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Retail Market Procedure  
MP NI 504  
Dispensations

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## 1. Introduction

### 1.1 Overview

A Dispensation releases an Applicant from a requirement within or under the Market Registration Code. This procedure defines the stages and processes an Applicant must go through to obtain a Dispensation by Certification Category.

The Certification Categories for the various market sectors are:

- 1.1.1 Interval Commercial;
- 1.1.2 Non Interval Commercial;
- 1.1.3 Non Interval Residential Credit Metered;
- 1.1.4 Non Interval Residential Keypad Metered; and
- 1.1.5 Unmetered.

### 1.2 In Scope

The following are within the scope of this procedure:

- 1.2.1 A Dispensation from compliance by an Applicant for a specific time with a specific requirement covered or tested during the Market Entry Process or Recertification Process including, as relevant:
  - 1.2.1.1 Self Declaration Letter;
  - 1.2.1.2 The Market Entry or Recertification Application;
  - 1.2.1.3 Business Design Audit;
  - 1.2.1.4 Ability Testing;
  - 1.2.1.5 Market Testing; and
  - 1.2.1.6 NIE Training Programme.
- 1.2.2 Restriction of Certification by Certification Category to a subset of the whole Certification requirements and limiting the Applicant's ability to operate to the agreed subset.

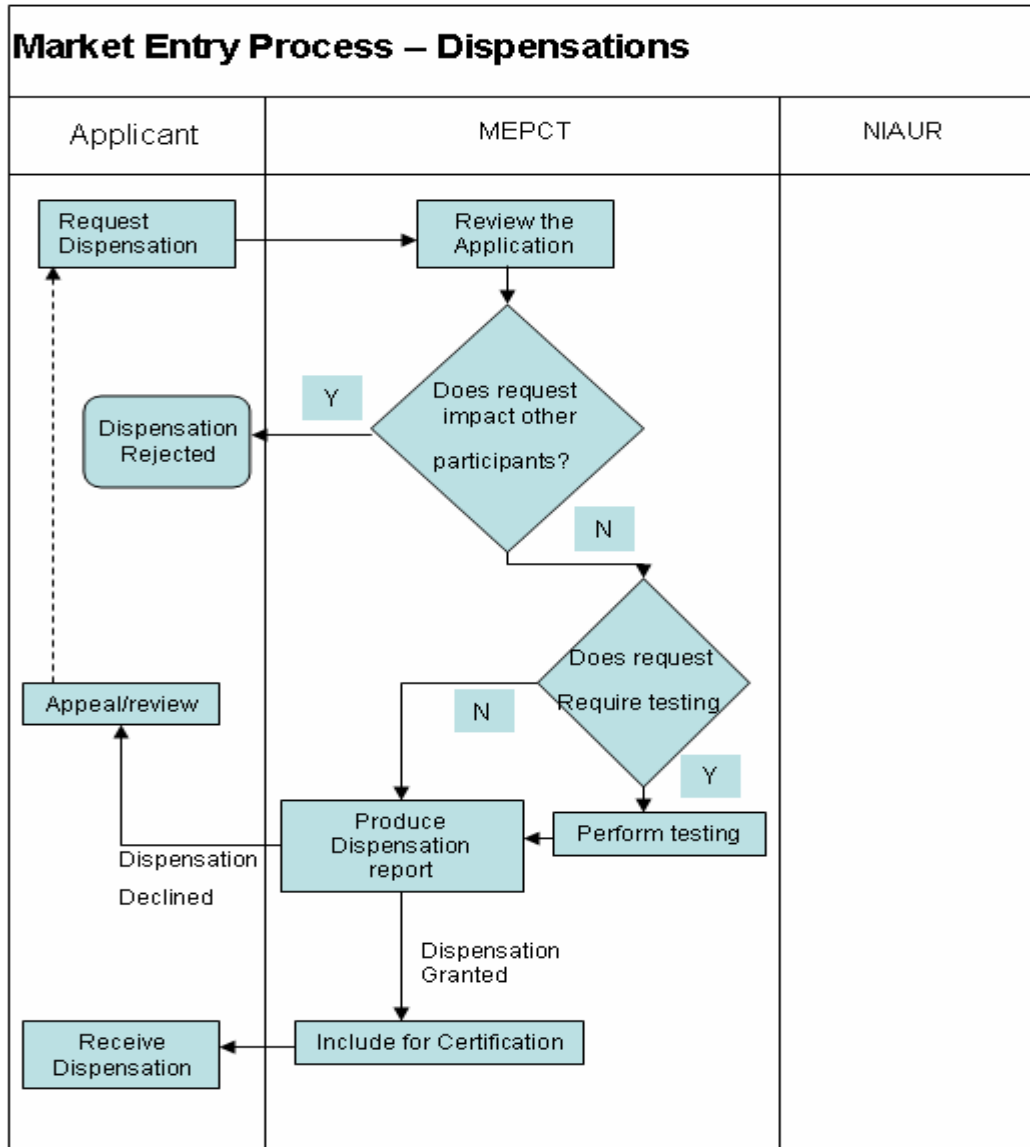
### 1.3 Out of Scope

The following are not within the scope of this procedure:

- 1.3.1 Disputes and appeals concerning a Dispensation, for which reference should be made to procedure MP NI 505 Dispute and Appeals Procedure.
- 1.3.2 Recertification following expiry of a Dispensation, for which reference should be made to procedure MP NI 502 Recertification.

2. Applicant Dispensations

2.1 Procedural Flow



2.2 Definition

A Dispensation removes the need, for a specific Certification Category and for a specific time, for an Applicant to comply with a specific requirement covered or tested during the certification process; including

- 2.2.1 the Self Declaration Letter;
- 2.2.2 Market Entry Application;
- 2.2.3 Business Design Audit;
- 2.2.4 Ability Testing;

- 2.2.5 Market Testing; and
- 2.2.6 NIE Training Programme.
- 2.2.7 The above documents and tests define the scope and criteria for a Certification Decision and it is against the requirements of these documents that a Dispensation may be needed.
- 2.2.8 A Dispensation is granted on the following conditions.
- 2.2.9 The Dispensation may be granted with restrictions.
- 2.2.10 The Dispensation cannot be renewed upon expiry, although a similar application may be submitted.
- 2.2.11 A Supplier must seek and obtain Recertification prior to the expiry of the Dispensation.
- 2.2.12 The granting of a Dispensation is subject to appeal by any other market participant.
- 2.2.13 For Dispensation Applications made within three months prior to the date on which the next Annual Reassurance Statement is due the Dispensation will, if granted, exist for the period sought in the Dispensation Application.
- 2.2.14 Subject to the maximum period specified in section 2.3, for Dispensation Applications made more than three months prior to the date on which the Annual Reassurance Statement is due, when granted the Dispensation will remain effective until the earlier of the expiry period sought in the Dispensation Application or the date on which the next Annual Reassurance Statement is due, whichever is earlier.

### 2.3 **Prohibited Dispensations**

The Market Entry Process Co-ordination Team ("MEPCT") must reject any Dispensation that does not conform to the following basic principles:

- 2.3.1 There must be no unreasonable cost placed on NIE while operating under the auspices of the Dispensation.
- 2.3.2 No Dispensation can allow the omission of any acts that are required by Retail Market Procedures in response to another market participant's activity.
- 2.3.3 A Dispensation may not be sought from using EMMA for message processing

2.3.4 A Dispensation may not be sought for a period exceeding twelve months.

The applicant has the right to appeal a decision that a Dispensation Application is prohibited.

Where NIE would be required to make system changes in order to accommodate a granted Dispensation, other than a Generic Dispensation, the Dispensation shall be granted only on the condition that the Applicant bears all the costs of these system changes and NIE agrees to the changes.

## 2.4 Types of Dispensation

### 2.4.1 Pre Certification

A pre-Certification Dispensation is for any Certification requirement, in respect of a Certification Category, that the Applicant knows it will be non-compliant with prior to obtaining a Certification. The Dispensation Application is not guaranteed to be successful. The Dispensation Application must be submitted in conjunction with the Market Entry Application or Recertification Application. However, this type of Dispensation cannot be utilised for seeking a release from the obligation to require a Certification for the purpose of participating in the Retail Market Arrangements.

### 2.4.2 Post Initial Certification

Post Certification Dispensations by Certification Category can be sought in the following cases:

2.4.2.1 A Generic Dispensation may become available to all Suppliers upon individual request in accordance with section 2.4.2.2 below, where a change to market requirements/rules affects continued compliance by a Supplier with a requirement assessed during the Market Entry Process including:

- (a) the Self Declaration Letter;
- (b) the Market Entry Application; and
- (c) the Recertification Application.

2.4.2.2 A Generic Dispensation may become available to all Suppliers, upon individual request, where a new requirement would require a change to the content or scope of:

- (a) the Self Declaration Letter;
- (b) the Market Entry Application or Recertification Application;
- (c) Business Design Audit;
- (d) Ability Testing; and
- (e) Market Testing.

2.4.2.3 To allow a Supplier to continue participating in the NI Retail Market Arrangements for the relevant market sector until a decision is taken by the MEPCT on its Recertification Application subject to continuing use of EMMA; and

2.4.2.4 To restrict a current Certification to a subset of the full market participation scope, in addition to the restrictions requested by the Supplier at the time of making a Market Entry Application.

## 2.5 **Generic Dispensations**

From time to time it may be desirable for the MEPCT to raise a Generic Dispensation for a Certification Category. Such Dispensations must be available to all participants upon application. Any application for a Generic Dispensation requires that the Applicant will comply with all clauses of the Generic Dispensation. A Generic Dispensation cannot be amended by Dispensation by any participant. However, this does not prevent the Applicant from applying for its own Dispensation that may substantially reflect the contents of the Generic Dispensation.

### 2.5.1 An Example of a Generic Dispensation

A Generic Dispensation may arise when there is a significant change to a Retail Market Procedure that will cause Suppliers to seek Recertification for the relevant Certification Category. The Generic Dispensation will be available to any Certified Supplier for a fixed period of time during which it will seek Recertification. New Applicants can invoke any Generic Dispensation that is to expire after the current Certification Decision. They may be required to seek Recertification upon expiry of the Generic Dispensation.

## 2.6 **Timescales**

All timescales in this section 2 and section 4 are indicative only and are based on there being no iterations, rejections or testing failures. Although the MEPCT estimates are indicative of a worst-case scenario it is advised that an Applicant allows at least 30 Business Days for executing this procedure.



### 3. Document Layouts

#### 3.1 MEPCT Dispensation Application

<b>Type</b>	Form	<b>Format</b>	MS Word
<b>Sent From</b>	Applicant	<b>Sent To</b>	MEPCT
<b>Copied To</b>	NIAUR		
<b>Notes</b>	<p>States</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> The Certification Category impacted by the Dispensation application.</li> <li><input type="checkbox"/> The specific requirement against which the obligation to comply is to be waived.</li> <li><input type="checkbox"/> The period for which Dispensation is sought.</li> </ul>		

#### 3.2 MEPCT Dispensation Report

<b>Type</b>	Form	<b>Format</b>	MS Word
<b>Sent From</b>	Applicant	<b>Sent To</b>	MEPCT
<b>Copied To</b>			
<b>Notes</b>	Consolidates all the relevant application data and outcome reports, if any, and becomes the base document for making the Dispensation Decision.		

#### 3.3 MEPCT Dispensation Decision

<b>Type</b>	Form	<b>Format</b>	MS Word
<b>Sent From</b>	Applicant	<b>Sent To</b>	MEPCT
<b>Copied To</b>			
<b>Notes</b>	<p>States, if a Dispensation is granted:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> the Certification Category impacted by the Dispensation decision;</li> <li><input type="checkbox"/> the requirement(s) against which the obligation to</li> </ul>		

	<p>comply is waived;</p> <ul style="list-style-type: none"><li><input type="checkbox"/> any restrictions to the Certification; and</li><li><input type="checkbox"/> the expiry date by which all Dispensations must be time delimited.</li></ul> <p>States, if the Dispensation is rejected:</p> <ul style="list-style-type: none"><li><input type="checkbox"/> the Certification Category impacted by the Dispensation decision; and</li><li><input type="checkbox"/> the requirement(s) against which the obligation to comply has not been waived.</li></ul>
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4. **Procedural Steps**

No	Applicant	MEPCT	Business Days
1.	Complete and submit a Dispensation Application	Receive Dispensation Application	
2.		Review the Dispensation Application for: <ul style="list-style-type: none"> <li><input type="checkbox"/> completeness;</li> <li><input type="checkbox"/> compliance with the Dispensation rules;</li> <li><input type="checkbox"/> appropriateness of the cited rules for Dispensation; and</li> <li><input type="checkbox"/> impact on NIE.</li> </ul>	5
3.	<b>If rejected</b>  Receive rejection of Dispensation and the reasons why.  <b>End of Procedure</b>	Recommending rejection of or acceptance of Dispensation Application.	1
4.		<b>If accepted</b>  Determine whether Testing is required to manage risks to the operation of the retail market.	1 to 5

5.	<b>Testing required</b> Proceed with testing	<b>Testing Required</b> Proceed with Testing	As notified by MEPCT
6.	<b>Testing required</b> Receive Test Exit report	<b>Testing required</b> Issue Test Exit report	
7.		Compile Dispensation Report to include:  <input type="checkbox"/> fitness of Dispensation Application; <input type="checkbox"/> testing report; <input type="checkbox"/> recommended restrictions; and <input type="checkbox"/> duration.	5
8.		Decide whether to grant or reject Dispensation	
9.	<b>Dispensation rejected.</b>  Review Dispensation Application and resubmit if required or proceed with obtaining Certification without the Dispensation. The Applicant has the right to appeal the Dispensation decision.	<b>Dispensation rejected.</b>  Advise Applicant	
10.	End of Procedure		

11.	<b>Dispensation granted.</b>  Receive Dispensation Decision  Make the Dispensation a fundamental part of the Market Entry or Application <sup>1</sup>	<b>Dispensation Granted.</b>  Advise Applicant	
12.		Include the Dispensation as a fundamental part of the Market Entry or Recertification Application.	
13.	End of Procedure	End of Procedure	5

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It is the responsibility of the Applicant to provide the Dispensation to the MEPCT for consideration in any Certification or Recertification Decision.