
STATUTORY RULES OF NORTHERN IRELAND

2011 No. 155

**The Gas and Electricity (Internal Markets)
Regulations (Northern Ireland) 2011**

PART V

ELECTRICITY DISTRIBUTION

Interpretation

16. In Article 3 (Interpretation of Part II) of the Electricity Order—

- (a) after the definition of “distribute” there shall be inserted the following definition—
““distribution licence” means a licence under Article 10(1)(bb);”; and
- (b) in the definition of “electricity distributor” for “10(1)(b)” there shall be substituted “10(1)(bb)”.

Prohibition on unlicensed distribution

17. In Article 8(1) (Prohibition on unlicensed supply, etc) of the Electricity Order, after paragraph (b) there shall be inserted the following sub-paragraph—

“(bb) distributes electricity for that purpose;”

Exemptions from licensing

18. In Article 9 (Exemptions from Article 8) of the Electricity Order—

- (a) in paragraph (1) after “sub-paragraph (a),” there shall be inserted “(bb);”;
- (b) in paragraph (3) after sub-paragraph (a) there shall be inserted the following sub-paragraph—

“(aa) may be granted subject to such conditions as appear to the Department to be requisite or expedient to ensure that the activity authorised by the exemption is carried out in compliance with the relevant requirements and prohibitions laid down by the Directive; and”; and

- (c) after paragraph (4) there shall be inserted the following paragraph—

“(5) If any condition pursuant to paragraph 3(aa) of an exemption granted to persons of a class is not complied with by any person of that class, the Department may give to that person a direction declaring that the exemption is revoked, so far as relating to that person, to such extent and as from such date as may be specified in the direction.”.

Distribution licences

19. In Article 10 (Licences authorising supply, etc.) of the Electricity Order—

- (a) after paragraph (1)(b) there shall be inserted the following sub-paragraph—
 - “(bb) to distribute electricity for that purpose;”; and
- (b) in paragraph (8), after “paragraph (1)(b)” there shall be inserted “or (1)(bb)”.

20. After Article 10A (Transmission licences) of the Electricity Order there shall be inserted the following Article—

“Distribution licences

10AA.—(1) A distribution licence may authorise the holder to distribute electricity in any area, or only in an area specified in the licence.

(2) The Authority may, with the consent of the holder of a distribution licence, modify any term included in the licence in pursuance of paragraph (1).

(3) Without prejudice to the generality of Article 11(1)(a), conditions included in a distribution licence by virtue of that sub-paragraph may restrict where the licence holder may carry on an activity which he is authorised by the licence to carry on.”.

Conditions of licences

21. In Article 11(3A) (Conditions of licences) of the Electricity Order after “Article 10(1)(b)” there shall be inserted “, (bb)”.

General duties of electricity distribution system operators

22. In Article 12(1)(a) of the Electricity Order after “distribution” there shall be inserted “which has the long-term ability to meet reasonable demands for the distribution of electricity”.

Powers, etc., of licence holders

23. In Article 13 (Powers, etc., of licence holders) of the Electricity Order—

- (a) for sub-paragraphs (a) and (b) of paragraph (1) there shall be substituted—
 - “(a) in relation to the holder of a licence under Article 10(1)(b);
 - (b) in relation to the holder of a licence under Article 10(1)(bb) to the extent that his licence so provides; and”;
- (b) in paragraph (4A) after “transmission licence” there shall be inserted “or a distribution licence”.

Miscellaneous

24. In Article 33 (Electrical inspectors) of the Electricity Order in paragraph (2)(a) after “supply” there shall be inserted “, distribute”.

25. In Article 38 (Provisions supplementary to Article 37) of the Electricity Order—

- (a) in paragraph (1) after “transmission licence” there shall be inserted “or a distribution licence”; and
- (b) in paragraph (2) after “licence to” there shall be inserted “distribute or”.

26. In Article 46 (Functions with respect to competition) of the Electricity Order in paragraphs (2A) and (3) after “transmission” in each place where the word occurs there shall be inserted “, distribution”.

27. In Article 58 (Directions for preserving security of electricity supplies, etc.) of the Electricity Order—

- (a) in paragraph (1)(a) after “transmission” there shall be inserted “, distribution”; and
- (b) in paragraph (6) after “generate” there shall be inserted “, distribute”.

28. In Article 59 (Provision of statistical information) of the Electricity Order—

- (a) in paragraph (1) after “transmission” there shall be inserted “, distribution”; and
- (b) in paragraph (1) after “generate” there shall be inserted “, distribute”.

29. In Article 60 (Promotion of new techniques in national interest) of the Electricity Order—

- (a) in paragraph (1) after “transmission” there shall be inserted “, distribution”; and
- (b) in paragraph (2) after “generate” there shall be inserted “, distribute”.

30. In Article 62(2) (Directions restricting the use of certain information) of the Electricity Order, after “supply” there shall be inserted “, distribute”.

Existing electricity distribution system operators

31. Article 8(1)(bb) of the Electricity Order shall not apply to any person, other than—

- (a) the holder of a licence under Article 10(1)(bb) of the Electricity Order; or
- (b) the former holder of such a licence which has been revoked other than with his agreement,

until 30 September 2012 or such later date as the Department may determine under regulation 31.

32. The Department may determine a later date if it thinks there are reasonable grounds for doing so and that date is not later than 12 months after the date in regulation 31.

Amendments to the Electricity (Applications for Licences and Extensions of Licences) (No. 2) Regulations (Northern Ireland) 2007

33. The Electricity (Applications for Licences and Extensions of Licences) (No. 2) Regulations (Northern Ireland) 2007(1) shall be amended as follows—

- (a) in regulation 2 (Interpretation) after the definition of “application” there shall be inserted the following definition—

“distribution licence” means a licence under Article 10(1)(bb) of the Order;

- (b) in regulation 3 (Form of applications) after paragraph (5) there shall be inserted the following paragraph—

“(6) An application for a distribution licence shall be in the form, and shall contain the particulars, specified in Part I of Schedule 6.”;

- (c) in regulation 4 (Documents to accompany applications) after paragraph (5) there shall be inserted the following paragraph—

“(6) An application for a distribution licence shall be accompanied by the documents and particulars specified in Part II of Schedule 6.”;

- (d) in regulation 6(1)(b)(i) (Manner of publishing applications), after “transmission licence” there shall be inserted—

“, a distribution licence”;

- (e) in regulation 7(1) (Fees payable with applications), after “transmission” there shall be inserted—

- “, distribution”;
- (f) in Part II of Schedule 3—
 - (i) in paragraph 2(b), after “systems” there shall be inserted “or distribution systems”;
 - (ii) in paragraph 2(g), after “underground;” omit “and”; and
- (g) after Schedule 5 there shall be inserted the Schedule set out in Schedule 2 to these Regulations.

Amendments to the Energy Order

34. The Energy Order shall be amended as follows—

- (a) in Article 8(2)(b)(i) after “supplying” there shall be inserted “, distributing”;
- (b) in Article 12—
 - (i) in paragraphs (1), (5)(b), (5)(e) and the part of paragraph (5) following paragraph (5)(e), after “transmission” in each place where the word occurs there shall be inserted “, distribution”;
 - (ii) in paragraphs (5)(a) and (5)(d) after “supply” in each place where the words occur there shall be inserted “, distribute”; and
 - (iii) in paragraph (6) after “supplying” there shall be inserted “, distributing”.
- (c) in Article 39(5) after “transmission” there shall be inserted “, distribution”.