

Mr Donal Kissane
Bord Gais Networks
Transportation Services
Gasworks Road
Cork
Ireland

Date: 1 February 2006

Dear Donal,

Re: Proposed modification to BGE (NI) Transportation Network Code.

Please find attached details of a proposed modification to the BGE (NI) Transportation Network Code.

A. Description of the nature and purpose of the modification

The purpose of this modification proposal is to:

- modify the BGE (NI) Transportation Network Code to facilitate daily entry point reallocations at Carrickfergus to individual Shippers.
- currently there is no facility for Shippers to reallocate any imbalances, which are beyond their control, at the System Entry Point.
- ensure the allocation process is equitable, on a cost basis, to all relevant parties.

B. How the modification will facilitate the relevant objective

This modification would lead to the allocation process becoming both volume and cost reflective of Shipper's actual throughput.

This would help to secure greater clarity for balancing and scheduling charges between BGE and Shippers on the North West pipeline.

C. Proposed amendment of clauses in the BGE (NI) Transportation Network Code

It is proposed that the following modifications are made to the BGE (NI) Code to facilitate entry point reallocation at Carrickfergus.

Modifications would be required to the following sections, including:

Section 3 – Allocations:

We would suggest that this is amended to include a new condition on Entry Point Reallocations.

firmus believes this could be done by comparing each individual Shipper's original nomination at Moffat with each individual Shipper's Aggregate Exit Allocation from the North West pipeline on any given day. If the difference between each individual nomination at Moffat and their Aggregate Exit Allocation on the North West is within each Shipper's Exit Point Tolerance, then we suggest that each Shipper could then have an Entry Point Reallocation based on their actual nomination.

Section 4 – Balancing and Scheduling Charges

We would therefore suggest that any subsequent reallocation, based on Section 3 above, should include balancing rules as per Section 4.3. Therefore, Shipper's would be cash neutral.

D. The date proposed for implementation

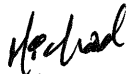
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firmus believes that this proposed modification should be retrospective.

E. Summary

firmus energy believes this proposed modification would provide a more equitable method of apportioning balancing and scheduling charges on a daily basis.

Yours sincerely,



Michael Scott
Regulatory Affairs Manager

c.c. Mark Prentice - firmus
Aidan Bugler - BGE (NI)