

**DIRECTION OF THE NORTHERN IRELAND AUTHORITY FOR UTILITY
REGULATION (THE “UR”) ISSUED UNDER LICENCE CONDITION 40(1) OF THE
ELECTRICITY SUPPLY LICENCES AND LICENCE CONDITION 2.21(1) OF THE
GAS SUPPLY LICENCES**

TO:

GAS SUPPLY LICENCES:

SSE Airtricity Gas Supply (NI) Ltd, firmus energy (Supply) – Ten Towns, firmus energy (Supply) – Greater Belfast, Vayu Limited, Electric Ireland, Equo Energy, Go Power, Flogas Natural Gas Limited, Energia, Power NI Energy Limited, SSE Airtricity Energy Supply (NI) Ltd, ONI Gas Limited, SSE Energy Supply Limited, Viridian Energy Limited, Bord Gais Energy Ltd, AES Ballylumford Limited, British Gas Trading Limited, Coolkeeragh ESB Limited, Power NI Energy Limited (formally NIE plc)

ELECTRICITY SUPPLY LICENCES:

AES Ballylumford Limited, Bord Gais Energy Limited, Brookfield Green Energy NI Limited, Budget Energy Limited, Click Energy, Electric Ireland (ESBIE NI Ltd), Electricity Supply Board (ESB), Electrорoute Energy Supply NI Limited, Energia (Viridian Energy Supply Ltd), firmus energy (Supply) Limited, Gaelectric Green Energy Limited, Go Power (LCC Power Limited), LCC Group Limited, ONI Electricity Limited, Power NI (NIE Energy Ltd), SSE Airtricity Energy Supply Limited, Vayu Limited, 3T Power Limited

(the “Licensees”)

WHEREAS:

1. The Licensees have been granted electricity supply licences under Article 10(1)(c) of the Electricity (Northern Ireland) Order 1992 (the “**Electricity Order**”) and gas supply licences under Article 8(1)(c) of the Gas (Northern Ireland) Order 1996 (the “**Gas Order**”) and are subject to the conditions contained in their licences.
2. The UR made its formal decision to implement the Marketing Code of Practice in March 2014 (after two consultations on the document itself and its implementation).

3. The aim of the Marketing Code of Practice is to promote best practice and contribute to the protection of energy customers (both domestic and also business customers up to 70KVA for electricity and 732,000kWh for gas) against inappropriate marketing practices.
4. Under licence condition 40(1) of the electricity supply licences and licence condition 2.21(1) of the gas supply licences, the UR is entitled to direct that the relevant licence condition, relating to the Marketing Code of Practice and compliance with it, is applicable to the Licensees.
5. Compliance with the Marketing Code of Practice is required to:
 - a. protect customers against unwanted, unfair or misleading marketing methods;
 - b. ensure that suppliers adopt best practice when marketing its products and services;
 - c. ensure that suppliers take all reasonable steps to make sure that their marketing material is accurate and clearly specifies the product being marketed;
 - d. ensure that the appropriate training is provided to suppliers' staff on the Marketing Code of Practice (if the staff are carrying out marketing activities on behalf of the supplier);
 - e. ensure that suppliers make all reasonable efforts that employees or agents do not misrepresent the Licensees or portray rival suppliers in a negative way; and
 - f. to make it mandatory that suppliers provide the option for customers (current or future) to opt out of future marketing activities.
6. The UR is satisfied that it is appropriate for it to exercise the power to issue such a direction to the Licensees, in the terms set out below, in accordance with its duties under Article 12 of the Energy (Northern Ireland) Order 2003 (the "**Energy Order**") and for the reasons which shall be published in accordance with Article 62(2) of the Energy Order.

NOW THEREFORE:

1. The UR directs the Licensees that licence condition 40(1) of the electricity supply licences and licence condition 2.21(1) of the gas supply licences (as set out at Appendix 1 below) relating to the Marketing of Electricity and the Marketing of Gas respectively, shall apply to the Licensees from the date of this direction.
2. As a result of this direction, the Licensees must comply with the Marketing Code of Practice and the UR will treat any non-compliance with that Code as a breach of licence condition 40(1) of the electricity supply licences and licence condition 2.21(1) of the gas supply licences, as appropriate.
3. This direction shall take effect on and from [*insert date of direction*].

4. This document constitutes notice of the reasons for the direction as required by Article 62(2) of the Energy Order.

Authorised on behalf of the UR:

A handwritten signature in black ink, consisting of several loops and a trailing flourish.

4 September 2017

APPENDIX 1

Licence Condition 40(1) in electricity supply licences:

“Condition 40: Marketing of Electricity

- 1. This Condition shall apply, from the date of the direction, where the [UR] has directed that it shall apply to the Licensee. This Condition applies to the selling methods and marketing activities of the Licensee in respect of the supply or proposed supply of electricity.*
- 2. The Licensee shall (and shall procure that its agents or sub-contractors shall) comply with the Marketing Code of Practice for Domestic Customers and/or the Marketing Code of Practice for Business Customers.*
- 3. In this Condition:*

***Marketing Code of Practice for Domestic Customers** means the relevant document of that name, prepared and published from time to time by the [UR], relating to marketing activities;*

***Marketing Code of Practice for Business Customers** means the relevant document of that name, prepared and published from time to time by the [UR], relating to marketing activities;*

***Agent or Sub-Contractor** means any person directly or indirectly authorised to represent the Licensee in its dealings with Customers.”*

Licence Condition 2.21(1) in gas supply licences:

“Condition 2.21: Marketing of Gas

2.21.1 This Condition shall apply, from the date of the direction, where the [UR] has directed that it shall apply to the Licensee. This Condition applies to the selling methods and marketing activities of the Licensee in respect of the supply or proposed supply of gas.

2.21.2 The Licensee shall (and shall procure that its agents or sub-contractors shall) comply with the Marketing Code of Practice for Domestic Customers and/or the Marketing Code of Practice for Business Customers.

2.21.3 In this Condition:

***Marketing Code of Practice for Domestic Customers** means the relevant document of that name, prepared and published from time to time by the [UR], relating to marketing activities;*

***Marketing Code of Practice for Business Customers** means the relevant document of that name, prepared and published from time to time by the [UR], relating to marketing activities; and*

***Agent or Sub-contractor** means any person directly or indirectly authorised to represent the Licensee in its dealings with Consumers.”*