



firmus energy (Distribution) Ltd

Thirteenth Annual Development Plan

1st October 2017 – 30th September 2018

Contents:

- 1. Introduction**
- 2. Development of the Network**
 - a. Development Targets**
 - b. Connections to firmus energy's Network**
 - c. Network Construction**
 - d. Capital Programme**
- 3. Arrangements**
- 4. Volumes**
- 5. Network Development to 30th September 2021**
- 5. Conclusion**

1. Introduction

This Annual Development Plan (ADP) has been developed in accordance with Condition 3.2 of firmus energy's licence for the conveyance of gas in Northern Ireland.

The ADP sets out progress up to 30 September 2018 and complies with the conditions set out in the General Development Plan – Annex 3, Part 3.

This ADP also sets out firmus energy's network development plans for the next three years, until 30 September 2021.

2. Development of the Network

This plan outlines the development of the natural gas network in accordance with the General Development Plan Annex 3, Part 3.

All towns along the North West transmission pipeline including Ballymena, Ballymoney, Coleraine, Limavady, Derry/Londonderry, Portstewart and Bushmills have live gas.

In the South-North towns, including Antrim, Armagh, Banbridge, Ballyclare, Lurgan, Portadown, Craigavon, Newry, Warrenpoint, Bessbrook, Richhill, Moy, Charlemont, Benburb and Blackwatertown live gas is also available. The focus of our engineering activities continues to be gas mains laying that will support industrial and residential conversions to natural gas.

The success of 2017 was built upon in 2018 as the second year of the GD17 Price Control period. The company's strategic focus for the GD17 period is to increase connections including owner occupied (OO) connections.

Firmus energy continues to work with a number of key stakeholders to target fuel poor households via our Home Comfort scheme funded via the Northern Ireland Sustainable Energy Programme (NISEP).

These stakeholders include:

- Bryson Energy;
- Department for Social Development;
- Energy Saving Trust;
- H+A Mechanical;
- National Energy Action;
- Northern Ireland Energy Agency; and
- Northern Ireland Housing Executive

2a. Development Target

Firmus energy has exceeded its development targets as set out in Annex 2 to Part 3 in the Licence for the Conveyance of Gas in Northern Ireland.

The number of premises that are readily connectable to firmus energy's gas network is 123,221. The licence target for 2017/2018 is 64,374 readily connectable properties.

2b. Connections to firmus energy's network in gas year 2017/2018

Connection Type	Network Connections
Non-domestic	149
Domestic ¹	5,298
Total	5,447

2c. Network Construction (Cumulative)

To date over 1,400 km of distribution gas mains have been constructed in the Ten Towns.

Town	Total Mains Oct 17 (km)	Total Mains Oct 17- Oct 18 (km)	Total Mains Oct 18 (km)
Antrim	145.6	9.5	155.1
Armagh	111.7	12.9	124.6
Ballymena	138.0	15.9	153.9
Ballymoney	32.1	1.8	33.9
Banbridge	47.2	17.5	64.7
Coleraine	134.1	15.3	149.4
Craigavon	241.3	22.7	264.0
Derry/Londonderry	267.9	29.9	297.8
Limavady	30.4	6.9	37.3
Newry	115.1	5.9	120.9
Grand Total	1,263	138	1,402

¹ The domestic connections total encompasses owner-occupied, Housing Association, Housing Executive and New Build connections

- **Derry/Londonderry**

Mains Laid 2017/2018 – 29.9km

The natural gas network extends from Coolkerragh AGI throughout the city as far as the Newbuildings area south of the city and Drumahoe to the east.

Over ten new OO Infill Schemes were completed during the year in the areas of Duncreggan road, Grangemore, Ballynagard crescent, Culmore road, castle street, Galliagh village and Clon dara.

In addition to significant OO infill mains, there were also nine new build projects and twelve NIHE projects.

Mains laid in Derry/Londonderry accounted for over 20% of all mains laid in 2017/2018.

Almost 2km of Security of Supply mains were laid as part of the Foyle crossing, including 629 meters under the river between Thornhill and Strathfoyle. This formed part of the Foyle River Crossing Project to ensure firmus energy meets the increasing demand for natural gas in the area and future network buildout for the next 20 years.

Derry/Londonderry Mains laid to date – 297.8km

- **Coleraine**

Mains Laid 2017/2018 – 15.3km

The natural gas network now extends from Macfin AGI via Loughan village, throughout the town as far as Portstewart to the north where several new build housing sites have availed of gas connections. The gas network also extends north east to Bushmills and south west to Macosquin.

This year has seen seven significant infill projects and ten New build projects including Lismurphy Avenue, Portrush Road in Portstewart, Burnside in Coleraine and Woodvale & Church Street in Bushmills.

Coleraine Mains laid to date – 149.4 km

- **Limavady**

Mains Laid 2017/2018 – 6.9km

The gas network extends from Ballymully AGI throughout the town and to the Industrial and Commercial sites at Windyhill and Aghanloo located north of the town.

There was one OO infill scheme and two New Build schemes in Crossnadonnell Road and Lenview Road.

Limavady Mains laid to date – 37.3km

- **Ballymoney**

Mains Laid 2017/2018 – 1.8km

The natural gas network extends from Macfin AGI through the town centre with gas connections to industrial and commercial customers and schools. This year firmus energy has infilled the areas in Bravallan Road and Gault Park.

Ballymoney Mains laid to date –33.9km

- **Ballymena**

Mains Laid 2017/2018 – 15.9km

The natural gas network serves an area stretching from the village of Broughshane, east of the town to Ahoghill in the west.

This year firmus energy completed OO infill schemes on the Old Cullybacky Road, Dunfane and River View areas of Ballymena.

Ballymena Mains laid to date – 153.9km

- **Craigavon**

Mains Laid 2017/2018 – 22.7km

The distribution network in Craigavon is providing natural gas from Ballymagaraghan AGI, near Magheralin to Maghaberry, Moira, Lurgan, central Craigavon and Portadown.

This year firmus energy completed OO infill schemes in Rose Cottages & Kernan Road, Portadown, as well as Kernan Hill, Kilmore Road, Antrim Road & Drumnagoon Road, Craigavon.

There were also 21 new build schemes and three NIHE projects in the Craigavon area.

Craigavon Mains laid to date - 260km

- **Armagh**

Mains Laid 2017/2018 – 12.9km

The network extends from Derryhale AGI, situated west of Portadown. This pressure reduction station supplies Armagh City in addition to providing a secondary supply for Craigavon.

This year, firmus energy completed significant OO infill mains projects at Glen Macha, Drummanmore Road, Cavanacaw Road and The Mall. Castlecourt and Linenhall Street in Armagh were two NIHGE projects completed by firmus energy in Armagh this year.

Armagh mains laid to date – 124.6.1km

- **Banbridge**

Mains Laid 2017/2018 – 17.5km

The natural gas network extends from Kernan AGI through the town centre to the NIHE areas of Primrose Gardens, Edenderry, Hillhead estate, Forthill and Cline Road NIHE. The network has been extended along Main Street, making gas available to a number of commercial customers.

This year infill mains and new build development has grown in the Banbridge area. Gas has been made available in Larchwood Avenue, Konver Heights and Newry Road.

Banbridge mains laid to date – 64.7km

- **Newry**

Mains Laid 2017/2018 – 5.9km

The natural gas network extends from Tullyhappy AGI through the city centre. The network extends to Warrenpoint where low pressure mains have been laid to supply the commercial area in the town centre and medium pressure mains installed to connect residential areas and industrial customers.

This year has seen major infill and new build infrastructure laid throughout the Newry and Warrenpoint areas. Gas is now available or extended within Cloverdale, Larchmount and Rathfriland Road.

Newry mains laid to date – 120.9 km

- **Antrim**

Mains Laid 2017/2018 – 9.5km

The natural gas network extends from Moyadam AGI throughout Antrim town and south to the Aldergrove area. The network has been extended from Doagh and into Ballyclare to supply residential properties.

This year has seen numerous new build and OO infill areas completed in Antrim, Doagh and Ballyclare. Areas now availing of natural gas include Chaine Court, Station Road, Parkgate Road, Ballycraigy Road, Lough Road, Riverside Houses, Castle Park and Randalstown Road.

Antrim mains laid to date – 155.1 km

2d. Capital Programme

Firmus energy's capital build programme has delivered natural gas to Antrim, Armagh, Ballyclare, Ballymena, Ballymoney, Banbridge, Coleraine, Craigavon, Londonderry, Limavady, Newry, Portstewart, Warrenpoint, Bushmills, Bessbrook, Richhill, Moy, and Charlemont,

The build programme has been targeted so that the "spine" main network is able to service Industrial & Commercial customers, Northern Ireland Housing Executive estates and New Build developments and existing residential properties readily connectable to the network.

The capital expenditure programme for the year to 30 September 2018 is outlined below:

Town	Capex - £million
Antrim	0.59
Armagh	0.75
Ballymena	0.86
Ballymoney	0.12
Banbridge	1.00
Coleraine	0.90
Craigavon	1.18
Derry/Londonderry ²	3.26
Limavady	0.38
Newry	0.58
Total	9.62

3. Arrangements

At the end of gas year 2017/2018, six gas suppliers have acceded to the firmus energy Network Code, enabling them to supply via firmus energy's distribution network.

² Includes £1.5million relating to Foyle River Crossing

4. Volumes

In the gas year 2017/2018 the following volumes were transported through the distribution system. These volumes do not include shrinkage.

Supplier	Therms (millions)
firmus energy Supply	39.8
Airtricity Gas Supply	10.3
Flogas Natural Gas	3.0
LCC	5.1
Vayu	0.3
Electric Ireland	2.6
Total	61.2

6. Network Development to 30th September 2021

Firmus energy will continue to extend the natural gas network in line with its Development Plan. Firmus energy will engage with stakeholders including Gas Safe, the Energy Saving Trust, Carbon Trust, Bryson Energy, H&A Mechanical, the Northern Ireland Energy Agency and the Northern Ireland Housing Executive to promote the installation of high efficiency natural gas systems to homes and businesses where it is economically viable to do so. In addition, firmus energy is continuing to extend mains to areas of existing housing of various sizes and densities, following the strategy detailed in our GD17 business plan submission to the Utility Regulator.

7. Conclusion

The 2017/2018 gas year has taken us most-way through our second year of the GD17 Price Control period and our focus has been infill mains laying for residential areas and OO properties.

Our customer service excellence continues to be underpinned by low levels of customer complaints and we have not received any Stage 2 complaints from the Consumer Council in 2017/2018.

We have Distribution Codes of Practice in place, covering Marketing, Complaints Handling and Consumer Information. In addition, we have signed up to the Consumer Council's Financial Remedy Framework – a testament to the focus our business places on delivering against its customer commitments.

Firmus energy's plans to accelerate its capital build programme, together with its exemplary customer service record and the environmental benefits of natural gas as a clean and efficient and affordable fuel source, will help ensure that gas volumes in the Ten Towns Development Areas are optimised.