

Stephen English
GMO NI
4th Floor
The Arena Building
85 Ormeau Road
Belfast
BT7 1SH

15th January 2020

Dear Stephen

Thank you for the opportunity to respond to Gas Market Operator Northern Ireland's (GMO NI's) Initial Modification Report (IMR) No.8, published in December 2019.

This response is on behalf of firmus energy (Supply) Limited (feSL) and considers the proposed modifications to the NI Network Gas Transmission Code in order to improve compliance with the Balancing Regulation EU 312/2014. feSL acknowledges the importance of the compliance requirements and the role of GMO NI in ensuring the Northern Ireland Transmission and Distribution networks are balanced.

feSL believes that there are significant challenges for Shippers regarding the ability to balance effectively within lower tolerance levels, particularly with the potential scope for variable Daily Metered forecasting accuracy. feSL welcomes the proposed changes to the Consumer Category Bands to include all Non-Daily Metered customers in category 4 and amend category 3 to align with DM customers.

feSL considers the proposed update to the Exit Reallocations rules not entirely appropriate and believe that effective balancing cannot necessarily be achieved using the 'pro-rata to Nomination' methodology, in a market where all Shippers do not follow forecast advice provided by the DNOs. feSL support a mechanism to establish a greater link between Shipper Nomination advice and Shipper Nomination behaviour particularly with proposed changes to Exit Reallocations rules.

feSL recognises the importance of GMO NI's monitoring of industry performance to identify any issues ahead of a transition to Phase 2 to ensure proposed reductions remain appropriate.

feSL looks forward to continued engagement on this matter.

Yours sincerely,



Lynda Millar
Pricing and Risk Manager
firmus energy (Supply) Limited