14 February 2013

Dear Emma Jayne

Re: BGTL Code Modification Proposal 9

Thank you for your recent submission of the Final Modification Report in respect of the above named modification. The modification covers updates to the BGTL code consequent to IME2. The Northern Ireland Authority for Utility Regulation (NIAUR) has considered the issues raised by this modification and the FMR.

**BGTL conclusion**

BGTL states in its FMR that the relevant objective (condition 2.4 of the BGTL Licence), would be better facilitated by the Licensee’s Network Code as a result of this modification. This modification contains some amendments to reflect the upstream arrangements introduced to facilitate the introduction of VRF from Northern Ireland to Moffat, which will ensure completeness for the VRF Services under the BGTL Code.

**Authority review and conclusions**

We note that there were no third party representations received by BGTL during the consultation period.

We have considered whether the modification would better facilitate the ‘relevant objective’ as defined in your gas conveyance licence – Condition 2.4.1.

We have concluded that the modifications consequent to IME2 should be made with the exception of that proposed to paragraph 13.3 of section J. We believe that the drafting in this paragraph should be directly related to paragraph 13.1 only. Furthermore it should make reference to the Authority as BGTL could not rescind or vary any provision of the code without the Utility Regulator’s approval consequent to the code mod process. We have set out below drafting to achieve this.

Paragraph 13.3 Section J
Subject to compliance by Belfast Gas with any requirement for consultation under any applicable law or regulation and approval by the Authority of any code modification, Belfast Gas may rescind and/or vary any of the provisions of paragraph 13.1 this Code (including those in paragraph 13.1) or terminate this Code without notice to or the consent of any shipper or other third party.

Subject to this revision the Authority has concluded that the modification consequent to IME2 would better facilitate the ‘relevant objective’ as defined in your gas conveyance licence – Condition 2.4.1.

Decision

Accordingly, and as required by Section 9 of your Transportation Code Modification Rules, NIAUR directs BGTL to implement the proposed modification in the FMR with the exception of the drafting to paragraph 13.3 of section J where the amended drafting above is to be implemented.

The modifications should be implemented by 15th February 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