Consultation on NIE Networks licence modifications for new IT requirements.

March 2021

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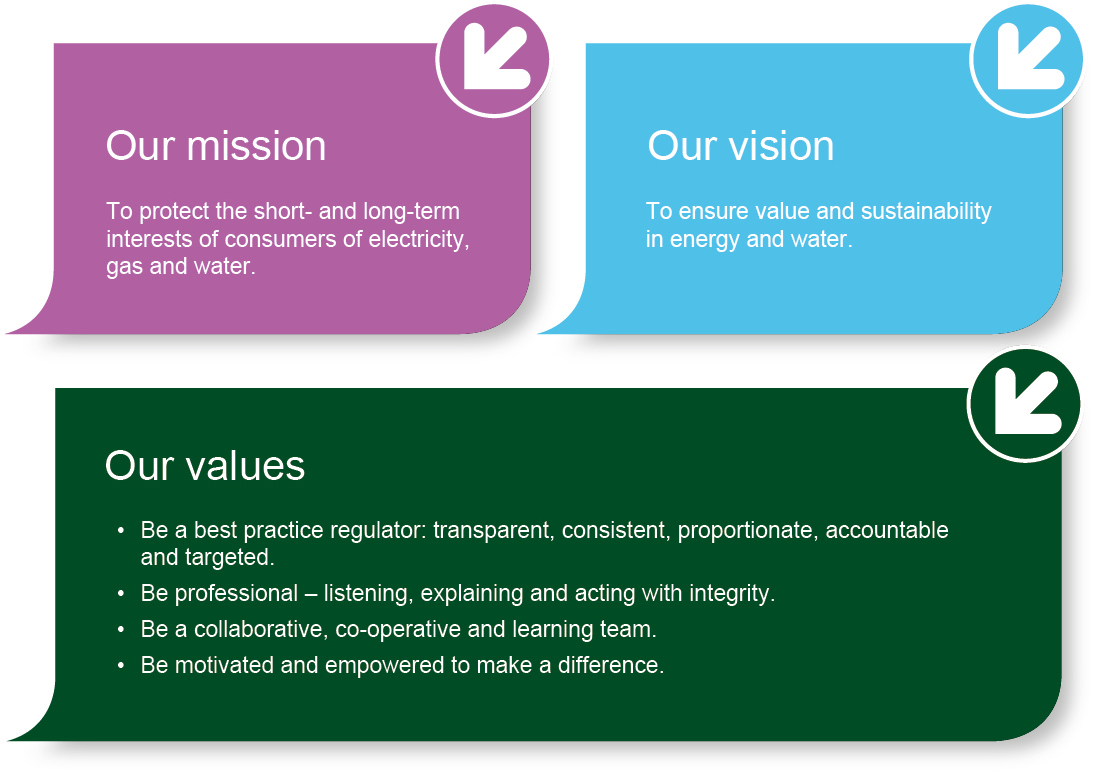
About the Utility Regulator

The Utility Regulator is the independent non-ministerial government department responsible for regulating Northern Ireland’s electricity, gas, water and sewerage industries, to promote the short and long-term interests of consumers.

We are not a policy-making department of government, but we make sure that the energy and water utility industries in Northern Ireland are regulated and developed within ministerial policy as set out in our statutory duties.

We are governed by a Board of Directors and are accountable to the Northern Ireland Assembly through financial and annual reporting obligations.

We are based at Queens House in the centre of Belfast. The Chief Executive leads a management team of directors representing each of the key functional areas in the organisation: Corporate Affairs, Markets and Networks. The staff team includes economists, engineers, accountants, utility specialists, legal advisors and administration professionals.



Abstract

This consultation sets out our proposal to introduce a licence modification in NIE Networks Transmission and Distribution licences to allow for a mechanism to permit the recovery of efficiently incurred costs associated with IT upgrades required to facilitate the future DfE Energy Strategy.

The proposed modification will allow NIE Networks to recover costs via the current price control RP6 which runs until March 2024.

Audience

This document is likely to be of interest to regulated companies in the energy industry, government, industry groups, consumer bodies, environmental groups and those with an interest in the energy industry and network planning.

Consumer impact

Any approved costs will increase consumer bills but will be minor and not visible. All costs approved will facilitate the energy transition in NI which will both benefit consumers and contribute to the achievement of Energy Strategy targets.

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**Acronyms and Glossary**

|  |  |  |
| --- | --- | --- |
| **Acronym** | **Explanation** | **Detail** |
| Capex | Capital expenditure |  |
| Ex ante | Before the event and in context of this document refers to costs based on forecasts rather than actuals. | Describes how price control costs are submitted prior to the price control period and receive agreement with the UR in advance. |
| GB | Great Britain | England, Scotland and Wales collectively. |
| NI | Northern Ireland | One of the four countries of the United Kingdom along with England, Scotland and Wales. |
| NIE Networks | Northern Ireland Electricity Networks | Owns the electricity transmission and distribution network and operates the electricity distribution network which transports electricity to over 860,000 customers. |
| Opex | Operating expenditure |  |
| RP6 |  | This is the name given to the Transmission & Distribution price control for NIE Networks, covering the period from 1 October 2017 to 31 March 2024 |
| UK | United Kingdom | United Kingdom of Great Britain and Northern Ireland. |
| UR | Utility Regulator | The regulator for the gas, electricity and water industries in Northern Ireland. |

1. Executive Summary

1.1 The UR and NIE Networks are both key stakeholders in the implementation of the DfE energy strategy due to be launched in 2021. As part of delivering on the objectives of the strategy, NIE Networks are working on identifying and scoping the detail of a number of key projects which need to be undertaken, and, for which recovery of efficiently incurred costs are required. NIE Networks funding is achieved via an ex ante price control review with the current price control being RP6.

1.2 RP6 commenced on 1 October 2017 and expires on 31 March 2024. As the aforementioned projects have emerged mid-price control, the associated costs cannot currently be recovered via the price control. Therefore the UR intends to undertake licence modifications within the NIE Networks Distribution and Transmission Licences to introduce a new condition which will allow costs for additional IT enhancements to be recovered in line with the current incentive mechanisms in RP6.

1.3 The document outlines the background to the proposal, the proposed modifications and reasons and effects of the proposal.

**Responding to the Consultation**

1.4 The Utility Regulator welcomes industry and stakeholder views and comments on the outlined licence modifications proposals and their effect. Any representations or objections with respect to the proposals may be made on or before 5 April 2021 to:

Ruairi McCann

Networks Directorate

Utility Regulator

Queens House

14 Queens Street

Belfast BT1 6ER

Email: [Electricity\_Networks\_Responses@uregni.gov.uk](mailto:Electricity_Networks_Responses@uregni.gov.uk) with cc to [ruairi.mccann@uregni.gov.uk](mailto:ruairi.mccann@uregni.gov.uk)

1.5 The Utility Regulator's preference would be for responses to be submitted by e-mail.

1.6 Individual respondents may ask for their responses (in whole or in part) not to be published, or that their identity should be withheld from public disclosure. Where either of these is the case, please provide also a non-confidential version suitable for publication.

1.7 As a public body and non-ministerial government department, the Utility Regulator is required to comply with the Freedom of Information Act (“FOIA**”**). The effect of FOIA may be that certain recorded information contained in consultation responses is required to be put into the public domain. Hence it is now possible that all responses made to consultations will be discoverable under FOIA, even if respondents ask us to treat responses as confidential. It is therefore important that respondents take account of this. In particular, if asking the Utility Regulator to treat responses as confidential, respondents should specify why they consider the information in question should be treated as such.

1.8 The Utility Regulator has published a privacy notice for consumers and stakeholders which sets out the approach to data retention in respect of consultations. This can be found at https://www.uregni.gov.uk/privacy-notice or, alternatively, a copy can be obtained by calling 028 9031 1575 or by email at info@uregni.gov.uk.

1.9 This paper is available in alternative formats such as audio, Braille etc. If an alternative format is required, please contact the office of the Utility Regulator, which will be happy to assist.

**Equality Considerations**

1.10 As a public authority, the Utility Regulator has a number of obligations arising from Section 75 of the Northern Ireland Act 1998. These obligations concern the promotion of equality of opportunity between:

i. persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;

ii. men and women generally;

iii. persons with disability and persons without; and

iv. persons with dependants and persons without.

1.11 The Utility Regulator must also have regard to the promotion of good relations between persons of different religious belief, political opinion or racial groups.

1.12 In the development of its policies the Utility Regulator also has a statutory duty to have due regard to the needs of vulnerable customers i.e. individuals who are disabled or chronically sick, individuals of pensionable age, individuals with low incomes and individuals residing in rural areas. Some of the above equality categories will therefore overlap with these vulnerable groupings.

1.13 In order to assist with equality screening of the proposals contained within this consultation paper, the Utility Regulator requests that respondents provide any information or evidence in relation to the needs, experiences, issues and priorities for different groups which they feel is relevant to the implementation of any of the proposals. Furthermore, the Utility Regulator welcomes any comments which respondents might have in relation to the overall equality impact of the proposals

# 2. Introduction and Background

### The NI Department for Economy (DfE) launched a call for evidence in December 2019 to facilitate their development of a new energy strategy in 2021. The purpose of this is to ‘…*decarbonise the NI energy sector by 2050 at the least cost to the consumer’*.

### 2.2 In order to deliver on the strategy a number of no regret investments are required by NIE Networks to facilitate the introduction of the necessary new technologies to allow this strategy to be delivered.

### NIE Networks has identified IT expenditure not currently allowed for within its current Price Control (RP6) that will assist in both delivery of any future strategy and the achievement of the strategy’s targets. This includes implementing a standalone NI retail market message system and systems providing improved data and increased digitalisation.

# 3. Licence Modification and RP6

## RP6.

### [RP6](https://www.uregni.gov.uk/sites/uregni/files/media-files/2017-07-04%20RP6%20FD%20Main%20Report%20%28002%29.pdf) is the name given to the NIE Networks Transmission and Distribution 6th Price Control which came into effect on 1 October 2017 and will run until 31 March 2024.

### The purpose of the price control is to determine and set an efficient revenue cap to enable NIE Networks to deliver quality outputs that customers need, with RP6 investment decisions expected to underpin improvements in service delivery for consumers.

### 3.3 RP6 sets out the amount that NIE Networks is allowed to build, operate and maintain its transmission and distribution electricity network. It includes both capital and operational expenditure across all facets of NIE Networks operation including expenditure on IT.

### 3.4 Since the submission of the NIE Networks RP6 business plan and the UR decision on the RP6, a need for further investment by NIE Networks to facilitate the delivery of the future NI energy strategy has emerged. To enable the UR to approve these costs, further licence modifications of the NIE Networks Distribution and Transmission licences are required.

### 3.5 These new proposed licence conditions are to address the need to approve monies within the RP6 period only. Consideration will be given to them being removed as part of the licence modifications for the next price control period.

## NIE Networks Licences

### 3.6 The UR grants licences, subject to the satisfaction of certain criteria, to those who wish to engage in electricity generation or supply. These licences are issued and maintained under legislative provision conferred by Articles 10, 11, 12 and 13 of [The Electricity (Northern Ireland) Order 1992](https://www.legislation.gov.uk/nisi/1992/231).

### NIE Networks hold both a [Transmission](https://www.uregni.gov.uk/sites/uregni/files/media-files/NIE%20Transmission%20Licence%20effective%2018%2001%202020.pdf) and [Distribution](https://www.uregni.gov.uk/sites/uregni/files/media-files/NIE%20Distribution%20Licence%20-%20effective%2018%2001%202020.pdf) licence under the Order.

### **Proposed Distribution Licence Modifications**

### 3.8 In order to provide NIE Networks with a mechanism to recoup deemed efficient energy strategy costs via RP6, we propose to introduce the following modifications within Annex 2 of NIE Network’s Distribution licence:

**Definitions**

A new definition should be added at paragraph 1.1 of Annex 2.

“New Energy Strategy IT Solution” means a new information technology system that is required by the Licensee's Distribution Business for the purposes of implementing any new energy policy which:

(a) is introduced by a competent authority; and

(b) requires a change to be made to the specification of services provided by the Licensee's Distribution Business.

**Capex Expenditure**

Modification of condition 4.32 (**Allowed capex for 5 year D.RAB – AC\_D5Yt**)

For the purposes of this Annex, in each Regulatory Reporting Year t, and for RAB\_D5Y the allowed capex (AC\_Xt) amounts shall be calculated as follows:

AC\_D5Yt = (AC\_2016\_Xt \* RPIt / RPI2016 ) + ACNES\_Xt

Where:

AC\_2016\_Xt is the allowed capex amount, in a 2016 price base, for RAB\_D5Y for each Regulatory Reporting Year t, and shall be equal to the amounts specified in Table 3 below.

ACNES\_Xt is the allowed capex amount (if any) for RAB\_D5Y in respect of any Regulatory Reporting Year t specified in Table 3 below, being an amount the Authority determines in a published decision to be appropriate for the Licensee to recover in respect of:

(a) any New Energy Strategy IT Solution;

(b) any significant changes required to the specification of the information technology systems utilised by the Licensee for the purposes of providing the Market Data Service or the Market Registration Service.

Table 3 – The Distribution Business allowed capex per RAB\_D5Y for each Regulatory Reporting Year t (£ million, 2016 prices)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Year | t=2018 | t=2019 | t=2020 | t=2021 | t=2022 | t=2023 | t=2024 |
| RAB\_D5Y | 8.451 | 11.069 | 9.016 | 7.071 | 6.483 | 5.941 | 7.974 |

**Opex expenditure**

Modification of Annex 2 condition 6.15 (allowed opex other amount)

For the purposes of this Annex, in each Regulatory Reporting Year t, the allowed opex other amount (AOOt), being the amounts for other opex items listed immediately below, shall be calculated as follows:

AOOt = ESt + IAt + COLt + NESt

Where:

ESt is the allowed opex amount (if any) in Regulatory Reporting Year t for the Enduring Solution, being the additional amount that the Authority determines in a published decision, to be appropriate for the Licensee to recover in that Regulatory Reporting Year in respect of any significant changes in the specification of the service that the Licensee is required to provide in relation to the Enduring Solution market opening system;

IAt is the allowed opex amount (if any) in Regulatory Reporting Year t, for injurious affectation, being the amount that the Authority determines in a published decision to be appropriate for the Licensee to recover in respect of injurious affectation claims in that Regulatory Reporting Year;

COLt is the allowed opex amount (if any) for changes of law, in an amount determined by the Authority to be appropriate in accordance with paragraph 6.16; and

NESt is the allowed opex amount (if any) in Regulatory Reporting Year t, up to and including Regulatory Reporting Year t=2024 only, being the amount the Authority determines in a published decision, to be appropriate for the Licensee to recover in respect of:

(a) a New Energy Strategy IT Solution;

(b) any significant changes required to the specification of the information technology systems utilised by the Licensee for the purposes of providing the Market Data Service or the Market Registration Service.

### **Proposed Transmission Licence Modifications**

### 3.9 It is similarly anticipated that IT investment may also be required within NIE Networks transmission operations, therefore a modification of this licence is also proposed as a mechanism to permit efficiently incurred cost recovery.

### 3.10 We therefore propose to introduce the following modifications into the NIE Networks Participate in Transmission licence:

**Definitions**

A new definition should be added at paragraph 1.1 of Annex 2.

“New Energy Strategy IT Solution” means a new information technology system that is required by the Licensee's Distribution Business for the purposes of implementing any new energy policy which:

(a) is introduced by a competent authority; and

(b) requires a change to be made to the specification of services provided by the Licensee's Distribution Business.

**Capex Expenditure**

Modification of condition 4.32 (**Allowed capex – AC\_Xt**)

2. For the purposes of this Annex, in each Regulatory Reporting Year t, and for RAB\_X, the allowed capex (AC\_Xt) amounts shall be calculated as follows:

AC\_Xt = (AC\_2016\_Xt \* RPIt / RPI2016) + ACNES\_Xt

Where:

AC\_2016\_Xt is the allowed capex amount, in a 2016 price base, for RAB\_X for each Regulatory Reporting Year t, and shall be equal to the amounts specified in Table 3 below.

ACNES\_Xt is the allowed capex amount (if any) for RAB\_D5Y in respect of any Regulatory Reporting Year t specified in Table 3 below, being an amount the Authority determines in a published decision to be appropriate for the Licensee to recover in respect of:

(a) any New Energy Strategy IT Solution;

(b) any significant changes required to the specification of the information technology systems utilised by the Licensee for the purposes of providing the Market Data Service or the Market Registration Service.

Table 3 – The Transmission Owner Business allowed capex per RAB\_X for each Regulatory Reporting Year t (£ million, 2016 prices)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Year | t=2018 | t=2019 | t=2020 | t=2021 | t=2022 | t=2023 | t=2024 |
| RAB\_TN | 4.720 | 9.359 | 9.280 | 9.201 | 9.123 | 9.045 | 8.969 |
| RAB\_T5Y | 0.490 | 0.728 | 0.970 | 0.794 | 0.597 | 0.599 | 0.605 |

**Opex expenditure**

Modification of Annex 2 condition 6.15 (allowed opex other amount)

6.15. For the purposes of this Annex, in each Regulatory Reporting Year t, the allowed opex other amount (AOOt), being the amounts for other opex items listed immediately below, shall be calculated as follows:

AOOt = IAt + COLt + NESt

Where:

IAt is the allowed opex amount (if any) in Regulatory Reporting Year t, for injurious affectation, being the amount that the Authority determines in a published decision to be appropriate for the Licensee to recover in respect of injurious affectation claims in that Regulatory Reporting Year;

COLt is the allowed opex amount (if any) for changes of law, in an amount determined by the Authority to be appropriate in accordance with paragraph 6.16; and

NESt is the allowed opex amount (if any) in Regulatory Reporting Year t, up to and including Regulatory Reporting Year t=2024 only, being the amount the Authority determines in a published decision, to be appropriate for the Licensee to recover in respect of:

(a) a New Energy Strategy IT Solution;

(b) any significant changes required to the specification of the information technology systems utilised by the Licensee for the purposes of providing the Market Data Service or the Market Registration Service.

# Reasons and Effects

### 3.11 The reason for the proposed changes is to provide NIE Networks with a mechanism to recover costs which may be incurred or required to be incurred by it in respect of IT enhancements (and other potential projects) within the scope of the DfE Energy Strategy during the time period of RP6.

### 3.12 The effects of the modifications will enable NIE Networks to submit projects for approval in relation to the recovery of costs incurred by NIE Networks in respect of DfE Energy Strategy which are not otherwise recoverable by NIE Networks through any other means or mechanisms.

### 3.13 Once these licence modifications have been implemented NIE Networks can submit a request to recoup any necessary efficiently incurred costs in respect of DfE Energy Strategy IT enhancements for UR approval.

### 3.14 The UR will consider any such submission in line with our duties and if approved we will publish our decision.

# Next Steps

### 4.1 This paper represents the Utility Regulator’s proposals on modifications to NIE Networks Distribution and Transmission licence. Table 1 summarises the next steps and associated timelines for the licence modification process. We note that timelines are indicative at this stage and may be subject to change.

### 4.2 Once the licence modifications have been implemented we would expect NIE Networks to submit a request for approval for an amount to be added to the RAB.

### **Table 1: Indicative timelines for next steps**

|  |  |
| --- | --- |
| **Next Steps** | **Proposed date** |
| Notice of proposal to modify Distribution and Transmission licences published | 5 March 2021 |
| Statutory consultation closes | 5 April 2021 |
| Notice of decision to modify Distribution ~~a~~nd Transmission licences published | End of May 2021 |
| Licence modifications effective date | End of July 2021 |

# Annexes

# Table 2 provides an overview of the annexes to this consultation document

## Annexes A to B sets out, for each licence, the proposed modifications tracked against the current licence drafting.

## Annex C and D represents the notices under Article 14(2) of the Electricity (Northern Ireland) Order 1992 for the two licence modification proposals.

**Table 2: Overview of Annexes**

|  |  |
| --- | --- |
| Annex Number | Annex name |
| Annex A | Distribution Licence Proposed Modification |
| Annex B | Transmission Licence Proposed Modifications |
| Annex C | Article 14(2) of the Electricity (Northern Ireland) Order 1992 - NIE Networks Distribution Licence |
| Annex D | Article 14(2) of the Electricity (Northern Ireland) Order 1992 - NIE Networks Transmission Licence |

**Annex A - NIE Networks Distribution Licence**

[https://www.uregni.gov.uk/sites/uregni/files/mediafiles/NIE%20Distribution%20Licence%20%20effective%2018%2001%202020.pdf](https://www.uregni.gov.uk/sites/uregni/files/media-files/NIE%20Distribution%20Licence%20-%20effective%2018%2001%202020.pdf)

**Annex 2 – Distribution Charge Restriction Conditions**

In section 1. Definitions, paragraph 1.1 of Annex 2, the following new definition shall be inserted (in alphabetical order) –

“New Energy Strategy IT Solution” means a new information technology system that is required by the Licensee's Distribution Business for the purposes of implementing any new energy policy which:

(a) is introduced by a competent authority; and

(b) requires a change to be made to the specification of services provided by the Licensee's Distribution Business.

In section **4.** **The Regulatory Asset Bases – RAB\_Xt** subsection 4.31 **Allowed capex for 5 Year D.RAB – AC\_D5Yt** condition 4.32 shall be amended as follows:

For the purposes of this Annex, in each Regulatory Reporting Year t, and for RAB\_D5Y the allowed capex (AC\_Xt) amounts shall be calculated as follows:

AC\_D5Yt = (AC\_2016\_Xt \* RPIt / RPI2016) + ACNES\_Xt

Where:

AC\_2016\_Xt is the allowed capex amount, in a 2016 price base, for RAB\_D5Y and for each Regulatory Reporting Year t, and shall be equal to the amounts specified in Table 3 below.

ACNES\_Xt is the allowed capex amount (if any) for RAB\_D5Y in respect of any Regulatory Reporting Year t specified in Table 3 below, being an amount the Authority determines in a published decision to be appropriate for the Licensee to recover in respect of:

(a) any New Energy Strategy IT Solution;

(b) any significant changes required to the specification of the information technology systems utilised by the Licensee for the purposes of providing the Market Data Service or the Market Registration Service.

Table 3 – The Distribution Business allowed capex per RAB\_D5Y for each Regulatory Reporting Year t (£ million, 2016 prices)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Year | t=2018 | t=2019 | t=2020 | t=2021 | t=2022 | t=2023 | t=2024 |
| RAB\_D5Y | 8.451 | 11.069 | 9.016 | 7.071 | 6.483 | 5.941 | 7.974 |

In section **6**. **The Opex amount - Ot** subsection 6.14 **Allowed opex other amount – AOOt** paragraph 6.15 will be amended as follows:

6.15. For the purposes of this Annex, in each Regulatory Reporting Year t, the allowed opex other amount (AOOt), being the amounts for other opex items listed immediately below, shall be calculated as follows:

AOOt = ESt + IAt + COLt + NESt

Where:

ESt is the allowed opex amount (if any) in Regulatory Reporting Year t, for the Enduring Solution, being the additional amount that the Authority determines in a published decision, to be appropriate for the Licensee to recover in that Regulatory Reporting Year in respect of any significant changes in the specification of the service that the Licensee is required to provide in relation to the Enduring Solution market opening system;

IAt is the allowed opex amount (if any) in Regulatory Reporting Year t, for injurious affectation, being the amount that the Authority determines in a published decision to be appropriate for the Licensee to recover in respect of injurious affectation claims in that Regulatory Reporting Year;

COLt is the allowed opex amount (if any) for changes of law, in an amount determined by the Authority to be appropriate in accordance with paragraph 6.16; and

NESt is the allowed opex amount (if any) in Regulatory Reporting Year t, up to and including Regulatory Reporting Year t=2024 only, being the amount the Authority determines in a published decision, to be appropriate for the Licensee to recover in respect of:

(a) a New Energy Strategy IT Solution;

(b) any significant changes required to the specification of the information technology systems utilised by the Licensee for the purposes of providing the Market Data Service or the Market Registration Service.

**Annex B – NIE Networks Transmission Licence**

<https://www.uregni.gov.uk/sites/uregni/files/media-files/NIE%20Transmission%20Licence%20effective%2018%2001%202020.pdf>

**Annex 2 – Transmission Charge Restriction Conditions**

In section 1. Definitions, paragraph 1.1 of Annex 2, the following new definition shall be inserted (in alphabetical order) –

“New Energy Strategy IT Solution” means a new information technology system that is required by the Licensee's Distribution Business for the purposes of implementing any new energy policy which:

(a) is introduced by a competent authority; and

(b) requires a change to be made to the specification of services provided by the Licensee's Distribution Business.

In section **4. The Regulatory Asset Bases – RAB\_Xt** subsection **4.31** **Allowed capex – AC\_Xt** condition 4.32 will be amended as follows:

For the purposes of this Annex, in each Regulatory Reporting Year t, and for RAB\_X, the allowed capex (AC\_Xt) amounts shall be calculated as follows:

AC\_Xt = (AC\_2016\_Xt \* RPIt / RPI2016) + ACNES\_Xt

Where:

AC\_2016\_Xt is the allowed capex amount, in a 2016 price base, for RAB\_X and for each Regulatory Reporting Year t, and shall be equal to the amounts specified in Table 3 below.

ACNES\_Xt is the allowed capex amount (if any) for RAB\_D5Y in respect of any Regulatory Reporting Year t specified in Table 3 below, being an amount the Authority determines in a published decision to be appropriate for the Licensee to recover in respect of:

(a) any New Energy Strategy IT Solution;

(b) any significant changes required to the specification of the information technology systems utilised by the Licensee for the purposes of providing the Market Data Service or the Market Registration Service.

Table 3 – The Transmission Owner Business allowed capex per RAB\_X for each Regulatory Reporting Year t (£ million, 2016 prices)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Year | t=2018 | t=2019 | t=2020 | t=2021 | t=2022 | t=2023 | t=2024 |
| RAB\_TN | 4.720 | 9.359 | 9.280 | 9.201 | 9.123 | 9.045 | 8.969 |
| RAB\_T5Y | 0.490 | 0.728 | 0.970 | 0.794 | 0.597 | 0.599 | 0.605 |

In section **6**. **The Opex amount - Ot** subsection 6.14 **Allowed opex other amount – AOOt** condition 6.15 will be amended as follows:

6.15. For the purposes of this Annex, in each Regulatory Reporting Year t, the allowed opex other amount (AOOt), being the amounts for other opex items listed immediately below, shall be calculated as follows:

AOOt = IAt + COLt + NESt

Where:

IAt is the allowed opex amount (if any) in Regulatory Reporting Year t, for injurious affectation, being the amount that the Authority determines in a published decision to be appropriate for the Licensee to recover in respect of injurious affectation claims in that Regulatory Reporting Year;

COLt is the allowed opex amount (if any) for changes of law, in an amount determined by the Authority to be appropriate in accordance with paragraph 6.16; and

NESt is the allowed opex amount (if any) in Regulatory Reporting Year t, up to and including Regulatory Reporting Year t=2024 only, being the amount the Authority determines in a published decision, to be appropriate for the Licensee to recover in respect of:

(a) a New Energy Strategy IT Solution;

(b) any significant changes required to the specification of the information technology systems utilised by the Licensee for the purposes of providing the Market Data Service or the Market Registration Service.

**Annex C**

**Notice under Article 14(2) of the Electricity (Northern Ireland) Order 1992 – Modifications Proposed to Annex 2 of the Electricity Distribution Licence Held by Northern Ireland Electricity Networks (Ltd)**

**THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION NOTICE UNDER ARTICLE 14(2) OF THE ELECTRICITY (NORTHERN IRELAND) ORDER 1992 MODIFICATIONS PROPOSED TO THE ELECTRICITY DISTRIBUTION LICENCE HELD BY NORTHERN IRELAND ELECTRICITY NETWORKS**

The Northern Ireland Authority for Utility Regulation ('the Authority') proposes to modify the conditions of a licence in exercise of the powers conferred on it by Article 14(1) of the Electricity (Northern Ireland) Order 1992 (“the Order”).

In accordance with Article 14(2) of the Order the Authority gives notice as follows:

1. The Authority proposes to make modifications to the Electricity Distribution licence (“the Licence”) held by Northern Ireland Electricity Networks Limited (“the Licensee”).

2. Details of the proposed modifications are set out in chapter 3 of the current consultation paper on Licence Modifications for new IT requirements to NIE Networks Transmission and Distribution Licences as well as in Annex A to the consultation paper.

3. The reasons for the proposed licence modifications are set out in chapter 3 of the consultation paper.

4. The effects of the proposed licence modifications are set out in chapter 3 of the consultation paper.

5. Representations with respect to the proposed modifications may be made on or before 5pm on 5 April 2021 to:

Ruairi McCann

Utility Regulator

Queens House

14 Queens Street

Belfast

BT1 6ED

Email: electricity\_network\_reporting@uregni.gov.uk with cc to [ruairi.mccann@uregni.gov.uk](mailto:ruairi.mccann@uregni.gov.uk)

6. The Authority has, pursuant to Article 14(4) of the Order, sent a copy of this notice to the Licensee, the Department for the Economy and also to the General Consumer Council for Northern Ireland.

7. A copy of this notice and the proposed modifications can be obtained in hard copy form from the Authority by contacting Ruairi McCann at the contact details above.

Dated this

John French

**For and on behalf of the Northern Ireland Authority for Utility Regulation**

**Annex D**

**Notice under Article 14(2) of the Electricity (Northern Ireland) Order 1992 – Modifications Proposed to Annex 2 of the Electricity Transmission Licence Held by Northern Ireland Electricity Networks (Ltd)**

**THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION NOTICE UNDER ARTICLE 14(2) OF THE ELECTRICITY (NORTHERN IRELAND) ORDER 1992 MODIFICATIONS PROPOSED TO THE ELECTRICITY TRANSMISSION LICENCE HELD BY NORTHERN IRELAND ELECTRICITY NETWORKS**

In accordance with Article 14(2) of the Order the Authority gives notice as follows:

1. The Authority proposes to make modifications to the Electricity Transmission licence (“the Licence”) held by Northern Ireland Electricity Networks Limited (“the Licensee”).

2. Details of the proposed modifications are set out in chapter 3 of the current consultation paper on Licence Modifications for new IT requirements to NIE Networks Distribution and Transmission Licences as well as in Annex B to the consultation paper.

3. The reasons for the proposed licence modifications are set out in chapter 3 of the consultation paper.

4. The effects of the proposed licence modifications are set out in chapter 3 of the consultation paper.

5. Representation with respect to the proposed modifications may be made on or before 5pm on 5 April 2021 to

Ruairi McCann

Utility Regulator

Queens House

14 Queens Street

Belfast

BT1 6ED

Email: electricity\_network\_reporting@uregni.gov.uk with cc to [ruairi.mccann@uregni.gov.uk](mailto:ruairi.mccann@uregni.gov.uk)

6. The Authority has, pursuant to Article 14(4) of the Order, sent a copy of this notice to the Licensee, the Department for Economy and also to the General Consumer Council for Northern Ireland.

7. A copy of this notice and the proposed modifications can be obtained in hard copy form from the Authority by contacting Ruairi McCann at the contact details above.

Dated this

John French

**For and on behalf of the Northern Ireland Authority for Utility Regulation**