

Avian Egan GNI (UK) Limited Compressor Station Brighouse Bay, Kirkcudbright DG6 4TR

Cc: National Grid Gas plc, Gas Networks Ireland Limited, Premier Transmission Limited, Commission for Energy Regulation, Northern Ireland Authority for Utility Regulation Your Ref: Our Ref:

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Date: 21 September 2015

Dear Avian

Approval of the access rules proposed by GNI (UK) Limited (GNI (UK)) including directions of approval pursuant to Standard Licence Condition (SLC) 11A of the gas interconnector licence

Background

The final report of the European Commission's sector inquiry into competition in gas and electricity markets (published in January 2007) noted (amongst other things) the lack of effective competition in European markets.¹

In response, a suite of legally binding European Union (EU) legislation, referred to as the Third Package, on European electricity and gas markets was introduced and adopted on 13 July 2009.² The Third Package was transposed into law in Great Britain (GB) by regulations that came into force on 10 November 2011.

The Third Package creates a new legal framework to promote cross-border trade. It requires a number of legally binding Guidelines and 'Network Codes' to be established and implemented.³ Taken together, these aim to promote liquidity, improve integration between Member States' gas markets and promote the efficient use of interconnectors to ensure that gas flows according to price signals, ie to where it is valued most.⁴ These EU legislative requirements take priority over GB domestic legislation and associated regulations and codes. There are four such European Network Codes (ENCs) relevant to this decision letter, these are:

• Capacity Allocation Mechanisms in Gas Transmission Systems (CAM): this was published in the Official Journal of the European Union (OJEU) on 15 October 2013

¹ Inquiry pursuant to Article 17 of Regulation (EC) No 1/2003 into the European gas and electricity sectors (Final Report): http://ec.europa.eu/competition/sectors/energy/2005 inquiry/index en.html.

² In relation to gas, the Third Package includes Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (the "Gas Directive") and Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 (the "Gas Regulation").

³ See Article 6 (Establishment of network codes) of the Gas Regulation which sets out the process for establishing EU-wide network codes for gas.

⁴ See Article 8(6) of the Gas Regulation for the areas required to be covered by network codes.

and applies from 1 November 2015.⁵ CAM aims to facilitate equal and transparent access to transmission capacity, achieve effective competition on the wholesale gas market, facilitate a more transparent, efficient and non-discriminatory system of allocation of capacity and avoid foreclosure of downstream supply markets. It does this by introducing standard capacity products (in terms of duration), auctions of bundled capacity products at interconnection points (IPs) via a cross-border webbased booking system, coordination of maintenance of pipelines or parts of transmission networks by Transmission System Operators (TSOs)⁶ and communication procedures by TSOs.

- Congestion Management Procedures (CMP)⁷: this aims to tackle contractual congestion (where gas transportation capacity is fully booked but not fully used).⁸ This situation may occur where there is physical capacity to flow more gas, but the right to flow it is tied up in existing contracts with network users so that others cannot gain access to it. Contractual congestion results in inefficient use of gas transportation assets and is a barrier to cross border trade. CMP aims to enhance the efficient use of transportation capacity by bringing unused capacity back to the market on a firm basis, thereby making it available to market participants who wish to make use of it.
- Gas Balancing of Transmission Networks (BAL): this was published in the OJEU on 27 March 2014 and applies from 1 October 2015. BAL aims to facilitate cross-border gas trade and the further development of competitive and efficient wholesale gas markets in the EU. The code requires the use of non-discriminatory and transparent balancing systems, which are of particular importance for new market entrants, and specifies procedures for nominations to flow gas at IPs.
- Interoperability and Data Exchange (INT): this was published in the OJEU on 1 May 2015 and applies from 1 May 2016.¹⁰ The code covers ways in which network operators manage gas flows across borders, deal with differences in gas quality, exchange data between themselves and market players, rules for matching nominations to flow gas at either side of an IP and rules for allocating gas. The code also requires adjacent TSOs to agree and set out these rules in interconnection agreements.

These ENCs are required to be implemented by the gas interconnector licensees taking into account the specific nature of interconnectors, where identified in each ENC.

National Grid Gas plc (NGG) owns and operates the national transmission system in GB.

GNI (UK) owns the gas interconnector between Moffat, in South West Scotland, and the interface between UK territorial Waters and Manx Waters, for which it holds a gas interconnector licence. The GNI (UK) interconnector is connected to the NGG system at Moffat and splits into two different pipes before leaving the Scottish mainland.

Premier Transmission Limited (PTL) holds an interconnector licence allowing it to operate the gas interconnector between Twynholm, in South West Scotland and Ballylumford, in Northern Ireland, and is connected to the GNI (UK) interconnector at Twynholm. The PTL

⁵ Commission Regulation (EU) No 984/2013 of 14 October 2013 establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems: http://eur-lex.europa.eu/legal-content/FN/TXT/PDF/2uri=CFLEX:32013R0984&from=FN

content/EN/TXT/PDF/?uri=CELEX:32013R0984&from=EN. ⁶ References to TSOs in this letter include interconnectors.

⁷ CMP is a Guideline and not a separate network code; formally, it is an amendment to the guidelines on congestion management procedures which form part of Annex I of the Gas Regulation. However we have referred to it using the same abbreviation of 'ENCs' throughout this letter for brevity.

⁸ Commission Decision of 24 August 2012 on amending Annex I to Regulation (EC) No 715/2009 of the European Parliament and of the Council on conditions for access to the natural gas transmission networks: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:231:0016:0020:en:PDF.

⁹ Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of

Ommission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L..2014.091.01.0015.01.ENG.
To Commission regulation (EU) 2015/703 of 30 April 2015 establishing a network code on interoperability and data

Commission regulation (EU) 2015/703 of 30 April 2015 establishing a network code on interoperability and data exchange rules http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1430734293842&uri=OJ:JOL 2015 113 R 0003.

interconnector forms part of the Northern Irish (NI)¹¹ entry-exit system, which has an entry point at Moffat. In order to offer NI entry-exit capacity at Moffat, PTL must use GNI (UK)'s interconnector pipeline between Moffat and Twynholm in combination with its own interconnector. PTL then contracts directly with NI shippers to offer NI entry and exit capacity at Moffat. As a result GNI (UK) has no direct relationship with NI shippers despite the NI shippers flowing gas on the GNI (UK) interconnector between Moffat and Twynholm.

Gas Networks Ireland Limited (GNI) owns two interconnectors that connect with GNI (UK)'s interconnector pipes at the interface between UK Territorial Waters and Manx Waters and continue to the Irish mainland. The GNI interconnectors form part of the Irish entry-exit system which has an entry point at Moffat. In order to offer Irish entry-exit capacity at Moffat, GNI must use GNI (UK)'s interconnector pipelines between Moffat and the interface between UK Territorial Waters and Manx Waters in combination with its own interconnectors. GNI then contracts directly with Irish shippers to offer Irish entry and exit capacity at Moffat. As a result GNI (UK) has no direct relationship with Irish shippers despite the Irish shippers flowing gas on the GNI (UK) interconnector between Moffat and the edge of UK territorial Waters.

In order to implement the relevant parts of the ENCs listed above, the parties are proposing modifications to various existing bilateral agreements ¹² and creating new agreements. Such new agreements are the tripartite agreements that GNI (UK) have entered into: one with NGG and PTL (PTL TRI); and another with NGG and GNI (GNI TRI). A tripartite agreement is necessary because GNI (UK), as NGG's adjacent TSO at Moffat, does not have a commercial relationship with downstream shippers in NI and Ireland. Therefore the interconnection agreement between GNI (UK) and NGG¹³ does not cover the full requirements of the ENCs. The GNI TRI (and PTL TRI) covers arrangements at the Moffat IP between the three signatories for (i) how capacity is allocated and bundled, (ii) how nominations to flow gas are made, and (iii) how gas flow quantities are allocated to shippers after the gas flow day. This facilitates implementation of the ENCs in respect of gas flowing from GB to NI and GB to Ireland.

Standard Licence Condition (SLC) 11A of the gas interconnector licence requires GNI (UK) to prepare and submit a statement setting out Access Rules for the approval of the Authority and also sets out the minimum requirements for what Access Rules should include.

Proposals in the GNI (UK) Access Rules

GNI (UK) submitted the PTL TRI and GNI TRI respectively on 18 September 2015 and 10 September 2015 collectively as part of their Access Rules to the Authority for approval under SLC 11A of its interconnector licence. GNI (UK) also submitted a report setting out the version of the TRIs that were published on 8 July 2015 for a 28 day consultation period and confirming that there were no responses to the consultation and therefore no changes to the TRIs as a consequence of the consultation.

As noted in the background section above, GNI (UK) does not contract directly with NI or Irish shippers but provides access to PTL and GNI who then make arrangements directly with shippers for access to the NI and Irish entry-exit systems respectively. As such the TRIs recognise that NI and Irish shippers must enter into arrangements with PTL and GNI respectively under their respective PTL Code and GNI Code of Operations in order to use the NI and Irish entry-exit systems of which the GNI (UK) interconnector forms part.

¹¹ NI is used interchangeably to refer to Northern Ireland and Northern Irish as the context requires.

¹² These include the transportation agreement between PTL and GNI (UK), the transportation agreement between GNI and GNI (UK) and the bilateral agreement between NGG and GNI (UK) (also known as the interconnection agreement).

 $^{^{13}}$ The interconnection agreement sets out principles for how TSOs will interact with each other at the physical interconnection between their two systems.

The PTL TRI (GNI TRI)¹⁴ sets out arrangements to allow for bundling of capacity, nominations and allocations of gas quantities at Moffat including as follows:

- 1. The arrangements regarding capacity include that:
 - 1.1. NGG exit capacity and NI (Irish) entry capacity:
 - 1.1.1. Are to be allocated by way of auctions for standard CAM capacity products under the algorithms in compliance with the CAM code.
 - 1.1.2. Are to be allocated, where that capacity is firm, as a bundled product in a single auction on the PRISMA auction platform, where availability allows.
 - 1.1.3. To be withheld from auctions of annual capacity will be the lesser of:
 - 1.1.3.1. 10% of technical capacity and available capacity, for the five years following the auction.
 - 1.1.3.2. 20% of technical capacity and available capacity, for the following ten years.
 - 1.2. Capacity in the opposite direction from physical flow is made available to NI and Irish shippers as interruptible capacity (ie virtual reverse flow).
 - 1.3. The first annual capacity auction will offer bundled capacity for the gas years from 2016/17 to 2020/21 from GB to NI and from 2016/17 to 2031/32 from GB to Ireland.
 - 1.4. Technical capacity at the Moffat IP to be published on the parties' websites and available firm and interruptible capacity details to be published by PRISMA.
 - 1.5. Where NGG capacity is less than the sum of NI and Irish capacity at Moffat then there are linked auctions on PRISMA whereby the scarce NGG capacity is allocated as a bundle with capacity on the gas transportation route where shippers value it most.
 - 1.6. Shippers holding both NGG exit and NI entry (Irish entry) unbundled capacity may decide to bundle their capacity at Moffat.
 - 1.7. Congestion management procedures for the NI (Irish) entry-exit system are set out in the PTL Code (GNI Code of Operations)
 - 1.8. If a shipper surrenders bundled capacity in either the NI (Irish) or NGG's system then such surrender will only be valid if the shipper surrenders equivalent capacity in the other system.
 - 1.9. Trading of bundled (NGG exit and NI entry (Irish entry)) capacity on the secondary market will only be valid where the bundle is preserved.
 - 1.10. The minimum interruption lead time for NGG and NI (Irish) capacity is 75 minutes before the hour bar when the interruption is to be effective. NGG and PTL (GNI) will inform each other via GNI (UK) in the event of an interruption.
 - 1.11. Any auction premium above the reserve price will be shared equally between PTL (GNI) and NGG.
 - 1.12. Arrangements to optimise the technical capacity at the Moffat IP are set out in the interconnection agreement (IA) between NGG and GNI (UK). However, PTL and GNI are included in these arrangements where they are affected.
- 2. That the arrangements regarding nominations by shippers to flow gas include that:
 - 2.1. Single-sided nominations, whereby both NGG and NI (Irish) shippers can make nominations only to NGG (and which are considered nominations in both the NGG and NI (Irish) systems), are allowed.
 - 2.2. Double-sided nominations, whereby shippers provide nominations to both NGG and PTL (GNI), are allowed.
 - 2.3. Initial nominations are to be made by shippers before 13.00 on the day before the gas flow day (D-1) and further nominations are to be made by shippers before 02.00 on the gas flow day (D).
 - 2.4. Renominations can be submitted between 15.00 on D-1 and 02.00 on D.
 - 2.5. The time from which renominations become effective must not be:
 - 2.5.1. Earlier than two hours after the hour bar when the renomination is made.
 - 2.5.2. Earlier than the start of the gas flow day.
 - 2.5.3. Later than 04.00 on D.
 - 2.6. For each two hour nomination cycle that:

¹⁴ In this letter we refer to both PTL and GNI (or NI and Irish) arrangements at Moffat. Where the arrangements are the same we describe them for PTL and NI and then include in brackets GNI and Irish.

- 2.6.1. NGG sends GNI (UK):
 - 2.6.1.1. The single-sided nominations it receives from shippers.
 - 2.6.1.2. The processed nomination quantities of double-sided nominations it receives (this is the nomination received by NGG following any adjustment in accordance with NGG's rules).
- 2.6.2. GNI (UK) sends PTL (GNI) details of the processed nomination quantities from NGG. GNI (UK) sends GNI details of single-sided nominations received from NGG. However, GNI (UK) does not send PTL the initial notification of single-sided nominations received from NGG.
- 2.6.3. PTL (GNI) determines if the double-sided nominations are confirmed nominations (where the details are the same without consideration of the nomination quantities). If they are then PTL (GNI) confirms the nomination quantities¹⁵ and sends these to GNI (UK), who then sends them to NGG.
- 2.6.4. NGG and PTL (GNI) then notify their shippers of the confirmed nomination quantities.
- 2.7. Communications are to be made in the data format and protocol compliant with INT which is currently Edig@s xml and SOAP respectively.
- 3. That the arrangements regarding allocation of gas flow quantities to shippers after the gas flow day include that:
 - 3.1. For an OBA day¹⁶ the quantities allocated to each shipper is equal to the confirmed nomination quantity for that shipper (for both directions).
 - 3.2. For a non-OBA day the quantities to be allocated for:
 - 3.2.1. NI (Irish) shippers is in accordance with the PTL Transportation Code¹⁷ (GNI code of operations¹⁸).
 - 3.2.2. NGG shippers depends is:
 - 3.2.2.1. the sum of the allocations for that NGG shipper's counterpart in NI (Ireland) where GNI (UK) provides certain information on each shipper's nomination to NGG.
 - 3.2.2.2. determined according to the alternative arrangements in the Uniform Network Code (UNC) where GNI (UK) does not provide the information in the previous point.
 - 3.3. For a non-OBA day the sum of the allocation quantities to NI and Irish shippers in both directions, the quantity allocated to the Stranraer Operator and the cumulative steering difference correction for that day must equal the metered quantity at Moffat for that day.
- 4. The arrangements for when capacity is curtailed or constrained at the Moffat IP which are set out in the IA between NGG and GNI (UK).

Where an exceptional event has been notified by

 NGG only, then the confirmed nomination quantity is the NGG processed nomination quantity for the affected flow direction.

Where a gas deficit emergency has been notified, NGG notifies GNI (UK) of the quantity of flows at Moffat. GNI (UK) determines under the PTL/GNI (UK) transportation agreement (GNI/GNI (UK) transportation agreement) the share of flows that go to NI (Ireland). PTL (GNI) then determines the confirmed nomination quantities.

¹⁵ The confirmed nomination quantity is (unless an exceptional event or gas deficit emergency has been notified):

[•] The processed nomination quantity, where the processed nomination quantities are the same

The lesser of the processed nomination quantities, where the processed nomination quantities are not the same

[•] PTL (GNI) only, then the confirmed nomination quantity is the PTL (GNI) processed nomination quantity for the affected flow direction.

Both NGG and PTL (GNI), then the confirmed nomination quantity is the lesser of the processed nomination quantities for the affected flow direction.

¹⁶ Under INT shippers will normally receive allocations equal to their confirmed nomination quantities. When the measured flow rate of gas deviates from what was nominated by shippers the difference (or steering difference) is accumulated in an Operational Balancing Account (OBA) which is managed by the adjacent TSOs. The adjacent TSOs agree tolerance levels in which steering differences are permitted. Where the cumulative steering difference exceeds the tolerance levels the TSOs may decide to allocate gas based on the measured volume of gas ie the TSOs call a non-OBA day. Otherwise the gas flow day is an OBA day.

 ¹⁷ The PTL Transportation Code governs access to the PTL interconnector by shippers http://www.premier-transmission.com/transCode04.html.
 ¹⁸ The GNI Code of Operations governs access to Irish entry-exit system by shippers

¹⁸ The GNI Code of Operations governs access to Irish entry-exit system by shippers http://www.gasnetworks.ie/en-IE/Gas-Industry/Services-for-Suppliers/Code-of-operations/.

- 5. Where an error has been identified in determining the processed nomination quantity, the confirmed nomination quantity or the allocation quantity then PTL (GNI) and NGG shall notify the affected shippers. The cumulative steering difference will be adjusted in the Interconnection Agreement (IA) between NGG and GNI (UK) to reflect the correction of an error.
- 6. The arrangements for the flow of gas to Stranraer via the PTL interconnector, where these differ from the standard arrangements, are set out in the rest of the PTL TRI.
- 7. The arrangements to amend the PTL and GNI TRIs.
- 8. Balancing is the responsibility of PTL and GNI on the NI and Irish entry-exit systems respectively.
- 9. Communications between the signatories in the TRIs when there is an exceptional event will be communicated as soon as reasonable practicable for events on
 - 9.1. NGG system: between NGG and GNI (UK).
 - 9.2. PTL (GNI) system: between PTL (GNI) and GNI (UK), and GNI (UK) will communicate this to NGG.
- 10. Data exchange between the parties.
- 11. Other issues: including flow of information, confidentiality between the parties, force majeure, dispute resolution process and liabilities.

Ofgem view

Upon review of the documents submitted on 10 September 2015 to Ofgem for approval, with the main features as summarised above, the Authority considers the proposed access rules to be transparent, non-discriminatory, objective and compliant with the relevant ENCs listed above.

Directions issued in accordance with SLC 11A(8) and SLC 11A(15) of the licence to this effect can be found in the Annex to this letter.

We note that arrangements to amend the two TRIs (which combine to form GNI (UK)'s access rules) set out that approvals are required by either or both the Commission for Energy Regulation (CER) and the Northern Ireland Authority for Utility Regulation (NIAUR) (as well as Ofgem). For the avoidance of doubt, Ofgem's approval in this decision cannot be conferred to give any legal power to the CER and NIAUR to approve such amendments to the TRIs.

We note that there are a few minor clerical errors in the documents which do not materially affect the understanding between PTL, GNI, GNI (UK) and NGG over their interactions in the TRIs but ask GNI (UK) to consider addressing these in the first annual review of its access rules under SLC11A(9).¹⁹

Next steps

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We note that the PTL TRI and GNI TRI differ in terms of the time period for when capacity is offered on the PRISMA auction of annual capacity. GNI (UK)'s bilateral agreement with PTL ends on 30 September 2021 whilst GNI (UK)'s bilateral agreement with GNI ends on 30 September 2045. This therefore means that in the TRIs GNI (UK) can only allow for PTL to offer NI entry and exit capacity at Moffat (using GNI (UK)'s interconnector) until the gas year 2020/2021 (whilst allowing GNI to offer Irish entry and exit capacity at Moffat until 2031/32, which is the maximum period allowed for under CAM). Ofgem acknowledges that the different end dates to the bilateral agreements GNI (UK) has with PTL and GNI drive the difference in period over which annual capacity is offered. However, Ofgem encourages GNI (UK) as soon as possible to start discussions with PTL to agree arrangements to apply

 $^{^{19}}$ These include for the GNI TRI: moving the text "(ie GNI)" from Annex B.5.3(b) to Annex B.5.3(c); capitalising the words 'transportation arrangements' in the definition of PTL Shipper in Clause 1.1; aligning the use of bold for the words 'date' and 'affected' in clause 7.3 and Annex B.6.1(a) with how they appear in the equivalent clause and annex in the PTL TRI; aligning the use of apostrophe in clause 7.6 with how it appears in the equivalent clause in the PTL TRI; and aligning the use of commas in clauses 7.11(b), 7.14(g), Annex A.3.11 and Annex A.7.3(b) with how they appear in the equivalent clauses in the PTL TRI.

between them after 30 September 2021 to align the periods for which capacity will be offered in the PRIMSA auctions of annual capacity (this is also referred to in our decision in relation to the changes to the Transportation Agreement between GNI (UK) and PTL).

The Authority decision

Following consideration of the documentation provided and having regard to the Authority's principal objective and statutory duties and for the reasons set out above, the Authority has decided to approve GNI (UK)'s access rules, in accordance with the provisions of SLC11A of GNI (UK)'s gas interconnector licence.

Rob Mills

Head of Gas Transmission, Gas Networks

Duly authorised on behalf of the Authority

ANNEX 1 - Access Rules

Directions issued to GNI (UK) Limited pursuant to Standard Licence Condition 11A (approval of terms for access to the licensee's interconnector) paragraphs 8 and 15 of its gas interconnector licence

- 1. This Direction is issued by the Gas and Electricity Markets Authority (the "Authority") pursuant to Standard Licence Condition 11A (SLC 11A) paragraph 8 of the gas interconnector licence ("the Licence") granted or treated as granted under section 7ZA of the Gas Act 1986 ("the Act") to GNI (UK) Limited ("GNI (UK)" or "the licensee").
- 2. SLC 11A paragraph 2 provides that the licensee shall prepare and submit for approval by the Authority a statement setting out the Access Rules (as defined in the Licence).
- 3. SLC 11A paragraph 5 requires that the Access Rules be transparent, objective, non-discriminatory and compliant with the Regulation (Regulation (EC) No 715/2009 on conditions for access to the national gas transmission networks) and any relevant legally binding decision of the European Commission and/or Agency (collectively the 'relevant access rules objectives').
- 4. SLC 11A paragraph 6 requires the licensee to take all reasonable steps to ensure that all persons, including those in other Member States who may have a direct interest in the Access Rules, are consulted and allow them a period of not less than 28 days within which to make written representations. The licensee must also furnish the Authority with a report setting out the terms originally proposed in the Access Rules, the representations, if any, made by interested persons and any change in the terms of the Access Rules intended as a consequence of such representations.
- 5. SLC11A paragraph 15 requires the licensee to publish (at least on its website) the Access Rules as soon as practicable after the Access Rules have been approved by the Authority. The Access Rules must be published 28 days prior to coming into effect, unless the Authority directs otherwise.
- 6. In accordance with SLC 11A paragraph 6(b), on 18 September 2015 GNI (UK) furnished the Authority with a report setting out the terms originally proposed in its Access Rules, the representations made by interested persons, and the changes as a consequence of the consultations.
- 7. In accordance with SLC11A paragraph 2, on 10 September 2015 GNI (UK) submitted its Access Rules to the Authority for approval.
- 8. Having regard to the relevant access rules objectives set out in SLC 11A paragraph 5, and to our principle objective and statutory duties, the Authority considers that the submitted Access Rules meet the relevant access rules objectives and so the Authority has decided to approve the GNI (UK) Access Rules.
- 9. The Authority hereby directs, pursuant to SLC 11A paragraph 8, that the GNI (UK) Access Rules are approved.
- 10. The Authority hereby directs, pursuant to SLC 11A paragraph 15 that the Access Rules may be published less than 28 days before coming into effect.
- 11. This Direction shall have immediate effect. It shall remain in effect until such time as the Authority may revoke or vary the Direction in writing upon reasonable notice.
- 12. This direction constitutes notice of the Authority's reasons for the decision pursuant to section 38A of the Act.

Dated: 21 September 2015

Rob Mills

Head of Gas Transmission, Gas Networks

Duly authorised on behalf of the Authority