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By email: [gas\\_networks\\_responses@uregni.gov.uk](mailto:gas_networks_responses@uregni.gov.uk)

1 June 2018

**Re: Consultation on Granting of WTL Security Consent**

Dear Veronika

GNI (UK) Limited ("GNI (UK)") welcomes the opportunity to respond to the consultation on the proposed granting of the West Transmission Limited ("WTL") security consent by the Northern Ireland Authority for Utility Regulation (the "Authority") as set out in your letter of 18 May 2018. Our feedback to the consultation is provided below.

The draft form of security consent letter provided to us does not contain a Schedule 1. However, our understanding is that WTL will provide security such that the security trustee would be in a position to effect a transfer of the WTL network and the benefit of the WTL licence and related agreements to a third party operator in the event of default by WTL under the financing arrangements.

A key concern for GNI (UK) would be to ensure that, in the event of any enforcement of the security, any transferee of the WTL network will have the capability to discharge the function of a transmission system operator ("TSO"). We note that the Authority's consent is required for any assignment of the WTL licence pursuant to Condition 1.10 of the licence. It is therefore our understanding that in addition to the proposed consent to the security, any subsequent outright assignment of the licence to a third party operator on enforcement would require a separate consent of the Authority.

We would be obliged if you could please confirm that our understanding in this regard is correct and that a review of the competency of the proposed transferee to perform the obligations of a TSO would inform the Authority's decision as to whether or not to consent to such an outright transfer of the WTL licence in accordance with Condition 1.10.2 of the licence (which refers to Article 12(3) of the Gas (Northern Ireland) Order 1996).

Subject to the foregoing, we have no objection to the proposed granting of the security consent.

Please do not hesitate to contact me if you require any further information.

Yours sincerely,



Claire Madden  
Head of Legal & Regulatory Affairs  
Gas Networks Ireland on behalf of GNI (UK) Limited