

Annex H – Responses to Responses

Overview of Responses to Consultation on Biomethane Modifications to Gas Conveyance Licences

- 1.1 Our consultation on Biomethane modifications to gas conveyance licences closed on 22 October 2025.
- 1.2 We received responses from the following organisations:
- SGN Evolve Network Ltd (Evolve).
 - Kinecx Energy Limited (Kinecx).
 - Phoenix Energy Group Ltd (Phoenix).
 - Mutual Energy Limited (MEL)¹.
 - GNI (UK) Limited (GNI (UK)).
 - GMO NI (Gas Market Operator Northern Ireland).
- 1.3 GMO NI administers the conveyance charging on behalf of the four TSOs (Transmission System Operators). It has thus limited its comments to the proposed conveyance charging modifications which had been set out in section 5 of the consultation document.
- 1.4 Table 1 summarises the principal points made in the responses, grouped by topic, and our response to each of these. Where comments relate to a specific condition, the condition reference² is also provided in the topic column.
- 1.5 Evolve clarified that where it had made no comment on the drafting, it was comfortable with the proposed intent and wording.
- 1.6 As part of our consideration of the responses received, we have directly engaged with the GNOs (Gas Network Operators) on specific matters raised. Information received as part of this engagement has been considered as part of our decision process and in our responses to the

¹ MEL owns three of the four licenced gas Transmission System Operators in Northern Ireland: Premier Transmission Ltd (PTL), Belfast Gas Transmission Ltd (BGTL) and West Transmission Ltd (WTL).

² Where the condition title has been amended as a result of our consideration of the consultation responses received, the amended title is indicated rather than the one from the consultation.

consultation feedback received, but has not been included in the “*Comments from Consultation Responses*” column of Table 1.

Table 1: Principal comments from consultation feedback and Utility Regulator responses

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
1.	<p>General – Summary position on licence modifications</p>	<p><u>Evolve:</u> Evolve was supportive of the continued development of the regulatory framework to facilitate biomethane injection to the Northern Ireland gas networks and saw the proposed licence modifications as an important step in this process. Evolve supported the principle of licence modifications to enable biomethane connections but considered that refinements were needed</p> <p><u>Kinecx:</u> Kinecx was keen to see the biomethane licence modifications agreed and signed off at the earliest opportunity, but considered that a more flexible, proportionate approach to licence modifications as detailed in its response would better serve the long-term interests of consumers and the industry.</p> <p><u>Phoenix:</u> Phoenix noted that it could appreciate the need to ensure a robust regulatory framework is in place to underpin the injection of renewable gas, including biomethane. Phoenix observed that its licence already recognised the requirement to establish terms for the purposes of introducing gas into the gas network on direction from UR. Phoenix was critical of the level of detail proposed to be included in the licences and noted that interpretation of the text used in some of the licence modifications was challenging even with the reasons and effects provided in</p>	<p>We note that Evolve, Kinecx, MEL, GNI (UK) and GMO (NI) were in principle supportive of the licence modification proposal and saw it as an important step in facilitating renewable gas on the NI gas network.</p> <p>We have considered the specific suggestions for refinement of our licence drafting proposal as well as the comments made on its practical implications. We have responded to these in this table. Where we have decided to make drafting amendments compared to the proposed modifications we had consulted on, further detail on the amendments, and the associated reasons and effects, are set out in chapter 2 of the decision document.</p> <p>We do not agree that it is premature for the licence modifications to be made at this stage as set out in more detail in row 5 .</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>the consultation paper. Phoenix also considered that the proposed licence modifications entailed overcomplicated and onerous requirements on licence holders committed to delivering a biomethane economy for NI.</p> <p>Phoenix was of the view that it was premature for the licence modifications to be made at this stage when policy making and regulatory frameworks have yet to be established for biomethane injection, or indeed other renewable gases.</p> <p><u>MEL:</u></p> <p>MEL was generally supportive of the proposed modifications and considered them to be an important enabling step to ensure that Northern Ireland’s gas conveyance framework is equipped to accommodate renewable gas injection. MEL noted that the practical implications of the proposed licence provisions – particularly those concerning the development of connection charging methodology statements – will require careful coordination between the Authority and other GNOs to ensure compatibility with existing postalised arrangements and mutualised financing structures.</p> <p><u>GNI(UK):</u></p> <p>GNI (UK) welcomed the proposed licence modifications to underpin access for gas from renewable energy sources to the network. GNI (UK) considered that the modifications will support the Northern Ireland Gas Network Operators (GNOs) shared ambition to decarbonise the network and provide transparency to all stakeholders.</p>	

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p><u>GMO NI:</u></p> <p>GMO NI was supportive of the proposed modifications to the conveyance charging arrangements and saw these as a proportionate and necessary step to ensure that Northern Ireland’s gas conveyance framework is equipped to accommodate renewable gas injection from Gas Delivery Points.</p>	
2.	<p>General – Approach to licence modifications</p>	<p><u>Evolve:</u></p> <p>Evolve recognised the progress made through continued engagement between the Utility Regulator and gas network operators in recent years but considered that several areas would benefit from refinement before implementation in the licences.</p> <p><u>Kinecx:</u></p> <p>Kinecx noted its extensive engagement with the Utility Regulator throughout the development of the proposed licence modifications.</p> <p>Kinecx considered that a more flexible, proportionate and supportive approach, that allows the industry to develop whilst maintaining appropriate oversight, would better serve the long-term interests of consumers and the industry.</p> <p><u>Phoenix:</u></p> <p>Phoenix noted the extensive engagement with the Utility Regulator on the proposed approach to the licence modifications, including providing the Utility Regulator with licence drafting suggestions. Phoenix expressed its disappointment at the Utility Regulator ignoring many of</p>	<p>In preparing the present licence modifications, we have engaged extensively with the licence holders on the drafting proposals, as part of an iterative process. The feedback received has helped to refine and finalise the licence modifications, and to align them with the biomethane arrangements developed by the GNOs. We have carefully considered the formal and informal feedback received from the GNOs. We have reflected key findings from the process in the consultation on licence modifications, and – in line with our legal obligations – have set out the reasons for and effects of those modifications proposed as part of the consultation. Whilst this has resulted in a substantial document, summary sections have been included for the document as such and for each chapter on licence modification proposals, to increase readability of the document.</p> <p>We have considered the specific suggestions</p>

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		<p>the concerns and queries Phoenix had raised. Phoenix also considered the length of the consultation paper to be disproportionate to the matter at hand and the previous engagement between the Utility Regulator and the DNOs (Distribution Network Operators).</p>	<p>for refinement of our licence drafting proposal in the consultation responses and have responded to these in this table. Where we have decided to make drafting amendments compared to the proposed modifications we had consulted on, further detail on the amendments, and the associated reasons and effects, are set out in chapter 2 of the decision document.</p>
3.	<p>General – Drafting simplicity</p>	<p><u>Evolve:</u> Evolve considered the licence drafting to be overly legalistic, duplicative, and difficult to interpret without reference to the consultation documents. Evolve also saw matters such as the GDF (Gas Delivery Facility) Connection Charging Methodology Statement as being excessively detailed and unnecessarily embedded in the licence. Evolve called for simplification of definitions and drafting as well as avoidance of duplication and alignment with existing arrangements.</p> <p><u>Phoenix:</u> Phoenix was critical of the level of detail proposed to be included in the licences.; it considered that the proposed licence modifications entailed overcomplicated and onerous requirements. Specifically with respect to the requirements for Gas Delivery Facility connections in Part C of the licence condition on <i>Connection Charges and Obligation to Connect</i> Phoenix noted that the Utility Regulator had justified many of the requirements with the need for stronger regulatory oversight and improved</p>	<p>We welcome the commitment demonstrated by the GNOs to date to delivering a biomethane economy for NI. This does, however, not negate the need to ensure the robustness of the regulatory framework, in line with our statutory obligations.</p> <p>We have considered the specific suggestions for refinement of our licence drafting proposal in the consultation responses and have responded to these in this table. Where we have decided to make drafting amendments compared to the proposed modifications we had consulted on, further detail on the amendments, and the associated reasons and effects, are set out in chapter 2 of the decision document.</p>

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		<p>enforceability; Phoenix highlighted that licence holders were committed to delivering a biomethane economy for NI.</p>	
4.	<p>General – Implementation considerations</p>	<p><u>Evolve:</u> Evolve considered that the proposed modifications risk delays to connections due to lack of sufficient clarity on timelines and introduce duplication with existing arrangements. Evolve called for proportionate oversight mechanisms that do not introduce delivery risk.</p> <p><u>Phoenix:</u> Phoenix highlighted the importance of all persons tasked with delivering compliance to be able to readily understand the licence conditions under which they operate. Phoenix noted that interpretation of the text used in some of the licence modifications was challenging even with the reasons and effects provided in the consultation paper.</p> <p><u>MEL:</u> MEL noted that the practical implications of the proposed licence provisions – particularly those concerning the development of connection charging methodology statements – will require careful coordination between the Authority and other GNOs to ensure compatibility with existing postalised arrangements and mutualised financing structures.</p>	<p>We have considered the specific suggestions for refinement of our licence drafting proposal as well as the comments made on its practical implications. We have responded to these in this table. Where we have decided to make drafting amendments compared to the proposed modifications we had consulted on, further detail on the amendments, and the associated reasons and effects, are set out in chapter 2 of the decision document.</p> <p>We remain open to engaging directly with the GNOs on any specific queries that may arise from time to time regarding the interpretation and implications of specific licence conditions.</p>
5.	<p>General – Timing and inter-dependencies with</p>	<p><u>Evolve:</u> Evolve called for early and ongoing engagement on timelines and interaction with wider policy developments.</p>	<p>For our response on timing and inter-dependencies with biomethane policy and market development, see decision document,</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	biomethane policy and market development	<p><u>Kinecx:</u> Kinecx was keen to see the licence modifications agreed and signed off at the earliest opportunity. Kinecx urged the UR to ensure that any licence conditions provide for a flexible and supportive approach, allowing industry to develop, whilst maintaining appropriate oversight.</p> <p><u>Phoenix:</u> Phoenix considered it premature for the licence modifications to be made at this stage when policy making and regulatory frameworks have yet to be established for biomethane injection, or indeed other renewable gases. Phoenix was concerned that by proceeding with the modifications ahead of the GNO report on potential options to alleviate network constraints and DfE (Department for the Economy) policy on treatment of connection-related costs for biomethane production sites, the Utility Regulator would establish principles and develop a complex regulatory framework that will need to be reviewed and potentially changed in due course.</p> <p><u>MEL:</u> MEL highlighted that it will be essential for any future licence or code changes to be developed promptly if or when government policy and market activity on biomethane or other renewable gases progress.</p> <p><u>GNI (UK):</u> GNI (UK) noted the ongoing work by DfE with respect to biomethane policy development and recognised that when finalised, further changes to the gas conveyance</p>	<p>chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Level of Detail for Licence Requirements in Relation to Gas Delivery Facility Connections, Authority Direction, Flexibility and Timing of Licence Modifications</i>.</p>

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		<p>licences may be required.</p> <p><u>GMO NI:</u></p> <p>GMO NI anticipated that additional licence changes will be required as biomethane policy continues to develop and highlighted the importance of implementing any future modifications promptly and effectively to support this evolution.</p>	
6.	<p>Definition of Gas Delivery Facility</p> <p><i>Condition 1.1.6: Interpretation and Construction, Definitions</i> [Evolve, Kinecx, Phoenix, BGT, PTL, WTL, GNI (UK)]</p>	<p><u>Evolve:</u></p> <p>Evolve suggested that, to improve readability of the licence, the definition for the term “<i>Gas Delivery Facility</i>” is simplified to read as follows:</p> <p><i>“means any building, structure, facility or pipeline from which gas is, or may be, introduced into the Network, but excluding any pipeline owned or operated by a licensee”</i> [highlights added, indicating differences to consultation drafting proposal].</p> <p><u>Phoenix:</u></p> <p>For transparency and readability, Phoenix also suggested alternative wording for the definition as follows:</p> <p><i>“means any building, structure, facility or pipework from which gas is, or may be, introduced into the Network, but excluding any pipe-lines that are owned and / or operated by any licensee.”</i> [highlights indicating differences to consultation drafting proposal].</p> <p>Phoenix considered that:</p> <ul style="list-style-type: none"> • Including the term “<i>pipework</i>” in the definition would add clarity on pipes that are part of Gas 	<p>Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Definition of Gas Delivery Facility</i>.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>Delivery Facilities being pipework.</p> <ul style="list-style-type: none"> Rewording the exclusion to read “<i>any pipe-lines that are owned and / or operated by any licensee</i>” adds clarity to the licence drafting whilst keeping in line with the definition of the term “<i>Network</i>” in Condition 1.1.6. <p>Phoenix also questioned under which circumstances a licence might be “<i>treated as granted</i>”, and the associated reasons and effects.</p> <p><u>Note:</u></p> <p>Kinecx, MEL, GNI (UK) and GMO (NI) did not provide specific comments on this condition.</p>	
7.	<p>Restructuring of Condition on Connection Charges and Obligation to Connect</p> <p><i>Condition 2.3</i> [Evolve, Kinecx, BGTL, PTL, WLT, GNI (UK)]/<i>Condition 2.4</i> [Phoenix]: <i>Connection Charges and Obligation to Connect</i></p>	<p><u>Evolve:</u></p> <p>Evolve considered that the restructuring of this condition helps to differentiate between the types of connections and associated conditions:</p> <p><u>Note:</u></p> <p>Kinecx, Phoenix, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	Comment noted.
8.	<p>Connection Charging</p>	<p><u>MEL:</u></p> <p>MEL noted its understanding that to the extent that</p>	MEL’s understanding regarding the need for consideration of reverse compression facilities

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	<p>Methodology Statement – Trigger for review</p> <p><i>Condition 2.3.1: Statement of connection charges and terms for connection (other than of Gas Delivery Facilities) to the Network [BGTL, PTL, WTL, GNI (UK)]</i></p>	<p>reverse compression facilities are part of a Pipe-Line System, they are to be considered as part of the review of the Connection Charging Methodology Statement triggered by the present licence modifications. MEL noted that this was not a minor endeavour as reverse compression connections have more in common with a Gas Delivery Facility connection than with a standard connection.</p> <p>MEL suggested that such a review should be triggered by a direction from the Authority, similar to the process proposed to trigger the production of a GDF Connection Methodology Statement.</p> <p><u>Note:</u></p> <p>GNI (UK) and GMO NI did not provide specific comments on this condition. The condition is not aligned with the gas distribution licences.</p>	<p>as part of the review of the Connection Charging Methodology Statement is correct.</p> <p>As per paragraphs 3.201 to 3.203 of the consultation document, the provisions for Authority direction in <i>Condition 2.3.3 [Evolve, Kinecx]/Condition 2.4.3 [Phoenix]/Condition 2.3.2 [BGTL, PTL, WTL, GNI (UK)]: Statement of methodology for connection of Gas Delivery Facilities to the Network</i> are designed to protect the licence holders from an obligation to cover in the GDF Connection Methodology Statement hydrogen (blend) connections whilst readiness for facilitating hydrogen (blends) on the network has not (yet) been achieved. To the extent that such protection applies, it would not make logical sense to account for associated reverse compression connections involving hydrogen (blends), and we would not expect the licence holders to do so.</p> <p>Recognising the site-specific nature of reverse compression connections, we will take a pragmatic approach to the level of detail on such connections to be included in the Connection Charging Methodology Statement.</p> <p>We see not need to include the trigger mechanism proposed by MEL in the licence drafting.</p>

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9.	<p>GDF Connection Methodology Statement – Condition title and name of statement</p> <p><i>Condition 2.3.3 [Evolve, Kinecx]/Condition 2.4.3 [PE]/Condition 2.3.2 [BGTL, PTL, WTL, GNI (UK)]: Statement of methodology for connection of Gas Delivery Facilities to the Network</i></p>	<p><u>Evolve:</u></p> <p>Evolve considered the name of the statement to be provided under this condition to be misleading as the statement will not include connection charges or terms for connection; it will rather set out a methodology for connections. Evolve suggested changing the name for the statement from “<i>GDF Connection Charging Methodology Statement</i>” to “<i>Methodology Statement for Connection of Gas Delivery Facilities</i>”.</p> <p><u>Kinecx:</u></p> <p>Kinecx considered that the title of the condition should be amended to be more reflective of the condition content. Kinecx noted that the condition does not relate to charges and terms for connection, but to the methodology and principles upon which charges are to be determined.</p> <p><u>Phoenix:</u></p> <p>Phoenix agreed that there should be no requirement for the statement to be produced under this condition to include charges. As the condition does not refer to connection charges or terms for connection, Phoenix suggested that the condition title is amended to “<i>Statement of connection methodology for connection of Gas Delivery Facilities to the Network</i>”. Similarly, the title of the statement to be produced under this condition should be changed to “<i>GDF Connection Methodology Statement</i>”.</p> <p><u>Note:</u></p> <p>MEL, GNI (UK) and GMO NI did not provide specific</p>	<p>Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>GDF Connection Methodology Statement – Condition Title and Name of Statement</i>.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
10.	<p>GDF Connection Methodology – Disclaimer “so far as reasonably possible”</p> <p><i>Condition 2.3.3 [Evolve, Kinecx]/Condition 2.4.3 [PE]/Condition 2.3.2 [BGTL, PTL, WTL, GNI (UK)]: Statement of methodology for connection of Gas Delivery Facilities to the Network</i></p>	<p>comments on this matter.</p> <p><u>Phoenix:</u></p> <p>Phoenix agreed that the disclaimer “so far as reasonably possible” in paragraph (b) of the condition was needed, in particular as Phoenix has yet to connect a Gas Delivery Facility to the Network and hence has no sound basis on which to comprehensively address arrangements for repairing and modifying such connections. Phoenix added that these arrangements will be detailed in the terms and conditions for the making and maintaining of a requested Gas Delivery Facility connection and the introduction of gas from the facility into the network.</p> <p><u>Note:</u></p> <p>Evolve, Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	<p>Comment noted.</p>
11.	<p>GDF Connection Methodology – Direction and timelines for development of statement</p> <p><i>Condition 2.3.3 [Evolve, Kinecx]/Condition 2.4.3 [PE]/Condition 2.3.2 [BGTL, PTL, WTL, GNI (UK)]:</i></p>	<p><u>Evolve:</u></p> <p>Evolve was generally supportive of developing a GDF Connection Methodology Statement but was concerned in relation to implementation timelines. Evolve asked for early engagement between the Utility Regulator and the GNOs on this, to ensure that any Authority direction in relation to this statement provides realistic timeframes for the relevant parties to collaborate effectively to deliver appropriate outputs.</p> <p><u>Phoenix:</u></p> <p>Phoenix saw a need for further discussion between the</p>	<p>As detailed in paragraph 3.201 to 3.203 of the consultation document, the provisions for Authority direction in Condition 2.3.3 [Evolve, Kinecx]/Condition 2.4.3 [Phoenix]/Condition 2.3.2 [BGTL, PTL, WTL, GNI (UK)] are designed to protect the licence holders from an obligation to cover in the GDF Connection Methodology Statement hydrogen (blend) connection whilst readiness for facilitating hydrogen (blends) on the network has not (yet) been achieved. To facilitate this, the direction foreseen in the Condition will need</p>

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	<p><i>Statement of methodology for connection of Gas Delivery Facilities to the Network</i></p>	<p>DNOs and UR on the appropriate timeline for the development of the GDF Connection Methodology Statements, particularly given the level of detail to be included therein. Phoenix also suggested further discussion on what form the direction referred to in paragraph (a) of this condition will take.</p> <p><u>MEL:</u></p> <p>MEL noted that based on the proposed wording, the Authority direction under paragraph (a) of this condition which describes or specifies a particular type of Gas Delivery Facility <u>may</u> do so by reference to the type or blend of gas which may be introduced into the network from the facility. MEL suggested there should be certainty that the direction will as a minimum describe the relevant type or blend of gas to be introduced, along with other descriptors that may assist the licence holder in efficiently producing a useful GDF Connection Methodology Statement.</p> <p>In its comments against <i>Condition 2.3.14</i> [Evolve, Kinecx]/<i>Condition 2.4.14</i> [Phoenix]/<i>Condition 2.3.12</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Other provisions to be included in a GDF Connection Methodology Statement</i> (see row 22), MEL:</p> <ul style="list-style-type: none"> • Estimated that a minimal scope update to the existing connection policy covering the three MEL licensees could potentially be done in circa four months. • Highlighted that requirements to align with other GNOs or attempt to address complex policy issues 	<p>to describe the relevant type or blend of gas to be introduced. The condition wording facilitates this, and we see no need for it to be amended.</p> <p>We will engage with the GNOs in due course on the direction under paragraph (a) of this condition ahead of the direction being issued to ensure the expectations set out therein are clear and realistic. In this context, we will be mindful of GNO's views and comments on timelines for inclusion in the direction. We note the comments MEL has made in its consultation response to <i>Condition 2.3.14</i> [Evolve, Kinecx]/<i>Condition 2.4.14</i> [Phoenix]/<i>Condition 2.3.12</i> [BGTL, PTL, WTL, GNI (UK)] with this respect.</p>

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		<p>would take significantly longer; in the absence of more clarity, including on the extent to which the GDF Connection Methodology Statement should address complex connection scenarios (see row 21), MEL was not in a position to reasonably estimate how much longer.</p> <ul style="list-style-type: none"> Suggested that any timelines contained in a direction requiring the production of a GDF Connection Methodology Statement should be subject to an “<i>unless otherwise approved by the Authority</i>” conditional clause to cover unanticipated scenarios where timings cannot be met. <p><u>Note:</u> Kinecx, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	
12.	<p>Person and classes of person in Connection Charging Methodology Statement</p> <p><i>Condition 2.3.4</i> [Evolve, Kinecx]/<i>Condition 2.4.4.</i> [Phoenix]/<i>Condition 2.3.3</i> [BGPL, PTL, WTL, GNI (UK)]: <i>Other</i></p>	<p><u>Phoenix:</u> Phoenix asked, for clarity, for provision of examples of what is defined as “<i>person</i>” and what as “<i>classes of person</i>”.</p> <p><u>Note:</u> Evolve, Kinecx, MEL, GNI (UK), and GMO NI did not provide specific comments on this condition.</p>	<p>A person could be a party seeking a connection to the network. A class of person could be a group of persons with certain characteristics that differentiate them from other persons. For example, domestic customers and non-domestic customers could be seen as different classes of person.</p>

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	<p><i>provisions to be included in the Connection Charging Methodology Statement</i></p>		
13.	<p>Erroneous cross-reference <i>Condition 2.4.5: The Connection Charging Methodology Statement to give likely indication of costs [Phoenix]</i></p>	<p><u>Phoenix:</u> Phoenix noted a typo in the opening sentence of the condition in Annex C to our consultation and suggested that “<i>Condition 0</i>” is replaced with “<i>Condition 2.4.1</i>”.</p> <p><u>Note:</u> Evolve, Kinecx, MEL, GNI (UK), and GMO NI did not provide specific comments on this condition.</p>	<p>Annex C showing the proposed modifications to the Phoenix gas conveyance licence was the only annex to our consultation document affected by this typographical error; the error was limited to the annex and not present in the main body of the decision paper. The cross-reference has been updated in Annex C to our decision paper, as suggested by Phoenix.</p>
14.	<p>Timelines for provision of specific statement of connection charges <i>Condition 2.3.5: Connection and Quotation Requests [BGTL, PTL, WTL, GNI (UK)]</i></p>	<p><u>MEL:</u> MEL welcomed the change from 28 days to 6 months in paragraph (a), for provision of a specific statement of connection charges, and other terms of connection, in relation to a connection of a Pipe-Line System, Storage Facility or LNG (Liquefied Natural Gas) Facility to the network. MEL considered this to be a more realistic timeline.</p> <p>MEL suggested adding, after “<i>receiving a request</i>”, the words “<i>in accordance with the requirements of the Connection Charging Methodology Statement</i>”. MEL considered that this would add clarity to the licence drafting; in practice there will usually be informal</p>	<p>Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Timelines for Provision of Specific Statement of Connection Charges</i>.</p>

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		<p>engagement on potential connections which may not constitute a request for connection or quotation charges under this condition.</p> <p>MEL also suggested replacing “28 days” with “6 months” in paragraph (c), for consistency with paragraph (a) and to provide a realistic timeline for provision of a specific statement of connection charges, and other terms of connection in relation to Premises (including meter) connections. MEL considered that it would be efficient for the Authority’s assessment and the Licensee’s work to be carried out sequentially, given the requirements for Authority approval of such connections, even if this means that processing of connection requests could take longer in aggregate.</p> <p>MEL suggested furthermore adding an “<i>unless otherwise approved by the Authority</i>” conditional clause to cover scenarios where timings such as those contained in the licence cannot be met for reasons outside of the Licensee’s control.</p> <p>MEL clarified that in the cases covered by Condition 2.3.5, it would anticipate being able to deliver a concept design and feasibility study within 6 months. This would include an indicative cost within a margin of error; however, it cannot be expected to constitute a final firm connection offer cost.</p> <p><u>GNI (UK):</u></p> <p>GNI (UK) welcomed the extension from 28 day to 6 months for provision of a specific statement of connection charges, and other terms of connection, in relation to a</p>	

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		<p>connection of a Pipe-Line System, Storage Facility or LNG Facility to the network. GNI (UK) noted the complexity of such connections and associated long lead-times for provision of this information.</p> <p><u>Note:</u></p> <p>GMO NI did not provide specific comments on this condition. The condition is not aligned with the gas distribution licences.</p>	
15.	<p>Consistency of licence section heading and content</p> <p><i>Condition 2.3.10 [Evolve, Kinecx]/Condition 2.4.10 [Phoenix]: Prohibition on undue discrimination in relation to connections</i></p>	<p><u>Phoenix:</u></p> <p>Phoenix noted that the different paragraphs of this condition are designed to mirror the different types of connection identified in:</p> <ul style="list-style-type: none"> • <i>Condition 2.3.1 [Evolve, Kinecx]/Condition 2.4.1[Phoenix]: Statement of connection charges and terms for connection of Premises to the Network; and</i> • <i>Condition 2.3.2 [Evolve/Kinecx]/Condition 2.4.2 [Phoenix]: Terms for connection of a Pipe-Line System to the Network.</i> <p>Phoenix considered that, with Condition 2.3.10 [Evolve, Kinecx]/Condition 2.4.10 [Phoenix] sitting within <i>Part B – Premises Connections – Other Requirements</i>, the inclusion of paragraph (c) in relation to Pipe-Line Systems was confusing and might better be captured in Condition 2.3.2 [Evolve/Kinecx]/Condition 2.4.2 [Phoenix].</p> <p><u>Note:</u></p> <p>Evolve and Kinecx did not provide specific comments on this condition. The condition is not aligned with the gas</p>	<p>Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Consistency of Licence Section Heading and Content</i>.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		high-pressure licences.	
16.	<p>Level of detail of licence requirements, arrangements for Authority direction and flexibility</p> <p><i>Condition 2.3.14</i> [Evolve, Kinecx]/<i>Condition 2.4.14</i> [Phoenix]/<i>Condition 2.3.12</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Other provisions to be included in a GDF Connection Methodology Statement</i></p>	<p><u>Evolve:</u></p> <p>Evolve considered the level of detail incorporated into this condition to be excessive and unnecessary given powers for the Authority under <i>Condition 2.3.22</i> [Evolve, Kinecx]/<i>Condition 2.4.22</i> [Phoenix]/<i>Condition 2.3.20</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Review and Revision of Statements – Direction by the Authority</i> to direct the Licensees to review and revise any statement in accordance with the requirements specified in the direction.</p> <p><u>Kinecx:</u></p> <p>Kinecx considered the prescriptive nature of this clause to be premature and unnecessarily burdensome for network operators. Kinecx urged the Utility Regulator to reconsider this and instead rely on its ability to issue directions, allowing the GDF Connection Methodology Statement to evolve in line with industry development. Kinecx referred to paragraph (b)(ii)(E) of this condition which provides a facility to issue such directions.</p> <p><u>Phoenix:</u></p> <p>Phoenix considered that the powers for Authority direction under <i>Condition 2.3.22</i> [Evolve, Kinecx]/<i>Condition 2.4.22</i> [Phoenix]/<i>Condition 2.3.20</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Review and Revision of Statements – Direction by the Authority</i> ensure strong regulatory oversight. Phoenix also considered that this removes the need for licences to contain unnecessary detail and requirements that may evolve or quickly become redundant as policy</p>	<p>For our response on level of detail of licence requirements, arrangements for Authority direction and flexibility, see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Level of Detail for Licence Requirements in Relation to Gas Delivery Facility Connections, Authority Direction, Flexibility and Timing of Licence Modifications</i>.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>development in support of the transition to a net zero economy continues. Phoenix used this argument, together with those listed in row 17, to substantiate its call for removal of paragraph (b) of Condition 2.3.14 [Evolve, Kinecx]/Condition 2.4.14 [Phoenix]/Condition 2.3.12 [BGTL, PTL, WTL, GNI (UK)].</p> <p>Phoenix was concerned that in looking to future-proof licences, the Utility Regulator may be stepping on the toes of ongoing policy development by DfE:</p> <p><u>Note:</u></p> <p>MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	
17.	<p>Duplication with existing arrangements and unrealistic expectations</p> <p><i>Condition 2.3.14 [Evolve, Kinecx]/Condition 2.4.14 [Phoenix]/Condition 2.3.12 [BGTL, PTL, WTL, GNI (UK)]: Other provisions to be included in a GDF Connection Methodology</i></p>	<p><u>Evolve:</u></p> <p>Evolve noted that the content proposed to be covered in the GDF Connection Methodology Statement was duplicative of existing arrangements such as the Network Connection Agreement and the Network Entry Agreement. Evolve did not agree with providing the same information in multiple documents as this creates a risk of divergence when revisions are made, and of resulting confusion.</p> <p><u>Phoenix:</u></p> <p>Phoenix asked for removal of paragraph (b) of this condition on the following grounds:</p> <ul style="list-style-type: none"> The powers for Authority direction under <i>Condition 2.3.22 [Evolve, Kinecx]/Condition 2.4.22 [Phoenix]/Condition 2.3.20 [BGTL, PTL, WTL, GNI (UK)]: Review and Revision of Statements</i> – 	<p>We do not agree that the requirements for information to be included in the GDF Connection Methodology Statement are duplicative of existing arrangements such as the Network Connection Agreement and Network Entry Agreement.</p> <ul style="list-style-type: none"> Network Connection Agreement and Network Entry Agreement are contractual arrangements with a Gas Delivery Facility Operator setting out terms and conditions in relation to a specific connection; as such they are typically detailed, technical in nature and not publicly available. The GDF Connection Methodology Statement is aimed at providing future

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	Statement	<p><i>Direction by the Authority</i> ensure strong regulatory oversight; this removes the need for licences to contain unnecessary detail and requirements that may evolve or quickly become redundant as policy development in support of the transition to a net zero economy continues. (see also row 16)</p> <ul style="list-style-type: none"> • The same level of detail applied in the provisions in relation to Gas Delivery Facility connections is not used in the corresponding conditions for Premises connections in Part B (see also row 18). • The site-specific nature of Gas Delivery Facility connections means that the requirements in paragraph (b)(ii) cannot be covered in the GDF Connection Methodology Statement; e.g.: <ul style="list-style-type: none"> ◆ Any extension or reinforcement of the network will need to be individually designed and costed. ◆ Repair of any gas plant will be specific to the damage incurred. ◆ Disconnection of a Gas Delivery Facility from the network will be specific to each connection. <p>Arrangements in relation to these matters will instead be detailed in the terms and conditions required under paragraph (a) of <i>Condition 2.3.15</i> [Evolve, Kinecx]/<i>Condition 2.4.15</i> [Phoenix]/<i>Condition 2.3.13</i> [BGTL, PTL, WTL, GNI (UK)]; <i>Gas Delivery Facility Connections</i> –</p>	<p>Gas Delivery Facility Operators and any other interested parties with an understanding of:</p> <ul style="list-style-type: none"> ◆ Charging methods and principles associated with a Gas Delivery Facility connection; and ◆ The processes and procedures to be followed for terms such as those in the Network Connection Agreement and Network Entry Agreement to be offered. <p>This can be done at a higher level from that of the information contained in the terms and conditions which will reduce the risk of divergence.</p> <p>We remain of the view that, in the interest of transparency, it is important that matters covered by paragraph (b)(ii) are contained in the GDF Connection Methodology Statement. Paragraph (ii)(b) is not specific as to the level of detail to be provided. Where arrangements are specific to certain circumstances (such as in the examples provided by Phoenix), this can be reflected in the statement.</p> <p>We do not agree that the requirements set out in paragraph (b) are unrealistic or would give rise to unreasonable expectations from</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p><i>Requirement to offer terms.</i></p> <p>Phoenix also noted that responsibility for paying the costs for operating and maintaining the Gas Delivery Point have yet to be determined (see also row 20).</p> <ul style="list-style-type: none"> • Phoenix was concerned that in looking to future-proof licences, the Utility Regulator: <ul style="list-style-type: none"> ○ May be stepping on the toes of ongoing policy development by DfE (see also row 16); ○ Is setting unrealistic requirements on DNOs; and ○ May frustrate Gas Facility Delivery Operators by setting unreasonable expectations on the level of detail that will be contained in the GDF Connection Methodology Statement. <p><u>Note:</u> Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	<p>the Gas Delivery Facility Operators, and we have found no support for this statement in the other consultation responses.</p> <p>We recognise that, especially initially, while GNO experience with biomethane connections is still limited, there may be limitations as to the level of detail GNOs can provide on certain matters in the GDF Connection Methodology Statement. We will take a pragmatic approach with this respect and are open to engaging with the GNOs on any specific questions they might have.</p>
18.	<p>Inconsistency with existing arrangements for Premises connections</p> <p><i>Condition 2.3.14</i> [Evolve, Kinecx]/<i>Condition 2.4.14</i></p>	<p><u>Evolve:</u> Evolve noted that equivalent requirements to those set out in this condition in relation to Gas Delivery Facilities are not imposed in relation to Premises. Evolve called for a consistent approach with existing Premises arrangements.</p> <p><u>Phoenix:</u> Phoenix noted that the same level of detail applied in the provisions in relation to Gas Delivery Facility connections is</p>	<p>It is the case that the licence requirements for matters to be included in the Connection Charging Methodology Statement and those to be included in the GDF Connection Methodology Statement vary. This is linked to the different nature of the connections to be covered in the respective statements, but also to historic licence drafting. We have sought to keep this licence modification process</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<p>[Phoenix]/Condition 2.3.12 [BGTL, PTL, WTL, GNI (UK)]: <i>Other provisions to be included in a GDF Connection Methodology Statement</i></p>	<p>not used in the corresponding conditions for Premises connections in Part B. Phoenix used this argument, together with those set out in row 17, to substantiate its call for removal of paragraph (b) of Condition 2.3.14 [Evolve, Kinecx]/Condition 2.4.14 [Phoenix]/Condition 2.3.12 [BGTL, PTL, WTL, GNI (UK)].</p> <p><u>Note:</u> Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	<p>focused; as such, a more comprehensive revision of existing licence arrangements, including those with respect to Premises connections, has been considered out of scope.</p>
19.	<p>Person and classes of person in Connection Charging Methodology Statement <i>Condition 2.3.14 [Evolve, Kinecx]/Condition 2.4.14 [Phoenix]/Condition 2.3.12 [BGTL, PTL, WTL, GNI (UK)]: Other provisions to be included in a GDF Connection Methodology Statement</i></p>	<p><u>Phoenix:</u> Phoenix asked, for clarity, for provision of examples of what is defined as “person” and what as “classes of person” in relation to Gas Delivery Facility connections.</p> <p><u>Note:</u> Evolve, Kinecx, MEL, GNI (UK), and GMO NI did not provide specific comments on this matter.</p>	<p>A person could be a Gas Delivery Facility Operator seeking a connection to the network. A class of person could be a group of Gas Delivery Facility Operators with certain characteristics that differentiate them from other Gas Delivery Facility Operators. For example, Gas Delivery Facility Operators with single injection points and those with connection hubs could be seen as different classes of person.</p>
20.	<p>Costs for ongoing</p>	<p><u>Phoenix:</u></p>	<p>At the time of writing, DfE biomethane policy</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<p>operations and maintenance</p> <p><i>Condition 2.3.14</i> [Evolve, Kinecx]/<i>Condition 2.4.14</i> [Phoenix]/<i>Condition 2.3.12</i> [BCTL, PTL, WTL, GNI (UK)]: <i>Other provisions to be included in a GDF Connection Methodology Statement</i></p>	<p>Phoenix noted that responsibility for paying the costs for operating and maintaining the Gas Delivery Point have yet to be determined.</p> <p><u>MEL:</u></p> <p>MEL considered that additional clarity was required on the practicalities of administering the charging of ongoing operational cost, maintenance and repair cost to connectees within the postalised system.</p> <p>MEL noted that currently, maintenance and operational costs feed into the Licensees' forecast and actual required revenue and are recovered via capacity charges which are subject to credit procedures under the NI Network Gas Transmission Code. MEL questioned how the recovery of ongoing operational costs that are to be charged directly to connectees would feed into the mechanics of the postalisation arrangements, given that all such costs incurred by mutualised entities are effectively eligible pass-through costs.</p> <p>MEL anticipated that both the costs and associated site-specific charges could be accounted for in Forecast and Actual Required Revenues with the expectation that they would net off; the costs would therefore not be socialised, in line with policy. MEL highlighted that the risk of non-payment of these costs would need to be recognised. Ultimately, where a connectee defaults, the costs would be socialised in order to avoid undermining mutualised financing arrangements. I.e. they would be recovered as eligible pass-through costs where there is no offsetting amount received from the connectee. MEL considered</p>	<p>development is ongoing, including with respect to connection-related cost. The outcomes of this work may have implications for the responsibility of paying the costs of operating and maintaining the Gas Delivery Point. In the meantime, such cost should be recovered in line with the agreed principles, including the currently applicable producer-pays principle.</p> <p>We recognise the need for the practicalities of administering site-specific connection-related charges for Gas Delivery Facilities under the currently applicable producer-pays principle to be compatible with postalisation and mutual financing arrangements. This may mean that – in case of payment default by a Gas Delivery Facility Operator – the outstanding amount is treated as Eligible Pass-Through Cost, included in the Actual Revenue Requirement and recovered from gas consumers. Other than in case of such payment default, revenue recovery requirements for mutualised businesses should be neutral to site-specific connection-related costs for Gas Delivery Facilities. We remain open to engaging directly with MEL on any specific related queries if and when they arise.</p> <p>Where due to mutual financing arrangements a residual risk remains that in</p>

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		<p>that – given the long timeframes over which operational costs associated with a connection may be incurred – some residual risk will remain, even if the GDF Connection Methodology Statement includes credit arrangements to reduce this risk of unplanned socialisation.</p> <p>MEL highlighted the need for the Authority to ensure that charging arrangements included in the GDF Connection Methodology Statement are compatible with postalisation and mutual financing arrangements.</p> <p><u>Note:</u> Evolve, Kinecx, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	<p>case of payment default cost that should be borne by the Gas Delivery Facility Operator may ultimately need to be socialised across consumers, we expect the Licensee to take the measures that could be expected from a reasonable and prudent operator to minimise this residual risk. As indicated in MEL's response, this might include putting in place adequate credit arrangements.</p>
21.	<p>Treatment of shared connection-related costs <i>Condition 2.3.14</i> [Evolve, Kinecx]/<i>Condition 2.4.14</i> [Phoenix]/<i>Condition 2.3.12</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Other provisions to be included in a GDF Connection Methodology Statement</i></p>	<p>MEL asked for clarity from the Utility Regulator on the extent to which the GDF Connection Methodology Statement can or should address complex scenarios beyond a simple direct connection for the use of a single party, such as:</p> <ul style="list-style-type: none"> • For connection of a hub, connections involving reverse compression or gathering lines, sharing of costs between different developers/producers. • Scenarios where a second party wishes to access a connection for which 100% of the capital expenditure and ongoing operating costs have been paid by another party. <p>MEL noted that this will be critical in estimating how long will be required to produce the GDF Connection Methodology Statement (and update an existing one), as these matters are not straightforward in the absence of</p>	<p>We are conscious of DfE's ongoing policy development work by DfE which covers, amongst other things, treatment of connection-related costs for biomethane production sites. This may also cover more complex scenarios such as those alluded to in MEL's response. Updates to the statements to be produced under <i>Condition 2.3</i> [Evolve, Kinecx, BGTL, PTL, WTL, GNI (UK)]/<i>Condition 2.4</i> [Phoenix]: <i>Connection Charges and Obligation to Connect</i> may be required depending on the outcomes of this policy work. With this in mind, we advocate for a pragmatic approach to the drafting of the GDF Connection Methodology Statement and to any updates thereto in due course.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>policy and where the agreement of multiple GNOs is required. MEL was of the view that a single GNO should not make a connection offer for a Gas Delivery Facility without consulting other impacted GNOs.</p> <p><u>Note:</u> Evolve, Kinecx, Phoenix, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	
22.	<p>Timelines for development of statement <i>Condition 2.3.14 [Evolve, Kinecx]/Condition 2.4.14 [Phoenix]/Condition 2.3.12 [BGTL, PTL, WTL, GNI (UK)]: Other provisions to be included in a GDF Connection Methodology Statement</i></p>	<p><u>MEL:</u> MEL estimated that a minimal scope update to the existing connection policy covering the three MEL licensees could potentially be done in circa four months. MEL highlighted that requirements to align with other GNOs or attempt to address complex policy issues would take significantly longer. In the absence of more clarity, including on the extent to which the GDF Connection Methodology Statement should address complex connection scenarios (see row 21), MEL was not in a position to reasonably estimate how much longer.</p> <p>MEL suggested that any timelines contained in a direction requiring the production of a GDF Connection Methodology Statement should be subject to an “<i>unless otherwise approved by the Authority</i>” conditional clause to cover unanticipated scenarios where timings cannot be met.</p> <p><u>Note:</u> Evolve, Kinecx, Phoenix, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	For our response to MEL’s comments, see row 11.
23.	Reverse	<u>MEL:</u>	We confirm that reverse compression facilities

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<p>compression facilities and Gas Delivery Facilities</p> <p><i>Condition 2.3.14 [Evolve, Kinecx]/Condition 2.4.14 [Phoenix]/Condition 2.3.12 [BGTL, PTL, WTL, GNI (UK)]: Other provisions to be included in a GDF Connection Methodology Statement</i></p>	<p>MEL noted that consultation paragraph 2.38 explains that reverse compression facilities do not constitute Gas Delivery Facilities. However, they are listed as a type of Gas Delivery Facility at paragraph 3.283 of the consultation document.</p> <p><u>Note:</u> Evolve, Kinecx, Phoenix, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	<p>do not constitute Gas Delivery Facilities.</p>
24.	<p>Requirement to offer terms – approach</p> <p><i>Condition 2.3.15 [Evolve, Kinecx]/Condition 2.4.15 [Phoenix]/Condition 2.3.13 [BGTL, PTL, WTL, GNI (UK)]: Gas Delivery Facility Connections – Requirement to offer terms</i></p>	<p><u>Phoenix:</u></p> <p>Phoenix noted that the Utility Regulator did not engage with it on the current drafting of this condition in advance of the consultation. Phoenix added that the reasons and effects provided in relation to this condition did not address all of Phoenix’s previous concerns. Phoenix considered the proposed regulatory framework to be complex and inappropriate for Northern Ireland and asked for further discussion on this condition.</p> <p><u>Note:</u> Evolve, Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	<p>We have considered the specific points raised by the GNOs on the drafting of this condition and have responded to these in rows 25 to 28 of this table.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
25.	<p>Requirement to offer terms – exceptions</p> <p><i>Condition 2.3.15 [Evolve, Kinecx]/Condition 2.4.15 [Phoenix]/Condition 2.3.13 [BGTL, PTL, WTL, GNI (UK)]: Gas Delivery Facility Connections – Requirement to offer terms</i></p>	<p><u>Phoenix:</u></p> <p>Phoenix considered:</p> <ul style="list-style-type: none"> The exceptions to the requirement to offer connection terms for a Gas Delivery Facility as set out in <i>Condition 2.3.18 [Evolve, Kinecx]/Condition 2.4.18 [Phoenix]/Condition 2.3.16 [BGTL, PTL, WTL, GNI (UK)]: Exceptions to requirement to offer connection terms for a Gas Delivery Facility</i> to be insufficient; and The combined impact of both conditions to, for example, step on the toes of the network constraints project by the GNOs and ongoing policy development by DfE. <p>(See also row 29.)</p> <p><u>Note:</u></p> <p>Evolve, Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	<p>For our response to the comments made by Phoenix on this matter, see row 29.</p>
26.	<p>Requirement to offer terms</p> <p><i>Condition 2.3.15 [Evolve, Kinecx]/Condition 2.4.15 [Phoenix]/Condition 2.3.13 [BGTL, PTL, WTL, GNI (UK)]: Gas Delivery Facility Connections –</i></p>	<p><u>Phoenix:</u></p> <p>Phoenix had a significant concern that, with the obligations under this condition not being subject to Authority direction, it could be required to offer terms and conditions for connection of a Gas Delivery Facility which introduces into the network any gas that falls under the definition of gas in Article 3(2) of the Gas Order, even if – e.g. in case of a change to this Gas Order article – the preparatory work for developing the supporting regulatory framework may not yet have been undertaken by the Utility Regulator.</p>	<p>Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Requirement to Offer Terms</i></p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<p><i>Requirement to offer terms</i></p>	<p>Phoenix was also concerned that, in looking to future-proof licences, the Utility Regulator may frustrate Gas Facility Delivery Operators by setting unreasonable expectations. For example, Gas Delivery Facility Operators might expect the terms and conditions referenced in this condition to be made readily available whereas these will largely be site-specific and therefore cannot be provided off-the-shelf.</p> <p>Phoenix noticed a difference between:</p> <ul style="list-style-type: none"> • The proposed licence drafting as shown in Annexes A to G of our consultation on licence modifications, where the introductory sentence of paragraph (a) of this condition contains the disclaimer “<i>as soon as reasonably practicable</i>”; and • The consultation paper which in the section on reasons and effects of the proposed introduction of this condition refers to the words “<i>as soon as possible</i>”. <p>Phoenix asked for clarification of the reasons and effects of this different terminology for the disclaimer. Phoenix also commented that the disclaimer was needed to protect Phoenix from an obligation to offer terms before the relevant preparatory work for the making of such an offer has been undertaken, given that the terms and conditions will largely be site-specific.</p> <p><u>GNI (UK):</u></p> <p>GNI (UK) was supportive of the approach to Gas Delivery Facility connections set out in this condition and the need to offer terms in an as soon as reasonably practicable way,</p>	

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>as the site-specific nature of Gas Delivery Facility connections impacts on finalising the terms.</p> <p><u>Note:</u></p> <p>Evolve, Kinecx, MEL and GMO NI did not provide specific comments on this matter.</p>	
27.	<p>Authority approval of Network Connection Agreement and Network Entry Agreement</p> <p><i>Condition 2.3.15 [Evolve, Kinecx]/Condition 2.4.15 [Phoenix]/Condition 2.3.13 [BGTL, PTL, WTL, GNI (UK)]: Gas Delivery Facility Connections – Requirement to offer terms</i></p>	<p><u>Evolve:</u></p> <p>Evolve explained that it was not in a position to accept the proposed drafting due to concerns with the proposed Authority approval for every Network Connection Agreement and Network Entry Agreement:</p> <ul style="list-style-type: none"> • Inconsistent approach with that applied for Premises connections, with Evolve considering the proposed Authority approval role in relating to Gas Delivery Facility connections unnecessary. • The Utility Regulator does not hold the technical expertise to review and approve such agreements. • Lack of timelines assigned to the approval process, creating a significant project delivery risk for both the Network Operators and Gas Delivery Facility Operators. The Network Entry Agreement can only be finalised close to project go-live; dependency on Utility Regulator approval at that stage is not practical and could result in serious financial implications for the Gas Delivery Facility in case of process delays. <p><u>Kinecx:</u></p> <p>Kinecx raised concerns with the proposed Authority approval for Network Connection Agreements and</p>	<p>It is the case that the licence requirements for approval of terms in relation to Premises connections and Gas Delivery Facility connections differ. This has historic reasons. We have sought to keep this licence modification process focussed; as such, a more comprehensive revision of existing licence arrangements, including those with respect to Premises connections, has been considered out of scope.</p> <p>Condition 2.3.1 [Evolve, Kinecx, BGTL, PTL, WTL, GNI (UK)]/Condition 2.4.1 sets out an obligation for the Connection Charging Methodology Statement to show, in relation to Premises connections, "<i>the Licensee's other terms for such a connection, and an explanation of those terms together with the Licensee's technical design and operational requirements which shall apply to the making of any particular, or particular type of, connection</i>". The terms for connection are thus to be included in the Connection Charging Methodology Statement and as such are subject to regulatory approval (as the</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>Network Entry Agreements following agreement of the terms and conditions between the Network Operators and Gas Delivery Facility Operators:</p> <ul style="list-style-type: none"> • Belated review and approval of documents of such a technical nature will be challenging and resource intensive. • It is unclear what expertise UR would deploy for such reviews and what value this would add. • The approval process might add unnecessary delays to any connection process. <p>Kinecx asked for the related clause to be reconsidered. Kinecx suggested as an alternative approach the approval of a set of principle terms, with the flexibility for technical details to be developed between the parties.</p> <p><u>Phoenix:</u></p> <p>Phoenix noted significant concerns with the proposed drafting in paragraph (b)(i) of this condition.</p> <p>Phoenix observed that if the terms and conditions are accepted by the applicant, UR should not unduly delay the connection. Phoenix commented that it could not properly consider the proposed licence drafting until the Utility Regulator provides direction on the form of the envisaged approval process, including aspects such as e.g.:</p> <ul style="list-style-type: none"> • Whether the Utility Regulator has the appropriate expertise to assess technical and legal drafting. • Whether approval is required for each injection site or for each type of gas. • What the timelines would be for approval. 	<p>statement itself is subject to approval).</p> <p>There is no licence requirement for including in the GDF Connection Methodology Statement terms in relation to Gas Delivery Facility connections, due to the site-specific nature of such connections. Hence UR's approval role in relation to the GDF Connection Methodology Statement does not cover the requirements of Article 10A(5) of the Gas Order.</p> <p>We consider that a requirement for Authority approval of the connection terms agreed between the Licensee and the applicant aligns more closely with the requirements of the Gas Order than a requirement for approval of the principal terms as had been suggested by Kinecx.</p> <p>We will take a proportionate approach to the approval of terms in relation to Gas Delivery Facility connections and, in this context, consider any agreement reached by the relevant parties on the terms. We thus anticipate the practical implications of the requirement for Authority approval of terms in relation to Gas Delivery Facility connections to be limited.</p> <p>The requirement for Authority approval of terms in relation to Gas Delivery Facilities will only apply for such terms that have been</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<ul style="list-style-type: none"> What action would be required for any terms and conditions agreed before the licence condition takes effect. <p>Phoenix also questioned the Utility Regulator's view that it is required under the Gas Order to approve the terms and conditions relating to Gas Delivery Facility connections. Phoenix noted <i>Condition 2.2A</i> [Kinecx, Phoenix]/<i>Condition 2.17</i> [Evolve]: <i>Terms and Conditions of Gas Contracts with Domestic Consumers</i> which does not require Authority approval for terms and conditions for Premises connections. Instead, it is the Connection Charging Methodology Statement that is subject to UR approval. Phoenix considered this to be a more appropriate interpretation of the Gas Order requirement and suggested that, in line with the approach taken for Premises connections, only the GDF Connection Methodology Statement should be subject to Authority approval.</p> <p><u>Note:</u> MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	<p>accepted on or after the effective date of the present licence modifications.</p>
28.	<p>Disputes with respect to terms offered</p> <p><i>Condition 2.3.15</i> [Evolve, Kinecx]/<i>Condition 2.4.15</i> [Phoenix]/<i>Condition</i></p>	<p><u>Evolve:</u></p> <p>Evolve noted that both the Network Connection Agreement and Network Entry Agreement include dispute resolution processes allowing for dispute escalation and expert referral. Evolve thus did not see the need for an additional dispute resolution process under the licence. Evolve suggested that if this was considered</p>	<p>Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Disputes with Respect to Terms Offered</i></p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<p>2.3.13 [BGTL, PTL, WTL, GNI (UK)]: <i>Gas Delivery Facility Connections – Requirement to offer terms</i></p>	<p>necessary:</p> <ul style="list-style-type: none"> • It should be limited to circumstances where the Network Connection Agreement and Network Entry Agreement have not yet been executed. • The Licensee should be required to incorporate a dispute resolution process into the contractual arrangements. <p><u>Kinecx:</u></p> <p>Kinecx noted, in its comments to <i>Condition 2.3.24</i> [Evolve, Kinecx]/<i>Condition 2.4.24</i> [Phoenix]/<i>Condition 2.3.22</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Resolution of disputes by the Authority</i>, its concerns with respect to the proposed dispute resolution provisions overriding the dispute resolution process already embedded in the Network Connection Agreement. Given the technical nature of disputes, Kinecx considered that their resolution should rest with an appropriate expert as set out in the Network Connection Agreement. Kinecx requested further engagement with the Utility Regulator to determine the most suitable dispute resolution framework that respects existing contractual arrangements. (see row 35)</p> <p><u>Phoenix:</u></p> <p>Phoenix had significant concerns with the proposed role of the Authority in relation to the determination of disputes involving Gas Delivery Facilities.</p> <p>Phoenix noted that the terms and conditions for introducing biomethane into its network do not identify a dispute settlement role for the Authority. Rather, if Phoenix and the applicant are unable to reach agreement</p>	

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>following escalation within each individual organisation, a jointly nominated expert will be called upon to make the final settlement. Phoenix was of the view that these arrangements recognise:</p> <ul style="list-style-type: none"> • The complexity of a Gas Delivery Facility connection and the need for a suitably qualified expert to settle a dispute on what is a detailed and technical contract; and • The need to be able to choose different experts based on the matter under dispute. <p>Phoenix was concerned about the Authority being a sole expert for dispute resolution. Phoenix:</p> <ul style="list-style-type: none"> • Suggested to replace , in paragraph (b)(ii) of <i>Condition 2.3.15</i> [Evolve, Kinecx]/<i>Condition 2.4.15</i> [Phoenix]/<i>Condition 2.3.13</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Gas Delivery Facility Connections – Requirement to offer terms</i>, the words “either the applicant or the Licensee may make an application to the Authority for the determination of the dispute” with “a dispute escalation procedure is available with either the applicant or the Licensee able to make an application for determination of the dispute”. • Asked for paragraph (a)(ii) of <i>Condition 2.3.24</i> [Evolve, Kinecx]/<i>Condition 2.4.24</i> [Phoenix]/<i>Condition 2.3.22</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Resolution of disputes by the Authority</i> to be removed. (see row 35) 	

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p><u>Note:</u></p> <p>MEL, GNI (UK) and GMO NI did not provide specific comments on this matter. Kinecx commented on dispute resolution arrangements as part of its feedback to <i>Condition 2.3.24</i> [Evolve, Kinecx]/<i>Condition 2.4.24</i> [Phoenix]/<i>Condition 2.3.22</i> [BGTL, PTL., WTL, GNI (UK)]: <i>Resolution of disputes by the Authority</i> (see row 35).</p>	
29.	<p>Exceptions to requirement to offer connection terms for a Gas Delivery Facility</p> <p><i>Condition 2.3.18</i> [Evolve, Kinecx]/<i>Condition 2.4.18</i> [Phoenix]/<i>Condition 2.3.16</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Exceptions to requirement to offer connection terms for a Gas Delivery Facility</i></p>	<p><u>Evolve:</u></p> <p>Evolve was supportive of the inclusion of the exemptions listed in this condition and considered them necessary to protect network operators.</p> <p>Evolve was mindful of ongoing DfE biomethane policy development. Evolve noted that the list of exemptions may need to be revisited in due course to understand how potential changes to strategic reinforcements and cost-sharing may impact licence requirements. Evolve noted the need for early engagement on these matters.</p> <p><u>Phoenix:</u></p> <p>Phoenix agreed that exceptions to the requirement to offer connection terms for a Gas Delivery Facility will be needed, but considered it was too early to determine these, given ongoing biomethane policy development by DfE and the GNO network constraints project.</p> <p>Phoenix argued that by looking to future-proof licences, and with the exclusion in paragraph (b) of offering terms for connection of a Gas Delivery Facility where “<i>there is insufficient capacity in the Network to accept the delivery of the gas from the Gas Delivery Facility</i>”, the Utility</p>	<p>The term “<i>Network</i>” as used in paragraph (b) of this condition is a defined term in the gas conveyance licences. It relates to the specific Network of each individual licence holder, not to the overall NI gas network. Arguably, a case could be made for defining an exception to the requirement to offer terms due to insufficient capacity in relation to the overall NI gas network rather than the capacity on the Network of the specific GNO a Gas Delivery Facility Operator may wish to connect to. We recognise the inter-dependency of this matter with the GNO's network constraints project and with ongoing DfE biomethane policy development. However, we do not see a need for the inclusion of this licence condition to be put on hold until there is further clarity on what the policy development outcomes might be:</p> <ul style="list-style-type: none"> • The licence condition provides for flexibility in so far as it does not prevent the licence holder from

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>Regulator may conflict with the development of the biomethane industry. Phoenix noted that the defined term “<i>Network</i>” relates to its Licensed Area and pointed to the network constraints project, designed:</p> <ul style="list-style-type: none"> • To inform proposals for alleviation of network constraints which could limit biomethane injection into the NI gas network; and • To provide a strategic, anticipatory approach to network development to ensure suitably robust capacity solutions over the long-term. <p>Phoenix considered that paragraph (b) of this condition might therefore conflict with NI’s wider strategic planning by the time these licence modifications take effect. Phoenix suggested that further discussion was needed to ensure that flexibility is embedded in the licence drafting to amend the exceptions as policy develops without having to undergo a licence modification process on each occasion.</p> <p>Phoenix reinforced these arguments in its feedback to <i>Condition 2.3.15</i> [Evolve, Kinecx]/<i>Condition 2.4.15</i> [Phoenix]/<i>Condition 2.3.13</i> [BGTL, PTL, WTL, GNI (UK): <i>Gas Delivery Facility Connections – Requirement to offer terms</i> (see also row 25) where it considered:</p> <ul style="list-style-type: none"> • The exceptions to the requirement to offer connection terms for a Gas Delivery Facility as set out in <i>Condition 2.3.18</i> [Evolve, Kinecx]/<i>Condition 2.4.18</i> [Phoenix]/<i>Condition 2.3.16</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Exceptions to requirement to offer connection terms for a Gas Delivery Facility</i> to be 	<p>offering terms for a Gas Delivery Facility connection if the circumstances set out in the condition apply; it only reliefs the licence holder from an obligation to do so.</p> <ul style="list-style-type: none"> • Further licence modifications to address the implications of biomethane policy and market development can be made in due course, if needed, in line with standard regulatory practice; GNO engagement will form part of this. <p>We consider that the drafting of this condition provides an appropriate level of flexibility and do not see the need for a further flexibility mechanism to be embedded in it. Doing so might add to licence complexity and could impact negatively on transparency of regulatory arrangements. (For further details, see also decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Level of Detail for Licence Requirements in Relation to Gas Delivery Facility Connections, Authority Direction, Flexibility and Timing of Licence Modifications.</i>)</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>insufficient; and</p> <ul style="list-style-type: none"> The combined impact of both conditions to, for example, step on the toes of the network constraints project by the GNOs and ongoing policy development by DfE. <p><u>Note:</u> Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	
30.	<p>Calorific Value Management Statement – Duplication with existing arrangements and implementation timelines</p> <p><i>Condition 2.3.19 [Evolve, Kinecx]/Condition 2.4.19 [Phoenix]/Condition 2.3.17 [BGTL, PTL, WTL, GNI (UK)]: Calorific Value Management Statement</i></p>	<p><u>Evolve.</u></p> <p>Evolve noted that the content proposed to be covered in the Calorific Value Management Statement was duplicative of existing arrangements such as the:</p> <ul style="list-style-type: none"> Distribution Network Code which sets out gas entry conditions in Annex G1, is published and approved by the Authority. Network Connection Agreement with respect to propanisation requirements to ensure a common Calorific Value is maintained across the network. Network Entry Agreement with respect to further specific Calorific Value requirements. <p>Evolve considered that this creates a risk of inconsistencies if the documents are not updated in parallel.</p> <p>Evolve was not clear on the value the publication of the Calorific Value Management Statement at present and asked for further engagement before any related direction by the Authority.</p> <p>Evolve considered that the Calorific Value Management</p>	<p>Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Calorific Value Management Statement – Duplication with Existing Arrangements and Implementation Timelines</i>.</p> <p>For our response on timing of the licence modifications, see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Level of Detail for Licence Requirements in Relation to Gas Delivery Facility Connections, Authority Direction, Flexibility and Timing of Licence Modifications</i>.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>Statement could be relevant in the future and suggested postponing the requirement for it until further details have been determined on the Future Billing Methodology project which the gas TSOs plan to undertake.</p> <p><u>Kinecx:</u></p> <p>Kinecx pointed to the Calorific Value management arrangements embedded within the Distribution Network Code and the Network Entry Agreement and noted that any future changes to these arrangements would be subject to a formal modification process with Authority approval. Kinecx considered the requirement to publish and seek approval for a separate Calorific Value Management Statement to be an additional administrative burden for both UR and network operators at no additional value and suggested this licence condition is removed.</p> <p><u>Phoenix:</u></p> <p>Phoenix was concerned about future-proofing licences when the regulatory framework is still under development. Phoenix did not consider the proposed requirement for a Calorific Value Management Statement being subject to Authority direction to be sufficient. Phoenix suggested that this condition is deleted until findings of projects such as the Future Billing Methodology one are known, including how these may impact gas suppliers (e.g. could varying Calorific Value measurements be supported) and consumers.</p> <p><u>MEL:</u></p> <p>MEL saw the Calorific Value Management Statement</p>	

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p>bringing value in terms of consistency of approach.</p> <p>MEL suggested that the issuing of a direction requiring a Calorific Value Management Statement should not precede the completion of the phase 1 options assessment of the envisaged Future Billing Methodology project which should provide useful input to the direction.</p> <p><u>Note:</u></p> <p>GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	
31.	<p>Calorific Value Management Statement – approach and GNO collaboration</p> <p><i>Condition 2.3.19 [Evolve, Kinecx]/Condition 2.4.19 [Phoenix]/Condition 2.3.17 [BGTL, PTL, WTL, GNI (UK)]: Calorific Value Management Statement</i></p>	<p><u>MEL:</u></p> <p>MEL considered there would be merit in having a single Calorific Value Management Statement across Northern Ireland to ensure further consistency for developers; MEL noted that achieving the required alignment would take more time.</p> <p><u>GNI (UK):</u></p> <p>GNI(UK) considered that there will need to be a joint approach by the NI GNOs to developing Calorific Value Management Statements as the number of Gas Delivery Facility connections grows and the volume of gas increases over time.</p> <p><u>Note:</u></p> <p>Evolve, Kinecx, Phoenix and GMO NI did not provide specific comments on this matter. Evolve, Kinecx and Phoenix suggested postponing or removing this licence condition; considerations on approach and GNO collaboration would then become redundant.</p>	<p>We note GNI (UK)'s view that there should be a joint approach by the NI GNOs to develop the Calorific Value Management Statement as well as MEL's suggestion that there would appear merit in having a single Calorific Value Management Statement across NI. Given the TSOs' Future Billing Methodology project and ongoing biomethane policy development, we do not consider it appropriate to be prescriptive in the licence drafting with this respect at this stage. However, we encourage co-operation between the GNOs on a joint approach to the Calorific Value Management Statement development. We would also be open to there being a single such statement, jointly prepared and submitted by the GNOs.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
32.	<p>Calorific Value Management Statement – Ongoing monitoring</p> <p><i>Condition 2.3.19 [Evolve, Kinecx]/Condition 2.4.19 [Phoenix]/Condition 2.3.17 [BCTL, PTL, WTL, GNI (UK)]: Calorific Value Management Statement</i></p>	<p><u>MEL:</u></p> <p>MEL noted that a reasonable and prudent operator would expect to provide a credible and robust Calorific Value Management Statement that points to the relevant standards, even if no specific standards were referenced in the licence drafting. MEL envisaged that the Authority will then need to establish its own arrangements for monitoring ongoing compliance with the Calorific Value Management Statement and associated metering arrangements. MEL observed that this will likely require independent resource (either within the Authority or outsourced) rather than a self-certification type procedure.</p> <p><u>Note:</u></p> <p>Evolve, Kinecx, Phoenix, GNI (UK) and GMO NI did not provide specific comments on this matter. Evolve, Kinecx and Phoenix suggested postponing or removing this licence condition; considerations on ongoing compliance monitoring with respect to Calorific Value management would then become redundant.</p>	<p>We note MEL's comments on ongoing compliance monitoring with respect to the Calorific Value Management Statement and associated metering arrangements. We envisage to consider this in due course, once the specific arrangements that will be included in the Calorific Value Management Statement have become clear.</p>
33.	<p>Condition structure and clarity</p> <p><i>Condition 2.3.21: Publication of and compliance with statements prepared under this Condition 2.3 [Evolve,</i></p>	<p><u>Phoenix:</u></p> <p>Phoenix suggested merging paragraph (b) of this condition into paragraph (a) for clarity, i.e.:</p> <p>"(a) implement and comply with the Connection Charging Methodology Statement and the GDF Connection Charging Methodology Statement, in each case as approved by the Authority under and in accordance with any provision of this Condition 2.4;</p> <p><i>(b) implement and comply with the Calorific Value</i></p>	<p>Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Condition Structure and Clarity</i>.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<p>Kinecx]/Condition 2.4.21: Publication of and compliance with statements prepared under this Condition 2.4</p> <p>[Phoenix]/Condition 2.3.19: Publication of and compliance with statements prepared under this Condition 2.3 [BGTL, PTL, WTL, GNI (UK)]</p>	<p><i>Management Statement, as approved by the Authority under and in accordance with any provision of this Condition 2.4;</i>"</p> <p>should read instead:</p> <p><i>"(a) implement and comply with the Connection Charging Methodology Statement, the GDF Connection Charging Methodology Statement, and the Calorific Value Management Statement, in each case as approved by the Authority under and in accordance with any provision of this Condition 2.4;"</i> [highlights indicating proposed drafting changes]</p> <p><u>Note:</u></p> <p>Evolve, Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	
34.	<p>Authority Direction</p> <p>Condition 2.3.22 [Evolve, Kinecx]/Condition 2.4.22</p> <p>[Phoenix]/Condition 2.3.21 [BGTL, PTL, WTL, GNI (UK)]: Review and Revision of Statements – General</p>	<p><u>Phoenix:</u></p> <p>Phoenix referred to paragraph 3.359 of our consultation paper which stated that the provisions for Authority direction which had been proposed constituted “a way of embedding into the licence flexibility to amend the obligations on licence holders as may be appropriate from time to time, without having to set out all the detail in the licences and undergo a licence modification process on each occasion. This would be both lengthy and entail substantial administrative burden.” Phoenix built on this to substantiate its call for removal of “all unnecessary detail in licence and all requirements that may evolve / quickly become redundant as policy development in support of the transition to a net zero</p>	<p>For our response on level of detail of licence requirements, arrangements for Authority direction and flexibility, see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i>, sub-section <i>Level of Detail for Licence Requirements in Relation to Gas Delivery Facility Connections, Authority Direction, Flexibility and Timing of Licence Modifications</i>.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p><i>economy continues</i>".</p> <p><u>Note:</u> Evolve, Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	
35.	<p>Disputes with respect to terms offered</p> <p><i>Condition 2.3.24 [Evolve, Kinecx]/Condition 2.4.24 [Phoenix]/Condition 2.3.22 [BCTL, PTL, WTL, GNI (UK)]: Resolution of disputes by the Authority</i></p>	<p><u>Kinecx:</u> Kinecx raised concerns with respect to the proposed dispute resolution provisions overriding the dispute resolution process already embedded in the Network Connection Agreement. Given the technical nature of disputes, Kinecx considered that their resolution should rest with an appropriate expert as set out in the Network Connection Agreement.</p> <p>Kinecx requested further engagement with the Utility Regulator to determine the most suitable dispute resolution framework that respects existing contractual arrangements.</p> <p><u>Phoenix:</u> Phoenix had significant concerns with the proposed role of the Authority in relation to the determination of disputes involving Gas Delivery Facilities.</p> <p>Phoenix noted that the terms and conditions for introducing biomethane into its network do not identify a dispute settlement role for the Authority. Rather, if Phoenix and the applicant are unable to reach agreement following escalation within each individual organisation, a jointly nominated expert will be called upon to make the final settlement. Phoenix was of the view that these arrangements recognise:</p>	<p>For our response to the comments made on this matter, see row 28.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<ul style="list-style-type: none"> the complexity of a Gas Delivery Facility connection and the need for a suitably qualified expert to settle a dispute on what is a detailed and technical contract; and the need to be able to choose different experts based on the matter under dispute. <p>Phoenix was concerned about the Authority being a sole expert for dispute resolution. Phoenix:</p> <ul style="list-style-type: none"> Suggested to replace , in paragraph (b)(ii) of <i>Condition 2.3.15</i> [Evolve, Kinecx]/<i>Condition 2.4.15</i> [Phoenix]/<i>Condition 2.3.13</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Gas Delivery Facility Connections – Requirement to offer terms</i>, the words “either the applicant or the Licensee may make an application to the Authority for the determination of the dispute” with “a dispute escalation procedure is available with either the applicant or the Licensee able to make an application for determination of the dispute”. (see row 28) Asked for paragraph (a)(ii) of <i>Condition 2.3.24</i> [Evolve, Kinecx]/<i>Condition 2.4.24</i> [Phoenix]/<i>Condition 2.3.22</i> [BGTL, PTL, WTL, GNI (UK)]: <i>Resolution of disputes by the Authority</i> to be removed. <p><u>Note:</u> MEL, GNI (UK) and GMO NI did not provide specific comments on this matter. Evolve commented on dispute resolution arrangements as part of its feedback to <i>Condition 2.3.15</i> [Evolve, Kinecx]/<i>Condition 2.4.15</i></p>	

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		[Phoenix]/Condition 2.3.13 [BGTL, PTL, WTL, GNI (UK)]: <i>Gas Delivery Facility Connections – Requirement to offer terms</i>	
36.	Cross-reference Accuracy Condition 2.3.24 [Evolve, Kinecx]/Condition 2.4.24 [Phoenix]/Condition 2.3.22 [BGTL, PTL, WTL, GNI (UK)]: <i>Resolution of disputes by the Authority</i>	<u>Phoenix:</u> Phoenix suggested that paragraph (b) should reference paragraph (a)(i) for clarity and, more specifically, that " <i>(b) Any dispute referred to the Authority pursuant to Condition 2.4.24(a) which relates to a connection to the Network of any premises (and any non standard gas meter and any gas meter that is not owned by the Licensee (or any affiliate or related undertaking of the Licensee) and is located in any premises) which [...]</i> " should read instead: "(b) Any dispute referred to the Authority pursuant to <i>Condition 2.4.24(a)(i) which [...]</i> " [highlights indicating proposed drafting changes] <u>Note:</u> Evolve, Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.	Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i> , sub-section <i>Cross-reference Accuracy</i> .
37.	Definition of Premises Condition 2.3.25 [Evolve, Kinecx]/Condition 2.4.25 [Phoenix]/Condition 2.3.23 [BGTL, PTL, WTL, GNI (UK)]: <i>Interpretation and</i>	<u>Evolve:</u> Evolve considered that the introduction of a specific definition for the term " <i>premises</i> " into the licence adds unnecessary complexity and could cause confusion, reducing the readability of the licence. <u>Kinecx:</u> Kinecx saw a risk of confusion in the future with the word " <i>premises</i> " being defined in Condition 2.3 [Evolve, Kinecx, BGTL, PTL, WTL, GNI (U)]/Condition 2.4 [Phoenix]	Licence drafting has been amended. For further details see decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i> , sub-section <i>Definition of Premises</i> .

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<i>construction</i>	<p>specifically with respect to that condition and also being used elsewhere in the licence. Kinecx suggested using an alternative description specific to this condition.</p> <p><u>Phoenix:</u></p> <p>Phoenix considered that redefining the term “<i>premises</i>” in and for the context of Condition 2.3 [Evolve, Kinecx, BGTL, PTL, WTL, GNI (U)]/Condition 2.4 [Phoenix] could cause confusion. Phoenix suggested using another term (e.g. “<i>property</i>”) in this condition, to remove conflict with the definition of “<i>premises</i>” in the Gas Order and enhance clarity and transparency of licence drafting.</p> <p><u>Note:</u></p> <p>MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	
38.	<p>Duplication of existing arrangements</p> <p><i>Condition 2.9.1</i> [Evolve, Kinecx, BGTL, PTL, WTL]/<i>Condition 2.10.1</i> [Phoenix]/<i>Condition 2.8.1</i> [GNI (UK)]: <i>Maintenance of Records Recorded information</i></p>	<p><u>Phoenix:</u></p> <p>Phoenix observed that the requirements to record the information detailed in paragraph (e) are already contained in its Network Code and suggested deletion of this paragraph, to avoid duplication of compliance reporting requirements.</p> <p><u>Note:</u></p> <p>Evolve, Kinecx, MEL, GNI (UK) and GMO NI did not provide specific comments on this matter.</p>	<p>As set out in our consultation paper, we consider the information requirements set out in paragraph (e) to be fundamental to the development and maintenance of an efficient, economic and co-ordinated gas industry. Formally requiring the licence holders to keep a record of the details covered in paragraph (e) enhances the robustness of compliance monitoring.</p>
39.	Coordinated Network Planning	<p><u>MEL:</u></p> <p>MEL expressed its expectation that the historic approach</p>	<p>We note MEL's suggestions. We are mindful of the findings of the network constraints</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<p><i>Condition 2.13</i> [BCTL, PTL]/<i>Condition 2.11</i> [WTL]/<i>Condition 2.10</i> [GNI (UK)]: Network Forecasts</p>	<p>to producing the NI Gas Capacity Statement would still meet the requirements of the updated licence condition, which simply clarifies the types of connectees who may wish to use the information therein.</p> <p>MEL suggested that to ensure that the information made available to prospective Gas Delivery Facility Operators is of sufficient usefulness, consideration should be given:</p> <ul style="list-style-type: none"> • as to whether any further policy or direction is required to enhance the collaboration that takes place between distribution and transmission network operators in the production of the NI Gas Capacity Statement/Gas Adequacy Statement; or • to require production of additional coordinated information that would be of use of prospective Gas Delivery Facility connectees. <p>MEL noted that management of Gas Delivery Facilities connecting to distribution networks with knock on effects on the transmission network would likely require coordinated network planning with a scope well beyond historic arrangements.</p> <p><u>Note:</u></p> <p>GNI (UK), and GMO NI did not provide specific comments on this condition. The condition is not aligned with the gas distribution licences.</p>	<p>project undertaken by the network operators which will be of relevance both from a network planning and biomethane policy development perspective. Consideration of these inter-dependencies, and biomethane policy development – ongoing at the time of writing – will form the basis for assessing in due course whether further policy, direction and/or production of additional coordinated information for prospective Gas Delivery Facility connectees will be needed.</p> <p>We are also mindful of the ongoing strategic network planning project by the NI gas TSOs and GMO NI. We will consider the appropriateness of any further directions or licence modifications to underpin enhanced collaboration for the purposes of producing network forecast statements such as the Gas Transmission Outlook (previously referred to as Gas Adequacy Statement) in due course as part of the strategic network planning project, as it progresses. We are open to discussing any lessons learned from the production of the 2025 Gas Transmission Outlook to inform such considerations.</p>
40.	<p>Entry Point Charging Arrangements</p> <p><i>Part 2A: Standard</i></p>	<p><u>MEL:</u></p> <p>MEL noted a potential risk of cross subsidisation where gas entering the network through a Gas Delivery Facility is subject to entry tariffs (i.e. contributing to operating costs</p>	<p>We note GMO NI's supportive comments of the proposed modification to the entry charging arrangements, including agreement that it supports the non-discrimination</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<p><i>Conditions Applicable to the Conveyance of Gas by Designated Pipeline Operators [BGTL, PTLW, WTL, GNI (UK)]</i></p>	<p>associated with other entry points) whilst the connectee is also obliged to directly pay operating costs associated with that connection. MEL asked for guidance and clarification with this respect.</p> <p><u>GMO NI:</u></p> <p>GMO NI agreed that extending existing entry charging arrangements to apply to gas introduced at Gas Delivery Points promotes consistency and fairness across all entry points, including interconnectors and renewable gas injection sites. GMO NI noted that this approach aligned with the proposals set out in GMO NI's published business rules for Non-IP (Interconnection Point) Entry Points.</p> <p>GMO NI also agreed that the proposed modification supports the non-discrimination principles established under the Gas (Northern Ireland) Order 1996 and the Tariff Network Code. GMO NI considered the proposed amendment to the definition of "Entry Point" to include a reference to "Gas Delivery Point" to be an effective and pragmatic means of achieving this alignment.</p> <p><u>Note:</u></p> <p>GNI (UK) did not provide specific comments on this condition This licence part is not contained in the gas distribution licences.</p>	<p>principles established under the Gas (Northern Ireland) Order 1996 and the Tariff Network Code.</p> <p>We do not consider that a connectee of a Gas Delivery Facility being obliged to pay operating cost directly associated with its connection under the producer-pays principle, and contributing towards the recovery of costs associated with the network through payment of Entry Charges, will result in cross subsidisation.</p> <p>The operating cost directly associated with the connection is cost that arises only because of the specific connection. Under the producer-pays principle, it is to be borne by the Gas Delivery Facility Operator and not socialised across other users of the network.</p> <p>It does not include costs relating to the existence, and ongoing operation and maintenance, of the network as such; these costs are socialised across the users of the network and recovered through network charges. For the high-pressure network, entry and exit capacity charges as well as exit commodity charges apply. The unit rates for these charges are calculated based on the total revenues required to recover the costs associated with the network and the relevant quantities.</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
			<p>That is, entry capacity charges are designed to contribute to the recovery of costs relating to the network as such (with all its entry and exit points and the infrastructure in-between them) rather than merely being focussed on recovery of costs associated with specific entry points. Given that the connectee of a Gas Delivery Facility benefits from the presence of the network, as this will enable gas from the Gas Delivery Facility to be conveyed through the network and being made available to network users, we consider it appropriate that entry charges are applicable to Gas Delivery Points.</p> <p>It is the case that the costs relating to the network contain elements that relate to IP Entry Points which a Gas Delivery Facility Operator might not physically use. However, the presence of IP Entry Points, and the fact that physical forward flows take place from them, form the basis for VRF (Virtual Reverse Flow) services, which a Gas Delivery Facility Operator might use.</p>
41.	<p>Interruptible Entry Capacity <i>Part 2A: Standard Conditions</i> <i>Applicable to the Conveyance of Gas</i></p>	<p><u>GMO NI:</u> GMO NI confirmed that there are no current plans to introduce interruptible entry capacity products at Gas Delivery Points and agreed that related licence modifications are not required at this stage. GMO NI noted that – should this position change in the future – it would</p>	<p>Comment noted. We remain open to considering further licence modifications should a need for interruptible capacity products at Gas Delivery Points emerge.</p> <p>For our considerations on inter-dependencies with biomethane policy and market</p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<i>by Designated Pipeline Operators [BGTL, PTLW, WTL, GNI (UK)]</i>	be appropriate for the licences to be revisited accordingly. <u>Note:</u> MEL and GNI (UK) did not provide specific comments on this condition. This licence part is not contained in the gas distribution licences.	development, see also decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses</i> , sub-section <i>Level of Detail for Licence Requirements in Relation to Gas Delivery Facility Connections, Authority Direction, Flexibility and Timing of Licence Modifications</i> .
42.	Capacity allocation/formulae for monthly Shipper invoices and reconciliation payments <i>Part 2A: Standard Conditions Applicable to the Conveyance of Gas by Designated Pipeline Operators [BGTL, PTLW, WTL, GNI (UK)]</i>	<u>GMO NI:</u> GMO NI noted its proposal for capacity at Non-IP Entry Points to be allocated on a “First Come, First Served” basis, in contrast to capacity at IP Entry Points, which is allocated via auctions. GMO NI supported the proposed drafting changes to reflect this distinction. GMO NI considered that the approach taken avoids unnecessary complexity in the licences while ensuring that the existing formulae for monthly Shipper invoices and reconciliation payments continue to function correctly. <u>Note:</u> MEL and GNI (UK) did not provide specific comments on this condition. This licence part is not contained in the gas distribution licences.	Comment noted.
43.	Discounts for Entry Capacity <i>Part 2A: Standard Conditions Applicable to the</i>	<u>GMO NI:</u> GMO NI welcomed the consideration of a potential discount for entry capacity at Gas Delivery Points. While no basis for such a discount has been identified at this time, GMO NI encouraged the Utility Regulator to bring forward	Comment noted.

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
	<p><i>Conveyance of Gas by Designated Pipeline Operators [BCTL, PTLW, WTL, GNI (UK)]</i></p>	<p>further licence modifications without delay should a justifiable case emerge in the future.</p> <p><u>Note:</u> MEL and GNI (UK) did not provide specific comments on this condition. This licence part is not contained in the gas distribution licences.</p>	
44.	<p>Potential Future Business Rules Changes <i>Part 2A: Standard Conditions</i> <i>Applicable to the Conveyance of Gas by Designated Pipeline Operators [BCTL, PTLW, WTL, GNI (UK)]</i></p>	<p><u>MEL:</u> MEL considered the proposed modifications to Part 2A of the high-pressure gas conveyance licences to be effective in extending entry charging arrangements to gas introduced to the network via Gas Delivery Facilities, in line with the business rules for Non-IP Entry Points drafted by GMO NI. MEL noted that these business rules may be subject to further refinement as the biomethane industry develops in Northern Ireland (e.g. if there was to be congestion at Gas Delivery Points) which could lead to further licence modifications being required.</p> <p><u>GNI (UK):</u> GNI (UK) noted the ongoing work by DfE with respect to biomethane policy development and recognised that when finalised, further changes to the gas conveyance licences may be required.</p> <p><u>GMO NI:</u> GMO NI anticipated that additional licence changes will be required as biomethane policy continues to develop and highlighted the importance of implementing any future modifications promptly and effectively to support this evolution.</p>	<p>We remain open to bringing forward further licence modifications if indicated as a result of changes to business rules for Non-IP Entry Points and/or as a result of biomethane policy and market development. For our considerations with this respect, see also decision document, chapter 2, section <i>UR Consideration of Selected Key Points from Consultation Responses, sub-section Level of Detail for Licence Requirements in Relation to Gas Delivery Facility Connections, Authority Direction, Flexibility and Timing of Licence Modifications.</i></p>

Ref.	Topic	Comments from Consultation Responses	Utility Regulator Response
		<p><u>Note:</u> GNI (UK) and GMO NI commented more generally on the potential future need for further licence modifications (see row 5). This licence part is not contained in the gas distribution licences.</p>	