

30/04/2026

By Email:

Gas_networks_responses@uregni.gov.uk

CC: christopher.mccool@uregni.gov.uk.

Consultation on Seasonal Multiplier Factors for Gas Transmission

Dear Christopher,

Flogas Energy Group welcomes the opportunity to respond to the Utility Regulator's consultation on the level of seasonal multiplier factors.

Flogas Energy, a DCC plc Group business, was established in 1978 and supplies LPG, natural gas and electricity across the island of Ireland. In Northern Ireland, Flogas supplies commercial and industrial customers only. As a licensed gas shipper and supplier operating in Northern Ireland, the structure and application of transmission tariffs, including seasonal multiplier factors, are an important consideration for our business and for the affordability of gas for end consumers. We therefore appreciate the opportunity to comment, notwithstanding that no material changes are proposed as part of this consultation.

Overall, Flogas supports the Utility Regulator's proposal to maintain the current seasonal multiplier factors for the forthcoming tariff year. In our assessment, there has been no material change in market conditions, system usage, or demand patterns since the previous tariff year that would justify a change to the existing seasonal multiplier profile at this time. Maintaining the current factors provides tariff continuity and predictability for Shippers and Suppliers and supports efficient capacity procurement decisions.

We agree with the Utility Regulator's view that the considerations underpinning the current seasonal multipliers — including revenue recovery, cost reflectivity, the balance between short-term trade and long-term investment signals, and efficient network utilisation — remain broadly unchanged. On this basis, we consider it appropriate and proportionate to retain the existing seasonal multiplier factors for the forthcoming tariff period.

Flogas agrees that the current seasonal multiplier factors continue to perform satisfactorily when assessed against the relevant considerations set out in Article 28(3) of the Tariff Network Code. In particular:

- The existing profile continues to support efficient short-term capacity use without undermining long-term network investment signals.
- Retaining the current multipliers avoids introducing distributional or revenue recovery impacts that could arise from unnecessary tariff restructuring.
- The approach remains consistent with the objective of avoiding undue cross-subsidisation between network users.

We further note that no changes are proposed in relation to interruptible capacity discounts or storage discounts, and we agree that this remains appropriate given current network conditions and the absence of gas storage facilities in Northern Ireland.

Flogas recognises the importance of all-island gas market considerations, particularly in light of the interaction between gas transmission costs and electricity generation within the Single Electricity Market. We consider that the continued application of seasonal multiplier factors that are aligned, or appropriately coordinated, with those applied in the Republic of Ireland remains desirable. Retaining the current approach supports market stability and helps to avoid perverse pricing signals across interconnected markets.

While outside the scope of this consultation, Flogas notes the Utility Regulator's intention to undertake a more detailed review of seasonal multiplier factors in future tariff periods. We welcome this forward-looking signal and would emphasise the importance of early and meaningful stakeholder engagement should any alternative approaches be considered. Any future proposal to amend the seasonal multiplier structure should be evidence-based, proportionate, and subject to full consultation.

In conclusion, Flogas supports the Utility Regulator's proposal to maintain the current seasonal multiplier factors for non-annual gas transmission capacity products from 1 October 2026. We consider this to be the most appropriate outcome for the forthcoming tariff year, providing tariff stability and continuity for market participants.

Yours sincerely,
Fionnuala Mellon
Regulation Affairs Analyst

Flogas Energy Group