



Jersey

**JERSEY GAS COMPANY (JERSEY)
LAW 1989**

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Jersey

JERSEY GAS COMPANY (JERSEY) LAW 1989

Arrangement

Article

PART 1	9
INTERPRETATION	9
1 Interpretation.....	9
PART 2	10
THE COMPANY, ITS OBJECTS AND GENERAL POWERS	10
2 The Company.....	10
3 Objects of Company	10
4 General powers of Company	11
PART 3	13
CAPITAL AND SHARES	13
5 Ordinary share capital.....	13
6 Preference shares	13
7 Redeemable preference shares.....	14
8 Share premium account.....	15
9 General provisions regarding shares.....	15
10 Commissions.....	15
11 Commissions and discounts barred.....	16
12 Register of shareholders.....	16
13 Inspection of registers	17
14 Forfeiture of shares	17
PART 4	18
REGISTERED OFFICE, REPRESENTATIVES, ETC.	18
15 Registered Office	18
16 Display of Company's name.....	18
17 Form of contracts, representatives for immovable property, etc.	18
18 Proceedings by or against Company.....	19

19	Powers of attorney	19
----	--------------------------	----

PART 5	20
---------------	-----------

GENERAL MEETINGS AND NOTICES TO SHAREHOLDERS	20
--	----

20	Annual and extraordinary general meetings	20
21	Quorum	20
22	Votes at general meetings	20
23	Special resolutions	21
24	Minutes	21
25	Service of notices	21
26	Authentication of notices	22
27	When notice given	22
28	Notices to joint shareholders	22

PART 6	22
---------------	-----------

ADMINISTRATION AND ACCOUNTS	22
-----------------------------	----

29	Directors	22
30	Minutes of directors' meetings	23
31	Indemnity of directors	23
32	Financial statements	23
33	Dividends payable on preference shares	23
34	Interim dividends	24
35	Closing of register of transfers	24
36	Excess profits	24
37	Accounts and audit	24
38	Dividends payable only from realised profits	25
39	Capitalisation of profits	25

PART 7	26
---------------	-----------

BYE-LAWS	26
----------	----

40	Bye-laws	26
41	Provisional bye-laws	26
42	Bye-laws receivable in evidence	26

PART 8	27
---------------	-----------

INSPECTORS	27
------------	----

43	Appointment of inspectors	27
44	Duties and powers of inspectors	27
45	Inspectors' report	27

PART 9	28
---------------	-----------

SPECIFIC POWERS AND DUTIES OF COMPANY WITH REGARD TO ITS OPERATIONS	28
---	----

A46	Relationship with other enactments	28
46	Power to take up streets and other powers	28
47	Powers with regard to private property	28

48	.....	30
49	.....	30
50	.....	30
51	.....	30
52	.....	30
53	Street improvements	30

PART 10 **30**

SUPPLY OF GAS **30**

A54	Relationship with other enactments	30
54	Contracts for lighting and supply of gas	30
55	Obligation to supply gas and conditions of supply	31
56	Method of giving security	31
57	Standby gas supplies	32
58	Power to refuse to supply debtor in arrears	32
59	Placing of pipes and meters	32
60	Offence under this Part	33

PART 11 **33**

OFFENCES BY COMPANY **33**

61	Escape of gas.....	33
----	--------------------	----

PART 12 **34**

QUALITY AND PRESSURE OF GAS **34**

62	Quality of gas.....	34
63	Pressure of gas	35
64	Control station and apparatus.....	35
65	Gas examiner	35
66	Offences under this Part.....	36

PART 13 **36**

METERS **36**

67	Company may require supply through meters	36
68	Company to supply meters.....	36
69	Stamping of meters	37
70	Apparatus for testing meters	37
71	Rules for testing meters	37
72	Tolerance of error in meters.....	38
73	Provisions incidental to testing of meters	38
74	Company's authority to connect or disconnect meters	39
75	Maintenance of meters	39
76	Hire of meters	39
77	Meters <i>prima facie</i> evidence of gas consumed	39

PART 14 **40**

MATTERS ANCILLARY TO SUPPLY OF GAS 40

78	Anti-fluctuators	40
79	Unlawful abstracting, etc., of gas	40
80	Unauthorised equipment, etc., used in connection with supply of gas	41
81	Damage to pipes etc	41
82	Property in gas fittings	41
83	Access to premises by Company	41
84	Right to stop supply of gas	42
85	Notice of discontinuance by consumer	42
86	Right of entry to remove gas fittings	43
87	Incoming occupier not normally liable for arrears	43
88	Gas tariffs	43
89	Power of States in connection with gas tariffs	44

PART 15 **45**

MISCELLANEOUS 45

90	General penalty and liability of directors, etc	45
91	Disputes between Company and gas examiner	45
92	Printed copy of Law to be kept	45
93	Restriction on Company ceasing gas business or disposing of certain fixed assets	45
94	Conditions under which Company may be wound up	46
95	Purchase by States of Company's undertaking	46
96	Restriction on offer by States to shareholders of Company	47
97	Retrospective operation of Articles	47
98	Citation and repeal	47

SCHEDULE 1 **49**

RULES FOR TESTING QUALITY AND PRESSURE OF GAS 49
SCHEDULE 2 **50**

PROCEDURE WHERE STATES INTEND TO PURCHASE A FIXED ASSET OF THE COMPANY ESSENTIAL TO THE PRODUCTION OR SUPPLY OF MAINS GAS 50
SCHEDULE 3 **51**

PROCEDURE WHERE STATES INTEND TO PURCHASE THE UNDERTAKING OF THE COMPANY 51
PART 1 51
TRANSFER OF PROPERTY, ETC. 51
PART 2 52

VALUE OF ASSETS AND DISPUTES AS TO AMOUNTS	52
PART 3	54
PROVISIONS AS TO PENSIONS	54

Supporting Documents

ENDNOTES	56
Table of Legislation History.....	56
Table of Renumbered Provisions	56
Table of Endnote References	58



Jersey

JERSEY GAS COMPANY (JERSEY) LAW 1989¹

A LAW to re-enact provisions concerning the constitution, organisation, powers and duties of the Jersey Gas Company Limited

Commencement [[see endnotes](#)]

PART 1

INTERPRETATION

1 Interpretation

In this Law, unless the context otherwise requires –

“British Thermal Units” means British thermal units gross per cubic foot of gas;

“bye-laws” means bye-laws of the Company made under Part 7;

“calorific value” of gas means the number of British Thermal Units produced by the combustion of one cubic foot of gas measured at 60 degrees Fahrenheit under a pressure of 30 inches of mercury and containing such an amount of water vapour as is present at the time of testing;

“Company” means the Jersey Gas Company Limited continued in existence by Article 2;

“company” includes any body of persons, whether corporate or unincorporate and whether or not governed by the law of, or incorporated in, Jersey;

“court” means the Inferior Number of the Royal Court;

“debenture” includes debenture stock, bonds or other securities, whether or not constituting a hypothec, charge or other security on the undertaking or property of a company;

“Declared Calorific Value” means the calorific value declared by the Company in accordance with Article 62;

“financial year” means a period ending on 31st December or other date fixed by the Company in general meeting;

“gas fittings” means gas pipes, fittings, meters and flues, and apparatus and appliances designed for use by consumers of gas;

“meter” means a gas meter and any appliance for measuring gas;

“Minister” means the Minister for Infrastructure;

“pension” includes any pension, whether or not contributory, and any gratuity or life assurance scheme or payment, or a return of contributions to a pension fund, with or without interest thereon or other addition thereto;

“premises” includes land and buildings thereon;

“printed” includes typewritten and photocopied;

“property” means movable and immovable property whether situated in Jersey or elsewhere;

“street” includes a road, way, square, court, lane, alley, pavement or public path or place in Jersey;

“therm” means 100,000 British Thermal Units.²

PART 2

THE COMPANY, ITS OBJECTS AND GENERAL POWERS

2 The Company

Subject to this Law, the company incorporated by the Loi (1918) sur la compagnie du gaz³ (now repealed), and known as the Jersey Gas Company Limited, shall continue in existence with perpetual succession in the person of its shareholders and a common seal.

3 Objects of Company

The objects of the Company shall be –

- (a) carrying on the business of manufacturing, buying, treating, rendering saleable, supplying, distributing, selling, disposing of and generally dealing in –
 - (i) gas, including liquid petroleum gas,
 - (ii) by-products obtained in the manufacture of gas,
 - (iii) products made or derived from gas or its by-products;
- (b) carrying on the business of manufacturing, selling, hiring or otherwise supplying, installing, repairing, maintaining and removing, gas fittings, and any other plant, equipment, apparatus or appliances;

- (c) carrying on all or any of the businesses of engineers or consultants in, or manufacturers, sellers, hirers, suppliers, installers, repairers, maintainers or removers of, systems for heating and central heating, water supply and sanitation, lighting, ventilating, temperature control, refrigeration and air conditioning, together with plant, equipment, apparatus and appliances therefor;
- (d) carrying on all or any of the businesses of mechanical, hydraulic, structural, civil and general engineers and contractors.

4 General powers of Company

The Company may do anything, and enter into any transaction, whether or not involving the expenditure, borrowing or lending of money, or the acquisition, holding, managing, developing, leasing or disposal of property or rights, or interests therein, which in the opinion of the directors is incidental or conducive to the attainment of the objects and exercise of powers of the Company, and without prejudice to the generality of the foregoing may –

- (a) carry on any other business which may seem to the directors capable of being conveniently carried on in connection with its business or calculated directly or indirectly to benefit the Company or enhance the value of or render profitable any of the Company's property or rights;
- (b) acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on a business which the Company is authorized to carry on, or possessed of property suitable for the purposes of the Company;
- (c) promote or take part in promoting companies for any purpose which may seem directly or indirectly calculated to benefit the Company;
- (d) amalgamate or enter into partnership or into an arrangement for sharing of profits, union of interest, co-operation, joint venture, reciprocal concession or otherwise, and whether or not governed by the Law of Jersey, with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which the Company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company;
- (e) take or otherwise acquire, and hold, shares or other interests or securities of any other company;
- (f) invest or deal with the money of the Company as may be determined and hold or otherwise deal with investments made;
- (g) lend and advance money or give credit to any person or company; guarantee, and give guarantees, indemnities or suretyships for the payment of money or the performance of contracts or obligations by any person or company; secure or undertake in any way the payment of money by, or the liabilities or obligations of, any person or company; and otherwise to assist any person or company;

- (h) borrow or raise money as the Company may think fit and secure the payment or repayment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be incurred by, or which may become binding on, the Company or any other person or company by hypothec, charge, lien or other security, charged upon the whole or part of the Company's undertaking or property (both present and future) including its uncalled capital; and purchase, redeem or pay off any securities so charged; and issue debentures whether outright or as security for any debt, liability or obligation of the Company or of any other person or company;
- (i) sell, improve, manage, construct, repair, maintain, develop, work, exchange, lease, license, dispose of, turn to account or otherwise deal with all or part of the property and rights of the Company whether or not for the Company's own purposes or use and whether or not in conjunction with other persons;
- (j) enter into arrangements with the States or any government or authority, whether supreme, municipal, local or otherwise, that may seem conducive to the attainment of the Company's objects or any of them; and obtain from the States or government or authority any enactments, charters, decrees, rights, privileges or concessions which the Company may think desirable; and carry out, exercise and comply with any such enactments, charters, decrees, rights, privileges and concessions;
- (k) control, manage, finance, subsidise, co-ordinate or otherwise assist any person or company in which the Company has a direct or indirect financial interest; and provide services and facilities to it of all kinds and make other arrangements with regard to it as may seem desirable;
- (l) establish and support or aid in the establishment and support of associations, institutions, funds, trusts, societies or clubs for the benefit of the Company or its subsidiaries, or any of their directors or employees both past and present, or the dependants or relatives of those persons; grant bursaries to employees or prospective employees; and grant, pay, make payments towards the provision of, or establish and maintain, schemes or funds for the payment of, pensions and allowances for the benefit of the Company's or its subsidiaries' directors or employees both past and present or the dependants or relatives of those persons;
- (m) establish and maintain profit-sharing schemes, or share acquisition, share option, share incentive or other similar schemes for the benefit of employees of the Company or of any subsidiary and lend money to employees or to trustees on their behalf to enable any such schemes to be established or maintained;
- (n) purchase, take on lease or in exchange, hire or otherwise acquire property and rights or privileges which the Company may think necessary or convenient for its business;
- (o) issue and allot or acquire fully or partly paid shares or other securities in payment or part payment of property purchased or otherwise acquired or disposed of by the Company or services rendered to or by the Company;

- (p) draw, make, accept, endorse, discount, negotiate and otherwise execute and issue cheques, promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments;
- (q) apply for, purchase or otherwise acquire, or protect, prolong or renew, whether in Jersey or elsewhere, patents, patent rights, copyrights, trade marks, formulas, licences, concessions and the like, conferring exclusive or non-exclusive or limited rights to use, or secret or other information as to, any invention which may seem capable of being used for the purposes of the Company, or the acquisition of which may directly or indirectly benefit the Company; and use, exercise, develop or grant licences in respect of, or otherwise turn to account, the property, rights or information acquired;
- (r) subject to Articles 93 and 95, sell or dispose of the undertaking or property of the Company or part thereof for such consideration as the Company thinks fit, or distribute among the members of the Company in kind any property of the Company;
- (s) appear before all courts and tribunals by means of its officers or one or more persons authorized to represent it, bring or defend actions, compromise and submit to arbitration and appeal and abandon appeals;
- (t) promote or oppose enactments in the States and pay any costs incurred in or occasioned by opposition to, or preparation, adoption and promulgation of, those enactments;
- (u) carry out or undertake all or any of the objects, or any of the powers, of the Company in any part of the world either as principal, agent, contractor, trustee or otherwise, and by or through contractors, trustees or agents, or otherwise, and either alone or in conjunction with others;
- (v) do all other things which are incidental or conducive to the attainment of the objects and exercise of the powers of the Company.

PART 3

CAPITAL AND SHARES

5 Ordinary share capital

The ordinary share capital of the Company shall be £475,000 divided into ordinary shares of one pound each, or such greater amount divided into ordinary shares of one pound each as may be approved by special resolution at a general meeting of the Company.

6 Preference shares

- (1) In addition to its ordinary share capital the Company may by special resolution at a general meeting create new capital by the issue of preference shares of a nominal value of not less than £1 each.

- (2) When creating shares under this Article the Company in general meeting shall fix the rate of dividend of the shares and may restrict the voting rights of the holders of them.
- (3) If the Company is wound up the holders of preference shares shall have priority for the repayment of those shares over the holders of ordinary shares but they shall not share in any surplus.
- (4) All other rights of, or restrictions on, preference shares shall be as determined by the Company in general meeting.

7 Redeemable preference shares

- (1) The Company may, with the sanction of a special resolution of a general meeting, subject to the provisions of this Article, issue preference shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on the terms and in the manner provided by the resolution.
- (2) No shares issued under this Article shall be redeemed –
 - (a) otherwise than out of –
 - (i) the profits of the Company which would otherwise be available for dividend, or
 - (ii) the proceeds of a fresh issue of shares made for the purposes of the redemption;
 - (b) unless they are fully paid;
 - (c) unless before redemption the premium, if any, payable on redemption has been provided for –
 - (i) out of profits of the Company which would otherwise be available for dividend, or
 - (ii) out of a share premium account of the Company.
- (3) Where shares are redeemed otherwise than out of the proceeds of a fresh issue of shares, there shall be transferred out of profits which would otherwise have been available for dividend, to a reserve fund, to be called the “capital redemption reserve fund”, a sum equal to the amount by which the Company’s issued share capital is diminished in accordance with paragraph (4) on cancellation of the shares redeemed, and the reserve fund shall not be reduced in any way.
- (4) Shares redeemed under this Article shall be treated as cancelled on redemption, and the amount of the Company’s issued share capital shall be diminished by the nominal value of those shares accordingly; but the redemption shall not be taken as reducing the amount of the authorised share capital of the Company.
- (5) Without prejudice to paragraph (4), where in pursuance of this Article the Company is about to redeem preference shares, it may issue shares up to the nominal amount of the shares to be redeemed as if those shares had never been issued.

8 Share premium account

- (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums on those shares shall be transferred to an account, to be called the “share premium account” and, except as provided in this Article, that account shall not be reduced.
- (2) The Company may apply the share premium account in providing for the premium payable on the redemption of redeemable preference shares of the Company.
- (3) Where before the commencement of this Law the Company has issued shares at a premium, this Article shall apply as if the shares had been issued after the commencement; but in determining the sum to be included in the share premium account there shall be disregarded any part of the premiums which has been so applied that it does not, at the commencement of this Law, form an identifiable part of the Company’s reserves.

9 General provisions regarding shares

- (1) Holders of shares issued under Article 5, 6 or 7 shall not be liable for the debts or obligations of the Company beyond the nominal value of their respective shares or, as the case may be, the balance remaining unpaid or not credited as paid on the nominal value.
- (2) No shareholder shall hold less than 10 shares.
- (3) The amount of any share which has not been paid or credited as paid to the Company shall be a claim of the Company against the holder of the share or other person responsible.
- (4) The shares of the Company are movable property and may be sold, handed over or transferred as prescribed by the bye-laws.

10 Commissions

- (1) The Company may pay a commission to a person in consideration of the person subscribing or agreeing to subscribe (whether absolutely or conditionally) for shares in the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares in the Company if –
 - (a) the commission paid or agreed to be paid does not exceed 10% of the price at which the shares are issued; and
 - (b) the amount or rate % of commission paid or agreed to be paid, and the number of shares which persons have agreed for a commission to subscribe absolutely are disclosed in the manner required by paragraph (2).
- (2) The matters referred to in paragraph (1) shall, in the case of shares offered to the public for subscription, be disclosed in the prospectus; and in the case of shares not so offered –

- (a) they shall be disclosed in a statement signed by every director of the Company or by the director's agent authorized in writing, and delivered (before payment of the commission) to the Judicial Greffier for registration; and
 - (b) where a circular or notice (not being a prospectus) inviting subscription for the shares is issued, they shall also be disclosed in that circular or notice.
- (3) If the Company fails to comply with the provisions of this Article it shall be guilty of an offence.

11 Commissions and discounts barred

- (1) Except as provided in Article 10, the Company shall not apply its shares or capital money either directly or indirectly in payment of a commission, discount or allowance to a person in consideration of the person's subscribing or agreeing to subscribe (whether absolutely or conditionally) for shares in the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares in the Company.
- (2) Paragraph (1) applies whether the shares or money be so applied by being added to the purchase money of property acquired by the Company or to the contract price of work to be executed for the Company, or the money be paid out of the nominal purchase money or contract price, or otherwise.
- (3) Nothing in Article 10 and this Article shall make unlawful a payment made or remuneration given by the Company to a broker making the broker's usual charges for services rendered to the Company.
- (4) A vendor to, or promoter of, or other person who receives payment in money or shares from, the Company has, and is deemed always to have had, power to apply any part of the money or shares so received in payment of a commission, the payment of which, if made directly by the Company, would have been lawful under Article 10 and this Article.

12 Register of shareholders

- (1) The Company shall keep a register of its shares in which there shall be entered the name and address of every shareholder and –
 - (a) the number of shares held by the shareholder or for which the shareholder is responsible and, insofar as the shares are numbered, the distinguishing numbers and the amounts paid up on each share with the date of payment;
 - (b) the date on which the shareholder's name was entered on the register; and
 - (c) the date on which a shareholder ceased to hold any of the shares entered against the shareholder's name.
- (2) The Company shall, in January each year, draw up a statement containing a list of the names and addresses of persons who, on 1st January of that year, were members or shareholders of the Company, and showing

opposite the name of each member or shareholder the number of shares held by the member or shareholder or for which the member or shareholder is liable; and the statement shall be entered in a book or register kept by the Company for that purpose and a copy thereof, under the seal of the Company, shall be delivered on 31st January at the latest to the Judicial Greffier and shall remain lodged at the Greffe.

- (3) If the Company fails to comply with the provisions of this Article it shall be guilty of an offence.
- (4) The contents of the registers mentioned in paragraphs (1) and (2) shall be received, failing proof to the contrary, as evidence of all facts and circumstances entered and stated therein by virtue of this Law.

13 Inspection of registers

- (1) The registers mentioned in Article 12 shall be kept at the public office of the Company and any person may, by applying at that office during normal business hours on Mondays to Fridays (excluding public holidays) and complying with the relevant bye-laws, examine the registers and take any note or extract therefrom.
- (2) A member of the Company may examine the registers without charge, and any other person shall pay a fee of 50 pence for each examination.
- (3) Extracts from the registers certified correct under the seal of the Company shall be delivered to a person applying for them, on payment of a fee prescribed in bye-laws.
- (4) If the Company fails to comply with the provisions of this Article it shall be guilty of an offence.

14 Forfeiture of shares

- (1) The directors may, with the sanction of the Company obtained by special resolution at a general meeting, declare forfeited and sell, for the benefit of the Company, shares the holders of which, after receiving a notice to that effect in compliance with the bye-laws, have not, within a period of 2 months from the date fixed in the notice, paid up the amounts due on account of them by virtue of calls made by the Company, and shares so forfeited shall be sold by public auction.
- (2) The certificate of the chairman of the Company to the effect that shares have been forfeited and sold shall constitute complete and irrebuttable evidence of forfeiture and sale, and shall confer on the purchaser a complete title to, and the property in, the forfeited shares.
- (3) The purchaser of forfeited shares shall not be liable for the payment of sums which may be due on account of those shares by virtue of calls made by the Company at any time prior to the date of purchase.

PART 4

REGISTERED OFFICE, REPRESENTATIVES, ETC.

15 Registered Office

- (1) The address of the Company shall be in Jersey and the Company shall have a public office therein.
- (2) The Company shall give written notice under its seal to the Judicial Greffier of any change in the address of its office.
- (3) If the Company fails to comply with the provisions of this Article it shall be guilty of an offence.
- (4) All actions and summonses shall be served on the Company, and all notifications delivered to it, at its office, and all notices and applications to the Company shall be delivered at that office or sent there by post.

16 Display of Company's name

- (1) The Company shall cause its name to be inscribed in full in legible characters on the front of its public or other offices, as well as on all promissory notes, bills of exchange, bills of lading, invoices, accounts, receipts, papers and documents issued or signed in the name, and under the authority, of the Company by its directors, managers, agents or other authorized persons; and a person who signs or issues in the name of the Company a promissory note, bill of exchange or other bond or promise to pay on which the name of the Company is not set out in compliance with this Article, shall, in default of the Company, be personally responsible therefor.
- (2) The Company shall cause its name to be engraved in full length and in legible characters on its common seal.
- (3) If the Company fails to cause its name to be inscribed or engraved in compliance with paragraph (1) or (2) it shall be guilty of an offence.

17 Form of contracts, representatives for immovable property, etc.

- (1) Subject to paragraph (2), contracts on behalf of the Company may be made as follows –
 - (a) a contract which, if made between natural persons, would be by law required to be in writing and under seal, may be made on behalf of the Company in writing under its common seal;
 - (b) a contract which, if made between natural persons, would be by law required to be in writing, signed by the parties to be bound by it may be made on behalf of the Company in writing signed by a person acting under its authority, express or implied;
 - (c) a contract which, if made between natural persons would by law be valid if made orally and not reduced to writing may be made orally on behalf of the Company by a person acting under its authority, express or implied.

- (2) Nothing in paragraph (1) shall affect any requirement of law that a contract be passed before the court.
- (3) A contract made in accordance with this Article –
 - (a) is effectual in law, and binds the Company and its successors and all other parties to it;
 - (b) may be varied or discharged in the same manner in which it is authorized by this Article to be made.
- (4) A cheque, promissory note, bill of exchange, bill of lading or other negotiable or transferable instrument shall be deemed to have been drawn, made, accepted or endorsed, or otherwise executed or issued, on behalf of the Company if drawn, made, accepted or endorsed, or otherwise executed or issued, in the name of, or by or on behalf or on account of, the Company by any person acting under its authority.
- (5) In all matters affecting the immovable property of the Company in Jersey, it shall be represented by its directors, or by any 2 of them specially authorized to do so by a resolution of the directors.

18 Proceedings by or against Company

- (1) Actions shall be brought by or against the Company and summonses and notices shall be served on it under its collective name and style.
- (2) No officer or employee of the Company may be arrested by virtue of a provisional order, act of committal to prison or other civil process on account of engagements entered into, or acts done, by the officer or employee in the name of the Company, and for which the Company is legally responsible.

19 Powers of attorney

- (1) The Company may, by power of attorney or commission under its common seal, name and appoint, with general or special powers, persons whom it deems fit to represent it and to act in its name in any place outside Jersey; and all acts done and documents and deeds executed in its name by its attorneys and commissioners, within the limits of the powers conferred upon them, shall be valid and binding as regards the Company.
- (2) Besides bearing the common seal of the Company the power of attorney or commission shall be signed by 2 directors and the secretary.
- (3) A deed signed by a person acting under a power of attorney on behalf of the Company and under the person's seal shall bind the Company and have the same effect as if it were under its common seal.

PART 5

GENERAL MEETINGS AND NOTICES TO SHAREHOLDERS

20 Annual and extraordinary general meetings

- (1) An annual general meeting of the Company shall be held at least once in each year, the date of which shall be fixed by the bye-laws.
- (2) The directors may convene an extraordinary general meeting at any time they consider necessary, and they shall do so whenever requested by at least 7 holders of shares representing a total of at least 1/10th of the paid up capital, if the application is addressed to them in writing, signed by the applicants and dated, and the request states clearly the subject or subjects to be submitted to the meeting, and it is delivered at the office of the Company.
- (3) If the directors fail to comply with such a request within 21 days from its delivery at the office, the holders of shares who signed the request may themselves convene an extraordinary general meeting to consider the matters contained in their request, provided that they comply with the rules for convening general meetings.

21 Quorum

- (1) No decision of a general meeting, whether annual or extraordinary, save for the election of directors or the declaration of a dividend, shall be valid unless 10 holders of shares representing a total of at least 1/20th of the paid up capital are personally present or represented by proxy.
- (2) Where the requisite quorum is not formed the general meeting may only proceed to the election of directors to fill any vacancies which may exist at the time and to the declaration of a dividend.

22 Votes at general meetings

- (1) At a general meeting of the Company all questions shall be decided by a show of hands, the vote of each individual member counting as one only, and the result as declared by the chairman shall be deemed to be the decision of the meeting; but if a shareholder so demands, the chairman shall proceed to hold a poll, and in that case, subject to any restriction of voting rights under Article 6 or 7, each shareholder shall have one vote for each share the shareholder possesses up to 500, and an additional vote for every 5 shares which the shareholder possesses beyond the first 500.
- (2) In case of an equality of votes the chairman shall have a casting vote, without prejudice to the chairman's right to vote as a shareholder.
- (3) Where shares are entered in the register of the Company in the name of more than one shareholder, the person whose name appears first on the register shall alone be allowed to vote in respect of those shares.
- (4) The Company may in bye-laws make other provisions as to meetings, in particular as to the appointment and validity of proxies, voting by

shareholders of unsound mind or who have not paid all calls due, and corporations acting by representatives at meetings.

23 Special resolutions

Every special resolution of an annual or extraordinary general meeting shall have the effect thereof where the following conditions are complied with –

- (a) the members of the Company have been informed, by a notice duly given, of the intention to submit to the meeting the proposal which forms the subject of the resolution;
- (b) the resolution has been carried by a majority of at least 3/4 of the votes of the members of the Company entitled to vote who were present at the meeting or were represented thereat by a proxy;
- (c) the resolution has been confirmed by a simple majority of the votes given at a subsequent general meeting, duly convened and held not less than 15 days and not more than 30 days after the date on which the resolution was first carried;
- (d) a copy of the resolution, certified under the Company's common seal, shall be forwarded to the Judicial Greffier who shall register it.

24 Minutes

- (1) The directors shall draw up and shall enter in the books or registers kept for the purpose, which shall form part of the books of the Company, minutes of the deliberations and resolutions of all general meetings.
- (2) The minutes of every general meeting shall be signed in the books or registers by the person who presided at the meeting or by the person who presided at a subsequent meeting at which those minutes were read and, thus attested, shall be accepted as evidence of their contents by a court, failing proof to the contrary.

25 Service of notices

- (1) Notices which the Company is required by this Law or by its bye-laws to give to its shareholders, may be delivered to them in person, or left at their addresses, or sent to them by prepaid post, bearing the name and address of the shareholder as standing in the register mentioned in Article 12.
- (2) When the address of a shareholder in the register of the Company is outside the Channel Islands or the United Kingdom, the shareholder may select an address in Jersey and inform the Company thereof in writing under the shareholder's hand; and the place so selected shall, so far as the Company is concerned, be deemed to be the address of the shareholder for the purpose of this Article.
- (3) If a shareholder does not select an address in Jersey under paragraph (2) all notices affecting the shareholder shall be posted up for 48 hours at least in some conspicuous and accessible place in the office of the

Company; and that office shall, as between the Company and the shareholder, be deemed to be the shareholder's address until the shareholder has selected an address in Jersey under paragraph (2).

26 Authentication of notices

Notices requiring authentication may be authenticated by the signature of one or more of the directors, or by the secretary, or by any other officer duly authorized to do so by the Company, without the common seal of the Company being required to be affixed thereto, and notices, including signatures, may be either in manuscript or printed, or partly printed and partly in manuscript.

27 When notice given

- (1) A notice shall be deemed to have been given –
 - (a) if sent by post, 24 hours after having been posted;
 - (b) in any other case, on the day on which it was actually given.
- (2) In order to prove that a notice has been sent by post it shall be sufficient to establish that the notice was properly addressed and posted in proper time.

28 Notices to joint shareholders

Where shares are inscribed in the register of the Company in the name of more than one person, every notice to be given or sent to the shareholders shall be given or sent to the person whose name appears first in the register; and the notice so given or sent shall be deemed to be valid as regards the others.

PART 6

ADMINISTRATION AND ACCOUNTS

29 Directors

- (1) The administration and management of the Company shall be entrusted to a body of directors not less than 5 nor more than 10 in number.
- (2) The mode of election of the directors and the length of their terms of office shall be regulated by the bye-laws.
- (3) The remuneration of the directors shall be fixed by the Company in general meeting.
- (4) The Company may in bye-laws make provision for the payment, by resolution of the directors, of directors' remuneration in respect of any executive office, or for services rendered, and in respect of sums payable pursuant to Article 4(1) and (m).

30 Minutes of directors' meetings

- (1) The directors shall inscribe or cause to be inscribed all their deliberations and resolutions in books or registers kept for the purpose, and those books or registers shall form part of the books of the Company.
- (2) The minutes of every meeting of directors shall be signed by the person who presided at the meeting or by the person who presided at a subsequent meeting at which those minutes were read, and, thus attested, shall be accepted as evidence of their contents by a court, failing proof to the contrary.

31 Indemnity of directors

- (1) No director shall, by reason of a contract or agreement to which the director has been a party, be liable for a document signed by the director or for any act done or executed by the director or to which the director has been a party for and in the name of the Company in the director's capacity as a director, and in the lawful and legitimate exercise of the powers and duties conferred and imposed on the director, by this Law or by the bye-laws.
- (2) Payments, costs and disbursements made and incurred by the directors on behalf or in the interests of the Company shall be repaid to them, their heirs or representatives, and they shall be compensated for any losses they may suffer, and secured and discharged from any responsibility they may incur or assume in their capacity as directors, provided that they have acted in conformity with the law, and within the limits of their powers as directors.
- (3) Payments due to directors under paragraph (2) shall be payable out of the assets of the Company, and the directors in office may apply to this purpose the funds and capital of the Company which they have at their disposal, or may, by a call on the shareholders, call in and apply to this purpose sums unpaid on the shares of the Company.

32 Financial statements

At the annual general meeting of the Company the directors shall submit to the meeting audited financial statements consisting of a balance sheet showing the state of the Company's affairs at the end of the preceding financial year, and a profit and loss account showing the results of the Company for that financial year.

33 Dividends payable on preference shares

The profits of the Company distributed to the holders of preference shares in any year shall not exceed the amount or rate fixed at the time of issue, but if in any year the profits of the Company are not sufficient to pay the dividend on the preference shares at the relevant rate, the difference between the amount payable at that rate and the amount actually paid shall be provided out of the profits of succeeding years.

34 Interim dividends

The directors may declare and pay an interim dividend out of the profits of the Company for a half year ending 30th June or 31st December, or other date which corresponds with the date which is 6 months from the end of the financial year, without the sanction or authority of a general meeting of the Company.

35 Closing of register of transfers

- (1) The directors may close the register of transfers of shares for a period not exceeding 14 days before the declaration of the annual dividend or of an interim dividend, or the record date for any other distribution, and they may fix the date for closing the register, giving 7 days' previous notice thereof by advertisement in a newspaper published in Jersey; and a transfer of shares effected while the register remains closed shall be deemed, as between the Company and the transferee, but not otherwise, to have been made subsequently to the declaration of the dividend or the record date.
- (2) In this Article "record date" means the date on which a special resolution authorizing a distribution is confirmed under Article 23(c).

36 Excess profits

If the profits of the Company in a year amounts to a larger sum than is required to pay the dividends on the preference and ordinary shares of the Company, the excess shall be credited to the divisible profits of the Company for the next following year.

37 Accounts and audit

- (1) The Company shall send to the Greffier of the States, not later than 3 months after the close of each financial year, copies of the financial statements required under Article 32 for the preceding financial year in a form and containing particulars which the directors with the approval of the Minister for Treasury and Resources may decide.
- (2) The financial statements shall have been previously audited by a person qualified to be appointed to audit the accounts of a company in accordance with Article 109 of the Companies (Jersey) Law 1991⁴ and the auditor shall be appointed each year at a general meeting of the Company.⁵
- (3) The Company shall keep copies of the financial statements at its office, and shall supply any person so requesting a copy thereof at a price not exceeding 50 pence.
- (4) The auditor shall present annually to the Minister for Treasury and Resources a report as to whether the provisions of this Law regarding financial administration have been observed.
- (5) If the Company fails to comply with the provisions of this Article it shall be guilty of an offence.

38 Dividends payable only from realised profits

- (1) No part of the capital of the Company, from whatever source, shall be applied to the payment of dividends; and no dividends shall be declared or paid otherwise than out of realised profits (whether revenue profits or capital profits) of the Company.
- (2) If a director or manager knowingly and wilfully conceals the true position of the Company from a general meeting so as to induce the shareholders to declare a higher dividend than the real position of the Company warrants, or such as would affect its capital, the director or manager shall be responsible for the debts of the Company and for the consequences of the director or manager's action.
- (3) In this Article "realised profits" means profits of the Company which may be treated as being realised for the purposes of its accounts in accordance with generally accepted accounting principles and practice at the date of preparation of those accounts.

39 Capitalisation of profits

The directors may with the authority of a special resolution at a general meeting of the Company –

- (a) subject as hereinafter provided, resolve to capitalise any undivided profits (whether revenue profits or capital profits) of the Company available for distribution and not required for paying preferential dividends;
- (b) appropriate the sum resolved to be capitalised to the shareholders who would have been entitled to it if it were distributed by way of dividend immediately prior to the confirmation of the special resolution, and in the same proportions, and apply the sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares of the Company of a nominal amount equal to that sum, and allot the shares credited as fully paid to those shareholders, or as they may direct, in those proportions, or partly in one way and partly in the other;
- (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares becoming distributable under this Article in fractions; and
- (d) authorize any person to enter on behalf of all the shareholders concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of shares to which they are entitled on capitalisation, any agreement made under that authority being binding on all those shareholders.

PART 7

BYE-LAWS

40 Bye-laws

The Company may, by special resolution of a general meeting, make bye-laws for the administration and management of its affairs and the exercise of the Company's powers and duties, but no bye-laws so made shall conflict with the provisions of this Law.

41 Provisional bye-laws

- (1) The directors may make provisional bye-laws on the following subjects –
 - (a) calls on shareholders;
 - (b) the form and manner of transfer and transmission of shares;
 - (c) forfeiture of shares, and sale of forfeited shares;
 - (d) holding of general meetings, both annual and extraordinary, and the procedures to be followed;
 - (e) election of directors;
 - (f) holding of directors' meetings, and the procedures to be followed;
 - (g) replacing directors;
 - (h) duties of the officers of the Company;
 - (i) distribution and payment of dividends;
 - (j) keeping of the Company's accounts;
 - (k) administration and management of the Company's business;
 - (l) the relations between the Company and its shareholders insofar as they are not provided for elsewhere by this Law or in bye-laws.
- (2) Provisional bye-laws shall be submitted to the first general meeting, whether annual or extraordinary, held after their enactment, and the meeting may by special resolution confirm them, or modify or alter them in whole or in part; but provisional bye-laws shall be in force and shall take effect during the period between their enactment by the directors and their confirmation or modification by the meeting.
- (3) Provisional bye-laws which are not submitted to the first available general meeting as provided for in paragraph (2) shall be void *ab initio*.

42 Bye-laws receivable in evidence

- (1) A copy of the bye-laws, in manuscript or printed, and bearing the common seal of the Company, shall be accepted by a court as evidence of its contents.
- (2) A copy of the bye-laws as amended and up to date shall be forwarded to the Judicial Greffier and shall remain lodged at the Greffe.

PART 8

INSPECTORS

43 Appointment of inspectors

- (1) The court may, on the application of 2 or more members or shareholders of the Company, where they represent together at least 1/5th of the paid up capital, and where sufficient grounds appear to exist for the proceeding, appoint 2 inspectors (one of whom shall be an advocate or solicitor of the Royal Court and the other a person qualified to be appointed to audit the accounts of a company in accordance with Article 109 of the Companies (Jersey) Law 1991⁶ to examine and report in detail on the affairs and position of the Company.⁷
- (2) The Company may, by special resolution of a general meeting, appoint 2 inspectors for the purposes mentioned in paragraph (1).

44 Duties and powers of inspectors

- (1) The inspectors shall take oath before the court to discharge well and faithfully the duties imposed on them, and shall have power to hear on oath the directors, managers and other officers of the Company, as well as other witnesses which they deem necessary, with respect to the affairs of the Company; and they shall have access to the ledgers and other books, registers, documents and papers belonging to the Company.
- (2) The directors, managers and other officers shall be required to produce to the inspectors all books, registers, documents and papers in their custody or at their disposal, belonging to the Company, and to give them all the information in their possession in order to facilitate the examination.
- (3) A director, manager or other officer of the Company who refuses to answer a question relating to the examination, or to produce the books, registers, documents or papers which the director, manager or other officer is required to produce by this Article shall be guilty of an offence.

45 Inspectors' report

- (1) The inspectors shall draw up a detailed report of their examination and –
 - (a) if appointed by the court, they shall present to the court a signed copy of their report, which shall remain lodged at the Greffe;
 - (b) if appointed by a general meeting of the Company, they shall forward a signed copy of their report to the person or persons appointed by the meeting to receive it.
- (2) A report of inspectors, duly authenticated by them, shall be accepted in all legal proceedings as proof of the opinion of the inspectors with respect to the facts mentioned therein, and it shall not be necessary to hear the inspectors themselves as witnesses in support of their report.

PART 9

SPECIFIC POWERS AND DUTIES OF COMPANY WITH REGARD TO ITS OPERATIONS

A46 Relationship with other enactments⁸

Nothing in or done under this Part shall relieve the Company from an obligation to obtain any permit, consent, permission or authorization required under the Road Works and Events (Jersey) Law 2016⁹ or any other enactment.

46 Power to take up streets and other powers¹⁰

The Company may –

- (a) take up streets;
- (b) open and break up drains and tunnels in or under those streets;
- (c) lay down, repair, alter, modify or remove pipes, appliances or structures, mains, drains, tunnels and other works;
- (d) erect pillars, lamps and other works in the streets,

and do all other acts which the Company from time to time deems necessary for supplying gas to inhabitants or for purposes ancillary to the objects of the Company.

47 Powers with regard to private property

- (1) Subject to this Article, the Company may place pipes, appliances or structures below ground across any land, and above ground across any land other than land covered by buildings or used as a garden or pleasure ground, and where a pipe, appliance or structure has been so placed the Company or its employees or agents may enter on the land for the purposes of repairing, maintaining, altering or replacing it.
- (2) Before placing a pipe, appliance or structure across land the Company shall serve on the owner and occupier of the land notice in writing of its intention, together with a description of the nature and position of the pipe, appliance or structure proposed to be so placed.
- (3) No pipe, appliance or structure above ground level shall be placed or erected on land or against a building without the express consent of the owner and occupier or, failing that consent, an order of the court, but in any other case if within 21 days after service of the notice the owner and occupier fail to reply to it, then consent to the operation shall be deemed to have been given.
- (4) If –
 - (a) in the case of the proposed placing or erection of a pipe, appliance or structure above ground, the then owner or occupier does not consent, or attaches terms, conditions or stipulations to the operation or entry on the land to which the Company objects;

- (b) in any other case, within the time limited by paragraph (3), the then owner or occupier objects to the notice or any proposal contained in it, or attaches terms, conditions or stipulations referred to in subparagraph (a) to which the Company objects,

and if the parties thereafter fail to agree, the question at issue shall be referred to the court by means of a representation made by the party aggrieved; and the court, in deciding whether to give or withhold its authorization, or to impose any terms or conditions or stipulations (including the carrying of any portion of the pipe, appliance or structure underground) shall, among other considerations, have regard to the effect, if any, on the amenities or value of the land of the placing of the pipes, appliances or structures in the proposed manner.

- (5) The consent required under paragraph (3) in relation to pipes, appliances or structures placed above ground shall be in the form required by law and shall be granted for a period of not less than 9 years certain and thereafter shall continue in force until determined by 6 months' notice on either side, and during its continuance the owner or occupier for the time being shall not be entitled to insist upon the removal of the pipe, appliance or structure except for exceptional and unforeseen reasons; and if a dispute arises as to what constitutes exceptional and unforeseen reasons, the matter may be referred by either party to the court by means of a representation for decision, and that decision shall be final and not subject to appeal.
- (6) The occupier of the land upon which a pipe, appliance or other structure is erected above ground, shall be entitled to an annual rental which, failing agreement by the parties within one month from the date of service of a notice by either party on the other requesting agreement, shall be fixed by an independent valuer appointed to make a valuation binding on the parties; and the valuer shall be a person agreed by the parties or, failing agreement within 14 days, to be selected (at the instance of either party) by the President for the time being of the Royal Institution of Chartered Surveyors in England, and the costs of the valuation shall be shared equally between the parties.
- (7) In order to provide a supply of gas to premises abutting on a private street, the Company may exercise in relation to that street the same powers as are conferred on it by Article 46, and for this purpose –
 - (a) those powers shall be exercised under the supervision of the parish where the work is to be undertaken; and
 - (b) the Company shall do as little damage as possible in the exercise of those powers and give compensation for any damage caused by the Company in exercise of those powers.¹¹

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53 Street improvements¹⁷

- (1) Nothing in this Law shall interfere with the right of the Minister or the parish to alter the level of, deviate or improve, in any manner the Minister or the parish thinks fit, a street in which mains or pipes have been laid by the Company.
- (2) The Company shall, at the end of 15 days after receiving notice in writing from the Minister or the parish, as the case may be, proceed to alter the position of those mains or pipes in the manner and to the extent prescribed by the notice, or, in the case of dispute, as shall be determined by the court or by arbitration.
- (3) In acting under paragraph (2), the Company shall ensure that there is not less than 2 feet of cover over a main.
- (4) The expenses of alterations in their mains or pipes shall be repaid to the Company by the States or the parish, as the case may be.

PART 10

SUPPLY OF GAS

A54 Relationship with other enactments¹⁸

Nothing in or done under this Part shall relieve the Company from an obligation to obtain any permit, consent, permission or authorization required under the Road Works and Events (Jersey) Law 2016¹⁹ or any other enactment.

54 Contracts for lighting and supply of gas

- (1) The Company may enter into contracts with any person for lighting or supplying with gas any public or private building or any premises, or for providing any person with pipes, burners, meters and lamps and for the repair and upkeep thereof.
- (2) Save in relation to a special agreement under Article 88(4), every contract entered into by the Company shall be alike in terms and amount, under similar circumstances, to all consumers.

55 Obligation to supply gas and conditions of supply

- (1) Subject to the provisions of Article 58 the Company shall, upon being required so to do by the owner or occupier of premises situated within 75 feet from a main of the Company (other than a main used solely to supply gas for industrial purposes or for conveying gas in bulk) provide a supply of gas for those premises, under such pressure in the main as is prescribed in this Law, and shall furnish and lay any necessary service pipe for that purpose.
- (2) The cost of so much of a service pipe for the supply of gas to an owner or occupier as may be laid upon premises which are the property of that owner or in the possession of that occupier, and of so much of the service pipe as may be laid for a greater distance than 30 feet from a main of the Company, although not on those premises, shall be paid by the owner or occupier.
- (3) An owner or occupier of premises requiring a supply of gas shall –
 - (a) serve a notice on the Company at its office, specifying the premises in respect of which the supply is required, and the day (allowing for a reasonable time to elapse after the service of the notice) on which the supply is required to commence;
 - (b) enter into a written contract with the Company (if it so requires) to continue to receive and pay for a supply of gas for such a period and of such a quantity as the Company may reasonably require having regard to the expense incurred or to be incurred by the Company in providing and laying the pipes to be provided by it for that supply; and
 - (c) give to the Company (if it so requires) security for the payment to it of all sums which may become due to it from the owner or occupier in respect of pipes which are to be furnished and laid by the Company or in respect of gas to be supplied by it.
- (4) The Company may, after having supplied gas to premises where the owner or occupier has not given security, or has given security which has become invalid or insufficient, by notice in writing require the owner or occupier of the premises within a week from the service of the notice to give the Company security for the payment of all sums which may from time to time become due in respect of the supply of gas; and if the owner or occupier fails to comply with the terms of the notice, the Company may discontinue the supply of gas to the premises for so long as the failure continues.

56 Method of giving security

- (1) Where an owner or occupier is required to give security to the Company, the security shall be by way of deposit or otherwise, and of a reasonable amount as shall be agreed upon between the consumer and the Company or, in default of agreement, as shall, at the instance of one or other of the parties, be determined by the court, which may at the same time decide by which party the costs of the proceedings are to be paid; and the decision of the court thereon shall be final.

- (2) If the security is by way of deposit, the Company shall pay interest thereon at the rate for the time being fixed by the directors for every 6 months during which the security remains with the Company.

57 Standby gas supplies

No person shall be entitled to demand a supply, or the continuation of a supply, of gas from the Company for the purposes only of a standby supply for premises having a separate supply of gas, or having a supply (in use or ready for use for the purpose for which the standby supply of gas is required) of electricity, steam or other form of power, unless the person has agreed to pay to the Company sums in addition to the charges made for the gas supplied which shall give the Company a reasonable return on the capital expenditure incurred in providing the standby supply, and which shall cover other standing charges incurred by the Company in order to meet the possible maximum demand for those premises.

58 Power to refuse to supply debtor in arrears

If a person requiring a supply of gas from the Company has previously vacated premises on which gas was supplied to the person by the Company without paying all sums due to the Company in respect of gas so supplied, rent of the meter or otherwise, the Company may refuse to supply the person with gas until the person pays the amount due.

59 Placing of pipes and meters

In order to enable the Company to ensure a sufficient supply of gas to its consumers, the following provisions shall have effect –

- (a) the Company may specify the size and material of the pipes and the fittings thereof which are to be laid at the expense of the consumer, either in the first place or on the occasion of renewal, between the Company's mains and the meter and (insofar as they are intended to be covered over) on the consumer's premises;
- (b) the Company may make different specifications for different classes of premises, having regard to the probable maximum consumption of gas thereon at any one time;
- (c) a meter to be used in a new building, or a building not previously supplied with gas, or connected to a new or substituted pipe laid by the consumer between the main and the consumer's meter, shall be placed as near as is reasonably practicable to the Company's main;
- (d) where a meter or pipe placed beyond that meter has been placed, notice thereof shall be given to the Company and the pipe shall not be covered over until after the expiration of 24 hours from the service of notice on the Company; and a representative of the Company, duly appointed, may, between the hours of 9am and 5pm, inspect the pipes with their fittings and the meter, and if the representative is not permitted to make the inspection, or if the pipe or fittings are not according to the Company's specification, or if the meter is not placed as required by this Article, the

Company may refuse to supply gas to the premises until the provisions of this Article have been complied with;

- (e) a person to whom the Company refuses to supply gas under this Article may appeal to the court and the court may, after considering any questions as to the reasonableness of the Company's specification, make such order as it deems proper in the circumstances, and may order by which of the parties the costs of the appeal are to be paid.

60 Offence under this Part

- (1) Where the Company refuses or neglects to supply gas to an owner or occupier of premises entitled to require it under this Law and under pressure specified thereby it shall be guilty of an offence.
- (2) In proceedings for an offence under this Article it shall be a defence for the Company to prove that the failure to supply was caused by circumstances beyond the control of the Company; but lack of sufficient funds shall not constitute a circumstance beyond the control of the Company.

PART 11

OFFENCES BY COMPANY

61 Escape of gas

- (1) Where gas escapes from a pipe laid or set up by or belonging to the Company, it shall, immediately after receiving notice thereof in writing, prevent the gas from escaping further; and if the Company does not, within the 24 hours following the service of the notice, effectually prevent the gas from escaping and wholly remove the cause of complaint, it shall be guilty of an offence and liable to a fine of level 3 on the standard scale, and to a further fine of level 2 on the standard scale for each day during which the offence continues after 48 hours from the receipt of the notice of the escape.²⁰
- (2) In proceedings for an offence under this Article, it shall be a defence for the Company to prove that it was not reasonably practicable effectually to prevent the gas escaping within the period of 24 hours, and that the Company did effectually prevent the escape as soon as it was reasonably practicable to do so.

PART 12

QUALITY AND PRESSURE OF GAS

62 Quality of gas

- (1) The gas supplied by the Company shall be tested each quarter by the gas examiner appointed under Article 65 on at least –
 - (a) one day in each month at the principal works of the Company; and
 - (b) 2 days in each month at such place as the gas examiner chooses,and the testing shall be in the manner and under the conditions specified in Schedule 1 and the gas shall be of a calorific value expressed in British Thermal Units declared by the Company and called the Declared Calorific Value; and, as regards purity, the gas shall not show any trace of sulphuretted hydrogen when tested in accordance with the rules specified in that behalf in or pursuant to that Schedule; and the result of each test shall be communicated to the Company by post, not later than the next following day.
- (2) The Declared Calorific Value at the commencement of this Law shall be the Standard Calorific Power determined under the Loi (1918) sur la compagnie du gaz²¹ (now repealed) and in force immediately before that date; but the Company may alter the Declared Calorific Value by giving the Minister notice of its intention including the proposed new calorific value, and publishing a copy of the notice in one or more newspapers having circulation in the areas to be affected, at least 3 months before alteration; and on expiry of that period the value as altered shall become the Declared Calorific Value.
- (3) If in any quarter the average calorific value supplied by the Company, ascertained in the manner specified in Schedule 1, is inferior to the Declared Calorific Value, a sum fixed by arbitration as being as near as possible the amount by which the receipts of the Company have been unduly augmented shall be deducted from the revenue arising from the sale of gas in the year in which that quarter ended and that sum shall be credited to each consumer, in proportion to the gas supplied to the consumer during the quarter in which the deficiency occurred, in the first account rendered to the consumer by the Company after the fixing of the sum.
- (4) If in the test the calorific value is found to be more than 4% under the Declared Calorific Value, a second test shall be made on the same day at least one hour after the Company has been notified of the insufficient calorific value, and the average of the 2 tests (at least one of which shall be made at the control station at the principal works of the Company if the apparatus there is found to be in good order, or else at the Laboratory of the Official Analyst) shall be taken to be the calorific value of the gas supplied.
- (5) The Company shall make the quarterly reports of the gas examiner available to the public by exhibiting in its offices and showrooms a copy of the last report.

- (6) In this Article “quarter” means the period of 3 months beginning 1st January, 1st April, 1st July and 1st October.

63 Pressure of gas

- (1) Gas supplied by the Company to a consumer shall be at a pressure which balances a column of water of not less than 2 inches in height at the main or as near as possible to the junction therewith of the service pipe supplying the consumer.
- (2) The gas examiner appointed under Article 65 may, for the purposes of this Law and subject to the conditions of the gas examiner’s appointment, test, in conformity with the conditions specified in or pursuant to paragraph 1 of Schedule 1, the pressure at which gas is supplied, and the Company shall afford the examiner all reasonable facilities for making the test.

64 Control station and apparatus

- (1) The Company shall provide a control station at its principal works, with the necessary apparatus for testing –
- (a) the calorific value of the gas supplied;
 - (b) the presence of sulphuretted hydrogen in the gas supplied;
 - (c) the pressure at which the gas is supplied,
- and the apparatus shall be in accordance with rules specified in or pursuant to Schedule 1 and shall be so situated and arranged as to be available for testing.
- (2) The Company shall keep the control station and apparatus in good repair and working order to the satisfaction of the gas examiner, and no apparatus shall be removed or replaced without the gas examiner’s consent.
- (3) The Minister may build and maintain at public expense other control and testing stations.

65 Gas examiner

- (1) The Minister may appoint the Official Analyst as gas examiner to test the gas provided at the control station in accordance with Article 64, and the examiner may test there on any day the calorific value, purity and pressure of the gas supplied by the Company.
- (2) The Company may, on each occasion of the testing of the gas by the gas examiner, be represented by an agent or employee, but the agent or employee shall not interfere with the testing.
- (3) A test in pursuance of this Law shall be taken in conformity with rules specified in or pursuant to Schedule 1.
- (4) The gas examiner shall, on the day immediately following that on which the testing of the calorific value or purity of the gas has been conducted,

make a report of the results of the gas examiner's testing and deliver copies thereof to the Company, and the report shall be receivable in evidence.

- (5) The gas examiner shall make a report every quarter of the results of the gas examiner's testing in pursuance of this Law to the Minister and the report shall be receivable in evidence.
- (6) The Company shall give to the gas examiner and to the gas examiner's assistants, and to the Minister and their agents, access to the control station, and shall afford all facilities for the execution of this Law; and where the Company defaults in complying with the provisions of this paragraph, it shall be guilty of an offence.
- (7) In this Article and in paragraph 1 of Schedule 1 Official Analyst has the meaning assigned to it by the Food Safety (Jersey) Law 1966.²²

66 Offences under this Part

- (1) If on any day the gas supplied by the Company is less than the pressure, or of less purity, than required by or under this Law, the Company shall be guilty of an offence.
- (2) In proceedings for an offence under this Article it shall be a defence for the Company to prove that the insufficiency or defect was caused by circumstances beyond the control of the Company, but lack of sufficient funds shall not constitute a circumstance beyond the control of the Company.

PART 13

METERS

67 Company may require supply through meters

A consumer of gas supplied by the Company shall, if so required by the Company, consume it through a meter duly stamped as provided in this Law, being a lawful meter within the meaning of this Law, or through a meter supplied or approved of by the Company; and the Company shall not refuse to approve of a meter which, when tested in accordance with the rules hereinafter specified, is found to be correct.

68 Company to supply meters

The Company shall, on application to it, supply to an owner or occupier of premises a meter for registering the quantity of gas supplied; and the owner or occupier shall, if so required and before receiving the meter, give security for the payment of its price if he or she desires to buy it or of its rent if he or she desires to hire it.

69 Stamping of meters

- (1) A meter for measuring gas used for the purposes of this Law shall be stamped, either with the stamp of a meter examiner appointed under or pursuant to section 17 of the Gas Act 1986 of the United Kingdom or provision replacing it, or with the official stamp provided for the purpose by the Company.
- (2) A meter shall not be a lawful meter for the purposes of this Law unless it is stamped; and no meter shall be stamped by the Company unless it has previously satisfied the tests specified in this Part.

70 Apparatus for testing meters

The Company shall, for the purpose of testing meters, provide a gas holder measuring one cubic foot and multiples and decimal parts of a cubic foot, with proper balances, indices and apparatus for testing the measurement and registration of meters, and the gas holder shall be certified and stamped as correct by the Gas and Oil Measurement Branch of the Department of Energy in England or its predecessors or successors.

71 Rules for testing meters

The following rules shall be observed by the Company in testing meters –

- (a) *Soundness* – meters shall be examined with closed outlets for external soundness or leakage, under a pressure which balances a column of water 20 inches high; and if any escape is indicated, the meter shall not be stamped;
- (b) *Unregistered gas* – meters shall be fixed on a horizontal base, and tested for the registration of small quantities at a pressure which balances a column of water 5 inches high and with the outlet checked so as to pass gas or air at the following rates –

<i>Quantity of gas per hour which meter is intended to measure</i>	<i>Rate at which gas or air is to be allowed to pass out</i>
Not exceeding 212 cubic feet	0.5 cubic foot per hour
Exceeding 212 cubic feet but not exceeding 883 cubic feet	1.0 cubic foot per hour
Exceeding 883 cubic feet but not exceeding 2,296 cubic feet	2.0 cubic feet per hour
Exceeding 2,296 cubic feet	3.0 cubic feet per hour

In making this test every meter shall be made to work through at least one revolution or complete action of the meter; a meter found not to register under these conditions shall not be stamped.

- (c) *Registration* – a meter to be tested for percentage of error shall be fixed on a horizontal base, and shall be tested at a pressure which balances a column of water 2 inches high at the inlet of the meter and the outlet shall be checked so that the meter is passing gas or air at a rate of flow of not less than one fiftieth of the greatest rate of flow for which it is designed and not more than that greatest rate of flow.

72 Tolerance of error in meters

- (1) No meter shall be stamped which, after testing, is found to register or be capable of being made, by a contrivance for that purpose, by any means practically prevented in a good meter, to register quantities varying from the true standard measure of gas more than 2% in favour of either the seller or the consumer; and a meter found after testing to register or to be capable of registering quantities varying from the true standard measure of gas beyond those limits shall be deemed to be incorrect within the meaning of this Law.
- (2) A meter found to measure and register quantities of gas accurately, or not varying beyond the limits specified in paragraph (1), and incapable by any means therein specified of registering quantities of gas varying beyond those limits, shall be considered to be correct, and shall be stamped, in a manner and on a part of the meter as shall most effectively prevent fraud.

73 Provisions incidental to testing of meters

- (1) If the Company has to test a meter in consequence of a dispute as to the registered consumption, the Company shall notify the consumer in writing of the date and time when the meter is to be tested, and shall inform the consumer of the consumer's right to be present at the test; and if the consumer is not satisfied with the test made by the Company, the consumer may require the meter to be sent to a meter examiner appointed under or pursuant to section 17 of the Gas Act 1986 of the United Kingdom or provision replacing it, in order that it may be tested by the meter examiner and a report made thereon.
- (2) If the result of the new test confirms that made by the Company, the consumer shall pay the costs of the second test including the fees connected therewith up to a maximum of £50; but if it is proved that the test made by the Company was incorrect, the Company shall pay all the costs and fees connected with the second test.
- (3) The Company shall keep a register in which shall be noted all tests of meters, specifying the identify number and indication of capacity marked on each meter by the makers.

74 Company's authority to connect or disconnect meters

- (1) Except with the Company's authority, no person shall connect a meter with a pipe through which gas is supplied by the Company to that meter, nor disconnect a meter from any such pipe.
- (2) A person who contravenes the provisions of this Article shall be guilty of an offence.

75 Maintenance of meters

- (1) A consumer of gas supplied by the Company shall, at the consumer's own expense, keep all meters belonging to the consumer whereby the gas of the Company is registered in proper order for the purpose of correctly registering the gas; and in default of the consumer's so doing the Company may cease to supply gas through that meter.
- (2) The Company shall, at all reasonable times, have access to and may remove, take away, test and inspect and replace a meter; and removal, carriage, test, inspection and replacement shall be done at the expense of the Company if the meter is found to be in proper order, but if otherwise at the expense of the consumer.

76 Hire of meters

- (1) Without prejudice to any other powers of the Company, the Company may let on hire meters for ascertaining the quantity of gas consumed or supplied, and fittings thereto, for an amount, and on terms with respect to the repair of the meter and fittings and for securing the safety and return to the Company of the meter, as may be agreed upon between the consumer and the Company, and charges made therefor shall be recoverable in the same manner as the amounts due to the Company for gas.
- (2) The Company shall at all times, at its own expense, keep all meters let on hire to consumers in proper order for the purpose of correctly registering gas, and in default of its so doing a consumer shall not be liable to pay rent for the meter while the default continues, and the Company shall, for those purposes, at all reasonable times, have access to and may remove, test, inspect and replace a meter.

77 Meters *prima facie* evidence of gas consumed

- (1) The register of the meter shall be *prima facie* evidence of the quantity of gas consumed and in respect of which a payment or rate is charged and sought to be recovered by the Company; but if the Company and the consumer do not agree as to the quantity consumed, the dispute shall be determined, upon the application of either party, by the court.
- (2) If a meter used by a consumer of gas, after having been tested in the manner prescribed by this Law, is proved to register erroneously within the meaning of this Law, the erroneous registration shall be deemed to

have first arisen during the preceding quarter, unless it be proved to have first arisen during the current quarter.

- (3) The amount of the allowance to be made to, or of the surcharge to be made on, the consumer by the Company, as the case may be, shall be paid by or to the Company to or by the consumer and shall be recoverable in the same manner as gas charges are recoverable by the Company.

PART 14

MATTERS ANCILLARY TO SUPPLY OF GAS

78 Anti-fluctuators

- (1) A consumer of gas supplied by the Company who makes use of a gas engine shall, if required by the Company to do so, use an efficient anti-fluctuator, and the consumer shall at the consumer's own expense keep the anti-fluctuator in proper order; and if the consumer does not use an anti-fluctuator or does not keep the anti-fluctuator in proper order, the Company may cease to supply gas to the consumer.
- (2) The Company shall at all reasonable times have access to and may remove, take away, test, inspect and replace an anti-fluctuator; and removal, carriage, test, inspection and replacement shall be done at the expense of the Company if the anti-fluctuator is found to be in proper order, but if otherwise, at the expense of the consumer.

79 Unlawful abstracting, etc., of gas

- (1) A person who wilfully, fraudulently, or by culpable negligence, injures or causes to be injured gas fittings belonging to the Company, or alters the index of a meter, or prevents a meter from registering the quantity of gas supplied, or fraudulently abstracts, consumes or uses the Company's gas, shall (without prejudice to any other right or remedy for the protection of the Company or the punishment of the offender) be guilty of an offence and liable to imprisonment for a term of 6 months and to a fine of level 3 on the standard scale.²³
- (2) Where a person has wilfully or fraudulently injured or caused to be injured gas fittings belonging to the Company, or altered the index of a meter, or prevented a meter from registering the quantity of gas supplied, the Company may also, until the matter complained of has been remedied, but for no longer, discontinue the supply of gas to the offender, notwithstanding any existing contract.
- (3) The existence of artificial means for causing alteration of the index or prevention of registration of gas supplied, or for abstracting, consuming or using the Company's gas, when a meter is under the custody or control of the consumer, shall be *prima facie* evidence that the alteration, prevention, abstraction, or consumption, has been wilfully and fraudulently caused by the consumer using the meter.

80 Unauthorised equipment, etc., used in connection with supply of gas

A person who lays or causes to be laid a pipe joining any pipe belonging to the Company without its consent, or who, where the gas supplied by the Company is not ascertained by meter, uses a burner other than as has been provided or approved of by the Company, or of larger dimensions than that person has contracted to pay for, or keeps lights burning for a longer time than the person has contracted to pay for, or who in any other manner improperly uses or burns gas, or supplies another person with part of the gas supplied to the person by the Company, shall be guilty of an offence; and the Company may cease supplying gas to the premises of the offending person, notwithstanding any previous contract.

81 Damage to pipes etc²⁴

- (1) A person who intentionally removes, destroys or damages a pipe, pillar, post, plug or other property of the Company used in connection with the supply of gas or wastes or improperly uses gas supplied by the Company, shall be guilty of an offence and liable to imprisonment for a term of 2 years and a fine.
- (2) This Article is subject to Article 30(12) of the Road Works and Events (Jersey) Law 2016²⁵.

82 Property in gas fittings

Gas fittings let for hire by the Company and marked or impressed with a sufficient mark or brand indicating the Company as the owner thereof –

- (a) shall not be subject to arrest by a landlord as security for rent, or be liable to be taken in execution under process of a court or any proceedings *en desastre* by the Viscount against the person in whose possession they may be;
- (b) shall not be deemed to be landlord's fixtures notwithstanding that they may be fixed or fastened to part of the premises in which they are situated.

83 Access to premises by Company

- (1) An employee or agent of the Company may, at all reasonable times, enter premises supplied with gas by the Company in order to inspect gas fittings or the means of ventilation used in connection therewith, or service pipes or other apparatus (not being gas fittings) which is or are on the premises and used for the supply of gas or connected to a gas main, and for the purpose of ascertaining the quantity of gas consumed or supplied.
- (2) The power to inspect under paragraph (1) includes the power to test any of the things mentioned therein and the adequacy of ventilation thereto and, where it is in the opinion of the employee or agent necessary for the averting of danger to life or property, and notwithstanding any existing

contract for the supply of gas, the employee or agent may disconnect and seal off a gas fitting or part of a gas supply system or cut off the supply of gas to the premises, or, if no such supply is being given, signify the refusal of the Company to give that supply.

- (3) Where the Company has reasonable cause to suspect that gas is escaping, or may escape, in premises, it may appoint one or more employees or agents to enter the premises for the purpose of inspecting the gas fittings and preventing the escape, and to inspect the fittings, carry out any work necessary to prevent the escape, and take any other steps necessary to avert danger to life or property; and where an employee or agent has reasonable cause to suspect that gas which has escaped has entered, or may enter, other premises, the employee or agent may enter those premises also and take any steps necessary to avert danger to life or property.
- (4) A person who wilfully obstructs an employee or agent exercising powers under this Article shall be guilty of an offence.
- (5) A person who, except with the consent of the Company or in pursuance of directions given by the Minister –
 - (a) reconnects a gas fitting or part of a gas supply system which has been disconnected under this Article;
 - (b) restores the supply of gas to premises from which it has been cut off under this Article;
 - (c) causes gas from gas mains of the Company to be supplied to premises in respect of which the refusal of the Company to supply has been signified under this Article and not withdrawn,shall be guilty of an offence.

84 Right to stop supply of gas

- (1) If a person supplied with gas by the Company neglects to pay the rate or price due for that gas to the Company, the Company may stop the gas from entering the premises of that person either by cutting off the service pipe, or by other means as the Company thinks fit.
- (2) The Company may recover the costs of stopping gas under this Article from the person whose supply is cut off.

85 Notice of discontinuance by consumer

- (1) At least 24 hours' notice in writing shall be given to the Company by a consumer before the consumer vacates premises supplied with gas by meter by the Company, and in default of a notice the consumer shall be liable to pay to the Company the money accruing due in respect of supply up to the next usual period for ascertaining the register of the meter on those premises, or up to the date from which any subsequent occupier of those premises requires the Company to supply gas, whichever first occurs.

- (2) Notice of the effect of this provision shall be inscribed in print or manuscript on every demand note for gas charges payable to the Company.
- (3) A notice to the Company under this Article shall be of no effect unless it is in writing signed by or on behalf of the consumer and is left at, or sent by post to, the office of the Company.

86 Right of entry to remove gas fittings

- (1) Where a consumer of gas supplied by the Company ceases to require a supply of gas, and where the Company is authorized to remove and to cut off the supply of gas to premises, the Company, or its agents or employees may, after 24 hours' notice in writing to that effect under the hand of the secretary or other properly authorized agent of the Company has been given to the occupier, or, if the premises are unoccupied, to the owner or lessee, or to the agent of the owner or lessee, of premises in which gas fittings or apparatus belonging to the Company are laid or fixed, and through or in which the supply of gas is for any reason discontinued, enter the premises between the hours of 9am and 4pm for the purpose of removing the gas fittings from those premises; and the Company shall make good any damage caused by the entry and removal.
- (2) A person who wilfully obstructs an employee or agent exercising powers under this Article shall be guilty of an offence.

87 Incoming occupier not normally liable for arrears

If a consumer of gas supplied by the Company vacates premises where gas has been supplied to the consumer without paying the gas charges or meter rent due by the consumer, the Company shall not require from the next tenant or occupier of those premises the payment of the arrears left unpaid by the former tenant or occupier unless the incoming tenant or occupier has entered into an undertaking with the former tenant or occupier to relieve the incoming tenant or occupier of the payment of the arrears and to pay them himself or herself.

88 Gas tariffs

- (1) The Company shall charge for gas supplied by it according to the number of therms, or, at its option, the number of kilowatt hours, supplied, which charges shall, subject to Article 89, be in accordance with tariffs fixed from time to time by the directors; and such tariffs shall be so framed as to show the methods by which, and the principles on which, the charges are based, and shall be published in a manner as, in the opinion of the directors, will secure adequate publicity.
- (2) The tariffs fixed by the directors may include standing charges in addition to the charge for the actual gas supplied and may also include a rent or other charge in respect of a meter or fittings provided by the Company on the premises of the consumer.

- (3) The Company may demand payment of a minimum charge 4 times a year, which minimum charge shall not exceed the charge which the Company could make for the consumption of 5 therms or, in the event that the Company charges according to the number of kilowatt hours supplied, 146 kilowatt hours, of gas.
- (4) The Company may enter into a special agreement with a consumer for the supply of gas to the consumer on terms specified in the agreement, but it shall do so only –
 - (a) where the Company's tariffs are not appropriate by reason of special circumstances;
 - (b) where the agreement provides for a minimum supply of gas to premises in excess of 25,000 therms, or its equivalent in kilowatt hours, in any period of 12 months.
- (5) The directors in fixing tariffs shall not show undue preference to or discriminate against any person or class of persons.

89 Power of States in connection with gas tariffs

- (1) Where it appears to the States to be necessary to do so in the public interest, the States may by Regulations –
 - (a) determine the tariffs to be made by the Company in respect of gas which it supplies; and
 - (b) specify the manner in which the tariffs are to be assessed and make provisions incidental thereto.
- (2) In determining the tariffs, the States shall have regard to the following or any other relevant matters –
 - (a) the present needs of the Company and the future expansion of services provided by the Company;
 - (b) the ability of the Company so long as its business is managed efficiently to pay –
 - (i) interest on and reimbursement of money borrowed, raised or owing by the Company,
 - (ii) a dividend on the preference shares issued by it at the rate fixed under the terms of issue of those shares, and
 - (iii) a reasonable dividend on the ordinary shares issued by it;
 - (c) any capital expenditure which the Company may reasonably be expected to incur during the next 5 years and the desirability of the Company's charging that expenditure, or part thereof, to revenue;
 - (d) the ability of the Company to pay all proper expenses of and connected with the working, management and maintenance of the Company;
 - (e) the provision of any contributions, whether set apart out of revenue or otherwise, which the Company may lawfully carry to a reserve, contingency or amortisation fund;

- (f) the ability of the Company to make good depreciation, whether or not provision therefor is made by a reserve or contingency fund; and
 - (g) the ability of the Company to meet all other costs, charges and expenses, if any, properly chargeable to revenue.
- (3) Regulations made under this Article, unless previously renewed by the States, shall lapse after 12 months from the date on which they come into force.

PART 15

MISCELLANEOUS

90 General penalty and liability of directors, etc.

- (1) Where the Company or a person is guilty of an offence under this Law for which no penalty is expressly provided the Company or that person shall be liable to a fine of level 3 on the standard scale, and where the offence is a continuing one, to a further fine of level 1 on the standard scale for each day after the first during which the offence continues.²⁶
- (2) Where an offence has been committed by the Company, and it is proved that the offence occurred with the consent or connivance of, or was attributable to any neglect on the part of, a director or officer of the Company, or any person who was purporting to act in such a capacity, the director, officer or person, as well as the Company, shall be guilty of that offence and liable to be proceeded against and punished accordingly.

91 Disputes between Company and gas examiner

In the event of a dispute between the Company and the gas examiner appointed by virtue of Article 65 the matter shall be referred to an arbitrator, who shall be a competent authority on gas testing, appointed by the Minister in agreement with the Company or, failing agreement, by the President for the time being of the Institution of Gas Engineers at the request of the Minister and the costs of the arbitration shall be borne by the Company.

92 Printed copy of Law to be kept

The Company shall keep in its principal office a printed copy of this Law which shall be available for inspection by members of the public during normal business hours.

93 Restriction on Company ceasing gas business or disposing of certain fixed assets

- (1) The Company shall not –
 - (a) cease to produce and supply mains gas; or

- (b) sell or dispose of a fixed asset essential to the production or supply of mains gas,

unless it has given the States, in the case of sub-paragraph (a), not less than 12 months' prior notice, or, in the case of sub-paragraph (b), not less than one month's prior notice, of its intention to do so.

- (2) On receipt of a notice under paragraph (1) the States may –

- (a) in the case of proposed cessation, purchase the undertaking of the Company under Article 95;
- (b) in the case of proposed sale or disposal of a fixed asset essential to the production or supply of mains gas, purchase that asset in accordance with the provisions of Schedule 2,

and in either case shall give written notice (in respect of sub-paragraph (b) to be called an option notice) to the Company within the relevant period of its intention to do so.

- (3) A sale or disposal made contrary to paragraph (1) shall be void, but if no notice is served by the States under paragraph (2) within the relevant period the Company may freely deal with or dispose of the relevant property unencumbered by virtue of this Law.
- (4) In this Article “disposal” includes the creation of a hypothec, charge, lien or other security over the asset.

94 Conditions under which Company may be wound up

The Company may be wound up –

- (a) subject to the giving of the notice required by Article 93(1)(a) as to cessation of production and supply, by a special resolution of the Company to that effect, in which case the winding up shall commence from the date on which a certified copy of the resolution is sent to the Judicial Greffier;
- (b) if the number of shareholders is reduced to less than 2 and –
 - (i) written notice of the number is given to the Judicial Greffier, and
 - (ii) the number of shareholders remains at less than 2 for a period of 12 months from the date of that notice,

in which case, subject to the exercise by the States of its powers under Article 95, winding up shall take effect from that date.

95 Purchase by States of Company's undertaking

- (1) The States, may, after giving the Company not less than 12 months' prior written notice of its intention to do so, purchase the undertaking of the Company on payment to the Company by way of compensation, on the transfer date or as soon thereafter as the compensation payable hereunder as has been determined, of a sum representing the greater of –
 - (a) the net asset value of the Company; or

- (b) a sum which the property and rights to be transferred to the States by virtue of the provisions of Schedule 3 would be expected to realize –
- (i) if they had been sold as a going concern, subject to the liabilities and obligations to be transferred to the States by virtue of the provisions of Schedule 3, on the date of service of the notice under this paragraph, in the open market by a willing seller to a willing buyer, and
 - (ii) if this Article and Article 93 did not exist, together with an amount representing interest on the sum, calculated from the date of the notice to the transfer date, at a reasonable rate; and the amount representing interest under this sub-paragraph shall not, for taxation or other purposes, be treated as income but as part of the compensation due to the Company, and in either case on payment by the States in addition of interest on the compensation calculated from the transfer date up to the date of payment of the compensation, at a reasonable rate.
- (2) The period of 12 months required by paragraph (1) shall not be required where notice has been given to the States pursuant to Article 93(1)(a) or received by the Judicial Greffier pursuant to Article 94(b) and the States have decided to purchase the undertaking of the Company.
- (3) Where notice is given by the States under this Article the provisions of Schedule 3 shall apply, and the expressions “transfer date” and “net asset value” in this Article have the meanings assigned to them in that Schedule.

96 Restriction on offer by States to shareholders of Company

Save with the agreement of the directors, if the States at any time makes, or procures the making of, an offer to shareholders of the Company to acquire all or part of their shares in the Company, the consideration offered shall not be less than that provided for in Article 95(1) (with the substitution, for references to the transfer date and the date of service of the notice under that paragraph, of references to the date of the offer); and the provisions of Part 2, and paragraphs 1 and 4(d), (e) and (f) of Part 3, of Schedule 3 shall *mutatis mutandis* apply.

97 Retrospective operation of Articles

The powers of the Company set out in Articles 4, 22(4) and 29(4) shall be deemed to have been vested in the Company since its incorporation.

98 Citation and repeal

- (1) This Law may be cited as the Jersey Gas Company (Jersey) Law 1989.
- (2) The Loi (1918) sur la compagnie du gaz²⁷ is repealed, but bye-laws made thereunder shall continue in force and be deemed to have been made under this Law.

SCHEDULE 1

(Articles 62, 63, 64 and 65)

RULES FOR TESTING QUALITY AND PRESSURE OF GAS

1. The apparatus and method adopted for testing the calorific value of the gas and the pressure at which gas is supplied, and for testing for the presence of sulphuretted hydrogen therein, shall be as agreed between the Company and the Official Analyst appointed under Article 65.
2.
 - (1) The average calorific value of the gas supplied in any quarter shall be ascertained by the gas examiner by taking the sum of the calorific value of the gas as determined by the results of all the official testings.
 - (2) The sum shall be divided by the total number of testings made during the quarter, and the quotient shall be the average calorific value for the quarter.
 - (3) A copy of this average shall be supplied to the Company at the earliest 14 days but not later than 21 days after the end of each quarter.
3. The number of therms supplied to a consumer shall be ascertained by multiplying the number of cubic feet of gas registered by the consumer's meter by the number of British Thermal Units comprised in the Declared Calorific Value, and dividing the product by 100,000.
4. The number of kilowatt hours supplied to a consumer shall be ascertained by multiplying the number of cubic feet of gas registered by the consumer's meter by the number of British Thermal Units comprised in the Declared Calorific Value and dividing the product by 3412.14.

SCHEDULE 2

(Article 93(2)(b))

**PROCEDURE WHERE STATES INTEND TO PURCHASE A FIXED ASSET
OF THE COMPANY ESSENTIAL TO THE PRODUCTION OR SUPPLY OF
MAINS GAS**

Where the States have served an option notice on the Company under Article 93(2)(b) stating their intention to purchase a fixed asset of the Company essential to the production or supply of mains gas the following provisions shall apply –

1. The value of the asset shall be assessed as at the date of service of the option notice and shall be the amount which the asset would have been expected to realize if it had been sold, free from encumbrance (save for any encumbrance, exception, reservation, restriction, covenant or condition to which it was subject at the date of commencement of this Law or, if later, the date of acquisition by the Company) on the open market by a willing seller to a willing buyer, and as if Articles 93 and 95 did not exist.
2. If the Company and the States do not agree the value within one month from the date of service of the option notice, an independent valuer shall be appointed to make a valuation binding on the parties; and the valuer shall be a person agreed by the parties or, failing agreement within 14 days, to be selected (at the instance of either party) by the President for the time being of the Royal Institution of Chartered Surveyors in England, and the costs of the valuation shall be shared equally between the parties.
3. The States may revoke the option notice at any time before the value of the asset is agreed or before the expiry of one month after it has been assessed but otherwise the Company shall not sell or dispose of the asset except to the States after the option notice has been received.
4. When the value of the asset has been agreed or assessed the States shall, subject to paragraph 3, pay that amount to the Company and the Company shall convey the asset to the States free from encumbrance (save any encumbrance, exception, reservation, restriction, covenant or condition as is mentioned in paragraph 1).
5. Where an option notice has been served on the Company and subsequently revoked the Company may freely deal with or dispose of the asset notwithstanding the provisions of Article 93(1).

SCHEDULE 3

(Article 95(3))

**PROCEDURE WHERE STATES INTEND TO PURCHASE THE
UNDERTAKING OF THE COMPANY****PART 1****TRANSFER OF PROPERTY, ETC.**

Where the States have served a notice on the Company under Article 93(2)(a), or a notice under Article 95(1), stating their intention to purchase the undertaking of the Company the following provisions shall apply –

1.
 - (1) On the date fixed by the States for the purposes, or on a date agreed between the States and the Company (in this Schedule called the “transfer date”) the Greffier of the States shall apply to the court for an order that all property, liabilities, rights and obligations of the Company (save for documents required to be kept by the Company pursuant to the provisions of this Law) shall be transferred from the Company to the States and shall vest in the States by virtue of this paragraph and without further assurance.
 - (2) The court shall, if satisfied that the provisions of this Law have been complied with, so order, and further order that a record of the title of the States be registered in the Public Registry of Contracts.
 - (3) The record so registered shall have effect as a contract passed before the court and shall constitute a valid title to the property and rights appertaining thereto, and the title shall bear the date of the order of the court.
2. The Company shall not without the consent of the States, which consent shall not be refused without valid reasons, incur any capital expenditure in connection with the undertaking after it has received notice from the States of their intention of exercising their right of purchase.
3. Where in the case of a transfer under this Part any property, liability, right or obligation which is to be transferred to the States cannot be properly vested in the States because transfers thereof are governed otherwise than by the law of Jersey, the Company shall take all practicable steps for the purpose of securing that the transfer of the property, liability, right or obligation is effective under the relevant foreign law.
4. In this Schedule –
 - (a) a reference to property, liabilities, rights and obligations of the Company is a reference to all property, liabilities, rights, and

obligations, whether or not capable of being transferred or assigned by the Company and whether of a personal nature or otherwise;

- (b) a reference to liabilities, rights and obligations of the Company is a reference to liabilities, rights and obligations to which the Company is entitled or subject whether under the law of Jersey or elsewhere.

PART 2

VALUE OF ASSETS AND DISPUTES AS TO AMOUNTS

1. In this Part of this Schedule –

“Group” means the Company and any subsidiary thereof;

“liabilities”, for the purpose of assessing net asset value, includes any amount retained as reasonably necessary for the purpose of providing for any liability or loss which is likely to be incurred, or which is certain to be incurred but is uncertain as to amount or as to the date on which it will arise;

“net asset value” means the total value of the assets of the Group after deducting the liabilities of the Group, all as shown (after deducting amounts attributable to outside shareholders in subsidiaries of the Company) by an audited consolidated balance sheet of the Group prepared in accordance with paragraphs 3 and 4 of this Part of this Schedule.

2. In determining the net asset value of the Company no deduction shall be made in respect of any liabilities of the Company in respect of a scheme referred to in paragraph 1 of Part 3, or in respect of any of the pensions or other benefits referred to in paragraph 4(f) of Part 3, of this Schedule; but those things may be taken into account in assessing the value of the Company as a going concern under Article 95(1)(b).
3. As soon as possible after the transfer date the Company shall procure an audited consolidated balance sheet of the Group as at the transfer date, which shall be prepared on the same bases and applying the same policies and principles, subject to paragraph 4 below, as those adopted in preparing the last published audited accounts of the Company prior to the transfer date.
4.
 - (1) In the balance sheet –
 - (a) there shall be included all accrued profits and losses as at the transfer date in respect of transactions on or prior to that date and appropriate provisions for taxation on those profits and losses shall be made;
 - (b) each of the fixed assets of the Group, and each of the liabilities of the Group (being liabilities which are currently dealt in and are in the form of debentures) shall be valued at the amount which each asset or liability might have been expected to realize if it had been sold (in the case of a liability, by the person entitled to the benefit

thereof) immediately prior to the transfer date on the open market by a willing seller to a willing buyer and as if Articles 93 and 95 did not exist; and; for the purposes of this sub-paragraph, liabilities shall be deemed to be currently dealt in if at the transfer date there have been 6 or more dealings in those liabilities during the period of 6 months preceding that date; and, in determining the value of any asset or liability, no reduction shall be made on account of any assumption that the whole of the assets or liabilities is to be placed on the market at one time;

- (2) Notwithstanding sub-paragraphs (1) and (3) of this paragraph and paragraph 3, to the extent that an item which would or might be included in the balance sheet is not transferred to the States pursuant to paragraph 1 or 3 of Part 1 of this Schedule, that item shall not be included in the balance sheet.
- (3) The balance sheet shall, subject to the provisions of this paragraph and paragraph 3, present a true and fair view of the state of the Group's affairs at the transfer date.
- 5. A question as to the amount of compensation, or the rate of interest, or amounts representing interest, to be paid under or by virtue of Article 95, or whether particular property, liabilities, rights or obligations vest in the States by virtue of Part 1 of this Schedule shall, in default of agreement between the Company and the States, be determined by a Board of Arbitration consisting of 3 persons constituted, and following the procedure, as follows –
 - (a) the Company and the States shall each nominate one arbitrator within 60 days after the delivery of a request in writing by the other party to do so, failing which that arbitrator may at the request of the other party be appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales;
 - (b) the third arbitrator, who shall serve as chairman of the Board of Arbitration, shall be nominated either –
 - (i) by agreement between the arbitrators nominated by the parties, or
 - (ii) if the arbitrators nominated by the parties fail to agree upon a third arbitrator within 60 days after the latter of them has been nominated, by the President for the time being of the Institution of Gas Engineers in England at the written request of either or both of the parties;
 - (c) should a vacancy arise because an arbitrator dies, resigns, or (in the opinion of the arbitrator's fellow arbitrators) refuses to act or becomes incapable before a decision is given, the vacancy shall be filled by the method laid down in this paragraph for the original appointment;
 - (d) the place of arbitration shall be such as may be agreed by the parties and in default of agreement shall be in St. Helier;
 - (e) the decision of the Board of Arbitration shall be final and binding on the parties, save that either party shall have the right to appeal to

the court against the decision of the Board on a point of law alone within one month after the date on which notice of the decision was communicated to it;

- (f) at any time during the conduct of the arbitration the Board of Arbitration of its own motion may, and upon the application of both parties shall, state a case for the opinion of the court on a question of law or procedure which may arise, and until the decision of the court has been given upon that reference, the proceedings in arbitration shall be suspended;
- (g) upon a reference by case stated as provided herein the court shall hear and determine the question or questions of law or procedure arising on the case and shall remit the matter to the Board of Arbitration with its opinion thereon or may make such other order in relation to the matter and may make such orders as to costs as may seem just; and the court may also cause the case to be sent back for amendment, and thereupon the case shall be amended accordingly and judgment shall be delivered after it has been amended;
- (h) the costs of the arbitration and of the reference shall be borne equally by the States and the Company;
- (i) Part I of the Arbitration Act 1950 of the United Kingdom, and the Arbitration Act 1979 of the United Kingdom, or such Acts as may replace those provisions, shall apply to every arbitration under this paragraph as if those Acts extended to Jersey, as if the arbitration were pursuant to an arbitration agreement, within the meaning of the Arbitration Act 1950 of the United Kingdom, and as if this paragraph were an arbitration agreement, and as if, for references to the High Court, there were substituted references to the Royal Court, except insofar as those Acts are inconsistent with this paragraph or any rules or procedure of the Royal Court.

PART 3

PROVISIONS AS TO PENSIONS

1. In this Part of this Schedule “scheme” means a pension fund or scheme other than a pension referred to in paragraph 4(f).
2. The trust deeds, rules or instruments constituting or relating to each scheme of the Company shall, on and from the transfer date, be construed and have effect as if the States were substituted for the Company as employer for the purpose of the scheme, and the States shall execute and do all documents, acts and things as may be necessary or expedient for the purposes of the substitution.
3. The provisions of any scheme relating to its winding up shall not have effect by reason only of the winding up or dissolution of the Company on or after the transfer date or by reason only of the substitution mentioned in paragraph 2.

4. Without prejudice to paragraph 2, on and after the transfer date the States shall –
- (a) observe and perform such of the provisions of all schemes as are thereunder to be observed and performed by the employer;
 - (b) have power exercisable by deed at its discretion to appoint new trustees and to remove and replace for any reason any or all of the trustees of any or all schemes;
 - (c) have power exercisable by deed to alter or modify provisions of any scheme and whether retrospectively or otherwise; but no such alteration or modification shall be made which reduces the benefits of a beneficiary of any scheme already accrued at the date of the deed;
 - (d) ensure that the beneficiaries of each scheme are not placed in worse position by reason of the purchase of the undertaking of the Company by the States;
 - (e) ensure that there shall be admitted to each scheme any employee of the Company or its subsidiary at the transfer date who would, at that date, qualify for admission to the scheme after the expiry of a specified period of service or the attaining of a specified age; that each admission shall take place when requested by the employee (subject to the fulfilment of any such condition); and that subparagraph (d) applies to those employees;
 - (f) whether or not the Company was legally obliged to pay them, continue to pay (or, where Article 96 applies, ensure that the Company will continue to pay) the pensions and other benefits listed in an exchange of letters between the Company and the Minister for Treasury and Resources (save insofar as, prior to the transfer date the Company has secured any of those pensions or other benefits) at the rates specified therein, or such higher rates as are paid by the Company immediately before the transfer date; and the obligations of the States under this subparagraph shall be enforceable at the suit of each person listed in the exchange of letters or the person's dependants.

ENDNOTES**Table of Legislation History**

Legislation	Year and No	Commencement	◦Projet No (where applicable)
Jersey Gas Company (Jersey) Law 1989	L.18/1989	1 December 1989	
Water Pollution (Jersey) Law 2000	L.14/2000	25 November 2000	P.15/2000
Public Finances (Consequential Amendments) (Jersey) Regulations 2005	R&O.126/2005	9 December 2005	P.203/2005
States of Jersey (Amendments and Construction Provisions No. 3) (Jersey) Regulations 2005	R&O.132/2005	9 December 2005	P.216/2005
States of Jersey (Transfer of Functions No. 8) (Miscellaneous Transfers) (Jersey) Regulations 2015	R&O.158/2015	1 January 2016	P.46/2015 (re-issue)
Criminal Justice (Miscellaneous Provisions) (Jersey) Law 2016	L.1/2016	20 September 2016 (R&O.98/2016)	P.87/2015
Road Works and Events (Jersey) Law 2016	L.11/2016	1 January 2017 (R&O.121/2016) 1 January 2018 (R&O.118/2017)	P.152/2015

◦Projets available at www.statesassembly.gov.je

Table of Renumbered Provisions

Original	Current
PART I	PART 1
1(2),(3),(4)	spent, omitted from this revised edition
PART II	PART 2
PART III	PART 3
PART IV	PART 4
PART V	PART 5
PART VI	PART 6
PART VII	PART 7
PART VIII	PART 8
PART IX	PART 9
PART X	PART 10
PART XI	PART 11
61	repealed by L.14/2000

Original	Current
62	61
63	repealed by L.14/2000
PART XII	PART 12
64	62
65	63
66	64
67	65
68	66
PART XIII	PART 13
69	67
70	68
71	69
72	70
73	71
74	72
75	73
76	74
77	75
78	76
79	77
PART XIV	PART 14
80	78
81	79
82	80
83	81
84	82
85	83
86	84
87	85
88	86
89	87
90	88
91	89
PART XV	PART 15
92	90
93	91
94	92
95	93
96	94
97	95
98	96
99	97
100	98
FIRST SCHEDULE	SCHEDULE 1
SECOND SCHEDULE	SCHEDULE 2
THIRD SCHEDULE	SCHEDULE 3
PART I	PART 1
PART II	PART 2

Original	Current
PART III	PART 3

Table of Endnote References

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- ¹ *This Law has been amended by the States of Jersey (Amendments and Construction Provisions No. 3) (Jersey) Regulations 2005. The amendments replace all references to a Committee of the States of Jersey with a reference to a Minister of the States of Jersey, and remove and add defined terms appropriately, consequentially upon the move from a committee system of government to a ministerial system of government*
- ² *Article 1*
- ³ *L.1/1918*
- ⁴ *chapter 13.125*
- ⁵ *Article 37(2)*
- ⁶ *amended by R&O.126/2005*
- ⁷ *chapter 13.125*
- ⁸ *Article 43(1)*
- ⁹ *amended by R&O.126/2005*
- ¹⁰ *Article A46*
- ¹¹ *inserted by L.11/2016*
- ¹² *chapter 25.600*
- ¹³ *Article 46*
- ¹⁴ *substituted by L.11/2016*
- ¹⁵ *Article 47*
- ¹⁶ *amended by L.11/2016*
- ¹⁷ *Article 48*
- ¹⁸ *repealed by L.11/2016*
- ¹⁹ *Article 49*
- ²⁰ *repealed by L.11/2016*
- ²¹ *Article 50*
- ²² *repealed by L.11/2016*
- ²³ *Article 51*
- ²⁴ *repealed by L.11/2016*
- ²⁵ *Article 52*
- ²⁶ *repealed by L.11/2016*
- ²⁷ *Article 53*
- ²⁸ *substituted by L.11/2016*
- ²⁹ *Article A54*
- ³⁰ *inserted by L.11/2016*
- ³¹ *chapter 25.600*
- ³² *Article 61(1)*
- ³³ *amended by L.1/2016*
- ³⁴ *L.1/1918*
- ³⁵ *chapter 20.225*
- ³⁶ *Article 79(1)*
- ³⁷ *amended by L.1/2016*
- ³⁸ *Article 81*
- ³⁹ *substituted by L.11/2016*
- ⁴⁰ *chapter 25.600*
- ⁴¹ *Article 90(1)*
- ⁴² *amended by L.1/2016*
- ⁴³ *L.1/1918*