DIRECTION OF THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION ISSUED UNDER LICENCE CONDITION 4(2)(a) OF THE ELECTRICITY GENERATION LICENCE of AES BALLYLUMFORD LTD

TO:

AES Ballylumford Limited (the Licensee)

WHEREAS:

- (A) The Licensee is the holder of an electricity generation licence (the **Licence**) granted under Article 10(1)(a) of the Electricity (Northern Ireland) Order 1992, and is subject to the conditions contained in that Licence.
- (B) Paragraph 1 of Condition 4 of the Licence places an obligation on the Licensee to comply with the provisions of the Grid Code.
- (C) Paragraph 2(a) of Condition 4 provides the Northern Ireland Authority for Utility Regulation (the **Authority**) with the power to relieve the Licensee of that obligation, in whole or in part.
- (D) The Licensee has applied to the Authority, in respect of two generating units known as B4 and B5 which are operated under the Licence, for a direction to relieve the Licensee of its obligation under PC6.1.6 of the Grid Code to give three years' notice of its intention to withdraw those units from operation.
- (E) For the reasons given in the accompanying letter, the Authority is satisfied that it is appropriate for it to exercise the power to issue the requested a direction to the Licensee in the terms set out below, for the purposes of Condition 4 of the Licence and in accordance with its principal objective and general duties under Article 12 of the Energy (Northern (Ireland) Order 2003 (including in particular Articles 12(1) and (2) of that Order).

NOW THEREFORE:

- The Authority hereby directs in accordance with paragraph 2(a) of Condition 4 of the Licence that, so long as the condition in paragraph 2 of this direction is met, the Licensee shall be released from its obligation under PC6.1.6 of the Grid Code to give three years' notice of its intention to withdraw units B4 and B5 from operation.
- 2. The condition referred to in paragraph 1 of this direction is that the Licensee must, by no later than 31 December 2018, give notice to SONI of its intention to withdraw units B4 and B5 from operation (whether immediately or after any period specified in that notice).
- 3. Where such notice is not given by 31 December 2018 in line with paragraph 2 of this direction, the Licensee's obligation to comply with PC6.1.6 of the Grid Code in respect of units B4 and B5 shall be reinstated from 1 January 2019.
- 4. This direction shall take effect immediately on being made.

Words and expressions used in this direction which are defined in the Licence shall have the same meanings in this direction as they are given in the Licence.

Jenny Pyper Chief Executive

Authorised on behalf of the Authority

Dated 8 November 2018