# NON-DOMESTIC GAS SUPPLY DEEMED CONTRACT SCHEME

This Scheme is made under Paragraph 8 of Schedule 2B of the Gas Act 1986 (as amended) by **Total Gas & Power Limited** of Bridge Gate, 55-57 High Street, Redhill, Surrey RH1 1RX, and shall come into force with effect from 1<sup>st</sup> August 2003.

Approved as the Scheme so made

By: JS Shearf (Signature)

FOHN SHEAD (Print name)

DIRECTOR, TOTAL SAS 9 ADWER L-TD (Position)

Gas sales contracts with Total Gas & Power Ltd may be available on terms other than this Deemed Contract. Information as to those terms can be obtained from the Sales Dept, Total Gas & Power Ltd, Bridge Gate, 55-57 High Street, Redhill, Surrey RH1 1RX. This notice does not apply to customers supplied with gas in accordance with standard condition 29 (Supplier of Last Resort) of the Standard Conditions for Gas Supply Licences.

In accordance with Paragraph 8 of Schedule 2B of the Gas Act 1986 (as amended) a contract shall be deemed to arise when the owner or occupier of premises ("the Deemed Customer") takes a supply of gas from **Total Gas & Power Limited** ("Total") otherwise than in pursuance of a contract. This Scheme ("this Deemed Contract") provides the express terms and conditions to be applied in such circumstances.

## 1. Definitions

- (a) "Act" means the Gas Act 1986 as amended by the Gas Act 1995 and as otherwise amended,
- (b) "Annual Quantity" means the quantity of gas specified as such under the Network Code in respect of each Site.
- (c) "the Authority" means the Gas and Electricity Markets Authority.
- (d) "Billing Period" means the period covered by an invoice.
- (e) "Confidential Information" means any information relating to the affairs of either party to this Deemed Contract obtained by the other party pursuant to or in the course of negotiation or performance of this Deemed Contract, which shall include for the purpose of the Deemed Customer's duty of confidentiality, any meter point reference number assigned by Total to the Meter and information relating to the affairs of the Transporter that Total may from time to time disclose to the Deemed Customer on terms that such information is to be kept confidential.
- (f) "Consumption Reconciliation" means a reconciliation and adjustment in relation to gas consumed by the Deemed Customer in respect of differences between:
  - (i) the quantities of gas assumed to be consumed by the Deemed Customer during the relevant period,
  - (ii) the quantities subsequently determined to have been consumed pursuant to a Meter Reading.
- (g) "Contract Year" means any period beginning at 0600 hours on the Supply Date or any anniversary of the Supply Date and ending at 0600 hours on the next anniversary of the Supply Date.
- (h) "Day" means a period of twenty four hours beginning at 0600 hours on any day and ending at 0600 hours on the next day.
- (i) "Deemed Contract Price" means the price for gas supplied by Total under this Deemed Contract, referred to in Clause 5 of this Deemed Contract, subject to any amending paragraphs.
- (i) "Gas Code" means the code set out at Schedule 2B to the Act.
- (k) "Good Industry Practice" means the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected

from a skilled and experienced operator engaged in the same type of undertaking.

- (l) "Large Site" means any Site the consumption of gas at which during the 12 months prior to the Supply Date, is greater than 732,000 kWh (25,000 Therms), or where there is installed at the Site equipment which enables the Transporter to take Meter Readings remotely at set intervals irrespective of consumption.
- (m) "Maximum Annual Quantity" means that quantity of gas which shall not be exceeded in any Contract Year. The "Maximum Annual Quantity" shall be 120% of the Annual Quantity in respect of each Site, unless a Schedule of Quantities specifying a Maximum Annual Quantity has been provided to the Deemed Customer by Total under a previous contract, in which case the Maximum Annual Quantity specified in the most recent Schedule of Quantities shall apply.
- (n) "Maximum Daily Quantity" means that quantity of gas which shall not be exceeded on any Day. The "Maximum Daily Quantity" shall be that quantity of gas specified as the Scheduled Offtake Quantity under the Network Code in respect of each Site, unless a Schedule of Quantities specifying a Maximum Daily Quantity has been provided to the Deemed Customer by Total under a previous contract, in which case the Maximum Daily Quantity specified in the most recent Schedule of Quantities shall apply.
- (o) "Maximum Quantities" means the Maximum Annual and Maximum Daily Quantities.
- (p) "Meter" means the equipment for measuring the quantity of gas consumed installed at or near each Supply Meter Point.
- (q) "Meter Installation" means the Meter and associated equipment and installations installed or to be installed at the Deemed Customer's premises including any associated pipework, regulator, filters, valves, seals, housings and mountings.
- (r) "Meter Reading" means a reading of the index of the Meter.
- (s) "Minimum Annual Quantity" shall be 80% of the Annual Quantity in respect of each Site, unless a Schedule of Quantities specifying a Minimum Annual Quantity has been provided to the Deemed Customer by Total under a previous contract, in which case the Minimum Annual Quantity specified in the most recent Schedule of Quantities shall apply.
- (t) "Month" means a period beginning at 0600 hours on the first day of any calendar month and ending at 0600 hours on the first day of the next calendar month.

(u) "Monthly Reference Consumption" means a quantity of gas calculated by applying the monthly factors set out in Clause 15 to the Nominated Annual Consumption.

#### (v) "Network Code" means

- (i) the agreement (as modified or augmented by additional or ancillary agreements from time to time) between shippers of gas (including Total) and Transco which governs (amongst other matters) the delivery by the shippers of natural gas to the System, the transportation of natural gas through the System by Transco and the offtake of gas from the System by shippers; and
- (ii) where appropriate, any other similar transportation agreement relating to a part of the System to which the Supply Point is connected which is owned and operated by a Transporter other than Transco.
- (w) "Nominated Annual Consumption" means that Quantity of gas specified as such, or as the "Estimated Annual Quantity", in the Schedule of Quantities in respect of each Site. If there is no Schedule of Quantities or if no Nominated Annual Consumption/Estimated Annual Quantity is specified therein, then "Nominated Annual Consumption" means the Annual Quantity in respect of each Site.
- (x) "Offtake Point" means, in respect of each Supply Meter Point comprised in a Supply Point, the outlet of the customer control valve on the service pipe.
- (y) "Reconciliation Quantity" means the amount by which the quantity determined pursuant to a Meter Reading to have been consumed by the Deemed Customer in the relevant period differs from the quantity previously assumed or determined to have been consumed since the preceding Meter Reading.
- (z) "Schedule of Quantities" means the latest Schedule of Quantities, if any, provided to the Deemed Customer by Total under a previous contract.
- (aa) "Site" means a location at which the Deemed Customer consumes gas.
- (ab) "Small Site" means any Site the consumption of gas at which is not likely to be greater than 732,000 kWh (25,000) Therms per annum.
- (ac) "Supply" means the provision of gas pursuant to this Deemed Contract.
- (ad) "Supply Date" means the date upon which the Deemed Customer first takes gas under this Deemed Contract in the period in question.
- (ae) "Supply Meter Point" means a point on the System at which gas may be offtaken for the purposes of supply directly to a Site.
- (af) "Supply Period" means the period of Supply under this Deemed Contract.

- (ag) "Supply Point" means in respect of each Site the Supply Meter Point or Supply Meter Points at the Site.
- (ah) "Supply Point Offtake Rate" means the maximum instantaneous rate in kWh/hour at which the Transporter permits offtake of gas at the Supply Point.
- (ai) "System" means
  - (i) the main national pipeline system operated by Transco; or
  - (ii) the pipeline systems operated by any other Transporters;

through which gas is conveyed.

- (aj) "Transporter" means
  - (i) National Grid Transco plc as licensee under the Public Gas Transporter's Licence treated as granted to National Grid Transco plc under the Act ("Transco"); and
  - (ii) any other pipeline operator who transports, through a System, gas supplied to the Deemed Customer by Total in connection with this Deemed Contract;

either collectively or individually as appropriate.

## 2. **Duration**

- (a) This Deemed Contract shall apply at any time when the Deemed Customer takes gas from Total otherwise than in pursuance of a contract, and shall continue to apply until such time as the Deemed Customer signs a contract with Total in respect of the supply in question, or 28 days after the Deemed Customer has given notice to Total that the Deemed Customer wishes to sign a contract with another gas supplier (and such contract comes into force), or until such time as the gas supply is disconnected at the premises concerned.
- (b) Notwithstanding 2(a) above, where the Deemed Customer ceases to own or occupy the premises concerned, the Deemed Customer shall give at least 48 hours written notice thereof to Total. In the event that the Deemed Customer does not give such notice, the Deemed Customer shall remain liable to Total for payment for any gas consumed at the premises until the earlier of:
  - (i) the 28<sup>th</sup> Day after the Deemed Customer gives such notice to Total that the Deemed Customer has ceased to own or occupy the premises;
  - (ii) the time of the next Meter Reading at the Premises which takes place after the Deemed Customer has ceased to either own or occupy the premises and which is taken by Total or by another gas supplier which is, or is about to become, supplier to the premises;
  - (iii) the time from which gas is supplied to the premises by Total or another gas supplier, pursuant to a request made by a person other than the Deemed Customer.

## 3. Provision of the Supply

- (a) The Supply of gas by Total shall be in accordance with regulations from time to time made pursuant to Section 16 (1) of the Act with regard to pressure and purity.
- (b) If and for so long as any Supply Point is designated by the Transporter as being one at which the Transporter may instruct the offtake of gas to be discontinued, the Interruptible Conditions referred to in Clause 17 shall apply in addition to the other Clauses contained in this Deemed Contract.

## (c) If at any time

- (i) the Transporter does not accept the obligation to deliver gas at the rates and quantities required by the Deemed Customer, and/or
- (ii) works are required to connect, or modify existing connections to the Site or the System, but such works have not been completed or the new Supply Point has not been registered by the Transporter, and/or
- (iii) there has not been satisfactory provision to Total of any information requested pursuant to Clause 4(b) and 8(f) or any other requirement in this Deemed Contract

then Total shall have no liability to the Deemed Customer under this Deemed Contract and the Deemed Customer shall indemnify Total in respect of any liabilities to the Transporter (including, but not limited to, charges imposed by the Transporter in respect of the gas consumed) arising from the Deemed Customer's offtaking gas from the System.

## 4. Quantity

The Deemed Customer shall ensure that its consumption of gas at any Site to which gas is supplied under this Deemed Contract shall not without prior written consent of Total, which consent shall not unreasonably be withheld, in any Contract Year exceed the Maximum Annual Quantity applicable to that Site.

Subject to the foregoing paragraph the following provisions shall apply in relation to each Large Site:

- (a) The Deemed Customer shall ensure that its consumption of gas at any Site shall not without the prior written consent of Total in any Day exceed the Maximum Daily Quantity or that its rate of consumption shall not without the prior written consent of Total exceed the Supply Point Offtake Rate. In the event that the Deemed Customer fails to comply with this provision Total shall not be liable to the Deemed Customer for the consequences of the Transporter taking any steps available to it to secure reduction or discontinuance of the offtake of gas from the System at the Supply Point.
- (b) The Deemed Customer shall at the request of Total (made prior to or during the Supply Period) promptly provide Total with such good faith estimates of the quantity of gas that the Deemed Customer expects to consume in specified periods and with such other information relating to the Deemed Customer's consumption of gas as Total considers necessary or reasonable.

And in relation to all Sites:

- (c) The Deemed Customer shall notify Total promptly if there is likely to be a change of more than 10% to any estimated gas requirements previously notified to Total.
- (d) (i) Total shall use all reasonable endeavours to make arrangements which permit the consumption of gas by the Deemed Customer in excess of any Maximum Quantities if so requested in writing by the Deemed Customer, but Total shall be under no obligation to do so. Any consent to such increased levels of consumption shall be in writing and shall stipulate any terms upon which such consent is granted. If the Deemed Customer's consumption of gas does exceed any of the Maximum Quantities without the prior written consent of Total then Total shall be entitled to stop or limit the Deemed Customer's supply of gas.
  - (ii) In the event that the Deemed Customer intends to install additional Supply Meter Point(s) at a Site it shall, not less than 40 (forty) Days prior to such proposed installation, give Total proper written notice of the proposed addition and the quantity of gas proposed to be purchased in respect thereof. In the event that Total agrees to the proposal, after giving written notice to that effect, such Supply Meter Point(s) shall be added to the Schedule if Quantities (if any). In the event that Total does not agree, the Deemed Customer shall be entitled to contract with another supplier in respect of the supply of gas to such additional Supply Meter Point(s).

(e) In the event that the Deemed Customer's consumption of gas at the Site (or, in relation to Sites in a group for which a single Minimum Annual Quantity is specified in the Schedule of Quantities, if any, the aggregate consumption of gas at those Sites) is less than the Minimum Annual Quantity in any Contract Year the Deemed Customer shall be charged for the Minimum Annual Quantity in respect of the Site (or Sites) in accordance with Clause 6. The Minimum Annual Quantity shall be reduced pro rata by the quantity of the estimated gas requirement for that year for such Site which has not been delivered to the Site owing to this Deemed Contract ceasing to apply in respect of the supply in question.

## (f) In the event that:

- (i) Total is liable under this Deemed Contract for failure of the Supply arising from a breach by the Transporter of its obligations under the Network Code; or
- (ii) gas is below minimum quality requirements and the Deemed Customer either continues or refuses to take such gas;

Total shall pay to the Deemed Customer such sums as are received from the Transporter by way of compensation less an administration charge of 10% on the basis that such payment shall be the limit of Total's liability to the Deemed Customer in such circumstances.

## 5. Price of Gas

(a) The Deemed Customer shall be liable to pay Total for gas consumed under this Deemed Contract at the rate ("the Deemed Contract Price") determined by Total from time to time (which shall include an amount to take account of the transportation and other charges imposed by the Transporter), which shall be subject to variation in accordance with the provisions of this Deemed Contract.

The rate so determined is currently 2.0473 pence per kilowatt hour.

Any revision to the Deemed Contract Price shall be published in accordance with the Gas Code.

- (b) In addition the Deemed Customer shall pay to Total on production of the appropriate tax invoice or other certificate the amount of any United Kingdom tax, levy (including Climate Change Levy), duty or impost on gas or on the processing, sale or supply of gas which is either payable or to be collected by Total in respect of the gas or payable by any previous supplier thereof and reimbursable by Total.
- (c) Where the Deemed Customer breaches any of the provisions of Clause 4
  Total reserves the right to recover from the Deemed Customer any additional charges imposed on Total by the Transporter resulting from such breach by issuing an invoice to the Deemed Customer.
- (d) If the Deemed Customer ceases consumption of gas at any Meter then the Deemed Customer shall pay, in respect of such Meter and in addition to any other charges under this Agreement, the greater of either:

- (i) a standing charge of £100 plus VAT per month; or
- (ii) an amount equal to the Transporter's current published Transportation Charges under the Network Code

until the Meter is removed.

- (e) Upon removal of any Meter (whether at the Deemed Customer's request or otherwise), the Deemed Customer shall pay, in respect of such Meter and in addition to any other charges under this Deemed Contract, Total's charges for the removal of the Meter and for making the Site safe which shall include:
  - (i) all charges imposed by the Transporter; and
  - (ii) an administration charge of 10% limited to £100 plus VAT; and
  - (iii) all other expenses in connection with the Meter removal.

## 6. Payment

For each Site the following provisions shall apply:-

- (a) Total shall for each Billing Period issue an invoice to the Deemed Customer in respect of:
  - (i) the following quantity of gas charged for at the Deemed Contract Price:
    - (aa) for Large Sites, the quantity of gas actually consumed by the Deemed Customer in that Billing Period (as determined by the Transporter); and
    - (bb) for Small Sites:
      - (A) for any meter which is read monthly the total of the quantities of gas actually consumed by the Deemed Customer in each Month in the Billing Period; and
      - (B) for any meter which is not read monthly the quantity of gas equal to the Monthly Reference Consumption for each Month (or part thereof) in the Billing Period;

provided that, in respect of a Meter that is read monthly, if no Meter Reading has been obtained at the end of any Month Total may substitute for the quantity actually consumed its best estimate of such quantity;

- (ii) if any Consumption Reconciliation has been carried out in the Billing Period the Reconciliation Quantity charged at the Deemed Contract Price.
- (b) If on the first day of the Supply Period no Meter Reading is obtained, Total shall be entitled, upon the next Consumption Reconciliation, to invoice the Deemed Customer for the entire Reconciliation Quantity, notwithstanding that a part thereof relates to a period before the Supply Period.
- (c) If the quantity of gas consumed by the Deemed Customer in any Contract Year is less than the Minimum Annual Quantity then the following shall apply:
  - (i) if any part of the shortfall arose due to the fault of Total or the Transporter, no charge shall be made for such shortfall or part shortfall;
  - (ii) otherwise the shortfall shall be charged for at the Deemed Contract Price for the last Month of the Contract Year at the end of that Month.
- (d) The Deemed Customer shall be charged for any sum payable pursuant to subclause 5(b) and (if applicable) 5(c), (d) and (e).
- (e) The Deemed Customer shall pay the amount due in respect of each invoice by the twentieth Day of the Month following the Billing Period in which the Supply was made or within ten Days of date of invoice if later.
- (f) If payment is not received by Total by the due date then without prejudice to any other rights or remedies that Total may have Total shall be entitled to charge interest on overdue amounts from the due date until payment at the rate of four per cent per annum above National Westminster Bank PLC base rate from time to time in force.

#### 7. Measurement

For each Site the following provisions shall apply:

- (a) (i) The number of kilowatt hours ("kWh") or Therms supplied shall be ascertained in accordance with the provisions of The Gas (Calculation of Thermal Energy) Amendment Regulations 1997 (the "CV Regulations").
  - (ii) Total may at any time for the purposes of Clause 7(a)(i)
    - (aa) use such calorific values as are ascertained in accordance with the CV Regulations or such other units of measure (at the discretion of Total) as are or become either those used by the Transporter or standard units of measure; and
    - (bb) subject to any method prescribed by the Authority use the volume of gas registered by the Meter, as may be corrected as Total deems appropriate, using such methods prescribed either by law or as may be used by the Transporter.

- (b) Save where the Meter is removed by Total or the Transporter after commencement of this Deemed Contract, the Deemed Customer shall ensure that there is installed, operated and maintained in proper working order a Meter Installation containing such equipment as may be required which installation shall comply in every respect with the requirements of the Network Code and any statute as amended from time to time.
- (c) The Deemed Customer shall inform Total if and as soon as the Meter is replaced or modified.
- (d) Total or the Deemed Customer may, each at their own option and expense, install and operate measuring devices to check the Meter provided that such devices do not interfere with the operation of the Meter.
- (e) The Deemed Customer may at any time by giving reasonable notice in writing request Total to arrange that the Meter be verified for accuracy. If a verification shows that the Meter is within plus or minus two per cent of accuracy the costs of such verification shall be borne by the Deemed Customer. If the Meter is outside these limits Total will bear the cost of verification.
- (f) If the Meter fails to register the gas within the limits set out in Clause 7(e), the quantity of gas supplied since the previous Meter Reading shall be calculated in the following order of precedence:-
  - (i) by using the readings of any measuring device installed pursuant to Clause 7(d);
  - (ii) by making adjustments on the assumption that the Meter has had the same degree of error since the previous Meter Reading; or
  - (iv) by reference to the quantity of gas supplied based on consumption during a preceding period under similar conditions when the Meter was registering accurately.

#### 8. Site Equipment and Safe Use of Gas

- (a) The Deemed Customer shall:
  - (i) at all times use the gas in a safe manner and so as not to interfere with the efficient conveyance of gas by the Transporter.
  - (ii) comply with any request reasonably made by Total or the Transporter in the interests of the security of the System to discontinue or reduce offtake of gas from the System.
  - (iii) provide at the Site free of charge such sites, supplies of power, water and drainage, installation sites and such protection for the Meter as may be required and any other requisite equipment, pipes or apparatus.
  - (iv) be responsible for all pipes and apparatus on the Deemed Customer's side of the Supply Point.

- (v) without charge allow any or all of Total, a Transporter and any person selected by Total, on the production of some duly authenticated document showing his authority, safe, full, free and uninterrupted access to each Site for the purposes of exercising any rights or powers (including without limitation those in respect of emergencies) conferred on them or carrying out any obligations they may have under this Deemed Contract, the Network Code, the Gas Code and any statute or Industry accepted Code of Practice as amended from time to time.
- (b) The Deemed Customer shall indemnify Total against any loss of or damage to the property of a third party comprised in the Meter Installation except to the extent that such loss or damage is caused by the negligence of Total or that third party.
- (c) Total shall wherever possible provide the Deemed Customer with reasonable prior notice of any necessary maintenance, repair replacement or extension of any facilities and shall use reasonable endeavours to carry out or procure the carrying out of such works at minimal inconvenience to the Deemed Customer.
- (d) If the Deemed Customer makes an arrangement directly with the Transporter or other third party for the carrying out of works to the pipes or apparatus (whether before or after the Supply Point) to augment or reconnect the Supply or for some other purpose Total shall have no liability to the Deemed Customer for any loss or damage howsoever caused by the Transporter or other third party as a result of the carrying out of such works.
- (e) The Deemed Customer shall report any escapes of gas to the Transporter using the continuously attended telephone service provided by the Transporter for this purpose. THE TELEPHONE NUMBER FOR THIS SERVICE IS CURRENTLY 0800 111 999. The Deemed Customer shall reimburse Total the amounts that the Transporter charges Total for the callout, less the Transporter's call-out charges attributable to the first half hour spent on the call-out.
- (f) In relation to Large Sites the Deemed Customer shall upon first taking gas under this Deemed Contract or as soon as possible thereafter provide to Total the following details:
  - (i) the names and/or job titles of representatives of the Deemed Customer ("emergency contacts") each of which has the power and authority to comply with any direction not to consume gas given by the Transporter pursuant to Regulation (6)4 of the Gas Safety (Management) Regulations 1996, as may be amended from time to time;
  - (ii) at least one (but not more than four) telephone numbers for each emergency contact by means of which Total or the Transporter may contact, 24 hours a day, at least one emergency contact and at least one facsimile number which is able to receive transmission 24 hours a day

and the Deemed Customer shall notify to Total in writing any change in such details as soon as reasonably practical and where possible in advance of such change. Provided that any such notice as is given by facsimile shall be given in accordance with Clause 19 at such facsimile number as shall be notified to the Deemed Customer by Total.

- (g) In relation to Large Sites, where the Supply Point (whether or not Interruptible) is isolated by the Transporter by reason of the Deemed Customer's failure to comply with a request by the Transporter in dealing with an emergency that the Deemed Customer reduce or discontinue its offtake of gas, Total shall have no liability in respect of the Supply.
- (h) No step taken or other thing done or not done (which may include a reduction in the Supply), by the Transporter or Total
  - (i) in dealing with emergencies; or
  - (ii) maintaining the security and operational safety of the System,

shall be a breach of this Deemed Contract by Total; in particular Total will not be in breach of its obligations in respect of the Supply.

- (i) To the extent that at any time it is not feasible for the Transporter or the Transporter has refused to make gas available for offtake at the Supply Point or its ability to do so is restricted by reason of:
  - (i) the carrying out of works in connection with the System (whether maintenance, repair, replacement, extension or other works); or
  - (ii) the exercise of a right or discharge of a duty by the Transporter under the Act (including the Gas Code) or relevant Public Gas Transporter's Licence; or
  - (iii) difficulties encountered in balancing the quantities of gas entering and leaving the System;

Total shall be relieved of its obligations in respect of the Supply.

- (j) (i) Total shall not be liable for the failure of the Supply resulting from any failure or defect or requirement for maintenance of any Meter Installation at the Site which it does not own.
  - (ii) The Deemed Customer shall give written notice to Total (in any event within 7 days) of a failure in the Supply resulting from the failure of any Meter Installation at the Site.
- (k) Where the Deemed Customer intends to use the gas for supply to a compressor or with compressed air or extraneous gas the Deemed Customer shall give Total not less than 28 days' written notice thereof and shall, if so required by Total, install and keep in use at the Deemed Customer's cost an appliance approved by the Transporter to prevent pressure fluctuations in the Transporter's mains and any other inconvenience or danger to other consumers of gas.

(I) If the Supply Point is isolated by the Transporter or Total, whether at the request of the Deemed Customer or the insistence of the Transporter, the Deemed Customer shall indemnify Total in respect of any charges imposed on Total by the Transporter together with any other charges incurred by Total in effecting such isolation and shall be liable for the costs of any subsequent reconnection carried out at the Deemed Customer's request.

## 9. Ownership

The following provisions shall apply:-

- (a) Title to and risk in the gas shall pass to the Deemed Customer at the Offtake Point.
- (b) The Meter and any other equipment, pipes or apparatus of Total or the Transporter are not and shall not become the property of the Deemed Customer.

## 10. Care of Meter and Metering

The Deemed Customer shall ensure that:

- (a) no part of the Meter Installation is damaged or otherwise mistreated;
- (b) no person improperly breaks any seal affixed to any part of the Meter Installation;
- (c) no notice relating to ownership affixed to the Meter by the Transporter or Total is removed or defaced;
- (d) no gas is offtaken from the System on the Deemed Customer's premises at a point before the Offtake Point; and
- (e) in the case of a Meter for which a by-pass has been installed at the Supply Point, the flow of gas is not diverted from passing through the Meter otherwise than in accordance with the applicable Meter By-Pass Policy published by the Transporter from time to time;

and shall indemnify Total against any liabilities, charges or costs arising from the Deemed Customer's failure to comply with this Clause. If it appears that any interference of the kind envisaged in this Clause has occurred, Total may invoice the Deemed Customer for the monetary value (assessed at the Deemed Contract Price) of any gas which it reasonably calculates to have been consumed since the interference together with the costs of rectifying the damage and any associated legal and administrative costs.

## 11. Liability

(a) Total shall indemnify the Deemed Customer against personal injury to or the death of any person or loss of or damage to any property real or personal to the extent that such injury, death, loss or damage arises in the course of or by reason of the Supply and provided always and only to the extent that the same is due to negligence on the part of Total, subject to Clauses 11(b) and 11(d).

- (b) The obligation of Total to indemnify the Deemed Customer under Clause 11(a) shall be subject to an aggregate limit of £10,000,000 in any Contract Year save in the case of death or personal injury where this limit shall not apply.
- (c) Notwithstanding anything expressed or implied in this Deemed Contract, neither Total or any of its associates, affiliates, servants, agents, or contractors (of any tier) or its or their directors, officers or employees shall be liable (whether through contract, negligence or otherwise) to the Deemed Customer or the Deemed Customer's associates, affiliates, servants, agents, or contractors (other than Total) or its or their directors, officers or employees for any damages (other than to the extent arising pursuant to Clause 11(a)), expenses (including legal expenses), loss of use, profits, contracts, goodwill, production, data, revenue, or for increased cost of working or business interruption, or any indirect or consequential loss whatsoever and howsoever caused whether foreseeable or not.
- (d) Provided always that none of the foregoing provisions of this Clause 11 shall operate to exclude or restrict Total's liability for death or personal injury resulting from negligence.

#### 12. Force Majeure

- (a) If in or as a consequence of Force Majeure (as defined in Clause 12(b)) it is not reasonably practicable for the party affected by Force Majeure to perform any of its obligations in accordance with this Deemed Contract, such obligations (other than any obligations to make any payments under this Deemed Contract) shall be suspended to the extent that and for so long as it is so impracticable. Whenever possible each party shall give to the other prior written notice of such suspension.
- (b) "Force Majeure" means any event or circumstance 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, either party, including (but without limitation):
  - (i) act of public enemy, war declared or undeclared, threat of war, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage or act of vandalism:
  - (ii) act of God;
  - (iii) strike or other industrial disturbance;
  - (iv) explosion, fault or failure of plant or machinery, other than the Deemed Customer's plant or machinery, which could not have been prevented by Good Industry Practice;
  - (v) governmental restraint or the coming into force of any legal requirement;
  - (vi) any system maintenance carried out under the provisions of the Network Code;

- (vii) extreme weather conditions by reason of which the Transporter is unable to make available at the Supply Point sufficient quantity of gas to meet the Deemed Customer's demand.
- (viii) breaking or severing of, accidental or criminal damage to, or interference with the Meter Installation, Meter, any other equipment, pipes or apparatus of Total or the Transporter, or data processing and communications equipment or machinery.

Inability to pay (however caused) shall not amount to Force Majeure.

(c) If either party is unable to perform any obligation under this Deemed Contract for reasons of Force Majeure for a continuous period of three months the Minimum Annual Quantity shall be reduced pro rata by the quantity of the estimated gas requirement for that year for such Site which has not been delivered to the Site owing to Force Majeure.

## 13. Suspension

- (a) If the Deemed Customer shall fail to comply with any of its obligations in respect of any Site and such failure shall remain unremedied for seven days after Total shall have given written notice to the Deemed Customer requiring the same to be remedied Total shall be entitled to suspend or reduce the Supply to such Site forthwith until such time as the failure is remedied, without prejudice to any other rights or remedies that Total may have and provided always that any such suspension shall not be treated as being outside the control of the Deemed Customer and shall not relieve the Deemed Customer of its obligation to make payment in respect of the Minimum Annual Quantity pursuant to Clauses 4 and 6.
- (b) In the case of a pipe-line system emergency, that is to say, where the circumstances are such that, in the opinion of the Transporter -
  - (i) the safety of the System is significantly at risk;
  - (ii) the safe conveyance of gas by the System is significantly at risk; or
  - (iii) gas conveyed by the System is at such a pressure, or of such a quality, as to constitute, when supplied to premises, a danger to life or property,

and that opinion is not manifestly unreasonable, then -

- (iv) Total shall be entitled at the request of the Transporter or a relevant shipper to discontinue the supply of gas to the Premises; and
- (v) the Deemed Customer shall use its best endeavours to refrain from using gas immediately upon being requested by Total or the Transporter to do so,

and Total shall have no liability to the Deemed Customer in respect of the discontinuance or restriction of the Supply.

- (c) If Total is given a direction under section 2(1)(b) of the Energy Act 1976 prohibiting or restricting the supply of gas to specified persons, then, for so long as the direction is in force and so far as is necessary or expedient for the purposes of, or in connection with, the direction -
  - (i) Total shall be entitled to discontinue or restrict the supply of gas to the Deemed Customer; and
  - (ii) the Deemed Customer shall refrain from using, or restrict its use, of gas on being required by Total to do so;

and Total shall have no liability to the Deemed Customer in respect of the discontinuance or restriction of the Supply.

#### 14. Termination

- (a) Where the Deemed Customer intends to be supplied with gas at the Premises under a contract with Total or another gas supplier, this Deemed Contract shall not terminate but shall continue to have effect until the time when Total or, as the case may be, the other gas supplier begins to supply under a contract, at which time this Deemed Contract shall cease to have effect.
- (b) Notwithstanding the provisions of Clauses 14(a), this Deemed Contract shall terminate upon a last resort direction given to a gas supplier other than Total, in pursuance of standard condition 29 (Supplier of Last Resort) of that supplier's licence coming into effect in relation to the Premises.
- (c) Any termination or cessation of this Deemed Contract shall be without prejudice to any rights or remedies of either party which arise prior to or as a result of such termination or cessation.

#### 15. Monthly Reference Consumption

Monthly Factors %

Feb Jan Mar Apr May Jun Jul Aug Sept Oct Nov Dec Total 13.8 13.6 12.2 9.8 7.1 4.2 2.4 2.4 4.2 7.3 10.3 12.7 100%

## 16. Confidentiality and Copyright

- (a) Neither party shall without the prior written consent of the other:
  - (i) disclose any Confidential Information to any person other than its officers or employees, professional advisers, consultants, affiliates, shareholders, or
  - (ii) make use of any Confidential Information otherwise than in the performance of this Deemed Contract

provided that this restriction shall not apply to information which has come properly into the public domain through no fault of either party.

- (b) Where Confidential Information is disclosed as permitted under Clause 16(a) the party disclosing such Confidential Information shall take all reasonable steps to ensure that the person to whom the information is disclosed is aware of the obligations under Clause 16(a) and does not use or disclose the information otherwise than as permitted.
- (c) Notwithstanding Clause 16(a), Total shall own the copyright in this Deemed Contract and own any data Total records relating to the Deemed Customer's consumption of and price paid for gas under this Deemed Contract and may use such data in the compilation of statistics or for any use which Total thinks fit.
- (d) The obligations contained in this Clause shall continue notwithstanding any termination of this Deemed Contract.

#### 17. Interruptible Sites

See the Interruptible Conditions contained in Annex 1 to this Deemed Contract.

## 18. Waiver

No indulgence shown by either party to the other shall prevent that party subsequently insisting upon its rights and remedies under this Deemed Contract.

## 19. Notices

Any notice given pursuant to this Deemed Contract shall be in writing and may be served by ordinary prepaid first class post, by personal delivery, by prepaid recorded delivery or by registered post to the addressee at its registered office or business address for the time being, or by facsimile to the recipient's facsimile number or such other address or facsimile number as may be notified in accordance with this Clause and shall be deemed to have been received:

- (a) in the case of personal delivery, at the time of delivery;
- (b) in the case of first class post, the second day after it was posted;

- (c) in the case of prepaid recorded or registered delivery, as recorded or registered by the delivery service effecting delivery;
- (c) in the case of facsimile, on transmission.

## 20. Variations

- (a) Total may without affecting its binding nature vary this Deemed Contract, and without limiting the circumstances in which they may be made, variations may be made to reflect any obligations and liabilities imposed on Total under any Transporter's Network Code or any other agreement between and including Total and any Transporter.
- (b) This Deemed Contract has been submitted to the Authority and to Energywatch and is available on request free of charge to any person requiring a copy. It may be revised from time to time, and any such revision will be published in accordance with the Gas Code.

## 21. Network Code

Where

- (a) the Network Code provides for the Transporter and/or Total to do anything at or affecting any Site or the supply of gas; and
- (b) in doing that thing the Transporter and/or Total comply with the requirements of the Network Code and any other relevant agreement in relation thereto, do not act unlawfully and are not negligent; and
- (c) by reason of the Transporter and/or Total doing that thing the Deemed Customer suffers loss or damage

neither Total nor the Transporter shall have any liability in respect of such loss or damage.

## 22. <u>Information to be provided by the Deemed Customer</u>

- (a) The Deemed Customer shall notify Total
  - (i) upon first taking gas under this Deemed Contract, whether or not the Supply Point has been designated by the Transporter as one in respect of which priority of supply shall be given and the criteria that justify it being so designated; and
  - (ii) as soon as the Deemed Customer ceases to satisfy any of the criteria justifying priority of supply, that the Deemed Customer has ceased to satisfy such criteria.
- (b) Where a Site includes a Supply Point which comprises more than one Supply Meter Point, the Deemed Customer shall advise Total in advance of either of the following events (such events being likely to affect the entitlement of the relevant Supply Meter Points to be comprised in a single Supply Point):
  - (i) any division of ownership of the Site;

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(ii) any splitting of the functions at the Site such that the premises at the Site might no longer be considered to serve each other in a necessary or reasonably useful way.

## 23. Severability of provisions

If any provision of this Deemed Contract should be held to be illegal, invalid or unenforceable in whole or in part, this Deemed Contract shall continue to be valid as to its remaining provisions and the remainder of the affected provision.

## 24. Interpretation

- (a) The headings in this Deemed Contract are inserted for convenience only and shall not affect the interpretation of any of its provisions.
- (b) This Deemed Contract shall be construed and governed in all respects in accordance with the laws of England and any disputes or differences shall be subject to the exclusive jurisdiction of the English Courts.

## ANNEX 1

#### INTERRUPTIBLE CONDITIONS

Where these Interruptible Conditions apply, the Deemed Customer and Total agree that the provision of the gas supply may be interrupted by Total or the Transporter by stopping or limiting or requiring the Deemed Customer to stop or limit its demand on the following conditions:

- 1. Total (either itself or by its agent) or the Transporter shall give the Deemed Customer at least four (4) hours notice of any interruption which shall be notified to the emergency telephone number provided to Total in accordance with paragraph 3 below. Subject to the provisions of this Annex 1, interruption may be required at any time during a Day.
- 2. The Deemed Customer agrees not to take gas from the time notified in accordance with paragraph 1 above until permitted by Total. If the Deemed Customer takes gas in breach of this paragraph:
  - (a) Total or the Transporter may take any steps available to isolate or disconnect the Supply Point (to facilitate which the Deemed Customer shall allow Total and the Transporter and their authorised agents safe, full, free and uninterrupted access to the Site and the Deemed Customer shall reimburse Total for any costs and expenses incurred by Total or charges imposed by the Transporter in respect of the taking of such steps or any subsequent reconnection or restoration of the connection of the Supply Point);
  - (b) save where the Deemed Customer's failure to interrupt is due to Force Majeure acting as a Reasonable and Prudent Operator; Total may invoice the Deemed Customer for any additional charges imposed by the Transporter as a consequence of the Deemed Customer's failure to interrupt together with interest at four percent per annum above the National Westminster Bank Plc base rate from time to time in force (or, if higher, any rate imposed by the Transporter).
- 3. The Deemed Customer will keep a telephone manned 24 hours each Day while gas is being delivered for the purpose of receiving the notice referred to in paragraph 1 above and will provide to Total on the Supply Date details of such number (or numbers, but not more than 3). The Deemed Customer will notify any changes in the emergency number to Total as soon as they occur, and will ensure that the persons who man the telephone (whose names shall be notified to Total and who shall not number more than 2) are at all times is qualified safely to comply with any interruption notice.
- 4. The number of Days (whether continuous or not) on which interruption occurs will not exceed such number of Days as the Transporter shall at any time require, plus 45 Days.
- 5. In respect of any period of interruption, the Minimum Annual Quantity shall be reduced by the number of Days of interruption multiplied by the Maximum Daily Quantity.

- 6. The Deemed Customer warrants that its consumption of gas in the 12 months prior to the Supply Date exceeded 5,856,000 kWh or 16,044 kWh per Day.
- 7. If the Transporter determines after the Supply Date that the Supply Point is no longer eligible to be designated as one where supply of gas may be interrupted
  - (a) because the Deemed Customer's consumption of gas over a relevant period has failed to reach the minimum level set by the Transporter (in which case the Deemed Customer shall forthwith notify Total as soon as it receives any notification to that effect from the Transporter); or
  - (b) for some other reason (whether due to the fault of the Deemed Customer or otherwise)

with effect from the date that the Supply Point becomes one where interruption cannot be required the conditions in this Annex 1 shall cease to apply and Total shall be entitled to modify the Deemed Contract Price at its sole discretion.

- 8. Total shall not be liable for any consequence arising from the stopping or limiting of the supply of gas during any period of interruption.
- 9. If the Deemed Customer fails to interrupt its Supply when requested to do so then the Days on which there is such failure shall not count towards the maximum number of days upon which a demand to interrupt may be made.
- 10. (a) For the purposes of this Annex 1 "Reasonable and Prudent Operator" means a person seeking in good faith to perform its contractual obligations, and in so doing in the general conduct of its undertaking exercising that degree of skill, diligence, prudence and foresight which would reasonably be expected from a skilled and experienced operator complying with the applicable law and engaged in the same type of undertaking in the same or similar circumstances or conditions, and any reference to the standard of a Reasonable and Prudent Operator shall be construed accordingly.
  - (b) The Deemed Customer shall not be deemed to have acted as a Reasonable and Prudent Operator for the purposes of paragraph 2(ii) where (without limitation):
    - (i) no representative referred to in paragraph 3 is available to be contacted; or

- (ii) there is no facility for the Deemed Customer's plant to operate with a supply of fuel or energy alternative to or in substitution for gas.
- 11. The Deemed Customer shall, forthwith upon any request by Total (which may be made pursuant to a similar request made by the Transporter) provide to Total its best estimate of the following details:
  - (i) whether or not gas is likely in normal circumstances to be offtaken at or between particular times of Day specified by Total in the request;
  - (ii) the maximum quantity of gas to be offtaken on any Saturday and any Sunday;
  - (iii) holiday periods in each year during which the Deemed Customer will not offtake gas from the System;

and shall indemnify Total against any liabilities incurred by Total to the Transporter arising from the Deemed Customer's failure to provide such information.

12. Except where expressly varied by this Annex 1 the terms of this Deemed Contract shall continue in full force and effect.

## NOTICE OF REVISION

OF

# NON-DOMESTIC GAS SUPPLY DEEMED CONTRACT SCHEME

made under Paragraph 8 of Schedule 2B of the Gas Act 1986 (as amended) by **Total Gas & Power Limited** of Bridge Gate, 55-57 High Street, Redhill, Surrey RH1 1RX

WE HEREBY GIVE NOTICE that the price for gas consumed under the above Deemed Contract (the "Deemed Contract Price"), with effect from 1<sup>st</sup> May 2010, shall be

4.65 pence per kilowatt hour where payment is made by Direct Debit, and 4.95 pence per kilowatt hour where payment is not made by Direct Debit

and the Deemed Contract Price set out in Clause 5(a) of the above Scheme is hereby varied accordingly.

The Deemed Contract Price is stated above exclusive of VAT and Climate Change Levy, which shall be added at the applicable rate.

Ву:

. . . . . . . . . (Signature)

(Print name)

RECTOR, INCOME & OPERATIONS

(Position)