

**Power NI Energy Limited  
Power Procurement Business (PPB)**

**Third Energy Package Consultation on  
Further Technical Modifications  
to Gas and Electricity licences**

**Utility Regulator Consultation Paper**

**Response by Power NI Energy (PPB)**

19 April 2013.



## **Introduction**

Power NI Energy – Power Procurement Business (“PPB”) welcomes the opportunity to respond to the Utility Regulator’s (“UR”) consultation paper on Further Technical Modifications to Gas and Electricity licences to facilitate implementation of the EU Third Energy Package.

This response focuses solely on the proposals relevant to the Electricity Supply Licences of Power NI which contains the licence obligations for PPB, which are set out in chapter 2 of the consultation paper.

### **Question 2 : Respondents are asked to comment on the proposed drafting of the new provision in the accounts condition.**

PPB does not believe it necessary to include a new paragraph in the "Accounts Condition" as the existing provisions of Condition 10 of Power NI's Electricity Supply Licence enables the Authority to ask for any information it wishes in relation to the conditions of the licence and/or as required for performing the various functions assigned to the Authority by relevant legislation. This extensive right to information, which is in addition to the existing requirements to provide accounting information, policies, etc. under Condition 47 of the licence, means that no further separate specific right to accounting records, policies and statements, etc is required. It is confusing to include such an additional right and is not good regulatory practice to duplicate requirements in licensing arrangements.

We have previously commented in our responses to consultations on the implementation of IME3 that changes should not extend beyond what is required to implement the Directive and we believe the proposed addition of the paragraph to the “Accounts Condition” is unnecessary and would be a step beyond what is necessary for compliance.

Notwithstanding our view that the proposed additional paragraph is not required, the wording which is being proposed, and which has been developed from the requirements of Article 30 of the IME3 Directive and Article 11A(2)(b) of the Order, the use of the term "give... access to the Licensee's accounting records, policies and statements" gives rise to ambiguity as to what exactly "access" means. The licence should clarify, at a practical level, what is required by the legislation and what should be provided for here is the giving of information and/or copy documents, which would be an analogue of what Condition 10 requires and is the detailed articulation of what both the IME3 Directive and legislation requires. We consider it would be wrong to include the concept of "giving access" in a detailed document like a licence, as that would imply, for example, that the Authority is enabled to electronically log into Power NI's accounting systems, etc., which is not what is intended by the general legislative wording.