

**Notice under Article 15 of the Electricity (Northern Ireland) Order 1992  
Reference to the Competition Commission**

The Northern Ireland Authority for Utility Regulation (the **Authority**), pursuant to Article 15(1) of the Electricity (Northern Ireland) Order 1992 (the **Order**), gives notice as follows.

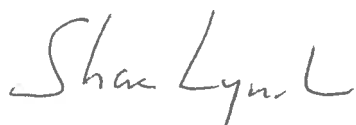
**WHEREAS –**

- (A) Northern Ireland Electricity Limited (**NIE**) is under Article 10 of the Order:
- (a) the holder of a licence authorising it to participate in the transmission of electricity; and
  - (b) the holder of a licence authorising it to distribute electricity,
- (each a **Licence**).
- (B) Condition 42 and Annex 2 in each Licence – the **Price Control Conditions** – establish a restriction on the charges that may be made by NIE for the transmission and distribution of electricity.
- (C) On 23 October 2012 the Authority, in accordance with Article 14 (2) of the Order, gave notice to NIE that it proposed to modify each Licence in order to implement new price control arrangements for the period 1 January 2013 – 30 September 2017 (the **RP5 Price Control**).
- (D) The Authority proposed to –
- (a) modify the Price Control Conditions in each Licence by deleting current Annex 2 and replacing it with a new Annex 2;
  - (b) make a consequential modification to Condition 1 of each Licence; and
  - (c) introduce a new condition in each Licence setting out requirements in respect of a new “Reporter” function being introduced in the RP5 Price Control period,
- (the **Modification**).

- (E) In accordance with Article 14(1)(a) of the Order, the Authority may only make the Modification if NIE consents to it.
- (F) On 20 November 2012, NIE notified the Authority that it did not consent to the Modification in either Licence.

**NOW –**

- (1) In accordance with Article 15(1) of the Order, the Authority, by reference to the Competition Commission (the **Commission**) in respect of each Licence, requires the Commission to investigate and report on the questions –
  - (a) whether the Price Control Conditions in each Licence operate or may be expected to operate against the public interest,
  - (b) whether the continuation of each Licence operates or may be expected to operate against the public interest absent the inclusion of further conditions designed to improve the recording, reporting, monitoring and verification of information related to the Price Control Conditions and related conditions of the Licences, and
  - (c) if so, whether the effects adverse to the public interest which those matters have or may be expected to have could be remedied or prevented by modifications of the Conditions of each Licence.
- (2) In accordance with Article 15A(1) of the Order, the Authority specifies that the Commission makes a report on each reference within six months of the date of this notice.



**SHANE LYNCH**

Authorised on behalf of the Authority

30 April 2013