#### STATUTORY INSTRUMENTS

### 1992 No. 231

## The Electricity (Northern Ireland) Order 1992

# PART II ELECTRICITY SUPPLY

Licensing of supply, etc.

Prohibition on unlicensed supply, etc.

- **8.**—(1) A person who—
  - (a) generates electricity for the purpose of giving a supply to any premises or enabling a supply to be so given;
  - (b) transmits electricity for that purpose; or
  - (c) supplies electricity to any premises,

shall be guilty of an offence unless he is authorised to do so by a licence or exemption.

- (2) A person guilty of an offence under this Article shall be liable—
  - (a) on summary conviction, to a fine not exceeding the statutory maximum;
  - (b) on conviction on indictment, to a fine.
- (3) No proceedings shall be instituted in respect of an offence under this Article except by or on behalf of the Department or the Director.

#### Exemptions from Article 8

- **9.**—(1) The Department may, after consultation with the Director, by order grant exemption from sub-paragraph (a) or (c) of Article 8(1).
- (2) An exemption granted to persons of a particular class shall be published in such manner as the Department considers appropriate for bringing it to the attention of persons of that class.
- (3) An exemption, unless previously revoked in accordance with any term contained in the exemption, shall continue in operation for such period as may be specified in or determined by or under the exemption.
- (4) The requirement to consult imposed by paragraph (1) shall not apply to the granting of any exemptions which, having regard to the provisions of Article 8, need to be granted before that Article comes into operation.

Licences authorising supply, etc.

**10.**—(1) The Department after consultation with the Director, or the Director with the consent of, or in accordance with a general authority given by, the Department, may grant a licence authorising any person—

- (a) to generate electricity for the purpose of giving a supply to any premises or enabling a supply to be so given;
- (b) to transmit electricity for that purpose in that person's authorised area; or
- (c) to supply electricity to any premises in that person's authorised area.
- (2) The Department after consultation with the Director, or the Director with the consent of, or in accordance with a general authority given by, the Department, may—
  - (a) grant a licence authorising any person to supply electricity to any premises specified or of a description specified in the licence; or
  - (b) extend such a licence by adding to the premises or descriptions of premises specified in the licence.
- (3) An application for a licence or extension shall be made in the prescribed manner and shall be accompanied by such fee (if any) as may be prescribed; and within 14 days from the making of such an application, the applicant shall publish a copy of the application in the prescribed manner.
  - (4) Before granting a licence under this Article, the Department or the Director shall give notice—
    - (a) stating that the Department or the Director, as the case may require, proposes to grant the licence;
    - (b) stating the reasons why it is proposed to grant the licence; and
    - (c) specifying the time (not being less than 28 days from the date of publication of the notice) within which representations or objections with respect to the proposed licence may be made,

and shall consider any representations or objections which are duly made and not withdrawn.

- (5) A notice under paragraph (4) shall be given by publishing the notice in such manner as the Department or the Director considers appropriate for bringing it to the attention of persons likely to be affected by the grant of the licence.
- (6) A licence shall be in writing and, unless previously revoked in accordance with any term contained in the licence, shall continue in force for such period as may be specified in or determined by or under the licence.
- (7) As soon as practicable after granting a licence, the Department shall send a copy of the licence to the Director and—
  - (a) in the case of a licence under paragraph (1)(b), to any licence holder under that subparagraph whose authorised area previously included the whole or any part of the area designated in the licence;
  - (b) in the case of a licence under paragraph (1)(c), to any public electricity supplier whose authorised area previously included the whole or any part of the area designated in the licence;
  - (c) in the case of a licence or extension under paragraph (2), to any public electricity supplier whose authorised area includes any premises specified or described in the licence or extension.
- (8) As soon as practicable after granting any licence or extension falling within sub-paragraph (a), (b) or (c) of paragraph (7), the Director shall send a copy of the licence or extension to any such person as is mentioned in that sub-paragraph.
- (9) Neither the requirement to consult imposed by paragraph (1) or (2) nor paragraphs (3) and (4) shall apply to the granting of any licences which, having regard to the provisions of Article 8, need to be granted before that Article comes into operation.
- (10) Any sums received by the Director under this Article shall be paid into the Consolidated Fund.

#### Conditions of licences

#### 11.—(1) A licence may include—

- (a) such conditions (whether or not relating to the activities authorised by the licence) as appear to the grantor to be requisite or expedient having regard to the duties imposed by Articles 4 and 6; and
- (b) conditions requiring the rendering to the grantor of a payment on the grant of the licence, or payments during the currency of the licence, or both, of such amount or amounts as may be determined by or under the licence.
- (2) Without prejudice to the generality of paragraph (1)(a), conditions included in a licence by virtue of that sub-paragraph—
  - (a) may require the licence holder to enter into agreements with other persons for the use of any electric lines and electrical plant of his (wherever situated and whether or not used for the purpose of carrying on the activities authorised by the licence) for such purposes as may be specified in the conditions; and
  - (b) may include provision for determining the terms on which such agreements are to be entered into.
  - (3) Conditions included in a licence under paragraph (1)(a) may require the licence holder—
    - (a) to comply with any direction given by the Director as to such matters as are specified in the licence or are of a description so specified;
    - (b) except in so far as the Director consents to his doing or not doing them, not to do or to do such things as are specified in the licence or are of a description so specified;
    - (c) to refer for determination by the Director such questions arising under the licence as are specified in the licence or are of a description so specified; and
    - (d) to refer for approval by the Director such things falling to be done under the licence, and such contracts or agreements made before the grant of the licence, as are specified in the licence or are of a description so specified.
  - (4) Conditions included in a licence under paragraph (1)(a) may—
    - (a) instead of specifying or describing any contracts or agreements to which they apply, refer to contracts or agreements designated (whether before or after the imposition of the conditions) by the Department or the Director; and
    - (b) instead of containing any provisions which fall to be made, refer to provisions set out in documents so designated and direct that those provisions shall have such effect as may be specified in the conditions.
- (5) Conditions included in a licence may contain provision for the conditions to cease to have effect or be modified at such times, in such manner and in such circumstances as may be specified in or determined by or under the conditions.
- (6) Any provision included under paragraph (5) in a licence shall have effect in addition to the provision made by this Part with respect to the modification of the conditions of a licence.
- (7) Any sums received by the Director in consequence of any condition of a licence shall be paid into the Consolidated Fund.

#### General duties of licence holders

- **12.**—(1) It shall be the duty of a public electricity supplier to develop and maintain an efficient, co-ordinated and economical system of electricity supply.
  - (2) It shall be the duty of the holder of a licence authorising him to transmit electricity—

- (a) to develop and maintain an efficient, co-ordinated and economical system of electricity transmission; and
- (b) subject to paragraph (3), to facilitate competition in the supply and generation of electricity.
- (3) Paragraph (2)(b) shall apply in relation to a person who is also the holder of a licence authorising him to supply or generate electricity as if the duty to facilitate competition in the supply or, as the case may be, the generation of electricity were a duty to make his transmission system available to his competitors on terms which neither prevent nor restrict such competition.
- (4) For the purposes of paragraph (3) a person's competitors are any other persons authorised (whether by a licence or exemption) to supply or, as the case may be, generate electricity.

#### Powers, etc., of licence holders

- 13.—(1) Subject to paragraph (2), Schedule 3 (which makes provision with respect to the compulsory acquisition of land) and Schedule 4 (which confers other powers and makes other provision) shall have effect—
  - (a) in relation to a public electricity supplier or a person authorised by a licence to transmit electricity; and
- (b) to the extent that his licence so provides, in relation to any other licence holder; and references in those Schedules to a licence holder shall be construed accordingly.
- (2) Where any provision of either of the Schedules mentioned in paragraph (1) is applied to a licence holder by his licence, it shall have effect subject to such restrictions, exceptions and conditions as may be included in the licence for the purpose of qualifying that provision as so applied or any power or right conferred by or under it.
- (3) A licence under Article 10(1)(a) may provide that Schedule 4 shall have effect in relation to the licence holder as if—
  - (a) any reference to any purpose connected with the carrying on of the activities which he is authorised by his licence to carry on included a reference to any purpose connected with the supply to any premises of heat produced in association with electricity and steam produced from, and air and water heated by, such heat; and
  - (b) any reference to electric lines or electrical plant included a reference to pipes and associated works used or intended to be used for conveying heat so produced, and steam produced from, and air and water heated by, such heat;

and in this paragraph "associated works", in relation to pipes, means any of the following connected with the pipes, namely, any valve, filter, stopcock, pump, meter, inspection chamber and manhole and such other works as may be prescribed.

- (4) A licence under Article 10(1)(b) or (c) may provide that, where any part of the licence holder's authorised area is designated in a subsequent licence under that sub-paragraph, Schedule 4 shall have effect in relation to the licence holder as if any reference to the activities which he is authorised by his licence to carry on included a reference to the activities which he was previously so authorised to carry on.
- (5) The provisions of Schedule 5 (which provides for water rights for hydro-electric stations) shall have effect.