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NORTHERN IRELAND AUTHORITY  
for ENERGY REGULATION

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**Analyst – Single Electricity Market**

**CANDIDATE INFORMATION PACK**

**Completed Application Forms  
must be returned to  
NIAER no later than 12 noon on  
*Thursday 24<sup>th</sup> August 2006***

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## **FOREWORD**

Thank you for taking time to read this candidate information pack. I hope it gives you all the information you need to decide whether to apply for a post as Manager within the Single Electricity Market (SEM) project. If, after reading this pack, you would like to speak to someone before making an application, I would encourage you to contact Eddie Gaw at the Ofreg offices either by telephone on 028 9031 1575 or by email at [eddie.gaw@ofregni.gov.uk](mailto:eddie.gaw@ofregni.gov.uk). Eddie will endeavour to answer any queries you may have about the role.

My own tenure at Ofreg only began in June. This is a time of great change and opportunity within Northern Ireland utility regulation. As a regulator we are expanding not only to handle the SEM programme, but also to take on water. Becoming a “multi-utility” regulator will offer new and interesting opportunities. The introduction of full competition from 2007 is of great potential benefit to customers, but raises particular issues in a small market. This is a good organisation for people who are curious, ready for change, and committed to broadening their understanding of utility regulation.

The SEM programme is of particular interest. Across Europe the pressure is increasing for regional integration, but few regulators co-operate as closely as Ofreg and CER. Designing a new market is an enormous challenge, and of very great interest.

I can also recommend that – if you do not know Belfast – you take a look. Newly arrived, I am enjoying being in a town that is very much “on the up”. Although the city remains small and manageable there is quite a buzz, with new bars and restaurants opening, and new public spaces.

May I take this opportunity to thank you for your interest in this competition to fill the vacant position of Manager - SEM, Ofreg. This is an interesting and challenging post and the Authority is keen to receive applications from a wide range of applicants from a variety of backgrounds.

I hope you will be interested in applying for the post.

**Iain Osborne**  
**Chief Executive**  
**Northern Ireland Authority for Energy Regulation**

## **ABOUT OFREG**

### **The Organisation**

What is now The Office for the Regulation of Electricity and Gas (Ofreg) was first established (as Offer NI) in 1992, following privatisation of the Northern Ireland electricity industry. With the development of the natural gas industry in Northern Ireland, Ofreg's role was extended in 1996 to cover gas. Ofreg's Board is the Northern Ireland Authority for Energy Regulation (the "Authority"), which is legally the regulatory body for the gas and electricity sectors in Northern Ireland.

Ofreg is a Non-Ministerial Government Department. Ofreg is not a policy-making Department. Its role is to ensure that the electricity and gas industries in Northern Ireland are regulated and developed within the strategic policy parameters determined by Ministers.

Ofreg's board currently consists of a chairman and four other members each of whom are appointed by The Department of Enterprise, Trade and Investment (DETI). However, a recruitment exercise is currently under way to expand the Authority, notably to bring in expertise on water regulation. Within the office, Ofreg currently has 27 staff. The majority are civil servants, but most recent appointments have been non-civil service staff employed directly by Ofreg. Ofreg's annual budget is around £4m this year. However, following strong pressure from industry to expand available resources, this level of resources is currently under review.

### **Ofreg's mission**

#### *Energy*

Ofreg's objectives are set out in the respective Electricity and Gas Orders as amended by the Energy (Northern Ireland) Order. It has two main objectives:

- To protect the interests of electricity consumers with regard to price and quality of service by promoting competition in the Generation and Supply of Electricity; and
- To promote the development and maintenance of an economic and co-ordinated gas industry and to protect the interests of gas consumers with regard to price and quality of service.

The Authority also places a high priority on sustainable development in the energy sector and promotes measures which will most effectively support renewables, CHP and energy efficiency.

The electricity and natural gas industries occupy a central position in the NI economy and provide essential services for domestic, industrial and commercial electricity and gas customers.

There are around 100,000 gas customers in Northern Ireland, mostly in the Greater Belfast area. Northern Ireland's gas infrastructure is still under construction and connection rates have been high over the last decade.

Northern Ireland has around 760,000 electricity consumers with load split around 60/40 between domestic and non-domestic customers. (Northern Ireland has significantly less energy-intensive industry than GB.) Peak load in Northern Ireland is around 1,700MW and total demand around 9GWh. This electricity is generated by three main power stations, plus a large number of smaller and renewable stations. Significant volumes are imported from Scotland through the 450MW Moyle interconnector, and there is a 500MW interconnector to the Republic of Ireland.

The small scale of the Northern Ireland market creates security challenges and significant cost. In 2004 the UK and Republic of Ireland governments set a policy framework for moving to an all-island energy market. A major element of this strategy is the creation of a Single Electricity Market (SEM) by 2007. It has now been decided that this market will consist of a pool, with capacity payments to create correct entry/exit signals for generators.

Detailed SEM arrangements are now being designed and implemented (across around 30 workstreams), and a number of posts are being opened up to strengthen Ofreg's SEM team.

Further information about the 2004 framework document can be found at <http://www.detini.gov.uk/cgi-bin/moreutil?utilid=343>, and about the All-Island Project at <http://www.allislandproject.org/>.

#### *Water*

Ofreg's remit is due to expand to encompass the regulation of the water and sewerage industry in Northern Ireland from 1<sup>st</sup> April 2007, subject to the enactment of necessary legislation. It is proposed that the provision of water and sewerage services in Northern Ireland will be the responsibility of a Government owned company with an annual budget of around £350m and a 20 year investment programme of around £3bn.

It is proposed that Ofreg's primary duties with respect to water and sewerage will be in line with the role currently discharged by Ofwat in England and Wales.

In June 2006 the Authority published its Forward Work Programme for 2006-07. The programme, together with further information about the work of the Authority, may be viewed at <http://ofreg.nics.gov.uk>

## **.The Role of Analyst – Single Electricity Market**

**Role:** Analyst  
**Position:** Permanent Non – Pensionable post  
**Location:** Central Belfast  
**Salary:** £30k-£60k  
**Reporting to:** Northern Ireland Authority for Energy Regulation  
Deputy Chief Executive

**Role Purpose:** This is an exciting opportunity to break new ground in European electricity regulation. You will provide analysis and policy advice relating to the design and implementation of the new all-island electricity trading arrangements in Northern Ireland and the Republic of Ireland. This covers areas as diverse as networks, markets, transmission, generation or regulatory and standard issues.

### **Role Description:**

To analyse and provide policy advice in areas as diverse as networks, markets, transmission, generation or regulatory and standard issues which will be affected by the SEM.

Duties will be varied and will include but are not limited to:

- Draft documentation as required by the Authority. Prepare regular and specific reports, papers and presentations for the Senior Management Team
- Act as a member of specific project teams as defined by Senior Management. This will involve providing team input, which may include research, analysis and constructively challenging other team member's contributions
- Carry out research as required by the Authority including analysis reports and policies. For example:
  - Review of Transmission and Distribution Charges

- Development of market power mitigation strategies
  - Development of capacity payment methodologies
  - Review of connection charges
  - Assessing impact of Authority proposals on stakeholders
- Respond to external queries, e.g. those arising from consultation processes or customer queries
- Build and maintain an awareness of best practice both within the energy industry and related industries both in Northern Ireland and Internationally
- Provide a direct point of contact between the Authority and external specialist support
- Carry out comparative analysis of submissions to the Authority, e.g. review of licence/ consent applications to ensure they fall within the Authority conditions
- Develop and / or maintain a good understanding of the principles and practices within the organisation and the industry
- Develop and / or maintain a good understanding of related external issues and how they apply to their specific area of policy expertise
- Meet the objectives and performance measures agreed with Management
- Due to the strong inter-relationships across divisions, keep all relevant parties informed of assigned work programmes as much as possible.

## **ANALYST - PERSON SPECIFICATION**

### **Essential criteria:**

#### **Technical Skills:**

Minimum of one year relevant work experience in electricity sector or industry knowledge gained in financial, public sector, or consulting work.

Possess well developed technical skills which enable you to:

- Understand principles of UK utility regulation from economic, legal and public policy perspectives;
- Undertake original economic and financial analysis to a high professional standard;
- Track record of keeping up to date with academic literature around their key areas of work;
- Understand broad principles of accountancy and corporate finance as relevant to electricity regulation;
- Work well under tight deadlines, heavy workloads and with a high degree of individual responsibility; and

Demonstrate proven negotiation skills and ability to deliver

#### **Analytical Thinking**

- Ability to make sound judgements, taking into account all relevant technical, legal, financial and economic factors;
- Experience of analysing complex strategic issues;
- Intellectual ability to assess strategy effectively;
- Ability to think creatively, to innovate and resolve problems

#### **Management Skills**

- Ability to build and maintain good networks internally and externally;
- A successful track record of significant achievement;
- Track-record of developing own skills and knowledge;



- Efficiently organise own time, assess priorities within own area of responsibility and handle routine work with limited supervision

### **Communication Skills**

Can demonstrate sound oral and written communication skills which enable you to:

- Represent Ofreg's view on issues within your own area of responsibility to other organisations and in public forums.
- Present policy analysis to your Manager and senior management;
- Communicate authoritatively and effectively with industry, business, consumers and their representatives and the public sector.

## **Making an Application**

### **Probity**

The Authority must ensure that the individual they appoint is committed to the principles and values of public service. In particular it must take account of actual, or perceived, conflicts of interest. Therefore, the Authority requires candidates in their nomination form to disclose information or personal connections, which, if they were to be appointed, could lead to a conflict of interest or give rise to circumstances which could be construed as such.

It is very important, therefore, that all candidates provide appropriate details on their nomination form of any interests, including financial interests, which might be construed as being in perceived conflict with the appointment for which they have applied. If it appears, from the information provided on the form, that a possible conflict might exist, or arise in the future, this will be fully explored with the candidate with a view to establishing whether it is sufficiently significant to prevent the individual from carrying out the duties of the post. The Panel will do this at interview stage.

The application form is designed to ensure that applicants provide the necessary information to determine how they meet the requirements and the eligibility/ shortlisting criteria. Please note that, to ensure equality of opportunity for all applicants:

- the space available on the application form is the same for all applicants and must not be altered;
- CVs, letters, additional pages or any other supplementary material in place of, or in addition to, completed application forms will not be accepted;
- applicants must complete the application form in font size 12 or legible block capitals using black ink;
- applicants must not reformat the electronic application forms;
- applications will not be examined until after the closing deadline.

Incomplete application forms, application forms received after the closing deadline or reformatted application forms will not be accepted. It is the responsibility of the applicant to ensure that the form is received by the closing deadline applications received after the deadline will not be accepted. Please note that the time of receipt will be defined by the Authority's server not the time and date sent.

### **Advice on completing your application form**

Do not use acronyms, complex technical detail etc. Write for the reader who may not know your employer or your job. Include concise examples and be sure you can expand on these at interview.

Write down clearly your personal involvement in any experience you quote. It is how you actually carried out the piece of work that the panel will be interested in. Identify relevant examples. This is very important as the examples you provide may be checked at interview and you may need to be prepared to talk about these in detail if you are invited to interview. It is your unique role the panel are interested in, not that of your team or division.

### **Equal Opportunities**

The Authority is committed to providing equality of opportunity. Its policy is that all eligible persons shall have equal opportunity for employment in its office on the basis of their ability, qualifications and aptitude for the work. Everyone has a right to equality of opportunity and to a good and harmonious working environment and atmosphere in which all workers are encouraged to apply their diverse talents and in which no worker feels under threat or intimidated. This right is protected in many instances by legislation.

### **Monitoring Form**

The Authority monitors applications for employment in terms of community background, sex, disability and race. You should note that this information is regarded as part of your application and failure fully to complete and return this part of your application will result in disqualification. The use and confidentiality of community background information is protected by the Fair Employment and Treatment (Northern Ireland) Order 1998. It will be used only for monitoring, investigations or proceedings under the requirements of the above legislation.

### **Guidance on completing the Disability Section**

The Disability Discrimination Act defines disability as a physical or mental impairment which has a substantial and long term adverse effect on a person's ability to carry out normal day to day activities. A long term effect of an impairment is one which has lasted, or can reasonably be expected to last, at least 12 months. Where an impairment stops having a substantial adverse effect on a person's ability to carry out normal day to day activities, it will be treated as continuing to have that effect if it is likely to recur.

Apart from the use of spectacles or contact lenses to correct sight, the effect of treatment or correction on an impairment should be ignored. For example, in the case of someone with diabetes, whether or not the effect is substantial will depend on what the condition would be if he or she was not taking medication.

The guidance which follows contains examples of conditions which might give rise to particular categories of disability. You may feel that the suggested category is inappropriate in your case. For example, you may have a condition which is shown here as being likely to give rise to physical co-ordination difficulties, whereas in your opinion the resultant disability is more appropriately described under reduced physical capacity. In such cases you should choose the category which seems most suitable to you.

**Hearing impairment:**

For example, being deaf or hard of hearing. If you wear a hearing aid which brings your level of hearing to a part with the average you are still considered to have a disability.

**Visual impairment:**

For example, being registered blind or partially sighted. If your sight is corrected by the use of spectacles or contact lenses, this is not considered a disability.

**Speech impairment:**

For example, being unable to speak or having difficulty speaking.

**Mobility impairment:**

For example, being able to walk only limited distances; having difficulty walking other than slowly or with unsteady or jerky movements; having difficulty sitting, standing, bending or reaching; having difficulty climbing stairs, or using a normal means of transport; needing to use a walking stick, crutches or wheelchair.

**Physical co-ordination difficulties:**

This related to balanced and effective interaction of body movement, including hand and eye co-ordination, and might include, for example, problems of manual dexterity and of muscular control, e.g. epilepsy or Parkinson's disease.

**Reduced physical capacity:**

This includes debilitating pain and lack of strength, breath, energy or stamina, such as might arise, for example, from cardiovascular conditions, asthma, diabetes. It may also result from progressive conditions e.g. muscular dystrophy, cancer, multiple sclerosis, HIV/AIDS.

**Severe disfigurement:**

Examples of disfigurements include scars, birthmarks, limb or postural deformation or diseases of the skin. A tattoo is not considered as a disfigurement.

**Learning difficulties:**

For example, reading or writing with difficulty and includes the mental inability to perceive physical danger.

**Mental illness:**

For example, having schizophrenia, clinical depression, severe phobias.

Please submit your application in strict confidence to:

**Eddie Gaw**  
**Northern Ireland Authority for Energy Regulation**  
**Queens House**  
**14 Queen Street**  
**BELFAST**  
**BT1 6ER**

**to arrive not later than Friday 24<sup>th</sup> August 2006 at 12noon.**

## **Shortlisting**

Applicants should be aware that after the eligibility sift, should it be necessary to shortlist candidates to go forward to the interview stage of the selection process the following short-listing criteria will be used as outlined above. The Authority may decide to invite to interview only those applicants who appear to them from the information available to be the most suitable in terms of qualifications, experience and ability. It is therefore essential that applicants fully describe in each section of the application form how they meet the qualifications, experience, qualities and skills sought. It is not appropriate simply to list the various posts that an applicant has held. The Authority will not make assumptions from the title of the applicant's post or the nature of the organisation as to the qualifications, experience, qualities and skills gained.

Application forms which do not provide the necessary detailed information in relation to the essential criteria will be rejected.

## **Interview**

It is intended that interviews will take place in Belfast during September 2006.

Knowledge, experience, qualities, skills as set out in the essential criteria above will be tested at interview.

The selection panel will assess all the applicants based on performance at interview and award each individual a score. The panel will then list the applicants in order of merit with the highest scoring applicant ranked first.

## Terms of Appointment

This is a permanent post. The salary will be in the range of £30,000 to £40,000 depending on the individual circumstances of the applicant. The successful applicant will be eligible for a bonus scheme linked to performance criteria, but the bonus will be capped at 10%. **This is a non-pensionable post.**

This is a full-time appointment. The offices of the Authority are accessible 24 hours a day and 7 days a week and are open for business between the core hours of 8am and 6pm Monday – Friday. Due to the nature of your position you are required to work such additional hours over and above your standard hours (42 hours per week including one hour per day for meal breaks) as may be necessary for the proper fulfilment of your duties for which no additional payment will be made

The postholder will be a direct employee of NIAER and will be based in Queens House, Queen Street, Belfast. NIAER is not part of the Northern Ireland Civil Service **and the postholder will not be a Civil Servant.** Appointments to the NIAER may be made up to the compulsory retirement age of 65.

There will be a probationary period of one year months, and continued employment will be dependant of the outcome of this probationary review.

Deleted: one year

During the period of your employment, you will be an employee of the Authority and not a civil servant. However, where possible, you will be subject to the same rules and conditions governing civil service appointments. As an employee of the Authority, you are covered by an indemnity from the Crown for personal liability, in line with that which is enjoyed by Civil Servants under the Northern Ireland Civil Service Staff Handbook (the "Handbook") a copy of which is available in the office, or online on the NICS intranet. For the avoidance of doubt, all aspects of the Handbook shall apply to this appointment except for those parts of the Handbook which are otherwise covered by the provisions the letter of offer. If any term or condition contained within the letter of offer conflicts with the Handbook, the terms and conditions within the letter shall prevail.

It is important when fulfilling an appointment to a Statutory Body – particularly to an office which deals with major, high-profile and market sensitive decisions as with the Authority – that employees need to protect themselves and their office against criticism or allegations of impropriety. These criticisms may arise (for example) by virtue of perceptions of bias during tenure of the appointment. Concerns may also arise over perceptions of possible breach of

confidentiality or conflicts of interest as a result of further appointments or employment after the person has left office. In particular, the latter may arise where confidential information gained from the public appointment could be construed as providing unfair commercial advantage to a future employer.

In order to avoid these concerns, and to protect office holders against allegations of impropriety, there are rules on shareholdings, conflicts of interest, and future appointments which apply to the holders of a public office. It is necessary to comply with the Office for the Regulation of Electricity and Gas rules on shareholdings as issued to OFREG staff on 5 June 2003.

#### **TRANSPORT**

As this post requires the applicant to travel on official duty, the successful candidate must have access to a form of transport, which will enable them to fulfil their responsibilities.

#### **HOLIDAYS**

In addition to the public and privilege holidays the annual leave allowance will be 25 days.