

Briege Tyrie  
The Utility Regulator  
Queens House  
14 Queen Street  
Belfast  
BT1 6ED

20<sup>th</sup> February 2019

### **Draft Forward Work Programme**

Dear Briege,

GMO NI is the gas market operator for Northern Ireland, a contractual arrangement between the four gas transmission system operators in NI and welcomes the opportunity to comment on the UR Draft Forward Workplan for 2019-2020, the first year of their five year corporate strategy.

GMO NI recognises and supports the 3 main strategic aims of the strategy in the workplan which are promoting markets, enabling 21<sup>st</sup> century networks and enabling security of supply and a low carbon future.

GMO NI welcomes the inclusion of scenario planning as highlighted as an activity in the document for the upcoming year. We are at the early stages of a major energy transition away from fossil fuels and non-renewable energy sources which will lead out to 2050. Natural gas and renewable gases such as biomethane, green hydrogen, and synthetic natural gas, along with the gas infrastructure can play a pivotal role both in this transition and in an enduring solution. Direct replacement of heavier fuels for heating, industry and transport with natural gas represents a quick win in terms of decarbonisation, and in the medium to longer term renewable gases can displace natural gas which will not only aide the transition to total decarbonisation, but provide security of supply along with the utilisation of existing gas assets providing stable tariffs for consumers. In addition, the emerging power to gas technology is an exciting opportunity to link the electricity and gas networks via renewable gases. This idea of utilising existing gas networks to support and accommodate further increases in renewable power generation on the electricity grid should be considered in any scenario planning activities.

GMO NI notes that the document in general is orientated more towards the electricity sector. For example, specifically in section 3 which outlines the eight key work areas, the only mention of gas is on the completion of a transportation agreement in terms of security of supply, which GMO NI recognises is of great importance for NI. However, gas and gas networks should not be seen as a sideshow to nor in isolation from electricity especially in the energy transition. The future role of gas in both the energy transition and in an enduring solution should be considered alongside electricity, in terms of renewable gases and their


use within the existing gas networks in supporting the electricity network to accommodate greater levels of renewable electricity generation. It may therefore be useful that in any scenario planning a holistic approach is taken across gas and electricity, and where relevant could also consider other sectors such as industry, transport and agriculture to ensure that any energy roadmap resulting from scenario planning is optimum for Northern Ireland as a whole.

GMO NI welcomes the specific inclusion of regulatory & policy amendments in the workplan to support biomethane injection, something which is now a tried and tested technology and being carried out all across Europe. This will give NI an indigenous source of a renewable gas which increases security of supply, promotes competition, and displaces traditional natural gas aiding decarbonisation. One area which sits alongside this, and which is missing from the document is work associated with a framework to accommodate CNG/LNG offtakes for transport fuelling stations. The replacement of natural gas in heavy road vehicles as a direct replacement of diesel represents a clear step in decarbonisation, and as more biomethane and possibly other renewable gases are injected into the grid the heavy road user sector will further be decarbonised. This technology is tried and tested among many countries worldwide and consideration should be given to whether the framework to accommodate this should also be included at the same time as the biomethane injection framework.

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 its implementation of the forward workplan, both in the upcoming year and throughout the five year corporate strategy.

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Raphael', written in a cursive style.

Mark Raphael  
General Manager