

THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION

LICENCE MODIFICATION NOTICE

WHEREAS: –

- 1) On 1st March 2012, the Northern Ireland Authority for Utility Regulation (the “**Authority**”), in accordance with Article 14(3) of the Gas (Northern Ireland) Order 1996 (the “**Order**”), gave notice:-
 - a) stating that it proposed to make modifications to the conditions of the gas conveyance licence held by: BGE (UK) Ltd; Belfast Gas Transmission Ltd; Premier Transmission Ltd; Phoenix Natural Gas Ltd; Bord Gais Eireann - Firmus Energy (Distribution) Limited (the “**Licensee(s)**”) under Article 8(1)(a) of the Order;
 - b) setting out the effect of the proposed modifications;
 - c) stating the reasons why it proposed to make those modifications; and
 - d) specifying the period within which representations or objections with respect to the modifications may be made.
- 2) No objections with respect to the proposed modifications were made.
- 3) The Licensees have consented to the making of the proposed modifications.

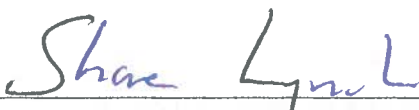
NOW:-

In pursuance of its powers under Article 14(1) of the Order:-

- 1) the Authority hereby gives notice of the modification of the conditions of the gas conveyance licences held by the Licensee(s) under Article 8(1) (a) of the Order;
- 2) the modifications shall refer to the following condition number and comprise as set out in the Schedule below;

	Condition Number		Condition Number
BGE (UK) Ltd	1.13	Phoenix Natural Gas Ltd	1.14
Belfast Gas Transmission Ltd	1.13	Bord Gais Eireann - Firmus Energy (Distribution) Limited	1.13
Premier Transmission Ltd	1.13		

- 3) And the modifications shall take effect on 28th September 2012



For and on behalf of the Northern Ireland Authority for Utility Regulation

Dated the 28th day of September 2012

SCHEDULE

Conveyance Licences

Condition XX: Payment of Fees to the Authority

- In respect of each year, beginning on 1 April, during which the Licence is in force, the Licensee shall pay to the Authority a fee of the amount determined in accordance with this Condition (the **licence fee**).
- The Licensee shall pay to the Authority the licence fee for each year (the relevant year) within 30 days of the Authority giving notice to the Licensee of the amount due from the Licensee for the relevant year.
- For each relevant year, the licence fee shall be the total of:
 - (a) an amount that is the Relevant Contribution to the Estimated Costs of the Authority for the relevant year;
 - (b) an amount that is the Relevant Contribution to the Estimated Costs of the Consumer Council with regard to the exercise of its functions relating to gas consumers for the relevant year;
 - (c) an amount that is the Relevant Contribution to the Estimated Costs of the Competition Commission, in connection with any reference made to it in respect of the Licence or any other licence granted under Article 8(1)(a) of the Order, for the year immediately preceding the relevant year (the **previous year**); and
 - (d) an amount which is the difference (which may be a positive or negative amount), if any, between:
 - (i) the licence fee that would have been due from the Licensee for the previous year had such fee been calculated in relation to the actual costs of:
 - (A) the Authority for the previous year;
 - (B) the Consumer Council with regard to the exercise of its functions relating to gas consumers for the previous year; and

(C) the Competition Commission, in connection with references of the type referred to in sub-paragraph 3(c), for the year immediately preceding the previous year; and

(ii) the licence fee paid by the Licensee for the previous year,

provided that where the Licence is in force for only a part of the relevant year, the amount payable in respect of that year shall be a proportionate part of the licence fee due for the full year.

- Where:

(a) the Estimated Costs of the Authority or of the Consumer Council are revised during the course of the relevant year (**Revised Costs**);

(b) the Licensee has paid the licence fee for the relevant year; and

(c) the Revised Costs would, had they applied to the calculation of the licence fee paid by the Licensee, have resulted in the calculation of a lower licence fee than that paid by the Licensee,

the Authority may, where it is reasonable for it to do so taking into consideration the timing of the Revised Costs and the provisions of paragraph 3(d), refund to the Licensee the difference between the amount of the licence fee paid by the Licensee and the amount of the lower licence fee referred to in paragraph 4(c) above.

- Where the Licensee fails to pay the amount of the licence fee as notified to it under paragraph 2 above within the 30 day period specified, it shall with effect from the end of that 30 day period pay simple interest on the amount at the rate which is from time to time equivalent to the base lending rate of an institution designated by the Authority for this purpose.

- In this Condition:

“Estimated Costs”

(i) in relation to the costs of the Authority, means the costs estimated by the Authority as likely to be its costs for the relevant year as calculated in accordance with the Principles;

(ii) in relation to the costs of the Consumer Council, means

either:

(A) the costs notified to the Authority by the Consumer Council as its estimated costs for the relevant year as approved by the Department; or

(B) in the event that the Authority does not receive such notification by 31 July in the relevant year, the costs estimated by the Authority (having regard to any estimate of such costs in any forward work programme published by the Consumer Council in respect of the relevant year) as likely to be the costs of the Consumer Council for the relevant year; and

(iii) in relation to the costs of the Competition Commission, means the costs estimated by the Authority following consultation with the Competition Commission as likely to be the costs of the Competition Commission for the previous year in connection with references of the type referred to in sub-paragraph 3(c) above.

“Principles”

means the principles determined by the Authority for the purposes of this Condition generally, following consultation with the Licensee and with others likely to be affected by the application of such principles and as notified to the Licensee in writing.

“Relevant Contribution”

means, in respect of the Estimated Costs, the level of contribution to those costs applicable, whether by way of a specified amount or a stated proportion, to the Licensee as determined under or in accordance with the Principles.