

26 March 2024

Ciaran McSherry  
Utility Regulator  
Queens House  
14 Queen Street  
Belfast  
BT1 6ED

Dear Ciaran

firmus energy welcomes the opportunity to respond to the Utility Regulator's consultation on its Revised Gas Distribution RIGs.

We have focussed this response on the questions outlined in the consultation document.

**a) Do you consider that the template and reporting guidance align with the GD23 Final Determination?**

Having worked closely with the Utility Regulator to arrive at this version of the revised gas distribution RIGs, we believe that the template and reporting guidance align with the GD23 Final Determination.

There have been numerous changes to both the template and reporting guidance, as compared to 2022, with the excel template increasing from 51 tabs to 81 tabs and the guidance decreasing from 211 pages to 171 pages.

It will not be until we commence to populate the template with the finalised 2023 data that we might identify any specific template issues. We would hope that these will be limited to minor points (e.g. formula errors) that can be easily corrected for this year and future years, subject to agreement with the Utility Regulator.

We welcome the move of the template changing from capturing data for single reporting years to capturing data for the full duration of the price control period. This should hopefully aid comparability between years and support analysis for the GD23 price control period.

We note that a number of tabs and tables have been removed as the information is either captured elsewhere or no longer required. We welcome the rationalisation of the template in these areas.

In relation to the structure of commentary, we note that paragraph 1.23 of the Regulatory Instructions and Guidance, similar to the GD17 guidance, requires the board to be satisfied that all relevant connections were burning a minimum quantity of gas.

We would note that distribution network operators only receive consumption information for all connections on an annual basis from suppliers (as part of the AQ process) and as such we rely on multi-year processes for determining the consumption of individual meterpoints.

The following extract from our 2022 cost reporting submission summarises the firmus energy (Distribution) process:

*firmus energy (Distribution) undertake an annual process to determine the quantity of gas used by customers and to forecast their future burn rates. This is known as the AQ process. The information derived from this determination process is shared with gas suppliers and assists them in highlighting properties that did not burn a minimum quantity of gas. Gas suppliers are responsible for requesting the withdrawal of meters from properties that they deem are not burning a satisfactory quantity of gas.*

*Customers connecting to the firmus energy network are informed of their obligation to burn gas via the gas application form (GAF) terms and conditions which state “if you do not use any gas during the first 12 months after we have connected the Supply address, you will need to pay the full costs of connection including any allowance given in our original quotation”. This GAF is signed by the customer and incentivises the customer to burn a minimum quantity of gas. Three months after meter installation all customers are called by telephone to ensure that downstream work has been completed and that they are burning gas.*

*On signing a GAF the customer is informed of the requirement to choose a supplier. Customers that do not choose a supplier default to the commissioning supplier in the Ten Towns (firmus energy (Supply) Limited).*

*The Board’s Audit and Risk Committee discuss and review the operation of the above processes and control systems on an annual basis with management.*

**b) Is there other information regarding cost and performance which the GDNs should be reporting in line with the GD23 Final Determination?**

We believe that this template, in combination with the GD23 Uncertainty Mechanism workbook, captures the information necessary to report in line with the GD23 Final Determination.

Whilst we do not believe there is any other information that requires capturing, if this consultation or other work streams identify missing material, firmus energy will work with the Utility Regulator to capture and report this information in a timely manner.

**c) Would any additional reporting be beneficial?**

As noted in our response to question b), whilst we do not believe there is any other information that requires capturing, if this consultation or other work streams identify additional reporting that would be beneficial, firmus energy will work with the Utility Regulator to capture and report this information in a timely manner.

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We trust that you find these comments useful and if there are any aspects to this response that you would like to discuss further, please do not hesitate to contact me.

Kindest regards,

A handwritten signature in blue ink, appearing to read "Mark W. Stevenson". The signature is stylized with a large initial "M" and a long horizontal stroke at the end.

Mark Stevenson  
Director of Regulation