



Donal Kissane
BGE (NI) Transmission
P.O. Box 51
Gasworks Road
Cork
Ireland

27 June 2006

Dear Donal

**Re: BGE (NI) Code Modification 3
NIAER Approval of the Alternative Proposed Modification**

Thank you for your submission of the Final Modification Report in respect of the above named modification.

The Northern Ireland Authority for Energy Regulation ("the Authority") has reviewed the report and concludes that the Alternative Proposed Modification would better facilitate the "relevant objective" as defined in your gas conveyance licence.

As required by Section 10 of your Transportation Network Code Modification Rules, the Authority instructs BGE (NI) to implement the Alternative Proposed Modification with effect from 22 June 2006.

Please note that the Authority's conclusion that this modification better facilitates the "relevant objective" holds only so long as there are two balancing zones on Northern Ireland's gas transmission network. Once the DPO Rationalisation process is complete creating just the one balancing zone, it is the Authority's understanding that this code modification will itself be modified or removed as appropriate.

Yours sincerely

A handwritten signature in black ink, appearing to read "Iain Osborne".

Iain Osborne
For and on behalf of NIAER