
STATUTORY RULES OF NORTHERN IRELAND

2006 No. 404

GAS

**The Gas (Designation of Pipelines)
Order (Northern Ireland) 2006**

Made - - - - *10th October 2006*

Coming into operation- *1st November 2006*

The Department of Enterprise, Trade and Investment, in exercise of the powers conferred upon it by Article 59(1) to (3) and (5) and (6) of the Energy (Northern Ireland) Order 2003⁽¹⁾, after consultation with the Northern Ireland Authority for Energy Regulation, after having given notice in accordance with paragraph (4) of that Article and having considered any representations or objections which are duly made and not withdrawn, hereby makes the following Order —

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Gas (Designation of Pipelines) Order (Northern Ireland) 2006 and shall come into operation on 1st November 2006.

(2) In this Order

“assigned” has the same meaning as in Article 12 of the Gas Order;

“the Energy Order” means the Energy (Northern Ireland) Order 2003;

“the Gas Order” means the Gas (Northern Ireland) Order 1996⁽²⁾;

“the Insolvency Act” means the Insolvency Act 1986 ⁽³⁾; and

“the Insolvency Order” means the Insolvency (Northern Ireland) Order 1989⁽⁴⁾; and

“relevant licensee” shall be construed in accordance with Article 3(1)(a).

Designated pipelines

2. The pipeline specified in column (1) of the Schedule, being a high pressure pipeline, is hereby designated as a pipeline to which Article 60 of the Energy Order applies for the period beginning on and including the date of commencement of this Order and ending on the date specified opposite thereto in column (2) of the Schedule.

(1) S.I. 2003/419 (N.I. 6)

(2) S.I. 1996/275 (N.I.2) as amended by S.R. 2002 No.291 and the Energy Order (in particular Article 30)

(3) 1986 c.45

(4) S.I. 1989/2405 (N.I.19)

Cessation of Designation

3.—(1) Article 2 and the Schedule shall cease to have effect where —

- (a) a licence granted under Article 8(1)(a) of the Gas Order authorising a person (“a relevant licensee”) to convey gas through that pipeline is revoked or assigned; or
- (b) there is an insolvency event in relation to the relevant licensee.

(2) For the purpose of paragraph (1)(b) an “insolvency event” occurs in relation to a relevant licensee if it:

- (a) is deemed unable to pay its debts (within the meaning of Article 103(1) or (2) of the Insolvency Order or section 123(1) or (2) of the Insolvency Act) or if any voluntary arrangement is proposed in relation to it under Article 14 of the Insolvency Order or section 1 of the Insolvency Act;
- (b) has a receiver (which expression shall include an administrative receiver within the meaning of Article 5(1) of the Insolvency Order) of the whole or any material part of its assets or undertaking appointed;
- (c) has an administration order under Article 21 of the Insolvency Order or Schedule B1 to the Insolvency Act⁽⁵⁾ made in relation to it;
- (d) has any resolution for winding up passed in relation to it; or
- (e) becomes subject to an order for winding up by a court of competent jurisdiction.

(3) In paragraph (2)(a) the reference to Article 103(1) of the Insolvency Order and to section 123(1) of the Insolvency Act shall be construed as, in each case, a reference to that provision as if in sub-paragraph (a) for “£750” there was substituted “£250,000”

(4) For the purposes of paragraph (2)(a), a licensee shall not be deemed to be unable to pay its debts if any such demand as is mentioned in Article 103(1)(a) of the Insolvency Order, or section 123(1)(a) of the Insolvency Act is being contested in good faith by that licensee with recourse to all appropriate measures and procedures.

Sealed with the Official Seal of the Department of Enterprise, Trade and Investment on 10th October 2006



Jenny Pyper
A senior officer of the
Department of Enterprise, Trade and Investment

(5) Schedule B1 was substituted for Sections 8 to 27 of the Insolvency Act by Section 248(1) of the Enterprise Act 2002

SCHEDULE

Article 2

<i>Description of the Pipeline</i>	<i>Date designation ending</i>
The pipeline known as the South North pipeline, which runs for 100 kilometres from the tied in point of intersection with the North West pipeline at Ballyalbanagh above ground installation to the border with the Republic of Ireland at Forkhill in County Armagh.	31st October 2031

EXPLANATORY NOTE

(This note is not part of the Order)

Article 8(1) of the Gas (NI) Order 1996 authorises the holder of licences issued under—

- (a) sub-paragraph (a) of that paragraph to participate in the conveyance of gas from one place to another; and
- (b) under sub-paragraph (c) of that paragraph to store gas.

These licences are subject to standard conditions. There are also conditions attaching to particular licences. Article 60(1) of the Energy (NI) Order 2003 provides for the Department of Enterprise, Trade and Investment, after consultation with the Northern Ireland Authority for Energy Regulation, to modify the conditions of particular licences or the standard conditions where it considers it necessary or expedient to do so for the purposes of implementing or facilitating the operation of arrangements designed to secure that prices charged in connection with the conveyance of gas through certain designated pipelines are in accordance with a common tariff which does not distinguish (whether directly or indirectly) between different parts of Northern Ireland or the extent of use of any such pipeline.

This Order designates the pipelines to which this power of modification applies.

Each pipeline is described in the Schedule and the designation has effect from the date of coming into operation of the Order until the date specified opposite the pipeline in the Schedule. However, the Order also specifies certain events on the happening of which, the Order (or so much thereof as designates any particular pipeline) shall cease to have effect. These events are set out in Article 3.