

## The Northern Ireland Authority for Utility Regulation

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### MODIFICATION NOTICE

Made under Article 3 of the Electricity (Single Wholesale Market) (Northern Ireland) Order 2007 (the **SEM Order**).

In respect of the licence, under Article 10(1)(a) of the Electricity (Northern Ireland) Order 1992 (the **Electricity Order**), to generate electricity held by **Coolkeeragh ESB Limited**.

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1 In pursuance of its powers under Article 3 of the SEM Order the Northern Ireland Authority for Utility Regulation, with the consent of the Department of Enterprise, Trade and Investment, hereby modifies the conditions of the above mentioned licence so as to:

(a) modify each of:

(i) Condition 14 (Single Electricity Market Trading and Settlement Code);  
and

(ii) Condition 18 (Intermediary Agreement),

of Chapter 3 of the licence insofar as is necessary to ensure that it is identical in form and content to the condition bearing the same number as set out in Appendix 1.

2 Paragraph 3 applies for the purposes of any agreement between the holder of a licence under Article 10(1)(a) of the Electricity Order and any other holder of a licence under that Order which:

(a) contains (in whatever terms) provisions which apply where there is a relevant change in law (as defined in the agreement), and also

(b) contains provisions which exclude from the definition of a relevant change in law any change in law which provides that it should not be a relevant change in law.

- 3 Neither the modifications referred to in paragraph 1, nor their coming into effect, shall constitute a relevant change in law.

Dated this    day of October 2007

Dermot MacCann

**Northern Ireland Authority for Utility Regulation**

**APPENDIX 1****Condition 14: Single Electricity Market Trading and Settlement Code**

- 1 The Licensee shall, in respect of any generation set which is owned or operated by it, either:
  - (a) be a party to and, in so far as applicable to it in its capacity as the holder of a licence under Article 10(1)(a) of the Order, comply with the Single Electricity Market Trading and Settlement Code; or
  - (b) with the prior consent of the Authority, enter into an agreement to appoint an appropriate person to act as an Intermediary under the Single Electricity Market Trading and Settlement Code in respect of any generation set (as owned or operated by the Licensee) specified in the agreement; or
  - (c) comply with the requirements of Condition 18.
- 2 The Licensee shall ensure that the person appointed as an Intermediary under an agreement entered into in accordance with paragraph 1(c):
  - (a) becomes a party to the Single Electricity Market Trading and Settlement Code; and
  - (b) complies with its obligations, in relation to any generation set which is specified in the agreement, in the capacity of Intermediary under the Single Electricity Market Trading and Settlement Code.

**Condition 18: Intermediary Agreement**

1. The Licensee shall, in conjunction and co-operation with the Power Procurement Business, prepare and seek to agree with the Power Procurement Business the terms of an agreement between them to be known as an Intermediary Agreement.
2. The Authority may:
  - (a) in default of agreement between the Licensee and the Power Procurement Business as to the terms of an Intermediary Agreement, determine the form and content of that agreement; or
  - (b) where the Licensee and the Power Procurement Business agree the terms of the Intermediary Agreement, approve that agreement subject to such modifications as the Authority may consider appropriate.
3. The Authority may, by a direction given in writing, direct the Licensee to enter into any Intermediary Agreement which has been determined or approved by the Authority in accordance with paragraph 2, and the Licensee shall comply with that direction by any date that may be set out therein.
4. The Licensee shall at all times comply with any Intermediary Agreement entered into by it in accordance with this Condition.
5. For the purposes of paragraphs 1 to 4, an Intermediary Agreement:
  - (a) shall be a contractually-binding agreement designed to govern the relationship between the Licensee and the Power Procurement Business in respect of the Power Procurement Business acting as an Intermediary in relation to the agreements specified at Schedule 2, for so long as such agreements remain extant;
  - (b) shall specify the categories and detailed descriptions of data to be provided by the Licensee to the Power Procurement Business to enable the Power Procurement Business to comply with its obligations under Condition 57 (Cost-Reflective Bidding in the Single Electricity

Market) of the NIE Energy Supply Licence in respect of generation sets which are the subject of the agreements specified at Schedule 2;

(c) shall require that the Licensee provides the data referred to in subparagraph (b) to the Power Procurement Business in a form which is both timely and accurate; and

(d) shall make such further provision as may be necessary or expedient to ensure that:

(i) the Power Procurement Business is able to comply with its obligations under Condition 57 (Cost-Reflective Bidding in the Single Electricity Market) of the NIE Energy Supply Licence; and

(ii) the Licensee and the Power Procurement Business are able to comply with their respective obligations under their licences and the Single Electricity Market Trading and Settlement Code,

in respect of generation sets which are the subject of the agreements specified at Schedule 2,

but may not make any provision which has the effect of increasing the liability or limiting the rights – in either case as contained in the Intermediary Agreement or any agreement specified at Schedule 2 – of a party to the Intermediary Agreement other than where it is, in the opinion of the Authority, reasonable in all the circumstances for such a provision to be made in relation to that party.

6. The Licensee shall from time to time, in conjunction and co-operation with the Power Procurement Business, review the terms and operation of an Intermediary Agreement, and may following that review propose any amendments to an Intermediary Agreement that it considers appropriate.

7. Any amendment that the Licensee proposes to make to an Intermediary Agreement shall, unless the Intermediary Agreement otherwise provides, require to be submitted to the Authority for its approval and, if the Authority

approves that amendment, shall be given effect in the Intermediary Agreement.