

# Initial Modification Report No.10

## Arrangements for the ROI System Exit Point

28<sup>th</sup> August 2020

Please find below Initial Modification Report No.10 to the NI Network Gas Transmission Code raised by the Transporter as required under sections 2 and 3 of the Code Modification Rules.

### **A Description of the nature and purpose of the modification**

A new connection to the NI Network Gas Transmission System is being made which is physically located in the Republic of Ireland (ROI). The connection will be an exit point to a local transmission pipeline owned and operated by Gas Networks Ireland (GNI) (the operator of the transmission and distribution systems in ROI) and is intended initially to serve the Haynestown area in the ROI.

This Proposed Modification to the NI Network Gas Transmission Code is being made to add relevant references to the ROI System Exit Point and to the relevant inter-operator arrangements including a Use of System agreement between GNI (UK) and GNI to enable the operation of the new exit point.

Further detail is provided in section G below.

### **B How the modification better facilitates the relevant objective**

The Relevant Objective, (condition 2.4D.2 of the Transporter Licences) will be better facilitated by the NI Network Gas Transmission Code as a result of this modification. This change will support the safe and efficient operation of the NI Gas Transmission Network by ensuring that the Code reflects the agreements between GNI (UK) and GNI in respect of the ROI System Exit Point.

### **C The clauses of the NI Network Gas Transmission Code that require amendment**

This proposal will make changes in section 1 of the NI Network Gas Transmission Code and add a new section 1.13. On the assumption that Proposed Modification 7: *Section 26: South Section* is approved by the Utility Regulator, this proposal also makes changes to the text of *Section 26: South Section*.

Should Proposed Modification 7: *Section 26: South Section* not be approved, this proposal will be withdrawn.

**D Impact on the networks of the Designated Pipeline Operators, Adjacent Transporters and/or relevant agreements in respect of the NI Network:**

The Transporter has considered the impacts the modification may have and has concluded as follows:

***Impacts on the Operation of the Networks of the Designated Pipeline Operators:***

- The delivery of gas to the ROI System Exit Point will be accounted for under the existing Operational Balancing Agreement (OBA) between GNI (UK) and GNI. Gas will be scheduled to flow periodically into the NI Network from the South North IP to make up the balance on the OBA account as required.
- There will be a small reduction in the amount of South North IP Entry Capacity available to NI Shippers as a result of the Use of System agreement.
- GNI (UK) considers that there will be no impact on the wider capacity, or the physical or commercial daily balancing, of the NI Network arising from these proposed changes.
- It is understood that the new exit point will only be capable of forward flow (i.e. from the NI Network into the ROI network).

***Impacts on Adjacent Transporters:***

- The existing Interconnection Agreement in respect of the South North IP between GNI (UK) and GNI contains the OBA mentioned above, which is being amended to address flows for the ROI System Exit Point.
- The new arrangements mean that GNI (as the Adjacent Transporter) will need to schedule gas to flow at the South North IP in order to make up the quantity of the balance of the OBA account relating to the offtake at the ROI System Exit Point.
- This Proposed Modification is drafted on the basis that the recent Proposed Modification 7: *Section 26: South Section* will be approved and implemented prior to the approval/implementation of this proposal. This proposal therefore includes additions to the South Section text to ensure that it covers the ROI System Exit Point.

***Impacts on Relevant NI Agreements:***

- Under the SSO Agreement and the SOA, all the NI TSOs currently have joint and several liability for their role as the Transporter under the Code, including in respect of the ROI System Exit Point.
- This proposal is drafted on the basis that:
  - there are joint emergency procedures in place between NINEC and NGEM in respect of the South Section of the NI Gas Transmission Network and the South North IP and these also address the Haynestown Offtake Point within the ROI System Exit Point;
  - the 'Use of System Agreement' agreed between GNI and GNI (UK) which will provide for the transportation of gas by GNI (UK) on behalf of GNI from the South North IP to the ROI System Exit Point has been approved by the Utility Regulator.

**E The date proposed for implementation**

The Transporter proposes that this Modification should take effect from the date of its' approval by the Authority.

**F How to Respond**

Please send responses no later than 28<sup>th</sup> September 2020 via email to **shippercommunications@gmo-ni.com**

## **G ROI System Exit Point**

### **1. Introduction**

#### **1.1 What is the ROI System Exit Point?**

The South Section forms part of the NI Gas Transmission Network and, more specifically, is the part of the GNI (UK) transmission pipeline system which runs from Northern Ireland into the Republic of Ireland to the South North IP at Gormanston.

The proposed 'ROI System Exit Point' is a new term in the NI Network Gas Transmission Code to provide for a new connection from a point on the South Section to a local transmission pipeline in the ROI which is owned and operated by Gas Networks Ireland (GNI). The exit point has been constructed to serve local industrial and domestic load in the ROI in the Haynestown area, and there is the potential for future growth in terms of load and/or connection points.

It should be noted that the ROI System Exit Point is separate and distinct from the South North IP located at Gormanston.

Currently, it is understood that only forward flow (out of the NI Network and into the ROI network) is physically possible at the ROI System Exit Point.

#### **1.2 How will the ROI System Exit Point be operated?**

GNI (UK) and GNI have agreed, and are seeking regulatory approval for, a Use of System Agreement which is an operator-to-operator agreement to provide for the transportation of gas from the South North IP to the ROI System Exit Point by GNI (UK) on behalf of GNI.

The onward transmission and distribution of gas in the ROI System will be governed under the ROI Code of Operations (between GNI as transporter and its' shippers in the ROI). In order to supply gas to consumers in Haynestown and other points downstream of the ROI System Exit Point, it will be necessary to be a ROI shipper and sign up to the ROI Code of Operations accordingly.

Since any distribution networks(s) downstream of the ROI System Exit Point are in ROI and not covered under any NI transportation or distribution arrangements, there is no Relevant DNO in the context of the NI Network Gas Transmission Code and the provisions of the NI Network Gas Transmission Code concerning the Forecasting Party are also not relevant.

The Use of System Agreement will provide for the allocation of entry capacity at the South North IP and exit capacity at the ROI System Exit Point, and will include other provisions to cover, for example, emergencies, title to gas and operational information and data flows. The amount of South North IP Entry Capacity available to NI Shippers at the South North IP will be reduced by a (small) amount to reflect the capacity allocated under the Use of System agreement.

The day-to-day arrangements in respect of gas flows including the periodic scheduling of gas flows will be dealt with between the respective operators under the terms of the OBA (contained in the South North IP Interconnection Agreement). GNI and GNI (UK) published a consultation on the associated changes to the OBA on 23<sup>rd</sup> March 2020, with a closing date of 23<sup>rd</sup> May 2020.

Relevant charges for the Use of System Agreement will be determined in accordance with GNI (UK)s licence. Since GNI will not be a Shipper under the NI Network Gas Transmission Code, it will not be required to pay energy balancing or other disbursement charges and the revenues payable to GNI (UK) for the Use of System Agreement will not be processed through the postalised system PoT arrangement. Where costs associated with the operation of the NI Network are to be charged to GNI under the Use of System Agreement, either now or in future, there may be corresponding reductions to costs for NI Shippers under the NI Network Code. In particular, it is envisaged that in

future a share of the costs associated with shrinkage gas on the NI Network will be attributed to GNI (UK) under the Use of System Agreement. Since Shrinkage costs are currently combined with balancing gas costs, further work is required to determine an appropriate methodology for such an arrangement and the Use of System Agreement is expected to contain arrangements under which such charges would be backdated to its commencement.

## **2. Relationship between this proposal and Proposed Modification 7: *Section 26: South Section***

Recent Proposed Modification 7: *Section 26: South Section* addressed certain NI Network Gas Transmission Code rules in respect of the South Section and was consulted upon from 25<sup>th</sup> October to 22<sup>nd</sup> November 2019. The Final Modification Report is currently with the Utility Regulator awaiting approval.

The ROI System Exit Point is geographically located in the ROI and as such will physically form a part of the 'South Section'. This proposal therefore includes additions to the Section 26 text to clarify that the ROI System Exit Point forms part of the South Section.

This proposal is based on the premise that Proposed Modification 7 is approved. If Proposed Modification 7 is not approved, this proposal will be withdrawn and reconsidered as appropriate.

As for Proposed Modification 7, this proposed text is also drafted on the basis that there are joint procedures in place between the Northern Ireland Network Emergency Co-ordinator (NINEC) and the Natural Gas Emergency Manager (NGEM) in the Republic of Ireland, for co-ordination between themselves in respect of emergencies which affect the South Section.

## **3. Provisions of this Proposed Modification**

The proposed text makes some straightforward changes to section 1:

- to include the ROI System Exit Point as a point in the NI Network Gas Transmission Code; and
- to define the Haynestown Offtake Point as a specific offtake point within the ROI System Exit Point.

This structure is to enable the rules concerning the ROI System Exit Point to apply with minimal change in future as/when further Offtake Points may be added, in the same way as other Exit Points/Offtake Points are treated under the NI Network Gas Transmission Code.

In addition:

- the Relevant Transporter at the ROI System Exit Point is defined as GNI (UK); and
- the arrangements for measurement of flows at the offtake point are set out, as they are for the other points on the NI Network.

New section 1.13 is to clarify the way in which the Use of System Agreement and the NI Network Gas Transmission Code are to interact, which is essentially minimal. Gas transported under the Use of System agreement will not be transported under the Code, consequently:

- GNI is not a Shipper under the NI Network Gas Transmission Code;

- there is no requirement under the NI Network Gas Transmission Code for capacity bookings or nominations at the ROI System Exit Point;
- gas delivered to the ROI System Exit Point on behalf of GNI will be accounted for under the South North IP OBA;
- GNI will not be subject to energy balancing charges or other postalised system charges/disbursements (PS Code Charges) under the Code;
- the determination of all charges for the Use of System Agreement will be provided for in GNI (UK)'s licence as opposed to in the NI Network Gas Transmission Code and the associated revenue will not be handled through the Postalised PoT account;
- Emergencies at the ROI System Exit Point will be addressed under the Use of System Agreement.

Additions to the text of section 26 are also proposed, to ensure that the ROI System Exit Point is captured as being part of the South Section and to clarify how the provisions apply. A minor amendment to include 'NINEC' with the definition of Northern Ireland Network Emergency Co-ordinator is included since the acronym is used in the text but previously was omitted from the defined term. Also, the term Gas Networks Ireland is replaced with the acronym GNI in a number of places in the text for consistency with the existing defined term.

For the avoidance of doubt, GNI will not be a South Section Shipper under the NI Network Gas Transmission Code.

## H Proposed Legal Text

Modify sections 1.5.2(g) as follows:

### 1.5 The NI Network

1.5.1 For the purposes of this Code, the NI Network is treated as a single gas transmission system and a Shipper shall be entitled to flow gas through the NI Network in accordance with this Code.

1.5.2 In this Code:

- (a) “**NI Network**” means the PTL Transportation System, the Belfast Gas System, the GNI (UK) System and the West Transmission System;
- (b) the “**PTL Transportation System**” means the PTL System and the capacity held by PTL in the GNI (UK) Upstream System;
- (c) the “**PTL System**” means the pipeline and associated facilities, owned and operated by PTL, connecting Twynholm in Scotland, to Ballylumford Internal Connection Point in Northern Ireland by an on-shore and sub-sea pipeline and to Stranraer in Scotland by an on-shore pipeline;
- (d) the “**GNI (UK) Upstream System**” means the pipeline and associated facilities operated by GNI (UK) Upstream connecting the national gas transmission system at Moffat to, inter alia, Twynholm in Scotland through which GNI (UK) transports gas for PTL pursuant to the GNI (UK) Transportation Agreement;
- (e) the “**GNI (UK) Transportation Agreement**” means the agreement dated 21 August 1996 made between GNI (UK) Upstream and PTL pursuant to which GNI (UK) Upstream transports gas for PTL through the GNI (UK) Upstream System as amended and restated from time to time;
- (f) the “**Belfast Gas System**” means the pipeline and associated facilities owned and operated by BGTL which connects the PTL System at Ballylumford Internal Connection Point in Northern Ireland to the GNI (UK) System at the Carrickfergus Internal Connection Point and to the PNG Distribution Network;
- (g) the “**GNI (UK) System**” means the pipeline and associated facilities owned and operated by GNI (UK) which connects the Belfast Gas System at the Carrickfergus Internal Connection Point to the West Transmission System at the Maydown Internal Connection Point and the Derryhale Internal Connection Point, the Firmus Distribution Network, the PNG Distribution Network, the ROI System Exit Point and the South North Interconnection Point;

- (h) the “**West Transmission System**” means the pipeline and associated facilities owned and operated by WTL which connects the GNI (UK) System at the Maydown Internal Connection Point and the Derryhale Internal Connection Point to the SGN NG Distribution Network.

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*Modify section 1.7.5 as follows:*

**Relevant Transporter and Relevant Adjacent Transporter at Specific Interconnection Points**

1.7.5 For the purposes of this Code:

- (a) at Moffat Interconnection Point (including Moffat IP Entry Point and Moffat VRF IP Exit Point) the Relevant Transporter is PTL and the Relevant Adjacent Transporter is National Grid;
- (b) at South North Interconnection Point (including South North IP Entry Point and South North VRF IP Exit Point) the Relevant Transporter is GNI (UK) and the Relevant Adjacent Transporter is GNI Gas Networks Ireland.

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*Modify sections 1.8.2 to 1.8.5 as follows:*

**Types of Exit Point**

1.8.2 In this Code:

- (a) an “**Exit Point**” means a DN Exit Point, Stranraer Exit Point, ~~a~~ Power Station Exit Point or the ROI System Exit Point and “**Exit Points**” shall be construed accordingly;
- (b) a “**DN Exit Point**” means an exit point at which gas is offtaken by Shippers for the purpose of supplying gas to premises via the gas distribution network of a DNO and “**DN Exit Points**” shall be construed accordingly;
- (c) a “**Power Station Exit Point**” means an exit point at which gas is offtaken by Shippers from the NI Network for the purposes of supplying a power station and “**Power Station Exit Points**” shall be construed accordingly;
- (d) “**Offtake Point**” means the Lisburn Offtake Point, the BGTL Belfast Offtake Points, the Ten Towns Offtake Points, ~~the~~ West Offtake Points or the Haynestown Offtake Point and “**Offtake Points**” shall be construed accordingly.

**Specific Exit Points and Offtake Points**

1.8.3 In this Code the following are specific Exit Points and Offtake Points on the NI Network:



- (a) **“Stranraer Exit Point”** is the exit point located at Stranraer in Scotland at which gas can flow out of the PTL Transportation System into the Stranraer Distribution Network;
- (b) **“Belfast Exit Point”** is the DN Exit Point at Belfast and comprises the Lisburn Offtake Point and the BGTL Belfast Offtake Points;
- (c) **“Lisburn Offtake Point”** means a point at which gas can flow out of the GNI (UK) System into the PNG Distribution Network;
- (d) **“BGTL Belfast Offtake Points”** are the individual offtake points at which gas can flow out of the Belfast Gas System and into the PNG Distribution Network;
- (e) **“Ten Towns Exit Point”** is the DN Exit Point which comprises the Ten Towns Offtake Points;
- (f) **“Ten Towns Offtake Points”** are the individual offtake points at which gas can flow out of the GNI(UK) System into the Firmus Distribution Network;
- (g) **“West Exit Point”** is the DN Exit Point which comprises the West Offtake Points;
- (h) **“West Offtake Points”** are the individual offtake points at which gas can flow out of the WTL System into the SGN NG Distribution Network;
- (i) **“Ballylumford Exit Point”** is the Power Station Exit Point at Ballylumford;
- (j) **“Coolkeeragh Exit Point”** is the Power Station Exit Point at Coolkeeragh;
- (k) **“ROI System Exit Point”** is the exit point located in the Republic of Ireland at which gas can flow out of the NI Network into the ROI System and comprises the Haynestown Offtake Point;
- (l) **“Haynestown Offtake Point”** is the individual offtake point within the ROI System Exit Point at which gas can flow out of the NI Network into the ROI System.

### **Relationship between Exit Points and Offtake Points**

1.8.4 For the avoidance of doubt, in this Code:

- (a) certain Exit Points comprise certain Offtake Points as follows:
  - (i) the Belfast Exit Point comprises the Lisburn Offtake Point and the BGTL Offtake Points;
  - (ii) the Ten Towns Exit Point comprises the Ten Towns Offtake Points;
  - (iii) the West Exit Point comprises the West Offtake Points;
  - (iv) the ROI System Exit Point comprises the Haynestown Offtake Point;
- (b) other than at the ROI System Exit Point, a Shipper may apply for and be registered as holding Exit Capacity at an Exit Point but not an Offtake Point;

- (c) other than at the ROI System Exit Point, a Shipper may submit Nominations in respect of an Exit Point but not an Offtake Point; ~~and~~

(d) the arrangements for the ROI System Exit Point are set out in section 1.13.

### **Relevant Transporter and Relevant DNO at specific Exit Points and Offtake Points**

1.8.5 For the purposes of this Code:

- (a) at BGTL Belfast Offtake Point the Relevant Transporter is BGTL and the Relevant DNO is Phoenix;
- (b) at Lisburn Offtake Point the Relevant Transporter is GNI (UK) and the Relevant DNO is Phoenix;
- (c) at Ten Towns Exit Point (including each of the Ten Towns Offtake Points) the Relevant Transporter is GNI (UK) and the Relevant DNO is Firmus;
- (d) at West Exit Point (including each of the West Offtake Points) the Relevant Transporter is WTL and the Relevant DNO is SGN NG;
- (e) at Ballylumford Exit Point the Relevant Transporter is PTL;
- (f) at Coolkeeragh Exit Point the Relevant Transporter is GNI (UK);
- (g) at Stranraer Exit Point the Relevant Transporter is PTL; ~~and~~
- (h) at ROI System Exit Point the Relevant Transporter is GNI (UK).

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*Modify sections 1.10 to read as follows:*

### **1.10 Measurement Equipment**

1.10.1 For the purposes of this Code:

- (a) the arrangements for the ownership, reading and validation of Measurement Equipment at Moffat Interconnection Point are addressed in an agreement between GNI (UK) Upstream and National Grid. Measurement information is obtained by GNI (UK) Upstream pursuant to such agreement and the IP Measured Quantity is provided to PTL, where applicable, in accordance with the Tripartite Agreement as further described in section 14.2 of this Code;
- (b) the Measurement Equipment at South North Interconnection Point is owned, read and validated by ~~Gas Networks Ireland~~ GNI which provides measurement information to GNI (UK);
- (c) the Measurement Equipment at Stranraer Exit Point is owned and validated by National Grid and PTL reads such Measurement Equipment;

- (d) the Measurement Equipment at Ballylumford Exit Point is owned, read and validated by PTL;
  - (e) the Measurement Equipment at Coolkeeragh Exit Point is owned, read and validated by GNI (UK);
  - (f) the Measurement Equipment at the BGTL Belfast Offtake Points is owned and validated by BGTL. PTL reads such Measurement Equipment in accordance with the Belfast Metering Agreement;
  - (g) the Measurement Equipment at the Lisburn Offtake Point is owned and validated by GNI (UK). PTL reads such Measurement Equipment in accordance with the SOA;
  - (h) the Measurement Equipment at the Ten Towns Offtake Points is owned, read and validated by GNI (UK);
  - (i) the Measurement Equipment at the West Offtake Points is owned, read and validated by WTL;
  - (j) the Measurement Equipment at the ROI System Exit Point is owned, read and validated by GNI which provides measurement information to GNI (UK).
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*Insert new section 1.13 as shown below*

### **1.13 ROI System Exit Point**

1.13.1 Under the Use of System Agreement, GNI (UK) makes capacity available to GNI for the purposes of transportation of gas from the South North IP Entry Point to the ROI System Exit Point. The Use of System Agreement and the capacity made available pursuant to it are not subject to the terms of this Code. Accordingly:

- (a) gas transported under the Use of System Agreement is not transported pursuant to this Code;
- (b) title to gas in respect of the ROI System Exit Point is addressed under the Use of System Agreement;
- (c) quantities of gas delivered to the ROI System Exit Point under the Use of System Agreement are accounted for between GNI (UK) and GNI under the OBA in respect of the South North Interconnection Point;
- (d) the applicable charges payable by GNI in relation to the Use of System Agreement are determined pursuant to condition 2.2.16 of the GNI (UK) Licence and payments to/from GNI are not included in the PoT Account;

- (e) GNI is not a party to the Code and for the avoidance of doubt is not classified as a Shipper under the Code;
  - (f) GNI is not required to pay PS Code Charges, make nominations or apply for or hold capacity under the Code;
  - (g) Emergencies at the ROI System Exit Point are addressed in the Use of System Agreement and section 26 of this Code.
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*Amend section 26 to read as follows:*

## **26.1 Introduction and Definitions**

26.1.1 This section 26 sets out the supplemental provisions which apply in relation to the section of the GNI (UK) System which is physically located in the Republic of Ireland and extends from Northern Ireland to the South North Interconnection Point (the “**South Section**”).

26.1.2 For the avoidance of doubt, for the purposes of this Code:

- (a) the South Section forms a part of the GNI (UK) System under this Code;
- (b) the ROI System Exit Point is located on the South Section; and
- ~~(cb)~~ the Individual Transporter with operational responsibility for the South Section is GNI (UK).

26.1.3 In this section 26:

- (a) “**CRU Transmission Licence**” means the gas transmission licence issued to GNI (UK) from time to time by the CRU with respect to the operation of the South Section;
- (b) “**Commission for Regulation of Utilities**” or “**CRU**” means the body established pursuant to Section 8 of the electricity regulation act 1999 of the Republic of Ireland as amended from time to time and having responsibility for, inter alia, regulation of gas in the Republic of Ireland or other such body as may have such responsibility from time to time;
- (c) “**National Gas Emergency Manager**” or “**NGEM**” means the party designated as such in respect of the Republic of Ireland pursuant to the provisions of Section 19(b) of the Gas (Interim) (Regulation) Act 2002 (as amended) of the Republic of Ireland;
- (d) “**Natural Gas Emergency Plan**” or “**NGEP**” means the plan published as such pursuant to the Gas (Interim) (Regulation) Act 2002 of the Republic of Ireland;
- (e) “**ROI Shipping Licence**” means a licence to ship gas issued by the CRU pursuant to the provisions of the Gas (Interim) (Regulation) Act 2002 (Ireland) as amended from time to time;

(f) **“South Section Shipper”** means a Shipper which has an IP Registration in respect of the South North Interconnection Point;

(g) **“Joint Emergency Procedures”** means procedures relating to emergencies agreed from time to time between the NINEC and NGEM.

26.1.4 It is acknowledged that GNI (UK) must comply with the CRU Transmission Licence.

26.1.5 It is acknowledged that each South Section Shipper must hold an ROI Shipping Licence and comply with it.

26.1.6 At the ROI System Exit Point:

(a) the offtake of gas from the NI Network is governed under the Use of System Agreement in accordance with section 1.13;

(b) there is no requirement for Registration;

(c) there is no South Section Shipper under this Code.

## **26.2 Additional Requirements for Registration at South North Interconnection Point**

26.2.1 In addition to the requirements of section 22.4 of this Code a Shipper or Prospective Shipper wishing to make an application for an IP Registration at South North Interconnection Point must submit evidence that the Shipper or Prospective Shipper holds an ROI Shipping Licence to the Transporter.

## **26.3 Additional Provisions for Emergencies in respect of the South Section**

26.3.1 Where the Transporter determines that an Emergency declared in accordance with section 10.8 of this Code (and without prejudice to section 10.17 of this Code and any emergency procedures referred to therein) affects the South Section (including, for the avoidance of doubt, the ROI System Exit Point and the South North Interconnection Point) the Transporter shall notify the NGEM of such Emergency.

26.3.2 The Transporter shall for the purposes of this Code and without limiting any other rights or entitlements of the Transporter with respect to Emergencies determine that an Emergency exists in respect of the South Section in accordance with the lawful directions of the NGEM and the NGEP.

26.3.3 For the avoidance of doubt the Transporter and each South Section Shipper shall comply with the lawful directions of the NGEM:

(a) where an Emergency is declared in accordance with the instructions and / or directions of the NGEM; and / or

- (b) where an Emergency affects the South Section; and / or
- (c) to avoid or reduce the risk of an Emergency affecting the South Section.

26.3.4 Where the Transporter notifies Emergency Steps in respect of the South Section pursuant to section 10.9 of this Code the Transporter shall act in accordance with the directions or instructions of the NGEM and in accordance with the NGEP (where applicable).

26.3.5 In addition to where otherwise required by the Transporter a South Section Shipper shall also take Emergency Steps (where applicable) notified by the Transporter pursuant to a direction of the NGEM (which may be communicated through the Transporter).

26.3.6 It is acknowledged that an Emergency affecting the South Section may also affect other parts of the NI Network (and vice versa) and the Transporter and South Section Shippers shall use reasonable endeavours to implement both the directions of NGEM and NINEC to the extent reasonably practicable, it being acknowledged that:

- (a) NINEC has statutory responsibility in respect of emergencies affecting the NI Network (excluding the South Section);
- (b) NGEM has statutory responsibility in respect of emergencies affecting the South Section;
- (c) the Transporter and each South Section Shipper must comply with the directions of the NGEM and act in accordance with the NGEP in relation to the South Section; and
- (d) the Transporter and each South Section Shipper must comply with the Joint Emergency Procedures; ~~which will be agreed from time to time between the NINEC and NGEM.~~

26.3.7 Any act or omission by the Transporter and/or any South Section Shipper taken pursuant to the instructions of the NGEM or in accordance with the NGEP shall not constitute a breach of any other provision of this Code.

## **26.4 Non-Compliant Gas**

26.4.1 For the avoidance of doubt, if at any point gas which is delivered or tendered for delivery at the South North IP Entry Point is Non-Compliant Gas the Transporter, at its discretion, may until such time as the gas is delivered or tendered for delivery complies with the Gas Specification:

- (a) refuse to accept or take any such action as it considers appropriate to prevent delivery or continued delivery of all or any part of such Non-Compliant Gas; or
- (b) subject to any Legal Requirement accept delivery of all or part of such Non-Compliant Gas.

## **26.5 Termination and Suspension where a South Section Shipper ceases to hold an ROI Licence**

26.5.1 Without prejudice to any other rights of the Transporter (including the right to declare a Termination Default in accordance with section 21.2 of this Code and/or the right to issue a

Termination Notice) if a South Section Shipper is in breach of this section 26 or ceases to hold an ROI Shipping Licence, the Transporter may:

- (a) by notice in writing ("**Suspension Notice (South Section)**") to the South Section Shipper suspend or limit any right or rights of the South Section Shipper in respect of transportation of gas on the South Section including the South Section Shipper's right to submit applications for IP Capacity at the South North IP Entry Point or the South North IP VRF Exit Point, the South Section Shipper's rights to submit Nominations and/or Renominations at or in respect of the South North IP Entry Point and/or the South North VRF IP Exit Point or propose Capacity Trades at the South North IP Entry Point, in each case as identified in the Suspension Notice (South Section); and/or
- (b) suspend or limit the right of the South Section Shipper to tender gas for delivery to or offtake gas from the NI Network at the South North IP Entry Point or South North IP VRF Exit Point;

and where a South Section Shipper's right to submit Nominations is suspended, any Nominations which the South Section Shipper submits shall be rejected.

26.5.2 Any Suspension Notice (South Section) given in accordance with section 1.5.1 of this section 26 shall have immediate effect upon issue or shall have effect from such time as may be specified in the Suspension Notice (South Section) subject in each case to the instruction of the CRU in consultation with the Authority.

26.5.3 The Transporter shall if the Transporter is provided with reasonable evidence that the South Section Shipper has obtained an ROI Shipping Licence; or where the Transporter is reasonably satisfied that the South Section Shipper has taken or is taking such action as is appropriate to procure an ROI Shipping Licence either;

- (a) limit the effect of the Suspension Notice (South Section); or
- (b) by notice to the South Section Shipper (the "**Suspension Cancellation Notice**") cancel the Suspension Notice (South Section);

and any such Suspension Cancellation Notice shall have immediate effect upon issue or shall have such effect from such time as may be specified in the Suspension Cancellation Notice;

26.5.4 The Transporter shall not issue a Suspension Cancellation Notice unless:

- (a) the South Section Shipper has provided to the Transporter evidence that the South Section Shipper has obtained the relevant ROI Shipping Licence; or
- (b) with the consent of the CRU in consultation with the Authority.

## 26.6 **Status and Priority of this section**

This section 26 is supplemental to and not in substitution for any other provisions of this Code. Where the Transporter or a South Section Shipper (as the case may be) takes, or omits to take, any action in accordance with this section 26 the Transporter or the South Section Shipper (as the case may be) shall not thereby be in breach of any other provision of this Code.

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**Defined terms - to be added to Appendix 1: Definitions and Interpretation**

- “Use of System Agreement” means the agreement between GNI (UK) and GNI regarding use of the NI Network for the transportation of gas to the ROI System Exit Point.
- “ROI System Exit Point” has the meaning given in section 1.8.3(k);
- “Haynestown Offtake Point” has the meaning given in section 1.8.3(l);

**Modify the existing Defined Terms in Appendix 1 to read as follows:**

- “ROI System” is the transportation system of the Republic of Ireland which is connected to the NI Network at the South North Interconnection Point and the ROI System Exit Point.
- “Northern Ireland Network Emergency Co-ordinator” / “NINEC” has the meaning given to it in the Gas Safety (Management) Regulations (NI) 1997;

Modify Appendix 2 to read as shown below. (Please note that Proposed Modification No.9 also proposes separate changes to Appendix 2 which are not shown here. Please refer to Initial Modification Report No.9 for details of those changes)

**APPENDIX 2**

**SUMMARY TABLE OF NI NETWORK POINTS**

This appendix 2 is provided for reference only. Should there be any discrepancy between this appendix 2 and the provisions of the Code, the Code provisions shall prevail.

Specific NI Network Point	Type of Point	Point Comprised in: (where applicable)	Relevant Transporter	Relevant DNO (where applicable)	Relevant Adjacent Transporter (where applicable)
Moffat Interconnection Point	Interconnection Point	-	PTL	-	National Grid
Moffat IP Entry Point	IP Entry Point	Moffat Interconnection Point	PTL	-	National Grid



Moffat VRF IP Exit Point	VRF IP Exit Point	Moffat Interconnection Point	PTL	-	National Grid
South North Interconnection Point	Interconnection Point	-	GNI (UK)	-	<del>Gas Networks Ireland</del> GNI
South North IP Entry Point	IP Entry Point	South North Interconnection Point	GNI (UK)	-	<del>Gas Networks Ireland</del> GNI
South North VRF IP Exit Point	VRF IP Exit Point	South North Interconnection Point	GNI (UK)	-	<del>Gas Networks Ireland</del> GNI
Ballylumford Exit Point	Power Station Exit Point	-	PTL	-	-
Coolkeeragh Exit Point	Power Station Exit Point	-	GNI (UK)	-	-
Belfast Exit Point	DN Exit Point	-	As per Offtake Points	As per Offtake Points	-
BGTL Belfast Offtake Points	Offtake Points	Belfast Exit Point	BGTL	Phoenix	-
Lisburn Offtake Point	Offtake Point	Belfast Exit Point	GNI (UK)	Phoenix	-
Ten Towns Exit Point	DN Exit Point	-	As per Offtake Points	As per Offtake Points	-
Ten Towns Offtake Points	Offtake Points	Ten Towns Exit Point	GNI (UK)	Firmus	-
West Exit Point	DN Exit Point	-	As per Offtake Points	As per Offtake Points	-
West Offtake Points	Offtake Points	West Exit Point	WTL	SGN NG	-
Stranraer Exit Point	Stranraer Exit Point	-	PTL	*	-
<u>ROI System Exit Point</u>	<u>Exit Point</u>	-	<u>GNI (UK)</u>	-	-
<u>Haynestown Offtake Point</u>	<u>Offtake Point</u>	<u>ROI System Exit Point</u>	<u>GNI (UK)</u>	-	-

\*SGN is the Stranraer Distribution Network Operator, but there is no Relevant DNO for Stranraer because the functions of a Relevant DNO are not applicable for Stranraer. Please see Code section 1.12 for the details.

Modify Appendix 4 to read as follows:

#### APPENDIX 4

#### EXIT POINT INFORMATION

#### Pressures, Offtake Rates and Maintenance Days at specific Exit Points

	Minimum Pressure (section 13.3)	Maximum Offtake Rate (section 13.2)	Ramp Rate (section 13.2)	Maximum Maintenance Days (section 15)	End User
Ballylumford Exit Point	12 bar	3,580,000 kWh/hour	87,000 kWh/min for up to 39 minutes  182,000 kWh/min for up to 2 minutes  3,540,000 kWh/min for up to 10 seconds**	15*	<del>AES</del> <u>EP</u> Ballylumford Limited
Coolkeeragh Exit Point	12 bar	782,000 kWh/hour	30,000 kWh/min	5 plus any additional days specified in an Ancillary Agreement	ESB
Stranraer Exit Point	12 bar	150,000 kWh/hour	8,440 kWh/min	5 plus any additional days specified in an Ancillary Agreement	SGN
Belfast Exit Point	12 bar	3,580,000 kWh/hour	33,760 kWh/min	5 plus any additional days specified in an Ancillary Agreement	Phoenix suppliers
Ten Towns Exit Point	12 bar	2,283,000 kWh/hour	30,000 kWh/min	5 plus any additional days specified in an Ancillary Agreement	Firmus suppliers
West Exit Point	12 bar	913,000 kWh/hour	30,000 kWh/min***	15	SGN NG suppliers

<u>ROI System Exit Point</u>	<u>12 bar</u>	<u>314,300 kWh/hour</u>	<u>30,000 kWh/min</u>	<u>Addressed in the Use of System Agreement</u>	<u>GNI</u>
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\* To be 20 Maintenance Days in any Gas Year in which PTL or GNI (UK) install compression on their respective systems. Furthermore, any Maintenance Days shall be consecutive.

\*\* This equates to a spinning reserve of 21,000 therms at Ballylumford Power Station.

\*\*\* Indicative Figure pending completion of the West Transmission System.