

Graham Craig
The Utility Regulator
Queens House
14 Queens Street
Belfast
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1st November 2017

Licence Modifications to facilitate changes to the publication of the Postalised Tariff

Dear Graham

Gas Market Operator for Northern Ireland (GMO NI) is grateful to have the opportunity to respond to this consultation. As the administrator of the NI Network Gas Transmission Code (Code) and the party responsible for gathering the volume forecasts, the comments on the proposed licence modifications relate to GMO NI activities and do not focus on the provision of the Forecast Required Revenue.

GMO NI are keen to highlight that by bringing forward the period in which forecasts are derived, this could have an impact on the accuracy of data being used for the calculation of the Postalised Charges. However, GMO NI acknowledge that this is a consequence of the timelines stipulated within the EU Tariff Network Code and cannot be avoided if NI are to be compliant. We therefore would encourage Shippers to take greater care when submitting forecasts to the GMO NI going forward.

GMO NI welcome the change in Condition 2A.2.7(a) which introduces a publication deadline of 31st May for the Postalised Charges, this should provide Shippers with more certainty as to when they should expect the latest charges.

GMO NI suggest the removal of *'and in any event at least two Business Days before the first Business Day in August'* from Condition 2A.4.3.1(b) in all of the Transmission System Operator's licences as this no longer fits the proposed timeframes.

The licence changes will require a modification to the Code. The modification will require bringing forward the date when GMO NI issues a forecast form to Shippers and the date when Shippers have to return it by. It is important to note that the timescales to develop and deliver this code modification are tight and going forward we would ask the Utility Regulator (UR) when preparing future licence modifications to take into consideration the development times of delivering a Code modification, in particular, the potential changes to business processes, the formal modification timescales and other activities taking place during the same period. GMO NI acknowledge that the changes this time should be minor, however there is an impact on the credit support process which needs to be considered fully and may require a further Code modification. GMO NI also ask UR to be cognisant of the shortened period UR will have for review and approval of this Code modification if the changes are to be implemented in time to ensure the Code is aligned with the revised licence timescales.

In summary, GMO NI believes that consultation paper clearly outlines the reasons for the proposed modifications to the conveyance licences. As a number of the changes are necessary for compliance with the EU Tariff Network Code, GMO NI has no objection to these proposed modifications.

Should you wish to discuss any aspect of our response please do not hesitate to contact me.

Yours sincerely



Stephen English
Gas Contracts Manager