

Notice of proposal to grant an extension to the gas supply licence held by SSE Airtricity Gas Supply (NI) Limited

6 May 2016



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 leads a management team of directors representing each of the key functional areas in the organisation: Corporate Affairs; Electricity; Gas; Retail and Social; and Water. The staff team includes economists, engineers, accountants, utility specialists, legal advisors and administration professionals.



NOTICE UNDER ARTICLE 8(4) OF THE GAS (NORTHERN IRELAND) ORDER 1996

Pursuant to Article 8(4) of The Gas (Northern Ireland) Order 1996 ("the Order") the Northern Ireland Authority for Utility Regulation ("the Authority"), hereby gives notice as follows:

- It proposes, in accordance with Article 8(2)(a) of the Order, to extend the licence to supply gas held by SSE Airtricity Gas Supply (Northern Ireland) Limited¹ (the "Licensee") by increasing the authorised area.
- 2) The authorised area is set out in Schedule 1 of the gas supply licence and the proposal is to extend this area to include the West Area. The West Area is the Licensed Area within Schedule 1 of the SGN Natural Gas Limited² <u>licence</u>.
- 3) The proposed extension will allow the Licensee an opportunity to supply gas to customers within the West Area when the network in the West Area has been developed.
- 4) The Authority considers that granting the proposed extension would be an appropriate course of action for it to take as such grant is in keeping with the Authority's principal statutory objective in that it promotes the development and maintenance of an efficient, economic and co-ordinated gas industry in Northern Ireland.
- 5) The Authority further considers that the application made by the Licensee has been made in the prescribed manner and confirms that the appropriate fee has been submitted.
- 6) A copy of the proposed extension to Schedule 1 of the gas supply licence is shown in Annex1. The proposed extension is shown in tracked change text.
- 7) Any representations or objections with respect to the proposed extension may be made on or before 8 June 2016 to:

Karen Wilson Utility Regulator Queens House 14 Queen Street Belfast, BT1 6ED Email: <u>karen.wilson@uregni.gov.uk</u>

8) A copy of the licence showing the proposed extension can be obtained in electronic form on the Authority's website or in hard copy form. To request a hard copy, contact Karen Wilson at the details above or by telephone on 028 9031 1575.

Dated this 6TH day of May 2016

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Kevin Shiels For and on behalf of the Authority

¹ Licence was granted to Phoenix Supply Limited (PSL) on 19 December 2006. PSL was purchased by Airtricity Gas Supply (NI) Ltd on 28 June 2012 and then subsequently changed its name to SSE Airtricity Gas Supply (NI) Limited on 31 January 2014.

² Licence was granted to Scotia Gas Networks Northern Ireland Ltd on 11 February 2015. They subsequently changed the company name to SGN Natural Gas Limited.

Annex 1 – extract from SSE Airtricity Gas Supply (NI) Limited's gas supply licence showing proposed extension

SCHEDULE 1

Designated Area and Premises

- 1 The premises designated as a term of the licence in this Schedule 1 are any person or premises:
 - (a) in the Greater Belfast Area; and
 - (b) in the Ten Towns Area:; and
 - (i) commencing from and including 1 October 2012 in respect of all Large Industrial & Commercial Premises; and
 - (ii) commencing from and including 1 April 2015 in respect of all premises
 - (c) in the West Area.

2 In this Schedule:

"BGE Conveyance Licence"	means the Licence for the Conveyance of Gas granted to Bord Gais Eireann by the Authority pursuant to Article 8(1)(a) of the Order;
"Greater Belfast Area"	means the Licensed Area within Schedule 1 of the Phoenix Conveyance Licence;
"Large Industrial & Commercial Premises"	means premises to which gas is supplied at a rate which is reasonably expected to exceed 732,500 kilowatt hours in any 12 month period;
"Phoenix Conveyance Licence"	means the Licence for the Conveyance of Gas granted to Phoenix Natural Gas Limited by the Authority pursuant to Article 8(1)(a) of the Order;
"Scotia Gas Networks Conveyance Licence"	means the Licence for the Conveyance of Gas granted to Scotia Gas Networks Northern Ireland Ltd by the Authority pursuant to Article 8(1)(a) of the Order;
"Ten Towns Area"	means the Licensed Area within Schedule 1 of the BGE Conveyance Licence.
"West Area"	means the Licensed Area within Schedule 1 of the Scotia Gas Networks Conveyance Licence.