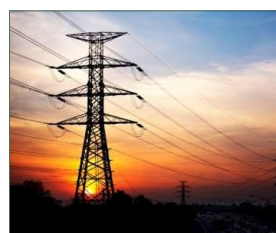


Contestability Implementation Guidelines

25 March 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.

Our Mission

Value and sustainability in energy and water.

Our Vision

We will make a difference for consumers by listening, innovating and leading.

Our Values

Be a best practice regulator: transparent, consistent, proportional, accountable, and targeted.

Be a united team.

Be collaborative and co-operative.

Be professional.

Listen and explain.

Make a difference.

Act with integrity.

Abstract

The Utility Regulator (UR) has identified the introduction of contestability in connections to the electricity network as part of the forward work programme. A call for evidence was issued on 9th September 2014 to initially engage with stakeholders. A consultation paper was issued on 2nd December 2014 and responses received in February 2015. The proposed next steps paper was issued on 11th May 2015 and responses received in June 2015. The Decision Paper was published on 31st July 2015.

A proposed consultation for implementing Guidelines for Contestability in Electricity Connections in Northern Ireland was published on 14th October 2015 and a workshop was held on 21st October 2015, 4 responses were received and a final version of the Guidelines is now published.

Audience

All parties owning, connecting to, or providing connections to the electricity network in Northern Ireland.

Consumer impact

The benefits of contestability may include but are not limited to:

- increased innovation;
- improved connection times;
- more efficient construction;
- better customer service to parties interested in connecting;
- achieving renewables target; and
- reduced financing/operating costs.

1 Implementation Guidelines

- (1) The Authority has a statutory duty to promote competition where practicable. As competition has been successfully introduced into the connections markets elsewhere, the Authority will seek to implement contestability in Northern Ireland. Introducing contestability has been identified on the Authority's forward work programme for 2014-2015¹.
- (2) This paper is a cover note for the publication of the implementation guidelines is part of the Utility Regulator's commitment to introduce contestability in connections in Northern Ireland.
- (3) In 2015 NIE Networks and SONI provided a draft set of implementation guidelines for both Transmission and Distribution connections. They used the information provided in the UR's decision paper² to produce the implementation guidelines. These guidelines were not contractual, however they informed the connectee of what is required from them when developing a contestable connection.
- (4) On 14th Oct 2015 Utility Regulator published a contestability implementation guidelines consultation paper on implementing contestability in electricity connections within Northern Ireland and invited stakeholders to a workshop on 21st October 2015
- (5) Responses to the guidelines consultation were received from four parties,
 1. SSE
 2. Renewable Energy Systems Limited
 3. Northern Ireland Renewables Industry Group, and
 4. Omexom UK Renewables.
- (6) NIE Networks and SONI collated the responses and produced a summary and recommendation report and a final version of the guideline document.
- (7) Following consideration of the responses NIE Networks and SONI have issued version 1 of the "Guidelines for Contestability in Electricity Connections".
- (8) The guideline document is expected to be an active living document that will evolve as the contestable activity becomes more defined.
- (9) It is expected that as the versions of the guideline document develops the most updated version will be available from NIE Networks and SONI's respective web sites.

¹ http://www.uregni.gov.uk/uploads/publications/FWP_201415_final.pdf

² http://www.uregni.gov.uk/uploads/publications/Contestability_in_Connections_-_final_decision_paper_-_July_2015.pdf