

SCHEDULE 2

ACTIVITIES EXERCISED BY UTILITIES

Gas and heat

- 1.—(1) In the case of gas and heat, the following activities—
 - (a) the provision or operation of fixed networks intended to provide a service to the public in connection with the production, transport or distribution of gas or heat;
 - (b) the supply of gas or heat to such networks.
- (2) The supply by a utility referred to in regulation 5(1)(b) or (c) of gas or heat to fixed networks which provide a service to the public shall not be considered a relevant activity within the meaning of sub-paragraph (1) where both of the following conditions are met—
 - (a) the production of gas or heat by that utility is the unavoidable consequence of carrying out an activity other than one referred to in this paragraph or in paragraphs 2 and 3;
 - (b) the supply to the public network is aimed only at the economic exploitation of such production and amounts to not more than 20% of that utility's turnover on the basis of the average for the preceding 3 years, including the current year.
- (3) In this paragraph, “supply” includes the generation, production, wholesale and retail sale of gas, other than the production of gas in the form of extraction which, instead, falls within the scope of paragraph 6.