

11th September 2009

Susan Stewart
Energy Division
Department of Enterprise, Trade
& Investment
Netherleigh
Massey Avenue
Belfast
BT4 2JP

Dear Susan

Re: Policy Consultation – Gas Bill

Thank you for providing firmus energy with this opportunity to respond to the above consultation.

We understand that this paper outlines DETI's proposals on the planned implementation of new primary gas legislation.

There are seven issues which are proposed for inclusion in the Gas Bill.

These include;

- **Powers of access :**

There is currently no provision to allow gas companies powers of entry where they suspect meter tampering. As we understand it, this will enable licence holders to force entry where meter tampering is suspected. Anyone who obstructs the company will be liable to a fine.

This legislation is consistent with NI (electricity) GB and RoI and we therefore welcome this proposed legislation.

- **Guaranteed Gas Standards of Performance:**

We understand that this legislation would empower the Department and Utility Regulator to determine standards of performance and for these standards of performance to be published. As per current licence conditions, firmus energy has already agreed a set of performance standards with the Consumer Council. Similar provisions exist in NI (electricity) and GB (gas).

On this basis and on the understanding that any future modification to guaranteed standards of performance would be by mutual consent we are satisfied with the proposed enhancement to these legislative provisions.

- **Special Administration Regime:**

We recognise that special administration is a mechanism designed to safeguard supplies of electricity and gas to customers and if the gas or electricity company becomes insolvent, then responsibility for supplies would be transferred to a special administrator, appointed by the High Court.

firmus energy does not have an objection to this proposal.

- **Gas Meter (stamping & testing):**

We understand that under Article 22 of the Gas (NI) Order 1996 the Utility Regulator has responsibility regarding meter stamping and testing. The proposal is to give the Utility Regulator authority to delegate these functions to an appropriate body. We understand that in GB Ofgem has transferred this responsibility to the National Measurement office.

firmus energy does not have an objection to this proposal.

- **Deemed Contracts:**

Deemed contracts provide a basis whereby suppliers will supply customers even when a contract has not been agreed, for instance, if there is a change of tenancy and where it would be inefficient to disconnect and then reconnect customers.

It is proposed to enable legislation that would allow the Utility Regulator to create suitable licence conditions so that contracts include terms that correspond to a deemed contract.

firmus energy does not have an objection to this proposal.

- **Gas Safety Management:**

We understand that the Health and Safety Executive (NI) has requested an amendment to the Gas Safety (Management) Regulations (Northern Ireland) 1997 which places a duty on Phoenix Natural Gas to provide a continuously manned emergency service. The proposal is to now place a duty on all gas licence holders to agree to and contribute towards a single system.

firmus energy does not have an objection to this proposal.

- **Gas Storage:**

We understand that this provision aims to ensure that legislative and consenting provisions are sufficient to facilitate gas storage in Northern Ireland. Existing legislative provisions relate to on-shore gas storage facilities only. However, DETI's legislative proposals will seek to ensure third party access to off-shore gas storage in Northern Ireland and to provide clarification on offences from storing gas without a licence and to make provisions for an abandonment regime.

Given that firmus energy is a distribution and supply company, we have no comment to make.

Yours sincerely

Michael

Michael Scott

Head of Business Development

