practicable after any Invoice Query is resolved, and in any event by no later than the last Day in the third month following the month in which the Invoice Query was resolved, National Grid will prepare and submit to the Customer an appropriate Asset Works Ad-Hoc Invoice in respect of the amount (if any) of interest payable by National Grid or the Customer in respect of such Invoice Query.
- 1.7.5 In the absence of fraud, after the expiry of 24 months (or any other period agreed between National Grid and the Customer) after the Invoice Due Date (in accordance with paragraph 3.1) in respect of any Invoice Document:
- (a) no adjustment may be made to an Invoice Amount under that Invoice Document, other than:
 - (i) an adjustment of which National Grid had given notice to the Customer, or
 - (ii) an adjustment pursuant to an Invoice Query raised by the Customer (in accordance with paragraph 4) before the expiry of such period;

- (b) no Invoice Query may be raised in respect of the Invoice Document; and
 - (c) the Invoice Document shall (subject to any adjustments already made and any permitted under paragraph (a)) be deemed to be final and conclusive as to the amounts shown as payable thereunder.
- 1.7.6 The provisions of this Schedule Two whereby an Invoice Amount may be adjusted or an Invoice Query raised are without prejudice to the provisions of this Agreement or any Contract made hereunder.
- 1.7.7 Where National Grid identifies that the basis upon which an Invoice Amount has been calculated is in error (where such error was identified by reference to an Invoice Amount in an Invoice Document of the Customer only and not in respect of any other National Grid Customer) and such error has resulted in:
- (a) an overpayment by the Customer to National Grid then National Grid shall make the appropriate adjustment to repay to the Customer any such amount due; or
 - (b) an underpayment to National Grid from the Customer then National Grid shall make the appropriate adjustment to recharge the Customer any amount owed;
 - (c) and such adjustment shall be made retrospectively in accordance with this paragraph 1.7 in respect of all such Invoice Amounts so affected provided that no adjustment will precede the Effective Date.

2 INVOICE TYPES AND SUPPLEMENTARY DATA

2.1 General

- 2.1.1 Asset Works Invoices, Asset Works Ad-Hoc Invoices and PALD Invoices are Invoice Documents of the Invoice Types described in paragraphs 2.2 and 2.4.1 of this Schedule Two and the Rainbow MAM Manual.
- 2.1.2 Subject to paragraphs 2.1.3 and 2.1.4 the Invoice Items to be comprised in each of the Invoice Types referred to in paragraph 2.1.1 are set out in the Rainbow MAM Manual.
- 2.1.3 Upon not less than 3 months notice to the Customer, National Grid may include in any Invoice Document of an Invoice Type referred to in paragraph 2.1.1 Invoice Items

which previously were or would have been contained in an Asset Works Ad-Hoc Invoice (but for the avoidance of doubt only in respect of Invoice Items in respect of charges payable pursuant to this Agreement or any Contract made hereunder).

2.1.4 Any amount which would otherwise be an Invoice Item within an Invoice Type in the Rainbow MAM Manual, may be contained in an Asset Works Ad-Hoc Invoice.

2.2 Asset Works Invoice

Description:

An Asset Works Invoice is an Invoice Document for Adversarial Meter Works undertaken for a given Billing Period. As well as providing overall totals, the Invoice Document also supplies details of:

- (a) the total charges for each Geographic Zone;
- (b) the total charges for each transaction type (i.e. FIX XX CR) within a Geographic Zone for each VAT rate;
- (c) job level detail and charges for all transactions that comprise (b).

2.3 Interest

Invoice Amounts representing interest payable pursuant to paragraph 3.5 by the Customer or National Grid in respect of an Invoice Amount under any Invoice Document (including an earlier such Invoice) will be contained in the Asset Works Ad-Hoc Invoice.

2.4 Asset Works Ad-Hoc Invoice

2.4.1 Description:

An Asset Works Ad-Hoc Invoice is an ad hoc Invoice Document for Adversarial Meter Works undertaken for a given Billing Period. The Invoice Document consists of one-off Adversarial Meter Works charges not covered by the Asset Works Invoice (AWI) (i.e. interest, liquidated damages), adjustments to charges resulting from one-off retrospective transactional price changes, and credit and debit charges for items from previous Billing Periods that were incorrectly billed. In addition to providing overall totals, this Invoice Document also supplies details of:

- (a) the total charges for each Geographic Zone;
 - (b) the total charges for each transaction type (i.e. FIX XX CR) within a Geographic Zone for each VAT rate;
 - (c) the total charges (original and revised amounts) for each transaction type that comprise (b).
- 2.4.2 National Grid may submit an Asset Works Ad-Hoc Invoice to the Customer at any time in respect of any amount (not included in another Invoice Type) which, at any time prior to the submission of such Invoice Document, becomes payable or repayable by the Customer or National Grid to the other pursuant to this Agreement or any Contract made hereunder.
- 2.4.3 An Asset Works Ad-Hoc Invoice may also contain adjustments (by way of credit or debit) in respect of any Invoice Amount.
- 2.4.4 National Grid will submit (as an Asset Works Ad-Hoc Invoice) an Invoice Document in respect of amounts becoming payable by National Grid to the Customer pursuant to this Agreement or any Contract made hereunder as soon as reasonably practicable after the month in which the liability to pay such amounts accrues.
- 2.4.5 The liability of National Grid pursuant to any provision referred to herein to make any payment to the Customer is without prejudice to the Customer's liability for any charge payable to National Grid, and National Grid shall not be entitled to discharge its liability by releasing the Customer from any such liability of the Customer; and National Grid shall secure that (where relevant) the Invoice Amounts in relevant Asset Works Ad-Hoc Invoices are stated accordingly.
- 2.4.6 An Asset Works Ad-Hoc Invoice may contain Invoice Amounts (or Invoice Credits in respect of Invoice Amounts) accruing (before such invoice is submitted):
- (a) in the calendar month in which the Invoice Document is submitted, and/or
 - (b) in more than one calendar month.
- 2.4.7 The Asset Works Ad-Hoc Invoice will normally be issued on the 12th Working Day in each calendar month but more than one such Invoice Document may, however, be submitted to the Customer on different Working Days in the same calendar month.

2.4.8 A reference to a Billing Period in the context of an Asset Work Ad-Hoc Invoice is to the period from the date of accrual of the first to that of the last accruing Invoice Amount contained in such Invoice Document.

2.5 **PALD Invoice**

Description:

An Invoice for Pre Appointment Liquidated Damages covering the provision, maintenance and installation of Metering Equipment for a given Billing Period. In addition to providing overall totals, this Invoice Document also provides details of:

- (a) the total charges for each Geographic Zone;
- (b) the total charges for each charge item (i.e. P, I or M) within a Geographic Zone for each VAT rate;
- (c) the total charges, number of assets and chargeable Days for those assets for each band. For the avoidance of doubt, a PALD Invoice shall not be valid in the absence of the relevant supplementary data files.

2.6 Invoice Documents and their supplementary data files will be issued in accordance with the Rainbow MAM Manual.

3 INVOICE PAYMENT

3.1 Invoice Due Date

3.1.1 Subject to paragraph 4.2.2, the Invoice Amounts under each Invoice Document shall be paid (by the Customer to National Grid or by National Grid to the Customer, as the case may be) on or before the Invoice Due Date.

3.1.2 The "**Invoice Due Date**" in respect of an Invoice Document is the Day ending at 24:00 hours on:

- (a) in the case of an Asset Works Invoice, an Asset Works Ad-Hoc Invoice or a PALD Invoice subject to paragraph (b) the 30th Day after the day on which the Invoice Document was deemed to be received.

(b) where the Day determined under paragraph (a) (the "**Target Due Date**") is not a Working Day:

(i) subject to paragraph (ii), the Working Day (whether before or after the Target Due Date) which is nearest to the Target Due Date, or

(ii) if the nearest Working Days before and after the Target Due Date are equally near, the nearest Working Day after the Target Due Date.

3.1.3 An Invoice Document will be deemed to have been received when National Grid has received Enhanced IX confirmation in accordance with the Rainbow System User Agreement from the Customer.

3.2 Payment details

3.2.1 Payment of any amount payable under this Agreement or any Contract made hereunder shall be made in pounds sterling (or in any currency which is legal tender in the United Kingdom at the time of payment) in same Day funds to the account of the payee at a bank in the United Kingdom notified to the paying party in accordance with paragraph 3.2.2.

3.2.2 National Grid will notify the Customer, and the Customer shall notify National Grid, of the account name and number, and the name, address and sort code of the account bank, to which payments to National Grid by the Customer or (as the case may be) to the Customer by National Grid are to be made, within 5 Working Days after the Customer Accession Date, and of any change in such details not less than 30 Days before such change occurs.

3.2.3 The payer shall instruct the bank remitting payment of any amount payable under this Agreement or any Contract made hereunder to quote the number (under paragraph 1.3.1) of the relevant Invoice Document to the payee's bank when remitting such payment.

3.3 Deductions, withholdings, taxes etc

3.3.1 Without prejudice to paragraph 4.2.2, amounts payable under this Agreement or any Contract made hereunder shall be paid:

(a) free and clear of any restriction, reservation or condition, and

- (b) except to the extent (if any) required by law:
 - (i) without deduction or withholding in respect of tax, or
 - (ii) without deduction or withholding on account of any amount due or to become due to the paying party, whether by way of counterclaim or otherwise except where one Party ("the **Paying Party**") has incurred any liability to pay any amount due to the other Party, then such other Party may set off the amount of such liability against any sum that would otherwise be due to the Paying Party under this Agreement or any Contract made hereunder.

3.3.2 If, in respect of a payment to be made to National Grid by the Customer, any deduction or withholding is required to be made by the law of any country other than a country of the United Kingdom, the Customer shall:

- (a) ensure that the amount of such withholding or deduction does not exceed the minimum so required;
- (b) forthwith pay National Grid such additional amounts as will ensure that the net amount received by National Grid will be equal to that which would have been received had no deduction or withholding been made; and
- (c) pay the amount withheld or deducted to the relevant authority in accordance with the relevant requirement of law, and provide to the payee a receipt issued by such authority or (if such a receipt is not available) a certificate in respect of such payment. To the extent that National Grid recovers from the relevant authority any withheld or deducted amount then as soon as reasonably practicable following receipt of the same it shall remit any such recovery to the Customer.

3.4 **Remittance advice**

3.4.1 Where payment of any amount is made pursuant to an Invoice Document, the Customer shall complete and submit electronically to National Grid the Invoice Remittance Advice not later than the Day on which payment is to be made (but no inability of the Customer to do so shall affect its obligation to make payment).

3.4.2 The completed Invoice Remittance Advice shall specify:

- (a) the date when payment is to be made;
- (b) the amounts payable to National Grid, by reference to each Geographic Zone specified in the Invoice Document, in respect of which the payment is to be made, and the total amount to be paid;
- (c) any amount or amounts, by reference to each Geographic Zone within each geographic area in respect of which payment is not being made pursuant to paragraph 4.2.2.

3.4.3 Where National Grid makes payment of any amount pursuant to an Invoice Document, National Grid will not later than the date on which payment is made notify the Customer of details equivalent to those to be specified in an Invoice Remittance Advice pursuant to paragraph 3.4.2 (but no inability of National Grid to do so shall affect its obligation to make payment).

3.4.4 Where National Grid or the Customer makes payment under more than one Invoice Document on the same Day, it shall secure that a separate remittance is made in respect of each Invoice Document.

3.4.5 Where the Invoice Document number is not quoted with any remittance made by or on behalf of the Customer (in accordance with paragraph 3.4.4), and/or no Invoice Remittance Advice corresponding to the remittance is submitted National Grid will endeavour to obtain the Customer's instructions (by telephone or facsimile) as to the application thereof; but if it has not (by the Working Day following the Day of the remittance) obtained such instructions, National Grid will at its discretion either:

- (a) apply the amount remitted to or towards Invoice Amount(s) in order of Invoice Due Date (the earliest first) and proportionately as between Invoice Amounts with the same Invoice Due Date, but applying such amount last to any Invoice Amounts which are subject to an Invoice Query; or
- (b) allocate such amount into a suspense account where it will be held until receipt by National Grid of an amount equivalent to the amount specified in the Invoice Remittance Advice corresponding to the remittance.

3.5 Late payment

3.5.1 Without prejudice to Condition 16, where any amount payable under an Invoice is not paid on or before the Invoice Due Date, the paying party shall pay interest, after as

well as before judgment, at the Applicable Interest Rate, on the unpaid amount from the Invoice Due Date until the Day on which payment is made.

3.5.2 For the avoidance of doubt paragraph 3.5.1 shall not be construed as permitting late payment of any Invoice Amount.

3.5.3 Where in relation to any amount (or amounts in aggregate) of not less than £10,000 which has become due for payment by the Customer under this Agreement or any Contract made hereunder (excluding for the avoidance of doubt amounts the subject of an Invoice Query which by virtue of paragraph 4.2 have not become due for payment) the Customer has not paid the amount in full by the due date for payment, National Grid reserves the right to:

- (a) refuse to undertake any further Adversarial Meter Works;
- (b) suspend any Adversarial Meter Works in progress.

3.6 **Interest**

3.6.1 Where pursuant to any provision of this Schedule Two interest is payable by National Grid or the Customer, such interest shall accrue on a daily basis and on the basis of a 365 Day year.

3.6.2 Interest payable under this Schedule Two will be compounded and invoiced in an Asset Work Ad-Hoc Invoice, late payment of which will itself be subject to interest under this paragraph 3.6.

3.6.3 The "**Applicable Interest Rate**" is the rate of interest, expressed as a percentage rate per annum, payable in respect of amounts overdue for payment, or subject to repayment, under this Agreement or any Contract made hereunder.

3.6.4 The Applicable Interest Rate shall be the base rate for the time being of Barclays Bank plc plus 3 percentage points per annum.

3.7 **Statement of account**

3.7.1 National Grid will provide to the Customer not less than each month a statement of account sent by electronic means showing, by reference to individual Invoice Documents (but not individual Invoice Items) and in aggregate:

- (a) the amounts shown under paragraph (d) in the preceding statement of account (if any) as payable by the Customer or National Grid;
- (b) the amounts shown as payable by the Customer or National Grid under Invoice Documents submitted to the Customer since the date of the preceding statement of account (if any), including any amount for which the Invoice Due Date is after the date of the statement of account for the current month;
- (c) the amounts paid by the Customer or National Grid since the date of the preceding statement of account (if any) that remain unallocated as at the date that such statement is produced (if any);
- (d) the sum of the amounts shown under paragraphs (a) and (b) less the amounts shown under paragraph (c).

3.7.2 Each statement provided under paragraph 3.7.1 shall state that it is not a tax invoice for Value Added Tax purposes.

3.7.3 No payment obligation of the Customer or National Grid shall be affected by any delay or failure by National Grid in producing a statement of account.

3.8 Late Payment of Commercial Debts (Interest) Act 1998

The Parties agree that the provisions of paragraph 3.6 constitute a substantial remedy for late payment of any sum due under this Agreement or any Contract made hereunder. The parties further agree that the provisions of the Late Payment of Commercial Debts (Interest) Act 1998, and any orders or regulations made pursuant thereto, as to rates of interest or credit periods shall not apply to this Agreement or any Contract made hereunder.

4 INVOICE QUERIES AND ANNUAL RECONCILIATION PROCESS

4.1 Invoice Queries

4.1.1 For the purposes of this Schedule Two an "**Invoice Query**" is any question or dispute as to the proper calculation of any amount shown as payable by the Customer or National Grid under an Invoice Document or as to whether any such amount is or was properly payable and references to the amount of an Invoice Query are to the amount by which the Customer submitting the Invoice Query considers the Invoice Amount to be incorrect.

- 4.1.2 The Customer may notify an Invoice Query, in accordance with the Rainbow MAM Manual providing the agreed set of mandatory information for the particular query code.
- 4.1.3 National Grid and the Customer will endeavour to resolve Invoice Queries by agreement.
- 4.1.4 Any reference in this Schedule Two:
- (a) to the resolution of an Invoice Query is a reference to the resolution thereof by agreement (at any time) between National Grid and the Customer or by determination thereof (in accordance with paragraph (b));
 - (b) to the determination of an Invoice Query is a reference to the outcome of any proceedings commenced by National Grid or the Customer in respect thereof.
- 4.1.5 In paragraph 4.1.6. 'appropriate resources' shall mean the application by National Grid in respect of an Invoice Query, of available resources that are commensurate with and appropriate to the value of the Invoice Query.
- 4.1.6 In relation to an Invoice Query, for which there exists an an operational agreement with the Customer to undertake sample checking with a view to agreeing resolution of the total value of the Invoice Query:
- (a) where it has not been possible to resolve the Invoice Query by applying appropriate resources; or
 - (b) National Grid is of the opinion that the Invoice Query will not be resolved by applying appropriate resources;
- National Grid shall, where agreed with the Customer, calculate, in accordance with the operational agreement an estimated value for the Invoice Amount which is the subject of the Invoice Query.
- 4.1.7 Without prejudice to paragraph 4.1.4 where National Grid calculates an estimated value for the amount of an Invoice Query in accordance with paragraph 4.1.6, the Invoice Query shall be held to have been resolved on the basis of such estimated value, which estimated value shall be deemed to be final and conclusive as to the proper calculation of the amount payable.

4.2 Invoice Queries before payment

4.2.1 Where the Customer wishes to raise any Invoice Query in respect of an amount shown as payable by the Customer under an Invoice Document, the Customer may, not later than the Day before the Invoice Due Date, notify (in accordance with paragraph 4.1.2) such Invoice Query to National Grid, specifying those items set out as mandatory in the Rainbow MAM Manual.

4.2.2 Where the Customer raises an Invoice Query:

(a) in accordance with the requirements of paragraph 4.2.1 (but not otherwise), the amount of the Invoice Amount which is subject to the Invoice Query (in accordance with the mandatory explanation item listed in the Rainbow MAM Manual) shall not be payable on the Invoice Due Date, but without prejudice to paragraph 4.2.4;

(b) containing less than the required mandatory information in accordance with paragraph 4.2.1:

(i) the Customer shall, no later than 10 Working Days after the original submission, provide to National Grid the details which were omitted;

(ii) to the extent that the Customer does not comply with paragraph (i), the suspension of the Customer's obligation to pay shall cease to apply.

4.2.3 Except as provided in paragraph 4.2.2, but without prejudice to paragraph 4.3.1, the whole amount shown as payable by the Customer in any Invoice Document shall be payable on the Invoice Due Date.

4.2.4 Where pursuant to paragraph 4.2.2 any amount is not paid on the Invoice Due Date by the Customer, the amount (if any) which is agreed or determined (following resolution of the Invoice Query) to be payable by the Customer shall be payable upon such resolution, and interest from the Invoice Due Date shall be payable in accordance with paragraph 3.5 on such amount.

4.2.5 Where, by reason of a delay in the preparation or submission of any Invoice Documents National Grid submits to the Customer, in the same month, Invoice Documents of the same Invoice Type (other than the Invoice Types referred to in

paragraph 4.2.6) in respect of several Billing Periods to the Customer, paragraph 4.2.6 shall apply.

4.2.6 In relation to any such Invoice Document as is referred to in paragraph 4.2.5:

- (a) the level of detail by reference to which (for the purposes of paragraph 4.2.1) any Invoice Query is required to be given shall be such as is reasonable having regard to the extent of the supporting data and the time (from submission of the Invoice Document until the Invoice Due Date) available for the Customer to review such Invoice Documents and the supporting data;
- (b) where the Customer raised an Invoice Query containing less detail than would have been required but for paragraph (a):
 - (i) the Customer shall as soon as is reasonable provide to National Grid the details which were omitted;
 - (ii) to the extent that the Customer does not comply with paragraph (i), the suspension (pursuant to paragraph 4.2.2) of the Customer's obligation to pay shall cease to apply.

4.3 Other Invoice Queries

4.3.1 Subject to paragraph 1.7.5, nothing in this paragraph 4 shall prevent the Customer from raising any Invoice Query other than pursuant to paragraph 4.2.1, including in respect of any amount after payment has been made in respect of such amount, or from paying any such amount at the same time as notifying an Invoice Query in respect thereof; provided that (without prejudice to the resolution of the Invoice Query) no constructive trust or other implied term as to the receipt or application by the payee of the amount paid shall arise.

4.3.2 Where, upon the resolution of an Invoice Query or otherwise, it is agreed or determined that any amount or part of any amount paid should not have been paid, the payee shall repay such overpaid amount with interest at the Applicable Interest Rate from the date on which payment was made to it or if later the Invoice Due Date until the date of such repayment.

4.3.3 Notwithstanding paragraph 4.2.2, the Customer shall pay the Invoice Amount in respect in full on the Invoice Due Date, notwithstanding any Invoice Query, and paragraph 4.3.1 and 4.3.2 will apply in respect of any such Invoice Query.

4.4 **Annual Reconciliation Process**

- 4.4.1 During the period referred to in paragraph 4.4.3, following the end of each calendar year, National Grid shall reconcile any amounts due and owing by the Customer to National Grid in respect of any Contract during the preceding 12 month period, with amounts invoiced under any Invoice Document issued by National Grid during that period in respect of such Contracts. (the "**Annual Reconciliation Process**").
- 4.4.2 The Customer agrees to co-operate with National Grid and assist in resolving any queries arising from the Annual Reconciliation Process.
- 4.4.3 Following the Annual Reconciliation Process, National Grid shall invoice the Customer for any amounts that should have been invoiced during the preceding 12 month period as soon as reasonably practicable but in any event no later than the following June.
- 4.4.4 National Grid shall not be entitled to issue any Invoice Document in respect of any 12 month period referred to in paragraph 4.4.1, following the end of June in the following calendar year.

**SCHEDULE THREE
METER CREDIT LIMITS**

1 General

- 1.1 National Grid will in accordance with the Meter Credit Rules determine and assign to the Customer a Meter Credit Limit, and will keep the Customer informed of its Meter Credit Limit (as revised in accordance with paragraph 2.2) for the time being.
- 1.2 The "**Meter Credit Rules**" are the rules from time to time established and revised by National Grid and issued to the National Grid Customers setting out (inter alia):
- (a) the principles on which National Grid will assess and from time to time revise (in accordance with paragraph 2.2) its assessment of the credit-worthiness of the National Grid Customers (and persons providing surety for National Grid Customers) and establish Meter Credit Limits;
 - (b) the basis on which a National Grid Customer may (with a view to increasing its Meter Credit Limit) provide surety or security for Aggregate Relevant Meter Indebtedness, or (with a view to reducing its Aggregate Relevant Meter Indebtedness) make prepayments to National Grid;
 - (c) procedures by which a National Grid Customer may discuss its Meter Credit Limit with National Grid; and
 - (d) the acceptable forms and instruments of security and acceptable levels of Investment Grade Ratings.
- 1.3 Without prejudice to paragraph 1.1, the Meter Credit Rules do not form a part of this Agreement.
- 1.4 Without prejudice to paragraph 1.1, nothing in this Agreement or the Meter Credit Rules shall constitute any duty of care or other obligation on the part of National Grid (whether to or for the benefit of the Customer or National Grid Customers in general) in relation to the observation or application of the Meter Credit Rules or the provisions of this Schedule Three.

2. Meter Credit Limit, Relevant Meter Indebtedness and Aggregate Relevant Meter Indebteness

2.1 For the purposes of this Agreement:

- (a) a "**Meter Credit Limit**" is an amount representing the Customer's maximum permitted Aggregate Relevant Meter Indebtedness and the Customer shall have a single Meter Credit Limit for the purposes of the Meter Works Conditions, the Network Metering Equipment Agreement, and any other agreement(s) which the Parties have agreed or may agree from time to time in writing shall be taken into account for such purpose and the Provision and Maintenance Agreement;
- (b) "**Relevant Meter Indebtedness**" is:
 - (i) the aggregate amount, for which the Customer is at any time liable to National Grid pursuant to this Agreement and any Contracts made hereunder, determined on the basis of amounts accrued and not paid, and subject to paragraph (b) (ii) and (iii), irrespective of whether such amounts have been invoiced under Schedule Two (Invoicing and Payment) or (where invoiced) have become due for payment; less
 - (ii) any amount which has been paid to National Grid by the Customer by way of prepayment, on the basis that National Grid may apply such amount without the Customer's consent in or towards payment of amounts referred to in paragraph (i), and which has not yet been so applied; and less.
 - (iii) any amount in respect of which National Grid is entitled to submit an Invoice Department in accordance with Schedule Two, paragraph 1.4.1 and has failed to do so within 5 Working Days of the Invoice Submission Date but only for so long as no such Invoice Document has been submitted.
- (c) "**Aggregate Relevant Meter Indebtedness**" is the aggregate of the Relevant Meter Indebtedness calculated pursuant to paragraph (b) and the Relevant Meter Indebtedness calculated pursuant to the Above 7 Bar Meter Works Conditions, the Below 7 Bar Meter Works Conditions, the Network Metering Equipment Agreement, and any other agreement(s) which the Parties have agreed or may agree from time to time in writing shall be taken into account for such purpose and the Provision and Maintenance Agreement.

- 2.2 For the avoidance of doubt, the amount of the Customer's Relevant Meter Indebtedness shall be determined by reference to the relevant provisions of this Agreement, and nothing in this Agreement shall be construed as withdrawing from the Customer any right to dispute whether National Grid has correctly calculated such amount in any case, or from National Grid any right to dispute the validity of any Invoice Query submitted by the Customer.
- 2.3 Without prejudice to paragraph 2.2, where the Customer has submitted an Invoice Query in accordance with Schedule Two paragraph 4.2.1 in respect of any Invoice Document National Grid will review and give due consideration to such Invoice Query before taking any steps pursuant to paragraph 3.3.
- 2.4 The Customer's Meter Credit Limit may from time to time be reviewed and revised in accordance with the Meter Credit Rules on notice of not less than 10 Days (or any lesser period agreed by the Customer) to the Customer:
- (a) at intervals of approximately 6 months;
 - (b) at the Customer's request (but subject to paragraph 2.6 and 2.7);
 - (c) where any published credit rating of the Customer or any person providing surety for the Customer is revised downwards;
 - (d) where (but without prejudice to any requirements of the Meter Credit Rules) any instrument of surety or security expires or is determined; or
 - (e) at National Grid's request where at any time National Grid has reasonable grounds to believe that the effect of the review will be to reduce or increase the Customer's Meter Credit Limit.
- 2.5 Where:
- (a) any published credit rating of the Customer or any party providing surety or security for the Customer is revised downwards; or
 - (b) National Grid has made a demand upon any existing instrument of surety or security in accordance with the terms of such instrument of surety or security provided by the Customer or any person providing surety or security for the Customer,
- then the Customer's Meter Credit Limit may be immediately reviewed and revised by National Grid in accordance with the Meter Credit Rules, on notice to the Customer.

2.6 Subject to paragraph 2.7, National Grid will bear the costs and fees that it incurs (but not any costs incurred by the Customer) in connection with any review of the Customer's Meter Credit Limit in accordance with paragraph 2.4.

2.7 National Grid will not be obliged to agree to any request of the Customer under paragraph 2.4(b) unless the Customer agrees to reimburse to National Grid the reasonable costs and fees payable by National Grid to any third party in accordance with the Meter Credit Rules in connection with such request.

3 Requirements as to Aggregate Relevant Meter Indebtedness

3.1 Where:

(a) the Customer's Aggregate Relevant Meter Indebtedness exceeds 70% of its Meter Credit Limit and National Grid has given notice to the Customer to that effect; and

(b) at any time following such notice the Customer's Aggregate Relevant Meter Indebtedness exceeds 90% of its Meter Credit Limit and National Grid has given notice to the Customer to that effect (which notice may in appropriate circumstances be given at the same time as that under paragraph 3.1(a)), paragraphs 3.2 and 3.3 shall apply.

3.2 Subject to paragraph 3.1, where the Aggregate Relevant Meter Indebtedness of the Customer for the time being exceeds 90% of the Customer's Meter Credit Limit:

(a) without prejudice to 3.2(b) the Customer shall make such payment to National Grid of such amount as is necessary to reduce the Customer's Aggregate Relevant Meter Indebtedness to less than 90% of its Meter Credit Limit;

(b) until such time as the Customer's Aggregate Relevant Meter Indebtedness is reduced to less than 90% of its the Customer's Meter Credit Limit, National Grid shall be entitled to:-

(i) reject or refuse to accept an AMW Request Form or Quotation Request for Non Standard Work submitted by the Customer and/or;

(ii) refuse to undertake any further Adversarial Meter Works not yet commenced to the extent that it is safe to do so; and/or

- (iii) suspend any Adversarial Meter Works in progress to the extent that it is safe to do so; and/or
- (iv) call upon any instrument of surety or security provided by the Customer.

until such time as the Customer's Aggregate Relevant Meter Indebtedness is reduced to less than 90% of its Meter Credit Limit.

- 3.3 Subject to paragraph 3.1, where and for so long as the Aggregate Relevant Meter Indebtedness of the Customer for the time being exceeds 100% of the Customer's Meter Credit Limit, National Grid may without prejudice to any entitlement under paragraph 3.2 give a Termination Notice (in accordance with Condition 16.2(d)) to the Customer.

4 Security under Meter Credit Rules

- 4.1 Any instrument of surety or security provided by the Customer pursuant to the Meter Credit Rules (and whether or not entered into by the Customer) shall not be a part of this Agreement and no provision of or modification of this Agreement, nor any inconsistency between this Agreement and any such instrument, and nothing done by National Grid pursuant to this Agreement, shall prejudice or invalidate any such instrument.
- 4.2 Where the Customer has provided surety or security pursuant to the Meter Credit Rules, the Customer (or the person giving the surety) may request National Grid to release all or any of such security or agree to a reduction in any maximum amount of such surety.
- 4.3 Following a request by the Customer under paragraph 4.2, National Grid will as soon as reasonably practicable and, except where the Customer also requests a review (by an agency appointed by National Grid for such purposes) and revision of its Meter Credit Limit, in any event not more than 10 Working Days after such request, release security, or agree to a reduction in surety, to such extent or by such amount as will permit the condition in paragraph 4.4 to be satisfied.
- 4.4 The condition referred to in paragraph 4.3 is that the amount of the Customer's Aggregate Relevant Meter Indebtedness at the date of such release or reduction is not more than 90% of the amount of the Customer's Meter Credit Limit, determined in accordance with the Meter Credit Rules on the basis of the release of security or reduction in surety (and taking account of any alternative surety or security provided by the Customer).
- 4.5 The Customer may (inter alia) provide security for the purposes of the Meter Credit Rules in the form of a deposit in a bank account where:

- (a) the account is in the sole name of National Grid; and
- (b) interest on the amount deposited in the account will accrue for the benefit of the Customer.

4.6 In respect of such bank account:

- (a) National Grid shall be entitled to take payment of amounts (up to the amount deposited in the account) which have become due for payment to National Grid (but having regard to the time at which pursuant to Schedule Two, paragraph 4.2 payment is due where an Invoice Query has been raised) against a statement to the bank provided by National Grid that payment of such amount has become due (but such instruction shall be without prejudice to any provision of Schedule Two as to the payment of interest), and in such case National Grid will provide reasonable evidence to the Customer of its entitlement to take such payment;
- (b) amounts (other than in respect of interest earned) standing to the credit of the account will not be paid to the Customer except with National Grid's written agreement (but subject always to paragraph 4.2, 4.3 and 4.4); and
- (c) the bank shall have agreed that the amounts deposited in the account may not be set-off or otherwise applied by the bank in respect of any indebtedness of the Customer or other person.

**SCHEDULE FOUR
MODIFICATION SCHEDULE**

**PART A
INITIAL AMENDMENTS**

Upon the entering into by National Grid, the Customer and UMS of the Tripartite Agreement pursuant to the Provision and Maintenance Agreement, and on and from the Effective Date (as defined therein), this Agreement shall be amended in the following manner:-

1. **Definitions - Condition 1.1**

1.1 The following new definitions shall be inserted in alphabetical order in Condition 1.1:-

“**AMR Device**” shall mean an electronic device connected to a Meter or Convertor which reads the number of pulses generated from the Meter or Convertor and which interprets, stores and transmits data to a collection system at predetermined intervals via an appropriate communication medium;

“**Customer’s Portfolio**”: shall mean all of those Meters located at Meter Points in respect of which the Customer is the Relevant Supplier at the relevant time;

“**MPU Equipment**”: shall mean meter pulse utilisation equipment;

“**Network Operator**”: shall mean the operator of a Distribution Network being a gas transporter;

“**Relevant Supplier**”: shall mean the Supplier to the Consumer Premises at which a Meter is situated;”

1.2 The definitions of “**Conditions**” and “**Schedules**” shall be deleted and replaced with the following new definitions:-

““**Conditions**”: shall mean these Conditions 1 to 27 of this Agreement and “Condition” shall be construed accordingly;

“**Schedules**”: shall mean Schedule One through to Four of this Agreement;” ”

2. **Assignment - Condition 22**

Condition 22 shall be deleted and replaced with the following new Condition 22:-

“22 **ASSIGNMENT**

22.1 Except as provided in Conditions 22.2, 22.4 and 22.6, neither Party shall assign or otherwise transfer whether in whole or part any of its rights or obligations under this Agreement and shall not purport to do so.

22.2 National Grid may:-

(a) assign or transfer the benefit of this Agreement by way of charge or security; and/or

(b) assign or transfer all or any part of its rights and obligations under this Agreement to any person who is neither a Supplier or Shipper nor an Affiliate of a Supplier or Shipper, and for the avoidance of doubt, where such person is a Network Operator or its Affiliate then an assignment or transfer may be of such part of National Grid’s rights and obligations under this Agreement as relate to the Meters (and other Metering Equipment where installed) connected to the Distribution Network of that Network Operator at the time of such transfer, (and in respect of such assignment or transfer the definition of “Meter Point” in Condition 1.1 shall be amended so that each reference to “National Grid System” shall be read and construed as referring to the Distribution Network in question); and/or

(c) assign or transfer all or any part of its rights and obligations under this Agreement to any person who is a Supplier or Shipper and/or Affiliate of a Supplier or Shipper with the agreement of the Customer (not to be unreasonably withheld or delayed),

in the case of (b) and (c) subject always to Condition 22.11, and in the case of (a), (b) and (c) provided that it gives to the Customer not less than 90 Days’ prior written notice (save that National Grid shall not be so restricted and Condition 22.6 shall apply where National Grid wishes to assign its rights and obligations (or any part thereof) under this Agreement to UMS). Furthermore, in the case of (b) and (c) National Grid confirms its intention that any such person to whom it assigns or transfers shall be financially and operationally capable of performing the obligations to be assigned or transferred.

22.3 Where National Grid assigns or transfers all or a part of its rights and obligations under this Agreement pursuant to Condition 22.2(b) or (c), National Grid shall, with respect to the relevant Meter Points, procure that such assignee or transferee shall offer terms for the installation of MPU Equipment on its Metering Equipment which are no less favourable

than such terms as may be offered by National Grid immediately prior to the date of assignment or transfer by National Grid of such rights and obligations.

22.4 Subject always to Condition 22.8, the Customer may assign its rights and obligations under this Agreement to any person provided that such person (unless and to the extent otherwise agreed in writing by National Grid):-

- (a) holds a Supplier Licence; and
- (b) on or before the effective date of such assignment:-
 - (i) becomes the Relevant Supplier in respect of each of the Meter Points at which a Meter contained within the Customer's Portfolio at that date is located; and
 - (ii) provides to National Grid security or surety as required by Condition 12; and
 - (iii) takes an assignment of the rights and obligations of the Customer (or its successors and assigns) under and in accordance with the other Metering Agreements and the Alternative Contract Conditions, and complies with the requirements which (if such person was an Applicant Customer) it would be required under Schedule One thereof to comply with,

and provided further that the Customer gives to National Grid not less than 90 Days prior written notice.

22.5 Where a Party assigns its rights and obligations under this Agreement to a person (including an Affiliate of that Party) pursuant to Condition 22.2 or 22.4:-

- (a) it shall be a condition precedent to such assignment that such person shall enter into an agreement with the other Party covenanting to be bound by this Agreement; and
- (b) except to the extent expressly provided otherwise in this Agreement, the assigning Party shall be released from its rights and obligations under this Agreement after the time at which the assignment is effective, but shall remain liable for any obligations to the extent relating to periods up to such time.

22.6 Notwithstanding Conditions 22.2 and 22.5, but subject always to Condition 22.11, National Grid may at any time by notice in writing to the Customer (such notice to be duly signed by or on behalf of UMS) assign or transfer all or any part of its rights and obligations under this Agreement to UMS, and to the extent of such rights and obligations so assigned or transferred:

- (a) as of and with effect from the date set out in such notice (which shall not be less than 90 Days after the date of such notice):-
 - (i) National Grid shall be released from its rights, powers, obligations, duties and liabilities owed by or to the Customer under this Agreement;
 - (ii) UMS shall assume the rights, powers, obligations, duties and liabilities of National Grid under this Agreement in all respects as if all references therein to "National Grid" (and for the avoidance of doubt not those references to National Grid (Gas Transporter)) were to "UMS"; and
 - (iii) the Customer shall be bound by the assumption by UMS of National Grid's rights, powers, obligations, duties and liabilities under this Agreement;
- (b) for the purposes of Condition 22.6(a), references to "rights, powers, obligations, duties and liabilities" shall exclude all rights, powers, obligations, duties and liabilities to the extent relating to periods up to the date specified in the notice submitted by National Grid pursuant to this Condition 22.6.

22.7 At any time in connection with the assignment or transfer, or proposed assignment or transfer by National Grid pursuant to Conditions 22.2 or 22.6 of all or part of its obligations under this Agreement and to facilitate such assignment or transfer, National Grid may request the Customer to:

- (a) provide all reasonable assistance and co-operation to National Grid and/or the relevant assignee or transferee, or proposed assignee or transferee, to enable such assignee or transferee or proposed assignee or transferee to participate in the Rainbow System for the purposes of this Agreement; and/or
- (b) discuss with such assignee or transferee or proposed assignee or transferee alternative means of communication,

and National Grid shall pay to the Customer the Customer's reasonable costs incurred in complying with this Condition 22.7. Where National Grid and/or such assignee or transferee or proposed assignee or transferee requires the Customer to modify its systems and/or processes in order to accommodate any alternative means of communication to the Rainbow System, then the Customer agrees to do so but only to the extent that such assignee or transferee or proposed assignee or transferee has agreed to pay to the Customer the Customer's reasonable costs incurred in doing so.

- 22.8 Any credit limit required under this Agreement shall be determined separately for a person to whom the Customer assigns its rights and obligations under this Condition 22, and the Customer may not assign its own credit limit.
- 22.9 For the avoidance of doubt, but subject always to Condition 22.11, the Customer acknowledges and agrees that an assignment or transfer by National Grid pursuant to this Condition 22 of a part only of its rights and obligations under this Agreement may include (without limitation) an assignment or transfer of rights and obligations insofar as relating to a single Meter Type (or any category or categories thereof) and/or Meter Points located in a part or parts only of Great Britain.
- 22.10 Where pursuant to Condition 22.2 or 22.6 National Grid (Gas Transporter) assigns or transfers all or any part of its rights and obligations under this Agreement, then as between the Customer and such assignee or transferee, and with effect from the date of such assignment or transfer:-
- (a) this Agreement shall be amended in the manner set out in Schedule Four, Part B; and
 - (b) the following defined terms shall be read and construed as relating to such assignee or transferee:-
 - “National Grid Customer”
 - “National Grid Operative”.
- 22.11 National Grid shall not, without the Customer’s prior consent in writing, invoke the provisions of Condition 22.2 or 22.6 so as to assign or transfer its rights and obligations under this Agreement with respect to National Grid Meters with a badged capacity of less than 11 SCMH except where the Customer shall have elected in writing for the purposes of Condition 11A.23 of the Provision and Maintenance Agreement and Condition 11A.23 of the Network Metering Equipment Agreement for AMR Service terms to apply to AMR Devices connected to or to be connected to National Grid Meters irrespective of badged capacity.”

3. **Sale by National Grid of Metering Equipment - Condition 24**

The following Condition 24.9 shall be inserted after Condition 24.8:-

- “24.9 For the purposes of this Condition 24, the term “Metering Equipment” shall be deemed to include all and any AMR Devices connected to the Meter and/or Convertor (if any).”

4. **Mediation and Expert Determination - Condition 25.11**

Condition 25.11 shall be deleted and replaced with the following new Condition 25.11:-

“25.11 To the extent that any person is entitled, pursuant to Condition 26.7.2, to the benefit of this Agreement, then it shall be entitled to be party to a dispute in accordance with this Condition 25.”

5. **Third Party Rights - Condition 26.7.2**

Condition 26.7.2 shall be deleted and replaced with the following new Condition 26.7.2:-

“26.7.2 The benefit of Condition 14 insofar as and to the extent related to the subject matter of this Agreement shall be conferred on each and any Affiliate of each Party from time to time, the benefit of Conditions 22.2, 22.6 and 22.7 shall be conferred on the relevant assignee or transferee referred to therein, and the benefit of Condition 24 shall be conferred on the owner of any AMR Device, and in each such case such persons shall have such benefits under the Contracts Act.”.

SCHEDULE FOUR
PART B
CONSEQUENTIAL AMENDMENTS UPON ASSIGNMENT/TRANSFER BY NATIONAL GRID

As of and with effect from the date referred to in Condition 22.10 and in the circumstances set out therein, this Agreement shall be amended in the following manner:

1. **Recitals**

Recitals (A) and (B) shall be deleted and replaced with the following new Recitals (A) and (B):-

“(A) This Agreement came into force and effect as between National Grid Gas plc and the Customer on the Effective Date, and in accordance with Condition 22 thereof rights and obligations of National Grid Gas plc under this Agreement were transferred to the Meter Provider.

(B) Accordingly this Agreement now sets out the terms under which the Customer may request the Meter Provider to undertake Adversarial Meter Works to Metering Equipment in accordance with the Conditions and the Meter Provider will respond to such requests in accordance with the Conditions.”

2. **Condition 1.1 - Definitions**

2.1 The following new definitions shall be inserted in alphabetical order in Condition 1.1 of the Adversarial Meter Works Conditions:

“**Change**”: shall mean a variation to this Agreement proposed by the Meter Provider or the Customer under and in accordance with Condition 23A;

“**Changes in Law**”: shall mean:

(a) the coming into effect or (where applicable) repeal (without re-enactment or consolidation) of any Legal Requirement; or

(b) a judgement of a relevant court of law which creates or changes binding precedent;

“**Contract Review Meeting**”: shall mean the meeting held from time to time between the Meter Provider Representative and the Customer Representative in accordance with Condition 23B.4;

“**Customer Notice of Change**”: shall have the meaning ascribed thereto in Condition 23A.2.1;

“**Customer Representative**”: shall mean an individual nominated by the Customer from time to time pursuant to Condition 23B.1;

“**Impact Assessment**”: shall have the meaning ascribed thereto in Condition 23A.2.5;

“**Meter Provider**”: shall mean the assignee or transferee of all or any part of National Grid’s rights and obligations under this Agreement as more particularly described in Condition 22.10;

“**Meter Provider Notice of Change**”: shall have the meaning ascribed thereto in Condition 23A.3.1;

“**Meter Provider Representative**”: shall mean an individual nominated by the Meter Provider from time to time pursuant to Condition 23B.1;

“**Representative**”: shall mean either a Meter Provider Representative or a Customer Representative;”

2.2 The definition of “National Grid Metering Charges” shall be deleted and replaced by the following new definition:-

“**Meter Provider Metering Charges**”: shall mean the document containing, inter alia, those charges for the provision of Metering Services which is prepared and issued from time to time by the Meter Provider for the purposes of this Agreement;”

and accordingly, all references in this Agreement to the defined term “**National Grid Metering Charges**” shall be replaced by the new defined term “**Meter Provider Metering Charges**”.

2.3 The definition of “Metering Agreement Modification Provisions” shall be deleted.

3. Condition 1.2.2 - Interpretation

Condition 1.2.2 shall be deleted and replaced with the following new Condition 1.2.2:-

“1.2.2 all references to any:-

- (a) statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made thereunder and any conditions attaching thereto, provided that the provisions of this paragraph shall be without prejudice to the operation of Condition 23 which shall operate in relation to Changes in Law on the basis set out in this Agreement; and

- (b) technical procedure, technical standard and technical specification shall be deemed to include references to any technical procedure, technical standard and technical specification which amends, extends, consolidates or replaces the same;”

4. **Liability and Related Issues - Condition 14**

The words “and notwithstanding special condition 23 of National Grid’s GT Licence which stipulates time shall be of the essence” shall be deleted from the first sentence in Condition 14.2.2.

5. **Termination and Suspension of Terms - Condition 16**

Condition 16.1 shall be deleted and replaced with the following new Condition 16.1:-

“16.1 Either Party may terminate this Agreement by giving to the other Party not less than two years prior written notice.”

6. **Modification - Condition 23**

The existing Condition 23 shall be deleted and replaced with the following new Conditions 23A, 23B and 23C and the index revised accordingly:-

“23A. CHANGE PROCEDURE

23A.1 Subject always to Condition 23C, the Meter Provider or the Customer may request a Change in accordance with the provisions of this Condition 23A and the Parties shall comply with their respective obligations under this Condition 23A.

23A.2 Customer Change

23A.2.1 If the Customer requires a Change, it must serve a notice (“a **Customer Notice of Change**”) on the Meter Provider Representative no later than 10 Working Days prior to the next following Contract Review Meeting, at which the Customer Notice of Change will be considered. If the Customer Notice of Change is received later than this date, the Customer Notice of Change will be considered at the next following Contract Review Meeting after that.

23A.2.2 The Customer Notice of Change shall contain sufficient information to enable the Meter Provider to evaluate it, and without limitation shall include:

- (a) rationale for the Change, (including whether or not required as a result of a Change in Law);

- (b) if applicable, details of the Change in Law; and
 - (c) details of any amendment required to this Agreement.
- 23A.2.3 The Parties shall discuss the Customer Notice of Change at the relevant Contract Review Meeting. During their discussions the Meter Provider may propose modifications to the Customer Notice of Change.
- 23A.2.4 Subject always to Condition 23A.4, no later than 7 Days after the relevant Contract Review Meeting, the Meter Provider shall either reject the Customer Notice of Change or accept the Customer Notice of Change (as modified by agreement with the Customer) (but subject always to Condition 23A.2.12) and failing either such notification by such date the Meter Provider shall be deemed to have rejected the Customer Notice of Change.
- 23A.2.5 Where the Meter Provider notifies its acceptance of the Customer Notice of Change it shall as soon as reasonably practicable and in any event no later than 28 Days thereafter provide to the Customer an impact assessment with respect to such Change (“the **Impact Assessment**”).
- 23A.2.6 The Impact Assessment may include the opinion of the Meter Provider on:
 - (a) whether relief from compliance with any of its obligations hereunder is or may be required during the implementation of the Change;
 - (b) any amendment required to this Agreement as a result of the Change;
 - (c) any new or increased costs of the Meter Provider that result from the Change and any change to the Rental Charge in consequence thereof;
 - (d) any loss of revenue anticipated by the Meter Provider that results from the Change;
 - (e) any regulatory approvals which are required; and
 - (f) an estimate timetable of when and in what stages, if any, the Change could take effect.
- 23A.2.7 As soon as reasonably practicable after the Customer receives the Impact Assessment, the Parties shall discuss and seek to agree the issues set out in the Impact Assessment.

- 23A.2.8 If the Parties cannot agree on the contents of the Impact Assessment then the dispute may be referred to an Expert for determination pursuant to Condition 25.9.
- 23A.2.9 As soon as practicable after the contents of the Impact Assessment have been agreed or otherwise determined pursuant to Condition 25 (Mediation and Expert Determination), the Customer shall:
- (a) confirm in writing the Impact Assessment (as modified); or
 - (b) withdraw the Customer Notice of Change.
- 23A.2.10 If the Customer confirms in writing the Impact Assessment within 30 Days of the contents of the Impact Assessment having been agreed or determined, then unless Condition 23A.2.12 applies the relevant Change shall be implemented as soon as reasonably practicable. Within this period, the Parties shall consult and agree the remaining details and shall enter into any documents to amend this Agreement which are necessary to give effect to the Change.
- 23A.2.11 If the Customer does not confirm in writing the Impact Assessment (as modified) within 30 Days of the contents of the Impact Assessment having been agreed or determined, then the Customer Notice of Change shall be deemed to have been withdrawn.
- 23A.2.12 Where the Impact Assessment has been determined pursuant to Condition 25 (Mediation and Expert Determination), then subject always to Condition 23A.4 the Meter Provider may within 7 Days of such determination notify the Customer in writing that it rejects the Customer Notice of Change, in which case, for the avoidance of doubt, the Change shall not proceed, but failing such notice the Meter Provider shall be deemed to have accepted such Change.
- 23A.3 Meter Provider Change
- 23A.3.1 If the Meter Provider wishes to introduce a Change, it must serve a notice (“a **Meter Provider Notice of Change**”) on the Customer Representative no later than 10 Working Days prior to the next following Contract Review Meeting, at which the Meter Provider Notice of Change will be considered. If the Meter Provider Notice of Change is received later than this date, the Meter Provider Notice of Change will be considered at the next following Contract Review Meeting after that.
- 23A.3.2 The Meter Provider Notice of Change must contain sufficient information to enable the Customer to evaluate it, and without limitation shall include the

rationale for the Change (including whether or not required as a result of a Change in Law) and may also include the opinion of the Meter Provider on each of the matters listed in Condition 23A.2.6.

23A.3.3 The Parties shall discuss the Meter Provider Notice of Change at the Contract Review Meeting. During their discussions the Customer may propose modifications to the Meter Provider Notice of Change.

23A.3.4 Subject always to Condition 23A.4, no later than 7 Days after the relevant Contract Review Meeting, the Customer shall either reject the Meter Provider Notice of Change or accept the Meter Provider Notice of Change (as modified by agreement with the Meter Provider), and failing either such notification by such date the Customer shall be deemed to have rejected the Meter Provider Notice of Change.

23A.3.5 If Condition 23A.4 applies and the Customer does not accept the contents of the Meter Provider Notice of Change by the date 7 Days after the date of its submission by the Meter Provider to the Customer, then the dispute may be referred to an Expert for determination pursuant to Condition 25.9.

23A.3.6 As soon as practicable after the contents of the Meter Provider Notice of Change have been accepted by the Customer or determined pursuant to Condition 25, the Meter Provider shall:

(a) confirm in writing the Meter Provider Notice of Change (as modified);
or

(b) withdraw the Meter Provider Notice of Change,

and if the Meter Provider has done neither within 30 Days of the contents of the Meter Provider Notice of Change having been accepted or determined, then the Meter Provider shall be deemed to have confirmed the Meter Provider Notice of Change (as modified).

23A.3.7 If the Meter Provider confirms the Meter Provider Notice of Change pursuant to Condition 23A.3.6, the Parties shall consult and agree the remaining details as soon as practicable and shall enter into any documents to amend this Agreement which are necessary to give effect to the Change and the relevant Change shall be implemented as soon as reasonably practicable.

23A.4 Changes in Law

Neither Party shall reject (and shall not be deemed to have rejected) a Change proposed by the other Party where that Change is required by the other Party in order to comply with a Change in Law.

23A.5 Force Majeure

Where as a direct result of implementing a Customer Notice of Change the Meter Provider fails to perform, or delays in performing, any of its obligations under this Agreement and such failure or delay could not have been avoided by taking steps which might be reasonably expected to have been taken, then this shall be regarded as Force Majeure and the Meter Provider shall be the Affected Party for the purposes of this Agreement.

23B. **CONTRACT MANAGEMENT**

23B.1 Each Party shall nominate and appoint an individual who will be named as its Representative. The Representative may from time to time by written notice to the other party delegate all or any part of their authority and responsibilities to an assistant or assistants.

23B.2 The Representative is responsible for:

- (a) co-ordinating the activities of the relevant Party under this Agreement;
- (b) providing a single point of communication with the other Party for this Agreement;
- (c) managing the change process on behalf of the relevant Party in accordance with Condition 23A or as otherwise agreed;
- (d) managing and ensuring the discharge of the relevant Party's obligations under this Agreement; and
- (e) resolving performance issues and failures by the relevant Party.

23B.3 In the event that the individual appointed as Customer Representative shall for any reason cease to perform the role, then the Customer shall ensure that a suitable replacement shall be appointed as soon as reasonably practicable.

23B.4 The Meter Provider Representative and the Customer Representative shall, unless otherwise agreed, meet at least quarterly to review the operation of this Agreement ("the **Contract Review Meeting**"), but shall use all reasonable endeavours to meet earlier to consider any Notice of Change where such Change is required by a Party in the circumstances described in Condition 23A.4.

23B.5 The Meter Provider Representative shall consult with the Customer Representative and arrange the first Contract Review Meeting.

23C. **ALTERNATIVE CONTRACT CONDITIONS**

Notwithstanding Condition 23A, this Agreement may be modified by the terms of any Alternative Contract Conditions intended to facilitate the operation of such Alternative Contract Conditions as between the Meter Provider and the Customer (but for the avoidance of doubt only insofar as such modifications relate to the Meter Provider and the Customer and not to any other agreement in the terms hereof between the Meter Provider and any other Meter Provider Customer)."

7. **Entire Agreement - Condition 26.5**

In Condition 26.5.1(b), (1) the word "and" shall be deleted from the end of the words "the Rainbow System User Agreement;" and inserted after the words "the relevant Meter Works Conditions" and (2) the words "the Metering Agreements Modification Provisions;" shall be deleted from Condition 26.5.1(b).

SCHEDULE FIVE

PART 1

ABSENT PPM EXCHANGE ACTIVITIES

1. The following activities shall form the Absent PPM Exchange:

1.1 Meter Exchange

Description: Credit to Prepayment exchange.

Conditions: The Customer confirms the Customer's Representative has authority to procure the work (including but not limited to a Warrant of Entry).

1.2 Meter Blanking Disc

Description: Fit a meter blanking disc in an appropriate location e.g. meter outlet, to prevent the flow of gas through the Metering Equipment.

Conditions:

- (a) any work undertaken on the Consumer's Installation Pipework and/or appliances in the course of carrying out the PPM Exchange shall be the Customer's responsibility;
- (b) any subsequent work undertaken on the Consumer's Installation Pipework and/or appliances by a third party at the Customer's request after the PPM Exchange has been carried out shall be the Customer's responsibility;
- (c) National Grid will decide the most suitable location to fit the blanking disc or cap to either the Metering Equipment or Emergency Control Valve;
- (d) the Metering Equipment shall be left in a safe condition and the Customer shall ensure it has:-
 - (i) made arrangements to complete a Purge and relight and make safe the Installation Pipework and any attached appliances as required; and
 - (ii) warranted to National Grid that the above arrangements have been made.

2. Absent PPM Exchange work does not include the items detailed in paragraphs 2.1(b), 2.1(c) and 3 of Schedule One unless otherwise agreed in writing between National Grid and the Customer.

SCHEDULE FIVE

PART 2

ABSENT PPM EXCHANGE PROCEDURE

1. Warrant letter sent to Consumer by the Customer advising that a Prepayment Meter may be fitted even if the Consumer is absent from the Consumer Premises.
2. Warrant of Entry granted by the Magistrates Court at the Customer's request.
3. The Customer to procure GIST cards from Siemens for all Gas Safe registered engineers. This card allows the Gas Safe registered engineer to re-set the meter should the tilt tamper be activated when removing the meter blanking disc.
4. AMW Request Form submitted by the Customer or Customer Agent (where applicable) to National Grid pursuant to Condition 2.2 in the usual manner.
5. Entry to Consumer Premises gained by the Customer's Representative. The National Grid Operative carries out a pre work site survey. The Customer's Representative and the National Grid Operative will accompany each other at all times whilst within the Consumer Premises.

Note – The Customer's policy on vulnerable consumers is to be adhered to at all times. If the Customer's Representative determines that the Consumer is vulnerable then the Customer's Representative and the National Grid Operative are to abort the visit and a Meter exchange is not to take place.

6. The Customer's Representative requests a Prepayment Meter be fitted following site survey. The Customer's Representative is responsible for authorising the decision.
7. The National Grid Operative may in its sole discretion agree to install a Prepayment Meter or advise as to the reason why it is not possible to do so. Where it is not possible to fit a Prepayment Meter the Customer's Representative will complete a form stating the reasons. This will include details of both the National Grid Operative's and the Customer's Representative's decision.
8. Where it is agreed to install a Prepayment Meter, the exchange will be completed and a Meter blanking disc fitted at the Meter outlet.

9. The Prepayment Meter will be commissioned with “Standard TGB Values” by the National Grid Operative.
10. Credit will be left on the Prepayment Meter by the National Grid Operative in line with current “Standard” values (as amended from time to time).

Note – For safety reasons all gas appliances on the Consumer Premises are not Purged and re-lit by the National Grid Operative. It is the responsibility of the Customer to ensure every effort is made to inform the Consumer as to what work was carried out in their absence and what they now need to do to get their gas supply restored. It is the Customer’s responsibility to arrange for an independent Gas Safe registered engineer to attend the Consumer Premises within 24 hours of the Consumer making contact or at such other time as may be requested by the Consumer, to Purge and re-light their gas appliances. The Parties agree that they will comply with their respective obligations under this Part 2 of Schedule 5 with the aim of reducing the number of instances where National Grid is required to attend a repeat call out to the same Consumer Premises.

11. The Customer’s Representative is responsible for ensuring that the Consumer Premises are left as securely as they were found.
12. A letter is to be left in a prominent position advising the Consumer that while they were absent from the Consumer Premises a Prepayment Meter was fitted. The Consumer will be advised to make contact with the Customer to arrange a convenient time for a Gas Safe registered engineer to visit and remove the Meter blanking disc and Purge and re-light all gas appliances. The Customer’s contact telephone number is to be clearly marked on the letter (preferably in large emboldened font) with call centre opening times.

Note - If the Customer’s Representative does not have a copy of the letter, or if the letter is different to the one agreed, the National Grid Operative will not carry out the exchange and the current process under which the Meter is removed will be followed.

13. A label is to be left on the Prepayment Meter detailing the Customer’s contact phone number.
14. As soon as the Prepayment Meter has been fitted the Customer’s Representative is to contact the Customer to request the dispatch of a Gas Card (Consumer) and reference guide to the Consumer. The Customer shall ensure that these arrive within 24 hours of the exchange being completed.

15. There will be no change to the normal Prepayment Meter exchange file flows. An ONJOB will be sent to the Customer in the same manner. The National Grid Operative's report will confirm that an exchange took place rather than a removal.
16. The Consumer will contact the Customer on the specified contact phone number and an appointment will be arranged for an independent Gas Safe registered engineer to attend the Consumer Premises to restore the gas supply and Purge and re-light all gas appliances.
17. The Customer shall ensure that a Gas Safe registered engineer attends the site to Purge and re-light all gas appliances and to train the Consumer on how to operate the meter within 24 hours of the Consumer making contact, unless the Consumer agrees a specific date and time with the Customer which is outside of the 24 hour window. The Gas Safe registered engineer who attends the Consumer Premises must be fully conversant with Prepayment Meters. National Grid will not be liable for any associated costs in respect of instances where appliances cannot be re-lit due to lack of maintenance.
18. It shall be the responsibility of the Customer to proactively contact any Consumer that fails to make contact, and in all such cases the Customer must attempt to contact the Consumer within 72 hours of the exchange being carried out, so as to reduce the potential for unnecessary National Grid call outs. If the Consumer cannot be contacted within this period, the Customer must instigate the Revenue Protection process, whereby the account will be investigated on the grounds of health and safety.