NOTICE UNDER ARTICLE 10(4) OF THE ELECTRICITY (NORTHERN IRELAND) ORDER 1992 (THE ORDER)

FOR
HERON STORAGE LIMITED

ABSTRACT

On **6 October 2026,** the Utility Regulator received an application for a generation licence from **Heron Storage Limited.** This Notice, pursuant to Article 10(4) of the Electricity (Northern Ireland) Order 1992 outlines UR's powers in respect of granting licences, provides details on the consideration of the application from **Heron Storage Limited** and details the reasons for the proposed grant of the licence.

AUDIENCE

Consumers and consumer representatives; electricity industry; statutory bodies; government departments

CONSUMER IMPACT

The consumer impact is considered positive. As a licence holder with a capacity of **17MW**, **Heron Storage Limited** will be required to participate in the Single Electricity Market (the SEM). It is expected therefore to assist in securing that all reasonable demands for electricity are met, helping to protect security of supply for consumers. Battery storage supports system flexibility, stability and security of supply by absorbing electricity during periods of surplus renewable generation and discharging stored electricity at times of higher demand or lower renewable output, helping to reduce the dispatch down of renewable generation. This supports achievement of renewable targets.

NOTICE UNDER ARTICLE 10(4) OF THE ELECTRICITY (NORTHERN IRELAND) ORDER 1992

Pursuant to Article 10(4) of the Order, the Northern Ireland Authority for Utility Regulation (the "Authority"), hereby gives notice as follows:

1) It proposes, in accordance with Article 10 (1) of the Order, to grant a licence to generate electricity to Heron Storage Limited, a limited company having its registered office at 2 St Patricks Street, Draperstown, Derry, United Kingdom BT45 7AL (the "Proposed Licensee"). Such licence would enable the Proposed Licensee to generate electricity at lands approximately 64m North West of 18 Balliniska Road, approximately 80m South East of Seagate Technology, Springtown Industrial Estate, Derry for the purpose of giving a supply to any premises or enabling a supply to be so given, during the period specified in paragraph 2 of the Terms of the Licence

2) Article 10 (1)(a) of the 1992 Order empowers the UR to grant an electricity generation licence to an applicant for such a licence. Article 10(3) of the 1992 Order provides that such an application shall be made in a manner prescribed and be accompanied by the prescribed fee. Further, Article 10(3) of the 1992 Order also provides that the applicant for an electricity generation licence shall publish the application within 14 days of making the application (in the prescribed manner). The requirements made in Article 10(3) are reflected in (Schedule 4 to) the Electricity (Applications for Licences and Extensions of Licences) (No. 2) Regulations (Northern Ireland) 2007 (the 2007 Application Regulations).

The UR has also published guidance in respect of the making of an application for an electricity generation licence (the Guidance). The Guidance makes reference to and reflects the requirements of the 2007 Application Regulations.

In carrying out its (electricity) function to grant (or not grant) an electricity generation licence the UR is required to act in accordance with the provisions of Article 12 of the Energy (NI) Order 2003 (the 2003 Order).

Article 12(1) of the 2003 Order provides as follows:

12.(1) The principal objective of the Department and the Authority in carrying out their respective electricity functions is to protect the interests of consumers of electricity supplied by authorised suppliers, wherever appropriate by promoting effective competition between persons engaged in, or in commercial activities connected with, the generation, transmission, distribution or supply of electricity

Article 12(2) of the 2003 Order provides that

(2) . The Department and the Authority shall carry out those functions in the manner which it considers is best calculated to further the principal objective, having regard to—

(a) the need to secure that all reasonable demands in Northern Ireland or Ireland for electricity are met.

Article 12(3) of the 2003 Order provides that in performing the duty under Art 12(2) of the 2003 Order the Authority is obliged to have regard to (but not exclusively to) the interests of persons described. These persons described are individuals who (i) are the chronically sick or disabled (ii) are of pensionable age (iii) have low incomes and (iv) are residing in rural areas.

Article 10(4) of the 1992 Order provides that:

(4) Before granting a licence under this Article, the Authority shall give notice—

(a) stating that the Authority proposes to grant the licence;

(b) stating the reasons why it is proposed to grant the licence; and

(c) specifying the time (not being less than 28 days from the date of publication of the notice) within which representations or objections with respect to the proposed licence may be made,

and shall consider any representations or objections which are duly made and not withdrawn

3) The UR considers that the grant of an electricity generation licence to Heron Storage Limited would accord with our responsibilities under Article 12 of the 2003 Order. We assessed that the Heron Storage Limited Application was made in the prescribed manner, and the appropriate fee had been received. The Heron Storage Limited application is thus considered made in accordance with the 2007 Application Regulations and the Guidance.

4) In making our Article 12 assessments we had regard to the role that Heron Storage Limited could be expected to play in the electricity system.

4.1 As a licence holder, with a capacity of 17MW, Heron Storage Limited are required to participate in the Balancing Market. The Balancing Market ensures that supply and demand for electricity are matched in real time, maintaining grid stability and reliability, ultimately protecting security of supply for consumers.

4.2 Through participation in the SEM, Heron Storage Limited is contributing a potential additional capacity of 17MW, equating to a possible 10,000MWh a year export into the market, available to SONI to dispatch to meet consumer demand. This will support existing generation sources to maintain system stability in periods of peak demand and/or low renewables.

4.3 Additional participation of battery storage in the market can significantly increase system flexibility. In addition to their ability to charge during periods of surplus renewable electricity and discharging this stored electricity at times of higher demand or lower renewable output, battery units can also provide fast-acting operating reserve and frequency response and can be dispatched by the System Operator in response to system alerts, capacity shortages and other system-security requirements. This supports

system stability and security of supply. As a licence holder, Heron Storage Limited can assist in supporting the system in this way.

4.4 As a battery storage operator, Heron Storage Limited can assist in facilitating the integration of higher levels of renewable generation, and will contribute towards the Northern Ireland's targets set out in the Climate Change Act 2022 to achieve 80% of electricity consumption from renewable sources by 2030. Heron Storage Limited is providing an important source of flexibility and stability to the system, while also providing system services capabilities, and is helping to increase the renewable energy available for dispatch onto the electricity system.

4.5 The UR considered that there was no significant risk of adverse impacts on consumers from the granting of the licence to Heron Storage Limited.

5) The purpose of this public notice is to bring to the attention the grant of the proposed licence referred to above to persons likely to be affected by such grant and to invite representations or objections in connection with it. Any representations or objections with respect to the proposed licence may be made **on or before 5pm on 17 December 2026.**

The Electricity Generation Licensing Team
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5.1 Please be aware that your response to this consultation may be made public by the Utility Regulator.

5.2 Where consultation responses are published, the Utility Regulator will take appropriate steps to remove personal data that is not necessary for publication. Personal data will be handled in accordance with applicable data protection legislation, the Utility Regulator's privacy notice and its retention and disposal arrangements.

5.3 You may ask us to keep all or part of your response confidential. Please state this clearly in your response and explain why. If you wish the Utility Regulator to keep only part of your response confidential, please mark the parts that you would like to be kept confidential and again, explain why. Please note that we may contact you to discuss your wishes.

5.4 The Utility Regulator will take your position regarding the confidentiality of your response, either in whole or in part, into consideration, but cannot guarantee that information identified as confidential will not be published or disclosed. We will consider any confidentiality request on its merits and in accordance with our legal obligations including those arising under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, the Data Protection Act 2018, or where otherwise required by law.

5.5 Copies of all documents can be made available in large print, Braille, audio

cassette and a variety of relevant minority languages if required.

6) A copy of the proposed licence can be obtained in electronic form on the Authority's website or in hard copy form using the contact details provided above.

Dated this 19 November 2026

John French

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