

# Administrative Modifications to Gas Distribution Licences

Decision under Article 14(8) – (10) of the Gas  
(Northern Ireland) Order 1996

19<sup>th</sup> November 2024



# 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 and two Executive Directors lead teams in each of the main functional areas in the organisation: CEO Office; Price Controls; Networks and Energy Futures; Markets; Consumer Protection and Enforcement. The staff team includes economists, engineers, accountants, utility specialists, legal advisors and administration professionals.



## Abstract

We are publishing our decision on administrative modifications to the licences of Firmus Energy (Distribution) Limited, Phoenix Energy Group Ltd and SGN Evolve Network Ltd. The modifications will be implemented unchanged from the consultation. They reflect name and address changes in the licences. They also update the communication methods for the giving of notices under the licences to account for technological change.

## Audience

This document is likely to be of interest to regulated companies in the energy industry, government, other statutory bodies as well as consumer groups and other organisations with an interest in the energy industry.

## Consumer impact

The modifications enhance accuracy of licence drafting with respect to name and address details, as well as allowing for efficient, convenient and timely giving of notices under the licences.

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# Glossary

CCNI	Consumer Council for Northern Ireland
DNO	Distribution Network Operator
Evolve	SGN Evolve Network Ltd
FEDL	Firmus energy (Distribution) Limited
PE	Phoenix Energy Group Ltd
UR	Utility Regulator

## Executive Summary

On 10 September 2024 we consulted<sup>1</sup> on administrative modifications to gas distribution licences. This paper sets out our related decision, following due consideration of the consultation responses received.

The licences affected by the modifications are the gas distribution licences of:

- SGN Evolve Network Ltd (Evolve);
- Firmus energy (Distribution) Limited (FEDL); and
- Phoenix Energy Group Ltd (PE).

The licence modifications are administrative modifications to:

- reflect name and address changes in the licences;
- update the communication methods for the giving of notices under the licences to account for technological change.

Consultation responses were received from FEDL and PE. Both responses were supportive of the modifications. We have also received a message from the Consumer Council for Northern Ireland (CCNI) confirming that they were content with the changes and would not be making any representations or objections with respect to the proposals.

Our decision hence is to proceed with the modifications unchanged from what had been set out in the consultation document. The modifications shall have effect on and from 15<sup>th</sup> January 2025.

We consider that the modifications will enhance accuracy of licence drafting with respect to name and address details; allow for efficient, convenient and timely giving of notices under the licences and better facilitate the achievement of our statutory duties.

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<sup>1</sup> [Utility Regulator: Administrative Modifications to Gas Distribution Licences, Consultation and Notice under Article 14\(2\) of the Gas \(Northern Ireland\) Order 1996, 10 September 2024.](#)

# 1. Introduction

## Background to and Purpose of this Document

- 1.1 The Utility Regulator's (UR) principal objective in carrying out the duties associated with our gas functions is:
- to promote the development and maintenance of an efficient, economic and co-ordinated gas industry in Northern Ireland, and
  - to do so consistently with our fulfilment of the objectives set out in the European Gas Directive<sup>2</sup>, and
  - by having regard to a number of matters, as set out more fully in the Energy (Northern Ireland) Order 2003.
- 1.2 To do so, we need to ensure that gas conveyance licences remain up-to-date.
- 1.3 We therefore published, on 10 September 2024, a notice and consultation<sup>3</sup> on administrative modifications to gas distribution licences. The notice set out the effects of the proposed modifications and the reasons for our proposal to make them. The purpose of this notice was to bring the proposed modifications to the attention of persons likely to be affected by them and to invite representations or objections in connection thereto.
- 1.4 The licences affected by the modifications are the gas distribution licences of:
- SGN Evolve Network Ltd (Evolve);
  - Firmus energy (Distribution) Limited (FEDL); and
  - Phoenix Energy Group Ltd (PE).
- 1.5 The licence modifications are administrative modifications to:
- reflect name and address changes in the licences;
  - update the communication methods for the giving of notices under the licences to account for technological change.
- 1.6 Table 1 provides an overview over the licence conditions impacted by the

<sup>2</sup> Directive 2009/73/EC of the European Parliament and the Council of 13 July concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC.

<sup>3</sup> [Utility Regulator: Administrative Modifications to Gss Distribution Licences, Consultation and Notice under Article 14\(2\) of the Gas \(Northern Ireland\) Order 1996, 10 September 2024.](#)

modifications.

Name	Evolve	FEDL	PE
Interpretation and Construction, Definitions	1.1.6	1.1.6	1.1.6
Notices	1.14	1.14	1.15

**Table 1: Overview over licence conditions impacted by modifications and main drivers**

- 1.7 Our consultation on licence modifications closed on 9 October 2024. Both responses to the consultation, from FEDL and PE, were supportive of the modifications. We have also received a message from the Consumer Council for Northern Ireland (CCNI) confirming that they were content with the changes and would not be making any representations or objections with respect to the proposals.
- 1.8 This paper sets out our related decision, following due consideration of the consultation responses received.
- 1.9 The purpose of this decision document, and the related notices set out in Annex F to H to this document, is to follow-up on the licence modification proposal we had consulted on and enact the licence modifications to bring them into effect.

## Document Structure

- 1.10 This decision document is structured in a number of chapters as follows:
- *Chapter 1 Introduction* provides an overview over the purpose and structure of this decision document, impacted licence conditions as well as consultation responses received
  - *Chapter 2 Consultation Responses* summarises the background to the consultation on licence modifications as well as the representations made to the notice published by Utility Regulator pursuant to Article 14(2) of the Gas (Northern Ireland) Order, on 10 September 2024; it also sets out our related considerations
  - *Chapter 3 Conclusion* sets out our decision on the licence modifications as well as the associated reasons and effects
- 1.11 The document is complemented by a number of annexes as follows:



- Annex A shows the modifications to the Evolve licence
- Annex B shows the modifications to the FEDL licence
- Annex C shows the modifications to the PE licence
- Annex D represents the response from FEDL to our consultation
- Annex E represents the response from PE to our consultation
- Annex F represents the notice under Article 14(8) – (10) of the Gas (Northern Ireland) Order 1996 of our decision to modify the gas conveyance licence held by SGN Evolve Network Ltd
- Annex G represents the notice under Article 14(8) – (10) of the Gas (Northern Ireland) Order 1996 of our decision to modify the gas conveyance licence held by Firmus energy (Distribution) Limited
- Annex H represents the notice under Article 14(8) – (10) of the Gas (Northern Ireland) Order 1996 of our decision to modify the gas conveyance licence held by Phoenix Energy Group Ltd)

1.12 Annex A to C set out, for each licence holder, the licence modifications as tracked changes to the current licence conditions. Within the annexes deletions are indicated by red text that has been struck through, additions are indicated by red text that is underlined.

## 2. Consultation Responses

### Background to Consultation on Licence Modifications

2.1 The recent rebranding of two of the Distribution Network Operators (DNOs) – PE<sup>4</sup> and Evolve<sup>5</sup> – has triggered a need for consequential licence modifications, to ensure accuracy of the licence drafting with respect to branding references.

2.2 Whilst working on these licence modifications, we have identified some other matters in the affected conditions of all three DNO licences which we propose to address as well. These relate to:

- changes to the address details of Evolve in their respective licence;
- changes to name and address details of FEDL in their respective licence;
- changes to the name and address details of the Department and the Authority in all three distribution licences;
- the arrangements for giving of notices under the licences which, in their current drafting, appear outdated given technological change with respect to communication methods.

2.3 On this background, we have consulted<sup>6</sup>, on 10 September 2024, on proposed administrative licence modifications to:

- reflect name and address changes in the licences;
- update the communication methods for the giving of notices under the licences to account for technological change.

2.4 The consultation closed on 9 October 2024.

### Summary of Consultation Responses

2.5 We have received consultation responses from:

- FEDL (Annex D)
- PE (Annex E)

<sup>4</sup> Phoenix Natural Gas Limited changed their name to Phoenix Energy Group Ltd on 13 October 2023.

<sup>5</sup> SGN Natural Gas Limited changed their name to SGN Evolve Network Ltd on 4 September 2023.

<sup>6</sup> [Utility Regulator: Administrative Modifications to Gss Distribution Licences, Consultation and Notice under Article 14\(2\) of the Gas \(Northern Ireland\) Order 1996, 10 September 2024.](#)

2.6 In addition, we have also received a message from CCNI which stated in relation to the proposed administrative licence modifications to the gas distribution licences: *“Having read over them, I am content with the changes and will not be making any representations or objections with respect to the proposals.”*

FEDL Response:

2.7 The consultation response confirmed acceptance of the proposed name and address updates in their licence. FEDL considered that these modifications will enhance the accuracy of the licence drafting regarding name and address details.

2.8 FEDL also supported the proposed update to the definition of the term *“Department”* as this aligns with current terminology and ensures consistency.

2.9 Furthermore, FEDL acknowledged that the current arrangements for giving notices under the licences are outdated. FEDL supported the initiative to streamline the notification process by simplifying the wording to state that notices *“shall be given in writing to the relevant party”*. FEDL considered that this change will promote efficiency in communications, facilitating timely delivery of notices under the licence.

2.10 FEDL also agreed with the removal of specific facsimile telephone numbers, as well as the inclusion of new definitions for Electronic Communication and Public Electronic Communications Network. FEDL considered that these updates align with current technological practices and promote smoother exchanges.

PE Response:

2.11 In their consultation response, PE welcomed the proposed administrative licence modifications, primarily to reflect their new company name and to update the communication methods for the giving of notices given the increasing use of technological communication methods, notably email.

2.12 PE also welcomed the reflection of their company name change and for continuity also their company registration number in their licence.

2.13 PE observed that alongside the licence changes and for transparency there are several regulatory documents that should be updated to reflect the new company name. PE asked UR to take a proportionate approach to his. In particular, PE suggested that where the only change to a document is to update the company name, PE be permitted to make this change without triggering a full review. In this context, PE referred to the Gas Distribution

Marketing Code as a specific example.

## **UR Consideration of Consultation Responses**

- 2.14 We welcome the responses received the consultation. We note that all three responses received are supportive of the modifications we had proposed.
- 2.15 As regards the update of other regulatory documents to reflect new company names, where the name change is the only change to these documents, we are open to taking a proportionate approach within the remits of the applicable licence arrangements.
- 2.16 Having considered all the responses duly made to the consultation on administrative modifications to gas distribution licences, we see no reason to amend, or not to proceed with the proposed modifications.

## 3. Conclusion

### Decision

3.1 Our decision is to modify the licences of

- SGN Evolve Network Ltd;
- Firmus Energy (Distribution) Limited; and
- Phoenix Energy Group Ltd

in line with the modification proposal that had been set out in the consultation on administrative modifications to gas distribution licences issued on 10 September 2024. The final text is unchanged from that proposed in the consultation and provided in Annex A to C to this decision paper.

3.2 The modifications shall have effect on and from 15<sup>th</sup> January 2025.

### Reasons

3.3 There has been no reason to change the licence modifications from those that had been consulted on.

3.4 The reasons for the modifications hence remain the same as those set out in our consultation<sup>7</sup> on administrative modifications to gas distribution licences.

3.5 In particular, the changes to:

- the definitions in *Condition 1.1.6: Interpretation and Construction, Definitions* of all three licences; as well as
- name and address details in *Condition 1.14: Notices* [Evolve, FEDL]/*Condition 1.15 Notices* [PE]

are consequential to name and address changes of the respective organisations; the changes to the address details under “*Authority*” in *Condition 1.14.1 Notices* [Evolve]/*1.15.1 Notices* [PE] licence are designed to correct typographical drafting errors.

3.6 The reason for the removal of references to:

- facsimile numbers;

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<sup>7</sup> [Utility Regulator: Administrative Modifications to Gss Distribution Licences, Consultation and Notice under Article 14\(2\) of the Gas \(Northern Ireland\) Order 1996, 10 September 2024.](#)

- use of facsimile for giving notices under the licence; and
- provisions clarifying when any such notices given are deemed to have been received;

is that this technology is rarely used in practice any more. As a result there is a risk that incoming facsimiles might not get noticed in a timely manner.

- 3.7 Similarly, the reason for the inclusion of provisions to allow for the giving of notices via Electronic Communication is to reflect the increased relevance of this method of communication and provide a practical alternative to the giving of notices in person or by registered mail, both of which remain valid options as well.

## Effects

- 3.8 We consider that the licence modifications to:

- the definitions in *Condition 1.1.6: Interpretation and Construction, Definitions* of all three licences; as well as
- name and address details in *Condition 1.14: Notices* [Evolve, FEDL]/*Condition 1.15 Notices* [PE]

enhance accuracy of licence drafting.

- 3.9 We consider furthermore that the removal of facsimile as a method for giving notices under the licences has no material practical implications whilst making the licence drafting more relevant and reducing the risk of communication issues.

- 3.10 We also consider that our decision to introduce Electronic Communications as a means for giving notices allows for a more efficient, convenient and timely way for giving notices than what might be the case when compared to the alternative methods (in person delivery, registered mail). However, any associated cost saving impact is anticipated to be negligible.

- 3.11 We finally consider that the modifications will better facilitate the achievement of our statutory duties.

## Annexes

Table 2 below provides an overview over the annexes to this consultation document.

Annex Number	Annex Name
Annex A	<a href="#">Evolve licence modifications</a>
Annex B	<a href="#">FEDL licence modifications</a>
Annex C	<a href="#">PE licence modifications</a>
Annex D	<a href="#">FEDL response to consultation</a>
Annex E	<a href="#">PE response to consultation</a>
Annex F	<a href="#">Notice under Article 14(8) – (10) of the Gas (Northern Ireland) Order 1996 to modify the gas conveyance licence held by SGN Evolve Network Ltd</a>
Annex G	<a href="#">Notice under Article 14(8) – (10) of the Gas (Northern Ireland) Order 1996 of our decision to modify the gas conveyance licence held by Firmus energy (Distribution) Limited</a>
Annex H	<a href="#">Notice under Article 14(8) – (10) of the Gas (Northern Ireland) Order 1996 of our decision to modify the gas conveyance licence held by Phoenix Energy Group Ltd</a>

**Table 2: Overview over Annexes**