



Transmission Exit Capacity Charge for the 10 Towns Area

1 October 2026 to 30 September 2027

1. Transmission Exit Capacity Charges

In respect of the period from 1 October 2026 to 30 September 2027, the Transmission Exit Capacity Charge payable by gas suppliers operating in the 10 Towns licence area is as follows:

	Pence per kWh	Pence per therm
Transmission Exit Capacity Charge	0.2870	8.411
Commoditised Charge for Credit Support:	0.0033	0.097

Postalised Exit Capacity Charge (Exit Capacity + Credit Support):	0.2903	8.508
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Any gas supplier delivering gas via Kinecx Energy's distribution pipeline system will utilise capacity in the Northern Ireland (NI) transmission pipeline system. Gas suppliers are responsible for booking and paying for capacity at the NI transmission pipeline system Entry Point, however, Kinecx Energy has an obligation to book and hold capacity at the transmission pipeline system Exit Point on behalf of gas suppliers operating on the Kinecx Energy distribution pipeline. Kinecx Energy is also responsible for the payment of the Exit Capacity to the Gas Market Operator Northern Ireland (GMO NI) 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 gas suppliers, Kinecx Energy levies a commodity charge on gas suppliers on a monthly basis. Kinecx Energy forecasts this charge at the start of the gas year using volume forecasts for the Kinecx Energy licence area. This is then charged to gas suppliers on the basis of their monthly distribution commodity volume and is subject to an annual reconciliation using actual distribution volumes.

2. Credit Support Arrangements

Kinecx Energy is required to provide the Gas Market Operator for Northern Ireland (GMO NI) with credit support for the Postalised Exit Capacity it holds on behalf of gas suppliers operating in the Kinecx Energy Licence area. Where Kinecx Energy's Required Level of Credit Support (RLCS) exceeds their current Maximum Allowed Unsecured Credit (MAUC) Kinecx Energy will be required to provide additional credit support using an alternative permitted method. Where this additional credit support requirement involves the payment by Kinecx Energy of a financial cost, including any transaction costs, these costs are recoverable from gas suppliers operating in the Kinecx Energy Licence area, as permitted by paragraph B-7.4 of the Kinecx Energy Distribution Network Code.

The actual credit support costs incurred by Kinecx Energy will also be included as part of the annual reconciliation process to incorporate any additional costs incurred by Kinecx Energy throughout the

gas year, e.g. increased credit support costs required as a result of a Transmission Exit Ratchet.

3. Transmission Exit Capacity Ratchet Charges

If it is determined that the sum of the allocations for gas suppliers exiting the transmission system into the Kinecx Energy distribution network exceeds the capacity held by Kinecx Energy, then the Kinecx Energy capacity booking will be increased by the largest capacity overrun determined for any day in that month. Kinecx Energy will also be expected to pay GMO NI the associated ratchet charge for that month.

As permitted under Section B7.4 of the Kinecx Energy Distribution Network Code, Kinecx Energy will recover the associated ratchet charges from gas suppliers. The charges will be passed on to gas suppliers in the invoices issued for the month in which it is incurred. The amount owing by each gas supplier 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, Kinecx Energy will continue to pay GMO NI for the Exit Capacity booking (including the additional ratchet amount) for the remainder of the gas year. Gas suppliers will continue to pay Kinecx 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 Kinecx Energy by GMO NI will be recovered from gas suppliers 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 a negative impact on its cashflow of greater than £80k, then Kinecx Energy reserves the right at the mid-year point to adjust and re-publish the Exit Capacity charge it uses to recover costs from gas suppliers. Kinecx Energy will only undertake such a review of the Exit Capacity charge following consultation with the Utility Regulator.

