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Aidan Bugler  
BGÉ Networks – Transportation Services,  
P.O. Box 51,  
Gasworks Road,  
Cork.

5th of May 2006

***Re: Transporter Network Code Proposed Modification 3***

Dear Aidan,

The fact that the Proposed Modification 3 has been requested highlights a problem with the current balancing regime at Carrickfergus. Coolkeeragh ESB has the following comments to the Alternative Proposed Modification for BGE(NI) Code Modification 3:

- The current balancing regime at Carrickfergus dis-advantages North West Pipeline (NWP) shippers as a Shippers Entry Allocation at Carrickfergus can differ significantly from their nomination through no fault of the Shipper. This is not the intended consequence of any balancing regime. Coolkeeragh ESB has been disadvantaged on numerous occasions when our nominations at Carrickfergus could not be achieved due to low differential pressure across the Carrickfergus valves. On these specific days Coolkeeragh ESB consumed its nominated volume at Coolkeeragh however it still resulted in paying negative imbalance charges on the NWP pipeline and positive imbalance charges on the SNIP pipeline. We feel that this is the fundamental issue that needs to be addressed by the Transporter and that this Code Mod only attempts to partially address a fundamental problem.

Coolkeeragh ESB would propose that the Transporters work towards a Moffat Entry / NWP Exit balancing regime.

- As per the proposed text amending the Code it states "*If the Transporter determines that such excess was not attributable in whole or in part to any act, default or omission of the Shipper the Shipper's Exit Point Tolerance in respect of the Day shall be increased to the extent the Transporter considers appropriate such that the amount of the charge payable by or to such Shipper in respect of the excess (or that part of the excess) which was not attributable to any act, fault or omission of the Shipper shall be calculated at the Daily Gas Price*". It is not clear from the present wording that if one Shipper ends up paying less balancing costs for a specific period as a result of an increased tolerance then does this have any negative financial impact on the other Shippers on the North West pipeline for this specific period? We would like to see a worked example of this.





- We would like written confirmation from the Transporter that only retrospective application of this Code Mod will not result in increased costs to other Shippers on the NWP.

Best regards,

A handwritten signature in cursive script that reads "Ciaran Byrne".

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Ciaran Byrne,  
Contracts Manager  
ESB Independent Generation