

SCHEDULE

PART IV

PERSONS EXEMPT IN RESPECT OF PARTICULAR REGULATED ACTIVITIES

Gas industry

42.

(1) Transco plc is exempt from the general prohibition in respect of any regulated activity of the kind specified by article 14, 21 [^{F1}, 25 [^{F2}, 25D or 25DA]] of the Regulated Activities Order (dealing in investments as principal or agent [^{F1}, arranging deals in investments [^{F3}, operating a multilateral trading facility or operating an organised trading facility]]) which it carries on—

- (a) in its capacity as a gas transporter under the Transco Licence; and
- (b) for the purposes of enabling or facilitating gas shippers to buy or sell an investment of the kind specified by article 84 or 85 of the Regulated Activities Order (futures or contracts for differences etc.).

(2) ENMO Ltd. is exempt from the general prohibition in respect of any regulated activity of the kind specified by article 14, 21 [^{F4}, 25 [^{F5}, 25D or 25DA]] of the Regulated Activities Order (dealing in investments as principal or agent [^{F4}, arranging deals in investments [^{F6}, operating a multilateral trading facility or operating an organised trading facility]]) which it carries on—

- (a) in its capacity as the operator of the balancing market; and
- (b) for the purpose of enabling or facilitating Transco plc and relevant gas shippers, for the purpose of participating in the balancing market, to buy or sell investments of the kind specified by article 84 or 85 of that Order (futures or contracts for differences etc.).

(3) Transco plc and relevant gas shippers are exempt from the general prohibition in respect of any regulated activity of the kind specified by article 14 or 21 of the Regulated Activities Order (dealing in investments as principal or agent) in so far as that activity relates to an investment of the kind specified by article 84 or 85 of that Order (futures or contracts for differences etc.) and is carried on for the purpose of participating in the balancing market.

(4) In this paragraph—

- (a) “the balancing market” means the market to regulate the delivery and off-take of gas in Transco plc’s pipeline system for the purpose of balancing the volume of gas in that system;
- (b) “gas shipper” has the same meaning as in Part I of the Gas Act 1986 ^{M1};
- (c) “relevant gas shippers” means gas shippers who have entered into a subscription agreement with ENMO Ltd. for the purpose of participating in the balancing market;
- (d) “Transco Licence” means the licence treated as granted to Transco plc as a gas transporter under section 7 of the Gas Act 1986 ^{M2};
- (e) the reference to enabling or facilitating includes acting pursuant to rules governing the operation of the balancing market which apply in the event of one of the participants appearing to be unable, or likely to become unable, to meet his obligations in respect of one or more contracts entered into through the balancing market.

Changes to legislation: There are currently no known outstanding effects for the *The Financial Services and Markets Act 2000 (Exemption) Order 2001, Paragraph 42*. (See end of Document for details)

Textual Amendments

- F1** Words in Sch. para. 42(1) substituted (1.11.2007) by [The Financial Services and Markets Act 2000 \(Exemption\) \(Amendment\) Order 2007 \(S.I. 2007/125\)](#), arts. 1, **6(b)(i)**
- F2** Words in Sch. para. 42(1) substituted (1.4.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2017 \(S.I. 2017/488\)](#), art. 1(2), **Sch. para. 6(3)(a)(i)(aa)**
- F3** Words in Sch. para. 42(1) substituted (1.4.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2017 \(S.I. 2017/488\)](#), art. 1(2), **Sch. para. 6(3)(a)(i)(bb)**
- F4** Words in Sch. para. 42(2) substituted (1.11.2007) by [The Financial Services and Markets Act 2000 \(Exemption\) \(Amendment\) Order 2007 \(S.I. 2007/125\)](#), arts. 1, **6(b)(ii)**
- F5** Words in Sch. para. 42(2) substituted (1.4.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2017 \(S.I. 2017/488\)](#), art. 1(2), **Sch. para. 6(3)(a)(ii)(aa)**
- F6** Words in Sch. para. 42(2) substituted (1.4.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2017 \(S.I. 2017/488\)](#), art. 1(2), **Sch. para. 6(3)(a)(ii)(bb)**

Marginal Citations

- M1** 1986 c. 44; see [section 7A](#) which was inserted by section 6(1) of the [Gas Act 1995 \(c. 45\)](#).
- M2** Substituted by the [Gas Act 1995 \(c. 45\)](#) and amended by the [Utilities Act 2000 \(c. 27\)](#) section 76 (although this amendment was not in force on the day on which this Order was laid).

Changes to legislation:

There are currently no known outstanding effects for the The Financial Services and Markets Act 2000 (Exemption) Order 2001, Paragraph 42.