

Mr Mark Raphael
Gas Market Operator (NI),
Fourth Floor,
The Arena Building,
85 Ormeau Road,
Belfast,
BT7 1SH

Ref: CNO/G/TH/209

5th August 2017

Dear Mark

NI Network Gas Transmission Code & Code Modification Rules

On behalf of the HP Conveyance Licensees acting in conjunction and co-operation, you submitted, on 8 June 2017, the following for our approval in compliance with the relevant licence conditions.

- NI Network Gas Transmission Code (Condition 2.4D.1a)
- Framework / Accession Agreement (subsequently revised and re-submitted on 28 June 2017) (Condition 2.4D.1b)
- Code Modification Rules (Condition 2.4D.7)

A Joint Consultation Report and a number of other documents were submitted in support. These documents covered the formal consultation process and provided a detailed explanation of the link between the four network codes that currently exist, and the new single system network code.

The Joint Consultation Report states that the purpose of the NI Network Gas Transmission Code and the Code Modification Rules is to better harmonise the arrangements for gas transmission in Northern Ireland, and as part of the arrangements to deliver a Single System Operator Model for Northern Ireland.

We note that in response to the consultation process four responses were received from.

- One Distribution Network Operator – Phoenix Natural Gas Ltd.

- Two Power Generators – Joint submission from AES Ballylumford and AES Kilroot.
- Two Gas Supply licence holders – Flogas and British Gas Trading.

Decision

We have considered the various issues raised by the consultation responses and addressed in the Joint Consultation Report. We have also made an assessment against the relevant conditions in each HP Conveyance Licensee's licence.

- NI Network Gas Transmission Code (Condition 2.4D.1a)
- Framework / Accession Agreement (Condition 2.4D.1b)
- Code Modification Rules (Condition 2.4D.7)

In reaching our decision we have also considered whether approval would facilitate the achievement of our statutory objectives.

On this basis we have determined that the following documents should be approved:

- NI Network Gas Transmission Code
- Framework / Accession Agreement
- Code Modification Rules

The NI Network Gas Transmission Code will come into effective in accordance with the provisions of Appendix 7 of the Code, Transition: Entry Into Force Of The Code.

Yours sincerely,



Tanya Hedley
Director of Compliance and Network Operations
For and on behalf of NIAUR