Final Modification Report No. 9
Update re VRF following introduction of IME2

Introduction
Belfast Gas Transmission Limited (BGTL) has prepared this report in accordance with section 8 of its Transportation Code Modification Rules.

As part of the introduction of VRF, PTL has put in place upstream arrangements with BGE(UK) under the Transportation Agreement (“TA”) between PTL and BGE(UK) which facilitate the VRF from Northern Ireland to Moffat. Further amendments to the BGTL code have therefore been required in relation to VRF liabilities in order to reflect the changes made to the TA and are incorporated in this code modification.

Third Party Representations Made
There were no third party representations received by BGTL during the consultation period.

BGTL’s Opinion
BGTL supports the proposed modification and after consultation feels that there are no amendments required to the code modification drafting attached previously to the Proposed Modification Report & Initial Modification Report No. 9. The modification was raised to reflect changes made to the TA between PTL and BGE(UK) and BGTL recommends that the changes should be implemented as per the marked up code attached.

Likely Implementation Date
BGTL suggest that the proposed implementation date is 22nd January 2013.

Conclusion
The Relevant Objective, (condition 2.4 of the BGTL Licence), will 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.
Proposed code modifications

1 Add the following paragraph 6.13 to Section J:

"Each Shipper:

(a) undertakes to Belfast Gas, PTL and BGE (UK) that it will not make, raise or assert any claim or action of any kind against Belfast Gas, PTL and / or BGE (UK) with respect to any matters which relate directly or indirectly to (i) any arrangements which are in place at any time or from time to time between all or any of Belfast Gas, PTL and BGE (UK) in relation to the interruptible virtual reverse flow service which is made available pursuant to this Code, including, for the avoidance of doubt, the exercise or performance of any right or obligation pursuant to such arrangements or (ii) any Interruptible VRF Nominated Quantity or utilisation of Belfast Gas Interruptible VRF Capacity or otherwise to the provision by Belfast Gas of an interruptible virtual reverse flow service to that Shipper pursuant to this Code or the said arrangements; and

(b) shall indemnify and keep indemnified Belfast Gas and PTL from and against any and all demands, claims, losses, costs, liabilities and damages of any kind whatsoever and howsoever arising (and whether arising under any indemnity or other contractual obligation or in any other way) which Belfast Gas and / or PTL may suffer or incur directly or indirectly in relation to or arising from or in connection with any contravention by that Shipper of the undertaking in (a) above."

2 Renumber the first paragraph of Section J13 as 13.1 and amend the opening text to read:

"Subject to paragraph 13.2, a person........"

3 Add the following paragraph 13.2 to Section J:

"Paragraph 13.1 shall not apply in relation to any obligation on the part of a Shipper pursuant to paragraph 6.13 and PTL and BGE (UK) may enforce any term of such paragraph against a Shipper and the provisions of such paragraph shall create rights which are enforceable by PTL and BGE (UK) against Shippers."

4 Add the following paragraph 13.3 to Section J:

"Subject to compliance by Belfast Gas with any requirement for consultation under any applicable law or regulation, Belfast Gas may rescind and / or vary any of the provisions of 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."