

Phoenix Energy's response to the Utility Regulator's

Licence Extension Proposal

Phoenix Energy¹ is the owner and operator of the largest gas distribution business in Northern Ireland (**NI**), covering an area that encapsulates c.45% of the population of NI, and serving regions including Greater Belfast, Larne, East Down and Whitehead (the **Licensed Area**).

We, together with the other NI Gas Network Operators – Mutual Energy, GNI(UK), Evolve, and firmus energy – have developed a pathway to decarbonise the NI gas network and are actively preparing for this transition away from natural gas.

At the heart of this pathway is an affordable, least-disruptive, transition to net-zero where consumers can continue to enjoy all the convenience and benefits of gas in the knowledge that the gas they use will be 100% renewable by 2050.

Biomethane provides a key opportunity to use NI's existing gas network to deliver a decarbonised solution to c.550k homes, enabling consumers to continue to enjoy all the flexibility of gas with minimum disruption.

Biomethane also offers a strategic advantage to NI's key industries by giving companies obliged, or seeking, to decarbonise their production with an option that allows them to achieve that aim in a timely manner.

Key to maximising the amount of biomethane available will be using new and existing AD plants to generate the renewable gas for injection into the gas network.

We therefore welcome the inclusion of these additional areas, surrounding three AD plants, in our Licence.

¹ Phoenix Energy Group Ltd is trading as Phoenix Energy