
STATUTORY INSTRUMENTS

2011 No. 232

The Gas (Exemptions) Order 2011

PART 2

Exempt transporters

Gas previously supplied

7. The holder of a licence (“the licensee”) under section 7A(1) of the Act which authorises only the supply to premises specified in the licence (“the relevant premises”) of gas which has been conveyed to those premises otherwise than by a gas transporter is an exempt transporter when—

- (a) conveying gas to the relevant premises for the purpose of supplying those premises in accordance with that licence; and
- (b) the gas which is so conveyed has been supplied to the licensee at premises to which it has been conveyed by a gas transporter.

Legacy arrangements for secondary metering

8.—(1) A person (“the relevant person”) is an exempt transporter when conveying gas to premises (“the relevant premises”) where—

- (a) that gas is conveyed for the purpose of its supply to the relevant premises by a gas supplier (“the relevant supplier”);
 - (b) that gas was conveyed to the relevant person at premises other than the relevant premises (“the first premises”) by a gas transporter;
 - (c) the relevant person is supplied with gas at the first premises by a gas supplier;
 - (d) immediately before 1st March 1996—
 - (i) the relevant person conveyed gas to the relevant premises from the first premises for the purpose of its supply to the relevant premises by a public gas supplier or the holder of an authorisation under section 8 of the Act,
 - (ii) that gas was conveyed to the first premises by a public gas supplier, and
 - (iii) the relevant person was supplied with gas at the first premises by a public gas supplier or the holder of an authorisation under section 8 of the Act; and
 - (e) the relevant person complies with the conditions set out in paragraph (2).
- (2) The conditions mentioned in paragraph (1)(e) are—
- (a) that the relevant person refrains from any action intended to impede the choice of gas supplier by the owner or occupier of the relevant premises;
 - (b) that the relevant person complies, as soon as is reasonably practicable, with any direction given by the Authority—
 - (i) requiring the relevant person to facilitate the exercise by the relevant supplier of functions specified in the direction that would be functions of the relevant supplier

under Schedule 2B to the Act (the Gas Code)(1) in relation to the relevant premises if gas conveyed to those premises were conveyed by a gas transporter;

- (ii) requiring the relevant person to comply with requirements specified in the direction in relation to the relevant premises that would, if the relevant person were a gas transporter, be requirements of the relevant person by virtue of Schedule 2B to the Act.

(3) But the relevant person does not cease to be an exempt transporter by failing to comply with a direction given by the Authority if the Authority did not consult the relevant person and the Health and Safety Executive on the direction before it was given.

Conveyance of gas produced by a supplier as a by-product

9.—(1) The holder of a licence under section 7A(1) of the Act (“the licensee”) which authorises only the supply to premises specified in the licence (“the relevant premises”) of gas which has been conveyed to those premises otherwise than by a gas transporter is an exempt transporter when—

- (a) conveying gas to the relevant premises for the purpose of supplying the relevant premises in accordance with the licence;
 - (b) that gas is a by-product of a manufacturing or other industrial or agricultural process carried on by the licensee; and
 - (c) the licensee expects to supply the relevant premises with that gas at a rate in excess of 73,200 kilowatt hours per year.
- (2) For the purposes of paragraph (1)(b), the treatment of sewage is an industrial process.

Conveyance of gas from Wytch Farm Gathering Station

10. A person is an exempt transporter when conveying gas from the premises known as Wytch Farm Gathering Station at Corfe Castle, Wareham, Dorset, BH20 5JR to a pipeline system operated by a gas transporter.

Conveyance of gas into the Stranraer pipeline system

11.—(1) Premier Transmission Limited (company registered number NI026421) (“the company”) is an exempt transporter when conveying gas through any pipeline which is connected to the SNIP for the purpose of conveying that gas into the Stranraer pipeline system provided the company complies with the conditions set out in paragraph (2).

- (2) The conditions mentioned in paragraph (1) are—
 - (a) that the company must notify the Secretary of State and the Authority as soon as reasonably practicable of any proposal of which it is aware which is likely to affect either the amount of gas that it is capable of conveying into the Stranraer pipeline system or the company’s ability to meet the gas security standard;
 - (b) that the company must provide the Secretary of State and the Authority with a statement of its ability to meet the gas security standard by 30th June each year in respect of the period of 12 months beginning on 1st October of that year.

(3) The gas security standard mentioned in paragraph (2) is the gas security standard set out in condition 16 of the standard conditions of gas transporter licences (Pipe-Line System Security Standards) as at 1st March 2011 and for the purposes of this article any reference in that standard—

- (a) to the licensee is to be read as a reference to the company;

(1) Schedule 2B was inserted by section 9 of, and Schedule 2 to, the Gas Act 1995.

- (b) to the licensee's pipe-line system is to be read as a reference to any pipeline which is connected to the SNIP and through which the company conveys gas for the purpose of conveying that gas into the Stranraer pipeline system.

(4) In this article—

“the SNIP” means the Scotland to Northern Ireland natural gas transmission pipeline, an interconnector between Twynholm in Scotland and Ballylumford in Northern Ireland;

“the Stranraer pipeline system” means the pipeline system which conveys gas to premises in Stranraer in the county of Dumfries and Galloway.

Conveyance of gas from named premises

12.—(1) A person (“A”) who conveys gas from any premises listed in the Schedule to a pipeline system operated by a gas transporter (“B”) is an exempt transporter in relation to such a conveyance (“a relevant conveyance”) provided A complies, as soon as is reasonably practicable, with any direction given by the Secretary of State which is relevant.

(2) A direction is relevant for these purposes if it is given at a time when a relevant conveyance (“the particular conveyance”) is being, or to be, made and specifies or describes information—

- (a) which A must supply to B;
- (b) which is relevant to the operation of—
 - (i) the pipeline system to which the gas in the particular conveyance is being, or to be, conveyed, or
 - (ii) a pipeline system to which some or all of that gas is being, or could be, conveyed by B; and
- (c) which relates to the calorific value or total quantity of gas that, on the day following the making of the direction, is to be, or could be, conveyed by A to the pipeline system mentioned in sub-paragraph (b)(i) from the premises from which the particular conveyance is being, or to be, made.

(3) But A does not cease to be an exempt transporter in relation to a relevant conveyance by failing to comply with a relevant direction if—

- (a) the Secretary of State has given A consent not to comply with the direction;
- (b) A was unable to comply with the direction due to circumstances beyond A's control; or
- (c) A, the Authority and the Health and Safety Executive were not consulted by the Secretary of State on the direction before it was given.

(4) In paragraph (2)(c) the reference to a day is a reference to the period of twenty-four hours beginning at 6 o'clock in the morning on that day.

Conveyance of gas from gas facilities and Lindholme

13.—(1) A person (“A”) who conveys gas over a distance not exceeding 16.093 kilometres from—

- (a) a gas storage facility; or
- (b) the Lindholme plant,

to a pipeline system operated by a gas transporter (“B”) is an exempt transporter provided A complies with the conditions set out in paragraph (2).

(2) The conditions mentioned in paragraph (1) are—

- (a) that, not less than thirty days before undertaking such a conveyance of gas (“a relevant conveyance”), A must notify the Authority of the date on which the relevant conveyance is intended to commence and—
 - (i) where the gas is to be conveyed from a gas storage facility, of the maximum amount of gas which the facility is capable of storing (the facility’s “storage capacity”) and the maximum rate at which gas can be conveyed from that facility over a twenty-four hour period (the facility’s “storage flow rate”) as at the date of the notification,
 - (ii) where the gas is to be conveyed from the Lindholme plant, of the maximum amount of gas which that plant is capable of processing (the plant’s “processing capacity”) as at the date of the notification;
- (b) that where, before the relevant conveyance commences (or, it having commenced, before it ceases), A comes to realise—
 - (i) in the case of gas to be (or being) conveyed from a gas storage facility, that the facility’s storage capacity or storage flow rate has increased or decreased by more than ten per cent since the notification under sub-paragraph (a) was given (or where a notification has been given under this sub-paragraph, since that notification),
 - (ii) in the case of gas to be (or being) conveyed from the Lindholme plant, that the plant’s processing capacity has increased or decreased by more than ten per cent since the notification under sub-paragraph (a) was given (or where a notification has been given under this sub-paragraph, since that notification),

A must notify the Authority as soon as is reasonably practicable of the details of that increase or decrease;
- (c) that A must comply, as soon as is reasonably practicable, with any direction given by the Secretary of State which is relevant.

(3) For the purposes of paragraph (2)(c), paragraphs (2) to (4) of article 12 apply in relation to a relevant conveyance in the same way as they apply in relation to a conveyance of gas described in paragraph (1) of that article; and references in paragraphs (2) to (4) of article 12 to A and B, and to a relevant conveyance, are to be construed accordingly.

Conveyance of gas to gas storage facilities and Lindholme

14.—(1) A person who conveys gas over a distance not exceeding 16.093 kilometres from a pipeline system operated by a gas transporter to a gas storage facility or premises used only in connection with such a facility is an exempt transporter.

(2) A person who conveys gas over a distance not exceeding 16.093 kilometres from a pipeline system operated by a gas transporter to the Lindholme plant for the purpose of enabling gas processing operations to be carried out on that gas is an exempt transporter.