STATUTORY INSTRUMENTS

1999 No. 3089

GAS

The Gas Act 1986 (Exemptions) (No. 2) Order 1999

Made - - - - -	*16th November 1999*
Laid before Parliament	*18th November 1999*
Coming into force - -	*9th December 1999*

The Secretary of State, in exercise of the powers conferred upon him by section 6A of the Gas Act 1986(**a**), and after consultation with the Director General of Gas Supply, hereby makes the following Order:

Citation, coming into force and duration

1.—(1) This Order may be cited as the Gas Act 1986 (Exemptions) (No. 2) Order 1999.

(2) This Order and the exemptions contained in it shall come into force on 9th December 1999 and each such exemption, unless previously revoked in accordance with paragraph (3) below, shall continue in force until 1st March 2011 and shall then expire.

(3) Any exemption contained in this Order shall only be revoked with effect from a date after the expiry of the period of four months beginning with the day on which the Order containing the revocation was laid before Parliament.

Interpretation

2. In this Order—

"the 1986 Act" means the Gas Act 1986;

"contravene" includes fail to comply with;

"Director" means the Director General of Gas Supply;

"gas" means any substance which consists wholly or mainly of—

(a) methane, ethane, propane, butane, hydrogen or carbon monoxide;

(b) a mixture of two or more of those gases; or

(c) a combustible mixture of one or more of those gases and air;

"gas processing facility" means a facility which carries out gas processing operations;

"gas processing operation" means any of the following operations, namely—

(a) purifying, blending, odorising or compressing gas for the purpose of enabling it to be introduced into a pipe-line system operated by a public gas transporter or to be conveyed to an electricity generating station, a gas storage facility or any place outside Great Britain;

(b) removing from gas for that purpose any of its constituent gases, or separating from gas for that purpose any oil or water; and

(c) determining the quantity or quality of gas which is or is to be so introduced, or so conveyed, whether generally or by or on behalf of a particular person,

and "process" in relation to gas shall be construed accordingly;

(**a**) 1986 c.44; section 6A was substituted by section 4 of the Gas Act 1995 (c.45).

"relevant premises" means the gas processing facility at the Lindholm Compressor Site, Vulcan Way, Bawtry Road, Hatfield Woodhouse, Doncaster DN7 6TE; and

"relevant transporter" means any person, not being the holder of a licence under section 7 of the 1986 Act(**a**) in respect of such conveyance, who conveys gas through pipes from the relevant premises for a distance not exceeding 16.093 kilometres to a pipe-line system operated by a public gas transporter, and "relevant transport" shall be construed accordingly.

Exemption in respect of relevant transport

3.—(1) Subject to paragraph (2) below, relevant transporters are hereby granted exemption from section 5(1)(a)(**b**) of the 1986 Act in respect of relevant transport.

(2) The exemption granted by paragraph (1) above shall cease to have effect in relation to any relevant transporter who contravenes any of the conditions specified in article 4 below.

Conditions of exemption in respect of relevant transport

4.—(1) Subject to paragraph (2) below, every relevant transporter shall, except in so far as the Secretary of State consents to his not doing so, comply with any direction given by the Secretary of State (after he has consulted the relevant transporter, the relevant public gas transporter, the Director and the Health and Safety Executive) that the relevant transporter supply to a relevant public gas transporter such information as may be specified or described in the direction—

(a) at such times, in such form and such manner; and

(b) in respect of such periods,

as may be so specified or described.

(2) Where a relevant transporter is prevented from complying with paragraph (1) above by an incident beyond his control, he shall not be treated as having contravened the condition specified in that paragraph.

(3) Subject to paragraph (5) below, every relevant transporter shall provide the Director with the following particulars not less than 30 days before the date ("commencement date") on which he intends to commence any relevant transport—

(a) the commencement date; and

(b) the maximum amount of gas which the gas processing facility at the relevant premises is designed to process.

(4) Whenever there is an increase or decrease of more than 10 per cent in the maximum amount of gas last notified to the Director in accordance with paragraph (3)(b) above, resulting from works carried out with a view to such increase or decrease, the relevant transporter shall provide the Director with particulars of such increase or decrease within 30 days of the completion of those works.

(5) Where a relevant transporter intends to commence relevant transport less than 30 days after the date on which this Order comes into force, he shall provide the Director with the particulars specified in paragraph (3) above within 30 days of that date.

(6) In this article—

"information" means information—

(a) relevant to the operation of a pipe-line system—

(i) which is operated by such public gas transporter as may be specified in the direction given by the Secretary of State; and

(ii) to which gas is conveyed—

(aa) by the relevant transporter in pursuance of the exemption granted by article 3 above; or

(bb) directly or indirectly, by a relevant public gas transporter; and

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(**a**) Section 7 was substituted by section 5 of the Gas Act 1995.
(**b**) Section 5 was substituted by secton 3(1) of the Gas Act 1995.

(b) relating to—

(i) the calorific value or the total quantity of gas expected to be conveyed or which could be conveyed during the next following day by the relevant transporter in pursuance of the exemption granted by article 3 above; or

(ii) any changes in such calorific value or total quantity as may be so specified;

"day" means the period beginning at 6 a.m. on one day and ending immediately before 6 a.m. on the next following day; and

"relevant public gas transporter" means a public gas transporter operating a pipe-line system to which the relevant transporter undertakes relevant transport.

Exemptions in respect of conveyance and supply of gas to the relevant premises

5.—(1) Any person who conveys gas through pipes for a distance not exceeding 16.093 kilometres to the relevant premises for the purpose of carrying out gas processing operations is hereby granted an exemption from section 5(1)(a) of the 1986 Act in respect of such conveyance.

(2) Any person who supplies gas to the relevant premises for the purpose of carrying out gas processing operations is hereby granted an exemption from section 5(1)(b) of the 1986 Act in respect of such supply.

Helen Liddell
Minister for Energy and Competitiveness in Europe,
Department of Trade and Industry

16th November 1999

EXPLANATORY NOTE

(This note is not part of the Order)

Section 6A of the Gas Act 1986, as substituted by section 4 of the Gas Act 1995, provides for the granting by order of exemptions from the prohibition contained in section 5 of the 1986 Act from carrying on the conveyance, supply or shipping of gas without a licence. This Order contains an exemption in respect of the conveyance of gas through pipes which do not exceed 16.093 kilometres from the gas processing facility at the Lindholm Compressor Site, Vulcan Way, Bawtry Road, Hatfield Woodhouse, Doncaster DN7 6TE, to a pipe-line system operated by a public gas transporter (article 3). The exemption is subject to conditions relating to the provision of information to a public gas transporter to whose pipe-line system gas is conveyed in pursuance of the exemption, if directed by the Secretary of State, and to conditions relating to the provision of information to the Director General of Gas Supply (article 4).

This Order also contains exemptions in respect of the conveyance and supply of gas to the gas processing facility (article 5). It continues in force until 1st March 2011, unless revoked earlier.

A regulatory impact assessment of the costs and benefits that will result from this Order will be available in the Libraries of the Houses of Parliament when the Order, having been made, is laid before Parliament, and from the Energy Utilities Directorate, Department of Trade and Industry, Bay 243, 1 Victoria Street, London SW1H 0ET.

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