

From the office of the chief Executive

To: All gas, electricity and water licence holders

16 September 2019

Dear Licence Holder

Re: Amendments to our regulatory frameworks in relation to EU Exit

I am writing to further inform licence holders of the Utility Regulator's position with respect to the changes that may need to be made to our regulatory frameworks for energy and water following the UK's exit from the EU.

The UK is due to leave the European Union (the EU) on 31 October 2019. If it leaves without an agreement, a modified version of EU law will become part of domestic law and the UK will no longer participate in EU-wide regulatory frameworks in relation to energy.

The UR are currently planning for all scenarios and as such and as a contingency measure have drafted modifications to all relevant licences to ensure that Northern Ireland's electricity and gas licences continue to operate effectively should the UK leave the EU without an agreement. **The proposed modifications do not seek to change the current obligations and duties of licensees, or change current policy positions.**

It is currently UR's intention to follow normal procedure and to consult on these modifications and a consultation paper will issue this week, we will however continue to closely monitor developments, liaising with the Department for the Economy in Northern Ireland and the Department for Business, Energy and Industrial Strategy and feeding into any future negotiations as appropriate.

Given the statutory process for amending licence conditions, we acknowledge that any such amendments will not be in place for 31 October 2019. However, we do not currently foresee any disruption to the energy or water industries as a consequence.

We shall of course keep in close contact with licensees and stakeholders over the coming weeks and if you have any concerns please do not hesitate to contact EUExitLicenceMods@uregni.gov.uk

Yours faithfully

A handwritten signature in black ink, appearing to read 'Jenny Pyper', written in a cursive style.

Jenny Pyper
Chief Executive

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