

Briega Tyrrie
The Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED

19th February 2021

Draft Forward Work Programme 2021-22

Dear Briega,

GMO NI is a joint arrangement between the 4 Northern Ireland gas transmission system operators, and carries out gas transportation related activities on their behalf such as administration of the NI gas transmission network code, the related operation and maintenance of the gas transportation IT system, along with financial related activities on tariffing and TSO revenue collection. GMO NI is the primary Shipper facing entity of the NI TSOs and monitors and engages at a local, national and EU wide level on gas market related matters with regards to NI.

GMO NI welcomes the opportunity to respond to the draft forward workplan and has some comments related to the gas market.

GMO NI welcomes the inclusion of a review of licences to facilitate innovation as a work item (Strategic Objective 1, Ref 4). It is essential that renewable gases are embraced by NI not only as a means to decarbonise fuel themselves, but also as they will play a key role in supporting the electricity grid in enabling increased renewable power generation through sector coupling. Emerging technologies and concepts on the gas side such as carbon capture storage and utilisation, power to gas facilities, hydrogen injection and blending in gas grids, and repurposing of existing assets are widely accepted future requirements if net zero is to be achieved by 2050. There should be mechanisms for allowances and regulatory sandboxes for gas operators to take part in innovative trials in relevant areas as to be put forward in the upcoming NI energy strategy and to prove concepts and help kick start certain commercially unproven processes and technologies aiding scale up.

Specific to the NI gas transmission market GMO NI looks forward to working towards and implementing short term exit products. Whilst it is GMO NI's understanding that consultation with industry may not occur until the end of 2021 or early 2022, GMO NI would encourage that UR begins work in this area with the gas transmission and distribution operators as soon as possible. Due to the multiple operators in the NI gas sector and the current arrangements interlinked between transmission and distribution it is essential to allow time for the operators to explore options and

carry out sufficient analysis on this before engaging with industry on possible solutions, hence GMO NI would welcome as early engagement as possible.

GMO NI has been and continues to be involved in the work to accommodate biomethane injection as outlined under Objective 3, Reference 6 and recognises the great work in progressing this to date led by UR. Now that main key tasks have been identified, a bottom up approach could be adopted to determine critical paths, identify interdependencies and risks and to define an overall plan to ensure that the target date as provided by UR of April 2022 is achievable. In line with this, it may be useful to have a central programme manager to knit the 3 workstreams together to ensure that implementation is achieved within the desired timescales.

GMO NI is happy to discuss any points outlined in this consultation response further and looks forward to engaging on the relevant areas with UR in the upcoming year.

Yours sincerely

Mark Raphael
General Manager