

Briege Tyrie
The Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED
Submitted via e-mail: briege.tyrie@uregni.gov.uk

19 February 2021

Re: The Utility Regulator's Draft Forward Work Programme 2021-2022

Dear Briege,

GNI (UK) welcomes the opportunity to provide feedback on the Utility Regulator's (UR) proposed work programme for 2021-2022. Having attended the January stakeholder workshop and reviewed the consultation paper, we make the following observations:

Strategic Objective 1, Action 4: Facilitate innovation in energy markets by reviewing licences

Adapting to climate change and transitioning to a low carbon future will require new innovative energy solutions. Technological developments and changing consumer demand will present new challenges for operators and regulators alike. GNI (UK) will work with UR to review areas in which licence changes could be applied to assist and encourage innovation in the gas market.

Strategic Outcome 2, Action 5: Complete arrangements for access to GB gas markets after 2021

GNI (UK) acknowledges that the above action relates to the Transportation Agreement between GNI (UK) and PTL. GNI (UK) is committed to the ongoing expert determination process and will seek to deliver the necessary contractual arrangements in the timeline required on foot of the final expert decision which is binding on the parties.

Strategic Objective 2, Action 9: Continue GT22 price control review

The upcoming GT22 price control will regulate gas transmission system operators (TSOs) in Northern Ireland from October 2022 until September 2027. GNI (UK) is committed to working with the UR throughout this process.

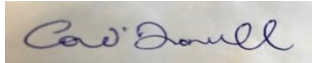
Strategic Objective 3, Action 6: Advance work on reviewing the gas regulatory framework to facilitate possible biomethane injection

GNI (UK) notes the commitment by the UK in June 2019 to become the first major economy to commit to a 100% reduction in greenhouse gas emissions by 2050. This net zero target represents a significant step-change in the commitment to addressing the climate crisis. By leveraging the existing gas grid through the injection of biomethane, immediate emissions savings will be delivered. Across Europe, renewable biomethane is already being injected into gas grids and represents the least cost and least disruptive way to decarbonise home heating for those on or near the gas network. Biomethane is net zero carbon and fully compatible with the existing gas networks. In addition, biomethane presents an opportunity to increase farm incomes and stimulate rural economies. GNI (UK) welcomes the objective of UR to facilitate biomethane injection by updating the regulatory framework and we will work with the UR throughout this process.

In conclusion, GNI (UK) looks forward to continued engagement with the UR to meet the challenges facing the energy industry in respect of climate change, Covid-19 and the UK's departure from the European Union.

Please feel free to get in touch in relation to any of the points included above.

Yours Sincerely,

A rectangular box containing a handwritten signature in blue ink. The signature appears to read "Con O'Donnell" in a cursive script.

Con O'Donnell
Regulatory Framework Manager
Gas Networks Ireland on behalf of GNI (UK) Limited

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