
STATUTORY INSTRUMENTS

2007 No. 913

The Electricity (Single Wholesale Market) (Northern Ireland) Order 2007

Objective and duties of Department, the Authority and SEM Committee

Principal objective and duties of Department, the Authority and SEM Committee in relation to SEM

9.—(1) The principal objective of—

- (a) the Department in carrying out its electricity functions in relation to matters which it considers materially affect, or are likely materially to affect, the SEM;
- (b) the Authority in giving effect to any decision of the SEM Committee;
- (c) the SEM Committee in carrying out its functions under Article 6(2),

is to protect the interests of consumers of electricity in Northern Ireland and Ireland supplied by authorised persons, wherever appropriate by promoting effective competition between persons engaged in, or in commercial activities connected with, the sale or purchase of electricity through the SEM.

(2) The Department, the Authority and the SEM Committee shall carry out those functions in the manner which it considers is best calculated to further the principal objective, having regard to—

- (a) the need to secure that all reasonable demands for electricity in Northern Ireland and Ireland are met; and
- (b) the need to secure that authorised persons are able to finance the activities which are the subject of obligations imposed by or under Part II of the Electricity Order or the Energy Order or any corresponding provision of the law of Ireland; and
- (c) the need to secure that the functions of the Department, the Authority, the Irish Minister and CER in relation to the SEM are exercised in a co-ordinated manner,
- (d) the need to ensure transparent pricing in the SEM;
- (e) the need to avoid unfair discrimination between consumers in Northern Ireland and consumers in Ireland.

(3) The Department, the Authority and the SEM Committee may, in carrying out any of the functions mentioned in paragraph (1), have regard to the interests of consumers in Northern Ireland and Ireland in relation to gas.

(4) Subject to paragraph (2), the Department, the Authority and the SEM Committee shall carry out the functions mentioned in paragraph (1) in the manner which it considers is best calculated—

- (a) to promote efficiency and economy on the part of authorised persons;
- (b) to secure a diverse, viable and environmentally sustainable long-term energy supply in Northern Ireland and Ireland; and
- (c) to promote research into, and the development and use of—
 - (i) new techniques by or on behalf of authorised persons;

(ii) methods of increasing efficiency in the use and generation of electricity.

(5) Subject to paragraph (2), in carrying out any of the functions mentioned in paragraph (1) the Department, the Authority and the SEM Committee shall have regard to—

- (a) the effect on the environment in Northern Ireland and Ireland of the activities of authorised persons, and
- (b) the need, where appropriate, to promote the use of energy from renewable energy sources.

(6) In carrying out any of the functions mentioned in paragraph (1) the Department, the Authority and the SEM Committee shall not discriminate unfairly—

- (a) between authorised persons; or
- (b) between persons who are applying to become authorised persons.

(7) In carrying out any of the functions mentioned in paragraph (1) in accordance with the preceding provisions of this Article, the Department, the Authority and the SEM Committee shall have regard to—

- (a) the principles under which regulatory activities should be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed;
- (b) any other principles appearing to it to represent the best regulatory practice.

(8) In this Article—

“authorised person” means the holder of a licence or exemption granted under Part II of the Electricity Order or any corresponding provision of the law of Ireland;

“electricity functions” means —

- (a) functions under Part II of the Electricity Order;
- (b) functions under the Energy Order relating to electricity;
- (c) functions under Part IV of the Electricity Order 1992 (Amendment) Regulations (Northern Ireland) 2005 (SR 2005/ 335); and
- (d) functions under this Order;

“environmental sustainability” includes the need to guard against climate change; and

“renewable energy sources” has the same meaning as in the Directive.

(9) In relation to any time after the coming into operation of Article 3 but before the establishment of the SEM Committee, this Article has effect as if for paragraph (1)(b) there were substituted—

“(b) the Authority in carrying out its functions under Article 3;” .

Exceptions from the general duties

10.—(1) Article 9 does not apply in relation to functions of the Department under—

- (a) Article 39, 40, 58, 59 or 60 of the Electricity Order; or
- (b) Article 61 of the Energy Order.

(2) Article 9 does not apply in relation to anything done by the SEM Committee in taking a decision as to the exercise of any function of the Authority—

- (a) which relates to the determination of disputes;
- (b) under Article 46(3) of the Electricity Order; or
- (c) under Article 8 of the Energy Order;

or to anything done by the Authority in giving effect to that decision.

(3) The SEM Committee may nevertheless, when taking a decision as to the exercise of any function of the Authority under Article 46(3) of the Electricity Order, have regard to any matter in respect of which a duty is imposed by Article 9 if it is a matter to which the Office of Fair Trading could have regard when exercising that function.

(4) The duties imposed by Article 9 do not affect the obligation of the Authority or the Department to perform or comply with any other duty or requirement (whether arising under this Order or another statutory provision, by virtue of any Community obligation or otherwise).