

firmus energy (Distribution) Limited

Conveyance Charge Statement

1 January 2023 to 31 December 2023

CONVEYANCE CHARGES

As required under condition 2.2.2 of the conveyance licence, this document details the firmus energy (Distribution) Limited (firmus energy) conveyance charges for the use of its network.

The charges below are applicable from 1 January 2023 to 31 December 2023. All charges have been approved by the Utility Regulator.

Charges are expressed in units of kilowatt hours (kWh) and therms. 1 therm = 29.3071 kWh. The charges expressed in pence per kilowatt hour or pence per peak day kilowatt hour are the definitive charges for billing purposes.

Customer categories are defined in Condition 4.10 of the firmus energy Licence for the Conveyance of Gas in Northern Ireland.

Customer category	Commodity		Capacity		Customer charge		
	pence per therm	pence per kWh	pence per SMP capacity therm per day	pence per SMP capacity kWh per day	pence per SMP capacity therm per day	pence per SMP capacity kWh per day	pence per SMP per day
P1 - up to 2,500 therms per year - credit meter	46.21	1.58	4.24	0.14			
P1 - up to 2,500 therms per year - PAYG meter	46.21	1.58	4.24	0.14			2.47
P2 - 2,500 to 25,000 therms per year	45.91	1.57	5.03	0.17			
P3 - medium 25,000 therms to 75,000 therms per year	20.53	0.70	6.73	0.23			
P4 - large CHP - over 75,000 therms per year	20.35	0.69	9.43	0.32			
P5 - large firm non-CHP - over 75,000 therms per year	23.94	0.82	7.91	0.27			
P6 - large interruptible - over 75,000 therms per year	21.74	0.74			8.25	0.28	

TRANSMISSION EXIT CAPACITY

Any Users delivering gas via firmus energy's distribution pipeline system will utilise capacity in the Northern Ireland transmission pipeline system. Users are responsible for booking and paying for capacity at the Northern Ireland Interconnection Point, however, firmus energy has an obligation to book and hold capacity at the relevant Exit Point on behalf of Users and is responsible for the payment of the Exit Capacity to the Gas Market Operator (GMO) for the use of these pipelines in accordance with the terms of the Northern Ireland Network Gas Transmission Code (NINGTC).

In order to recover the Exit Capacity charge from Users, firmus energy levies a commodity charge on Users on a monthly basis. Firmus energy forecasts this charge at the start of the gas year using volume forecasts for the firmus energy distribution licence area. This is then charged to Users on the basis of their monthly distribution commodity volume and is subject to an annual reconciliation using actual distribution volumes.

In order to secure the required Exit Capacity on behalf of Users, firmus energy must put in place a level of credit support with GMO NI. If firmus energy is required to meet any of the credit support requirements in the form of secured credit, the cost of this secured credit will also be recovered from Users via the published commodity charge (which will also be subject to the annual reconciliation using actual distribution volumes).

For Gas Year 2022 / 2023, the total amount of credit support firmus energy is required to place with GMO NI is £4,173,331. Firmus energy will meet £1,972,235 of this requirement via unsecured credit support methods (with no associated costs). £2,201,096 of the total requirement will be fulfilled via secured credit support, in the form of an irrevocable standby letter of credit. The estimated cost of placing this letter of credit for Gas Year 2022 / 2023 is estimated to be £30,815.

Transmission Exit Capacity Ratchet Charges

If it is determined that the sum of the allocations for Users exiting the transmission system into the firmus distribution network exceeds the capacity held by firmus energy, then the firmus energy capacity booking will be increased by the largest capacity overrun determined for any day in the month. Firmus energy will also be expected to pay the GMO the associated ratchet charge for that month. As permitted under Section B7.4 of the firmus energy Distribution Network Code, firmus energy will recover the associated ratchet charges from Users. The charges will be passed on to Users in the month following the month in which it is incurred. The amount owing by each User will be determined based on their percentage of throughput for the number of months for which the penalty associated with the ratchet amount applies.

Following any month in which an Exit Capacity Ratchet has occurred, firmus energy will continue to pay the GMO for the Exit Capacity booking (including the additional ratchet amount) for the remainder of the gas year. Users will continue to pay firmus energy for transmission Exit Capacity using the Transmission Exit Capacity charge published at the start of the gas year. The increased charge for Exit Capacity levied to firmus energy by the GMO will be recovered from Users as part of the normal year end reconciliation process. However, should it be determined that the costs associated with an increase in the Exit Capacity booking following a ratchet occurring results in an unacceptable negative impact on its cashflow, then firmus energy reserves the right at the mid-year point to adjust and re-

publish the Exit Capacity tariff it uses to recover costs from gas suppliers. Firmus energy will only undertake such a review of the Exit Capacity tariff following consultation with the Utility Regulator.

Details of the Transmission Exit Capacity charges payable by firmus energy are available on the GMO's website (<http://gmo-ni.com/tariffs>).

Details of the Exit Capacity Charge levied to Users by firmus energy are available on the firmus energy website (<http://www.firmusenergy.co.uk>).

INTERRUPTION ALLOWANCE

As per Section L 18.5 of the Network Code the Interruption Allowance for 2023 is **35 days**.

As per Section L 16 of the Network Code the Interruption Allowance for Operator Nominated Interruption sites is **5 days**; this is in addition to the 35 days Interruption Allowance.

Any queries concerning information contained within this statement or requests for additional information on the conveyance services offered by firmus energy should be addressed to the Transportation Services Manager, firmus energy, A4-A5 Fergusons Way, Kilbegs Road, Antrim BT41 4LZ. Telephone enquiries can be made to the Transportation Services Team on 0330 024 9000.