

- Appendix 4 to Exhibit G -

Procedure for Manual Override of the Equations of the Allocation
Schedule During Up-set Scenarios

1. Background

The Allocation Schedule is designed to maintain each Entrant's proportions of Components in Pipeline Stock during normal operation, i.e. when a commingled stream of unstable Crude Petroleum and stable Crude Petroleum is transported from the Gorm "E" Platform to the Terminal.

This design of the Allocation system is, however, not able to accommodate short-term up-set scenarios during which delivery of unstable Crude Petroleum to the Transportation System is suspended. In such case there will be no User, cf. the definition hereof in Section 11.3 of the Agreement, but the Stabilisation Plant will produce Propane and Butane from the unstable Crude Petroleum already in the Pipeline.

Accordingly, in order for Transporter to handle such short-term up-set scenarios, a procedure for manual override of the equations of the Allocation Schedule is required.

2. Manual Override

The main principle of the manual override is to deliberately 'violate' the notion that all Entrants under normal operating shall maintain a fixed share of the Pipeline Stock. As an overriding principle Propane and Butane produced during a short-term up-set scenario as described above under Section 1, shall be allocated to the Entrants that are normally Users, however, such Entrants' Pipeline Stock will simultaneously be reduced correspondingly.

Once normal operations have been re-established such Entrants', share of Pipeline Stock shall be build-up again to reflect the requirement during normal operation that all Entrants maintain a fixed share of the Pipeline Stock.

The manual override is applied as follows:

1. For each Entrant
 - a. Set the Override Flag ($F_{Stock,E}$) to 1 (one) for any Entrants for which the Pipeline Stock is to be altered.
 - b. Set the Target Inlet mass ($M_{T,E,inlet,wet,p}$) for each such Entrant to the desired override value.
 - i. During a Pipeline Stock build-up period, this will be 0 (zero) or a value that is smaller than the measured feed rate at Gorm "E" Platform.
 - ii. During a Pipeline Stock draw-down period, this should be greater than the measured feed rate at Gorm "E" Platform.
2. The Allocation Schedule will then allocate the Terminal inlets in proportion to the target inlet mass, instead of in proportion to the measured feed rate.

3. Off-line run of Steps 1 to 4 of the Allocation Schedule to determine the allocated inlet component masses and closing Pipeline Stocks for various values of MT,E,inlet,wet,p.

3. Off-line Allocation Schedule

An off-line version of the Allocation Schedule will provide Transporter all necessary options to handle any scenario which might occur in which a Non-User would otherwise get redelivered Propane, Butane, Fuel Gas and Crude Oil which is not according to the principles of Section 11.3 of the Agreement

In case a Non-User is allocated Propane or Butane an override in an off-line version of the Allocation Schedule will have to be carried out to achieve that a Non-User will only get Fuel Gas and Crude Oil redelivered. Using an off-line Allocation Schedule will enable Transporter to force the off-line run to deliver the values needed in accordance with the principles of Section 11.3 of the Agreement.