

Mutual Energy Limited

First Floor, The Arena Building  
85 Ormeau Road, Belfast, BT7 1SH

t | +44 (0) 28 9043 7580

f | +44 (0) 28 9024 9673

[mutual-energy.com](https://www.mutual-energy.com)

**Nigel O'Donoghue**  
Utility Regulator  
Queens House  
14 Queen Street  
Belfast. BT1 6ED

**Re: Consultation on modifications to gas TSO licences relating to the Northern Ireland Gas Capacity Statement**

**Dear Nigel,**

Thank you for the opportunity to respond to the consultation on modifications to gas TSO licences relating to the Northern Ireland Gas Capacity Statement.

I am writing on behalf of the Mutual Energy group companies (Premier Transmission Ltd, Belfast Gas Transmission Ltd and West Transmission Ltd), who represent three out of the four currently licenced natural gas TSOs in Northern Ireland.

Mutual Energy are broadly supportive of the proposed changes and agree that the proposed new wording will better reflect actual practice in terms of creating a single NI Gas Capacity Statement. Changing the date for preparation of the statement will also ensure that TSOs have the best available data and information in good time to prepare it.

We understand that the proposed wording in condition 2.13.4 (b) relates to the form of the GCS, rather than the substantive content of it. We are comfortable with this principle. We do, however, have some slight concern that the proposed wording could be interpreted more generally and undermine the independence and expertise of the TSOs. We acknowledge this is not the intention of the proposed wording, nor is such a situation likely, but the wording could hypothetically lead to a situation whereby TSOs are obliged to change their independent forecasts, commentary, or conclusions at the Authority's request.

To avoid this, we propose some clarification in the wording, such that condition 2.13.4(b) might read:

"amend that statement in line with any requirements ***regarding the form of the statement*** specified by the Authority"

Or some similar wording which delivers the intention of the proposed changes, whilst protecting TSOs' independence in preparing the GCS.

This is our only substantive feedback on the detail of the proposed licence changes.

More generally, however, we note that this consultation comes at a time where increased focus is being placed on the transition to an energy system which can operate in a Net Zero world, and we await the publication of the NI Executive's Energy Strategy in this regard.

A key enabler of the energy transition is likely to be more holistic thinking in terms of the gas and electricity systems. This will be required to deliver carbon emissions at least cost to the consumer, while maintaining adequate security of supply.

For example, as policy around decarbonising domestic heating becomes clearer, it will increasingly require gas and electricity systems to work together when generating forecasts, otherwise there is a risk of 'double counting' and inefficiencies will result in terms of network planning from this. Additionally, as more peaking plant is required to support intermittent renewables on the electricity system, we need to ensure proactive sharing of information for efficient network planning to ensure that those generators will be able to be supplied by gas under the required operating scenarios.

With this in mind, we also suggest that this section of the gas transmission licences be reviewed in future, along with Conditions 33 to 36 of the electricity Transmission System Operator licence granted to SONI, to further enable and incentivise whole-system planning and ensure a holistic and efficient approach to the energy transition.

Should you have any questions on this response, please do not hesitate to get in touch.

Yours sincerely,  
Rowan Tunnicliffe  
Commercial Analyst