



Elaine Cassidy,
Utility Regulator,
Queens House,
14 Queen Street,
Belfast BT1 64D.
Northern Ireland.

Response to Utility Regulator Notice given pursuant to Article 45(4) of the Energy (Northern Ireland) Order 2003 of intention to impose a financial penalty on GNI(UK) Limited

31 March 2016

Dear Ms Cassidy,

GNI(UK) would like to acknowledge the Utility Regulator consultation on the proposal to impose a financial penalty on the company following an investigation into failure of the company to comply with Condition 2.2.2(c)(ii)(ab) of the gas conveyance licence.

GNI(UK) accepts in full the findings of the Utility Regulator, including the proposal to impose a financial penalty of £500,000 . We appreciate the Utility Regulator's acknowledgement that GNI(UK):

- Took an immediate decision to investigate the whistleblowing complaint, did so of its own accord (without the need for the regulator to request it) and rightly decided that the matter was sufficiently serious to appoint external auditors to undertake the investigation;
- Has fully co-operated with the Authority's investigation, provided all information requested of it in a timely manner, and is actively looking at how the adjustment necessary to unwind the consequences of its actions can and will be made (irrespective of any financial penalty imposed on it);
- Is taking all reasonable steps, by way of implementing sufficiently robust mechanisms, systems and procedures and ensuring that there are proper checks and balances in place, to ensure that lessons are learned from the circumstances of this case.

We believe that this was an isolated incident which was a clear breach of the company's values.

We would be grateful if you could revert in regard to the next steps once the Utility Regulator has made its final decision in this regard.

Yours sincerely,

A handwritten signature in black ink, appearing to read "D. Smith", is written over a light blue rectangular background.

GNI (UK) Limited.