

**Licence to participate in the transmission of  
electricity**

**granted to**

**TI LirIC Limited**

Note

The licence holder is subject to the environmental obligations set out in Schedule 9 (Preservation of Amenity and Fisheries) of the Electricity (Northern Ireland) Order 1992.

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TI LirIC Limited Transmission Licence

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## **GRANT OF THE LICENCE**

### **1. Terms of the Licence**

1.1. The Northern Ireland Authority for Utility Regulation (the **Authority**), in exercise of the powers conferred by Article 10(1)(b) of the Electricity (Northern Ireland) Order 1992 (hereinafter referred to as the "**Order**") hereby grants to TI LIRIC LIMITED (a limited company registered in England and Wales under company number 12300898), having its registered office and principal place of business at 17<sup>th</sup> Floor, 88 Wood Street, London, EC2V 7DA (hereinafter referred to as the "**licensee**") a licence (the "**Licence**") to participate in the transmission of electricity, for the purpose of giving a supply to any premises or enabling a supply to be so given,:

- (a) in the area specified in Schedule 1 hereto; and
- (b) from the date of this grant, on which date the licensee shall come into force, until:
  - (i) the Licence is determined by not less than 25 years' notice in writing given by the Northern Ireland Authority for Utility Regulation to the licensee, which notice shall not be served earlier than the date which is ten years after the date of this grant; or
  - (ii) the date, if earlier, on which the Licence is revoked in accordance with the provisions specified as a term of the Licence in Schedule 2 hereto.

### **2. Conditions of the Licence**

2.1. The Licence shall, in accordance with Article 11(1) of the Order, include the conditions attached hereto, as such conditions may subsequently be modified in accordance with their terms or with Articles 14, 17, 17A or 18 of the Order or with such other lawful power of modification as may exist from time to time.

### **3. Definitions**

3.1. Unless the contrary intention appears, words and expressions used in the terms of the Licence shall have the same meaning as was given to them and shall be construed

in accordance with the rules of construction and interpretation set out, in the conditions of the Licence.

Granted on 12 December 2024

Signed

A handwritten signature in black ink, appearing to read 'J. French', is written over a light grey rectangular background.

Date 19 December 2024

Name John French

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

## THE CONDITIONS

### Condition 1: Interpretation and construction

- 1 Unless the contrary intention appears:
  - (a) words and expressions used in the Licence shall be construed as if they were in an enactment and the Interpretation Act (Northern Ireland) 1954 applied to them; and
  - (b) references to an enactment shall include subordinate legislation and, in both cases, any statutory modification or re-enactment thereof after the date when the Licence comes into force.
- 2 Any word or expression defined for the purposes of any provision of Part II of the Order or of the Energy Order or of the SEM Order shall, unless the contrary intention appears, have the same meaning when used in the Licence.
- 3 Unless otherwise specified or the context otherwise requires:

<b>“affiliate”</b>	in relation to the licensee or any subsidiary of a holding company of the licensee, means any holding company of the licensee or any subsidiary of the licensee or any subsidiary of a holding company of the licensee, in each case within the meaning of section 1159 of the Companies Act 2006;
<b>“Ancillary Services”</b>	has the meaning given to that term in Grid Code and shall include such other services as may be specified, from time to time, in a direction issued by the Authority to the Licensee under this provision;
<b>“Auditors”</b>	means the licensee's auditors for the time being holding office in accordance with the requirements of Chapter 2 of Part 16 of the Companies Act 2006;

<p><b>“authorised electricity operator”</b></p>	<p>means any person (other than the licensee) who holds a licence granted pursuant to Article 10 of the Order or whose activities are exempt pursuant to Article 9 of the Order, and any person (other than the licensee) transferring electricity to or from Northern Ireland across an interconnector or who has made application for use of an interconnector which has not been refused;</p>
<p><b>“Authority”</b></p>	<p>means the Northern Ireland Authority for Utility Regulation;</p>
<p><b>“Capacity Market Code”</b></p>	<p>has the meaning given to that term in the transmission system operator licence;</p>
<p><b>“Commissioned”</b></p>	<p>means the successful completion of such procedures and tests in relation to the LirIC Interconnector that are in accordance with, at the time they are undertaken, the usual industry standards and practices for commissioning that type of interconnector in order to demonstrate that the LirIC Interconnector is capable of commercial operation and of conveying electricity at its specified maximum capacity, and the term “Commissioning” shall be construed accordingly;</p>
<p><b>“Competent Authority”</b></p>	<p>means the Department, the Authority and any local or national agency, authority, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, the United Kingdom or the European Community;</p>
<p><b>“Department”</b></p>	<p>means the Department for the Economy or any successor and (where the context requires) any predecessor;</p>



<p><b>“designated”</b></p>	<p>in relation to any agreement, arrangement, code, notice, proposal therefor or other document, means designated by or on behalf of the Department or the Authority by means of initialing or descriptive reference whether for the purposes of any of the conditions of the Licence or otherwise, but so that an agreement, arrangement, code, notice, proposal therefor or other document so designated may at the discretion of the Department or the Authority cease to be designated if amended or modified in any material respect;</p>
<p><b>“Directive”</b></p>	<p>means Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity;</p>
<p><b>“Directive Regulations”</b></p>	<p>means the Electricity Order 1992 (Amendment) Regulations (Northern Ireland) 2005, the Electricity Regulations (Northern Ireland) 2007, the Gas and Electricity (Internal Markets) Regulations (Northern Ireland) 2011, and/or the Electricity (Internal Markets) Regulations (Northern Ireland) 2020;</p>
<p><b>Distribution Code</b></p>	<p>means the code of that name required to be prepared and approved in accordance with Condition 27 of the electricity distribution licence held by Northern Ireland Electricity Networks Limited (company registration number NI026041) which, pursuant to Regulation 90(1)(b) of the Gas and Electricity (Internal Markets) Regulations (Northern Ireland) 2011 has effect under Article 10(1)(bb) of the Order</p>
<p><b>“Electricity Market Regulation”</b></p>	<p>means Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity;</p>

<b>“Energy Order”</b>	means the Energy (Northern Ireland) Order 2003;
<b>“enforcement matter”</b>	means any matter in respect of which any functions of the Authority under Article 42 and/or Article 45 of the Energy Order are or may be exercisable;
<b>“financial year”</b>	has the meaning given to that term in Condition 3;
<b>“GB Electricity Capacity Regulations”</b>	means the Electricity Capacity Regulations 2014;
<b>“Grid Code”</b>	means the code of that name prepared and approved in accordance with the transmission system operator licence;
<b>“holding company”</b>	means a holding company within the meaning of section 1159 of the Companies Act 2006;
<b>“interconnector”</b>	means electric lines and electrical plant used for conveying electricity to a substation in Northern Ireland from a place outside Northern Ireland and/or from a substation in Northern Ireland to a place outside Northern Ireland;
<b>“Interconnector Business”</b>	<p>means the business of the licensee, as the holder of the Licence, in:</p> <ul style="list-style-type: none"> <li>(a) coordinating and directing the flow of electricity onto and over the LirIC Interconnector;</li> <li>(b) making available for use any part of the LirIC Interconnector, and</li> <li>(c) all activities and matters incidental to the activities in paragraphs (a) and (b), including the financing of the LirIC Interconnector;</li> </ul>

<p><b>“Interconnector Services”</b></p>	<p>means any services which are being, or (as the context requires) are to be, provided to the licensee which fall within any of the following categories, namely:</p> <p>(a) the carrying out of works of maintenance on the LirIC Interconnector (including by way of the refurbishment of any component or the provision of any replacement components);</p> <p>(b) the carrying out of any survey or inspection works on the LirIC Interconnector;</p> <p>(c) the carrying out of any repair or reinstatement works in the aftermath of the occurrence of any damage to or destruction of the LirIC Interconnector or any part of it;</p> <p>(d) the effecting or maintenance of insurances;</p> <p>(e) management, consultancy, or other services in relation to any of the matters described in (a), (b), (c) or (d) above;</p>
<p><b>“land”</b></p>	<p>includes any right, easement or other interest in land and any wayleave;</p>
<p><b>“lease”</b></p>	<p>includes an underlease and a sub-underlease;</p>
<p><b>"Licence"</b></p>	<p>means this licence as granted on 12 December 2024 to the person named in the Grant;</p>
<p><b>"licensee"</b></p>	<p>means the holder of the Licence;</p>
<p><b>“LirIC Interconnector”</b></p>	<p>means the interconnector that is owned and/or operated by the licensee;</p>

<p><b>“modification”</b></p>	<p>includes any addition, omission, amendment and substitution, and cognate expressions shall be construed accordingly;</p>
<p><b>“Network Codes”</b></p>	<p>means:</p> <p>(a) any one or more of the network codes established pursuant to Article 59 of the Electricity Market Regulation; and</p> <p>(b) any one or more of the guidelines adopted under Article 61 of the Electricity Market Regulation;</p>
<p><b>“NIE Energy Supply Licence”</b></p>	<p>means the licence granted under Article 10(1)(c) of the Order to Northern Ireland Electricity plc on 31 March 1992, and transferred to NIE Energy Limited (a body corporate registered in Northern Ireland under company number NI27394) on 1 November 2007 pursuant to a statutory scheme;</p>
<p><b>“Northern Ireland Fuel Security Code”</b></p>	<p>means the document of that title designated as such by the Department as from time to time amended in accordance with its provisions, dealing with: the co-operation of licence holders in strategic contingency planning in respect of fuel stocks, the modification of the merit order and certain other systems and procedures under the Grid Code during periods when the Department has given and there is in force one or more directions under Article 37(4) of the Order, the entitlement of the licensee and authorised electricity operators to and the collection of certain payments in anticipation of, during and after the expiry of any such periods, and connected matters;</p>
<p><b>“Northern Ireland Market Operator Licence”</b></p>	<p>means the licence granted, under Article 10(1)(d) of the</p>

	Order, to SONI on 3 July 2007;
<b>“Northern Ireland Market Operator Licensee”</b>	means the person authorised, from time to time, under the Northern Ireland Market Operator Licence in its capacity as the holder of that licence.
<b>“notice”</b>	means (unless otherwise specified) notice given either in writing or by electronic data transfer;
<b>“Order”</b>	means the Electricity (Northern Ireland) Order 1992;
<b>“Permitted Purpose”</b>	means the purpose of all or any of the following: <ul style="list-style-type: none"> <li>(a) the Interconnector Business;</li> <li>(b) without prejudice to the generality of paragraph (a), any payment or transaction lawfully made or undertaken by the licensee in relation to the disposal of or relinquishment of operational control over any relevant asset in accordance with Condition 9; and</li> <li>(c) without prejudice to the generality of paragraph (a), any payment or transaction lawfully made or undertaken by the licensee for a purpose within paragraphs 6(b)(i) to (vi) of Condition 9;</li> </ul>
<b>“related undertaking”</b>	in relation to any person means any undertaking in which that person has a participating interest within the meaning of section 421A of the Financial Services and Markets Act 2000;
<b>“relevant access arrangements”</b>	means the relevant access arrangements approved by the Authority pursuant to Condition 17 and in force from time to time;

<p><b>“SEM Order”</b></p>	<p>means the Electricity (Single Wholesale Market) (Northern Ireland) Order 2007;</p>
<p><b>“Single Electricity Market Trading and Settlement Code”</b></p>	<p>has the meaning given to that expression in the Northern Ireland Market Operator Licence;</p>
<p><b>“SONI”</b></p>	<p>means SONI Limited, an incorporated company registered in Northern Ireland under Number NI38715;</p>
<p><b>“subsidiary”</b></p>	<p>means a subsidiary within the meaning of section 1159 of the Companies Act 2006;</p>
<p><b>“transmission system operator”</b></p>	<p>means the person authorised, from time to time, under the transmission system operator licence in its capacity as the holder of that licence;</p>
<p><b>“transmission system operator licence”</b></p>	<p>means the licence granted under Article 10(1)(b) of the Order on 3 July 2007 to SONI;</p>
<p><b>"ultimate controller"</b></p>	<p>means:</p> <ul style="list-style-type: none"> <li>(a) any holding company of the licensee, which is not itself a subsidiary of another company; and/or</li> <li>(b) any person who (whether alone or with a person or persons connected with him) is in a position to control, or to exercise influence over, the policy of the licensee, or any holding company of the licensee, by virtue of: <ul style="list-style-type: none"> <li>(i) rights under contractual arrangement to which he is a party or of which he is a beneficiary;</li> <li>(ii) rights of ownership (including rights attached to or deriving from securities or rights under a trust) which are held by him</li> </ul> </li> </ul>

	<p>or of which he is a beneficiary,</p> <p>but shall exclude any director or employee of a corporate body in his capacity as such and any minister, ministry, department, agency, authority, official or statutory person,</p> <p>and a person shall be considered to be connected with another person if he is a party to any arrangement regarding the exercise of any such right as are described in paragraph (b) above;</p>
<b>“undertaking”</b>	bears the meaning ascribed to it by section 1161 of the Companies Act 2006; and
<b>“use of LirIC Interconnector”</b>	means use of the LirIC Interconnector for the transfer of electricity and/or in accordance with the relevant access arrangements (as appropriate).

2 Unless otherwise specified:

- (a) any reference to a numbered Part or Schedule is a reference to the Part or Schedule bearing that number herein;
- (b) any reference to a numbered Condition or to a numbered Schedule is respectively a reference to the Condition or the Schedule bearing that number in the Part in which the reference occurs;
- (c) any reference to a numbered paragraph is a reference to the paragraph bearing that number in the Part, Condition or Schedule in which the reference occurs; and
- (d) (without prejudice to any provision which restricts such variation, supplement, or replacement) any reference to any agreement, licence (other than the Licence), code or other instrument shall include a reference to such agreement, licence, code, or other instrument as varied, supplemented or replaced from time to time.

- 3 The heading or title of any Part, Condition, Schedule, or paragraph shall not affect the construction hereof.
- 4 Where any obligation of the licensee is expressed to require performance within a specified time limit that obligation shall continue to be binding and enforceable after that time limit if the licensee fails to perform that obligation within that time limit (but without prejudice to all rights and remedies available against the licensee by reason of the licensee's failure to perform within the time limit).
- 5 The provisions of section 24 of the Interpretation Act (Northern Ireland) 1954 shall apply for the purposes of the delivery or service of any document, direction or notice to be delivered or served pursuant to this Licence, and directions issued by the Authority pursuant to this Licence shall be delivered or served as aforesaid.



**Condition 2: Maximisation of Capacity Receipts etc.**

- 1 The licensee shall perform its functions with respect to the LirIC Interconnector in such manner as it considers is best designed to secure the objectives of:
  - (a) maximising the revenues which are earned by it from all sources;
  - (b) maintaining the capacity and functionality of the LirIC Interconnector; and
  - (c) optimising the efficiency, reliability, availability, and operational life of the LirIC Interconnector.
  
- 2 Paragraph 1 above does not apply until and from the date:
  - (a) the LirIC Interconnector is Commissioned; or
  - (b) the Licence includes one or more condition which includes provisions in respect of the maximum amount of the revenues which the licensee is entitled to recover in any relevant year,whichever is the earlier.

**Condition 3. Delivery of Statutory Accounts**

- 1 The first financial year of the licensee shall run from date of the grant to 31 March 2025 and thereafter each financial year of the licensee shall run from 01 April to the following 31 March.
- 2 The licensee shall deliver to the Authority a copy of the accounts (comprising a balance sheet and profit and loss account), together with the directors' report and the auditors' report thereon, prepared by or for the licensee in respect of each financial year in compliance with the Companies Act 2006.
- 3 The licensee shall procure that such accounts and reports are delivered to the Authority as soon as reasonably practicable and in any event not later than six months after the end of the financial year to which they relate.
- 4 The licensee shall take all appropriate steps within its power to procure a report by the Auditors and addressed to the Authority verifying whether the licensee has adopted such processes and procedures as, in the opinion of the Auditors, are designed to enable it to comply with its obligations under Condition 16 and paragraph 7 of Condition 14.
- 5 The licensee shall, where requested to do so by the Department, provide to the Department a copy of its accounting records for the period specified in the request.

**Condition 4: Economic Purchasing of Interconnector Services**

- 1 The licensee shall contract for the provision of such Interconnector Services as the licensee considers appropriate in order to enable the licensee to discharge its obligations under the Order and Condition 2.
- 2 In contracting for the provision of Interconnector Services pursuant to paragraph 1, the licensee shall, consistent with the objectives stated in Condition 2, purchase or otherwise acquire Interconnector Services from the most economical sources available to it having regard to the quantity and nature of the Interconnector Services required to enable the discharge of its obligations under the Order and Condition 2 and to the diversity, sources and reliability of such Interconnector Services which are available at that time for purchase or other acquisition.
- 3 This Condition shall not extend to prescribing the manner or circumstances in which the licensee shall at any time call for the delivery of the Interconnector Services under any contract entered into pursuant to paragraph 1.
- 4 The licensee shall not be in breach of this Condition by reason only of performing any obligation imposed on it by any enactment or by any of the Conditions or by reason of its giving effect to the relevant access arrangements in force from time to time.

**Condition 5: Health and Safety of Employees**

- 1 The licensee shall:
  - (a) acting jointly and in co-operation with the holders of other licences granted under the Order, consider and discuss matters of mutual concern in respect of the health and safety of persons employed by them; and
  - (b) establish and maintain appropriate processes for consultation with representatives of the licensee's employees in respect of the health and safety of those employees.

**Condition 6: Provision of information to the Authority**

- 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.
- 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.
- 3 The power of the Authority to request information under paragraph 1 is in addition to the power of the Authority to request 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.
- 5 In this Condition:  
  
    **“Information”** means information (other than information subject to legal privilege) 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).

**Condition 7: Provision of Information to other persons**

- 1 Subject to the provisions of Condition 20, the licensee shall provide to a Relevant Operator (in such manner and at such times as may reasonably be requested by the Relevant Operator or as may be directed by the Authority):
- (a) sufficient information to ensure the secure and efficient operation, co-ordinated development and interoperability of the LirIC Interconnector and the system of the Relevant Operator; and
  - (b) (subject to the prior written consent of the Authority) such other information as the Relevant Operator may require in order to enable it to comply with its obligations under its licence or under any enactment.
- 2 The licensee may make a charge for the information given or sent pursuant to paragraph 1 of an amount which shall not exceed the maximum amount specified in directions issued from time to time by the Authority for the purposes of this Condition.
- 3 In this Condition:

<b>“Relevant Operator”</b>	means any person who is responsible for operating, ensuring the maintenance of and, if necessary, developing: <ul style="list-style-type: none"><li>(a) a distribution system in Northern Ireland; or</li><li>(b) a transmission system in Northern Ireland,</li></ul> that is, or in respect of which the licensee has made a request (to such person) to be, connected to the LirIC Interconnector.
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**Condition 8: Payment of fees**

- 1 The licensee shall, at the times stated hereunder, pay to the Authority fees of the amount specified in or determined under the following paragraphs of this Condition.
- 2 In respect of the relevant year ending on 31 March 2025, the licensee shall pay to the Authority a fee of such amount as the Authority shall determine in relation to the Licence for such relevant year. Any fee so determined shall be paid by the licensee to the Authority within one month of the Authority giving notice to the licensee of its amount.
- 3 In respect of the year beginning on 1 April 2025 and in respect of each subsequent year beginning on 1 April, the licensee shall pay to the Authority a fee which is the aggregate of the following amounts:
  - (a) an amount equal to the proportion which the Authority shall determine in relation to the Licence of the amount estimated by the Authority, according to a method which has previously been disclosed in writing to the licensee, as likely to be its costs during the year in question in relation to the exercise of its functions relating to electricity conferred on, or assigned or transferred to, it by or under any legislation (“**electricity functions**”); and
  - (b) the difference (being a positive or negative amount), if any, between:
    - (i) the amount of the fee paid by the licensee in respect of the year immediately preceding the 1 April in question in relation to the Licence less any refund paid to the licensee in respect of that year under paragraph 4 below; and
    - (ii) the amount which that fee would have been in respect of that year had the amount comprised therein under sub-paragraph (a) above (or, where that year commenced on 1 April 2025 had the amount comprised therein which was attributable to the matters referred to in that sub-paragraph, as determined by the Authority according to a method disclosed in writing to the licensee) been calculated by reference to the total costs of the Authority in connection with its electricity functions, and the

proportion thereof actually attributable to the Licence, such total costs being apportioned as determined by the Authority according to a method previously disclosed in writing to the licensee,

and the fee shall be paid by the licensee to the Authority within one month of the Authority giving notice to the licensee of its amount if that notice is given within 6 months of the beginning of the year in respect of which the fee is payable.

4 In respect of the year beginning on 1 April 2025 and for each subsequent year, the Authority may pay the licensee an amount (“**the refund**”) calculated in accordance with the method previously disclosed in writing to the licensee and by reference to the difference between:

- (a) the proportion of the licence fee for that year paid by the licensee which is attributable to the Authority’s estimates in accordance with paragraph 3(a) above; and
- (b) the Authority’s reasonable revised estimate of those costs,

provided that any such refund shall be paid to the licensee on or before 31 March in the year to which the licence fee relates.



**Condition 9: Disposal of relevant assets**

- 1 The licensee shall not dispose of or relinquish operational control over any relevant asset otherwise than in accordance with the following paragraphs of this Condition.
- 2 Save as provided in paragraph 3, the licensee shall give to the Authority not less than 2 months' (or such shorter period as the Authority and the licensee may agree in any specific case) prior written notice of its intention to dispose of or relinquish operational control over any relevant asset, together with such further information as the Authority may request relating to such asset or the circumstances of such intended disposal or relinquishment of control or to the intentions in regard thereto of the person proposing to acquire such asset or operational control over such asset.
- 3 Notwithstanding paragraphs 1 and 2, the licensee may dispose of or relinquish operational control over any relevant asset:
  - (a) where:
    - (i) the Authority has issued directions for the purposes of this Condition containing a general consent (whether or not subject to conditions) to:
      - (A) transactions of a specified description; and/or
      - (B) the disposal of or relinquishment of operational control over relevant assets of a specified description; and
    - (ii) the disposal or relinquishment of operational control in question is effected pursuant to a transaction of a description specified in the directions or the relevant asset in question is of a description so specified and the disposal or relinquishment of operational control is in accordance with any conditions to which the consent is subject; or
  - (b) where the disposal or relinquishment of operational control in question is required by or under any enactment; or
  - (c) where the person in favour of whom the relevant asset is proposed to be disposed or operational control is proposed to be relinquished will hold at the time of such disposal or relinquishment a licence under Article 10(1)(b) of the

Order.

- 4 Notwithstanding paragraph 1, the licensee may dispose of or relinquish operational control over any relevant asset specified in any notice given under paragraph 2 in circumstances where:
- (a) subject to paragraph 5, the Authority confirms in writing that it consents to such disposal or relinquishment (which consent may be made subject to the acceptance by the licensee or any third party in favour of whom the relevant asset is proposed to be disposed or operational control is proposed to be relinquished of such conditions as the Authority may specify); or
  - (b) the Authority does not inform the licensee in writing of any objection to such disposal or relinquishment of control within the notice period referred to in paragraph 2.
- 5 In relation to a material disposal, any consent of the Authority pursuant to paragraph 4 shall be given after the Authority shall have consulted and taken into consideration any representations timeously made by any authorised electricity operator liable to be materially affected by the disposal in question.
- 6 Without prejudice to paragraphs 1 to 5 above, the licensee shall not without the written consent of the Authority (after disclosure of all material facts by the licensee to the Authority):
- (a) create or permit to retain any mortgage, charge, pledge, lien or other form of security or encumbrance whatsoever, undertake any indebtedness to any other person or enter into any guarantee of any obligation otherwise than:
    - (i) on an arm's length basis;
    - (ii) on normal commercial terms;
    - (iii) for a Permitted Purpose; and
    - (iv) (if the transaction is within the ambit of paragraph 1) in accordance with paragraphs 3 and 4,

provided, however, that nothing in this paragraph 6(a) shall prevent the licensee guaranteeing any obligations owed by an affiliate or related undertaking of the licensee which has been or is to be incurred for a Permitted Purpose;

- (b) transfer, lease, license or lend any sum or sums, asset, right or benefit to any affiliate or related undertaking of the licensee otherwise than by way of:
  - (i) a dividend or other distribution out of distributable reserves;
  - (ii) repayment of capital or a distribution or other return of assets on a winding-up;
  - (iii) payment properly due for any goods, services or assets provided on an arm's length basis and on normal commercial terms;
  - (iv) a transfer, lease, licence or loan of any asset, right or benefit on an arm's length basis and on normal commercial terms;
  - (v) repayment of any loan or payment of any interest on such a loan on an arm's length basis and on normal commercial terms;
  - (vi) payments for group corporation tax relief; and
  - (vii) a loan not prohibited by sub-paragraph (c); and
- (c) make loans to any affiliate or related undertaking of the licensee, other than loans for a Permitted Purpose.

7 In this Condition:

<b>“disposal”</b>	includes any sale, assignment, gift, lease, licence, the grant of any right of possession, loan, security, mortgage, charge or the grant of any other encumbrance or the permitting of any encumbrance to subsist or any other disposition to a third party and <b>“dispose”</b> shall be construed accordingly;
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<b>“indebtedness”</b>	means all liabilities now or hereafter due, owing or incurred, whether actual or contingent, whether solely or jointly with any other person and whether as principal or surety, together with any interest accruing thereon and all costs, charges, penalties and expenses incurred in connection herewith;
<b>“relevant asset”</b>	means:  (a) any asset for the time being forming part of the LirIC Interconnector; and  (b) any legal or beneficial right, title or interest in the LirIC Interconnector or any land upon which the LirIC Interconnector is or is to be situated.

**Condition 9A: Availability of Resources and Undertaking from Ultimate Controller**

Availability of Resources

- 1 The licensee shall at all times act in a manner calculated to secure that it has sufficient resources to enable it to:
  - (a) carry on the Interconnector Business; and
  - (b) comply with its obligations under the Order, the Energy Order, the SEM Order, the Network Codes, and any other law (or code or guidance) which is binding on the licensee in relation to the carrying on of the Interconnector Business and of the activities authorised under and by the Licence.
  
- 2 The licensee shall submit a certificate addressed to the Authority, approved by a resolution of the Board of Directors of the licensee and signed by a director of the licensee pursuant to that resolution. Such certificate shall be submitted no later than 31 March 2025 and thereafter on 31 March of each subsequent year. Each certificate shall be in one of the following forms:
  - (a) “After making enquiries, the directors of the licensee have a reasonable expectation that the licensee will have available to it sufficient resources to enable the licensee to carry on the Interconnector Business and comply with its obligations under the Order, the Energy Order, the SEM Order and the Licence for a period of 12 months from the date of this certificate”
  - (b) “After making enquiries, the directors of the licensee have a reasonable expectation, subject to the Terms of this certificate, that the licensee will have available to it sufficient resources to enable the licensee to carry on the Interconnector Business and comply with its obligations under the Order, the Energy Order, the SEM Order and the Licence for a period of 12 months from the date of this certificate. However, they would like to draw attention to the following factors which may cast doubt on the ability of the licensee to do so.”
  - (c) “In the opinion of the directors of the licensee, the licensee will not have available to it sufficient resources to enable the licensee to carry on the Interconnector Business and comply with its obligations under the Order, the

Energy Order, the SEM Order and the Licence for a period of 12 months from the date of this certificate.”

- 3 The licensee shall submit to the Authority together with the certificate referred to in paragraph 2 of this condition a statement of the main factors which the directors of the licensee have taken into account in giving that certificate.
- 4 The licensee shall inform the Authority in writing immediately if the directors of the licensee become aware of any circumstances which cause them no longer to have the reasonable expectation expressed in the then most recent certificate given under paragraph 2.
- 5 The licensee shall use all reasonable endeavours to obtain and submit to the Authority with each certificate provided for in paragraph 2 a report prepared by the Auditors and addressed to the Authority stating whether or not the Auditors are aware of any inconsistencies between, on the one hand, that certificate and the statement submitted with it and, on the other hand, any information which they obtained during their audit work.

Undertaking from ultimate controller

- 6 The licensee shall procure from each company or other person which the licensee knows or reasonably should know is at any time an ultimate controller of the licensee a legally enforceable undertaking in favour of the licensee in a form specified by the Authority that the ultimate controller will:
  - (a) give to the licensee, and will procure that each subsidiary of that ultimate controller (other than the licensee and its subsidiaries) will give to the licensee, all such information as may be necessary to enable the licensee to comply fully with paragraph 1 of Condition 6; and
  - (b) refrain from any action, and will procure that every subsidiary of the ultimate controller (other than the licensee and its subsidiaries) will refrain from any action, which would then be likely to cause the licensee to be in breach of the certification ground on which it is, in accordance with Article 10E or Article 10K of the Order, certified by the Authority pursuant to Article 51 of the

Electricity Market Regulation.

- 7 The undertaking referred to in paragraph 6 shall be obtained within 7 days after the date of the grant of the Licence or after the person in question becomes an ultimate controller (as the case may be) and shall remain in force for as long as the licensee remains the holder of this Licence and the giver of the undertaking remains an ultimate controller of the licensee.
- 8 The licensee shall:
- (a) deliver to the Authority evidence (including a copy of each such undertaking) that the licensee has complied with the obligation to procure undertakings pursuant to paragraph 6;
  - (b) 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
  - (c) comply with any direction from the Authority to enforce any such undertaking.
- 9 The licensee shall procure from each company or other person which the licensee knows or reasonably should know is at any time an ultimate controller of the licensee a legally enforceable undertaking in favour of the licensee in a form specified by the Authority that the ultimate controller will:
- (a) give to the licensee, and will procure that each subsidiary of that ultimate controller (other than the licensee and its subsidiaries) will give to the licensee, all such information as may be necessary to enable the licensee to comply fully with paragraph 1 of Condition 6; and
  - (b) refrain from any action, and will procure that every subsidiary of the ultimate controller (other than the licensee and its subsidiaries) will refrain from any action, which would then be likely to cause the licensee to be in breach of the certification ground on which it is, in accordance with Article 10E or Article 10K of the Order, certified by the Authority pursuant to Article 51 of the Electricity Market Regulation.

- 10 The undertaking referred to in paragraph 6 shall be obtained within 7 days after the date of the grant of the Licence or after the person in question becomes an ultimate controller (as the case may be) and shall remain in force for as long as the licensee remains the holder of this Licence and the giver of the undertaking remains an ultimate controller of the licensee.
- 11 The licensee shall:
- (a) deliver to the Authority evidence (including a copy of each such undertaking) that the licensee has complied with the obligation to procure undertakings pursuant to paragraph 6;
  - (b) 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
  - (c) comply with any direction from the Authority to enforce any such undertaking.



**Condition 9B: TSO Certification**

Certification

- 1 The licensee shall not act under the authority of the Licence unless it is certified in accordance with Article 10E of the Order.
- 2 Where the licensee is certified, in accordance with Article 10E of the Order, it shall:
  - (a) as soon as practicable after it becomes aware of it, give notice (in writing) to the Authority of:
    - (i) any proposed or actual change in control of the licensee;
    - (ii) any event, change in circumstance, or transaction undertaken (or proposed to be undertaken) by the licensee or any affiliate or related undertaking of the licensee, which:
      - (A) affects, or is likely to affect, the licensee continuing to be certified on the certification ground on which it is certified; or
      - (B) requires, or is likely to require, a review by the Authority of whether the grounds for certification continue to apply;
  - (b) use its reasonable endeavours to ensure that:
    - (i) the certification ground on which it is certified continues to apply; or
    - (ii) where there is an actual change of control of the licensee:
      - (A) the certification ground on which it is certified continues to apply;  
or
      - (B) it meets the requirements of another certification ground.

Definitions and Interpretation

- 3 In this Condition, the terms “**certified**” and “**certification ground**” have the meaning given to them in Article 10L of the Order.

**Condition 9C: Priority Dispatch of Renewable Generation**

- 1 The licensee shall comply with the Priority Dispatch Principles.
- 2 For the purposes of paragraph 1 the licensee’s obligation to comply with the Priority Dispatch Principles is an obligation to comply with the provisions of the Priority Dispatch Principles in so far as they are applicable to the activities undertaken by the Interconnector Business.
- 3 The Authority may from time to time (following consultation with the licensee and such (if any) other licence holders as the Authority shall consider appropriate) issue directions relieving the licensee of its obligations under paragraph 2 in respect of such parts of the Priority Dispatch Principles and to such extent and subject to such conditions as may be specified in those directions.
- 4 In this Condition:

<b>“Priority Dispatch Principles”</b>	means the principles, processes, rules and criteria determined and published by the Authority (as amended from time to time) for the purposes of ensuring that certain types of generation sets are afforded priority dispatch in accordance with the provisions of Article 12 of the Electricity Market Regulation.
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**Condition 10: Security arrangements**

- 1 The licensee shall comply with the provisions of the Northern Ireland Fuel Security Code and such provisions shall have effect as if they were set out in this Licence.
- 2 The Northern Ireland Fuel Security Code may be amended in accordance with its provisions.
3. Where requested by the Authority, the Licensee shall cooperate with the Authority and the transmission system operator in strategic contingency planning during periods when the Authority deems necessary for reasons of security of supply.
4. The Licensee shall cooperate with the transmission system operator with the aim of facilitating the transmission system operator in the fulfillment of its obligations under Condition 34 of its transmission system operator licence.

**Condition 11: Compliance with Grid Code**

- 1 The licensee shall comply with the provisions of the Grid Code insofar as applicable to the Interconnector Business.
- 2 The Authority may (following consultation with the licensee and the transmission system operator) issue directions relieving the licensee of its obligation under paragraph 1 in respect of such parts of the Grid Code and, in each case, to such extent as may be specified in those directions.

**Condition 12: Operation and Maintenance Standards, Availability and Quality of Service**

- 1 The licensee shall:
  - (a) through an agreement with the transmission system operator in terms approved by the Authority entered into on or before its Effective Date, make arrangements for the transmission system operator to operate the LirIC Interconnector in conjunction with its operation of the transmission system and for the transmission system operator to make arrangements for the entering into by the Licensee of agreements for use of the LirIC Interconnector with third parties, including associated activities such as transparency publications and interfacing with relevant capacity allocation and transparency platforms; and
  - (b) maintain the LirIC Interconnector=,

in each case as appropriate to the purpose under consideration and in accordance with such standard of operation and maintenance as the licensee shall, after consultation with the transmission system operator and with the approval of the Authority, adopt from time to time.
- 2 Any revisions to the standards adopted by the licensee pursuant to paragraph 1 shall require to be approved by the Authority.
- 3 The Authority may issue directions requiring the licensee to revise such standards referred to in paragraph 1 in such manner as may be specified in the directions, and the licensee shall forthwith comply with any such directions.
- 4 The licensee shall give or send a copy of the standards referred to in paragraph 1 to the Authority.
- 5 The licensee shall (subject to paragraph 6) give or send a copy of the standards referred to in paragraph 1 to any person requesting the same.
- 6 The licensee may make a charge for any copy given or sent pursuant to paragraph 5 of an amount reflecting the licensee's reasonable costs which will not exceed any amount specified for the time being for the purposes of this Condition in directions

issued from time to time by the Authority.

- 7 The licensee shall within three months after the date of grant of the Licence and thereafter whenever requested to do so by the Authority, draw up and submit to the Authority for the Authority's approval a statement setting out criteria by which the performance of the licensee in planning, developing, operating, maintaining, and coordinating and directing the flow of electricity onto and over, the LirIC Interconnector, and the quality of service which it provides, may be measured.
- 8 The licensee shall within 2 months after the end of each financial year of the licensee submit to the Authority a report providing details of the performance of the licensee during the previous financial year against the criteria referred to in paragraph 7.
9. Paragraphs 1 to 8 above shall not apply until and from the date:
  - (a) the LirIC Interconnector is Commissioned; or
  - (b) which is specified in a direction issued to the Licensee by the Authority pursuant to this paragraph 9(b),

whichever is the earlier.

**Condition 13: Not Used**

**Condition 14: Prohibited Activities**

- 1 Subject to paragraph 2, the licensee shall not conduct any business or carry on any activity, other than the Interconnector Business, without the written consent of the Authority.
- 2 The licensee shall not on its own account purchase or otherwise acquire electricity (including by means of entry into an electricity purchase contract) for the purpose of sale or other disposition to third parties in Northern Ireland, without the written consent of the Authority.
- 3 The licensee shall not hold or acquire any interest in any generation sets (whether or not located in Northern Ireland) and shall not hold an accountable interest in any generation sets (whether or not located in Northern Ireland), unless such generation sets are required for the purposes of carrying on the Interconnector Business without the written consent of the Authority.
- 4 The licensee shall not hold or carry on the Interconnector Business through any affiliate or related undertaking of the licensee without the written consent of the Authority.
- 5 The licensee shall not hold or acquire shares or any other interest in any other person without the written consent of the Authority.
- 6 The licensee shall not enter into any swap, option, derivative or other financially settled transaction without the written consent of the Authority.
- 7 The licensee shall procure that the Interconnector Business does not give any cross-subsidy to, or receive any cross-subsidy from, any other business of the licensee or of an affiliate or related undertaking of the licensee.
- 8 In this Condition:

<b>“accountable interest”</b>	has the meaning ascribed to it in the NIE Energy Supply Licence
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**Condition 15: Basis of charges for use of LirIC Interconnector**

- 1 Unless (and except for so long as) the Authority, upon the application of the licensee, approves otherwise, charges for use of the LirIC Interconnector shall be made in accordance with the procedure for the setting of such charges embodied in the relevant access arrangements applicable to the LirIC Interconnector from time to time.
  
- 2 Paragraph 1 above shall not apply until and from the date:
  - (a) which is specified in a direction issued to the licensee by the Authority under this paragraph 2(a); or
  - (b) the LirIC Interconnector is Commissioned;whichever is the earlier.

**Condition 16: Non-discrimination in the provision of use of LirIC Interconnector**

- 1 In the provision of use of the LirIC Interconnector, the licensee shall not unduly discriminate between any person or class or classes of persons.
- 2 Without prejudice to paragraph 1, the licensee shall not make charges for the provision of the LirIC Interconnector to any person or class or classes of persons which differ from the charges for such provision to any other person or class or classes of persons except insofar as such differences reasonably reflect differences in the costs associated with such provision or differences in the scope of the services provided under the relevant use of interconnector agreement or result from the operation of relevant access arrangements in accordance with their terms, including without limitation, from the grant of use of interconnector rights pursuant to any auction process contemplated by relevant access arrangements or as otherwise approved by the Authority.
- 3 The licensee shall not, in making charges for use of the LirIC Interconnector restrict, distort, or prevent competition in the transmission, distribution, generation or supply of electricity.
- 4 The licensee shall not be in breach of this Condition:
  - (a) by reason only of a failure to do or not do anything which it is prevented from doing or not doing by reason of a failure by any co-operator to comply with and perform its obligations under any agreement with that co-operator concerning the LirIC Interconnector or by a party (other than the licensee or any affiliate or related undertaking of the licensee) to a related document or by a person who is obliged to comply with a related document to comply with and perform its obligations under the related document in question; or
  - (b) by reason only of limiting use of the LirIC Interconnector to those persons, and in such manner, as is provided for in the Single Electricity Market Trading and Settlement Code; or
  - (c) by reason only of its giving effect to the relevant access arrangements in force from time to time.

5 The licensee shall keep and maintain such records concerning the provision of use of the LirIC Interconnector as are, in the opinion of the Authority, sufficient to enable the Authority to assess whether the licensee is performing its obligations under paragraph 1 of this Condition and the licensee shall furnish to the Authority such records (or such of these as the Authority may require), in such manner and at such times as the Authority may require.

6 In this Condition:

<p><b>“co-operator”</b></p>	<p>means any person (including any person who from time to time performs the role of operator of the transmission system), other than the licensee or any affiliate or related undertaking of the licensee, who owns or operates assets which are or are to be used in conjunction with the LirIC Interconnector or who is able to exercise jointly, with the licensee, control over the use made of the LirIC Interconnector; and</p>
<p><b>“related document”</b></p>	<p>means any agreement, code, rules, or arrangement relating to or incidental to the use of the LirIC Interconnector for the time being in force and to which the licensee is a party or with which the licensee is obliged to comply.</p>

**Condition 17: Requirement to establish relevant access arrangements**

- 1 The licensee shall:
  - (a) not later than 90 days after the date specified in a direction issued by the Authority, following consultation with the licensee under this paragraph 1(a), establish relevant access arrangements in relation to the LirIC Interconnector; and
  - (b) subject to paragraph 2, give effect to and operate the relevant access arrangements which are in force from time to time.
  
- 2 The licensee shall not be obliged pursuant to this Condition to offer to enter into or to enter into an agreement for use of the LirIC Interconnector with any person:
  - (a) if to do so would be likely to involve the licensee to be:
    - (i) in breach of its duties under Article 12 of the Order;
    - (ii) in breach of the Electricity Safety, Quality and Continuity Regulations (Northern Ireland) 2012 or of any other regulations made under Article 32 of the Order or of any other enactment relating to safety or standards applicable to the LirIC Interconnector; or
    - (iii) in breach of any of the Conditions; or
  - (b) if the person making the application does not undertake to be bound by the terms of:
    - (i) such parts of the Grid Code and to such extent as the Authority shall from time to time specify in directions issued by the Authority to the licensee for the purposes of this Condition;
    - (ii) the Single Electricity Market Trading and Settlement Code and the Capacity Market Code (insofar as applicable);
    - (iii) the terms of any code of general application or agreement made between the licensee and any co-operator of the LirIC

Interconnector governing the operation and maintenance of the LirIC Interconnector approved for the time being by the Authority; and/or

- (iv) a transmission use of system agreement with the transmission system operator.

3 The licensee shall (in consultation with authorised electricity operators liable to be materially affected thereby and any relevant co-operator) periodically review (including upon the request of the Authority) the relevant access arrangements which are in force from time to time.

4 Following a review undertaken under and in accordance with paragraph 3, the licensee shall send to the Authority:

- (a) a report on the outcome of such review; and
- (b) any proposed revisions to the relevant access arrangements which the licensee (having regard to the outcome of such review) reasonably thinks fit; and
- (c) any written representations or objections from authorised electricity operators or co-operators (including any proposals by any such person for revisions to the relevant access arrangements not accepted by the licensee in the course of such review) arising during the consultation process and subsequently maintained.

5 Revisions to the relevant access arrangements proposed by the licensee and sent to the Authority pursuant to paragraph 4 shall require to be approved by the Authority.

6 Following such consultation (if any) as the Authority may consider appropriate, the Authority may issue directions requiring the licensee to revise the relevant access arrangements in such manner as may be specified in the directions, and the licensee shall forthwith comply with any such directions. In making such directions, the Authority shall have regard to any review undertaken by the licensee under paragraph 4 and any written representations or objections as are referred to in paragraph 4(c).

7 The licensee shall give or send a copy of the relevant access arrangements from time to time in force to the Authority.

8 The licensee shall (subject to paragraph 9) give or send a copy of the relevant access arrangements from time to time in force to any person requesting the same.

9 The licensee may make a charge for any copy given or sent pursuant to paragraph 8 of an amount which will not exceed any amount specified for the time being for the purposes of this Condition in directions issued by the Authority.

10 The licensee shall within 28 days following receipt of a request from any person, give or send to such person such information in the possession of the licensee as may be reasonably required by such person for the purpose of completing the appropriate paragraphs of the Electricity (Applications for Licences and Extensions of Licences) (No. 2) Regulations (Northern Ireland) 2007 or such provisions to like effect contained in any further regulations then in force made pursuant to Articles 10(3) and 64 of the Order.

11 In this Condition:

<b>“co-operator”</b>	has the meaning given to it in Condition 16.
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12. Paragraphs 1 to 11 above shall not apply until and from the date:

- (a) which is specified in a direction issued to the licensee by the Authority under this paragraph; or
- (b) which is 3 months prior to the Commissioning of the LirIC Interconnector, whichever is the earlier.

**Condition 18: Functions of the Authority**

- 1 Subject to paragraph 4, upon the application of any person wishing to question the terms of an agreement for use of the LirIC Interconnector offered by or to be entered into by the licensee pursuant to any relevant access arrangements (as set out in Condition 17) applicable to the LirIC Interconnector or required to be offered under the terms of any agreement previously entered into for use of the LirIC Interconnector by the person or persons entitled to use thereunder, or upon the application of the licensee, the Authority may, pursuant to Article 11(3)(c) of the Order, settle any terms of the agreement in dispute between the licensee and that person or between such persons (as the case may be) in such manner as appears to the Authority to be reasonable having (insofar as relevant) regard in particular to the following considerations:
  - (a) that such person should pay to the licensee charges determined in accordance with the procedure for the setting of such charges embodied in the relevant access arrangements applicable to the LirIC Interconnector;
  - (b) that the obligations of the licensee under the agreement should not be in conflict with the provisions of any related document for the time being approved by the Authority;
  - (c) that the performance by the licensee of its obligations under the agreement should not cause it to be in breach of those provisions referred to in paragraph 2(a) of Condition 17; and
  - (d) that the terms and conditions of the agreement so settled by the Authority and of any other agreements entered into by the licensee for the use of the LirIC Interconnector pursuant to relevant access arrangements should be, so far as circumstances allow, in as similar a form as practicable.
  
- 2 Insofar as any person who has received an offer such as is referred to in paragraph 1 wishes to proceed on the basis of the agreement as settled by the Authority, the licensee shall forthwith enter into and implement such agreement in accordance with its terms.

3 If either party to an agreement entered into pursuant to relevant access arrangements proposes to vary the contractual terms of such agreement in any manner provided for under such agreement, the Authority may, at the request of the licensee or other party to such agreement, settle any dispute relating to such variation in such manner as appears to the Authority to be reasonable and the Licensee shall comply with and be bound by any such determination.

4 In this Condition:

<b>“related document”</b>	has the meaning given to it in Condition 16.
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**Condition 19: SEM Trading and Settlement Code, Capacity Market Code and GB Balancing and Settlement Code**

SEM Trading and Settlement Code

- 1 The licensee shall accede to the Single Electricity Market Trading and Settlement Code, register the LirIC Interconnector pursuant to the Single Electricity Market Trading and Settlement Code, and comply with the Single Electricity Market Trading and Settlement Code insofar as applicable to it in its capacity as the owner and/or operator of the LirIC Interconnector.

Capacity Market Code

- 2 The licensee shall accede to the Capacity Market Code and comply with the Capacity Market Code insofar as it is applicable to it in its capacity as the owner and/or operator of the LirIC Interconnector.

GB Balancing and Settlement Code

- 3 The licensee shall, by no later than the date specified in a direction issued by the Authority to the licensee under this paragraph:
  - (a) appoint SONI to act as and perform the functions of the Interconnector Administrator and the Interconnector Error Administrator (as such expressions are defined in the GB Balancing and Settlement Code) in respect of the LirIC Interconnector under and in accordance with the GB Balancing and Settlement Code;
  - (b) nominate SONI to act as and perform the functions of the Interconnector Administrator (as such expression is defined in the Single Electricity Market Trading and Settlement Code) in respect of the LirIC Interconnector under and in accordance with the Single Electricity Market Trading and Settlement Code.
  - (c) to the extent registration is required under the Single Electricity Market Trading and Settlement Code, nominate SONI to register the “Interconnector Error Unit” (as such expression is defined in the Single Electricity Market Trading and Settlement Code) relating to the LirIC Interconnector in

accordance with the Single Electricity Market Trading and Settlement Code.

Definitions

4 In this Condition, unless the context otherwise requires:

**“GB Balancing and Settlement Code”**

means the Balancing and Settlement Code provided for in paragraph E1.3 of condition E1 of the Electricity System Operator Licence treated as granted to National Energy System Operator Limited (company registration number 11014226) under section 6(1)(da) of the Electricity Act 1989.

**Condition 20: Restriction on use of certain information**

1. The licensee shall procure:
  - (a) that the licensee shall not obtain any unfair competitive advantage from its possession of protected information; and
  - (b) that protected information is not used by any other person for the purpose of obtaining for that other person:
    - (i) any unfair commercial advantage from its possession of protected information;
    - (ii) any licence under Article 10 of the Order;
    - (iii) any right to purchase or otherwise acquire electricity;
    - (iv) any right to sell or otherwise supply electricity; or
    - (v) control of any body corporate which, directly or indirectly, has the benefit of any such licence or right.
2. The licensee shall implement such measures and procedures, and take all such other steps as shall be specified in directions issued by the Authority from time to time for the purposes of this Condition, to be in its opinion reasonably necessary for the purpose of securing compliance by the licensee with its obligations under paragraph 1.
3. The licensee shall:
  - (a) procure and furnish to the Authority, in such manner and at such times as the Authority may require, such information and reports as the Authority may consider necessary concerning the performance by the licensee of its obligations under paragraphs 1 and 2 and the effectiveness of the measures, procedures and steps specified in the directions referred to in paragraph 2 to secure compliance by the licensee with its obligations under paragraph 1;

- (b) procure that access to any premises of the licensee shall be given at any time and from time to time to any nominated person(s) for the purpose of investigating whether the licensee has performed its obligations under paragraphs 1 and 2 and the effectiveness of the measures, procedures and steps specified in the directions referred to in paragraph 2 to secure compliance by the licensee with its obligations under paragraph 1 and that the licensee and its employees shall co-operate in any such investigation to the extent requested by the nominated person(s); and
  - (c) procure that nominated person(s) shall be entitled to inspect and/or take copies of such records and data of the licensee as they shall consider to be reasonably necessary for the purpose referred to in sub-paragraph (b) above.
- 4. Where the licensee or any affiliate or related undertaking of the licensee receives protected information, the licensee shall (and shall procure that such affiliate or related undertaking shall) secure that protected information is not:
  - (a) divulged by business personnel to any person unless that person is an authorised recipient;
  - (b) used by business personnel for the purposes of obtaining for the licensee or any affiliate or related undertaking of the licensee or for any other person:
    - (i) any licence under Article 10 of the Order; or
    - (ii) any right to purchase or otherwise acquire, or to distribute, electricity (including rights under any electricity purchase contract); or
    - (iii) any contract or arrangement for the sale or supply of electricity to any person; or
    - (iv) any contract for the use of any electric lines or electrical plant belonging to or under the control of a relevant supplier; or

- (v) control of any body corporate which, whether directly or indirectly, has the benefit of any such licence, contract, or arrangement; or
- (c) used by business personnel for the purpose of carrying on any activities other than permitted activities,

except with the prior consent in writing of the relevant person to whose affairs such protected information relates.

5. Paragraph 4 shall not apply to:

- (a) any protected information which, before it is furnished to business personnel, is in the public domain; or
- (b) any protected information which, after it is furnished to business personnel:
  - (i) is acquired by the licensee or any affiliate or related undertaking of the licensee in circumstances in which this Condition does not apply; or
  - (ii) is acquired by the licensee or any affiliate or related undertaking of the licensee in circumstances in which this Condition does apply and thereafter ceases to be subject to the restrictions imposed by this Condition; or
  - (iii) enters the public domain,

and in any such case otherwise than as a result of (i) a breach by the licensee or any affiliate or related undertaking of the licensee of its obligations under this Condition or (ii) a breach by the person who disclosed that protected information of that person's confidentiality obligation and the licensee or any of its affiliates or related undertakings is aware of such breach; or

- (c) the disclosure of any protected information to any person if the licensee or any affiliate or related undertaking of the licensee is required or expressly

permitted to make such disclosure to such person or it is necessary for it to do so:

- (i) in compliance with the duties of the licensee or any affiliate or related undertaking of the licensee under the Order, the Energy Order, the SEM Order, the Directive Regulations, or any other requirement of a Competent Authority; or
  - (ii) in compliance with the conditions of the Licence or any document referred to in the Licence with which the licensee or any affiliate or related undertaking of the licensee is required by virtue of the Order or the Energy Order or the SEM Order or the Directive Regulations or the Licence to comply; or
  - (iii) in compliance with any other requirement of law; or
  - (iv) in response to a requirement of any stock exchange or regulatory authority or the Panel on Take-overs and Mergers; or
  - (v) pursuant to the arbitration rules for the Electricity Arbitration Association or pursuant to any judicial or other arbitral process or tribunal of competent jurisdiction; or
- (d) any protected information to the extent that the licensee or any of its affiliates or related undertakings is expressly permitted or required to disclose that information under the terms of any agreement or arrangement (including the Grid Code, the Single Electricity Market Trading and Settlement Code and the Northern Ireland Fuel Security Code) with the relevant person to whose affairs such protected information relates.

6. The licensee and each of its affiliates and related undertakings may use all and any information or data supplied to or acquired by it from or in relation to any relevant person in performing permitted activities, including for the operation and planning of the LirIC Interconnector.

7. The licensee shall not (and shall procure that its affiliates and related undertakings

shall not), having regard to the activities in which any business person is engaged and the nature and effective life of the protected information divulged to it by virtue of such activities, unreasonably continue (taking into account any industrial relations concerns reasonably held by it) to divulge protected information or permit protected information to be divulged by any affiliate or related undertaking of the licensee to any business person who has notified the licensee or the relevant affiliate or related undertaking of its intention to become engaged as an employee or agent of any other person (other than of the licensee or any affiliate or related undertaking thereof) who is:

- (a) authorised by licence or exemption to generate, participate in the transmission of, or supply electricity; or
- (b) an electricity broker or who is known to be engaged in the writing of electricity purchase contracts; or
- (c) known to be retained as a consultant to any such person who is referred to in paragraph (a) or (b) above,

save where the licensee or such affiliate or related undertaking could not, in all the circumstances, reasonably be expected to refrain from divulging to such business person protected information which is required for the proper performance of his duties.

8. Without prejudice to the other provisions of this Condition, the licensee shall procure that any additional copies made of the protected information, whether in hard copy or computerised form, will clearly identify the protected information as protected.
9. The licensee shall take all reasonable steps to ensure that every authorised adviser to whom the licensee or any affiliate or related undertaking of the licensee discloses protected information does not use that protected information for any purpose other than that for which it was provided and does not disclose that protected information otherwise than in accordance with the provisions of this Condition.

10. This Condition is without prejudice to the duties at law of the licensee towards relevant persons.

11. In this Condition:

<b>“authorised adviser”</b>	means such professional advisers of the licensee, engaged and acting in that capacity, as require to have access to any protected information;
<b>“authorised recipient”</b>	means, in relation to any protected information, any businessperson who, before the protected information had been divulged to him by the licensee, had been informed of the nature and effect of this Condition and who requires access to such protected information for the proper performance of his duties as a business person in the course of permitted activities;
<b>“business person”</b>	means any person who is:  (a) a director of the licensee;  (b) an employee of the licensee;  (c) engaged as an agent of or an adviser to or performs work in relation to or services for the Interconnector Business; or  (d) an authorised adviser;
<b>“dealings”</b>	includes dealings entered into otherwise than for purposes connected with the transmission of electricity;
<b>“Electricity Arbitration Association”</b>	means the unincorporated members' club of that name formed inter alia to promote the efficient and economic operation of the procedure for the



	resolution of disputes within the electricity supply industry by means of arbitration or otherwise in accordance with its arbitration rules;
<b>“nominated person(s)”</b>	means the person(s) from time to time nominated by the Authority for the purposes of this Condition by notice to the licensee;
<b>“permitted activities”</b>	means activities carried on for the purposes of the Interconnector Business
<b>“protected information”</b>	<p>means:</p> <p>(a) information relating to the affairs of a relevant person which has been furnished to or otherwise acquired by the licensee under or pursuant to, or in the course of any dealings with the relevant person under the Licence, the Grid Code, the Northern Ireland Fuel Security Code, the Single Electricity Market Trading and Settlement Code any agreement for use of or connection to or modification of a connection to the LirIC Interconnector or any agreement for use of the LirIC Interconnector or in the course of any negotiations with (including any application made by) the relevant person for such; and</p> <p>(b) any other information in the possession of the licensee which would not reasonably be expected to be in the possession of the licensee if the licensee were not the holder of the Licence;</p>

	<p>other than (in each case):</p> <p>(c) any such information which, or any such information of a description which, is specified in directions issued by the Authority from time to time for the purposes of this Condition to be information, or (as the case may be) information of a description, which is not protected information for the purposes of this Condition; and</p> <p>(d) any such information which is in or enters into the public domain otherwise than as a consequence of unauthorised disclosure by the licensee or any affiliate or related undertaking of the licensee (or by any person to whom the same is disclosed or suffered to be disclosed by the licensee or such affiliate or related undertaking) and for this purpose the disclosure of information by its inclusion in a statement of system capacity of the licensee shall be deemed to be an authorised disclosure of that information if the Authority shall so specify in directions issued from time to time for the purposes of this Condition; and</p>
<p><b>“relevant person”</b></p>	<p>means any person who is not an affiliate or related undertaking of the licensee.</p>

**Schedule 1: Authorised Transmission Area**

The authorised transmission area shall comprise the geographical area, in Northern Ireland, in which the LirIC Interconnector is situated.

**Schedule 2: Terms as to Revocation**

1. The Authority may at any time revoke the Licence by not less than 30 days' notice in writing to the licensee:
  - (a) if the licensee agrees in writing with the Authority that such licence should be revoked; or
  - (b) if any amount payable under Condition 8 is unpaid 30 days after it has become due and remains unpaid for a period of 14 days after the Authority has given the licensee notice that the payment is overdue provided that no such notice shall be given earlier than the sixteenth day after the day on which the amount payable became due; or
  - (c) if the licensee fails to comply with a final order (within the meaning of Article 42 of the Energy Order) or with a provisional order (within the meaning of Article 42 of the Energy Order) which has been confirmed under Article 42 of the Energy Order and which (in either case) has been made in respect of a contravention or apprehended contravention of a Condition to which such licence is subject or of a relevant requirement as defined in Article 41(2)(a) of the Energy Order imposed on the licensee in its capacity as holder of such licence and (in either case) such failure is not rectified to the satisfaction of the Authority within three months after the Authority has given notice of such failure to the licensee, provided that no such notice shall be given by the Authority before the expiration of the period within which an application under Article 44 of the Energy Order could be made questioning the validity of the final or provisional order or before the proceedings relating to any such application are finally determined; or
  - (d) if the licensee fails to comply with an order made by a court under section 34 of the Competition Act 1998; or fails to comply with an order made under section 72, 75, 76, 81, 83, 84, 158, 160 or 161 of, or under paragraph 2, 5, 6, 10 or 11 of schedule 7 to, the Enterprise Act 2002; or is found guilty of an offence under section 188, 193 or 194 of the Enterprise Act 2002; or

- (e) if the licensee:
  - (i) is unable to pay its debts (within the meaning of Article 103(1) or (2) of the Insolvency (Northern Ireland) Order 1989, but subject to paragraph 3 of this Schedule) or if any voluntary arrangement is proposed in relation to it under Article 14 of that Order, or if it enters into any scheme of arrangement (other than for the purpose of reconstruction or amalgamation upon terms and within such period as may previously have been approved in writing by the Authority); or
  - (ii) has a receiver (which expression shall include an administrative receiver within the meaning of Article 5(1) of the Insolvency (Northern Ireland) Order 1989) of the whole or any material part of its assets or undertaking appointed; or
  - (iii) has an administration order under Article 21 of the Insolvency (Northern Ireland) Order 1989 made in relation to it; or
  - (iv) passes any resolution for winding-up other than a resolution previously approved in writing by the Authority; or
  - (v) becomes subject to an order for winding-up by a court of competent jurisdiction; or
  - (vi) shall suffer any event analogous to any of the foregoing in any jurisdiction in which it is incorporated or resident; or
- (f) if the licensee is convicted of having committed an offence under Article 63 of the Order or under Article 46 of the Gas (Northern Ireland) Order 1996; or
- (g) if the licensee fails to pay any financial penalty (within the meaning of Article 45 of the Energy Order) imposed in respect of a contravention or apprehended contravention of a condition to which such licence is subject or of a “relevant requirement” as defined in Article 41(2)(a) of the Energy Order by the due date for such payment and such payment is not made to

the Authority within three months after the Authority has given notice in writing of such failure to the licensee, provided that no such notice shall be given by the Authority before the expiration of the period within which an application under Article 49 of the Energy Order could be made questioning the validity or effect of the financial penalty or before the proceedings relating to any such application are finally determined; or

(h) if at any time the licensee intentionally or recklessly fails to notify the Authority of any change in ownership of the equity capital of the licensee as soon as practicable after such change should have occurred; or there has been a change in ownership of equity capital notified by the licensee:

(i) the Authority is satisfied that the new shareholder (together with the other companies in its group) does not have adequate technical, financial, or managerial strength taking into account the size of its shareholding in the licensee;

(ii) the Authority serves notice on the licensee stating that it proposes to revoke the licence in pursuance of this paragraph unless such further change in the ownership of the licensee as is specified in the notice takes place (or ownership reverts to the person or those persons owning the equity capital of the licensee prior to the change) within the period of three months beginning with the date of service of the notice; and

(iii) that further change or reversion in control does not take place within that period; or

(i) if at any time the licensee intentionally or recklessly fails to notify the Authority of a change in control as soon as practicable after such change in control should have occurred; or there has been a change in control notified by the licensee:

(i) the Authority serves notice on the licensee stating that the Authority proposes to revoke the licence in pursuance of this paragraph unless such further change in control of the licensee

as is specified in the notice takes place (or control reverts to the person(s) controlling the licensee prior to the change) within the period of three months beginning with the date of service of the notice; and

(ii) that further change or reversion in control does not take place within that period.

2. The Authority may at any time by not less than 30 days' notice in writing to the licensee revoke this licence if the licensee ceases to carry on the Interconnector Business other than with the consent of the Authority.
3. The Authority may at any time by not less than 30 days' notice in writing to the licensee revoke this licence if the licensee has not commenced carrying on the Interconnector Business within 10 years of the date of the Grant or thereafter ceases for a period of 3 months to carry on the Interconnector Business and in relation to any date or period given in this paragraph 3 the Authority shall substitute a later date or a longer period where reasonably satisfied that exceptional circumstances which could not have been reasonably foreseen by the licensee had prevented, or could reasonably be expected to prevent, the carrying on of the relevant business.
4. The Authority may at any time by not less than 30 days' notice in writing to the licensee revoke this licence if the licence granted by the Gas and Markets Authority to the licensee under and in accordance with section 6(1)(e) of the Electricity Act 1989 is revoked by the Gas and Markets Authority.
5. For the purposes of paragraph 1(e)(i) of this Schedule, Article 103(1)(a) of the Insolvency (Northern Ireland) Order 1989 shall have effect as if for "£750" there was substituted "£250,000" or such higher figure as the Authority may from time to time determine by notice in writing to the Authority and the licensee.
6. The licensee shall not be deemed to be unable to pay its debts for the purposes of paragraph 1(e)(i) of this Schedule if any such demand as is mentioned in Article 103(1)(a) of the Insolvency (Northern Ireland) Order 1989 is being contested in good faith by the licensee with recourse to all appropriate measures and

procedures or if any such demand is satisfied before the expiration of such period as may be stated in any notice given by the Authority under paragraph 1 of this Schedule.

7. For the purposes of paragraph 1.1(i) of this Schedule 2, there is a change in the control of the licensee whenever a person obtains control of the licensee who did not have control of the licensee when this licence was granted; and section 450 (as read in conjunction with section 451) of the Corporation Tax Act 2010 shall apply for the purpose of determining whether for the purposes of this paragraph a person has or had control of the licensee, but at any time should no person have control then for the words "the greater part" wherever they occur in the said section 450 there shall be substituted the words "one-third or more".