

**NORTHERN GAS NETWORKS LIMITED**

**SITEWORKS TERMS**

**FOR**

**BELOW 7 BARG**

**INFRASTRUCTURE WORKS**

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CONTENTS

<b>Clause</b>	<b>Page</b>
1. DEFINITIONS .....	1
2. THE QUOTATION AND ACCEPTANCE .....	8
3. THE WORKS .....	10
4. THE CUSTOMER'S OBLIGATIONS.....	11
5. NORHTERN GAS NETWORKS OBLIGATIONS .....	13
6. TIMESCALES.....	13
7. EXTENSIONS OF TIME AND ADDITIONAL COSTS .....	15
8. CHANGES TO THE WORKS.....	20
9. PAYMENT .....	20
10. SUPPLY METER POINT REFERENCE NUMBERS .....	22
11. LIABILITY AND INDEMNITY .....	23
12. FORCE MAJEURE.....	25
13. TERMINATION AND SUSPENSION .....	26
14. NOTICES .....	29
15. CONFIDENTIALITY AND DATA PROTECTION.....	29
16. INTELLECTUAL PROPERTY .....	31
17. ENTIRETY OF AGREEMENT .....	31
18. SUB-CONTRACTING.....	31
19. NORTHERN GAS NETWORKS WARRANTIES .....	31
20. CUSTOMER'S WARRANTY .....	32
21. OWNERSHIP .....	33
22. WAIVER AND MODIFICATION .....	34
23. PUBLICITY .....	34
24. ASSIGNMENT .....	34
25. SURVIVAL.....	35
26. THIRD PARTY RIGHTS .....	35

<b>27. GOVERNING LAW AND JURISDICTION .....</b>	<b>35</b>
<b>28. GAS TRANSPORTATION .....</b>	<b>35</b>
<b>29. GENERAL .....</b>	<b>36</b>
<b>Annex 1 – GENERAL INFRASTRUCTURE WORKS .....</b>	<b>37</b>
<b>Annex 2 - DISCONNECTIONS .....</b>	<b>40</b>
<b>Annex 3 - ONE-OFF DOMESTIC SERVICE WORKS.....</b>	<b>44</b>
<b>Annex 4 – Not used.....</b>	<b>50</b>
<b>Annex 5 - METER WORKS.....</b>	<b>51</b>
<b>Annex 6 - DIVERSION WORKS .....</b>	<b>53</b>

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## SITEWORKS TERMS

The following are Northern Gas Networks Siteworks Terms (as referred to in Section G7.2.2 of the Network Code) for Below 7 Bar Infrastructure Works.

### 1. DEFINITIONS

1.1 For the purposes of these Siteworks Terms, except as is otherwise expressly provided herein or unless the context otherwise requires, the terms defined in this Clause shall have the following meanings:-

**"Abortive Meter Worker Charge"** shall mean the sum specified as such in the Quotation. Where no such sum is specified in the Quotation, then **"Abortive Meter Worker Charge"** shall mean the sum published as such by Northern Gas Networks Limited from time to time;

**"Acceptance"** shall have the meaning given in Clause 2.3 or Clause 2.4 (as the case may be);

**"Acceptance Form"** shall mean the form attached to the Quotation (or such other form as may from time to time be agreed by the Parties) by which the Customer accepts the Quotation;

**"Actual Supply Meter Point Reference Number"** shall mean the Supply Meter Point Reference Number entered into the Supply Point Register in respect of the Supply Meter Point in question;

**"Affected Party"** shall have the meaning given in Clause 12.1;

**"Affiliate"** shall mean in relation to a body corporate;

- (a) another body corporate which holds not less than 33 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;

**"Northern Gas Networks Limited"** shall mean Northern Gas Networks Limited, and its successors and assigns;

**"Northern Gas Networks Limited Licence"**: shall mean the Gas Transporter's Licence treated as granted to Northern Gas Networks Limited as modified from time to time;

**"Northern Gas Networks Limited Permissions Costs"** shall mean the costs and expenses (if any) incurred by Northern Gas Networks Limited in procuring any permissions, rights or interests in land pursuant to paragraph 1.1(f) of Annex 1 or paragraph 1.1(f) of Annex 3;

**"Northern Gas Networks Limited System"** shall mean the gas transportation pipeline system owned and operated by Northern Gas Networks Limited for the conveyance of gas which is authorised by the Northern Gas Networks Limited Licence;

**"Commissioning"** shall mean the purging with natural gas of that element of the Equipment that is designed to convey or contain natural gas, and its pressurisation so as to create a pressure of natural gas immediately upstream of the Supply Meter Point equal to or greater than Working Pressure, and **"Commission"** and **"Commissioned"** shall be construed accordingly;

“**Competent Authority**” shall mean the Gas and Electricity Markets 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 European Union which has jurisdiction over Northern Gas Networks Limited or the Customer or the subject matter of these Siteworks Terms or a Contract;

“**Connected Offtake System**” shall have the meaning given in the Network Code;

“**Connection**” shall mean the physical connection of the Customer Works to the Northern Gas Networks Limited System;

“**Connection Works**” shall mean the connection of a Service (or any part thereof) for the establishment of a new Supply Meter Point on to the Northern Gas Networks Limited System;

“**Consumer**” shall mean the person or persons who consume(s) or it is intended shall consume natural gas offtaken from the Supply Meter Point or, where no natural gas is being consumed or is likely to be consumed in the near future at the Supply Meter Point, the owner or developer of the Site;

“**Consumer Premises**” shall mean the premises of the Consumer;

“**Contract**” shall have the meaning given in Clause 2.2;

“**Contract Sum**” shall mean:-

- (a) in the case of Quotation Works, the sum specified as such in the Quotation and comprising such Initial Payment, Stage Payments, Final Completion Payment as may be specified in the Quotation; or
- (b) in the case of Self-Quotation Works, the sum specified as such in the Order having been calculated using Standard Costs;

in each case, together with the Northern Gas Networks Limited Permissions Costs;

“**Contract Sum Payment Chart**” shall mean the chart, table or graph included with the Quotation or the Order (as the case may be) which specifies the due date for each part or all of the Contract Sum;

“**Contracts Act**”: shall mean the Contracts (Rights of Third Parties) Act 1999;

“**Customer**” shall mean the person or entity to whom or to which the Quotation is addressed or who or which submits the Order (as the case may be);

“**Customer Works**” shall mean the works (if any) to be carried out by or on behalf of the Customer and specified as such in the Quotation, the Order and/or the Relevant Annex (as the case may be);

“**Daily Liquidated Damages**” shall mean the sum specified as such in the Quotation or the Order (as the case may be). In the event that the Quotation or the Order (as the case may be) specifies that the Works are to be conducted in Stages “**Daily Liquidated Damages**” shall mean the sum specified as such in respect of the relevant Stage. Where no such sum is specified in the Quotation, then “**Daily Liquidated Damages**” shall mean the sum published as such by Northern Gas Networks Limited from time to time;

**"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;

**"Disconnection"** shall mean activities to be carried out by Northern Gas Networks Limited pursuant to a Contract in relation to the disconnection of a Service for the purpose of securing that gas cannot be offtaken from the Northern Gas Networks Limited System at a Supply Meter Point;

**"Domestic Consumer"** shall mean a person supplied or requiring to be supplied with gas at Domestic Premises (but excluding such a person in so far as he is supplied or requires to be supplied at premises other than those referred to above);

**"Domestic Premises"** shall mean premises at which a supply of gas is taken wholly or mainly for domestic purposes;

**"Equipment"** shall mean such regulators, pipework, valves and associated apparatus to be installed by Northern Gas Networks Limited pursuant to a Contract upstream of and including, if appropriate, the Supply Meter Point as more particularly described in the Quotation or the Order (as the case may be);

**"Final Completion"** shall mean the completion of all Works and the clearance of all surplus Northern Gas Networks Limited material (including any Unused Materials and any material excavated by or on behalf of Northern Gas Networks Limited (and not by any other person) from a trench and not utilised by or on behalf of Northern Gas Networks Limited in the backfilling of such trench) from the Site;

**"Final Completion Payment"** shall mean the payment (if any) specified as such in the Contract Sum Payment Chart;

**"Final Completion Target Date"** shall mean the date that Northern Gas Networks Limited intends to achieve Final Completion, as advised by Northern Gas Networks Limited to the Customer in the notice pursuant to Clause 2.5 or calculated in accordance therewith as may be adjusted by agreed variations or as may be extended in accordance with the provisions of these Siteworks Terms;

**"Force Majeure"** shall have the meaning given in Clause 12.1;

**"Gas Distribution Network"** shall mean a gas distribution network of Northern Gas Networks Limited (Gas Transporter) the ownership of which has been transferred to another person;

**"Gas Transporter"** shall mean a person holding a gas transporter's licence issued, or deemed to issued, pursuant to section 7 of the Gas Act 1986;

**"Gas Transporter Licence"**: shall mean a licence granted under Section 7(2) of the Gas Act 1986 (including standard and special conditions thereto) as modified from time to time;

**"Granting Party"** shall have the meaning given in Clause 16.3;

**"Highway"** shall mean in respect of Works being conducted in Scotland "road" and in respect of Works being conducted in England and Wales "street" as such terms are defined in the glossary in the Code of Practice for the New Roads and Street Works Act 1991;

**"Initial Payment"** shall mean the initial payment (if any) detailed in the Contract Sum Payment Chart;

**“Installation Pipework”** shall mean all pipe and gas consuming facilities installed or to be installed downstream of any Metering Equipment;

**“Key Dates”** shall mean the Physical Commencement Target Date, the Substantial Completion Target Date, the Final Completion Target Date and, in respect of Works that are to be conducted in Stages, the relevant Stage Substantial Completion Target Date and Stage Final Completion Target Date as the context requires;

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

**“Liquidated Damages Amount”** shall have the meaning given in Clause 6.6;

**“Liquidated Damages Cap”** shall mean the maximum sum payable in respect of liquidated damages as ascertained from the Quotation or the Order (as the case may be). In the event that the Quotation specifies that the Works are to be conducted in Stages **“Liquidated Damages Cap”** shall mean the maximum sum in relation to the relevant Stage, as ascertained from the Quotation or the Order (as the case may be). Where no such maximum sum is ascertainable from the Quotation, then **“Liquidated Damages Cap”** shall mean the maximum sum payable in respect of liquidated damages as published by Northern Gas Networks Limited from time to time;

**“Main”** shall mean any pipe specified as such in the Quotation or the Order (as the case may be) which constitutes or will constitute part of the Northern Gas Networks Limited System and which is designed to convey gas to more than two Supply Meter Points;

**“Meter”** shall mean a measuring instrument to measure the volume of natural gas passing through it, with a specified badged capacity that is in accordance with Schedule 2B of the Gas Act 1986;

**“Meter Housing”** shall mean such protective housing and/or compound designed to accommodate the Metering Equipment to IGE/GM1, edition 2 (Gas meter installations for pressure less than 100 Bar) 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 Housing Base”** shall mean an unobstructed level area constructed of concrete or other suitable material on which any Metering Equipment and (where appropriate) Meter Housing are to be installed;

**“Metering Equipment”** shall mean the Meter installed or to be installed at the Consumer’s premises and associated equipment between the Supply Meter Point and the next downstream valve (which for Meters with a badged capacity of less than 11 m<sup>3</sup>/h shall be the outlet of the Meter and for all other Meter shall be the downstream valve or outlet of the bypass tee downstream of the Meter);

**“Network Code”** shall mean the network code prepared by Northern Gas Networks Limited pursuant to its Gas Transporter’s licence, as such network code may be amended from time to time;

**“Network Operator”** shall mean the operator of a Gas Distribution Network being a Gas Transporter;

**“Normal Working Hours”** shall mean the hours between 8.00am and 5.00pm on each Working Day;

**“Notice”** shall mean any notice or other communication from one of the Parties to the other Party which is required or permitted to be made by the provisions of a Contract;

“**Other Party**” shall have the meaning given in Clause 12.1;

“**Order**” shall mean the order form prepared by the Customer pursuant to a Self-Quotation requesting Northern Gas Networks Limited to carry out the Works;

“**Party**” shall mean either Northern Gas Networks Limited of the one part or the Customer of the other part, or their permitted successors or assigns, and “**Parties**” shall construed accordingly;

“**Physical Commencement Target Date**” shall mean the date that Northern Gas Networks Limited intends to commence physical works on the Site, as advised by Northern Gas Networks Limited to the Customer in the notice pursuant to Clause 2.5 or calculated in accordance therewith or amended pursuant to Clause 7;

“**Quotation**” shall mean the form referring to these Siteworks Terms produced by Northern Gas Networks Limited and addressed to the Customer containing inter alia details of the Works, the Stage Payment Chart and the Contract Sum, together with any other documents expressly incorporated therein;

“**Quotation Works**” shall mean Works that are the subject of a Quotation;

“**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**” shall be construed accordingly;

“**Receiving Party**” shall have the meaning given in Clause 16.3;

“**Registered User**” shall mean the person or persons whose name is registered in respect of the Supply Meter Point or any other Supply Meter Point at the Site pursuant to the terms of the Network Code;

“**Relevant Annex**” shall mean the Annex or Annexes attached hereto identified as such in the Quotation;

“**Self-Quotation**” shall mean a Quotation for the Works produced by the Customer (rather than Northern Gas Networks) pursuant to the Self-Quotation Conditions;

“**Self-Quotation Conditions**” shall mean the conditions set out in paragraph 4.3 of Annex 3, subject to which the Customer may give quotations to a Consumer for the installation, pursuant to these Siteworks Terms, of one-off new Services for premises mainly in domestic use;

“**Self-Quotation Database**” means the latest version of the database of postcodes and connection costs issued by Northern Gas Networks Limited prior to the production of the Self-Quotation in question, which database allows the Customer to produce a Self-Quotation;

“**Self-Quotation Request Form**” shall mean the offer submitted by the Customer for the conduct of the Works being in a form as published by Northern Gas Networks Limited from time to time (or such other form as may from time to time agreed by Northern Gas Networks Limited and the Customer) and containing, as a minimum, the information specified in the Siteworks Procedures, and “**SQRF**” shall be construed accordingly;

“**Self-Quotation Works**” shall mean Works that are the subject of a Self-Quotation;



“**Service**” shall mean the pipe, together with the associated valves and other equipment (if any), installed or to be installed between any Main and a Supply Meter Point;

“**Shipper**” shall mean a gas shipper licensed under Section 7(A)(2) of the Gas Act 1986 (and acting in such capacity) to arrange with a Gas Transporter for gas to be introduced into, conveyed by means of or taken out of a pipe-line system operated by that Gas Transporter;

“**Site**” shall mean such premises or land owned or occupied by the Customer and/or the Consumer to which Northern Gas Networks Limited reasonably requires access in connection with the Works;

“**Siteworks Procedures**” shall mean the collection of documents published as such by Northern Gas Networks Limited from time to time (as such collection of documents is referred to in the guidance notes published by Northern Gas Networks Limited from time to time relating to these Siteworks Terms);

“**Siteworks Terms**” shall mean these terms and conditions, including the annexes attached hereto;

“**Stage**” shall mean any element of the Works specified as a Stage in the Quotation or the Order (as the case may be);

“**Stage Final Completion**” shall mean, in respect of a Stage, the completion of all Works comprised in such Stage and the clearance of all surplus Northern Gas Networks Limited material (including any Unused Materials and any material excavated by or on behalf of Northern Gas Networks Limited (and not by any other person) from a trench and not utilised by or on behalf of Northern Gas Networks Limited in the backfilling of such trench) from the Site;

“**Stage Final Completion Target Date**” shall mean, in respect of any Stage, the date that Northern Gas Networks Limited intends to achieve Stage Final Completion as advised by Northern Gas Networks Limited to the Customer in the notice pursuant to Clause 2.5 or calculated in accordance therewith as may be adjusted by agreed variations or as may be extended in accordance with the provisions of these Siteworks Terms;

“**Stage Payments**” shall mean shall mean the payments (including the Initial Payment and the Final Completion Payment (if any)) specified in the Contract Sum Payment Chart;

“**Stage Substantial Completion**” shall mean, in respect of any Stage, that the Equipment comprised in that Stage has been installed, Commissioned and left safe;

“**Stage Substantial Completion Target Date**” shall mean, in respect of any Stage, the date that Northern Gas Networks Limited intends to achieve Stage Substantial Completion as advised by Northern Gas Networks Limited to the Customer in the notice pursuant to Clause 2.5 or calculated in accordance therewith as may be adjusted by agreed variations or as may be extended in accordance with the provisions of these Siteworks Terms;

“**Standard Costs**” shall mean the costs derived from the Self-Quotation Database to enable the Customer to produce a Self-Quotation;

“**Substantial Completion**” shall mean that the Equipment has been installed, Commissioned and left safe;

“**Substantial Completion Target Date**” shall mean the date that Northern Gas Networks Limited intends to achieve Substantial Completion, as advised by Northern Gas Networks Limited to the Customer in the notice pursuant to Clause 2.5 or calculated in accordance therewith as may be adjusted by agreed variations or as may be extended in accordance with the provisions of these Siteworks Terms;

“**Supply Meter Point**” shall mean the downstream flange or outlet of the nearest emergency control valve installed by Northern Gas Networks Limited or to be installed by Northern Gas Networks Limited upstream of the location or proposed location of the Metering Equipment or the Connection (as the case may be);

“**Supply Meter Point Reference Number**” shall mean the distinctive registration number allocated by Northern Gas Networks Limited to the Supply Meter Point in accordance with the Network Code;

“**Supply Point Register**” shall have the meaning given in the Network Code;

“**Total Cost**” shall mean the Contract Sum plus the allowances (if any) given by Northern Gas Networks Limited (as shown on the Quotation);

“**Unused Materials**” shall mean all plant, equipment and materials supplied by Northern Gas Networks Limited which have not been incorporated into the Works on termination of the Contract;

“**Working Day**” shall mean any day other than a Saturday, a Sunday, Christmas Day, Good Friday, or a day which is a bank holiday in England and Wales within the meaning of the Banking and Financial Dealings Act 1971;

“**Working Pressure**” shall mean a pressure of natural gas of twenty one (21) millibars above atmospheric pressure or such greater pressure as may be specified as such in the Quotation or the Order (as the case may be); and

“**Works**” shall be the works as set out in Clause 3, the Relevant Annex and/or the Quotation or Order (as the case may be).

1.2 In these Siteworks Terms and any Contract unless the context otherwise requires:

- (a) headings and sub-headings are for convenience only and shall not affect the interpretation of these Siteworks Terms and any Contract;
- (b) all references to any:
  - (i) 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 practices, instruments or other subordinate legislation made thereunder and any conditions attaching thereto; and
  - (ii) 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;
- (c) reference to contractors shall be interpreted as referring to contractors and subcontractors of any tier;
- (d) reference to the word “includes” or “including” are to be construed without limitation;
- (e) 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;

- (f) reference to times of the day (whether a Working Day or a calendar day) in these Siteworks Terms and any Contract are to official time in the United Kingdom, and except where otherwise provided:
  - (i) where anything is to be done under these Siteworks Terms or any Contract by or not later than a day (whether a Working Day or a calendar day) or any period under these Siteworks Terms or any Contract is to run to a day (whether a Working Day or a calendar day) such thing may be done or such period shall run up to the end of such day (whether a Working Day or a calendar day); and
  - (ii) where anything is to be done under these Siteworks Terms or any Contract from or not earlier than a day (whether a Working Day or a calendar day) or any period under these Siteworks Terms or any Contract made pursuant hereto is to run from a day (whether a Working Day or a calendar day), such thing may be done or such period shall run from the start of such day (whether a Working Day or a calendar day).
- 1.3 In the event of any conflict between the Clauses of these Siteworks Terms and the Annexes attached hereto, the Annexes attached hereto shall prevail. In the event of any conflict between a Quotation or Order (as the case may be) and the Clauses of these Siteworks Terms or the Annexes attached hereto, the Quotation or Order (as the case may be) shall prevail.
- 1.4 Unless the context otherwise requires, references to a Clause or Annex are to a Clause or Annex in these Siteworks Terms, and references in an Annex or part of an Annex to a paragraph or sub-paragraph are to a paragraph or sub-paragraph of that Annex or that part of that Annex.

## **2. THE QUOTATION AND ACCEPTANCE**

- 2.1 The process for requesting and producing Self-Quotation Works or Quotation Works shall be as set out in the Siteworks Procedures. However, for the avoidance of doubt, the Siteworks Procedures do not form part of these Siteworks Terms or any Contract, and a Party shall not have any liability to the other Party as a result of any compliance with or failure to comply with such Siteworks Procedures (unless such Party has expressly agreed in writing otherwise).
- 2.2 For the avoidance of doubt, these Siteworks Terms do not of themselves create a legal or contractual relationship between Northern Gas Networks Limited and any other person. A Contract shall only be formed as set out in Clause 2.3 or 2.4. A Contract shall be made up of:-
  - (a) where the Customer has produced a Self-Quotation for the Works, these Siteworks Terms (excluding the Annexes other than the Relevant Annex) and, subject to the provisions of Clause 2, the Order; and
  - (b) in all other cases, these Siteworks Terms (excluding the Annexes other than the Relevant Annex) and, subject to the provisions of Clause 2, the Acceptance and the Quotation to which such Acceptance relates, together with such drawings and other documents as are annexed to the Quotation;

in each case as from time to time may be varied in accordance with these Siteworks Terms or as otherwise agreed by the Parties.

- 2.3 For Self-Quotation Works, formation of the Contract (“**Acceptance**”) will take effect on receipt by Northern Gas Networks Limited within Normal Working Hours of a SQRF duly completed by the Customer and containing, as a minimum, the information specified in the Siteworks Procedures: provided that:-
  - (a) no further terms or conditions are required other than those set out in these Siteworks Terms;

- (b) Northern Gas Networks Limited does not issue a rejection of the SQRF within one (1) Working Day of receipt by Northern Gas Networks Limited within Normal Working Hours of the SQRF; and
- (c) no other SQRF or acceptance of an offer made by Northern Gas Networks Limited in respect of the conduct of works of substantially the same nature has been received from a third party prior to the receipt by Northern Gas Networks Limited of such completed SQRF.

2.4 For Quotation Works, formation of the Contract ("**Acceptance**") will take effect:-

- (a) on receipt by Northern Gas Networks Limited within Normal Working 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 these Siteworks Terms and those additional conditions incorporated in the Quotation (if any): provided that such receipt occurs within ninety (90) calendar 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 SQRF or acceptance of an offer made by Northern Gas Networks Limited in respect of the conduct of works of substantially the same nature has been received from a third party prior to the receipt by Northern Gas Networks Limited of such completed Acceptance Form; 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 these Siteworks Terms and the Quotation, Acceptance shall take effect upon written acceptance (if any) of such additional terms and conditions by Northern Gas Networks.

Northern Gas Networks Limited shall act as a Reasonable and Prudent Operator in determining whether or not to conduct a visit to any land or premises to which the Quotation relates, in connection with the preparation of the Quotation.

2.5 In respect of both Quotation Works and Self-Quotation Works, Northern Gas Networks Limited will:-

- (a) within one (1) Working Day of Acceptance (unless otherwise notified in writing), issue to the Customer a notice confirming the date of Acceptance; and
- (b) except in the circumstances where Clause 6.3 applies, within the period specified in Clause 2.6 (unless otherwise notified in writing), issue to the Customer (in such form as may be agreed by the Parties from time to time) a notice confirming:-
  - (i) the Key Dates, provided that (where the Works are not being conducted in Stages) the Substantial Completion Target Date, or (where the Works are being conducted in Stages) the Stage Substantial Completion Target Date in respect of the first Stage only, shall (in either case) not be less than twenty (20) Working Days (or such shorter period as may be agreed with the Customer) after the date on which the notice is issued; and
  - (ii) the proposed Supply Meter Point Reference Number(s) pursuant to Clause 10.1; or
- (c) in the circumstances where Clause 6.3 applies, within the period specified in Clause 2.7 (unless otherwise notified in writing), issue to the Customer (in such form as may be agreed by the Parties from time to time) a notice confirming:-
  - (i) the date or dates on which Northern Gas Networks Limited intends to commence and finish installing and Commissioning the Service or Services in question, provided that the date on which Northern Gas Networks Limited intends to finish

installing and Commissioning such Service or Services shall not be less than twenty (20) Working Days (or such shorter period as may be agreed with the Customer) after the date on which the notice is issued; and

- (ii) the proposed Supply Meter Point Reference Number(s) pursuant to Clause 10.2;

provided that where the Service or Services is or are the last to be installed as part of a Stage or the entire Works, then the dates specified pursuant to paragraph (i) shall be the Stage Substantial Completion Target Date or the Substantial Completion Target Date as the case may be.

2.6 The notice referred to in Clause 2.5(b) shall be issued:-

- (a) within the number of days of Acceptance or receipt by Northern Gas Networks Limited of a notice pursuant to Clause 6.2 (as the case may be) specified in the relevant business rules published by Northern Gas Networks Limited from time to time pursuant to the Gas (Standards of Performance) Regulations 2005 (or any amendment or replacement thereto); or
- (b) in the absence of any such business rules as referred to in paragraph (a), within twenty (20) working Days.

2.7 The notice referred to in Clause 2.5(c) shall be issued:-

- (a) within the number of days of receipt by Northern Gas Networks Limited of a notice pursuant to Clause 6.3 specified in the relevant business rules published by Northern Gas Networks Limited from time to time pursuant to the Gas (Standards of Performance) Regulations 2005 (or any amendment or replacement thereto); or
- (b) in the absence of any such business rules as referred to in paragraph (a), within twenty (20) Working Days of receipt by Northern Gas Networks Limited of a notice pursuant to Clause 6.3.

### **3. THE WORKS**

3.1 The Works shall comprise, and exclude, the matters set out paragraph 1 of the Relevant Annex.

3.2 The Quotation, the Works, the Contract Sum, and the Key Dates are based upon:

- (a) the following assumptions (unless the Quotation expressly provides to the contrary):-
- (i) that the Site is owned by the Consumer or that, where the Site is not owned by the Consumer, the Consumer has the permission of the owner of the Site for the Works to be carried out;
- (ii) that the Customer (if it is not the Consumer) has obtained the permission of the Consumer for the Works and the Customer Works to be carried out;
- (iii) that the Works do not cross or take place over, in or on any land not owned by the Consumer or not forming part of the Highway, and that therefore no easements or other permissions, consents or rights in land are required in respect of the Works;
- (iv) that no unreasonable, unusual or unduly onerous planning requirements or other conditions, or site rules, regulations or requirements shall be imposed on Northern Gas Networks Limited (or its contractors, or their personnel) in the conduct of the

Works; (unless identified in Quotation request and not rejected by Northern Gas Networks Limited in the Quotation); and

(v) that Northern Gas Networks Limited will be the principal contractor (for the purposes of the Construction (Design and Management) Regulations 1994 (where applicable)) on the Site in respect of the Works; and

(vi) that the property shown on the plan is the correct property;

(b) any other assumptions stated in the Quotation.

3.3 In the event that the Customer advises Northern Gas Networks Limited at or after Acceptance that any of the above assumptions are incorrect, Northern Gas Networks Limited and the Customer shall each use reasonable endeavours to agree a variation to the Works, the Contract Sum, any or all of the Key Dates or any other element of the Contract to take account of the actual circumstances in question. Where the Customer and Northern Gas Networks Limited are unable to agree such a variation, then either Party shall be entitled to terminate the Contract in accordance with Clause 13.1 or 13.3 as the case may be.

#### **4. THE CUSTOMER'S OBLIGATIONS**

4.1 The Customer shall in accordance with the terms and conditions of the Contract pay all amounts to be paid by the Customer under the Contract.

4.2 The Customer shall, to the standard of a Reasonable and Prudent Operator:-

(a) comply with its obligations under a Contract, including those set out in paragraph 2 of the Relevant Annex;

(b) without undue delay or cost to Northern Gas Networks Limited, provide such information, drawings and specifications (including plans of services on or adjacent to the Site that may affect or be affected by the Works) within the possession or reasonable control of the Customer or the Consumer as Northern Gas Networks Limited may reasonably request;

(c) except as provided for in paragraph 1 of the Relevant Annex, by the Physical Commencement Target Date, use reasonable endeavours to obtain all necessary planning permissions, consents and licences for the siting, construction, operation and maintenance of the Customer Works (if any) and any element of the Equipment which is to be constructed or installed on the Site, on any land other than on the Site or in a Highway as part of the Works or in connection therewith;

(d) where the Customer has given notice pursuant to paragraph 1.1(f) of Annex 1 or paragraph 1.1(f) of Annex 3, by the Physical Commencement Target Date, use reasonable endeavours to obtain from the relevant owner and/or occupier of the land concerned all necessary permissions, rights and interests in land (the content of which is satisfactory to Northern Gas Networks Limited acting reasonably) required for such of the Equipment (other than any Services as are to be installed in the course of the Works on a Highway or any Mains) as are to be constructed in the course of the Works and which are not on, in or over any property belonging to the Consumer. The Customer shall obtain details of the required extent of such permissions, rights and interests in land from Northern Gas Networks;

(e) subject to any reasonable site rules and regulations (or any other site rules and regulations as may be agreed by Northern Gas Networks Limited and the Customer), facilitate free and unrestricted access and egress for Northern Gas Networks Limited and its contractors to and from the Site and any other land (other than where provided by Northern Gas Networks Limited pursuant to an easement under paragraph 1.1(f) of

Annex 1 or paragraph 1.1(f) of Annex 3, and other than a Highway) over which the Works are to be carried out during Normal Working Hours or at such other times as may be agreed between the Parties to the extent reasonably necessary to enable them to carry out the Works;

- (f) subject to any reasonable site rules and regulations (or any other site rules and regulations as may be agreed by Northern Gas Networks Limited and the Customer), facilitate free and unrestricted access and egress for authorised Northern Gas Networks Limited employees, contractors or agents at all reasonable times during the construction of the Customer Works for the purpose of verifying the construction of the Customer Works;
  - (g) provide Northern Gas Networks Limited with full details of any relevant health and safety policies, permit to work procedures or other similar matters likely to impact upon the carrying out of the Works on the Consumer's or any third party premises.
  - (h) so as not to delay the Works, where the Customer or Consumer pre-excavates the trench for the installation of the Equipment, carry out, or procure the carrying out of, such work to Northern Gas Networks reasonable standards as notified to the Customer and as shall apply from time to time, and provide fine fill as required by Northern Gas Networks Limited to allow Northern Gas Networks Limited to comply with its obligation to cover the Equipment in any such trench with such fine fill;
  - (i) so as not to delay the Works, where it is intended by the Customer or any third party to alter the ground level of the areas of the Site in which the Equipment is to be installed subsequently to Acceptance, provide details of the proposed finished ground level;
  - (j) where the Works comprise Connection Works but not the installation of a Metering Housing or a Meter Housing Base, so as not to delay the Connection Works, provide and construct, in accordance with the date or dates agreed by the Customer and Northern Gas Networks Limited (or, in the absence of such agreement, specified by Northern Gas Networks), those parts of the Meter Housing and/or the Meter Housing Base identified by Northern Gas Networks Limited as being required to be constructed on the Site prior to Northern Gas Networks Limited commencing the Connection Works;
  - (k) so as not to delay the Works undertake and perform the Customer Works and those other works or matters specified in the Quotation, the Order or the Relevant Annex as being the responsibility of the Customer in accordance with the reasonable requirements of Northern Gas Networks Limited and provide all equipment and materials that the Customer is required by the Quotation or the Relevant Annex to provide in connection with the Works;
  - (l) following Final Completion of the Works, use reasonable endeavours to ensure that suitable measures are in place to prevent interference with the Equipment on the Site and report any suspected interference promptly to Northern Gas Networks; and
  - (m) comply with any obligations specified in the Relevant Annex and/or the Quotation by no later than the date specified therein for so doing or, where no such date is specified, without undue delay;
- 4.3 Provided that the Customer acting as an RPO shall not be in breach of any provision of Clause 4.2 in circumstances where such breach would not have occurred but for a failure by Northern Gas Networks Limited to comply with any provision of Clause 5.
- 4.4 The Customer shall inform the Consumer and the Registered User(s) that the Works have been requested by the Customer and will be undertaken by Northern Gas Networks. The Customer shall be liable for and shall reimburse Northern Gas Networks Limited for any amounts paid by Northern Gas Networks Limited to the Registered User(s) pursuant to Section J of the Network

Code in respect of a failure to make gas available for offtake at the Supply Meter Point in question or any other Supply Meter Point(s) on the Site as a result of the performance of the Works.

## **5. NORTHERN GAS NETWORKS OBLIGATIONS**

- 5.1 Northern Gas Networks Limited shall, to the standard of a Reasonable and Prudent Operator: -
- (a) comply with its obligations set out in paragraph 3 of the Relevant Annex;
  - (b) without additional cost to the Customer provide without undue delay such information within the possession or control of Northern Gas Networks Limited as is reasonably required by the Customer for the performance of its obligations under Clause 4;
  - (c) undertake, perform and complete the Works in the manner provided for in the Contract subject always to its obligations as a Gas Transporter;
  - (d) make all payments due by it under the Contract;
  - (e) in the course of the Works comply with site rules and regulations reasonably imposed in the course of the Works or otherwise agreed in writing by the Parties;
  - (f) in the course of the Works, and subject to the provisions of the Contract, perform changes to the Works agreed with the Customer pursuant to Clause 8; and
  - (g) in its conduct of the Works not cause a breach of any permission, licence or consent obtained by the Customer pursuant to its obligations under Clause 4, provided that Northern Gas Networks Limited has been provided with a copy of such permission, licence or consent prior to such conduct.
- 5.2 Provided that Northern Gas Networks Limited acting as an RPO shall not be in breach of any provision of this Clause 5 in circumstances where such breach would not have occurred but for a failure by the Customer to comply with any provision of Clause 4.

## **6. TIMESCALES**

- 6.1 Northern Gas Networks Limited will, acting as a Reasonable and Prudent Operator and subject to unavoidable or unforeseeable circumstances (provided that Northern Gas Networks Limited has taken all reasonable measures to mitigate or avoid such circumstances), commence the Works on or before the Physical Commencement Target Date.
- 6.2 In the event that the Quotation specifies that the Works shall be conducted in Stages, the Customer shall give Northern Gas Networks Limited as much written notice as is reasonably practicable (and in any event at least the period of notice specified in the Quotation for these purposes or, in the absence of any such period in the Quotation, at least fifteen (15) Working Days (or such shorter period as Northern Gas Networks Limited may agree) notice where the Works comprised in the Stage do not include the laying of a Main or thirty (30) Working Days (or such shorter period as Northern Gas Networks Limited may agree) in any other case, and not more than ninety (90) calendar days notice) or such other period of notice as may be specified in the Quotation of the Working Day on which the Customer wishes Northern Gas Networks Limited to commence that element of the Works comprised in a particular Stage (other than the first Stage). Provided the Customer has complied with its obligations arising under the Contract prior that date (such date being the Physical Commencement Target Date for the Stage in question), Northern Gas Networks Limited shall, subject to Clause 6.3, notify the Customer of the Key Dates in respect of that Stage in accordance with Clause 2.5(b) and shall commence that element of the Works specified in respect of such Stage in the Quotation on the notified Physical Commencement Target Date for such Stage.



- 6.3 Where the Works (or, in the case of Staged Works, the Works comprised in a Stage) involve the laying of more than one (1) Service and the Customer has advised Northern Gas Networks Limited that it does not wish Northern Gas Networks Limited to lay all the Services as a single operation, then (in addition to the notices set out in Clause 6.2) the Customer shall give Northern Gas Networks Limited as much notice as is reasonably practicable (and in any event at least the period of notice specified in the Quotation for these purposes or, in the absence of any such period in the Quotation, at least fifteen (15) Working Days (or such shorter period as Northern Gas Networks Limited may agree) and not more than ninety (90) calendar days notice) or such other period of notice as may be specified in the Quotation of the Working Day on which the Customer wishes Northern Gas Networks Limited to commence the laying of each Service. Provided that the Customer has complied with its obligations arising under the Contract prior to that date, Northern Gas Networks Limited shall notify the Customer in accordance with Clause 2.5(c) (unless agreed otherwise) of the date or dates on which Northern Gas Networks Limited intends to commence and finish installing and Commissioning the Service or Services in question, and shall commence laying and finish such Service on the date or dates so notified (provided that Clause 7 shall apply to such date or dates). Where the Customer requests Northern Gas Networks, in accordance with the provisions of this Clause 6.3, to lay the final Service(s) comprised in a Stage, Northern Gas Networks Limited shall advise the Customer of the relevant Key Dates (other than the Physical Commencement Target Date) in respect of such Stage.
- 6.4 Northern Gas Networks Limited shall:-
- (a) achieve Substantial Completion by the end of Normal Working Hours on the Substantial Completion Target Date;
  - (b) achieve Stage Substantial Completion by the end of Normal Working Hours on the Stage Substantial Completion Target Date;
  - (c) issue a notification to the Customer within five (5) Working Days of achieving Substantial Completion, stating the date upon which Substantial Completion was achieved; and
  - (d) issue a notification to the Customer within five (5) Working Days of achieving Stage Substantial Completion, stating the date upon which Stage Substantial Completion was achieved.
- 6.5 Northern Gas Networks Limited shall:-
- (a) achieve Final Completion by the end of Normal Working Hours on the Final Completion Target Date;
  - (b) achieve Stage Final Completion by the end of Normal Working Hours on the Stage Final Completion Target Date;
  - (c) issue a notification to the Customer within ten (10) Working Days of achieving Final Completion, stating the date upon which Final Completion was achieved; and
  - (d) issue a notification to the Customer within ten (10) Working Days of achieving Stage Final Completion, stating the date upon which Stage Final Completion was achieved.
- 6.6 If Northern Gas Networks Limited shall fail to achieve Substantial Completion of the Works by the end of Normal Working Hours on the Substantial Completion Target Date, or Stage Substantial Completion of the Works comprised in the relevant Stage by the end of Normal Working Hours on the Stage Substantial Completion Target Date, then:
- (a) where the Works are included in the scope of the relevant business rules published by Northern Gas Networks Limited from time to time pursuant to the Gas (Standards of Performance) Regulations 2005 (or any amendment or replacement thereto), Northern

Gas Networks Limited shall pay the Customer the amount specified as due for payment in such circumstances pursuant to the said business rules; and

- (b) where the Works are not included in the scope of the relevant business rules published by Northern Gas Networks Limited from time to time pursuant to the Gas (Standards of Performance) Regulations 2005 (or any amendment or replacement thereto), Northern Gas Networks Limited shall be liable to pay to the Customer an amount (the "**Liquidated Damages Amount**") equal to the Daily Liquidated Damages per twenty four hour period or part thereof of actual delay, provided that Northern Gas Networks liability hereunder shall not under any circumstances exceed the Liquidated Damages Cap.

6.7 The payment referred to in:

- (a) Clause 6.6(a) shall be paid in accordance with the relevant business rules published by Northern Gas Networks Limited from time to time pursuant to the Gas (Standards of Performance) Regulations 2005 (or any amendment or replacement thereto); and
- (b) Clause 6.6(b) shall:-
  - (i) where no further invoices are to be issued by Northern Gas Networks Limited to the Customer in respect of the Works, be in such form as Northern Gas Networks Limited and the Customer may agree for an amount equal to the Liquidated Damages Amount within thirty (30) calendar days of the occurrence of Substantial Completion or Stage Substantial Completion (as the case may be); or
  - (ii) where further invoices are to be issued due by Northern Gas Networks Limited to the Customer in respect of the Works, be in the form of a reduction to the next invoice relating to the Works in an amount equal to the Liquidated Damages Amount. Where the amount of the reduction referred to above is greater than the total of all other items on the invoice, the amount by which the reduction exceeds the total of all other items on the invoice shall be paid or credited to the Customer in such form as Northern Gas Networks Limited and the Customer may agree. Any such reductions referred will not affect the amount of value added tax (or equivalent) payable by the Customer in respect of the Contract Sum.

## **7. EXTENSIONS OF TIME AND ADDITIONAL COSTS**

7.1 The Key Dates shall be amended as set out in Clause 7.2 in the event of any delay to the Works (irrespective of when the cause of such delay occurs) to the extent that such delay is caused by any of the following matters, save where such delay is directly attributable to Northern Gas Networks failure to act as a Reasonable and Prudent Operator:-

- (a) request of the Customer or the Consumer;
- (b) failure or delay of the Customer in carrying out any of its obligations under the provisions of the Contract;
- (c) the Customer Works (if any) not being ready and accessible when Northern Gas Networks Limited commences the Works;
- (d) any of the assumptions set out in
  - (i) Clause 3.2;
  - (ii) the Quotation (if any); or
  - (iii) the Relevant Annex (if any)

prove to be incorrect and such incorrect assumption could not, at the date of issue of the Quotation, have been verified by Northern Gas Networks;

- (e) errors in any information, data or design specifications provided by the Customer to Northern Gas Networks Limited in relation to the Works and/or the Customer Works;
- (f) ground conditions which would not have been reasonably foreseen;
- (g) additional works (not included in the Works) that would not have been reasonably foreseen at the time of the Quotation or the Order (as the case may be);
- (h) any impediment or prevention in the exercise by Northern Gas Networks Limited of any rights and interests in land obtained by Northern Gas Networks Limited in the course of conducting the Works;
- (i) delays of which Northern Gas Networks Limited would not have reasonably been aware at the date of issue of the Quotation imposed under the terms of any licences issued under the New Roads and Streets Work Act 1991 or reasonably requested or required by any highway authority acting in accordance with its statutory powers;
- (j) the discovery of items of historical, archaeological or special scientific interest;
- (k) adverse weather conditions and the effects of such adverse weather conditions, where "adverse weather conditions" are weather conditions which adversely affect the Works and are in excess of those that would have anticipated for the time of year in question;
- (l) any event or circumstance of Force Majeure;
- (m) any labour dispute or work stoppage or slow-down involving
  - (i) the Customer and/or the Consumer;
  - (ii) the Customer's and/or the Consumer's contractors (other than Northern Gas Networks); or
  - (iii) any other person;which affects the Works;
- (n) the imposition of unreasonable site rules and regulations (other than site rules that have been agreed by the Parties) or the interference of the owners or occupiers of the land to which Northern Gas Networks Limited reasonably requires access for the purpose of the Works;
- (o) unavailability or delays incurred in the delivery of equipment or materials necessary to complete the Works provided that such delays were not reasonably foreseeable by Northern Gas Networks Limited at the time of issue of the notice pursuant to Clause 2.5(b) or 2.5(c) (as the case may be) in respect of that part of the Works in question;
- (p) any delay in the grant of permissions or delays in the acquisition of any land or interest in or rights over land, including delays in the compulsory acquisition of land;
- (q) a suspension of the Works by Northern Gas Networks Limited pursuant to Clause 13.2;
- (r) the requirements of statutory authorities;
- (s) any suspension of the Works pursuant to Clause 7.5;

- (t) where the Customer fails to obtain by the Physical Commencement Target Date all necessary planning permissions, consents and licences for the siting, construction, operation and maintenance of the Customer Works (if any) and any element of the Equipment which is to be constructed or installed on the Site, on any land other than on the Site or in a Highway as part of the Works or in connection therewith (irrespective of whether or not the Customer has complied with its obligation under Clause 4.2(c));
- (u) where the Customer has given notice pursuant to paragraph 1.1(f) of Annex 1 or paragraph 1.1(f) of Annex 3, and the Customer fails to obtain by the Physical Commencement Target Date from the relevant owner and/or occupier of the land concerned all necessary permissions, rights and interests in land (the content of which is satisfactory to Northern Gas Networks Limited acting reasonably) required for such of the Equipment (other than any Services as are to be installed in the course of the Works on a Highway or any Mains) as are to be constructed in the course of the Works and which are not on, in or over any property belonging to the Consumer (irrespective of whether or not the Customer has complied with its obligation under Clause 4.2(d));
- (v) where Northern Gas Networks Limited or its contractors are not permitted free and unrestricted access or egress (subject to any site rules that have been agreed by the Parties) to and from the Site and any other land (other than where provided by Northern Gas Networks Limited pursuant to an easement under paragraph 1.1(f) of Annex 1 or paragraph 1.1(f) of Annex 3, and other than a Highway) over which the Works are to be carried out during Normal Working Hours or at such other times as may be agreed (irrespective of whether or not the Customer has complied with its obligation under Clause 4.2(e)); or
- (w) where authorised Northern Gas Networks Limited employees, contractors or agents are not permitted free and unrestricted access or egress (subject to any site rules that have been agreed by the Parties) at all reasonable times during the construction of the Customer Works for the purpose of verifying the construction of the Customer Works (irrespective of whether or not the Customer has complied with its obligation under Clause 4.2(f)).

7.2 Northern Gas Networks Limited shall only be entitled to an amendment to the Key Dates under this Clause 7, if it has used and continues to use reasonable endeavours to overcome or minimise any actual or anticipated delay. The amendment to the Key Dates under this Clause 7 shall be for a fair and reasonable period commensurate with the cause of delay, together with any additional period resulting from any re-scheduling of work by Northern Gas Networks Limited as a result of the delay. Northern Gas Networks Limited shall:-

- (a) where such amendment is identified prior to original Physical Commencement Target Date, issue to the Customer a notification of such amendment to all or any of the Key Dates no later than one (1) Working Day after the amendment is identified (or as soon thereafter as is reasonable in the circumstances), but in any case no later than one (1) Working Day prior to the original Physical Commencement Target Date; or
- (b) where such amendment is identified on or after the original Physical Commencement Target Date (but prior to the Substantial Completion Target Date (or, in the case of Works conducted in Stages, the Stage Substantial Completion Target Date)) issue to the Customer a notification of the requirement for (but not the extent of) such amendment to all or any of the Key Dates (other than the Physical Commencement Target Date) no later than one (1) Working Day after the amendment is identified (or as soon thereafter as is reasonable in the circumstances);

unless, in either case, shorter time periods have been agreed with the Customer. Northern Gas Networks Limited will notify the Customer of the revised Key Dates (other than the Physical Commencement Target Date) within the timescales specified in Clause 2.6 or 2.7 (as the case

may be) after the cause of the delay has passed, or a date has been identified on which the cause of the delay will have passed.

7.3 In the event that Northern Gas Networks Limited believes it will be unable (for whatever reason, including a reason not listed in Clause 7.1) to achieve Substantial Completion or Stage Substantial Completion (as the case may be) by the Substantial Completion Target Date or the Substantial Completion Target Date (as the case may be), then Northern Gas Networks Limited shall notify the Customer accordingly not less than one (1) Working Day prior to the Substantial Completion Target Date or the Substantial Completion Target Date (as the case may be). In the event that:-

- (a) Northern Gas Networks Limited fails to give such notice; and
- (b) as a result, the Customer is unable to give sufficient notice to the person installing the Metering Equipment at the premises to which the Works relate that such installation is not to be performed on the agreed date and therefore incurs a charge to such person pursuant to the contractual arrangements it has with such person;

then Northern Gas Networks Limited shall be liable to pay to the Customer an amount equal to the Abortive Meter Worker Charge, provided that:-

- (a) the Customer has complied with all of its obligations under the Contract which require to be complied with on or prior to the Substantial Completion Target Date or the Substantial Completion Target Date (as the case may be);
- (b) the Customer has, as soon as it became aware of the fact that Northern Gas Networks Limited would be unable (for whatever reason, including a reason not listed in Clause 7.1) to achieve Substantial Completion or Stage Substantial Completion (as the case may be) by the Substantial Completion Target Date or the Substantial Completion Target Date (as the case may be), given notice to the person installing the Metering Equipment at the premises to which the Works relate that such installation is not to be performed on the agreed date; and
- (c) the Customer has provided such evidence to Northern Gas Networks Limited as Northern Gas Networks Limited may reasonably request that the Customer has incurred a charge pursuant to the contractual arrangements it has with the person installing the Metering Equipment at the premises to which the Works relate.

The provisions of this Clause 7.3 shall be without prejudice to any provision of Clause 6 or any other provision of this Clause 7.

7.4 Northern Gas Networks Limited shall only be entitled to any additional amounts under this Clause 7, if it has used and continues to use reasonable endeavours to overcome or minimise any actual or anticipated additional amounts. Subject to Clause 7.6, in the event that Northern Gas Networks Limited has incurred or expended or will incur or expend any additional amounts as a result of any of the following matters:-

- (a) any delay resulting from any of the matters referred to in Clause 7.1 (other than those referred to in paragraphs (s), (v) and (w) of Clause 7.1);
- (b) any increase to the cost to Northern Gas Networks Limited of performing the Works due to any new imposition tax or duty in respect of labour or materials occurring subsequent to the time of the Quotation or Order provided that such increase was not reasonably ascertainable at the date of the Quotation or Order;
- (c) agreed costs and expenses reasonably incurred by Northern Gas Networks Limited in connection with the provision of assistance that may be given to the Customer in connection with the performance of its obligations; or

- (d) all costs and expenses reasonably incurred by Northern Gas Networks Limited in the course of the procurement and attempted procurement of permissions, rights and interests in land;

then Northern Gas Networks Limited shall notify the Customer as soon as reasonably practicable (and in any case no more than five (5) Working Days) after becoming aware that such additional amount has been or will be incurred or expended of such additional amounts (together with any amounts that have been or will be paid or incurred by Northern Gas Networks Limited as a direct result of any suspension pursuant to Clause 7.5 and of recommencing the Works following such suspension) and the reasons for such additional amounts arising.

7.5 If Northern Gas Networks Limited is unable to agree such additional amounts with the Customer while Northern Gas Networks Limited is still on Site and Northern Gas Networks Limited is unable to progress any other part of the Works pending such agreement, Northern Gas Networks Limited shall be entitled to immediately suspend all progress on the Works (other than that necessary to make safe those of the Works that have already been completed). The Customer shall notify Northern Gas Networks Limited within ten (10) Working Days (or such other period as may be agreed by the Parties) of whether the Customer accepts such additional amounts. If:-

- (a) the Customer notifies Northern Gas Networks Limited that the Customer does not accept such additional amounts or fails to notify with such period, then either Party shall be entitled to terminate the Contract pursuant to Clause 13.1 or 13.3 as appropriate; and
- (b) the Customer notifies Northern Gas Networks Limited that the Customer accepts such additional amounts, the Contract shall be deemed to have been varied accordingly, the Contract Sum shall be increased by such additional amounts, and (if Northern Gas Networks Limited has suspended progress on the Works in accordance with this Clause) Northern Gas Networks Limited shall (as soon as reasonably practicable, having regard to its other scheduled work) recommence progress on the Works.

7.6 In the event of:-

- (a) any delay referred to in paragraphs (v) and (w) of Clause 7.1 arising after Northern Gas Networks Limited has arrived on Site to commence the Works; or
- (b) Northern Gas Networks Limited being unable to commence the Works on the Physical Commencement Target Date (as a result of the Customer's failure to fulfil its obligations under Clause 4 and the Customer not having cancelled the said date no later than one (1) Working Day prior thereto);

the Customer shall pay to Northern Gas Networks Limited an abortive visit charge at a rate as revised and published by Northern Gas Networks Limited from time to time; provided that such failure is not caused by a failure on the part of Northern Gas Networks Limited to fulfil its obligations under Clause 5.

7.7 In all cases where Northern Gas Networks Limited has given notice under Clause 7.2, it shall thereafter comply with all reasonable instructions which the Customer shall give in writing in order to overcome or minimise any actual or anticipated delay (unless such compliance would cause Northern Gas Networks Limited to incur extra costs or expenses). If compliance with any such instruction shall cause Northern Gas Networks Limited to incur extra costs or expenses, then Northern Gas Networks Limited shall not comply with such instruction unless and until:-

- (a) Northern Gas Networks Limited has provided the Customer with details of the cost of complying with such instructions; and

- (b) the Customer has agreed to such cost (in which case the Contract Sum shall be deemed to have been amended to include such cost).

Provided that Northern Gas Networks Limited shall only be entitled to such cost if such instructions require Northern Gas Networks Limited to take actions which are additional or contrary to those actions taken (or which ought to be taken) by Northern Gas Networks Limited pursuant to Clause 7.2 to overcome or minimise any actual or anticipated delay or additional amount.

In the event that the Customer does not agree to such costs within ten (10) Working Days of receiving the details thereof from Northern Gas Networks, Northern Gas Networks Limited shall be under no obligation to comply with such instruction.

- 7.8 Without prejudice to Clause 7.1, in the event that a change to the Works is agreed pursuant to Clause 8, the Key Dates and/or the Contract Sum will be adjusted to the extent agreed in relation thereto, and Northern Gas Networks Limited shall issue a notice to the Customer confirming the revised Key Dates.

## **8. CHANGES TO THE WORKS**

- 8.1 In the course of the Works Northern Gas Networks Limited shall make such changes to the Works whether by additions, modifications or omissions thereto as are from time to time agreed with the Customer, including any changes to the Contract Sum (including but not limited to any changes to the Stage Payments) and/or all or any of the Key Dates, all in accordance with the provisions set out below.

- 8.2 In the event that the Customer wishes to request changes to the Works, it shall notify Northern Gas Networks Limited in writing of the requested change, specifying the reasons therefor.

- 8.3 As soon as reasonably practicable following receipt of a request from the Customer under Clause 8.2 (and in any event within five (5) Working Days of such receipt), Northern Gas Networks Limited shall notify the Customer as to whether or not it is prepared to agree to the request (such agreement not to be unreasonably withheld), and in the event that Northern Gas Networks Limited agrees to the request, it will provide details of any additions to or reductions in the Contract Sum and any amendments to the Key Dates required in respect of such change.

- 8.4 In the event that:-

- (a) Northern Gas Networks Limited does not agree to the Customer's request; or  
(b) the Customer does not agree to the additions to or reductions in the Contract Sum and any amendments to the Key Dates required in respect of such change as notified by Northern Gas Networks Limited in accordance with Clause 8.3;

then neither Party shall be under further obligation in respect of such proposed change to the Works.

## **9. PAYMENT**

- 9.1 In consideration of the performance by Northern Gas Networks Limited of its obligations under the Contract, the Customer agrees to pay Northern Gas Networks Limited as follows:

- (a) any payment specified in the Contract Sum Payment Chart as being payable on Acceptance, not later than the date of Acceptance;

- (b) each payment set out in the Contract Sum Payment Chart (other than any payment specified as being payable on Acceptance) on or before the later of:-
    - (i) the due date for such payment calculated in accordance with the Contract Sum Payment Chart; or
    - (ii) the thirtieth (30th) calendar day after the tax point date of an invoice in respect of such payment;
  - (c) any other amount to be paid by the Customer to Northern Gas Networks Limited pursuant to the Contract on or before the thirtieth (30th) calendar day after the tax point date of an invoice in respect of such amount; and
  - (d) all value added tax (or equivalent) charges properly payable in connection with the amounts specified in this Clause 9.1 on or before the thirtieth (30th) calendar day after the tax point date of a value added tax (or equivalent) invoice.
- 9.2 In respect of any amounts to be paid to Northern Gas Networks Limited pursuant to Clauses 7 and 8, Northern Gas Networks Limited shall submit an invoice to the Customer which shall be accompanied by a narrative giving details of how the amount of the invoice is calculated. Northern Gas Networks Limited shall provide the Customer with value added tax invoices in respect of each payment due under the Contract.
- 9.3 The address for invoices under the Contract shall be the Customer's address as specified in Clause 14.
- 9.4 All payments shall be made in pounds sterling in same day funds to the account of Northern Gas Networks Limited at the bank notified to the Customer, or by such other method as Northern Gas Networks Limited may agree. Each payment shall be accompanied by a document or documents specifying the invoice or invoices plus amounts being paid. In the event that a payment is not so accompanied by such a document or documents, the Customer shall pay interest from the date on which such amount was originally paid at an annual rate of one (1) percent per annum above the Barclays Bank plc base rate in force from time to time, compounded annually, until such time as such document or documents are received by Northern Gas Networks Limited from the Customer. Without prejudice to the foregoing, Northern Gas Networks Limited shall, as soon as it becomes aware, notify the Customer in the event that a payment is received by Northern Gas Networks Limited which is not accompanied by such a document or documents.
- 9.5 In the event of a bona fide dispute, the Customer shall provide Northern Gas Networks Limited full details of the amount disputed and the grounds of the dispute. Where the Customer provides Northern Gas Networks Limited with such details:-
- (a) within twenty nine (29) calendar days of the tax point date of the invoice, then, provided that the Customer pays the undisputed amount, the Customer shall be entitled to withhold payment of the amount notified in accordance with this Clause 9.5 as being in dispute. At the determination or agreed resolution of such dispute the Customer shall pay Northern Gas Networks:-
    - (i) within twenty (20) calendar days of such determination or agreement; or
    - (ii) by the date on which such amount was originally payable;
- (whichever is the later) the amount (if any) determined or agreed to be due together with interest from the date on which such amount was originally payable at an annual rate of one (1) percent per annum above the Barclays Bank plc base rate in force from time to time, compounded annually, until the date of payment; or



- (b) more than twenty nine (29) calendar days after the tax point date of the invoice, then the Customer shall not be entitled to withhold any payment of the amount notified in accordance with this Clause 9.5 as being in dispute and the full amount of any disputed invoice shall be due on the date calculated pursuant to Clause 9.1. At the determination or agreed resolution of such dispute, where it is determined or agreed that Northern Gas Networks Limited is due to refund an amount to the Customer, then Northern Gas Networks Limited shall pay the Customer within twenty (20) calendar days of such determination or agreement the amount determined or agreed to be due together with interest from the date on which such amount was originally payable at an annual rate of one (1) percent per annum above the Barclays Bank plc base rate in force from time to time, compounded annually, until the date of payment.
- 9.6 Any amounts becoming due under the Contract (other than those subject to a bona fide dispute pursuant to Clause 9.5) shall bear interest (payable by the Party due to make payment of such amount) from the date on which payment of such amount becomes due at an annual rate of three (3) percent per annum above the Barclays Bank plc base rate in force from time to time, compounded annually, until the date of payment.
- 9.7 In the event that Northern Gas Networks Limited is required pursuant to the terms of the Contract to reimburse the Customer an amount paid by the Customer to Northern Gas Networks Limited in accordance with this Clause 9, Northern Gas Networks Limited shall reimburse such amount to the Customer together with interest from the date on which such amount was originally paid at an annual rate of one (1) percent per annum above the Barclays Bank plc base rate in force from time to time, compounded annually, until the date of reimbursement.

## **10. SUPPLY METER POINT REFERENCE NUMBERS**

- 10.1 Northern Gas Networks Limited will use reasonable endeavours to ensure that the Supply Meter Point Reference Number notified in respect of a new Supply Meter Point in accordance with this Clause 10.1 is the Actual Supply Meter Point Reference Number. Where the works include Connection Works in relation to one Service only, then Northern Gas Networks Limited shall advise the Customer, in the notice issued pursuant to Clause 2.5(b), of the proposed Supply Meter Point Reference Number for the new Supply Meter Point to be established pursuant to the Works.
- 10.2 Northern Gas Networks Limited will use reasonable endeavours to ensure that the Supply Meter Point Reference Number notified in respect of a new Supply Meter Point in accordance with this Clause 10.2 is the Actual Supply Meter Point Reference Number. Where the Works include Connection Works in relation to more than one Service, then Northern Gas Networks Limited shall advise the Customer, in the notice issued pursuant to Clause 2.5(c), of the proposed Supply Meter Point Reference Number for each new Supply Meter Point to be established pursuant to the Works.
- 10.3 Notwithstanding the provisions of Clauses 10.1 and 10.2, Northern Gas Networks Limited will have no liability to the Customer in the event that the Supply Meter Point Reference Number notified in respect of a new Supply Meter Point in accordance with Clauses 10.1 or 10.2 differs from the Actual Supply Meter Point Number. Where the Actual Supply Meter Point Reference Number does differ from that notified in accordance with Clauses 10.1 or 10.2, Northern Gas Networks Limited shall:-
- (a) notify the Customer of the Actual Supply Meter Point Reference Number in accordance with the provisions of the relevant Network Code; and
- (b) where appropriate change the label showing the Supply Meter Point Reference Number such that it shows the Actual Supply Meter Point Reference Number.

## 11. LIABILITY AND INDEMNITY

11.1 Subject to the further provisions of this Clause 11, each Party agrees and acknowledges that:-

- (a) neither Party shall be liable to the other Party for loss arising from any breach of any Contract, other than (but without prejudice to any other provision of such 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 such person for loss in respect of physical damage to the property of such person.
- (b) neither Party shall in any circumstances be liable in respect of any breach of any Contract 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 Clauses 11.1(a)(ii) and 11.5; or
  - (iv) loss in respect of Clause 11.1(a) to the extent that it results from the breach or negligent act or omission of the other Party.

11.2 For the purposes of Clause 11.1(a) the “**relevant date**” 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.

11.3 Subject to Clause 11.6, the amount or amounts for which either Party may be liable to the other Party pursuant to Clause 11.1(a) in respect of any one event or circumstance constituting or resulting in the first Party’s breach of a provision a Contract shall not exceed as respects the liability of Northern Gas Networks Limited to the Customer or of the Customer to Northern Gas Networks:-

- (a) one million pounds sterling (£1,000,000) in respect of any Contract in respect of which Annex 3 is the Relevant Annex; and
- (b) five million pounds sterling (£5,000,000) in respect of any other Contract.

11.4 Clause 11.1 is without prejudice to any provision of the Contract which provides for an indemnity, or which provides for any Party to make a payment to another.

11.5 Nothing in the Contract shall exclude or limit the liability of either Party for death or personal injury resulting from the negligence of such Party.

11.6 The limitation of liability under Clause 11.3 in respect of Clause 11.1(a)(ii) shall not apply where, by virtue of lack, as at the date of the Contract, of a contractual relationship with such other person referred to in Clause 11.1(a)(ii) the other Party has been unable to limit its liability.

- 11.7 The rights and remedies of the Parties pursuant to a Contract exclude and are in place of any rights and remedies of any Party in tort (including negligence and nuisance) or misrepresentation (but not fraudulent misrepresentation) in respect of the subject matter of the Contract; and accordingly (but without prejudice to Clauses 11.5 and 11.10) each Party (to the fullest extent permitted by law):
- (a) waives any such other rights or remedies (other than those pursuant to the 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 the Contract.
- 11.8 Without prejudice to Clause 11.7 and notwithstanding any provision of the Gas (Standards of Performance) Regulations 2005 (or any amendment or replacement thereto), which stipulates time shall be of the essence, where any provision of a Contract provides for any amount to be payable by a Party upon or in respect of that Party's breach of any provision of the Contract, each Party agrees and acknowledges that the such provisions have been the subject of discussion and negotiation and that the remedy conferred by such provision is exclusive of and is in substitution for any remedy in damages in respect of such breach or the event or circumstance giving rise thereto.
- 11.9 For the avoidance of doubt, nothing in this Clause 11 shall prevent or restrict either Party from in enforcing any obligation (including suing for a debt) owed to it under or pursuant to a Contract.
- 11.10 Nothing in this Clause 11 shall constitute a waiver by either Party of any right or remedy it may have (other than pursuant to a Contract) in respect of a breach by the other Party of any Legal Requirement.
- 11.11 Each provision of this Clause 11 shall be construed as a separate and severable contract term, and shall survive the termination or expiry of any Contract.
- 11.12 Each Party acknowledges and agrees that the provisions of this Clause 11 have been the subject of discussion and negotiation and are fair and reasonable having regard to the circumstances as at the date of the Contract.
- 11.13 The amount or amounts for which a Party may be liable to the other Party pursuant to any indemnity provided for in a Contract in respect of any one event or circumstance giving rise to liability under such indemnity shall not exceed as respects the liability of Northern Gas Networks Limited to the Customer or of the Customer to Northern Gas Networks Limited one million pounds sterling (£1,000,000).
- 11.14 Any design carried out by Northern Gas Networks Limited pursuant to a Contract is carried out solely for the purpose of allowing Northern Gas Networks Limited to perform its obligations under such Contract. Accordingly, Northern Gas Networks Limited gives no warranty as to the quality or suitability of such design if it is utilised by the Customer or any other person for the purpose of performing the same or similar activities to some or all of those activities comprised in the Works, and Northern Gas Networks Limited shall not be liable for any loss or damage sustained or incurred by the Customer or any third party should the Customer or any other person utilise the design for the purpose of performing the same or similar activities to some or all of those activities comprised in the Works. The Customer shall advise any person to whom the Customer discloses such design of the terms of this Clause 11.14. For the avoidance of doubt, the carrying out of any works in relation to Metering Equipment (whether existing or future) shall not be "the same or similar activities" for the purposes of this Clause 11.14.

## 12. FORCE MAJEURE

12.1 For the purposes of these Siteworks Terms, subject to Clauses 12.3 and 12.4, "**Force Majeure**" shall mean 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 a 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) governmental restraint or the coming into force of any Legal Requirement.

12.2 Without prejudice to the generality of Clause 12.1, either Party will be entitled to claim relief through Force Majeure in the event of a major gas emergency incident requiring the attendance of Northern Gas Networks personnel in support of the emergency service obligation set out in the Northern Gas Networks Limited Licence.

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

12.4 The act or omission of:

- (a) any agent or contractor of a Party; and/or
- (b) any Shipper 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 Clause 12.1 if such person were the Affected Party.

12.5 Subject to Clause 12.6, the Affected Party (from the time of the occurrence of Force Majeure) shall be relieved from liability (including any requirement under the 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 the Contract which is caused by or results from Force Majeure.

12.6 The Affected Party shall be relieved from liability under Clause 12.5 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 acting as a Reasonable and Prudent Operator might reasonably be expected to take with a view to resuming performance of its obligations.

12.7 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 (and in a timely manner) provide to the Other Party reasonable details of:

- (i) developments in the matters notified under Clause 12.7(a);
- (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.

### **13. TERMINATION AND SUSPENSION**

13.1 Without prejudice to any of its antecedent rights or remedies, Northern Gas Networks Limited may terminate any Contract:

- (a) 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 any administrator or administrative receiver shall be appointed in respect of the whole or any material part of its assets; or if it shall make or offer to make any arrangement or composition for the benefit of creditors generally;
- (b) by giving five (5) Working Days 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 sixty (60) calendar days;
- (c) by giving twenty (20) Working Days notice in writing of a material breach of the Contract by the Customer, provided that the Customer fails to take substantial steps to remedy the breach within that twenty (20) Working Day period of notice;
- (d) by giving twenty (20) Working Days notice in writing in the event that any permission, rights or interest in land necessary for the conduct of the Works have not been secured prior to the Physical Commencement Target Date, provided that where Northern Gas Networks Limited is (as part of the Works) required to secure such permission, rights or interest in land, Northern Gas Networks Limited shall have acted as a Reasonable and Prudent Operator in seeking to secure such permission, rights or interest in land;
- (e) by giving twenty (20) Working Days notice in writing in the event that Northern Gas Networks Limited is prevented from exercising any permission or right or enjoying any interest in land required for the conduct of the Works (unless due to Northern Gas Networks breach of its obligations under such permission, right or interest in land) for a continuous period of sixty (60) calendar days or for an aggregate of ninety (90) calendar days in any period of twelve (12) months;
- (f) by giving five (5) Working Days notice in writing if Substantial Completion of all of the Works (including those of the Works comprised in Stages which have not commenced) has not occurred within two hundred and seventy (270) calendar days (or such longer period as may be agreed by the Parties in writing) of the date of the Quotation (unless due to Northern Gas Networks breach of its obligations under the Contract);
- (g) forthwith on written notice where the Customer indicates that the Works are no longer necessary or required;
- (h) forthwith on written notice if Final Completion of all of the Works (including those of the Works comprised in Stages which have not commenced) has not occurred within one (1) year (or such longer period as may be agreed by the Parties in writing) of the date of the Quotation (unless due to Northern Gas Networks breach of its obligations under the Contract);

- (i) forthwith on written notice if Northern Gas Networks Limited and the Customer are unable to agree the costs referred to in paragraph 1.1(f)(ii) of Annex 1 or paragraph 1.1(f)(ii) of Annex 3;
- (j) forthwith on written notice if Northern Gas Networks Limited and the Customer are unable to agree a variation as referred to in Clause 3.3;
- (k) forthwith on written notice if the Customer refuses to accept, or fails to agree to, the additional amounts referred to in Clause 7.4; or
- (l) forthwith on written notice in the circumstances specified in paragraph 4.5(g) of Annex 3.

13.2 In the event that the Customer is in breach of any of the payment provisions of the Contract, Northern Gas Networks Limited shall be entitled (upon giving the Customer seven (7) calendar days' prior written notice) to suspend all or any part of the Works until the Customer has rectified such breach. In the event of such suspension the Customer shall in addition to all other amounts due reimburse Northern Gas Networks Limited on invoice for all reasonable sums paid or incurred by Northern Gas Networks Limited as a direct result of such suspension.

13.3 The Customer may terminate the Contract:-

- (a) forthwith on written notice if Northern Gas Networks Limited goes into liquidation (either voluntary or compulsory) other than for the purposes of a solvent amalgamation or re-organization or if any administrator or administrative receiver shall be appointed in respect of the whole or any material part of its assets; or if it shall make or offer to make any arrangement or composition for the benefit of creditors generally;
- (b) by giving five (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 sixty (60) calendar days;
- (c) by giving twenty (20) Working Days notice in writing of a material breach of the Contract by Northern Gas Networks, provided that Northern Gas Networks Limited fails to take substantial steps to remedy the breach within the twenty (20) Working Day notice period;
- (d) by giving twenty (20) Working Days notice in writing in the event that any permission, rights or interest in land necessary for the conduct of the Works have not been secured prior to the Physical Commencement Target Date, provided that where the Customer is (as part of the Works) required to secure such permission, rights or interest in land, the Customer shall have acted as a Reasonable and Prudent Operator in seeking to secure such permission, rights or interest in land;
- (e) by giving Northern Gas Networks Limited five (5) Working Days notice in writing. Provided that Northern Gas Networks Limited shall be entitled to notify its receipt of such notice to the Consumer;
- (f) forthwith on written notice if Northern Gas Networks Limited and the Customer are unable to agree the costs referred to in paragraph 1.1(f)(ii) of Annex 1 or paragraph 1.1(f)(ii) of Annex 3; or
- (g) forthwith on written notice if Northern Gas Networks Limited and the Customer are unable to agree a variation as referred to in Clause 3.3.

13.4 Where the Contract is terminated under any provision of the Contract, other than Clauses 13.3(a) or 13.3(c), Northern Gas Networks Limited shall:-

- (a) restore and/or reinstate land or buildings and remove of plant, apparatus and equipment which in the reasonable opinion of Northern Gas Networks Limited is necessary as a result of the termination of the Contract taking into account inter alia environmental and safety considerations and contractual commitments; and
- (b) be entitled to receive:
  - (i) reimbursement for all costs and expenses (up to an amount equal to the Contract Sum) reasonably incurred by Northern Gas Networks Limited in performing the Works up to and including the effective date of termination (other than costs and expenses incurred by Northern Gas Networks Limited in relation to the purchase of materials that Northern Gas Networks Limited reasonably believes it will be able to utilise in other works of a similar nature to the Works in the foreseeable future);
  - (ii) any additional sum, relating to the period prior to the date of termination and not included in paragraph (i), for which the Customer is liable under any other provision of the Contract;
  - (iii) subject to Clause 13.7, any cost or expense incurred, or for which Northern Gas Networks Limited (acting as an RPO) 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 (other than costs and expenses incurred by Northern Gas Networks Limited in relation to the purchase of materials that Northern Gas Networks Limited reasonably believes it will be able to utilise in other works of a similar nature to the Works in the foreseeable future);
  - (iv) 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 in the reasonable opinion of Northern Gas Networks Limited is necessary as a result of the termination of the Contract taking into account inter alia environmental and safety considerations and contractual commitments.

Notwithstanding the termination of the Contract, the provisions of Clause 9 will apply to any amounts due under this Clause 13.4.

- 13.5 Where the amounts paid by the Customer pursuant to Clauses 9.1(a) and (d) prior to the date of termination of the Contract pursuant to this Clause 13 exceeds the amount due to Northern Gas Networks Limited under Clause 13.4, Northern Gas Networks Limited shall reimburse the Customer such excess within thirty (30) calendar days of termination of the Contract pursuant to this Clause 13, and the provisions of Clause 9.5(b) shall apply (notwithstanding the termination of the Contract) to such reimbursement.
- 13.6 All ownership in and rights over all partly installed plant, equipment or materials will continue to vest solely in Northern Gas Networks Limited after termination of the Contract.
- 13.7 Clause 13.4(b)(iii) shall be ignored for the purpose of calculating Northern Gas Networks entitlement to payment pursuant to Clause 13.4 in the event that the Contract is terminated by either Party pursuant to Clause 13.1(b) or Clause 13.3(b), other than as a result of an event of Force Majeure directly affecting the Site or the acquisition or exercise of any permissions, rights or interests in land required for the Works.
- 13.8 Where the Contract is terminated pursuant to Clauses 13.3(a) or 13.3(c):-
  - (a) subject to the extent to which that part of the Works performed by Northern Gas Networks Limited prior to the date of termination is of use to the Customer or the Consumer (in which case the provisions of Clause 13.4(b)(i) shall apply), Northern Gas

Networks Limited shall not be entitled to receive any further payments from the Customer in respect of the Works and refund to the Customer any payments made by the Customer to Northern Gas Networks Limited prior to the date of termination; and

- (b) Northern Gas Networks Limited shall undertake such restoration and/or reinstatement of land or buildings and removal of plant, apparatus and equipment which in the reasonable opinion of Northern Gas Networks Limited is necessary as a result of the termination of the Contract taking into account inter alia environmental and safety considerations.

#### **14. NOTICES**

14.1 Any notice to be given by one Party to the other under a 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 and until such notice shall be given the addresses and facsimile numbers of the Parties shall be as set out in the Quotation, the Order or the Acceptance (as the case may be). Notices may be sent in such other manner and may be confirmed in such manner as from time to time may be agreed by the Parties for the service of notices pursuant to a Contract.

14.2 All notices delivered or sent in accordance with Clause 14.1 shall be effective:-

- (a) in the case of delivery by post when received at the recipient's address as aforesaid; or
- (b) in the case of delivery by 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 Normal Working Hours shall be effective at 9 a.m. on the following Working Day.

14.3 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.

#### **15. CONFIDENTIALITY AND DATA PROTECTION**

15.1 Subject to Clause 15.3, the Customer will keep confidential and will not disclose to any third party any information provided by Northern Gas Networks Limited in connection with the negotiation or performance of any Contract, 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 Clause 15.1 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 Northern Gas Networks; and
- (b) nothing in the Contract will prevent the disclosure of information:-
  - (i) where Northern Gas Networks Limited 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 the Contract;



- (iii) to the Consumer or to any contractor of the Customer, but then only to the extent reasonably necessary to allow the Consumer or contractor of the Customer to comply with their contractual obligations in relation to the Works; and
    - (iv) for any purpose contemplated by these Siteworks Terms and any Contract made hereunder or where appropriate the Network Code;
  - (c) in the event disclosure to any third party is necessary and permissible under this Clause 15.1, 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 Clause 15.1 as if a party thereto.
- 15.2 Subject to Clause 15.3, Northern Gas Networks Limited 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 any Contract, 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 Northern Gas Networks Limited of its obligations under this Clause 15.2 or to any information provided to the Northern Gas Networks Limited 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 the 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 Northern Gas Networks, 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 the Contract;
    - (iii) to any contractor of Northern Gas Networks, but then only to the extent reasonably necessary to allow such contractor of Northern Gas Networks Limited to comply with their contractual obligations in relation to the Works; and
    - (iv) for any purpose contemplated by these Siteworks Terms and any Contract made hereunder or where appropriate the Network Code;
  - (c) in the event disclosure to any third party is necessary and permissible under this Clause, Northern Gas Networks Limited 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 Clause 15.2 as if a party thereto.
- 15.3 Where any information provided by either Party to the other under any Contract constitutes personal data (as such term is defined in the Data Protection Act 1998) the Parties shall abide by the obligations set out in that act and shall ensure that any agent, sub-contractor or data processor employed or engaged by them is contractually bound to comply with such obligations to the extent required by law.
- 15.4 Either Party may notify the Registered User of the proposed Works.
- 15.5 The provisions of Clauses 15.1 to 15.3 shall continue, for a period of 3 years after termination of the relevant Contract, to bind the Parties irrespective of the reason for such termination.

## **16. INTELLECTUAL PROPERTY**

- 16.1 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 Northern Gas Networks Limited in connection with the Works will be owned by Northern Gas Networks, and the Customer will on Substantial Completion of the Works deliver up to Northern Gas Networks, or at Northern Gas Networks request destroy, all copies of such documents whether in the possession of the Customer or a third party to whom the Customer has disclosed them.
- 16.2 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 Works will be owned by the Customer, and Northern Gas Networks Limited will on Substantial Completion of the Works deliver up to the Customer, or at the Customer's request destroy, all copies of such documents whether in the possession of Northern Gas Networks Limited or a third party to whom Northern Gas Networks Limited has disclosed them.
- 16.3 Each Party (the "**Granting Party**") by virtue of the Contract 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 performance by the Receiving Party's of its obligations under a Contract.

## **17. ENTIRETY OF AGREEMENT**

- 17.1 Each Contract contains or expressly refers to the entire agreement between the Parties with respect to the subject matter thereof, 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.

## **18. SUB-CONTRACTING**

- 18.1 Northern Gas Networks Limited shall be entitled to sub-contract the whole or any part of the Works to be performed in accordance with a Contract. Any such sub-contracting by Northern Gas Networks Limited shall not relieve Northern Gas Networks Limited from any liability or obligation under the Contract.
- 18.2 The Customer shall be entitled to sub-contract the whole or any part of its obligations under a Contract. Any such sub-contracting by the Customer shall not relieve the Customer from any liability or obligation under the Contract.

## **19. NORTHERN GAS NETWORKS WARRANTIES**

- 19.1 Northern Gas Networks Limited warrants that on Final Completion, the Works shall be free from defects (excepting fair wear and tear and any damage arising from user abuse) for a period of one (1) year. Northern Gas Networks Limited warrants that on Final Completion, any permanent reinstatement (where included in the Quotation or Order and other than in the Highway) will be free from defects (excepting fair wear and tear and any damage arising from user abuse) for one (1) year from the date of Final Completion.
- 19.2 In the event that Northern Gas Networks Limited is in breach of any warranty under this Clause 19, within twenty (20) Working Days of receiving written notification (such notification to be given by the Customer no later than twenty (20) Working Days after the expiry of the relevant

warranty period, provided always that the Customer is able to prove that such breach of warranty occurred prior to the expiry of the relevant warranty period and not afterwards) of any defect causing Northern Gas Networks Limited to be so in breach, Northern Gas Networks Limited shall at its own cost rectify any such defect in the Works: provided that:-

- (a) where Northern Gas Networks Limited is unable (acting as a Reasonable and Prudent Operator) to rectify such defect within the period referred to above, then Northern Gas Networks Limited shall notify the Customer accordingly within such period and such notice shall contain Northern Gas Networks programme for rectifying such defect as soon as reasonably practicable thereafter; and
- (b) the Customer shall procure such access to the Site as Northern Gas Networks Limited reasonably requires in order to conduct such rectification.

Where Northern Gas Networks Limited rectifies a defect pursuant to this Clause 19.2, Northern Gas Networks Limited warrants that on completion of the rectification, the remedial works shall be free from defects for a period of three (3) months from the date of completion of such rectification or the date of expiry of the original period referred to in Clause 19.1, whichever is the later.

19.3 The warranties given in Clauses 19.1 and 19.2 shall not:-

- (a) 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 Northern Gas Networks Limited to act as a Reasonable and Prudent Operator in conducting the Works;
- (b) apply in respect of any defects arising as a result of incorrect or misleading information supplied by or on behalf of the Customer or Consumer or any other incorrect or misleading information in relation to the Site;
- (c) apply in relation to any equipment provided by the Customer reasonably relied upon by Northern Gas Networks Limited in performing the Works;
- (d) apply in respect of any defects arising as a result of any unreasonable interference with the Works by the Customer or any third party (including but not limited to the Consumer);  
or
- (e) apply in respect of any defects arising as a result of any defect, unsuitability or inadequacy in the Customer Works and any associated apparatus arising otherwise than by a failure by Northern Gas Networks Limited to act as a Reasonable and Prudent Operator in performing the Works.

19.4 Where in respect of Northern Gas Networks breach of warranty under this Clause 19 the Customer also has a remedy under the Network Code, any action undertaken by Northern Gas Networks Limited in satisfaction of Clause 19.2 above shall also be deemed to satisfy the Customer's remedy under the Network Code.

## **20. CUSTOMER'S WARRANTY**

20.1 Unless specified to the contrary on the Acceptance Form, the Customer warrants that it will enter into, or is entering into, a Contract on its own behalf, and not as an agent for the Consumer or any other third party.

20.2 The Customer warrants that:-

- (a) the Consumer owns all land (other than that forming part of a Highway) in or over which the Equipment will be installed and over which access will be required in order to perform the Works, or has the necessary permission of the owner(s) of such land; and
  - (b) the Customer Works (if any) will be free from defect (except user abuse, fair wear and tear, and improper operation) for one (1) year from Final Completion of the Works.
- 20.3 In the event that the Customer is in breach of any warranty under this Clause 20, within twenty (20) Working Days of receiving written notification (such notification to be given by Northern Gas Networks Limited no later than twenty (20) Working Days after the expiry of the relevant warranty period) of any defect causing the Customer to be so in breach, the Customer shall at its own cost rectify any such defect in the Works: provided that, where the Customer fails to rectify such defect within the period referred to above, then Northern Gas Networks Limited shall be entitled to rectify the defect and the Customer shall be liable to pay Northern Gas Networks Limited the costs and expenses incurred by Northern Gas Networks Limited in rectifying the defect, and the Customer shall procure such access to the Site as Northern Gas Networks Limited reasonably requires in order to conduct such rectification. Where the Customer rectifies a defect pursuant to this Clause 20.3, the Customer warrants that on completion of the rectification, the remedial works shall be free from defects for a period of three (3) months from the date of completion of such rectification or the date of expiry of the original period referred to in Clause 20.2, whichever is the later.
- 20.4 In respect of any defect in the Customer Works within the period specified in Clause 20.2(b), the Customer shall indemnify and hold Northern Gas Networks Limited harmless from and against:
- (a) all reasonable costs and expenses of repairing and making good such defects; and
  - (b) all costs, claims and expenses howsoever arising (whether directly or indirectly) from such defects.
- 20.5 The warranties given in Clauses 20.1 and 20.2 shall not:-
- (a) extend to any items supplied by Northern Gas Networks Limited except in so far as the defects in such items arise as a result of a failure by the Customer to act as a Reasonable and Prudent Operator in conducting the Customer Works;
  - (b) apply in respect of any defects arising as a result of incorrect or misleading information supplied by or on behalf of Northern Gas Networks Limited or any other incorrect or misleading information in relation to the Northern Gas Networks Limited Works;
  - (c) apply in relation to any equipment provided by Northern Gas Networks Limited reasonably relied upon by the Customer in performing the Customer Works;
  - (d) apply in respect of any defects arising as a result of any unreasonable interference with the Customer Works by Northern Gas Networks Limited or any third party (including but not limited to the Consumer); or
  - (e) apply in respect of any defects arising as a result of any defect, unsuitability or inadequacy in the Works and any associated apparatus arising otherwise than by a failure by the Customer to act as a Reasonable and Prudent Operator in performing the Customer Works.

## **21. OWNERSHIP**

- 21.1 Subject to Clause 21.2, Northern Gas Networks Limited shall at all times own outright the Works.

21.2 Where the Works include the provision and/or installation by Northern Gas Networks Limited of the Meter Housing at the Site, then (unless specified otherwise in the Quotation) ownership of such Meter Housing shall transfer to the Customer on Final Completion of the Works.

21.3 For the avoidance of doubt, the Works or the provisions of this Clause 21 do not affect the ownership of any plant, materials or equipment on the Site prior to the commencement of the Works.

## **22. WAIVER AND MODIFICATION**

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

22.2 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.

22.3 Without prejudice to the provisions of Clause 7, no amendments to the Contract made thereunder shall be valid unless made in writing and agreed and signed by the duly authorised representatives of the Parties hereto.

## **23. PUBLICITY**

23.1 Either Party shall obtain written approval from the other Party prior to taking publicity photographs or issuing publicity releases or announcements regarding either the Contract or the activities of either Party related to its participation in the Contract.

## **24. ASSIGNMENT**

24.1 Subject to Clause 24.3, a Party may assign its rights under a Contract:

- (a) to an Affiliate of such Party, provided that the assigning Party shall continue to be bound by and liable under the Contract;
- (b) subject to Clause 24.4, with the prior agreement in writing of the other Party, which shall not unreasonably be withheld or delayed, to any person.

24.2 Except as provided in Clause 24.1, a Party shall not assign or transfer and shall not purport to assign or transfer any of its rights or obligations under the Contract.

24.3 No assignment shall be made to a person unless:

- (a) where the assigning Party is Northern Gas Networks, that person holds a gas transporter's licence;
- (b) where the assigning Party is the Customer and the Customer is a Shipper, that person holds a Shipper's licence.

24.4 Where a Party assigns its rights under a Contract to a person (including an Affiliate) pursuant to Clause 24.1(b):

- (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 these Siteworks Terms and the Contract made thereunder;

- (b) the assigning Party shall be released from obligations under the Contract, arising after the time at which the assignment is effective, but shall remain liable for any obligations accruing up to such time.

24.5 A reference in these Siteworks Terms to any Party shall include a reference to that Party's successors and assigns.

## **25. SURVIVAL**

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

## **26. THIRD PARTY RIGHTS**

26.1 Except as provided in Clause 26.2 and subject to any rights which may accrue to any successor or permitted assign of the Parties, no provision of any Contract 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 any Contract.

26.2 The benefit of Clause 11 insofar as and to the extent related to the subject matter of a Contract shall be conferred on each and any Affiliate of each Party from time to time, and such Affiliate(s) shall have the benefit of the Clause 11 under the Contracts Act.

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

## **27. GOVERNING LAW AND JURISDICTION**

27.1 A Contract shall be governed by, and construed in all respects in accordance with, English law and the Parties hereby submit to the exclusive jurisdiction of the English Courts in respect thereof.

27.2 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 any Contract and that accordingly any suit, action or proceeding (collectively "**Proceedings**") arising out of or in connection with any Contract may be brought in such courts.

27.3 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 Clause 27.2 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.

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

## **28. GAS TRANSPORTATION**

28.1 Nothing in these Siteworks Terms or the Contract shall confer on the Customer or the Consumer or any other party any right or entitlement in respect of the transportation of natural gas to any Supply Meter Point or the offtake of natural gas at any Supply Meter Point for any purpose.

**29. GENERAL**

- 29.1 Every notice or other communication to be given by one Party to another under a Contract shall be in the English language.
- 29.2 If any provision of a Contract 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 such Contract, which shall continue in full force and effect notwithstanding the same.
- 29.3 Subject to the terms and conditions of a Contract, 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 such Contract 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 such Contract and the transactions contemplated thereby.

**Annex 1 – GENERAL INFRASTRUCTURE WORKS**

**1. The Works**

1.1 The Works shall, unless the Quotation provides otherwise, comprise:-

- (a) the design, installation, purging, pressure checking, testing and Commissioning and connection to the Northern Gas Networks Limited System of the Equipment so as to be capable of providing the capacity specified in the Quotation or the Order (as the case may be) at a pressure equal to or greater than Working Pressure at the Supply Meter Point following Substantial Completion;
- (b) where the Works involve Connection Works, or relate to an existing Supply Meter Point (the Supply Meter Point Reference Number of which has been registered on Northern Gas Networks sites and meters database) that currently has no label affixed to it, the affixing of a label showing the Supply Meter Point Reference Number of, and the pressure tier at, the Supply Meter Point;
- (c) the excavation, backfill and permanent reinstatement of any trench in an existing Highway excavated by Northern Gas Networks Limited in the performance of the Works;
- (d) the excavation, backfill and reinstatement (as set out below) of any trench on any land (other than an existing Highway) excavated by Northern Gas Networks Limited in the performance of the Works, provided that:-
  - (i) reinstatement of unmetalled surfaces shall be temporary and be limited to backfilling and, when necessary, compaction only;
  - (ii) reinstatement of metalled surfaces shall be temporary reinstatement only; and
  - (iii) excavation, backfill and temporary reinstatement of such trenches shall be performed substantially by mechanical means;
- (e) where the Customer is to pre-excavate any trench required for the performance of the Works, the covering of the Equipment with material excavated by the Customer from the trench (or, where Northern Gas Networks Limited deems such material to be unsuitable, with fine fill to be provided by the Customer pursuant to Clause 4.2) and the laying of marker tape;
- (f) the procurement from the relevant owner and/or occupier of the land concerned of all necessary permissions, rights and interests in land required for such Mains as are to be constructed in the course of the Works (other than Mains to be constructed on the Site) and such Services as are to be installed in the course of the Works on a Highway, and unless or until the Customer has notified Northern Gas Networks Limited in writing otherwise, the procurement of all necessary permissions, rights and interests in land required for such of the Equipment (other than any Services as are to be installed in the course of the Works on a Highway or any Mains) as are to be constructed in the course of the Works and which are not on, in or over the Site: provided, in each case, that:-
  - (i) where a price for such procurement of all necessary permissions, rights and interests in land is incorporated in the Quotation or by agreed variation pursuant to Clause 8 then, unless the Quotation or agreed variation expressly states to the contrary, such price shall be a good faith estimate (made by Northern Gas Networks Limited acting as a Reasonable and Prudent Operator) of the costs of procurement and the Customer shall (subject to this paragraph (f)) be liable to pay Northern Gas Networks Limited the actual costs and expenses of



procurement (in respect of which Northern Gas Networks Limited shall provide such evidence as the Customer may reasonably request); and

- (ii) Northern Gas Networks Limited shall not procure such permissions, rights, and interests at a cost greater than the said estimate without the prior written permission of the Customer. In the event that Northern Gas Networks Limited and the Customer are unable to agree to such costs, then either Party shall be entitled to terminate the Contract in accordance with Clause 13; and
  - (iii) Northern Gas Networks Limited shall be under no obligation to exercise any rights in respect of the compulsory acquisition of land or any interest in land; and
  - (iv) where the proposed grantor of any such permission, right or interest in land requires, as a condition of granting any such permission, right or interest in land, that Northern Gas Networks Limited accepts terms (including but not limited to the sums of money payable by Northern Gas Networks) that Northern Gas Networks Limited reasonably determines would adversely prejudice or influence future negotiations (whether related to the Works or otherwise) with the proposed grantor or any other person in relation to the granting of any permission, right or interest in land, then Northern Gas Networks Limited shall advise the Customer accordingly and shall be relieved of its obligation under this paragraph (f) to obtain such permission, right or interest in land, and the Customer shall be deemed to have given notice to Northern Gas Networks Limited for the purposes of Clause 4.2(d). Northern Gas Networks Limited shall be entitled to suspend the Works until such time as the Customer advises Northern Gas Networks Limited that the Customer has obtained the relevant permission, right or interest in land in accordance with Clause 4.2(d);
  - (g) where the Works have caused an interruption of gas supply to a Domestic Premises (and unless specifically requested otherwise by the Customer), the visual inspection, testing and purging of the Installation Pipework and the re-lighting of associated appliances provided that Northern Gas Networks Limited is satisfied that no change has been carried out to Metering Equipment or the Installation Pipework and appliances during the period of such interruption. Where such change has occurred Northern Gas Networks Limited will, in accordance with its procedures as may be adopted from time to time inform, the Consumer how the Consumer may procure such inspection, testing, purging and relighting;
  - (h) any additional activities specified in the Quotation; and
  - (i) the provision of electrical power for the operation of power driven tools and the testing of the Equipment in connection with the Works.
- 1.2 For the avoidance of doubt, unless expressly specified otherwise in the Quotation or by agreed variation pursuant to Clause 8, the Works do not include:-
- (a) making good cosmetic surfaces, plasterwork and decoration;
  - (b) making good fences, landscaping, special surfaces and/or decorative finishes unless part of a Highway;
  - (c) the matching of any reinstatement to the existing surface type, colour and finish;
  - (d) connection of the Equipment to any Metering Equipment;
  - (e) where the Customer is to pre-excavate any trench required for the performance of the Works, the provision of any fine fill or other material to cover the Equipment;

- (f) where the Customer is to pre-excavate any trench required for the performance of the Works, the excavation, backfill (except to the extent performed by Northern Gas Networks Limited pursuant to paragraph 1.1(e)) and temporary or permanent reinstatement of any such trench whether in a Highway, on Site or at any other location whatsoever;
  - (g) the conduct of Works outside of Normal Working Hours;
  - (h) the conduct of Works or the design of Equipment so as to avoid interruption to the conveyance of natural gas to the Supply Meter Point during the conduct of the Works or in the course of future maintenance of the Equipment;
  - (i) design, procurement, installation, inspection or alteration of Installation Pipework, any present or future Metering Equipment, any Meter Housing or any Meter Housing Base;
  - (j) the commissioning of Installation Pipework and any present or future Metering Equipment and the provision of natural gas for these activities; and
  - (k) any additional matters specified in the Quotation as not forming part of the Works.
- 1.3 Nothing in paragraph 1.2 shall absolve Northern Gas Networks Limited or the Customer of its obligations under any relevant legislation.

## **2. The Customer's Obligations**

- 2.1 The Customer shall comply with its obligations set out in Clause 4 and the Quotation.

## **3. Northern Gas Networks Obligations**

- 3.1 Northern Gas Networks Limited shall comply with its obligations set out in Clause 5 and the Quotation.

## **4. Additional Conditions**

- 4.1 No additional conditions apply to the Works in addition to those in the Siteworks Terms and the Quotation.

**Annex 2 - DISCONNECTIONS**

**1. The Works**

- 1.1 The Works shall comprise the Disconnection.
- 1.2 Following Acceptance, the Customer may (notwithstanding the provisions of Clause 12.5) by written notice to Northern Gas Networks Limited given not later than 12.00 hours on the Working Day preceding the day on which the Disconnection is to be carried out cancel the Works and the Customer shall pay to Northern Gas Networks Limited those costs, expenses and charges relating to the Works and the cancellation thereof which Northern Gas Networks Limited has reasonably incurred, provided that such costs, expenses and charges shall not exceed the Contract Sum and Northern Gas Networks Limited shall take all reasonable steps to minimise such costs, expenses and charges. Provided further that if such notice is given after 12.00 hours on the said Working Day then Northern Gas Networks Limited will use its reasonable endeavours not to carry out the Disconnection and the Customer shall pay up to the Contract Sum for the Works as applicable whether or not Northern Gas Networks Limited carries out the Works but if nonetheless Northern Gas Networks Limited carries out the Disconnection then any reconnection shall be pursuant to a separate contract between Northern Gas Networks Limited and the Customer, and the costs of such reconnection shall be borne by the Customer. Other works comprised in the Contract may be cancelled at the same time and in the same manner and on the same conditions.
- 1.3 The Disconnection shall be carried out in such manner as Northern Gas Networks Limited in its absolute discretion shall determine but Northern Gas Networks Limited when it judges it safe, lawful and reasonable to do so will endeavour to effect Disconnection in the manner requested by the Customer.
- 1.4 Where access to the Site or premises or property of a third party is reasonably required to enable the Disconnection to be carried out and such access is to be facilitated by the Customer and is denied to Northern Gas Networks Limited whether by the Consumer or a third party then Northern Gas Networks Limited acting as an RPO shall, if a representative of the Customer is not present, make reasonable efforts to contact the Customer but Northern Gas Networks Limited will cancel the Disconnection if Northern Gas Networks Limited is unable to gain access to the Site (irrespective of whether or not the Customer has complied with its obligations in this paragraph 1.4) within sixty (60) minutes after the appointed time. In such circumstances the Customer shall pay to Northern Gas Networks Limited those costs, expenses and charges which Northern Gas Networks Limited has reasonably incurred in respect of such cancelled Disconnection, provided that such payment will not exceed an amount equivalent to the Contract Sum.
- 1.5 Except in situations where the emergency control valve is downstream of the Metering Equipment, if the Customer fails to disconnect the Metering Equipment from the Service and to render the Installation Pipework safe prior to the Substantial Completion Target Date then the Disconnection will be cancelled and the Customer shall pay to Northern Gas Networks Limited those costs, expenses and charges which Northern Gas Networks Limited has reasonably incurred as a result of attempting to carry out the Disconnection.
- 1.6 Unless specifically stated to the contrary in the Quotation or as otherwise agreed between Northern Gas Networks Limited and the Customer, the Disconnection shall include:-
- (a) the excavation, backfill and permanent reinstatement of any trench in an existing Highway excavated by Northern Gas Networks Limited in the performance of the Works;
  - (b) the excavation, backfill and reinstatement (as set out below) of any trench on any land (other than an existing Highway) excavated by Northern Gas Networks Limited in the performance of the Works, provided that:-

- (i) reinstatement of unmetalled surfaces shall be temporary and be limited to backfilling and, when necessary, compaction only;
  - (ii) reinstatement of metalled surfaces shall be temporary reinstatement only; and
  - (iii) excavation, backfill and temporary reinstatement of such trenches shall be performed substantially by mechanical means;
- (c) any additional activities specified in the Quotation;
  - (d) the provision of electrical power for the operation of power driven tools and the testing of the Equipment in connection with the Works; and
  - (e) the procurement of all items and materials that are to be used in the Disconnection.
- 1.7 For the avoidance of doubt, unless such works are expressly included in the Quotation, or an agreed variation thereof, the Disconnection shall not include:-
- (a) making good cosmetic surfaces, plasterwork and decoration;
  - (b) making good fences, landscaping, special surfaces and/or decorative finishes unless part of a Highway;
  - (c) the matching of any reinstatement to the existing surface type, colour and finish;
  - (d) where the Customer is to pre-excavate any trench required for the performance of the Works, the excavation, backfill and temporary or permanent reinstatement of any such trench whether in a Highway, on Site or at any other location whatsoever;
  - (e) the conduct of Works outside of Normal Working Hours;
  - (f) the inspection, disconnection, alteration or making safe of Installation Pipework or any Metering Equipment; and
  - (g) any additional matters specified in the Quotation as not forming part of the Works.

## **2. The Customer's Obligations**

- 2.1 The Customer shall comply with its obligations set out in Clause 4 and/or the Quotation, together with the remainder of this paragraph 2.
- 2.2 In requesting that Northern Gas Networks Limited carry out the Disconnection, the Customer shall provide Northern Gas Networks Limited with, as a minimum, the information specified in the Siteworks Procedures.
- 2.3 The Customer warrants that it is lawfully entitled to have Northern Gas Networks Limited carry out the Disconnection, and (where appropriate) to procure entry to the Consumer's Premises other than with the Consumer's consent. The Customer acknowledges and agrees that Northern Gas Networks Limited and its contractors may rely on the accuracy of such declaration in the performance of the Works.
- 2.4 The Customer shall be responsible for providing access to the Service to be disconnected as part of the Works and to the Consumer's Premises as necessary for the conduct of the Works.

## **3. Northern Gas Networks Obligations**

3.1 Northern Gas Networks Limited shall comply with its obligations set out in Clause 5 and the Quotation.

#### **4. Additional Conditions**

4.1 Where the Disconnection is being carried out other than with the Consumer's consent:-

- (a) the Customer shall ensure that a representative of the Customer attends the Site and accompanies the personnel of Northern Gas Networks Limited (or its contractor) for the duration of the Works;
- (b) the personnel of Northern Gas Networks Limited (or its contractor) performing the Disconnection shall only enter the premises in question in the presence of the Customer's representative;
- (c) the personnel of Northern Gas Networks Limited (or its contractor) shall not take any part in the securing rights of access to the premises in question;
- (d) Northern Gas Networks Limited and the Customer shall agree, prior to the Physical Commencement Target Date, at time Physical Commencement Target Date, and a location close to the Site, at which the personnel of Northern Gas Networks Limited (or its contractor) and the Customer's representative shall meet prior to the Works commencing; and
- (e) Northern Gas Networks Limited will cancel the Disconnection if the Customer's representative does not arrive within sixty (60) minutes after the agreed time. In such circumstances the Customer shall pay to Northern Gas Networks Limited those costs, expenses and charges which Northern Gas Networks Limited has reasonably incurred in respect of such cancelled Disconnection, provided that such payment will not exceed an amount equivalent to the Contract Sum.

4.2 In Clause 1.1 the definition of "**Substantial Completion**" shall be replaced with "**Substantial Completion**" shall mean completion of the Disconnection";

4.3 The notice issued pursuant to Clause 2.5(b) in respect of the Works shall specify whether the Works will be performed between 0800 hours and 1300 hours (an "AM Appointment"), or between 1300 hours and 1700 hours (a "PM Appointment").

4.4 Clause 6.4 shall be replaced with:-

"6.4 Northern Gas Networks Limited shall:-

- (a) achieve Substantial Completion by:-
  - (i) in the case of an AM Appointment, 1300 hours on the Substantial Completion Target Date; and
  - (ii) in the case of an PM Appointment, 1700 hours on the Substantial Completion Target Date;
- (b) achieve Stage Substantial Completion by:-
  - (i) in the case of an AM Appointment, 1300 hours on the Stage Substantial Completion Target Date; and
  - (ii) in the case of an PM Appointment, 1700 hours on the Stage Substantial Completion Target Date;

- (c) issue a notification to the Customer within five (5) Working Days of achieving Substantial Completion, stating the date (and, in the case of an AM Appointment or a PM Appointment, the time) upon which Substantial Completion was achieved; and
- (d) issue a notification to the Customer within five (5) Working Days of achieving Stage Substantial Completion, stating the date (and, in the case of an AM Appointment or a PM Appointment, the time) upon which Stage Substantial Completion was achieved.”

4.5 Clause 6.5 shall be replaced with:-

“6.5 Northern Gas Networks Limited shall:-

- (a) achieve Final Completion by:-
  - (i) in the case of an AM Appointment, 1300 hours on the Final Completion Target Date; and
  - (ii) in the case of a PM Appointment, 1700 hours on the Final Completion Target Date;
- (b) achieve Stage Final Completion by:-
  - (i) in the case of an AM Appointment, 1300 hours on the Stage Final Completion Target Date; and
  - (ii) in the case of a PM Appointment, 1700 hours on the Stage Final Completion Target Date;
- (c) issue a notification to the Customer within ten (10) Working Days of achieving Final Completion, stating the date (and, in the case of an AM Appointment or a PM Appointment, the time) upon which Final Completion was achieved; and
- (d) issue a notification to the Customer within ten (10) Working Days of achieving Stage Final Completion, stating the date (and, in the case of an AM Appointment or a PM Appointment, the time) upon which Stage Final Completion was achieved.”

4.6 Clause 13.1(f) shall be replaced with “by giving five (5) Working Days notice in writing if Substantial Completion of all of the Works (including those of the Works comprised in Stages which have not commenced) has not occurred within fifteen (15) calendar days of the date of Acceptance (unless due to Northern Gas Networks breach of its obligations under the Contract, or unless the Parties have agreed to an extension thereof in accordance with Clause 8)”.

4.7 Clause 13.1(h) shall be replaced with “forthwith on written notice if Final Completion of all of the Works (including those of the Works comprised in Stages which have not commenced) has not occurred within thirty (30) calendar days of the date of Quotation (unless due to Northern Gas Networks breach of its obligations under the Contract, or unless the Parties have agreed to an extension thereof in accordance with Clause 8)”.

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**Annex 3 - ONE-OFF DOMESTIC SERVICE WORKS**

**1. The Works**

1.1 The Works shall, unless the Quotation or the Order (as the case may be) provides otherwise, comprise:-

- (a) the design, installation, purging, pressure checking, testing and Commissioning and connection to the Northern Gas Networks Limited System of the Equipment so as to be capable of providing the capacity specified in the Quotation or the Order (as the case may be) at a pressure equal to or greater than Working Pressure at the Supply Meter Point following Substantial Completion;
- (b) where the Works involve Connection Works, or relate to an existing Supply Meter Point (the Supply Meter Point Reference Number of which has been registered on Northern Gas Networks sites and meters database) that currently has no label affixed to it, the affixing of a label showing the Supply Meter Point Reference Number of, and the pressure tier at, the Supply Meter Point;
- (c) the excavation, backfill and permanent reinstatement of any trench in an existing Highway excavated by Northern Gas Networks Limited in the performance of the Works;
- (d) the excavation, backfill and reinstatement (as set out below) of any trench on any land (other than an existing Highway) excavated by Northern Gas Networks Limited in the performance of the Works, provided that:-
  - (i) reinstatement of unmetalled surfaces shall be temporary and be limited to backfilling and, when necessary, compaction only;
  - (ii) reinstatement of metalled surfaces shall be temporary reinstatement only; and
  - (iii) excavation, backfill and temporary reinstatement of such trenches shall be performed substantially by mechanical means;
- (e) where the Customer is to pre-excavate any trench required for the performance of the Works, the covering of the Equipment with material excavated by the Customer from the trench (or, where Northern Gas Networks Limited deems such material to be unsuitable, with fine fill to be provided by the Customer pursuant to Clause 4.2) and the laying of marker tape;
- (f) the procurement from the relevant owner and/or occupier of the land concerned of all necessary permissions, rights and interests in land required for such Mains as are to be constructed in the course of the Works (other than Mains to be constructed on the Site) and such Services as are to be installed in the course of the Works on a Highway, and unless or until the Customer has notified Northern Gas Networks Limited in writing otherwise, the procurement of all necessary permissions, rights and interests in land required for such of the Equipment (other than any Services as are to be installed in the course of the Works on a Highway or any Mains) as are to be constructed in the course of the Works and which are not on, in or over the Site: provided, in each case, that:-
  - (i) where a price for such procurement of all necessary permissions, rights and interests in land is incorporated in the Quotation or by agreed variation pursuant to Clause 8 then, unless the Quotation or agreed variation expressly states to the contrary, such price shall be a good faith estimate (made by Northern Gas Networks Limited acting as a Reasonable and Prudent Operator) of the costs of procurement and the Customer shall (subject to this paragraph (f)) be liable to pay Northern Gas Networks Limited the actual costs and expenses of

procurement (in respect of which Northern Gas Networks Limited shall provide such evidence as the Customer may reasonably request); and

- (ii) Northern Gas Networks Limited shall not procure such permissions, rights, and interests at a cost greater than the said estimate without the prior written permission of the Customer. In the event that Northern Gas Networks Limited and the Customer are unable to agree to such costs, then either Party shall be entitled to terminate the Contract in accordance with Clause 13; and
  - (iii) Northern Gas Networks Limited shall be under no obligation to exercise any rights in respect of the compulsory acquisition of land or any interest in land; and
  - (iv) where the proposed grantor of any such permission, right or interest in land requires, as a condition of granting any such permission, right or interest in land, that Northern Gas Networks Limited accepts terms (including but not limited to the sums of money payable by Northern Gas Networks) that Northern Gas Networks Limited reasonably determines would adversely prejudice or influence future negotiations (whether related to the Works or otherwise) with the proposed grantor or any other person in relation to the granting of any permission, right or interest in land, then Northern Gas Networks Limited shall advise the Customer accordingly and shall be relieved of its obligation under this paragraph (f) to obtain such permission, right or interest in land, and the Customer shall be deemed to have given notice to Northern Gas Networks Limited for the purposes of Clause 4.2(d). Northern Gas Networks Limited shall be entitled to suspend the Works until such time as the Customer advises Northern Gas Networks Limited that the Customer has obtained the relevant permission, right or interest in land in accordance with Clause 4.2(d);
  - (g) where the Works have caused an interruption of gas supply to a Domestic Premises (and unless specifically requested otherwise by the Customer), the visual inspection, testing and purging of the Installation Pipework and the re-lighting of associated appliances provided that Northern Gas Networks Limited is satisfied that no change has been carried out to Metering Equipment or the Installation Pipework and appliances during the period of such interruption. Where such change has occurred Northern Gas Networks Limited will, in accordance with its procedures as may be adopted from time to time inform, the Consumer how the Consumer may procure such inspection, testing, purging and relighting;
  - (h) any additional activities specified in the Quotation or the Order (as the case may be); and
  - (i) the provision of electrical power for the operation of power driven tools and the testing of the Equipment in connection with the Works.
- 1.2 For the avoidance of doubt, unless expressly specified otherwise in the Quotation or by agreed variation pursuant to Clause 8, the Works do not include:-
- (a) making good cosmetic surfaces, plasterwork and decoration;
  - (b) making good fences, landscaping, special surfaces and/or decorative finishes unless part of a Highway;
  - (c) the matching of any reinstatement to the existing surface type, colour and finish;
  - (d) connection of the Equipment to any Metering Equipment;
  - (e) where the Customer is to pre-excavate any trench required for the performance of the Works, the provision of any fine fill or other material to cover the Equipment;



- (f) where the Customer is to pre-excavate any trench required for the performance of the Works, the excavation, backfill (except to the extent performed by Northern Gas Networks Limited pursuant to paragraph 1.1(e)) and temporary or permanent reinstatement of any such trench whether in a Highway, on Site or at any other location whatsoever;
  - (g) the conduct of Works outside of Normal Working Hours;
  - (h) the conduct of Works or the design of Equipment so as to avoid interruption to the conveyance of natural gas to the Supply Meter Point during the conduct of the Works or in the course of future maintenance of the Equipment;
  - (i) design, procurement, installation, inspection or alteration of Installation Pipework or any present or future Metering Equipment;
  - (j) the commissioning of Installation Pipework and any present or future Metering Equipment and the provision of natural gas for these activities; and
  - (k) any additional matters specified in the Quotation as not forming part of the Works.
- 1.3 For the avoidance of doubt, unless expressly specified otherwise in the Quotation or the Order (as the case may be) or by agreed variation pursuant to Clause 8, the Works do not include design, procurement, installation, inspection or alteration of any Meter Housing or any Meter Housing Base.
- 1.4 Nothing in paragraph 1.2 shall absolve Northern Gas Networks Limited or the Customer of its obligations under any relevant legislation.

## **2. The Customer's Obligations**

- 2.1 The Customer shall comply with its obligations set out in Clause 4, the Quotation and/or the Order.

## **3. Northern Gas Networks Obligations**

- 3.1 Northern Gas Networks Limited shall comply with its obligations set out in Clause 5 and the Quotation.

## **4. Additional Conditions**

- 4.1 Clause 2.4(a) shall be amended by replacing "ninety (90) calendar days" with "sixty (60) calendar days";
- 4.2 The conditions set out in paragraph 4.3 shall apply to the Self-Quotation Works in addition to or instead of (as the case may be) those in the Siteworks Terms.
- 4.3 The Self-Quotation Conditions are as follows:-
- (a) all Service pipe not in the Highway or in land dedicated to public use is chargeable. The current charge per metre length up to twenty (20) metres is as published by Northern Gas Networks Limited from time to time. Service pipe in excess of twenty (20) metres on private land are outside the criteria for Self-Quotations and require a specific Quotation to be supplied by Northern Gas Networks;
  - (b) the measurement is taken from the agreed Metering Equipment position to the property boundary. The Metering Equipment position should be agreed in principle by the

Customer, the final details to be confirmed by the Northern Gas Networks Limited personnel who attend on Site to carry out the Works.

- (c) the Works may include the provision and installation of a semi-concealed or surface mounted type Meter Housing if specified in the Order, and the price of the Meter Housing chosen (if any) should be added to the Self-Quotation. For the avoidance of doubt, the Works shall not include the provision and installation of an inset or built-in type Meter Housing even if specified in the Order. Any inset or built-in type Meter Housing must be installed by others prior to commencement of the Works;
- (d) the Customer must make every effort to confirm the presence of a Northern Gas Networks Limited relevant Main adjacent to the property. Northern Gas Networks Limited will provide a fax contact for enquiries related to the gas supply area. Where there is any doubt on the existence of a relevant main the request should be referred to Northern Gas Networks Limited for a specific Quotation.
- (e) Standard Costs must be applied and both Parties will be bound by Self-Quotations issued where the following conditions have been met:-
  - (i) total Service length in the Highway or in land dedicated to public use does not exceed twenty three (23) metres;
  - (ii) total Service length not in the Highway does not exceed twenty (20) metres;
  - (iii) the maximum load size is six (6) standard cubic metres per hour (scmh) (equivalent to two hundred and twelve (212) cubic feet per hour (cfh)), is for a Working Pressure of not more than twenty one (21) millibars, and the termination size is not greater than one inch (1”);
  - (iv) the Service is taken from a relevant Main (although there is no restriction applicable to Mains size);
  - (v) the property is not in a “live infill” situation which is subject to separate charge arrangements;
  - (vi) the Service is to the ground floor of the property and terminates adjacent to an external wall either in an external Meter Housing or an internal Metering Equipment position;
  - (vii) the position of the Service and/or any current or proposed Metering Equipment complies with current regulations and codes of practice;
  - (viii) permission has been obtained from the property owner to install the Service;
  - (ix) the Service route is generally perpendicular to the Main;
  - (x) the length of Service is measured from the position of any current or proposed Metering Equipment to the property boundary;
  - (xi) no abnormal construction difficulties are envisaged by the Customer acting as an RPO;
  - (xii) there is no existing gas service to the premises. In situations where a supply already exists, charges will be based on Northern Gas Networks then current “Alter Position of Service” costs; and
  - (xiii) the premises are reasonably determined to be Domestic Premises.

- 4.4 In the event that, at any time following Acceptance, Northern Gas Networks Limited determines that one or more of the Self-Quotation Conditions (other than paragraph 4.3(e) (i) or (ii)) has not been satisfied then:-
- (a) Northern Gas Networks Limited will advise the Customer or (if authorised by the Customer on the Order to do so) the Consumer of the additional cost, and if the Customer or the Consumer (as the case may be) instructs Northern Gas Networks Limited to proceed then Northern Gas Networks Limited will complete the Works: Provided that where an additional cost has been quoted to the Consumer by Northern Gas Networks Limited and agreed in writing by the Consumer then the Customer shall not charge the Consumer a higher additional cost than that quoted by Northern Gas Networks Limited to the Consumer and the Contract Sum shall be increased by the additional cost agreed with the Customer or the Consumer (as the case may be) and the Key Dates shall be amended (if necessary) to the extent agreed by the Customer or the Consumer (as the case may be);
  - (b) the cost of any additional works as specified in paragraph (a) above shall be paid to Northern Gas Networks Limited by the Customer in accordance with Clause 9.1(c);
  - (c) where the Works are varied with the agreement of the Consumer (rather than the Customer) pursuant to paragraph (a) or (b) then Northern Gas Networks Limited will within five (5) Working Days of Substantial Completion issue to the Customer a notice of the said variation of the Works and issue to the Customer within ten (10) Working Days of Substantial Completion a copy of the amended job voucher signed by the Consumer;
  - (d) the Customer and Northern Gas Networks Limited may from time to time agree procedures to deal with other variations of the Order arising when Northern Gas Networks Limited attend on site to commence the Works. Variations to the Order made pursuant to such procedures will be notified to the Customer in accordance with paragraph (c); and
  - (e) where the Customer or the Consumer (as the case may be) does not instruct Northern Gas Networks Limited to proceed with the Works in accordance with paragraph (a), Northern Gas Networks Limited shall be entitled to terminate the Contract pursuant to Clause 13.1.
- 4.5 In the event that, at any time following Acceptance, Northern Gas Networks Limited determines that one or more of the Self-Quotation Conditions set out in paragraph 4.3(e) (i) or (ii) has not been satisfied then:-
- (a) Northern Gas Networks Limited may at its option complete the Works provided that any variation of the length of the Service is within plus or minus two (2) metres;
  - (b) if the variation exceeds such tolerance Northern Gas Networks Limited will advise the Customer or (if authorised by the Customer on the Order to do so) the Consumer of the additional cost and if the Customer or the Consumer (as the case may be) instructs Northern Gas Networks Limited to proceed then Northern Gas Networks Limited will complete the Works: Provided that where an additional cost has been quoted to the Consumer by Northern Gas Networks Limited and agreed in writing by the Consumer then the Customer shall not charge the Consumer a higher additional cost than that quoted by Northern Gas Networks Limited to the Consumer and the Contract Sum shall be increased by the additional cost agreed with the Customer or the Consumer (as the case may be) and the Key Dates shall be amended (if necessary) to the extent agreed by the Customer or the Consumer (as the case may be);
  - (c) the cost of any additional works as specified in paragraph 4.5 above shall be paid to Northern Gas Networks Limited by the Customer in accordance with Clause 9.1(c);

- (d) where the reduction in Service length exceeds the tolerance in paragraph 4.5 Northern Gas Networks Limited will advise the Customer or (if authorised by the Customer on the Order to do so) the Consumer of the reduced cost. Northern Gas Networks Limited will credit to the Customer the amount of any such reduction in accordance with Clause 9.1(c);
- (e) where the Works are varied with the agreement of the Consumer (rather than the Customer) pursuant to paragraph 4.5, (b) or (d) then Northern Gas Networks Limited will within five (5) Working Days of Substantial Completion issue to the Customer a notice of the said variation of the Works and issue to the Customer within ten (10) Working Days of Substantial Completion a copy of the amended job voucher signed by the Consumer;
- (f) the Customer and Northern Gas Networks Limited may from time to time agree procedures to deal with other variations of the Order arising when Northern Gas Networks Limited attend on site to commence the Works. Variations to the Order made pursuant to such procedures will be notified to the Customer in accordance with paragraph (e); and
- (g) where the Customer or the Consumer (as the case may be) does not instruct Northern Gas Networks Limited to proceed with the Works in accordance with paragraph (b), Northern Gas Networks Limited shall be entitled to terminate the Contract pursuant to Clause 13.1.

**Annex 4 – NOT USED**

**Annex 5 - METER WORKS**

**1. The Works**

1.1 This Annex 5 shall apply only to those works in respect of meters that Northern Gas Networks Limited carries out pursuant to Network Code. The Works shall comprise the matters specified in any other Relevant Annex as amended by this Annex 5.

1.2 Where Annex 1 is a Relevant Annex in addition to this Annex 5, then Annex 1 shall be amended as follows:-

- (a) paragraph 1.2(d) shall be amended to read, "connection of the Equipment to any Installation Pipework";
- (b) paragraph 1.2(i) shall be amended to read, "design, procurement, installation, inspection or alteration of Installation Pipework"; and
- (c) paragraph 1.2(j) shall be amended to read, "the commissioning of Installation Pipework and the provision of natural gas for this activity".

1.3 Where Annex 2 is a Relevant Annex in addition to this Annex 5, then Annex 2 shall be amended as follows:-

- (a) the first sentence of paragraph 1.1 shall be amended to read, "The Works shall comprise the Disconnection and, where specified in the Quotation, the taking of a Valid Meter Reading and, where specified in the Quotation, the making safe of the Installation Pipework.";
- (b) paragraph 1.5 shall be replaced with the following:-

"Northern Gas Networks Limited will unless otherwise instructed by the Customer use its reasonable endeavours to take a Valid Meter Reading when it carries out the Disconnection. If the Customer fails to render the Installation Pipework safe prior to the Substantial Completion Target Date then the Disconnection will be cancelled and the Customer shall pay to Northern Gas Networks Limited those costs, expenses and charges which Northern Gas Networks Limited has reasonably incurred as a result of attempting to carry out the Disconnection."

- (c) the following shall be added as a new paragraph 1.9:-

"If so requested by the Customer, then Northern Gas Networks Limited will when carrying out the Disconnection and when reasonably practicable to do so also make safe the Installation Pipework at a cost or on a time and materials basis set out, as appropriate, in the Quotation.";

- (d) the following shall be added as a new paragraph 2.2(h)-

"whether it wishes Northern Gas Networks Limited not to take a Valid Meter Reading at the time of Disconnection";

1.4 Where Annex 3 is a Relevant Annex in addition to this Annex 5, then Annex 3 shall be amended as follows:-

- (a) paragraph 1.2(d) shall be amended to read, "connection of the Equipment to any Installation Pipework";

- (b) paragraph 1.2(i) shall be amended to read, “design, procurement, installation, inspection or alteration of Installation Pipework”;
- (c) paragraph 1.2(j) shall be amended to read, “the commissioning of Installation Pipework and the provision of natural gas for this activity”; and
- (d) paragraph 1.3 shall be deleted.

1.5 Annex 4 shall not be a Relevant Annex in addition to this Annex 5.

## **2. The Customer’s Obligations**

2.1 The Customer shall comply with its obligations set out in Clause 4, the Quotation or the Order (as the case may be) and any other Relevant Annex.

## **3. Northern Gas Networks Obligations**

3.1 Northern Gas Networks Limited shall comply with its obligations set out in Clause 5, the Quotation or the Order (as the case may be) and any other Relevant Annex.

3.2 Northern Gas Networks Limited (or the Contractor carrying out the Works on behalf of Northern Gas Networks) shall be registered as an “Ofgem Approved Meter Installer”, or shall arrange the inspection of the Works by an “Ofgem Approved Meter Installer” within ten (10) Working Days of Substantial Completion.

## **4. Additional Conditions**

4.1 The Siteworks Terms shall be amended as follows:-

- (a) The definition of “Equipment” in Clause 1.1 shall be replaced with:-

“**Equipment**” shall mean such regulators, pipework, valves and associated apparatus to be installed upstream of and including, if appropriate, the Supply Meter Point and the Metering Equipment as more particularly described in the Quotation or the Order (as the case may be);

- (b) The following shall be added to Clause 1.1 as a new definition:-

“**Valid Meter Reading**” shall mean a reading of the index of the meter comprised in the Metering Equipment at the time of the relevant Disconnection;”

## Annex 6 - DIVERSION WORKS

### 1. The Works

1.1 The Works shall comprise the matters set out in Clause 3 (as amended by this Annex), the Estimate and any other Relevant Annex; provided that:-

(a) Clause 3.1(a) shall be amended to read, "the diversion of the Existing Equipment and the design, installation, purging, pressure checking, testing and Commissioning and connection to the Northern Gas Networks Limited System of any diverted Existing Equipment and any New Equipment, together with the abandoning of any redundant equipment, in each case as specified in the Estimate"; and

(b) Clause 3.1(b) shall not apply.

### 2. The Customer's Obligations

2.1 The Customer shall comply with its obligations set out in Clause 4, the Estimate and any other Relevant Annex: provided that paragraph (j) of Clause 4.2 shall not apply.

### 3. Northern Gas Networks Obligations

3.1 Northern Gas Networks Limited shall comply with its obligations set out in Clause 5, the Estimate and any other Relevant Annex.

### 4. Additional Conditions

4.1 The Siteworks Terms shall be amended as follows:-

(a) The definition of "Equipment" shall be deleted from Clause 1.1.

(b) The definition of "Quotation" in Clause 1.1 shall be amended to read:-

**"Quotation"** shall mean the Estimate;

(c) The following new definitions shall be added to Clause 1.1:-

**"Actual Works Cost"** shall mean the total of:-

(a) the gross amount (ignoring any amounts of retention) certified or re-certified (as the case may be) under the relevant subcontracts as being payable by Northern Gas Networks Limited to subcontractors in respect of any part of the Works;

(b) the amounts payable to any third parties (including but not limited to any amounts payable in respect of easements or other land rights) in respect of the Conceptual Design Study Works; and

(c) any amounts chargeable by Northern Gas Networks Limited in line with Northern Gas Networks prevailing policy for any of the Works not subcontracted by Northern Gas Networks;

**"Actual Works Overhead"** shall mean an amount equal to:-

(a) one hundred and twenty one percent (121%) of that part of the Actual Works Cost that relates to any part of the Works performed by Northern Gas Networks Limited internally and not by a Subcontractor; and

(b) twenty six percent (26%) of the remainder of the Actual Works Cost;



“**Actual Works Price**” shall mean Actual Works Cost plus the Actual Works Overhead;

“**Estimate**” shall mean the form referring to these Siteworks Terms produced by Northern Gas Networks Limited and addressed to the Customer containing inter alia details of the Works, the estimated costs of performing the Works, the dates on which any payments are to be made and the amount of such payments, together with any other documents expressly incorporated therein;

“**Existing Equipment**” shall mean such regulators, pipework and associated apparatus presently installed and owned by Northern Gas Networks Limited at the Site which the Customer has requested that Northern Gas Networks Limited divert as specified in the Estimate;

“**New Equipment**” such regulators, pipework and associated apparatus to be installed by Northern Gas Networks Limited in order to facilitate the diversion of the Existing Equipment; and

(d) Clause 2.5(a) shall be amended to read:-

“(a) Not used;”

(e) Clause 2.6 shall be amended to read:-

“2.6 The notice referred to in Clause 2.5(b) shall be issued not more fifteen (15) Working Days after the date on which Northern Gas Networks Limited receives the first payment from the Customer pursuant to the Contract in respect of the Works.”

(f) Clause 6.3 shall be deleted and replaced with “Not used”.

(g) Clause 6.4 shall be deleted and replaced with “Not used”.

(h) Clause 6.5 shall be amended to read:-

“6.5 Northern Gas Networks Limited shall use reasonable endeavours to:-

(a) achieve Final Completion by the end of Normal Working Hours on the Final Completion Target Date; and

(b) achieve Stage Final Completion by the end of Normal Working Hours on the Stage Final Completion Target Date.”

(i) Clauses 6.6 and 6.7 shall be amended such that:-

(i) any reference to “Substantial Completion” shall be deemed to be a reference to “Final Completion”;

(ii) any reference to “Stage Substantial Completion” shall be deemed to be a reference to “Stage Final Completion”;

(iii) any reference to “Substantial Completion Target Date” shall be deemed to be a reference to “Final Completion Target Date”;

(iv) any reference to “Stage Substantial Completion Target Date” shall be deemed to be a reference to “Stage Final Completion Target Date”;

(j) The following shall be added as new Clauses 9.8 and 9.9:-

“9.8 The Customer agrees that the Contract Sum specified in the Estimate is an estimate only, which has been prepared with all information that Northern Gas Networks Limited was reasonably possible to obtain beforehand. By accepting the Estimate, the Customer confirms that it agrees to the actual costs reasonably incurred by Northern Gas Networks Limited in performing the Works, whether such costs are above or below the estimated Contract Sum. Actual overhead charges will be calculated using the same formula used to calculate the estimated overhead cost shown in the Estimate.

9.9 Within thirty (30) calendar days of the later of (a) Final Completion or (b) Northern Gas Networks Limited receiving a final invoice from all subcontractors (if any) in respect of the Works, or (c) the final determination of any dispute between Northern Gas Networks Limited and one or more of its subcontractors in respect of the Works, or (d) a termination of the Contract, Northern Gas Networks Limited shall provide a statement to the Customer showing the Actual Works Price. Such a statement shall be supported by:-

- (a) any third party invoices for those parts of the Works subcontracted by Northern Gas Networks; and
- (b) a list (by job title) of the hours incurred by Northern Gas Networks Limited personnel (and the applicable hourly charge out rate) in respect of that part of the Works not subcontracted by Northern Gas Networks.

Where the Actual Works Price is greater than the estimated Contract Sum, the statement shall be accompanied by an invoice from Northern Gas Networks Limited in respect of the amount by which the Actual Works Price exceeds the estimated Contract Sum.

Where the Actual Works Price is less than the estimated Contract Sum, Northern Gas Networks Limited shall refund (within thirty (30) Working Days of the date of the statement or the date of receiving the Customer's relevant bank account details, whichever is the later) the amount by which the estimated Contract Sum exceeds the Actual Works Price, and the provisions of Clause 9.6 shall apply to such a refund.”

(k) The following shall be added as a new Clause 11.15:-

“11.15 The Customer shall save, hold harmless and indemnify Northern Gas Networks Limited from and against any and all losses, charges, liabilities, claims, damages, fines, penalties, costs or expenses (including but not limited to legal expenses) incurred by Northern Gas Networks Limited arising out of or relating to any liability (whether statutory, contractual or otherwise) of Northern Gas Networks Limited to Users or consumers in respect of a failure to make gas available for offtake from the Northern Gas Networks Limited System or to accept gas tendered for delivery to the Northern Gas Networks Limited System, due to or in connection with the performance, non-performance or mis-performance of the Works howsoever arising and whether or not attributable to the negligence or breach of duty (whether statutory or otherwise) of Northern Gas Networks, its employees or its Subcontractors. For the purposes of this Clause 11.15, the terms "User" and "consumer" shall have the meanings given in the Network Code.”