

**DEEMED TERMS FOR THE PROVISION OF METER SERVICES RELATING TO
THE H100 FIFE HYDROGEN NETWORK TRIAL PROJECT
BETWEEN
SGN COMMERCIAL SERVICES LIMITED
AND
EACH GAS SUPPLIER AT A H100 SUPPLY METER POINT**

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These **Deemed Terms** apply between:

- (1) SGN Commercial Services Limited, a company incorporated and registered in England under number 05969465, whose registered office is at St Lawrence House, Station Approach, Horley, Surrey, RH6 9HJ (**SGNCS**); and
- (2) Such company as is responsible, pursuant to the REC, for gas supply at one or more meter point reference numbers within the H100 Fife Network at which a supply of hydrogen gas is being made (**Gas Supplier**),

each a **Party** and, together, the **Parties**.

Whereas

- (A) The Gas Supplier is, pursuant to a licence granted to it pursuant to section 7A of the Gas Act, making a supply of hydrogen gas to domestic properties forming part of the H100 Fife Network.
- (B) SGNCS is a group company of Scotland Gas Networks plc, a company operating under a gas transportation licence issued to it pursuant to section 7A of the Gas Act, and the owner / operator of the H100 Fife Network.
- (C) SGNCS is the sole MAM and MAP for the H100 Fife Network.
- (D) Hydrogen gas meters for the H100 Fife Network will be owned by SGNCS during the H100 Fife Network Trial.
- (E) The Gas Supplier will require Meter Services in respect of meters at properties forming part of the H100 Fife Network during the Test Period.
- (F) By these deemed terms the Gas Supplier will appoint SGNCS to provide the Meter Services subject to and in accordance with the terms and conditions of these Deemed Terms.

It is agreed

1 Definitions and Interpretation

1.1 In these Deemed Terms, the following terms shall have the following meanings:

ADR Notice has the meaning given to it in Clause 21.1(c);

Affected Party has the meaning given to it in Clause 20.3;

Affiliates means, in relation to a company, a company which is a Subsidiary or the ultimate Holding Company of it, or any company which is a Subsidiary of such Holding Company;

AMI means the meter related services described in the Retail Energy Code as those of an approved meter installer

Applicable Law means any applicable law, statute, instrument, bye-law, regulation, order, regulatory policy, guidance, standard, code, approved document, rule (including any rule of court), directives or requirements of the UK Parliament, any of its devolved administrations, or other statutory / regulatory / legislative authority or body, any applicable judgment of a relevant court or Competent Authority which changes a binding precedent or any delegated or subordinate legislation or any notice of any statutory / regulatory authority or body;

Bribery Laws means the Bribery Act 2010 and associated guidance published by the Secretary of State for Justice under the Bribery Act 2010 and all other Applicable Laws in relation to bribery and corruption and any similar or equivalent laws in any other relevant jurisdiction;

Business Day means a day (other than a Saturday or Sunday) on which banks are generally open for business in London;

BSMART means the repository of asset information relating to metering data procured by SGNCS in order to enable SGNCS to be able to identify each of the installations of SGN Metering Equipment in respect of which it acts as Meter Services Provider and pertinent information in relation thereto;

CEDR has the meaning given to it in Clause 21.1(c);

CDSP means the central data services provider pursuant to the UNC;

Change in Law means the introduction, amendment, modification or repeal after the date of these Deemed Terms of any Applicable Law;

CoMCoP means the Consolidated Metering Code of Practice contained in the Retail Energy Code

Competent Authority means a Regulator, the Department for Energy Security and Net Zero (or any successor), any court of competent jurisdiction, any statutory undertaker and any relevant governmental and/or regulatory body empowered by Applicable Law and having jurisdiction over these Deemed Terms, either or both of the Parties, any facilities owned or operated by any of Parties, either Parties' business, any works, services or supplies required by these Deemed Terms (and any site at which the same will be carried out / provided) and/or the performance of any or all of the Parties' obligations under or in connection with these Deemed Terms;

Compliant Data Flow means a valid and compliant gas data flow exchange of information between the Parties that is compliant with REC Schedule 14.

Confidential Information has the meaning given to it in Clause 23;

Consumer means the consumer of gas being the owner or resident of a domestic property that is or has been a participant in the H100 Fife Network Trial and at which the SGNCS Metering Equipment is installed, or where such meter is in a common area, to the benefit of whom such meter is installed and where described in the context of the Gas Supplier means each Consumer at an MPRN in respect of which the Gas Supplier is the Registered Supplier;

Decommissioned means the steps preparatory to the physical removal of a gas meter (including testing and purging such meter and the equipment associated with it to facilitate the physical removal of such meter);

Deemed Terms means the terms set out in Clauses 1 to 33 inclusive;

Disclosing Party has the meaning given to it in Clause 23;

Dispute has the meaning given to it in Clause 21.1;

Dispute Notice has the meaning given to it in Clause 21.1(a);

ECV means the emergency control valve in respect of a meter installation;

Force Majeure Event means any of the following events or circumstances:

- (a) any cause beyond the reasonable control of a Party which alone prevents or delays a Party from complying with any of its obligations under these Deemed Terms;
- (b) war, hostilities (whether war be declared or not), invasion, act of foreign enemies;
- (c) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosion, or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- (d) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speed
- (e) rebellion, revolution, insurrection, military or usurped power or civil war
- (f) riot, civil commotion or disorder;
- (g) acts of God, earthquake, accumulation of snow or ice, flood or other natural physical disaster but excluding any other weather conditions;
- (h) any protests, labour or trade dispute, strikes, industrial action or lockouts (other than in respect of the Affected Party (including any subcontractors of the Affected Party) or any Affiliate of the Affected Party (including any subcontractors of the same));
- (i) maritime disasters;
- (j) epidemic or pandemic (save for COVID-19 other than where associated with new changes in law or government guidance which it would be reasonable in all the circumstances to treat as a legal requirement which could not have been foreseen at 01 September 2024);
- (k) a change in or introduction of the laws of Great Britain related to COVID-19 as may arise after the date of the first date on which these Deemed Terms or a previous iteration of them applied between the Gas Supplier and SGNCS in respect of which the force majeure event has occurred;
- (l) nuclear, chemical or biological contamination or sonic boom; or
- (m) collapse of buildings, fire, explosion or accident,

provided that such event or circumstance:

- (i) is beyond the Affected Party's reasonable control, including the reasonable control of the Affected Party's Affiliates, contractors, agents, consultants and advisers engaged in connection with the Affected Party's obligations under these Deemed Terms (**reasonable control** being construed, for the purposes of this definition, as including such control as would be had acting in accordance with good industry practice);
- (ii) subject always to Clause 20.5, affects performance by the Affected Party of any of its obligations under these Deemed Terms; and
- (iii) was not reasonably foreseeable by the Affected Party as at the date of the first date on which these Deemed Terms or a previous iteration of them applied between the Gas Supplier and SGNCS;

Force Majeure Report means a written report provided by the Affected Party to the other Party in accordance with Clause 20.4 which shall include, as a minimum, the following information:

- (a) the date on which the Force Majeure Event commenced;
- (b) the MPRNs which are affected;
- (c) the Meter Services which are affected;
- (d) the expected duration of the Force Majeure Event;
- (e) the actions to be taken by the Affected Party to mitigate or remedy the Force Majeure Event;
- (f) the expected impact of the Force Majeure Event on the Affected Party's ability to perform any of its obligations under these Deemed Terms; and
- (g) any other information that may be reasonably requested by the other Party in relation to the Force Majeure Event from time to time (including evidence in support of all of items listed in paragraphs (a) to (f) (inclusive) above),

Guaranteed and Overall Standards of Performance for Metering Services means the document of that name available at www.ofgem.gov.uk;

Gas Supply Licence means the licence issued pursuant to section 7A of the Gas Act 1986;

GS(I&U)R means the Gas Safety (Installation and Use) Regulations 1998;

H100 Fife Network means each MPRN associated with a Supply Meter Point in respect of which the network indicator field of the data enquiry service operated by the CDSP under the UNC displays the code "H100FIFSGN";

H100 Fife Network Trial means SGN's end to end hydrogen gas system, known as the Hydrogen Neighbourhood, which includes a new hydrogen gas network and directed by Ofgem's Network Innovation Competition: H100 Fife Bid Submission and Ofgem's Project Direction for the H100 Fife project;

H100 MPRN means an MPRN located within the H100 Fife Network and, where the context requires, includes reference to the Supply Meter Point physically associated with that MPRN;

H100 Project's Case for Safety means the safety dossier of Scotland Gas Networks plc prepared in accordance with the guidance issued by the Health and Safety Executive "Evidence for converting a trial area to hydrogen – July 2022".

H-Meter means a meter for the measurement of hydrogen passing a H100 MPRN;

Holding Company has the meaning given to it in section 1159 of the Companies Act 2006;

Industry Data Flows means exchanges of appointment, de-appointment, activity instruction and other similar information relating the provision of Meter Services through either (at the discretion of the Gas Supplier) the electronic platform known as: (i) the "data transfer network" operated by Electralink; or (ii) the "IX Gateway" operated by Xoserve;

Licence means a licence issued by Ofgem pursuant to s. 7 or 7A of the Gas Act 1986;

M-Meter means a meter for the measurement of methane passing a MPRN associated with the H100 Fife Network Trial;

MAM means the meter related services described in the Retail Energy Code as those of a meter asset manager;

MAP means the meter related services described in the Retail Energy Code as those of a meter asset provider;

Meter Services means the services of MAM, AMI and MAP provided pursuant to the terms of these Deemed Terms;

Meter Services Provider means SGNCS;

Meter Service Payment shall have the meaning given to that term in Clause 3.7, as determined in accordance with Clause 12 (including annual adjustments thereto), and invoiced and paid in accordance with Clause 17;

Meter Contact Arrangements means the contact details for the Gas Supplier and SGNCS as set out on the REC Party Register of the Retail Energy Code or other agreed contact arrangements;

Modern Slavery Act has the meaning given to it in Clause 27.1(a);

MPRN has the meaning given to that term in the Retail Energy Code and where the context requires, includes reference to the Supply Meter Point physically associated with that MPRN;

ONAGE CA means an appointment or de-appointment of a provider of Meter Services by a supplier of gas, communicated via an Industry Data Flow to the MAM;

ONAGE COS means an appointment or de-appointment of a Supplier by a supplier of gas, communicated via an Industry Data Flow to the MAM;

ONJOB means the visit outcome details sent by a MAM to a supplier of gas after the attendance of the MAM of meter related services requested by the supplier of gas communicated via an Industry Data Flow;

ORDET means a request from a provider of meter related services for the meter details of the meter present at an MPRN to enable the requesting entity to populate the content of Industry Data Flows necessary to procure its appointment of the provider of meter related services in respect of the meter at an MPRN;

ORJOB means a request for one or more Meter Services issued by a supplier of gas to a MAM communicated via an Industry Data Flow;

Receiving Party has the meaning given to it in Clause 23;

Registered Supplier means the circumstances in which the Gas Supplier is the supplier of gas registered as responsible for the MPRN / Supply Meter Point pursuant to the Retail Energy Code;

Regulator means an entity holding the functions of a regulatory body under Applicable Law governing the activities of one or both Parties, which for the avoidance of doubt shall for the purposes of these Deemed Terms include Ofgem and the Health and Safety Executive;

Retail Energy Code or **REC** means the document of that name as published on the website of the Retail Energy Code Company;

RNJOB means a response file issued by a supplier of gas to a MAM either accepting or rejecting an Unsolicited ONJOB communicated via an Industry Data Flow;

SGN Futures (H100) Limited means the wholly owned Affiliate of Scotland Gas Networks plc which has been established in order to facilitate the delivery of the H100 Fife Network Trial in a manner compliant with unbundling requirements in Scotland Gas Networks plc's gas transporter licence, and which, for those purposes, develops owns and operates the hydrogen production and storage facilities associated with the H100 Fife Network Trial and has financial responsibility for payments due in accordance with Clause 6.16 notwithstanding that the contractual duty to make such payments shall be owned to the Gas Supplier by SGNCS in accordance with that Clause;

Safety Case means the document of that name prepared by Scotland Gas Networks plc pursuant to its obligations under the Gas Safety Management Regulations 1996;

Scotland Gas Networks plc shall have the meaning given to that term in Recital (b)

SGNCS Metering Equipment shall have the meaning given to that term in Clause 2.1;

Smart Energy Code Business Architecture means the document of that name available at www.smartenergycodecompany.co.uk

Standards shall have the meaning given to that term in the CoMCoP and, where no suitable standard applies in respect of the SGNCS Metering Equipment on account of the same being a H-Meter a standard to be reasonably determined either by the HSE, SGNCS, Scotland Gas Networks plc, Ofgem, IGEM or the appropriate combination thereof;

Subsidiary has the meaning given to it in section 1159 of the Companies Act 2006;

Supply Meter Point shall have the meaning given to that term in section I of transportation principal document of the UNC;

Test Period means from the date determined in accordance with Clause 2.4(a) to 31 March 2027, such earlier or later date on which the H100 Fife Network Trial project may be brought to an end or extended as a result of any decision by SGNCS communicated by SGNCS to the Gas Supplier on a period of notice not less than 20 (twenty) Business Days or any direction or decree of a Competent Authority;

UNC means the Uniform Network Code as published on the website of the joint office of gas transporters;

Unsolicited ONJOB means a notification communicated via an Industry Data Flow, sent by SGNCS to the Gas Supplier informing the Gas Supplier of meter exchange outcome details, which is sent by SGNCS in light of the ORJOB not having been issued by the Gas Supplier to SGNCS at the time Gas Supplier became responsible for a Supply Meter Point and associated H-Meter located at a H100 MPRN within the Retail Energy Code, and requesting that the Gas Supplier issue to SGNCS an RNJOB;

VAT means the value added tax chargeable under English law for the time being and any similar, additional tax; and

1.2 In these Deemed Terms, except where the context otherwise requires:

- (a) the masculine includes the feminine and vice-versa;
- (b) the singular includes the plural and vice-versa;
- (c) a reference to any Clause, Sub-Clause, Paragraph, Schedule, or Recital is, except where expressly stated to the contrary, a reference to such Clause, sub-Clause, paragraph, schedule or recital of and to these Deemed Terms;

- (d) save where stated to the contrary, any reference to these Deemed Terms or to any other document shall include any permitted variation, amendment or supplement to these Deemed Terms and/or such document;
- (e) without prejudice to Clause 20 any reference to any enactment, order, regulation or other similar instrument shall be construed as a reference to the enactment, order, regulation or instrument as amended, replaced, consolidated or re-enacted;
- (f) a reference to a person includes firms, partnerships and corporations and their successors and permitted assignees or transferees;
- (g) headings are for convenience of reference only;
- (h) words preceding 'include', 'includes', 'including' and 'included' shall be construed without limitation by the words which follow those words;
- (i) any obligation on a Party to do any act matter or thing includes, unless expressly stated otherwise, an obligation to procure that it is done;
- (j) subject to any express provisions to the contrary, the obligations of either Party are to be performed at that Party's own cost and expense;
- (k) in the event of any ambiguity or inconsistency in or between these Deemed Terms and any of its Schedules, the provisions of these Deemed Terms shall prevail.

2 Entry Into Force of Deemed Terms and Period of Application

- 2.1 These Deemed Terms shall be deemed to apply to the Gas Supplier's use of SGNCS owned H-Meter and ancillary equipment that is installed, or is to be installed, on the Gas Supplier's Consumer premises at a H100 MPRN ("**SGNCS Metering Equipment**").
- 2.2 These Deemed Terms also provide a mechanism through which the Gas Supplier shall have the right to appoint SGNCS as the provider of meter-related services for M-Meters subsequent to an event described in Clauses 2.5(a) or 2.5(c).
- 2.3 SGNCS is only prepared to allow use or benefit of the SGNCS Metering Equipment by the Gas Supplier on the basis of the provisions of these Deemed Terms.
- 2.4 These Deemed Terms shall apply to the Gas Supplier's use of the SGNCS Metering Equipment (and each application thereof) from:
 - (a) in the case the Gas Supplier will be the Registered Supplier in respect of a H100 MPRN at the start of the H100 Fife Network Trial, the date on which the Gas Supplier receives a notice issued pursuant to Clauses 5.4 and 6.3; or
 - (b) in the case the Gas Supplier becomes the Registered Supplier in respect of a H100 MPRN after the date identified in Clause 2.4(a) (but whilst the H100 Fife Network Trial is ongoing), the date the Gas Supplier becomes the Registered Supplier of such H100 MPRN pursuant to the REC and as a consequence of which SGNCS Metering Equipment will be deemed to churn to the Gas Supplier and be used by it.
- 2.5 These Deemed Terms shall continue to apply to the Gas Supplier's use of the SGNCS Metering Equipment until the earlier of:

- (a) SGNCS Metering Equipment having been removed by SGNCS in accordance with Clause 8, including where a Consumer elects to cease to participate in the H100 Fife Network Trial prior to the date set out in 2.5(c) (in respect of one or more H100 MPRN);
- (b) any modification to the deemed terms being issued by SGNCS to Gas Supplier to replace these Deemed Terms (in respect of all H100 MPRNs) in accordance with Clause 32;
- (c) the end of the Test Period, subject SGNCS Metering Equipment having been removed by SGNCS in accordance with Clause 8 (in respect of all H100 MPRNs);
- (d) in accordance with Clause 14; or
- (e) in the case the Gas Supplier ceases to be the Registered Supplier in respect of a H100 MPRN whilst the H100 Fife Network Trial is ongoing, the date SGNCS Metering Equipment churns to a replacement gas supplier as a consequence of that entity having become the Registered Supplier pursuant to the REC, subject to the requirement that these Deemed Terms shall continue to apply in respect of such SGNCS Metering Equipment until the Gas Supplier's obligations under these Deemed Terms are discharged in full.

3 Required Actions on Commencement and Cessation of use of SGNCS Metering Equipment

Meter Services Appointment (General)

- 3.1 Pursuant to Clause 2, SGNCS shall be the deemed provider of Meter Services pursuant to these Deemed Terms where the Gas Supplier makes use of one or more applications of SGNCS Metering Equipment in order to monitor the volume of gas supplied by it to a domestic premises being part of the H100 Fife Network Trial.
- 3.2 In furtherance of Clause 3.1:
 - (a) it is a condition of these Deemed Terms that the Gas Supplier shall not have any right to appoint any other MAM, MAP and/or AMI in respect of the SGNCS Metering Equipment or the Supply Meter Point at which the SGNCS Metering Equipment is located (as the case may be); and
 - (b) if the Gas Supplier initiates the appointment of another entity to undertake the role of MAM, MAP and/or AMI SGNCS shall be entitled to take such steps necessary to prevent such process concluding, including rejecting any ORDET from a proposed provider of such services.

Meter Services Appointment (Start of H100 Project)

- 3.3 Where the Gas Supplier is the Registered Supplier contemporaneously with the exchange of the M Meter for SGNCS Metering Equipment described in Clauses 5.4 and 6.3 SGNCS shall issue the Gas Supplier an Unsolicited ONJOB and communicate the same through the Metering Contact Arrangements. Where the Gas Supplier receives the aforementioned the Gas Supplier shall, within 48 (forty-eight) hours, issue the Industry Data Flows necessary to appoint SGNCS as the Meter Services Provider including by issuing a ONAGE CA.

Meter Services Appointment (Churn Event)

- 3.4 The Gas Supplier which is the Registered Supplier in respect of a H100 MPRN shall notify SGNCS via Industry Data Flows promptly upon the Gas Supplier becoming aware of the churn of that H100 MPRN to another Gas Supplier, informing SGNCS of:

- (a) the de-appointment of SGNCS as provider of Meter Services; and
- (b) the identity of the gas supplier to which the relevant H100 MPRN will churn.

For the avoidance of doubt, the Gas Supplier will remain liable for the Meter Service Payment in respect of such SGNCS Metering Equipment until such time as it provides SGNCS with the necessary notification of the churn out event and as otherwise remain due to SGNCS under these Deemed Terms.

- 3.5 Where the Gas Supplier is notified that it will become the Registered Supplier in respect of a H100 MPRN, the Gas Supplier shall take the steps necessary to appoint SGNCS as Meter Services Provider for each H100 MPRN pursuant to these Deemed Terms including by issuing or causing to be issued the Industry Data Flows (including an ONAGE COS) needed to make and/or inform SGNCS of such appointment.
- 3.6 If SGNCS believes the Gas Supplier has not discharged the obligations placed on it by Clause 3.5, SGNCS shall be entitled to escalate the non-compliance through relevant industry processes including those set out in the Retail Energy Code.

Meter Services Appointment (Liability for Payments)

- 3.7 In consideration of the Gas Supplier's use of the SGNCS Metering Equipment, the provision of the Meter Services and all installation, servicing and other services associated therewith, the Gas Supplier shall pay the meter service payments ("**Meter Service Payment**") to SGNCS in respect of each application of SGNCS Metering Equipment located at each MPRN at which the Gas Supplier is the Registered Supplier from:
 - (a) the date on which hydrogen gas is first supplied to a Consumer at a H100 MPRN at which the Gas Supplier is the Registered Supplier; or
 - (b) in respect of SGNCS Metering Equipment at a H100 MPRN that may, after the date described at 3.7(a), churn to the Gas Supplier such that the Gas Supplier becomes the Registered Supplier, the date that the Gas Supplier becomes the Registered Supplier.
- 3.8 The use of the SGNCS Metering Equipment in accordance with these Deemed Terms shall not be considered an agreement with SGNCS for the purposes of Gas Supply Licence conditions 44.5 and 44.6 (gas).

4 Ownership of SGNCS Metering Equipment

- 4.1 Ownership of the SGNCS Metering Equipment shall at all times remain with SGNCS and SGNCS shall at all times remain the MAP in respect of the same (subject to SGNCS transferring ownership of those assets to another entity and that entity replacing SGNCS as the MAP).
- 4.2 The Gas Supplier shall take all reasonable steps to ensure (including by making suitable arrangements with the Consumer) that any notice of ownership affixed by SGNCS to Consumer SGNCS Metering Equipment is not removed or defaced.
- 4.3 SGNCS warrants to the Gas Supplier that it has all necessary intellectual property rights in the SGNCS Metering Equipment to enable it to deliver the Meter Services and shall indemnify the Gas Supplier against claims made by a third party that its intellectual property rights have been infringed subject to the Gas Supplier making reasonable arrangements with SGNCS for the latter to have custody of any such claim.

5 Installation of SGNCS Metering Equipment

For the avoidance of doubt, the Installation of SGNCS Metering Equipment pursuant to this Clause 5 and the removal of the legacy M-Meter pursuant to Clause 6 are contemporaneous activities and the Gas Supplier responsible for the MPRN shall work together with SGNCS to ensure the successful and timely completion of the exchange of meters.

- 5.1 Only SGNCS may install, repair, remove or otherwise physically interact with SGNCS Metering Equipment. The Gas Supplier shall not install SGNCS Metering Equipment or any other H-Meter, seek to maintain such equipment, remove or otherwise physically interact with such equipment or instruct or permit directly or indirectly any other entity to do so (except as provided in Clause 5.21) and the Gas Supplier acknowledges that, in the opinion of SGNCS, due to the novel nature of hydrogen meters the foregoing actions and inactions are likely to give rise to a breach of Regulation 3 of the Gas Safety (Installation and Use) Regulations 1998.

Installation and Replacement Works

- 5.2 The process for installation set out in this Clause 5 also covers the requirements for exchange or replacement of components of SGNCS Metering Equipment.
- 5.3 MPRNs which it is anticipated will be H100 MPRNs will be identified to Gas Suppliers through notification from SGNCS via the Metering Contact Arrangements two (2) weeks prior to the date on which the H100 Fife Network Trial begins.
- 5.4 Where the Gas Supplier remains (or becomes) the Registered Supplier in respect of an MPRN which it is anticipated will be a H100 MPRN then, at least three (3) Business Days prior to an installation or other work being carried out, SGNCS shall inform the Gas Supplier via the Metering Contact Arrangements of the intention to install or carry out works on SGNCS Metering Equipment and make a consequential notification of the intention to remove the M-Meter pursuant to Clause 6.3. In such circumstances the Gas Supplier and SGNCS will use all reasonable endeavours to ensure the delivery of their respective obligations under Clauses 5 and 6 (including but not limited to issuing appropriate Industry Data Flows) and take all other steps reasonably necessary to ensure the successful transfer of the property to a H-Meter arrangement through the installation of SGNCS Metering Equipment. For the avoidance of doubt no works in relation to H100 MPRNs will be undertaken without the written consent of SGNCS (such consent not to be unreasonably withheld, conditioned or delayed).
- 5.5 Not Used
- 5.6 SGNCS shall during the installation process (or subsequent to it where appropriate):
- (a) undertake all work through the deployment of suitably competent persons;
 - (b) appropriately handle and store the components of which the SGNCS Metering Equipment is comprised;
 - (c) use appropriate procedures to assure the safe control of work;
 - (d) undertake pre-installation checks in accordance with industry best practice;
 - (e) install, inspect and test the SGNCS Metering Equipment and any ancillary equipment in accordance with the Standards and the manufacturer's instructions;
 - (f) fit statutory and advisory labels, including any arising from the conditions imposed through the approval or authorisation by third parties;

- (g) manually input relevant data (including details of the meter and regulator) through BSMART.
- 5.7 SGNCS shall arrange for the relevant information notifications, as appropriate, to be made to, but not limited to, the following parties:
- (a) HSE;
 - (b) the local authority;
 - (c) the relevant Gas Supplier;
 - (d) Scotland Gas Networks plc;
 - (e) the site occupier;
 - (f) the Consumer; and
 - (g) other utilities.
- 5.8 SGNCS shall ensure that any sealing equipment, security collars or other security fittings to be used on a meter installation are kept secure.
- 5.9 SGNCS shall undertake work in accordance with satisfactory methods of work.
- 5.10 SGNCS shall ensure that equipment installed in a hazardous area or connected to a meter installation located in a hazardous area is suitable for use in such areas and is installed in accordance with the relevant standards e.g. BS EN 60079, BS6400:2, IGEM/GM/7 or IGEM/SR/25 as appropriate.
- 5.11 Care shall be taken by SGNCS when handling a meter to ensure that the official seal or markings are protected from alteration, breakage or defacement.
- 5.12 SGNCS should confirm that a valid supply contract is in place with a registered gas supplier before installation.
- 5.13 Pre installation procedures shall be available and used in accordance with the relevant Standards. The procedure shall:
- (a) ensure that the location and housing comply with the relevant Standards;
 - (b) ascertain if the proposed meter installation location is in an area classified as hazardous, and the classification zone in such cases, by discussion with the Consumer. This may include hazardous areas such as dust, which are not a result of the gas equipment;
 - (c) ensure that components and ancillary equipment are suitable for intended use and are compliant with the appropriate standards;
 - (d) ensure the meter installation is installed at the appropriate position designated by the MPRN.
- 5.14 Where the Consumer has been identified by the Gas Supplier as vulnerable:
- (a) during the planning of the H100 Fife Network Trial and SGNCS has been informed of the same, SGNCS shall use all reasonable endeavours to ensure that the design of the meter installation is appropriate for the Consumer's needs and complies with the relevant legislation and CoMCoP. Where SGNCS cannot so design the meter installation, SGNCS shall arrange for the removal of the relevant premises from the H100 Fife Network Trial and inform the Gas Supplier that no

SGNCS Metering Equipment shall be installed through the Metering Contact Arrangements and in such circumstances the Gas Supplier and SGNCS shall issue any Industry Data Flows required to give effect to that removal; and

- (b) subsequent to the planning of the H100 Fife Network Trial and / or subsequent to the start of the Test Period as the case may be and SGNCS has been informed of the same, SGNCS shall use all reasonable endeavours to re-design the meter installation such that it is appropriate for the Consumer's needs and complies with the relevant legislation and CoMCoP. Where SGNCS cannot so design the meter installation, SGNCS shall arrange for the removal of the relevant premises from the H100 Fife Network Trial and in such circumstances the provisions of Clauses 8 and 9 shall apply.

5.15 SGNCS shall undertake tests that assure the integrity of:

- (a) meter installation components (including all fittings, associated pipework); and
- (b) any ancillary equipment.

5.16 Where meter work is undertaken which involves any part of the meter installation or the Consumer's pipework being depressurised SGNCS shall verify its gas tightness in accordance with the industry standards.

5.17 SGNCS shall select the appropriate methods of testing and purging according to the applicable standards for the meter installation involved.

5.18 Immediately after such testing and examination, purging shall be carried out throughout the meter installation and downstream pipework up to the isolation valve of an appliance which gas can subsequently flow through.

5.19 SGNCS shall ensure that the appropriate technical information (e.g. asset data, tightness testing details, location issues that might result in corrosion, constraints related to the downstream equipment etc.) is collected and passed onto persons undertaking subsequent work activities including any specific required and/or recommended maintenance procedures.

Specific arrangements relating to operation in SMART mode, and prohibiting the installation of "prepayment" meters in certain circumstances

5.20 At the time of installation, SGNCS shall draw the Consumer's attention to any warning notices and operation instructions for SGNCS Metering Equipment.

5.21 SGNCS shall use reasonable endeavours to take into account the ability of the H Meter to operate in smart mode when choosing the meter location and shall take steps to procure necessary input from its group companies to facilitate the same. SGNCS intends to install H Meters in non-smart mode, and shall inform the Gas Supplier that such installation has completed and inform the Gas Supplier that it is required to make arrangements for the subsequent visit of a meter agent to the relevant property (or remote access alternative thereto) to commission the H Meter into smart metering condition in accordance with the Smart Energy Code Business Architecture or such other additional or alternative applicable standard as SGNCS may communicate to the Gas Supplier through the Metering Contact Arrangements from time to time. The Gas Supplier shall ensure the H Meter is commissioned into smart metering condition within 5 Business Days of receipt of such request.

5.22 SGNCS must not install a SMART meter in prepayment mode as a primary meter if there is a secondary meter used to render a charge to a Consumer on its downstream side. SGNCS shall advise the Gas Supplier of the presence of such secondary meters.

Meter and component replacement

- 5.23 SGNCS shall, where appropriate, assess the connected load and load profile to identify if the size and type of meter installation is appropriate for flow measurement and its associated control.
- 5.24 Where the meter installation is considered to be unsafe SGNCS shall take the appropriate action in accordance with the Gas Industry Unsafe Situations (IGEM/G/11) procedure.

6 Methane Meter Removal and Return

For the avoidance of doubt, the removal of the legacy M-Meter pursuant to this Clause 6 and the Installation of SGNCS Metering Equipment pursuant to Clause 5 are contemporaneous activities and the Gas Supplier responsible for the MPRN shall work together with SGNCS to ensure the successful and timely completion of the exchange of meters.

Safe Removal of M-Meter installation

- 6.1 M-Meter removal shall be undertaken using a process by which a M-Meter and/or a methane meter installation component is removed (including where a complete meter installation is removed) in a safe manner and which leaves the remaining parts of the meter installation (or any other pipework) in a safe condition for the purposes of the H100 Fife Network Trial.
- 6.2 M-Meter removal may only be undertaken by SGNCS.

Prior to Removal

- 6.3 Where SGNCS issues a notice to a Gas Supplier pursuant to Clause 5.4 then, at least three (3) Business Days prior to any work to remove a M-Meter and/or a methane meter installation component being carried out, SGNCS shall inform the Gas Supplier via the Metering Contact Arrangements) of the intention to remove the same. In such circumstances the Gas Supplier and SGNCS will use all reasonable endeavours to ensure the delivery of their respective obligations under Clauses 5 and 6 and take all other steps reasonably necessary to ensure the successful transfer of the property to a H-Meter arrangement (including but not limited to issuing appropriate Industry Data Flows). For the avoidance of doubt no works in relation to H100 MPRNs will be undertaken without the written consent of SGNCS (such consent not to be unreasonably withheld, conditioned or delayed).
- 6.4 Electrical continuity shall be maintained during and after the removal of the M-Meter and/or a meter installation component in accordance with the appropriate and current standards.
- 6.5 Prior to removing any M-Meter and/or meter installation component, SGNCS shall ensure that the M-Meter is Decommissioned in accordance with the appropriate and current standards.

M-Meter Removal

- 6.6 When removing a M-Meter and/or methane meter installation component SGNCS shall take care to ensure that the M-Meter and/or methane meter installation component that is removed is not damaged so that it can be tested in the event of a dispute and, where appropriate, be reused or refurbished. For M-Meters which are the subject of an accuracy dispute, reference should be made to clause 19 of CoMCoP.

Following Removal

- 6.7 Where required in order to implement relevant Standards or recommendations SGNCS shall purge the removed M-Meter and/or meter installation component and then cap or seal the inlet and outlet connections, to prevent the ingress of air, dirt or moisture.
- 6.8 Where a M-Meter is removed disconnections, purging and capping of the supplies and open ends must be carried out in accordance with GS(I&U)R.
- 6.9 SGNCS shall ensure that any liquid present in any removed M-Meters and/or meter installation components shall be drained and disposed of in accordance with applicable legislation. For the avoidance of doubt, the disposal of oil or other liquids present in such M-meters and/or meter installation components is the responsibility of the entity responsible for their removal.
- 6.10 Any removed M-Meter, with the exception of ultrasonic and thermal mass types, shall be stored and transported in the same relative orientation as it was when installed and used. Where any M-Meter is subject to dispute, it shall be stored and transported in the same relative orientation as it was when installed and used.
- 6.11 Where required in order to implement IGEM/UP/1, IGEM/UP/1A, IGEM/UP/1B or IGEM/UP/1C or other IGEM Standards or recommendations, outlet pipework shall be purged.
- 6.12 SGNCS shall seal any open ends of pipework (including the ECV) left by the removal of a M-Meter with an appropriate fitting, taking into account Scotland Gas Network plc's requirements in respect of sealing the ECV.
- 6.13 SGNCS must notify Scotland Gas Network plc so that the latter can arrange for the closure of any service valve controlling the supply of gas to that M-Meter.
- 6.14 Where a M-Meter and/or meter installation component is removed from a Consumer's premises by SGNCS or an entity for which it is responsible, SGNCS shall ensure that such M-Meter is handled in accordance with clause 22 of CoMCoP.
- 6.15 Upon removing the M-Meter SGNCS shall issue the Gas Supplier an ONJOB to provide a closing meter reading in respect of such M-Meter and communicate the same through the Metering Contact Arrangements. Gas Supplier shall process the details contained in such ONJOB within their internal processes such that their records reflect the same.

Hold Harmless of Gas Supplier Exit Charges

- 6.16 Subject to Clause 6.17, where a M-Meter is removed and replaced by SGNCS Metering Equipment in accordance with the provisions of Clauses 5 and 6, SGNCS shall reimburse, where applicable, the Gas Supplier in respect of "early return charges" or other exit fees of similar type or effect payable in respect of the M-Meter ceasing to be governed by a commercial relationship in place between the Gas Supplier and its MAM and/or MAP service provider.
- 6.17 The Gas Supplier's right to receive a payment pursuant to Clause 6.16 shall be subject to the requirement that the Gas Supplier:
- (a) does not permit the replacement of a methane meter after the date on which it receives a notification pursuant to Clause 5.3, other than where necessary for the purposes of safety;
 - (b) delivers to SGNCS, as agent for the SGN Futures (H100) Limited, an extract of the provision(s) of the contract(s) in place between the Gas Supplier and its MAM and/or MAP service provider under which the payment referred to in Clause 6.16:

- (i) falls due for payment; and
 - (ii) how the quantum of such payment is calculated;
 - (iii) confirmation of the date on which such M-Meter was removed from the H100 MPRN,
- (c) delivers the information required pursuant to Clause 6.17(b) not later than 40 (forty) Business Days after the date on which the work to exchange a M-Meter and/or a methane meter installation component with SGNCS Metering Equipment is completed;
- (d) following SGNCS's validation of the Gas Supplier's eligibility for payment under this Clause 6.17 delivers to SGNCS, as agent for the SGN Futures (H100) Limited, an invoice in respect of such sums not later than the end of the month following the month in which SGNCS's validation of the Gas Supplier's eligibility for payment is communicated to the Gas Supplier. Should the Gas Supplier issue the invoice referred to in this Clause 6.17(d) before the date on which SGNCS's validation of the Gas Supplier's eligibility for payment under this Clause 6.17 is communicated to the Gas Supplier, the Gas Supplier shall be deemed to have permanently waived and forfeited its right to receive a payment of the type referred to in Clause 6.16 in respect of the MRPN(s) concerned.

6.18 If SGNCS has not validated the Gas Supplier's eligibility for payment under Clause 6.17 within one month of receipt of the information specified therein from the Gas Supplier, or notified the Gas Supplier that the information so provided was insufficient to enable SGNCS to validate the Gas Supplier's eligibility for payment (together with reasons for the same) within one month of receipt of such information, the Gas Supplier shall be deemed eligible for such payment and entitled to issue an invoice in accordance with Clause 6.17(d).

6.19 If SGNCS notifies the Gas Supplier that the information provided pursuant to Clause 6.17 was insufficient to enable SGNCS to validate the Gas Supplier's eligibility for payment, the Gas Supplier shall be entitled to resubmit its claim and the provisions of Clauses 6.16 and 6.17 shall apply.

6.20 SGNCS shall pay invoices validly issued in accordance with Clause 6.17(d) within twenty (20) Business Days of receipt.

7 Maintenance Of SGN Metering Equipment

7.1 Only SGNCS may install, repair, remove or otherwise physically interact with SGNCS Metering Equipment. The Gas Supplier shall not install SGNCS Metering Equipment or any other H-Meter, seek to maintain such equipment, remove or otherwise physically interact with such equipment or instruct or permit directly or indirectly any other entity to do so (except as provided in Clause 5.21) and the Gas Supplier acknowledges that, in the opinion of SGNCS, due to the novel nature of hydrogen meters the foregoing actions and inactions are likely to give rise to a breach of Regulation 3 of the Gas Safety (Installation and Use) Regulations 1998.

Procedures and records

7.2 SGNCS shall develop and ensure compliance with procedures for maintenance to ensure that the SGNCS Metering Equipment and its installation is kept safe, accurate and in proper working order for the duration of the application of these Deemed Terms as set out in Clause 2.5. The procedures shall include:

- (a) maintenance procedures applicable to the specific installation of SGNCS Metering Equipment implemented, and which ensure that the correct installation is being maintained;
- (b) arrangements for safe access, egress and adequate working space;

- (c) risk assessments for the work intended;
- (d) documentation of any requirements of Scotland Gas Networks plc, the Gas Supplier, and/or the Consumer in the work place instructions and/or safe control of operations procedures;
- (e) mitigation of the risk from electricity (for example through the use of a voltage detector and temporary continuity bond); and,
- (f) a requirement for consideration of whether there is a need to replace any component of the SGNCS Metering Equipment to ensure compliance with current Standards.

7.3 Maintenance records shall be kept by SGNCS for the life of any component of the SGNCS Metering Equipment. Such records shall include:

- (a) the type of the maintenance (for example planned, fault or planned replacement);
- (b) a description of the work carried out;
- (c) the meter serial numbers and (where appropriate) readings at the start and end of the maintenance activity;
- (d) the name of the person(s) who undertook the work;
- (e) the date(s) the maintenance work was carried out;
- (f) a description of any other work identified as being necessary and the date by which it should be completed;
- (g) the settings of pressure protection devices; and
- (h) any ancillary equipment operated by SGNCS.

7.4 Where a meter installation and any ancillary equipment is installed in a hazardous area, maintenance shall be undertaken so to not jeopardise the integrity of any protection classification of the components of the SGNCS Metering Equipment.

7.5 If there is a need to replace any component of the SGNCS Metering Equipment or meter housing, a risk assessment shall be undertaken to determine whether to replace with an identical meter installation component or to upgrade to current Standards.

7.6 Any works carried out within the hazardous area shall be the subject of a risk assessment and where appropriate be under the control of a permit to work.

Specific Maintenance Requirements

7.7 The specific and appropriate maintenance requirements shall be described for the SGNCS Metering Equipment installation by SGNCS. The requirements shall take into account but not be limited to:

- (a) equipment or meter installation component manufacturer's instructions;
- (b) the operational or maintenance history of the meter installation;
- (c) an inspection for damage, leakage, corrosion and tampering;
- (d) replacement of meter installation components with a specified operating life;

- (e) replacement of meter installation components with known defects or failure modes;
- (f) verification that suitable ventilation and working space is available in the meter housing; and
- (g) regulator outlet pressure setting should be checked and verified when the regulator seal has been found to be broken.

8 Removal of SGNCS Metering Equipment and Return

8.1 Clauses 8.2 to 8.18 shall apply:

- (a) to the H100 MPRN and associated Supply Meter Point in respect of which the Gas Supplier is the Registered Supplier if the Consumer receiving gas at that H100 MPRN elects to discontinue participation in the H100 Fife Network Trial prior to the end of the Test Period; or
- (b) to all H100 MPRNs and associated Supply Meter Points in respect of which the Gas Supplier is the Registered Supplier at the end of the Test Period.

8.2 Only SGNCS may install, repair, remove or otherwise physically interact with SGNCS Metering Equipment. The Gas Supplier shall not install SGNCS Metering Equipment or any other H-Meter, seek to maintain such equipment, remove or otherwise physically interact with such equipment or instruct or permit directly or indirectly any other entity to do so (except as provided in Clause 5.21) and the Gas Supplier acknowledges that, in the opinion of SGNCS, due to the novel nature of hydrogen meters the foregoing actions and inactions are likely to give rise to a breach of Regulation 3 of the Gas Safety (Installation and Use) Regulations 1998.

Safe Removal of SGNCS Metering Equipment

8.3 Removal of SGNCS Metering Equipment or any part thereof shall be undertaken using a process by which the same is removed in a safe manner and which leaves the remaining parts of the meter installation (or any other pipework) in a safe condition for the purposes of either returning the MPRN to a M-Meter, or (if allowed by Applicable Law and Standards prevailing at the relevant time) the installation of a different meter measuring the consumption of hydrogen by another provider of metering services chosen by the Gas Supplier.

8.4 Removal of SGNCS Metering Equipment may only be undertaken by SGNCS.

Prior to Removal

8.5 Where the Gas Supplier is the Registered Supplier in respect of an MPRN on the date on which Clause 2.5(a) or 2.5(c) applies then, at least three (3) Business Days prior to any work to remove SGNCS Metering Equipment being carried out (and where possible at least ten (10) Business Days prior to the date on which it is anticipated that the provisions of Clause 2.5(a) or 2.5(c) are likely to apply), SGNCS shall inform the Gas Supplier via the Metering Contact Arrangements of the intention to remove the SGNCS Metering Equipment and, where applicable, make a consequential notification of the requirement for the Gas Supplier to install or arrange for the installation of a M-Meter. In such circumstances the Gas Supplier and SGNCS will take all steps reasonably necessary to ensure the successful transfer of the relevant MPRN to a M-Meter arrangement (including but not limited to issuing relevant Industry Data Flows). For the avoidance of doubt no works in relation to H100 MPRNs will be undertaken without the written consent of SGNCS (such consent not to be unreasonably withheld, conditioned or delayed).

8.6 Electrical continuity shall be maintained during and after the removal of the SGNCS Metering Equipment in accordance with the appropriate and current standards.

- 8.7 Prior to removing SGNCS Metering Equipment, SGNCS shall ensure that the SGNCS Metering Equipment is Decommissioned in accordance with the appropriate and current standards.

Removal of SGNCS Metering Equipment

- 8.8 When removing SGNCS Metering Equipment SGNCS shall take care to ensure that the SGNCS Metering Equipment is not damaged so that it can be tested in the event of a dispute and, where appropriate, be reused or refurbished. For H-Meters which are the subject of an accuracy dispute, reference should be made to clause 19 of CoMCoP.

Following Removal

- 8.9 Where required in order to implement relevant Standards or recommendations, SGNCS shall purge the SGNCS Metering Equipment and then cap or seal the inlet and outlet connections, to prevent the ingress of air, dirt or moisture.
- 8.10 Where SGNCS Metering Equipment is removed disconnections, purging and capping of the supplies and open ends must be carried out in accordance with GS(I&U)R or other legislation, guidelines or best practice of similar type or effect applicable to H-Meters.
- 8.11 SGNCS shall ensure that any liquid present in any removed SGNCS Metering Equipment shall be drained and disposed of in accordance with applicable legislation. For the avoidance of doubt, the disposal of oil or other liquids present in SGNCS Metering Equipment is the responsibility of SGNCS.
- 8.12 Any removed SGNCS Metering Equipment, with the exception of ultrasonic and thermal mass types, shall be stored and transported in the same relative orientation as it was when installed and used. Where any SGNCS Metering Equipment is subject to dispute, it shall be stored and transported in the same relative orientation as it was when installed and used.
- 8.13 Where required in order to implement Standards or recommendations, outlet pipework shall be purged.
- 8.14 SGNCS shall seal any open ends of pipework (including the ECV) left by the removal of SGNCS Metering Equipment with an appropriate fitting, taking into account Scotland Gas Network plc's requirements in respect of sealing the ECV.
- 8.15 SGNCS must notify Scotland Gas Network plc so that the latter can arrange for the closure of any service valve controlling the supply of gas to the SGNCS Metering Equipment.
- 8.16 Where SGNCS Metering Equipment is removed from a Consumer's premises by SGNCS or an entity for which it is responsible, SGNCS shall ensure that such SGNCS Metering Equipment is stored, for a minimum of 1 month from the date it is removed.
- 8.17 SGNCS shall provide the Gas Supplier with a closing meter reading in respect of SGNCS Metering Equipment removed in accordance with this Clause 8.
- 8.18 The Gas Supplier shall provide SGNCS with all commercially reasonable support required by SGNCS and/or follow such processes as may be required by SGNCS such that there are any additional technical or other requirements placed upon SGNCS to meet Standards other than as anticipated in accordance with this Clause 8.

9 Reinstallation of M-Meter

- 9.1 Clauses 9.2 to 9.4 shall apply in circumstances where either Clause 8.1(a) or 8.1(b) applies and the Consumer receiving gas at that MPRN elects to require the recommencement of a methane gas supply

to their premises. For the avoidance of doubt, where a M-Meter (which shall for the avoidance of doubt be a gas meter without the capacity to operate in smart mode) is to be reinstalled pursuant to this Clause 9 the removal of SGNCS Metering Equipment pursuant to Clause 8 shall be contemporaneous activities with such reinstallation, and the Gas Supplier responsible for the MPRN shall take such steps as SGN may require to ensure the successful and timely completion of the exchange of meters.

- 9.2 SGNCS shall issue the Gas Supplier an Unsolicited ONJOB and communicate the same through the Metering Contact Arrangements and the Gas Supplier shall process the details contained in such Unsolicited ONJOB within their internal processes such that their records reflect the same.
- 9.3 The Gas Supplier shall not issue any Industry Data Flows in respect of the activities described in Clause 9.1, and shall instead await the arrival of SGNCS' communication pursuant to Clause 9.2.
- 9.4 Following an appointment pursuant to this Clause 9, the remainder of such relationship relating to meter services for M-Meters shall be governed by either:
- (a) *the Terms And Conditions for the Provision of Meter Asset Management and Meter Asset Provision Services Provided to a Gas Supplier Licenced Pursuant to the Provisions of Section 81 Of The Utilities Act 2000 between gas suppliers and SGNCS (acting as agent for Scotland Gas Networks plc or on its own behalf); or*
 - (b) any bespoke bi-lateral terms in force between the Gas Supplier and SGNCS for the provision of services relating to the supply of meters and associated maintenance (and if more than one set of such terms exists, the first to have been executed of such terms),

subject in each case that, should the Gas Supplier arrange for the removal of the M-Meter installed pursuant to Clause 9.1 within six (6) months of its installation date, the charge for early removal of that M-Meter that would otherwise fall due for payment pursuant to those terms shall be waived.

10 General obligations in respect of activities undertaken pursuant to Clauses 5 to 9

Employee and Contractor Vetting

- 10.1 SGNCS shall operate a suitable employee and contractor vetting procedure.
- 10.2 SGNCS shall ensure that persons attending site are fit and proper persons within the meaning of the standard conditions of the Gas Supply Licence.
- 10.3 Standard Condition 13 of Gas Supply Licences require that members of the public may readily confirm the identity or authority of a representative of the Gas Supplier. By this Clause 10 the Gas Supplier authorises SGNCS to attend premises at which H100 MPRNs are located with the authority of the Gas Supplier which is the Registered Supplier for the purposes of carrying out any and all activities for which it is responsible pursuant to these Deemed Terms.
- 10.4 When acting under the authority granted by Clause 10.3, SGNCS's representatives shall carry at all times and show to a Consumer when gaining access to premises, a valid identity card which shall include a photograph. SGNCS shall control the issue, use and redemption of the identity cards for its representatives.

Technical Competency and Organisation

- 10.5 SGNCS warrants that all work under its control shall be undertaken with all due care and skill as would reasonably be expected of a provider of MAM, MAP and/or AMI services, and through competent persons, having the appropriate training, assessment and certification acting in accordance with good

industry practice. In particular, SGNCS shall comply with the provisions of Schedule 1 (*Standards of Performance*).

- 10.6 Any works undertaken by SGNCS shall not cause gas consumption to be incorrectly registered.
- 10.7 Persons who work on meter installations must be competent to do so and for installations within the requirements of GS (I&U)R be a 'member of a class of persons' as specified in GS(I&U) Regs, or such other/additional Standard of similar type or effect as may apply to H-Meters. SGNCS shall maintain a register of the businesses or persons who are a 'member of a class of persons' in accordance with relevant Standards and / or any equivalent provisions of the "*Case for Safety*" for the H100 Fife Network Trial.
- 10.8 To the extent that the SGNCS Metering Equipment requires additional skills to be installed and commissioned satisfactorily SGNCS shall ensure that any person performing such work possesses the necessary skills, qualifications and training to be competent for that work, including by ensuring such persons undertake *Hydrogen Competency Approved Code Of Practice* training by a competent provider of such training.
- 10.9 SGNCS shall review the competency of its staff and sub-contractors on a periodic basis in accordance with a documented procedure. The review shall be led by an engineer or manager who shall possess the appropriate level of relevant operational experience within the gas industry, be registered with an appropriate professional institution, and have qualifications and experience commensurate with the work and activities associated with gas metering within the H100 Fife Network Trial.
- 10.10 SGNCS shall nominate a suitably competent person who shall be responsible for the co-ordination of work activities, including means of emergency contact, with, as appropriate:
- (a) site occupier;
 - (b) Consumer;
 - (c) Scotland Gas Networks plc;
 - (d) relevant electricity distributors; and
 - (e) other utilities.

Rights of entry

- 10.11 SGNCS may enter a Consumer's property to perform meter work if the Consumer allows them entry and, more generally, shall benefit from the rights conferred by Clause 10.3
- 10.12 Where SGNCS is acting as the agent of the Gas Supplier or Scotland Gas Networks plc, or in reliance of the Gas Supplier's or Scotland Gas Networks plc's statutory rights of access, SGNCS shall comply with the provisions of the Rights of Entry (Gas and Electricity Boards) Act 1954 and the Gas Safety (Rights of Entry) Regulations 1996.
- 10.13 Keys to a Consumer's premises, or meter housing, may be issued by the Gas Supplier, and these shall be kept secure when in SGNCS's possession and returned promptly. Copies of keys shall not be made, and keys shall not be passed on to a third party.
- 10.14 SGNCS shall not abuse its opportunity, or the Gas Supplier's obligations, to enter premises and/or homes for performing meter work to promote or sell products, services or advice to Consumers. This does not

affect the duties and responsibilities of SGNCS employees and representatives to recognise and respond to unsafe gas situations as required by the Gas Industry Unsafe Situations Procedure.

- 10.15 SGNCS shall ensure that its employees and representatives are competent to handle complaints from Consumer.

Code of Conduct

- 10.16 SGNCS employees and representatives shall follow a code of conduct at least equivalent to that described in Appendix 10 of CoMCoP.

11 Damage, Faults and Return of SGNCS Metering Equipment

- 11.1 As set out in Clause 5.1, 7.1 and 8.2, SGNCS Metering Equipment must not be removed by Gas Supplier (nor may the Gas Supplier seek to maintain or repair such equipment or otherwise physically interact with such equipment or instruct or permit any other entity to do so), but to the extent any SGNCS Metering Equipment shall be in the possession of the Gas Supplier for any reason it shall, in accordance with its obligations under Gas Supply Licence conditions 44.7 and 44.9, make the same available for collection by SGNCS or return it to SGNCS at such address as notified to Gas Supplier in writing from time to time promptly and in any event not later than 72 (seventy two) hours after such SGNCS Metering Equipment come into its possession.

- 11.2 In the cases of damage, suboptimal function reported by Consumer, or fault discovered in SGNCS Metering Equipment, SGNCS shall replace the SGNCS Metering Equipment and in each case Clauses 11.4 and 5.21 shall apply.

- 11.3 Not Used

- 11.4 If Gas Supplier believes SGNCS Metering Equipment to be faulty it shall immediately notify SGNCS via the Metering Contact Arrangements and provide SGNCS with all commercially reasonable requests for information and/or processes required by SGNCS in relation to the issue, including but not limited to providing SGNCS with a written report describing the symptoms or causes of failure of such SGNCS Metering Equipment. For the avoidance of doubt, where SGNCS Metering Equipment needs to be replaced due to a fault, this shall be undertaken by SGNCS without additional charge, and SGNCS and the Gas Supplier shall issue such Industry Data Flows necessary to reflect such replacement.

- 11.5 Where SGNCS replaces SGNCS Metering Equipment the provisions of Clause 11 apply to that the replacement equipment.

12 Value of Meter Service Payment

- 12.1 This Clause 12 sets out the Meter Service Payment payable by the Gas Supplier to SGNCS.
- 12.2 The Meter Service Payment applicable to SGNCS Metering Equipment to which these Deemed Terms applies shall, on date the H100 Fife Network Trial commences, be:

SMETS Version	Meter Assets Types	Meter Service Payment per meter per day
All and any SMETS 2 meter deployed within H100 Fife Network Trial	Gas Meters	£0.1413 sterling

12.3 On the date being 12 months after the date on which the H100 Fife Network Trial commences, and on each anniversary thereafter, SGNCS may increase the Meter Service Payment by the retail prices index as published by the office of national statistics. In order for such increases to the Meter Service Payment to be effective SGNCS must notify (via the Metering Contact Arrangements) the Gas Supplier of:

- (a) the percentage increase to be applied, and the revised Meter Service Payment per-meter-per-day sterling value, within the period starting on the date being 10 Business Days before the relevant anniversary date and ending on the date being 10 Business Days after such anniversary date (the anniversary date not being counted as a day in either case); and
- (b) the invoicing month in which the revised Meter Service Payment amounts will be applied to invoices, such month being not earlier than the month following the month in which the notification pursuant to Clause 12.3(a) is issued,

although for the avoidance of doubt SGNCS shall, in the invoices issued in the month identified pursuant to Clause 12.3(b), be entitled to include a reconciliation amount to give effect to its right to charge the revised Meter Service Payment on and from the anniversary date.

13 Limitation of Liability

13.1 Subject to the further provisions of this Clause 13, each Party agrees and acknowledges that:

- (a) neither Party shall be liable to the other Party for loss arising from any breach of these Deemed Terms other than (but without prejudice to any other provision of these Deemed Terms which excludes or limits liability in respect of any breach) for loss directly resulting from 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;
 - (ii) the liability (in law) of the other Party to any Consumer for loss in respect of physical damage to the property of such Consumer or in respect of personal injury or death of such Customer;
 - (iii) liability in respect of any and all exposures, claims, costs and/or regulatory fines accruing to SGNCS, Scotland Gas Networks plc and / or SGN Futures (H100) Limited arising from the Gas Supplier its contractors or agents failing to observe the restrictions in Clauses 5.1, 7.1, 8.2 and/or 11.1. For the avoidance of doubt, for the purposes of this provision the aforementioned exposures shall be treated as losses accruing to SGNCS pursuant to these Deemed Terms and claims in respect of the same shall be brought by SGNCS on behalf of Scotland Gas Networks plc and / or SGN Futures (H100) Limited as the case may be;
 - (iv) the matters referred to in Clauses 18 (Non-Solicitation), 23 (Confidentiality), 24 (Data Protection), 25 (Anti Bribery), 26 (Anti Facilitation of Tax Evasion), 27 (Modern Slavery Act), 4.3 (Third Party Intellectual Property Claims); or
 - (v) breach of contractual duty or warranty set out in these Deemed Terms.
- (b) neither Party shall in any circumstances be liable in respect of any breach of these Deemed Terms to the other Party for any one or more of the following:

- (i) any loss of profit, business or anticipated savings, loss of revenue, loss of use, loss of contract, loss of goodwill, or increased cost of working whether the same is a direct or indirect loss; or
 - (ii) any 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 13.1(a)(ii), 13.1(a)(iv), and 13.6;
 - (iv) loss in respect of Clause 13.1(a)(i) to the extent that it results from the breach or negligent act or omission of the other Party.
- 13.2 For the purposes of Clause 13.1(a) the “relevant date” is the date identified pursuant to Clause 2.4, except that where the breach in question would not have been a breach of these Deemed Terms but for a modification or other revision of these Deemed Terms, the relevant date shall be the date of such modification or other revision.
- 13.3 The amount or amounts in aggregate for which either Party may be liable to the other Party pursuant to Clause 13.1(a)(i), 13.1(a)(ii), as a result of the first and/or second exception to Clause 13.1(b)(iii) applying, and/or Clause 13.1(a)(v) in respect of any one event or circumstance constituting or resulting in the first Party’s breach of a provision these Deemed Terms shall not exceed as respects the liability of SGNCS to the Gas Supplier or of the Gas Supplier to SGNCS an amount of £1,000,000 (one million sterling) in respect of any Supply Meter Point (it being acknowledged that it is not intended that this limitation of liability should apply to the reference to personal injury or death in Clause 13.1(a)(ii)).
- 13.4 The amount or amounts for which either Party may be liable to the other Party pursuant to Clause 13.1(a)(iv) in respect of any one event or circumstance constituting or resulting in the first Party’s breach of a provision these Deemed Terms shall not exceed as respects the liability of SGNCS to the Gas Supplier or of the Gas Supplier to SGNCS:
- (a) £1,000,000 (one million sterling) in respect of each of Clauses 18 (Non-Solicitation), 23 (Confidentiality), 24 (Data Protection);
 - (b) £10,000,000 (ten million sterling) in respect of each of Clauses 25 (Anti Bribery), 26 (Anti Facilitation of Tax Evasion), 27 (Modern Slavery Act), 4.3 (Third Party Intellectual Property Claims); and
 - (c) 5,000,000 (five million sterling) in respect of Clause 24 (Data Protection)
- 13.5 Clause 13.1 is without prejudice to any provision of these Deemed Terms which provides for any Party to make a payment to another.
- 13.6 Nothing in these Deemed Terms shall exclude or limit the liability of either Party for death or personal injury resulting from the negligence of such Party.
- 14 Termination**
- 14.1 Without prejudice to any other express rights of termination in these Deemed Terms, these Deemed Terms may be terminated as follows:
- (a) on written notice following the occurrence of an event as set out in Clause 2.5 (in respect of one H100 MPRN only, or several H100 MPRNs, as may be appropriate in the circumstances) or in this Clause 14;

- (b) by agreement in writing between the Parties;
- (c) by the affected Party where there has been a change to any Applicable Law or Licence conditions which prohibits or materially affects its ability to:
 - (i) perform its obligations under these Deemed Terms in the case of either Party; or
 - (ii) receive the Meter Services under these Deemed Terms in the case of Gas Supplier; or
- (d) by SGNCS where there has been a change to any Applicable Law or Licence conditions which prohibits or materially affects the ability of Scotland Gas Networks plc, SGN Futures (H100) Limited and/or SGNCS to perform its obligations in respect of the H100 Fife Network.

Termination for Breach

- 14.2 If a Party is in material breach of any of its obligations hereunder (the **Defaulting Party**) the other Party (the **Terminating Party**) may:
- (a) where such breach is capable of remedy, give notice in writing to the Defaulting Party that it intends to terminate these Deemed Terms if such material breach is not remedied within fourteen (14) days (or such other greater period as the Terminating Party may agree); or
 - (b) where such breach is not capable of remedy, the Terminating Party may, within seven (7) days of such breach serve a notice in writing on the Defaulting Party terminating these Deemed Terms, which shall take effect on the expiry of seven (7) days from service of such notice.
- 14.3 If the Defaulting Party fails to rectify such breach within fourteen (14) days of service of a notice in accordance with Clause 14.2(a) or such breach does not relate to a bona fide dispute in relation to any payment obligation, the Terminating Party may within fourteen (14) days of this date serve a further notice in writing on the Defaulting Party terminating these Deemed Terms with immediate effect.

Termination on Insolvency

- 14.4 In these Deemed Terms, a Party is insolvent if:
- (a) an order of the court is made or an effective resolution passed for the winding up of that Party;
 - (b) a receiver (which expression shall include administrative receiver within the meaning of section 29 of the Insolvency Act 1986) of the whole or any material part of the assets or undertaking of that Party is appointed;
 - (c) an administration order is made or if a voluntary arrangement is proposed under section 1 of the Insolvency Act 1986 in respect of that Party;
 - (d) that Party enters into any scheme of arrangement (other than for the purpose of a bona fide reconstruction or amalgamation upon terms and within such period as may previously have been approved in Writing by the other Party); or
 - (e) that Party is unable to pay its debts (within the meaning of section 123(1) or (2) of the Insolvency Act 1986) save that that Party shall not be deemed to be unable to pay its debts if any demand for payment is being contested in good faith by the Party with recourse to all appropriate measures and procedures; and

- (f) in any such case (other than in Clauses 14.4(d) and 14.4(e)) within twenty eight (28) days of his appointment the liquidator, receiver, administrative receiver, administrator, nominee or any other similar officer has not demonstrated to the reasonable satisfaction of the other Party the ability and confirmed the intention of the insolvent Party to perform its outstanding obligations under the terms of these Deemed Terms.

14.5 If one Party becomes insolvent, the other Party may forthwith terminate these Deemed Terms by notice in writing to the insolvent Party.

Termination for Failure to Pay

14.6 These Deemed Terms may be terminated by SGNCS on fifteen (15) days written notice if the Gas Supplier fails to pay an undisputed sum to SGNCS within sixty (60) days of the date on which SGNCS issued the invoice.

15 Consequences of Termination

15.1 In the event of these Deemed Terms being terminated:

- (a) such termination shall be without prejudice to any accrued rights and obligations of either Party;
- (b) the obligations of the Parties which are expressly stated or necessarily implied to survive termination shall survive such termination; and
- (c) the Gas Supplier shall no longer have the right to benefit from the supply of SGNCS Metering Equipment in respect of the number of MPRNs to which such termination applies and shall, unless alternative arrangements for the provision of metering services relating to H-Meters be available in respect of the H100 Fife Network Trial, take all actions and cooperate with all actions taken by SGNCS necessary to ensure the Gas Supplier ceases to supply hydrogen at such H100 MPRNs and where required by a Consumer that a supply of methane is reintroduced at the Consumer's premises.

16 Risk and Title

16.1 The Gas Supplier shall be liable for any damage to, or loss of, SGNCS Metering Equipment installed at a premises associated with a H100 MPRN in respect of which it is the Registered Supplier save for damage or loss caused by the action or inaction of SGNCS. For the avoidance of doubt, when installed at a Consumer's property risk in the SGNCS Metering Equipment sits with the Gas Supplier as the entity with the contractual relationship with that Consumer and, accordingly, the rebuttable presumption shall be that damage or loss has not been caused by the action or inaction of SGNCS and it shall be for the Gas Supplier to prove otherwise.

16.2 Title to SGNCS Metering Equipment shall at all times remain with SGNCS.

17 Invoicing and Payment

17.1 In consideration of SGNCS performing the Meter Services under these Deemed Terms, the Gas Supplier shall pay to SGNCS the Meter Service Payment (together with any applicable VAT) in accordance with this Clause 17.

17.2 SGNCS shall invoice the Gas Supplier for the Meter Service Payment following the end of each month in which the relevant Meter Services have been rendered.

17.3 The Gas Supplier shall pay all undisputed invoices:

- (a) in full and in cleared funds within twenty (20) Business Days of receipt of each invoice; and
 - (b) in pounds sterling via BACS to the bank account nominated by SGNCS.
- 17.4 The Gas Supplier may dispute in good faith any amount expressed to be payable by the Gas Supplier in any invoice. The Gas Supplier shall notify SGNCS of any such dispute within ten (10) Business Days of receiving the relevant invoice, specifying the amount to be withheld and the grounds for withholding such amount. If the Gas Supplier and SGNCS are unable to resolve the dispute within five (5) Business Days of receipt of a notification under this Clause 17.4, either Party may refer such matter for resolution in accordance with the provisions of Clause 21.
- 17.5 If it is agreed or determined that SGNCS is entitled to a disputed sum, the sum shall be paid on or before the later of:
- (a) the date on which payment would have been due under the invoice in which the sum would have been included but for the dispute; and
 - (b) the date falling twenty (20) Business Days after such agreement or determination,
- together with interest calculated at the rate of two per cent (2%) above the base rate of the Bank of England calculated from the date payment would have been due under the invoice in which it would have been included but for the dispute to the date of payment. If it is agreed or determined that SGNCS was not entitled to a disputed sum, SGNCS shall (to the extent such disputed sum was contained or taken into account in an invoice already issued by it) issue a credit note to the Gas Supplier in respect of such amount.
- 17.6 Without prejudice to any other right or remedy that it may have, if the Gas Supplier fails to pay SGNCS any undisputed sum due under these Deemed Terms on the due date:
- (a) the Gas Supplier shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under Clause 17.6(a) will accrue each day at two per cent (2%) a year above the base rate of Bank of England's base rate from time to time, but at three per cent (3%) a year for any period when that base rate is below zero per cent (0%); and
 - (b) SGNCS may suspend all or part of the Meter Services until payment has been made in full.
- 17.7 Subject to the Gas Supplier's right to dispute payments in good faith pursuant to Clause 17.4, all sums payable to SGNCS under these Deemed Terms shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).
- 17.8 Subject to receiving an appropriate VAT invoice the Gas Supplier will be responsible for and will pay any VAT properly charged on any payment made to SGNCS under the terms of or in connection with these Deemed Terms.
- 17.9 All sums referred to in these Deemed Terms are exclusive of VAT unless otherwise stated and any VAT chargeable in respect of the matters giving rise to them shall be added to the amount thereof and paid in addition thereto.
- 18 Non-solicitation**
- 18.1 SGNCS personnel shall at all times remain the employees, representatives, subcontractors or agents of SGNCS and shall remain under the overall control of SGNCS. SGNCS and the Gas Supplier

acknowledge and agree that SGNCS personnel are not employees of the Gas Supplier, nor shall anything in these Deemed Terms deem them employees of the Gas Supplier.

- 18.2 Neither Party shall directly or indirectly solicit or entice away from the employment of the other Party or its Affiliates (or attempt to do so) any person employed or engaged by the first Party or its Affiliates in the provision or receipt of the Meter Services under these Deemed Terms at any time prior to a period of three (3) months after the date notified pursuant to Clause 2.5(c). The Gas Supplier acknowledges in particular that the retention of staff trained to work on plant and apparatus such as the SGNCS Metering Equipment by SGNCS and Scotland Gas Networks plc is critical to the successful implementation and safe conclusion of the H100 Fife Network Trial and, accordingly, will account to those entities on an indemnity basis in respect of breaches of this provision associated with such staff.

19 Insurance

- 19.1 During the application these Deemed Terms SGNCS shall take out and maintain all such insurances as:

- (a) are required in accordance with Applicable Law; and
- (b) would otherwise ordinarily be obtained and maintained by a services provider exercising that degree of skill, care, diligence, foresight and operating practice that would reasonably be expected from an appropriately skilled, experienced and qualified services provider performing services the same as or similar to the Meter Services in accordance with its contractual obligations and all Applicable Law.

- 19.2 During the Term of these Deemed Terms the Gas Supplier shall take out and maintain all such insurances as:

- (a) are required in accordance with Applicable Law; and
- (b) would otherwise ordinarily be obtained and maintained by an entity exercising that degree of skill, care, diligence, foresight and operating practice that would reasonably be expected from an appropriately skilled, experienced and qualified supplier of gas to premises receiving services the same as or similar to the Meter Services delivered pursuant to these Deemed Terms.

20 Change in Law and Force Majeure

Change in Law

- 20.1 If a Party reasonably considers that there has been (or will shortly be) a Change in Law which materially affects the subject matter, the operation, or the interpretation of these Deemed Terms (including situations in which the provisions of these Deemed Terms become inconsistent with any Applicable Law), that Party shall notify the other Party in writing of such matters.

- 20.2 Subject always to the requirement that it comply with Clause 32, SGNCS shall have the right to make amendments to these Deemed Terms as it considers reasonably appropriate to achieve (in so far as possible) the same overall balance of benefits, rights, obligations, costs, liabilities and risk as applied immediately prior to the relevant Change in Law.

Force Majeure

- 20.3 Subject to Clause 20.5, and provided it has complied with Clause 20.4, if a Party is prevented, hindered or delayed in or from performing any of its obligations under these Deemed Terms by a Force Majeure Event ("**Affected Party**"), the Affected Party shall not be in breach of these Deemed Terms or otherwise

liable for any such failure or delay in the performance of such obligations and the time for performance of such obligations shall be extended accordingly.

20.4 The Affected Party shall:

- (a) as soon as reasonably practicable after the start of the Force Majeure Event, but no later than two (2) Business Days from its start, submit a Force Majeure Report to the other Party;
- (b) update and submit such updated Force Majeure Report to the other Party at least every three (3) Business Days;
- (c) mitigate (and continue to mitigate) the effect of the Force Majeure Event on the performance of its obligations under this Agreement, for such period as the Force Majeure Event is continuing; and
- (d) immediately after the end of the Force Majeure Event, notify the other Party in writing of the same and resume all of its obligations under this Agreement.

20.5 Relief for Force Majeure Events under this Clause 20 applies only to the extent that the Affected Party is unable to comply with its obligations under these Deemed Terms (whether in whole or part) and the Affected Party shall continue to perform its remaining unaffected obligations (or part thereof) in accordance with these Deemed Terms.

20.6 Accrued rights and obligations of both Parties prior to a Force Majeure Event shall not be affected by the occurrence of a Force Majeure Event.

20.7 The Affected Party shall use reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations.

21 Dispute Resolution

21.1 If a dispute arises out of or in connection with these Deemed Terms or the performance, validity or enforceability of it (**Dispute**) then, except as expressly provided in these Deemed Terms, the Parties shall follow the procedure set out in this Clause 21.1

- (a) either Party shall give to the other written notice of the Dispute, setting out its nature and full particulars (**Dispute Notice**), together with any supporting documents. On service of a Dispute Notice, the Gas Supplier and SGNCS shall attempt in good faith to resolve the Dispute;
- (b) if the Gas Supplier and SGNCS are for any reason unable to resolve the Dispute within forty (40) Business Days of service of the Dispute Notice (or such extended period as may be agreed by the Parties in writing from time to time), the Dispute shall be referred to the directors or other senior representatives of the Parties who shall attempt in good faith to resolve it; and
- (c) if the directors or other senior representatives of the Parties are for any reason unable to resolve the Dispute within thirty (30) Business Days of it being referred to them (or such extended period as may be agreed by the Parties in writing from time to time), the Parties will attempt to settle it by mediation in accordance with the Centre for Effective Dispute Resolution (**CEDR**) Model Mediation Procedure. Unless otherwise agreed between the Parties, the mediator will be nominated by CEDR. To initiate the mediation, a Party must serve notice in writing (**ADR Notice**) to the other Party, requesting a mediation. A copy of the ADR Notice should be sent to CEDR. The mediation will start not later than twenty (20) days after the date of the ADR Notice.

- 21.2 The commencement of mediation shall not prevent the Parties commencing or continuing court proceedings in relation to the Dispute, for which Clause 33 shall apply at all times.
- 21.3 If the Dispute is not resolved within sixty (60) days after service of the ADR Notice, or either Party fails to participate or continue to participate in the mediation before the expiration of the said period of sixty (60) days, or the mediation terminates before the expiration of the said period of sixty (60) days, the Dispute shall be finally resolved by the courts of England and Wales in accordance with Clause 33.

22 Assignment and Subcontracting

- 22.1 SGNCS shall not assign, transfer, mortgage, charge, novate, declare a trust of or deal in any other manner with any or all of its rights under these Deemed Terms, in whole or in part, without Gas Suppliers' prior written consent (such consent not to be unreasonably withheld, conditioned or delayed).
- 22.2 The Gas Supplier shall not assign, transfer, mortgage, charge, novate, declare a trust of or deal in any other manner with any or all of its rights under these Deemed Terms, in whole or in part, without SGNCS's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed).
- 22.3 SGNCS may subcontract its obligations under these Deemed Terms. In such circumstances SGNCS shall remain liable for any obligations of these Deemed Terms which are performed by a subcontractor as if SGNCS had delivered these itself.

23 Confidentiality

- 23.1 Each Party (**Receiving Party**) undertakes to the other Party (**Disclosing Party**) to treat as confidential all information in any medium or format (whether marked "confidential" or not) relating to the other Party's business which the Receiving Party receives from the Disclosing Party, whether before or during the Term, either directly or from any person, firm, company or organisation associated with the Disclosing Party (**Confidential Information**).
- 23.2 The Receiving Party may disclose the Confidential Information if:
- (a) the disclosure is to any of its advisers, subcontractors, agents, directors, employees, Affiliates, direct or indirect shareholders or lenders (including each of their professional advisers) and such entity has agreed to be bound by obligations as to confidentiality on substantially the same terms prior to the disclosure;
 - (b) such Confidential Information is available in the public domain without breach of the confidentiality obligations by the Receiving Party;
 - (c) the Receiving Party can prove such Confidential Information was lawfully in its possession free from any restrictions before the date of disclosure under these Deemed Terms;
 - (d) the Confidential Information is received from a party having the right to disclose such information;
 - (e) the relevant information is independently developed by the Receiving Party without reference to or use of the Confidential Information of the Disclosing Party;
 - (f) the Disclosing Party has given its prior written consent;
 - (g) such disclosure is required by law or by any other governmental or regulatory authority acting within the scope of its powers (including any court of competent jurisdiction or any tax authority). In these circumstances the Receiving Party shall give the Disclosing Party prompt advance written notice of the disclosure (where lawful and practical to do so) so that the Disclosing Party

has sufficient opportunity (where possible and at the Disclosing Party's sole expense) to prevent or control the manner of disclosure by appropriate legal means; or

(h) such disclosure is required by the rules of any Competent Authority or securities exchange on which securities of the Receiving Party or any of its Affiliates are listed.

23.3 Neither Party shall make any announcements or communicate with representatives of the press, television, radio or other communications media on any matter concerning these Deemed Terms without the prior approval in writing of the other Party.

23.4 The Parties agree that monetary damages may not be an adequate remedy if either Party is in breach of this Clause 23 and the Disclosing Party will be entitled to seek any legal remedy or relief (including without limitation an injunction) to prevent any breach, or anticipated breach, by the Receiving Party. This right shall be in addition to the Disclosing Party's other rights in law or in equity.

23.5 Notwithstanding any termination of these Deemed Terms, and subject to any Applicable Laws, this Clause 23 shall remain in full force and effect for three (3) years following the termination of these Deemed Terms.

24 Data Protection

24.1 The following terms have the meanings set out below:

Adequate Territory means any country or territory outside of the UK that the UK government has granted an adequacy decision in favour of.

Data Importer means SGNCS (or any of its group or any Sub-Processor) which receives Personal Data as a result of a Restricted Transfer;

Data Protection Legislation means any laws relating to privacy and the protection of personal data in the United Kingdom, including, without limitation, the UK GDPR, the Data Protection Act 2018, the Privacy and Electronic Communications Regulations 2003 (each as supplemented or amended from time to time), and any codes of practice or guidance issued by the Information Commissioner's Office.

ICO means the UK Information Commissioner's Office.

Restricted Territory means any country or territory that is not an Adequate Territory.

Restricted Transfer means (i) a transfer of Personal Data to a Restricted Territory; or (ii) an onward transfer from an Data Importer to a third party, in each case where such transfer would be prohibited by Data Protection Legislation in the absence of a legal transfer mechanism permitted by the Data Protection Legislation

Services means the Implementation Services, Hosting Services and/or Maintenance and Support as applicable, and all other obligations of the Gas Supplier.

"Controller", "Data Breach", "Data Subjects", "Personal Data" "Processor" and "Processing" shall have the meanings given to them in the Data Protection Legislation.

24.2 The delivery of its obligations pursuant to these Deemed Terms may require the SGNCS to Process Personal Data for and on behalf of the Gas Supplier. In respect of such Processing, the parties acknowledge and agree that:

(a) the Gas Supplier shall be the Controller and the SGNCS shall be the Processor;

- (b) in its role as Controller the Gas Supplier shall ensure that all instructions that it issues to SGNCS comply with Data Protection Legislation;
- (c) SGNCS shall only Process Personal Data as set out in CoMCoP and in compliance with Data Protection Legislation; and
- (d) Clauses 24.3 to 24.10 below shall apply.

24.3 The Parties shall:

- (a) comply with all Data Protection Legislation; and
- (b) obtain and maintain all relevant registrations (and similar) required by Data Protection Legislation.

24.4 When Processing Personal Data as part of the delivery of the Meter Services, SGNCS shall:

- (a) Process the Personal Data only on the documented instructions of the Gas Supplier, except to the extent that any Processing of Personal Information is required by Applicable Laws;
- (b) where Processing of Personal Data by SGNCS is required by Applicable Laws, SGNCS shall inform the Gas Supplier of the relevant legal requirement promptly and before processing, unless such law prohibits SGNCS from doing so;
- (c) notify the Gas Supplier where SGNCS reasonably believes any documented instructions from the Gas Supplier in respect of the Processing of Personal Data infringe any Data Protection Legislation or any other Applicable Laws;
- (d) ensure that its personnel who are authorised to Process the Personal Data are informed of the confidential nature of the Personal Data and have committed themselves to confidentiality;
- (e) implement appropriate technical and organisational measures to ensure a level of security appropriate to the risk of Processing and to safeguard against any unauthorised or unlawful Processing of Personal Data and against accidental loss or destruction of, or damage to, Personal Data and where requested provide to the Gas Supplier evidence of its compliance with such requirements provided such disclosure does not breach any obligations of confidentiality owed to third party suppliers of SGNCS;
- (f) only appoint a third party to Process Personal Data on its behalf in accordance with Clauses 24.5 and 24.6 below;
- (g) taking into account the nature of the Processing, assist the Gas Supplier by appropriate technical and organisational measures, insofar as this is possible, for the fulfilment of the Gas Supplier obligation to respond to requests for exercising the Data Subject's rights under Data Protection Legislation;
- (h) notify the Gas Supplier without undue delay after becoming aware of a Data Breach and:
 - (i) promptly provide the Gas Supplier with a report containing details about the nature of the data loss event and provide the Gas Supplier with further information in phases, as details become available;
 - (ii) investigate the incident and its cause;
 - (iii) not make any public statements relating to the incident without the prior written approval of the Gas Supplier;

(iv) seek to recover the compromised data and as soon as practicable and implement any measures necessary to restore the security of compromised Personal Data; and
(v) assist the Gas Supplier to make any notifications to a Regulator and affected Data Subjects;

- (i) notify the Gas Supplier as soon as is reasonably possible if it receives any complaint, notice or communication that relates to the processing of the Personal Data under this Agreement;
- (j) assist the Gas Supplier in its compliance with its obligations under Data Protection Legislation in respect of security of Processing, carrying out data protection impact assessments (as defined in Data Protection Legislation), remedial action to be taken in response to a Data Breach (including notifying Data Breaches to the ICO and affected Data Subjects) and consulting with the ICO regarding high risk Processing, in each case insofar as it is able taking into account the nature of the Processing and the information available to SGNCS;
- (k) at the Gas Supplier's discretion, delete or return to the Gas Supplier all of the Personal Data Processed under this Agreement on completion of the Meter Services, and delete any copies of such Personal Data unless any Applicable Laws require that copies are kept;
- (l) make available to the Gas Supplier all information necessary to demonstrate compliance with its obligations in this Clause 24.4 and
- (m) keep a record of any Processing of Personal Data it carries out on behalf of the Gas Supplier.

24.5 The Gas Supplier acknowledges that SGNCS may sub-contract its Processing of Personal Data to third parties. SGNCS shall not sub-contract its Processing of Personal Data to any additional sub-contractor without the Gas Supplier's written authorisation (not to be unreasonably withheld, conditioned or delayed). SGNCS shall inform the Gas Supplier of any intended changes concerning the addition or replacement of any sub-contractors and the Gas Supplier shall notify SGNCS of any objections it has to any such changes in writing within ten (10) Business Days, after which any such changes which the Gas Supplier has not objected to in accordance with this Clause 24.5 shall be deemed to be accepted.

24.6 Where SGNCS sub-contracts its Processing of Personal Data to a third party in accordance with Clause 24.5 above, SGNCS shall:

- (a) ensure that any such third party is subject to the same data protection obligations as those set out in Clause 24.4 above;
- (b) obtain sufficient guarantees from any such third party that they will implement appropriate technical and organisational measures in such a manner that the Processing of Personal Data by such third party will meet the requirements of Data Protection Legislation; and
- (c) remain liable to the Gas Supplier for any Processing of Personal Data by any such third party.

24.7 Each party shall co-operate with the ICO on the request of the other party in respect of the performance of its tasks under this agreement and SGNCS notify the Gas Supplier promptly (and in any event within forty-eight (48) hours) following its receipt of any Data Subject Request or ICO Correspondence and shall:

- (a) not disclose any Personal Data in response to any Data Subject Request or ICO Correspondence without the Gas Supplier's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed) unless obliged by law to do so; and

- (b) provide the Gas Supplier with all reasonable co-operation and assistance required by the Gas Supplier in relation to any such Data Subject Request or ICO Correspondence.

24.8 SGNCS shall not transfer Personal Data to a Restricted Territory and shall ensure no Sub-Processor shall make a Restricted Transfer without the prior written consent the Gas Supplier, such consent may be subject to and given on such terms as the Gas Supplier may in its discretion prescribe (acting reasonably and in compliance with Data Protection Legislation).

24.9 In the event that the Gas Supplier consents to the transfer of Personal Data from SGNCS to a Restricted Territory under Clause 24.8, SGNCS shall enter into appropriate cross-border data transfer clauses with the data importer to ensure an adequate level of protection and adequate safeguards in respect of the Personal Data so as to ensure compliance with the Data Protection Legislation, and will confirm to the Gas Supplier in writing details of such.

24.10 The provisions of this Clause 24 will survive termination or expiry of these Deemed Terms.

24.11 Each Party shall indemnify the other in respect of breaches by it (or its subcontractors) of this Clause 24 and /or their respective obligations under the Data Protection Legislation subject to the limitation of liability in Clause 13.4(c)

25 Anti-bribery Obligations

25.1 The Parties shall:

- (a) comply with all Bribery Laws;
- (b) not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the United Kingdom;
- (c) promptly report to the other Party any request or demand for any undue financial or other advantage of any kind received by SGNCS in connection with the performance of these Deemed Terms; and
- (d) have and shall maintain in place throughout the term its own policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with this Clause 25 and will enforce them where appropriate.

25.2 The Parties shall ensure that any persons associated with the Party who is performing services in connection with these Deemed Terms does so only on the basis of a written contract which imposes on and secures from such persons terms equivalent to those imposed on the Party in this Clause 25 (**Equivalent Terms**). The Parties shall be responsible for the observance and performance by such persons of the Equivalent Terms and shall be directly liable to the other Party for any breach by such persons of any of the Equivalent Terms.

26 Anti-Facilitation of Tax Evasion

26.1 The Parties or persons associated with it or other persons who are performing services relating to these Deemed Terms shall:

- (a) not engage in any activity, practice or conduct which would constitute either:
 - (i) a UK tax evasion facilitation offence under section 45(1) of the Criminal Finances Act 2017; or

(ii) a foreign tax evasion facilitation offence under section 46(1) of the Criminal Finances Act 2017;

(b) have and shall maintain in place throughout the term of these Deemed Terms reasonable policies and procedures in accordance with any guidance issued under section 47 of the Criminal Finances Act 2017 to prevent the facilitation of tax evasion by another person (including without limitation its employees) and to ensure compliance with this Clause 26;

(c) promptly report to the other party any request or demand from a third party to facilitate the evasion of tax within the meaning of Part 3 of the Criminal Finances Act 2017, in connection with the performance of these Deemed Terms; and

(d) provide supporting evidence of compliance with this Clause 26 as the other Party may reasonably request.

26.2 The Parties shall ensure that any person associated with them who is performing services relating to these Deemed Terms does so only based on a written contract which imposes on and secures from such person terms equivalent to those imposed on the Parties in this Clause 26. Each Party shall be responsible for the observance and performance by such persons of Clauses 26.1(a) to 26.1(d) (inclusive), and shall be directly liable to the other Party for any breach by such persons of any of the same.

27 Modern Slavery Act

27.1 Each Party shall and shall procure (where relevant) that all persons who are performing services or providing the goods in connection with, or which will or may be used in performing or to support the performance of, these Deemed Terms in any part of the world (collectively, its **Supply Chain**) shall at all relevant times:

(a) comply with the provisions of the Modern Slavery Act 2015 (the **Modern Slavery Act**) and all Applicable Laws made under it or relating to it, and ensure that all of its relevant staff have received appropriate training on the same;

(b) not engage in any activity, practice or conduct that would constitute an offence under the Modern Slavery Act if such activity, practice or conduct were carried out in the United Kingdom;

(c) take all reasonable steps to ensure that Slavery and Human Trafficking are not taking place in its business or its Supply Chain;

(d) immediately notify the other Party if it has reason to believe that it or any person in its Supply Chain is engaged in Slavery and Human Trafficking or is in breach, or is likely to breach, of the Modern Slavery Act or any provision of this Clause 27.1 (or would do so if it were a party to these Deemed Terms), or if it receives a communication from any person alleging any of the foregoing.

27.2 For the purposes of this Clause 27, the phrase **Slavery and Human Trafficking** shall have the meaning given to it in section 54(12) of the Modern Slavery Act.

28 Notices

28.1 Any notice to be given under these Deemed Terms must be in writing, may be delivered to the other Party by any of the methods set out in the left hand column below and shall be deemed to be received on the corresponding day set out in the right hand column. Any notice to be given under these Deemed Terms to SGNCS must be in writing, sent to SGNCS's Company Secretary and accompanied with a soft copy of the same by email.

Method of service**Deemed day of receipt**

By hand or courier

the day of delivery

By pre-paid first class post

the second Business Day after posting

By recorded delivery post

the next Business Day after posting

The Parties' respective representatives for the receipt of notices are, until changed by notice given in accordance with this Clause 28.1, as follows:

For SGNCS:**For the Gas Supplier:**

Name: Company Secretary

Name: Company Secretary

Address: SGNCS's registered address from time to time

Address: Gas Supplier's registered address from time to time

29 Severability

29.1 If any provision or part-provision of these Deemed Terms shall be held to be invalid or unenforceable by a judgment or decision of any authority or court of competent jurisdiction over the Parties, the same shall be deemed to be severed and the remainder of these Deemed Terms shall remain valid and enforceable to the fullest extent permitted by law..

30 Entire Agreement

30.1 These Deemed Terms constitute the entire agreement between the Parties in relation to its subject matter and supersedes and extinguishes any and all previous agreements, promises, assurances, undertakings, understandings, warranties and representations with respect thereto.

30.2 Except as provided in these Deemed Terms, neither Party shall claim it has relied on, and shall have no remedies in respect of, any statement, representation, assurance, warranty or undertaking (whether made innocently or negligently) which is not contained in these Deemed Terms.

30.3 Nothing in this Clause 30 shall limit or exclude any liability for fraud.

31 Third Party Rights

31.1 Save as expressly set out in these Deemed Terms, nothing in these Deemed Terms shall confer, or is intended to confer, on any third party (save for a Party's assignees and/or successors) any benefit or the right to enforce any term of these Deemed Terms under the Contracts (Rights of Third Parties) Act 1999.

32 Modification of Deemed Terms

32.1 The successful delivery of metering services to H100 MPRNs, and the successful transition of consumers to and from hydrogen is essential to the H100 Fife Network Trial. The H100 Fife Network Trial provides an opportunity to learn:

(a) what activities within the methane-based gas system should be adjusted to facilitate their application within gas systems involving hydrogen that may be developed in the future; and

(b) how to transition consumers served by a methane-based gas system to one involving hydrogen in the context of a liberalised market for gas shipping and supply services.

Accordingly, these Deemed Terms have been developed based on SGNCS' best view of how gas metering can be implemented on a trial basis after consultation with the community of licensees of which the Gas Supplier forms part. The Parties therefore agree that any adjustment of these Deemed Terms must comply with the provisions of this Clause 32.

32.2 SGNCS acknowledges the benefit that stable contractual terms bring to the community of licensees of which the Gas Supplier forms part, and the risks posed to that community by unforeseen adjustments being made to these Deemed Terms. Therefore:

- (a) SGNCS shall not propose any modification to these Deemed Terms that:
 - (i) are not in its reasonable opinion required in order to better facilitate the achievement of the ends set out at 32.1(a) and or 32.1(b) above;
 - (ii) are not in its reasonable opinion required as a result of a Change in Law as described in Clause 20; or
 - (iii) are not otherwise reasonable and proportionate to address a change in understanding or improved understanding of:
 - (A) Applicable Law,
 - (B) Scotland Gas Network plc's Safety Case;
 - (C) the H100 Project's Case for Safety;
 - (D) industry process and practice (including those set out in the Uniform Network Code, Retail Energy Code, CoMCoP),in the case of each of (i) to (iii) as it relates to the H100 Fife Network Trial;
- (b) when proposing to modify these Deemed Terms SGNCS shall issue a Modification Consultation setting out:
 - (i) why the modification is required;
 - (ii) the proposed drafting changes to the Deemed Terms that SGNCS considers are needed to implement the modification;
 - (iii) the date on which SGNCS proposes the modification be made and its reasons for the same; and
 - (iv) the period SGNCS has decided it is practicable to consult on the proposed modification, taking into account its obligations under Clause 32.2(c), and its reasons for the same;
 - (v) in the event the modification is proposed to better facilitate one or more of the matters described in Clause 32.2(a) whether the Gas Supplier considers its costs associated with the modification being made are proportionate in light of the improvement that would be delivered by the change and its reasons for the same; and
 - (vi) any specific points on which the view of the Gas Supplier is invited (which will include the Gas Supplier's implementation costs).

- (c) SGNCS shall consider consultation responses received from the Gas Supplier and other gas suppliers before deciding whether or not to issue a notice that these Deemed Terms shall be modified and shall (in advance of such modification notice whenever practicable) prepare a record of those considerations with a view to that record being made available to a Ofgem should that entity request it including on the basis described in Clause 32.2(d).
- (d) SGNCS acknowledges, on behalf of Scotland Gas Networks plc, that:
- (i) ultimate responsibility for the undertaking of the H100 Fife Network Trial rests with Scotland Gas Networks plc;
 - (ii) Scotland Gas Networks plc has (having informed Ofgem) implemented a project structure for the H100 Fife Network Trial in which the only provider of AMI, MAP and/or MAM services available to the Gas Supplier is SGNCS; and
 - (iii) as a consequence of points (i) and (ii), there is the potential for SGNCS to confer upon itself through modification of the Deemed Terms, an unfair commercial advantage and/or to apply terms that are not reasonable and proportionate on the Gas Supplier,

and accordingly it may be reasonable for the Gas Supplier to assert to Ofgem that the arrangements described in any modification of these Deemed Terms represent a breach by Scotland Gas Networks plc of Standard Special Condition A6(1) of its gas transporter licence and, should such an assertion be made and Ofgem request the delivery of the record referred to in Clause 32.2(c), Scotland Gas Networks plc would engage with Ofgem to ensure the equitable treatment of the community of licensees of which the Gas Supplier forms part.

- (e) When issuing a notice that these Deemed Terms shall be modified SGNCS shall make available on its website a replacement version of these Deemed Terms containing the modification and marked with a new version number. Unless otherwise stated at the time the notice of modification is issued the version of the deemed terms in force at the end of the *Gas Day* before the *Gas Day* specified as the implementation date in the notice of modification shall govern the relationship between the Parties until such implementation date.

32.3 In furtherance of this Clause 32 each Party shall be entitled to reject (and shall be deemed to have rejected) any purported supplementation, disapplication or replacement of these Deemed Terms by the other Party which has not been made in accordance with Clause 32.

33 Governing Law

33.1 These Deemed Terms shall be governed by and construed in all respects in accordance with the laws of England and Wales.

33.2 Without prejudice to Clause 21, each Party irrevocably agrees to submit to the exclusive jurisdiction of the courts of England and Wales in relation to any Dispute, claim or matter arising under or in connection with these Deemed Terms.

Schedule 1 –Standards of Performance

In providing the Meter Services, SGNCS shall comply with the requirements specified in this Schedule 1.

The Meter Services shall be provided 24 hours a day 7 days a week and shall be split into two bands:

- (i) During each Business Day between 8.00am and 8.00pm.
- (ii) Out of Hours, being at times otherwise than as specified at (i).

SGNCS under normal circumstances shall not be required to perform non-urgent Meter Services on Saturdays, Sundays or Bank Holidays (be those in England or in Scotland), unless expressly agreed otherwise.

SGNCS will undertake the following services on SGNCS Metering Equipment.

- Meter Asset Provision (MAP)
- Meter Asset Management (MAM)
- Ofmat accuracy test (If required)
- Unplanned meter maintenance
- Meter faults
- Urgent Jobs

SGNCS shall use reasonable endeavours such that its systems and processes are updated and compliant with all relevant and current gas industry practices.

SGNCS shall transmit data via the IX network or equivalent.

The Parties acknowledge and agree the following:

- D is the day on which a Non-urgent appointment is booked provided such appointment is booked during the Working Day;
- The cut-off time for booking non-urgent jobs shall be 20:00 Monday to Friday and 18:00 on Saturdays.
- Where an appointment for non-urgent jobs is booked outside the Business Day, D becomes the next Business Day.
- For Urgent Jobs, the meter service level commences upon receipt of the request by SGNCS.
- The cut-off time for requesting Urgent jobs during a Working Day is 20:00 Monday to Friday and 18:00 on Saturdays and Sundays.
- Non-urgent jobs means jobs that are not Urgent Jobs.

Unplanned Services	Meter	Standard Working Days or hours to Attend Site following request ⁽¹⁾
Ofmat Test		D+10 Days
Miscellaneous site visit		By arrangement D+5 Days
Faulty Meter - Gas ON		D+5 Days
Faulty meter – Gas OFF		T+3 hours for any H100 MPRN

(1) Any Meter Services required on the Day of request must in the first instance be confirmed through the Meter Contact Arrangements or such other arrangements as SGNCS may specify. Where "T" means the exact time of receipt of the request into SGNCS.

SGNCS shall comply with the "guaranteed standards" and the "overall standards" set out in Section 9.17 of the Guaranteed and Overall Standards of Performance for Metering Services.

In this Schedule:

Urgent Appointment: Urgent Job": means in relation to H100 MPRN, a Job with a 3 hour SLA being those related to "Faulty meter – Gas OFF" services in the table above.