

Consultation on Market Change Request 1178

Consultation Paper
19 February 2025



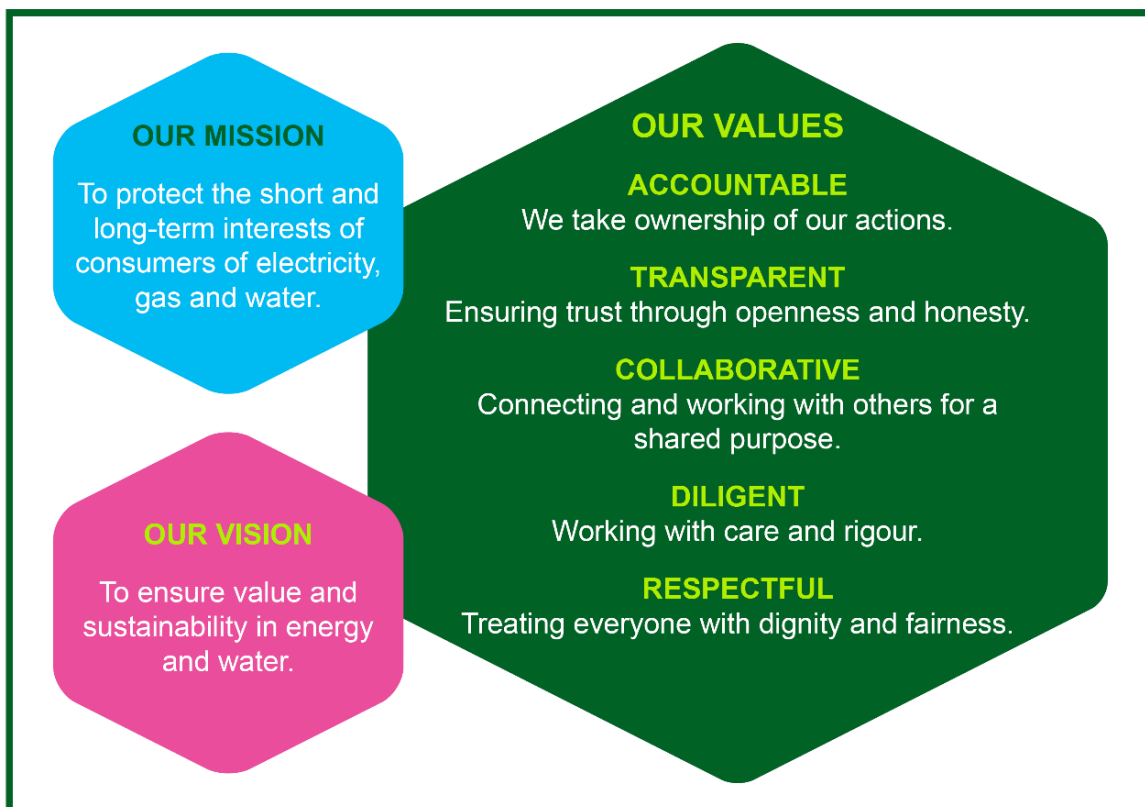
About the Utility Regulator

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

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

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

We are based at Queens House in the centre of Belfast. The Chief Executive and two Executive Directors lead teams in each of the main functional areas in the organisation: CEO Office; Price Controls; Networks and Energy Futures; and Markets and Consumer Protection. The staff team includes economists, engineers, accountants, utility specialists, legal advisors and administration professionals.



Abstract

In line with the Market Registration Code (MRC) Change Control Procedure, the Utility Regulator (UR) has been asked by the Central Design Authority (CDA) to approve (or otherwise) Market Change Request 1178 (MCR1178).

MCR1178 is a market change request that offers a solution for categorising and monitoring premises in Northern Ireland which are deemed vacant. When a customer moves out of a premises or a premises is deemed vacant via a different method, a six-month monitoring period will begin that can result in de-energisation of the premises if no consumption is recorded during this time.

This MCR is being proposed as a solution to Northern Ireland Electricity Networks concerns for leaving a premises energised when there is no Connection Agreement in place. Additionally, electricity Suppliers also have an obligation to ensure that customers details are up to date on market systems.

This MCR is being consulted on by the UR as the changes could affect multiple stakeholders regarding the categorisation of vacant premises and subsequent de-energisation if that is deemed necessary.

Audience

This document is likely to be of interest to all electricity Suppliers, government, industry groups, consumer bodies, network and transmission system operators and all consumers of electricity in Northern Ireland.

Consumer impact

The proposed market change is estimated to have minimal impact on consumers from a financial perspective. There may be impacts to consumers due to the potential de-energisation of properties as is outlined in this consultation.

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Executive Summary

The Central Design Authority (CDA) Board was established through the Market Registration Code (MRC). It provides a forum for key Participants (NIE Networks and Suppliers) operating in the electricity retail market in Northern Ireland to engage on specific issues, which are generally technical in nature.

The CDA board has requested that the UR decides on the implementation of a new Market Change Request called MCR1178. The scope of MCR1178 is to address an issue in the electricity supply market that affects premises where no Supply Agreement or Connection Agreement is in place. This issue can arise when a customer informs their supplier that they are moving out of a premises and therefore the Supply Agreement with the customer's supplier is nullified and in turn so is the Connection Agreement with NIE Networks.

This is a potential issue as there are health and safety concerns associated with a premises remaining energised where no agreement is in place with the Supplier or NIE Networks. Additionally, there are certain Terms and Conditions of the Connection Agreement with NIE Networks that may require de-energisation of a premises when there is no Supply Agreement in place.

MCR1178 aims to provide a solution for all affected parties regarding the categorisation of premises with no Supply Agreement or Connection Agreement in place. Premises categorised as such will be monitored for six-months before de-energisation potentially occurs. De-energisation will only occur if both the Supplier and NIE Networks are satisfied that, to the best of their knowledge, the premises is vacant. Further details of the proposed solution can be found within this consultation document.

In line with the MRC Change Procedures (Schedule 5), the CDA Board has decided by consensus that Change Request MCR1178 should be implemented and has subsequently submitted a Change Report to the Utility Regulator (UR) for approval (or otherwise) to proceed with the Change Request. This public consultation seeks views of parties that could be affected by the proposals outlined in Change Request MCR1178. All views will be considered by the UR in making its decision to approve or reject.

Next Steps

The UR is keen to hear all stakeholder views on the proposal set out in this consultation paper. Responses to this consultation should be sent on or before 17:00 on 28th March 2025 to:

Daniel Squires
The Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED
Email: Daniel.squires@uregni.gov.uk

Once all the responses to this consultation paper are received and reviewed, the UR intends to issue a decision paper. The anticipated timeline for the decision paper is May 2025.

Glossary

CDA	Central Design Authority
CDA Board	A forum for key participants operating in the electricity retail market in Northern Ireland
MRC	Market Registration Code
UR	Utility Regulator
NIE Networks	Means Northern Ireland Electricity Networks Limited
Supplier	The holder of a Supply Licence that is a party to the Market Registration Framework Agreement
MCR1178	Market Change Request 1178
Deemed Contract	A contract that relates to the terms and conditions of supply where no existing contractual relationship exists
Supply Agreement	An agreement for supply of electricity between a Supplier and customer
Connection Agreement	An agreement between NIE Networks and an electricity customer
NIE Networks	The electricity distribution network operator for Northern Ireland
Change of Tenancy	Where an electricity customer informs their Supplier they are moving out of their existing premises
Market Registration Service	A register of technical and other data as is necessary to facilitate supply by any relevant licensed Supplier to premises connected to the Distribution System
Market Data Service	A process by which data is collected from electricity meters and verified
Change Request	A request made by a Participant to change the Code Procedure and made on the form that the Central Design Authority makes available pursuant to paragraph 1.7 of Schedule 5 of the MRC
Change Report	Means as defined in paragraph 3.16 of Schedule 5 of the MRC

Query	Means a query from a participant in the CDA about a component or process of the code procedures
Code Procedure	Means the Retail Market Procedures, the Market Message Implementation Guides and the MRC Change Procedures
Code	Means the MRC and applicable schedules within the MRC
Change Management System	Means the system established and maintained by the CDA to record, track and report on the status of Queries and Change Requests
Impact Assessment Form	Means the form that the CDA will make available to participants of the CDA
Impact Assessment Report	Means a report of received impact assessment forms from participants
Retail Market Development Plan	A document setting out the governance approach and timescales for software releases by NIE Networks based on approved updates to the MRC
Market Registration Framework Agreement	Means the Market Registration Framework Agreement referred to in condition 29 of the NIE Networks Licence
Short Term Vacant	Premises identified as being vacant for less than a period of six-months
Observer	Means any attendee at Central Design Authority Board meetings there at the invitation of NIE Networks or the Utility Regulator, allowed to participate in discussion, but not otherwise exercising any function of a Board Member

1. Introduction

Background

- 1.1 The supply of electricity which consumers receive from their Supplier is delivered to their premises using the distribution system. To receive supply of electricity, customers require both:
- a) A Supply Agreement with their Supplier; and
 - b) A Connection Agreement with NIE Networks to connect the premises to the distribution system.
- 1.2 To simplify these requirements, Suppliers are appointed as the agent of NIE Networks to put in place a Connection Agreement¹ between NIE Networks and the customer. When a customer enters into a Supply Agreement with their Supplier, they also enter into a Connection Agreement with NIE Networks for connection of the premises to the distribution system.
- 1.3 Customers are not required to sign a Connection Agreement with NIE Networks. By entering into a Supply Agreement with a Supplier, this represents the customers' acceptance of the Terms and Conditions of the Connection Agreement with NIE Networks. These Terms and Conditions are either attached to the Supply Agreement entered into by the customer with their Supplier, of which they have a copy, or separately provided to the customer by their Supplier.
- 1.4 As a result of the above arrangements, when a customer's Supply Agreement with their existing Supplier terminates, their existing Connection Agreement with NIE Networks also terminates. This will be replaced by a new Connection Agreement when the customer enters into a new Supply Agreement with their new Supplier.
- 1.5 Where a customer has informed their Supplier that they are moving out of their existing premises (referred to as a Change of Tenancy) Suppliers have an obligation to inform NIE Networks of this Change of Tenancy to ensure the customer details are updated accordingly on market systems. As per market processes, only the Supplier can notify NIE Networks of a Change of Tenancy. In the situation where the Supplier is not aware whether a new customer has or will be moving into the premises, the status of that premises is updated by the Supplier (i.e. deemed vacant).
- 1.6 As soon as any customer (even unregistered) moves into a property and

¹ [NIE Networks Connection Agreements](#)

draws a unit of electricity, a Deemed Contract² is triggered and therefore a Connection Agreement is in place. The only time when a Connection Agreement is not in place is when the customer has both notified the Supplier they have moved out and confirmed that no-one is consuming any units.

- 1.7 As outlined, there may be occasions in which a Connection Agreement is not in place. This presents a concern for NIE Networks as there are particulars of the Terms and Conditions of the Connection Agreement that are not being met. Both NIE Networks and Suppliers have discussed this matter at the CDA Board to find a resolution to this issue. The proposed solution presented to the UR for approval is outlined in the following sections of this consultation paper.

Market Registration Code & Central Design Authority Board

- 1.8 The Market Registration Code (MRC)³ was established in accordance with Condition 29 of the NIE Networks Distribution Licence⁴, and is published and maintained by NIE Networks.
- 1.9 The CDA Board was established through the MRC. It provides a forum for key Participants (NIE Networks and electricity Suppliers) operating in the electricity retail market in Northern Ireland to engage on specific issues, which are generally technical in nature. The scope of the CDA Board includes (but not limited to):
- a) Development and implementation of agreed messaging and management systems standards for the liberalised electricity market;
 - b) Development and implementation of agreed procedures, codes of practice and draft operational policy to govern the retail market;
 - c) Development and agreement of a work programme for the implementation of approved market design changes;
 - d) Communication to the industry of changes to agreed market design and testing procedures; and
 - e) Encouragement of best practice and co-operation between all Participants.
- 1.10 CDA Board meetings are convened normally every other month. Participants

² [The Electricity \(Northern Ireland\) Order 1992 - Schedule 6 \(Deemed Contracts\)](#)

³ [The Market Registration Code \(MRC\)](#)

⁴ [NIE Networks Distribution Licence - effective 25 11 2024.pdf](#)

discuss relevant issues, recommend decisions and have voting rights. The UR attends the CDA Board meetings as an Observer only.

- 1.11 The MRC Change Procedures (Schedule 5) form part of the MRC and describe the processes by which participants raise, resolve and escalate Queries and Change Requests. When a Change Request is submitted to the CDA Board, all CDA Board members are asked to submit Impact Assessments that demonstrate the potential impacts for them regarding the Market Change Request. All Impact Assessments are compiled into an Impact Assessment Report following submission.
- 1.12 Once an Impact Assessment Report is complete, the CDA Board will consider and discuss the Change Request and make one of the following decisions in relation to it:
- a) Decide by consensus to defer the Change Request for consideration at the next CDA meeting.
 - b) Decide by consensus to request the CDA to procure further consideration in relation to the Change Request.
 - c) Decide by consensus that the Change Request should be implemented (either as proposed or in a modified form) and request the CDA to prepare a Change Report and request approval from the UR.
 - d) Decide by consensus that the Change Request should not be implemented.
 - e) Where it is unable to reach consensus, refer the Change Request to the UR for a decision.
 - f) By consensus, make such other decision as the CDA Board considers appropriate in relation to the Change Request.
- 1.13 The CDA has submitted a Change Report for MCR1178 to the UR with a request for approval or otherwise to proceed with the relevant Change Request.

2. Change Report (Proposed Solution)

Description of Market Change Request 1178 (MCR1178)

- 2.1 MCR1178 pertains to premises that have no Supply Agreement in place with a Supplier and no Connection Agreement in place with NIE Networks.
- 2.2 There are implications for both Suppliers and NIE Networks regarding the aforementioned premises. In these circumstances, NIE Networks is entitled to disconnect or de-energise a site as per the Standard Connection Terms and Conditions of the Connection Agreement. Additionally, Suppliers have an obligation to ensure that customer details on market systems are up-to-date and in scenarios where there is no Supply Agreement between a customer and a Supplier, the Supplier is not able to fulfil this requirement.
- 2.3 This MCR provides a solution for NIE Networks in scenarios where no Connection Agreement is in place, but the premises is still energised. When there is no Connection Agreement in place, NIE Networks maintains the right to de-energise a premises as per the Standard Terms and Conditions of the NIE Networks Connection Agreements. This MCR also sets out the actions that need to be fulfilled by the Supplier and NIE Networks as soon as either become aware of a premises that is vacant.
- 2.4 If a premises is not de-energised, there are certain liabilities that affect NIE Networks as described in the NIE Networks Connections Agreements, for example safety liabilities and compensation owed for certain system failures.
- 2.5 There have been a number of discussions and potential solutions raised regarding this issue and a final Change Report has been received by the UR for consideration.
- 2.6 This Change Report identifies the process for managing premises that have been deemed as vacant as well as premises that continue to remain vacant for a period greater than six-months.

Impact Assessment Report

- 2.7 The most recent Impact Assessment Report contained a summary of the Impact Assessment Forms received from CDA Participants in relation to MCR1178. Five Impact Assessment Forms were received and the impacts of the proposed change on participants is summarised below.
- 2.8 NIE Networks is of the opinion that the Supplier is in the best position to initiate the de-energisation process via the already existing 017 Market Message (017MM). The 017MM is a market message used to request a

change of energisation status at a Meter Point. NIE Networks state that the Supplier has a closer relationship with the customer and premises than NIE Networks does, and this proposed approach is in line with Market Procedure 9 (MPNI 9 – De-energisation). If NIE Networks is to undertake the coordination and de-energisation of properties, there is an inherent risk that the absence of up-to-date occupancy status from the Supplier may negatively disrupt fieldwork. An example of this would include an engineer arriving at a premises that has been scheduled for de-energisation discovers that it is occupied and therefore cannot complete the de-energisation work.

- 2.9 NIE Networks also note in the Impact Assessment Report that there is an unknown administrative effort that will be required to facilitate de-energisations by NIE Networks. NIE Networks reiterate that they think the Suppliers should be responsible for submitting a de-energisation request to them and subsequent action is taken in accordance with the request. NIE Networks think that it is less onerous for them if Suppliers schedule de-energisations based on their own monitoring of vacant premises opposed to NIE Networks needing to monitor all customers across all Suppliers.
- 2.10 Power NI stated it's concerns in the Impact Assessment Report regarding the impact of de-energisation on customers. Power NI state that de-energisation of premises when a customer vacates is impractical and could lead to unnecessary impact on a customer that moves into a property. NIE Networks have confirmed that all re-energisation requests can be escalated if necessary but Power NI state that they are still concerned regarding how quickly the re-energisation can occur. Power NI also highlight concerns that NIE Networks will have less resources available to complete business as usual requests due to higher resources strain due to de-energisation requests.
- 2.11 Click Energy is in support of the change but does share similar concerns to Power NI regarding customer experience.
- 2.12 Other Suppliers did not provide additional information for the Impact Assessment Report as they were satisfied with the proposed changes.
- 2.13 All Suppliers and NIE Networks believe the costs and time needed to implement this change to be negligible. NIE Networks will recover all costs associated with de-energisation through the existing price control cost-recovery mechanism.

Proposed Solution

- 2.14 As per MCR1178 received by the UR from the CDA Board, the proposed solution can be summarised as follows:
- a) For premises that are identified as Short Term Vacant (i.e. a customer notifies the supplier they are vacating the premises), the Supplier can submit a 016 Market Message (016MM) with appropriate customer details and status of the premises (i.e. vacant or not vacant).
 - b) The 016MM is a market message that is used by Suppliers to notify NIE Networks of a Change of Tenancy or Legal Entity at a metered location to which they are the registered Supplier.
 - c) Once this market message has been sent to NIE Networks, Suppliers will actively monitor the premises that has been identified as potentially vacant for a period of six months to determine if a new customer has moved in.
 - d) If it is determined that consumption has occurred during the six-month window, a new 016MM will be issued by the Supplier to NIE Networks to notify them of this change. If consumption occurs at any point, a Deemed Contract is then in place and a valid NIE Networks Connection Agreement comes into force. This negates the necessity or ability for NIE Networks to de-energise.
 - e) If no consumption is identified within the six-month period, NIE Networks will proceed with a de-energisation as there is no Connection Agreement in place and therefore the premises needs to be de-energised in line with MPNI 9⁵.
 - f) If a Deemed Contract is discovered to be in place (by way of recorded consumption on the meter), the Supplier should ensure they take steps to identify the person who they have the Deemed Contract with and notify NIE Networks.
 - g) The Change of Customer Details process (MPNI 24⁶) should be followed in instances where a new occupant is identified.
 - h) If a de-energisation does result as part of this process, re-energisation will be completed in line with MPNI 10⁷.

⁵ [Market Procedure Northern Ireland 9 – De-Energisation](#)

⁶ [Market Procedure Northern Ireland 24 – Change of Customer Details](#)

⁷ [Market Procedure Northern Ireland 10 – Re-Energisation](#)

3. Next Steps

- 3.1 MCR1178 could potentially impact a variety of stakeholders involved in the supply and consumption of electricity in Northern Ireland. It is important that views from all stakeholders in relation to this Change Request are considered by the UR prior to a decision being made. We invite stakeholders to provide their views on the following questions:

General

- Please state the nature of your business (i.e. customer (domestic or non-domestic), Supplier, DNO, homeowner/landlord etc.)

MCR1178

- Do you agree with the proposal outlined in MCR1178 whereby if a property is deemed vacant for a period of six months, the premises will be de-energised? Please provide rationale.
- Are there any other factors in relation to this proposal that you think should be considered? Please provide rationale.
- Do you have any other comments in relation to the proposal?

Consultation responses

- 3.2 Responses to this consultation should be sent on or before 17:00 on 28th March 2025 to:

Daniel Squires
Utility Regulator
Queens House
14 Queen Street
Belfast BT1 6ED EU
Daniel.Squires@uregni.gov.uk

The UR's preference would be for responses to be submitted by e-mail.

- 3.3 Individual respondents may ask for their responses (in whole or in part) not to be published or that their identity should be withheld from public disclosure. Where either of these is the case, the UR will also ask respondents to supply the redacted version of the response that can be published.
- 3.4 As a public body and non-ministerial government department the Utility Regulator is required to comply with the Freedom of Information Act (FOIA). The effect of FOIA may be that certain recorded information contained in

consultation responses is required to be put into the public domain.

- 3.5 Note: it is now possible that all responses made to consultations will be discoverable under FOIA even if respondents ask us to treat responses as confidential.
- 3.6 It is therefore important that respondents take account of this and, in particular, if asking the UR to treat responses as confidential, respondents should specify why they consider the information in question should be treated as such.
- 3.7 This paper is available in alternative formats such as audio, Braille etc. If an alternative format is required please contact the office of the UR which will be happy to assist.

Timelines

- 3.8 Following review and consideration of the responses the UR will endeavour to publish its decision in May 2025.