

Appendix 5

SEM Operator Licence

held by

SONI Limited

Proposed Modifications



This appendix sets out the proposed modifications to the market operator licence.

Proposed deletions are indicated by ~~red text~~ which has been struck through.

Proposed additions are indicated by red text which has been underlined.

This appendix only includes those conditions (in whole or in part) to which modifications have been proposed.

THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION

NOTICE UNDER ARTICLE 14(2) OF THE ELECTRICITY (NORTHERN IRELAND) ORDER 1992

MODIFICATIONS PROPOSED TO THE SEM OPERATOR LICENCE HELD BY SONI LTD

The Northern Ireland Authority for Utility Regulation (the **Authority**) proposes to modify the conditions of a licence in exercise of its powers under 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 SEM operator licence (“the Licence”) granted or treated as granted by the Authority under and in accordance with Article 10(1)(d) of the Order and held by SONI Limited (Registered Company Number: NI038715) (the **Licensee**).
2. The proposed modifications are to the conditions of the Licence as discussed and explained within the consultation document entitled ‘Additional Notice and Consultation on Licence Modification for Provision of Information (excluding Supply Licences)’, as published by the Authority on the same date as this notice.
3. The actual text of the proposed modifications is as set out in Schedule 1 to the notice below (“Schedule 1”). The original licence text that is being retained is in black, any new text is in red and any original text that is being removed is in red and strikethrough.
4. The reasons for and effect of the proposed modifications are set out in the ‘Additional Notice and Consultation on Licence Modification for Provision of Information (excluding Supply Licences)’.
5. A copy of the proposed modifications can be viewed during normal office hours, and can be obtained (free of charge) from:

Karen Shiels and Liz Wilkin
Utility Regulator
Queens House
14 Queen Street
Belfast BT1 6ED
karen.shiels@uregni.gov.uk
liz.wilkin@uregni.gov.uk

6. Representations with respect to any or all of the proposed modifications may be made on or before 5pm on **7 January 2025** by writing to or e-mailing to the same address.
7. The Authority has, in accordance with Article 14(4) of the Order, sent a copy of this notice to the Licensee, the Department for the Economy and the General Consumer Council.

Dated this 3 day of December 2024



John French
Chief Executive
For and on behalf of the Utility Regulator

SCHEDULE 1

Proposed modifications to Condition 6 of the SEM operator licence held by SONI Limited.

Condition 6: Provision of Information to the Authority

General Duty

- 1 The Licensee shall, after receiving a request from the Authority for Information that the Authority may reasonably require or that it considers may be necessary to enable it to perform any of its functions relating to electricity as conferred, assigned, or transferred to it by or under any legislation, give that Information to the Authority when and in the form requested.
- ~~1 Subject to paragraphs 4 and 5, the Licensee shall furnish to the Authority, in such manner and at such times as the Authority may require, such information as the Authority may consider necessary in the light of the Conditions or Schedules or as it may require for the purpose of performing any functions assigned or transferred to it by or under the Order, the Energy Order, the SEM Order, the CACM Regulation or the Directive Regulations.~~
- 2 The Licensee is not required to comply with paragraph 1 if the Licensee could not be compelled to produce or give the Information in evidence in civil proceedings in the High Court.
- ~~2 Without prejudice to the generality of paragraph 1, the Authority may call for the furnishing of accounting information which is more extensive than or differs from that required to be prepared and supplied to the Authority under Condition 2.~~
- 3 The power of the Authority to request ~~require~~ information under paragraph 1 is in addition to the power of the Authority to request~~call for~~ information under or pursuant to any other Condition or any Schedule.
- 4 The Licensee shall, after receiving a request from the Authority for reasoned comments on the accuracy and text of any Information relating to the Licensee's activities under or pursuant to this Licence which the Authority proposes to publish under Article 7 of the Energy Order, give such comments to the Authority when and in the form requested.

Exceptions

~~4. The Licensee may not be required by the Authority to furnish it under this Condition with information for the purpose of the exercise of its functions under Article 7 of the Energy Order.~~

~~5. The Licensee may not be required by the Authority to furnish it under this Condition with any information in relation to an enforcement matter which the Licensee could not be compelled to produce or give in evidence in civil proceedings in the High Court.~~

Undertaking from Ultimate Controller

~~6~~ 5 The Licensee shall procure, from each person that the Licensee knows (or reasonably should know) is at any time an ultimate controller, a legally enforceable undertaking in favour of the Licensee:

- a. in a form approved by the Authority;
- b. that will remain in force for as long as the Licensee remains the holder of the Licence and the person giving the undertaking remains an ultimate controller; and
- c. to the effect that the ultimate controller will give to the Licensee, and will procure that every subsidiary of, or person controlled by, the ultimate controller (other than the Licensee and its subsidiaries) will give to the Licensee, all such ~~li~~ information as may be necessary to enable the Licensee to comply fully with paragraph 1 of this Condition.

~~7~~ 6 The Licensee shall, in respect of each ultimate controller, comply with the Licensee's obligation under paragraph ~~5~~6 within seven days after the later of the grant of the Licence, and the person in question becoming an ultimate controller.

~~8~~ 7 The Licensee shall:

- (~~a~~) deliver to the Authority evidence that the Licensee has complied with the obligation under paragraph ~~5~~6 (including a copy of the undertaking to be procured under that paragraph);

(~~be~~) inform the Authority immediately in writing if the directors of the Licensee become aware that the undertaking has ceased to be legally enforceable or that its terms have been breached; and

(~~cf~~) comply with any direction from the Authority to enforce any such undertaking.

~~9—8~~ The Licensee shall not, save with the consent in writing of the Authority, enter (directly or indirectly) into any contract or arrangement with an ultimate controller or any of the subsidiaries of that ultimate controller (other than the subsidiaries of the Licensee) at a time when:

- (a) an undertaking complying with paragraph ~~56~~ is not in place in relation to that ultimate controller;
- (b) there is an unremedied breach of such undertaking; or
- (c) the Licensee is in breach of the terms of any direction issued by the Authority under paragraph ~~78~~ in respect of such undertaking.

~~10—9~~ ~~Condition 6—P~~ paragraph ~~56~~ to paragraph ~~89~~ (inclusive) shall be suspended and have no effect for as long as the state owned constitutional status of EirGrid plc remains unchanged and EirGrid plc are the legal and beneficial owners of the entire issued share capital of the Licensee.

~~11—10~~ For as long as the state owned constitutional status of EirGrid plc remains unchanged and EirGrid plc are the legal and beneficial owners of the entire issued share capital of the Licensee the Licensee shall procure, from EirGrid plc a legally enforceable undertaking in favour of the Licensee;

- a. in a form approved by the Authority;
- b. that will remain in force for as long as the Licensee remains the holder of the Licence and the state owned constitutional status of EirGrid plc remains unchanged and EirGrid plc are the legal and beneficial owners of the entire issued share capital of the Licensee; and
- c. to the effect that EirGrid plc will refrain from any action, and will procure that every subsidiary of EirGrid plc (other than the Licensee and its subsidiaries) will refrain from any action, which would be likely to cause

the Licensee to breach any of its obligations under the Order, the Energy Order, the SEM Order, the CACM Regulation or the Licence.

~~12~~—11 The Licensee shall:

- (a) deliver to the Authority evidence that the Licensee has complied with the obligation under paragraph ~~10~~4 (including a copy of the undertaking to be procured under that paragraph);
- (b) inform the Authority immediately in writing if the directors of the Licensee become aware that any such undertaking has ceased to be legally enforceable or that its terms have been breached; and
- (c) comply with any direction from the Authority to enforce any such undertaking.

~~13~~—12 The Licensee shall not, save with the consent in writing of the Authority, enter (directly or indirectly) into any contract or arrangement with EirGrid plc or any of the subsidiaries of EirGrid plc (other than the subsidiaries of the Licensee) at a time when:

- (a) an undertaking complying with paragraph ~~10~~4 is not in place;
- (b) there is an unremedied breach of such undertaking; or
- (c) the Licensee is in breach of the terms of any direction issued by the Authority under paragraph ~~11~~2 in respect of such undertaking.

~~14~~—13 In this Condition, unless the context otherwise requires:

“~~i~~information”

~~shall include any documents, accounts, estimates, returns or reports (whether or not prepared specifically at the request of the Authority) of any description specified by the Authority.~~ means information in any form or medium and of any description specified by the Authority and includes any documents, accounts, estimates, returns, records or reports and data of any kind (whether or not prepared specifically at the request of the Authority).

“enforcement matter” means any matter in respect of which any functions of the Authority under Article 42 of the Energy Order are, or may be, exercisable.