Utility Regulator

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Date: 26/06/2026

Reference: NET/G/RM/1496

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Dear Stephen,

RE : NI Network Gas Transmission Code (the Code) – Final Modification Report for Modification No 22

Thank you for your submission of the Final Modification Report (FMR) No 22 in respect of the 'Introduction of Monthly Credit Monitoring Processes,' dated 20 May 2026.

This Proposed Modification is being made to introduce a new monthly monitoring process for Shipper credit positions and to make associated process changes in relation to the PRISMA IP Capacity platform and Reconciliation Payments. Drafting amendments have been proposed to 'Section 18: Credit Procedures,' to facilitate the Proposed Modification.

UR consideration of the Modification Report

The Utility Regulator has considered the information provided in the FMR. We note that the Transporter received three responses to the Initial Modification Report (IMR).

We note the Transporter advises that condition 2.4D of the Transporter Licences will be better facilitated by the NI Network Gas Transmission Code because of the Proposed Modification. The Transporter considers that the amendments will support the economic and efficient operation of the network by ensuring that the code is maintained to be as accurate and up to date as possible and by facilitating the possibility of a wider specification of gas entering the NI Network in future.

We note the Transporter's reasons for recommending approval of this Proposed Modification, as follows:

- Increased use of short-term capacity products and greater gas price volatility have given rise to increasing misalignment between the annual credit requirements under the NI Network Gas Transmission Code and the profile of Shipper credit risk through the year. Some Shippers have requested to reduce their placed credit during the Gas Year.

- This has highlighted that the Code text could provide more granularity on this, as well as credit for Reconciliation Payments.

- The Transporter considers that a formal monthly process will provide greater clarity over within year credit requirements and enable the Transporter to update PRISMA as a matter of routine, to ensure that Shippers are not unduly prevented from accessing IP Entry Capacity.

- The Proposed Modification updates the credit provisions in the Code to make them clearer and more flexible for Shippers, whilst maintaining the 80% credit cover requirement.

- This change will support the economic and efficient operation of the network by improving the clarity of the credit arrangements in the NI Network Gas Transmission Code, ensuring Shippers are able to manage their credit flexibly and as efficiently as possible, whilst maintaining the Shipper community protection that the credit rules provide.

We are content that the Proposed Modification would better facilitate the 'relevant objectives' as outlined in condition 2.4D of the applicable licences. We agree that this modification should improve the economic and efficient operation of the NI Gas Transmission Network as described in the FMR.

Decision

As provided for in condition 2.4D.9(c) of the relevant licences we direct the Transporter to implement the modification as set out in FMR No 22 dated 20 May 2026. The modification shall become effective as of 1 June 2026.

Yours Sincerely,

Roisin McLaughlin

Roisin McLaughlin
Head of Energy Futures