Transportation Network Code Proposed Modification 3
Initial Modification Report

1. Introduction

BGE(NI) Transmission ("the Transporter") has prepared this report in accordance with Section 4 of the BGE(Northern Ireland) Transportation Network Code Modification Rules.

2. Proposed Modification

The proposer of this modification has requested that certain sections of the BGE(Northern Ireland) Transportation Network Code be changed in order to facilitate the daily entry point reallocations at Carrickfergus to individual Shippers and in particular that BGE (NI) as Transporter compare Shippers Nominations at Moffat to Exit Allocations from the NWP.

The modification proposal is available on the BGE(NI) website at www.bordgais.ie/htm/transportation/index.htm

3. Modification proposed by

firmus energy

4. Proposed Modification submitted

1st February 2006

5. Transporters opinion of Proposed Modification

The Transporter understands that the proposer would like to have a facility to reallocate amounts of gas allocated at the Carrickfergus Entry Point where the allocation differs significantly from the amounts nominated due to circumstances outside the Shippers control.

There are arrangements in place which allow for gas to be re-allocated at Carrickfergus; however this would require the agreement of the Shippers at Carrickfergus and also the agreement of the two Transporters.

- The Northern Ireland Network Operators Agreement (NINOA) makes provision for BGE(NI) and PTL to ensure that the method of allocation of gas at the Carrickfergus Connected Systems Point will be consistent under their respective Codes (Ref. Clause 6).
- Shippers exiting gas at Carrickfergus from SNIP/PTP under the PTL Code and entering gas under the BGE(NI) Code may make a request to PTL to have an initial allocation changed before 16:00 on D+5 with the consent of BGE(NI) (Ref 3.6.3 PTL Code).
However, in all cases the metered quantities must be fully allocated.

The Transporter acknowledges that in certain circumstances gas allocated to one Shipper at an Entry Point may be affected by the behaviour of other Shippers on the System.

The Transporter feels there may be days, in exceptional circumstances, where a Shipper’s allocation at the Carrickfergus Entry Point may be substantially affected by the behaviour of other Shippers, and this may lead to a difference between the gas nominated by the Shipper and the gas allocated to the Shipper. The Transporter proposes that in circumstances where a Shippers Nomination differs substantially from the Shippers Entry Allocation at Carrickfergus, the Shipper may make application to the Transporter to review the reason for the variation. The Transporter shall use reasonable endeavours to establish the reason for the variation and if the Transporter determines that the variation was not attributable to the behaviour of Shipper making the application, the Transporter may increase the Shipper’s balancing tolerance for the Day in question to such other value determined by the Transporter.

It is proposed that the clearing of the NWP disbursement account for the month in question be suspended until the resolution of the Shipper’s application. There may be merit in having any such variation of the Shipper balancing tolerance approved by NIAER.

The proposers Modification cannot be accommodated as proposed as the BGE(NI) Code deals with transportation on the NWP only. The Proposal will be considered by the Transporter in discussions with NIAER and the DPO’s on streamlining the transportation arrangements on the postalised network in NI, however, in the meantime it is suggested that the Transporters proposal should be of assistance in alleviating the proposers concerns.

6. **Impact on other DPO’s Network Codes**

   The Transporter has considered the impact on PTL’s Code and while Shippers behaviour on SNIP/PTP may precipitate similar issues, it is our understanding that individual Shippers are less likely to be disadvantaged as the entry point allocations for the PTL Code are those provided by the Moffat Agent.

7. **Proposed Implementation Date**

   firmus energy has proposed that this modification be retrospective and has proposed an implementation date of 1st January 2006.

8. **Consultation Period for Initial Modification Report**

   Comments are requested on or before 6th April 2006 to abugler@bge.ie