

Aidan Hogan BGE(NI) Gaslink 6 Lapps Quay, Cork, Ireland.

22 January 2013

Dear Aidan

Re: BGE(NI) Code Modification Proposal 8

The Utility Regulator approved the modifications outlined in Final Modification report No. 8 (v 1.0) on 28th August. However this approval was subject to our request to BGE(NI) and PTL to submit revised modifications by 31th October which would better align the BGE(NI) and PTL codes where it was possible to do so.

Thank you for your subsequent submission (jointly with PTL) which described how the text of the proposed modifications could better be aligned with the drafting proposed for the PTL code. We have considered the drafting you have proposed and the extent to which it would better facilitate the "relevant objective" as defined in your gas conveyance licence - Condition 2.4.1.

Authority review

Section C of Final Modification report v2.0 sets out in red underline text the changes you propose to make to better align the BGE(NI) and PTL codes.

We have considered:

- whether these amendments in red underline text better align the two codes,
- where changes are proposed to better align the codes, that the new drafting has the same effect as the drafting in Final Modification report v1.0
- Overall whether the revisions proposed in Final Modification report v2.0 would better facilitate the "relevant objective" as defined in your gas conveyance licence - Condition 2.4.1.

Authority's conclusions

We have concluded that the modifications proposed for the clauses 2.5.2(b), 3.2.2, and 3.6 better align the two codes and have the same effect as the drafting in Final Modification report v1.0. Furthermore that these modifications would better facilitate the "relevant objective" as defined in your gas conveyance licence - Condition 2.4.1.

The modifications proposed to subsequent sections of the code, i.e. to 6.9.1 and 6.18.2 and all subsequent modifications proposed to facilitate subsequent provision of a Connected Systems Agreement (CSA) with the distribution system operator (DSO) does not appear to have been consulted on at the IMR stage. For this reason we cannot direct that these modifications be made as they have not been subjected to the code modification process. We would invite BGE(NI) to bring forward an IMR in respect of this drafting if it believes it necessary.

We note that the conclusion of a CSA would place certain transportation parameters (e.g. ramp rates, profiles) outside the code in the CSA whereas the practice in the PTL code is to have these parameters in the code. As we have stated previously our expectation is that the transmission codes will have identical drafting unless there are compelling reasons to do otherwise. Therefore PTL and BGE(NI) will need to come to a common view on whether the transportation parameter should be contained in the code or in a CSA. Our expectation would be that transportation parameters should be in the code unless there is a compelling reason otherwise.

Decision

Accordingly, and as required by Section 10 of your Transportation Code Modification Rules, NIAUR directs BGE(NI) to implement the proposed modifications to clauses 2.5.2(b), 3.2.2, and 3.6 only as set out in Section C of Final Modification report v2.0 from Friday 25th January 2013.

You should note that we may use the relevant powers to make changes consistent with our statutory duties in future as we believe appropriate.

Yours\sincerely

Brian McHugh

For and on behalf of NIAUR

Cc Mark Raphael