



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

**Consultation on Gas Networks Ireland's
2016 Ten Year Network Development Plan**

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RESPONSES TO:	dlindsay@cer.ie

*The Commission for Energy Regulation,
The Exchange,
Belgard Square North,
Tallaght,
Dublin 24.*

www.cer.ie

Introduction

The Commission for Energy Regulation

The Commission for Energy Regulation (CER) is Ireland's independent energy and water regulator. The CER was established in 1999 and now has a wide range of economic, customer protection and safety responsibilities in energy. The CER is also the regulator of Ireland's public water and wastewater system.

The CER's primary economic responsibilities in energy cover electricity generation, electricity and gas networks, and electricity and gas supply activities. As part of its role, the CER jointly regulates the all-island wholesale Single Electricity Market (SEM) with the Utility Regulator in Belfast. The SEM is governed by a decision-making body known as the SEM Committee, consisting of the CER, the Utility Regulator and an independent member. The overall aim of the CER's economic role is to protect the interests of energy customers. The CER has an important related function in customer protection by resolving complaints that customers have with energy companies.

The CER's core focus in safety is to protect lives and property across a range of areas in the energy sector. This includes safety regulation of electrical contractors, gas installers and gas pipelines. In addition the CER is the safety regulator of upstream petroleum safety extraction and exploration activities, including on-shore and off-shore gas and oil.

In 2014 the CER was appointed as Ireland's economic regulator of the Irish public water and wastewater sector.

Further information on the CER's role and relevant legislation can be found on the CER's website at www.cer.ie.

Purpose of this Paper

The purpose of this paper is to seek comment from any interested party on GNI's draft TYNDP covering the period 2015/16 - 2024/25.

Public Consultation on GNI's 2016 Ten Year Network Development Plan

In accordance with Article 22 of EU Directive 2009/73/EC ("the Directive")¹ and Part 4 of Statutory Instrument (S.I.) 16 of 2015,² the CER is launching a public consultation on Gas Networks Ireland's (GNI) 2016 Ten Year Network Development Plan (TYNDP).

Specifically, Article 22(1) of the Directive requires that the gas Transmission System Operator (TSO) submit to the Regulatory Authority a TYNDP based on existing and forecast supply and demand after having consulted all relevant stakeholders.

In particular, Article 22(2) of the Directive requires that the TYNDP shall:

¹ EU Directive 2009/73/EC: concerning common rules for the internal market in natural gas.

² S.I.16 of 2015: European Communities (Internal Market in Natural Gas and Electricity) (Amendment) Regulations.

- i. indicate to market participants the main transmission infrastructure that needs to be built or upgraded over the next ten years;
- ii. contain all the investments already decided and identify new investments which have to be executed in the next three years; and
- iii. provide a timeframe for all investment projects.

When drafting the TYNDP, the TSO is also required to make reasonable assumptions about the evolution of the production, supply, consumption and exchanges with other countries, taking into account investment plans for regional and Community-wide networks, as well as investment plans for storage and LNG regasification facilities.

As Ireland's gas TSO, GNI commenced the development of its 2016 TYNDP through the issuance of a questionnaire to relevant stakeholders including gas producers, storage operators, gas shippers and large gas customers. GNI's questionnaire is used as an input for developing TYNDP, and enables GNI to make assumptions about expected gas flows.

In July 2016, GNI submitted its draft 2016 TYNDP (for the period 2015/16-2024/25) to the CER. As part of the review of GNI's TYNDP, the CER is consulting all actual or potential system users on the TYNDP (which is published alongside this Consultation Paper) and invites comments on GNI's TYNDP. Such an approach will assist the CER in examining whether GNI's 2016 TYNDP covers all investment needs identified. Following this consultation, the CER may require GNI to amend the TYNDP if necessary to take account of responses received.

The deadline for submitting responses to the CER regarding GNI's 2016 TYNDP is the 09 September 2016. Responses to this paper should be in the form of e-mail to dlindsay@cer.ie.

The CER intends to publish all submissions received. Respondents who do not wish part of their submission to be published should mark this area clearly and separately or enclose it in an Appendix, stating the rationale for not publishing this part of their comments.