

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

26 March 2024

Revised Gas Transmission RIGs Consultation

Dear Ciaran,

Mutual Energy Limited (MEL) is grateful to have the opportunity to respond to this consultation on behalf of its three wholly owned subsidiaries Premier Transmission Limited (PTL), Belfast Gas Transmission Limited (BGTL) and West Transmission Limited (WTL), which hold licences to convey gas granted pursuant to the Gas (NI) Order 1996.

We have provided feedback on each of the consultation questions below:

a) **Do you consider that the template and definitions manual align with the GT22 Final Determination?**

We are content that the template and definitions manual align with the GT22 Final Determination.

However, we note our concern with the reporting requirements in relation to stakeholder engagement. The TSO excel template requires that the 'number of new stakeholder groups developed' is reported each year as the sole quantitative measure of stakeholder engagement. We do not consider this to be appropriate for assessing the level of stakeholder engagement as this measure simply encourages new groups to be developed each year. We believe the number of stakeholders engaged with would be a more appropriate measure, but note that this is still an extremely crude measure as the quality of the engagement and level of cohesion between stakeholders will be much more important.

We are supportive of the need for whole-system engagement and think this is vital to achieving the NI Energy Strategy targets, however the lack of policy direction in relation to energy transition, along with the lack of formalised framework for joined up engagement, are major hurdles to progress in this area. Until these are in place it will be difficult for TSOs to demonstrate the requirements outlined by the Utility Regulator in the definitions manual (as per the italics below).

The guidance notes require that the companies should provide commentary on:

- *Their progress towards whole-system stakeholder engagement – this could be through new stakeholder groups or increased representation within their own board.*
- *Demonstrate their long-term development plans of a whole-system approach involving both electricity and gas*
- *Map out the stakeholder engagement that has taken place*
- *Identify and evidence how stakeholder engagement is delivering customer benefits*

We also note that there is no separate category for reporting energy transition costs within the templates and allowances for this work have not been provided in the GT22 final determination. Costs in relation to energy transition are already being incurred by the TSOs and should be identifiable within the cost reporting to avoid other cost lines appearing overinflated. There is a pressing need for a mechanism to ensure these costs are captured and allowed within the price control process to encourage innovation, whole system collaboration and to support energy transition in Northern Ireland in the move towards the net zero target.

a) Is there other information regarding the cost and performance which the TSO/GMO should be reporting in line with the GT22 Final Determination?

We do not consider there to be any other information that should be reported.

b) Would any additional reporting be beneficial?

We do not consider there to be any other information that would be beneficial at this stage.

Yours sincerely,

Emma Jayne Armstrong
Head of Finance & Compliance
Mutual Energy