

## Appendix 1 - Rural Needs Impact Assessment (RNIA) Template

### SECTION 1 - Defining the activity subject to Section 1(1) of the Rural Needs Act (NI) 2016

#### 1A. Name of Public Authority.

Department for the Economy (DfE)

#### 1B. Please provide a short title which describes the activity being undertaken by the Public Authority that is subject to Section 1(1) of the Rural Needs Act (NI) 2016.

Gas (Internal Market) Regulations (NI) 2020 and associated Gas (Amendment) (EU Exit) Regulations (NI) 2020

#### 1C. Please indicate which category the activity specified in Section 1B above relates to.

Developing a	Policy <input type="checkbox"/>	Strategy <input type="checkbox"/>	Plan <input type="checkbox"/>
Adopting a	Policy <input type="checkbox"/>	Strategy <input type="checkbox"/>	Plan <input type="checkbox"/>
Implementing a	Policy <input type="checkbox"/>	Strategy <input type="checkbox"/>	Plan <input type="checkbox"/>
Revising a	Policy <input checked="" type="checkbox"/>	Strategy <input type="checkbox"/>	Plan <input type="checkbox"/>
Designing a Public Service	<input type="checkbox"/>		
Delivering a Public Service	<input type="checkbox"/>		

#### 1D. Please provide the official title (if any) of the Policy, Strategy, Plan or Public Service document or initiative relating to the category indicated in Section 1C above.

As above.

#### 1E. Please provide details of the aims and/or objectives of the Policy, Strategy, Plan or Public Service.

These measures will amend existing energy legislation in order to transpose the requirements of the 2019 EU Gas Directive Amendment and make a number of consequential amendments, effective from 31 December 2020, to ensure that the legislation continues to operate effectively from the end of the transition period following the UK's exit from the EU.

**1F. What definition of 'rural' is the Public Authority using in respect of the Policy, Strategy, Plan or Public Service?**

Population Settlements of less than 5,000 (Default definition).

Other Definition (Provide details and the rationale below).

A definition of 'rural' is not applicable.

*Details of alternative definition of 'rural' used.*

*Rationale for using alternative definition of 'rural'.*

*Reasons why a definition of 'rural' is not applicable.*

## SECTION 2 - Understanding the impact of the Policy, Strategy, Plan or Public Service

2A. Is the Policy, Strategy, Plan or Public Service likely to impact on people in rural areas?

Yes  No  If the response is **NO** GO TO Section **2E**.

2B. Please explain how the Policy, Strategy, Plan or Public Service is likely to impact on people in rural areas.

2C. If the Policy, Strategy, Plan or Public Service is likely to impact on people in rural areas differently from people in urban areas, please explain how it is likely to impact on people in rural areas differently.

**2D. Please indicate which of the following rural policy areas the Policy, Strategy, Plan or Public Service is likely to primarily impact on.**

Rural Businesses	<input type="checkbox"/>
Rural Tourism	<input type="checkbox"/>
Rural Housing	<input type="checkbox"/>
Jobs or Employment in Rural Areas	<input type="checkbox"/>
Education or Training in Rural Areas	<input type="checkbox"/>
Broadband or Mobile Communications in Rural Areas	<input type="checkbox"/>
Transport Services or Infrastructure in Rural Areas	<input type="checkbox"/>
Health or Social Care Services in Rural Areas	<input type="checkbox"/>
Poverty in Rural Areas	<input type="checkbox"/>
Deprivation in Rural Areas	<input type="checkbox"/>
Rural Crime or Community Safety	<input type="checkbox"/>
Rural Development	<input type="checkbox"/>
Agri-Environment	<input type="checkbox"/>
Other (Please state)	<input type="text"/>

**If the response to Section 2A was YES GO TO Section 3A.**

**2E. Please explain why the Policy, Strategy, Plan or Public Service is NOT likely to impact on people in rural areas.**

It is DfE's view that transposition of the 2019 EU Gas Directive Amendment should not have any impact, positive or negative, on the needs of people living, working or operating businesses in rural areas.

The proposed amendments to existing energy legislation will ensure that appropriate arrangements are in place for regulating gas transmission pipe-lines which connect NI with a country outside the EU, and for arranging third party access to a gas storage facility sited in the NI territorial seas. As no such infrastructure currently exists in NI, or is planned, these amendments are not anticipated to have any immediate practical impact other than ensuring compliance with an EU Directive and avoiding infraction fines. The proposed consequential amendments, effective from 31 December 2020, will ensure that the legislation continues to operate effectively from the end of the transition period following the UK's exit from the EU.

## SECTION 3 - Identifying the Social and Economic Needs of Persons in Rural Areas

**3A. Has the Public Authority taken steps to identify the social and economic needs of people in rural areas that are relevant to the Policy, Strategy, Plan or Public Service?**

Yes  No  If the response is **NO** GO TO Section **3E**.

**3B. Please indicate which of the following methods or information sources were used by the Public Authority to identify the social and economic needs of people in rural areas.**

Consultation with Rural Stakeholders	<input type="checkbox"/>	Published Statistics	<input type="checkbox"/>
Consultation with Other Organisations	<input checked="" type="checkbox"/>	Research Papers	<input type="checkbox"/>
Surveys or Questionnaires	<input type="checkbox"/>	Other Publications	<input type="checkbox"/>
Other Methods or Information Sources (include details in Question 3C below).			<input type="checkbox"/>

**3C. Please provide details of the methods and information sources used to identify the social and economic needs of people in rural areas including relevant dates, names of organisations, titles of publications, website references, details of surveys or consultations undertaken etc.**

A consultation paper outlining the proposed legislative measures, together with draft impact assessments, was placed on the DfE website at <https://www.economy-ni.gov.uk/consultations> on 24 September 2020 with responses invited by 23 October 2020. Information on the consultation issued to key stakeholders in the energy sector; MLAS and MPs; and organisations on the Department's equality consultation list, including all local councils, Countryside Services, the NI Rural Women's Network and the Rural Development Council. The Department's Twitter feed also alerted interested parties to the consultation. During the consultation period, we responded to three requests for clarification about the proposed measures.

Two written responses were submitted to the consultation. The first provided information on climate change and cautioned against interpreting the proposed measures as an opportunity to expand the gas network in NI. The second did not comment on the specific proposals but objected to the consultation on the basis that it included measures aimed at promoting gas storage in the NI territorial sea which had not been subject to appropriate assessment, including for environmental impacts.

The Regulations are **not** being taken forward to promote either gas network extension or gas storage. A regulatory regime for gas transmission pipe-lines, and for on-shore gas storage (including for the proposed Islandmagee gas storage project at Larne Lough), is already established. The measures are designed to ensure effective regulation of any future gas transmission pipe-line connecting with a third country, or gas storage facility sited in the territorial sea, in line with EU Directive requirements.

**3D. Please provide details of the social and economic needs of people in rural areas which have been identified by the Public Authority?**

The proposed measures are technical in nature and are not anticipated to have any immediate impacts as there is no existing or planned gas infrastructure of the type covered by these measures.

The measures are expected to impact primarily upon owners or operators of any future gas transmission pipe-lines connecting Northern Ireland with a third country and any future gas storage facilities in the territorial seas adjacent to NI, or upon the Northern Ireland Authority for Utility Regulation (“**the Utility Regulator**”) who would have a regulatory role. It is not considered that the proposals would have any significant impact on the needs of people in rural areas.

**If the response to Section 3A was YES GO TO Section 4A.**

**3E. Please explain why no steps were taken by the Public Authority to identify the social and economic needs of people in rural areas?**

## **SECTION 4 - Considering the Social and Economic Needs of Persons in Rural Areas**

### **4A. Please provide details of the issues considered in relation to the social and economic needs of people in rural areas.**

The Department made the Gas and Electricity (Internal Markets) Regulations (NI) 2011, and the Gas and Electricity (Internal Markets) (Amendment) Regulations (NI) 2013, to implement the requirements of the 2009 EU Gas Directive which represented a major step in the creation of fully competitive, liberalised internal markets in both natural gas and electricity in the European Union. In 2019, the Gas Directive Amendment amended some aspects of the Gas Directive in order to improve the functioning of the European Union's internal energy market, particularly in relation to arrangements for gas pipe-lines which connect a Member State with another country outside the EU. There are currently no such existing or planned gas pipe-lines in respect of NI, but the proposed legislative measures will make some minor changes to:

- The Gas (NI) Order 1996;
- The Energy (NI) Order 2003; and
- The Energy Act 2008

to ensure that NI energy legislation is compliant with the Gas Directive's amended requirements and avoid potential infraction fines.

The proposed legislative measures will also take the opportunity to address an unintended legislative gap in arrangements for organising third party access to a gas storage facility sited in the NI territorial sea in compliance with EU requirements. As there are no existing or planned gas storage facilities in this location, these measures have no immediate practical implications.

A number of consequential amendments are necessary following transposition of the Gas Directive Amendment in order to, for example, remove 'inoperabilities' from the Gas Order and Energy Order from 31 December 2020. These include provisions for reporting to the European Commission, liaising with the Agency for the Cooperation of Energy Regulators ('ACER'), and consulting with the relevant authorities in other Member States regarding gas issues. Such provisions are being added to our legislation to ensure compliance with the Gas Directive Amendment and avoid infraction fines, but will no longer be appropriate following the end of the transition period.

As all of the above issues are largely technical in nature and, as Northern Ireland does not have existing or planned gas infrastructure which would be affected by the proposed legislative measures, this policy does not offer any opportunity to address the social and economic needs of individuals and communities in rural areas. It does, however, offer the general advantage of avoiding potential infraction fines which would have to be paid out of the NI block.

## SECTION 5 - Influencing the Policy, Strategy, Plan or Public Service

**5A. Has the development, adoption, implementation or revising of the Policy, Strategy or Plan, or the design or delivery of the Public Service, been influenced by the rural needs identified?**

Yes  No  If the response is **NO** GO TO Section **5C**.

**5B. Please explain how the development, adoption, implementation or revising of the Policy, Strategy or Plan, or the design or delivery of the Public Service, has been influenced by the rural needs identified.**

If the response to Section **5A** was **YES** GO TO Section **6A**.



**5C. Please explain why the development, adoption, implementation or revising of the Policy, Strategy or Plan, or the design or the delivery of the Public Service, has NOT been influenced by the rural needs identified.**

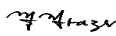
No rural needs which might be impacted by the proposed legislative measures have been identified. The measures are technical in nature and likely to impact only on major gas infrastructure which does not currently exist, or is planned, in Northern Ireland.

The key aim in taking forward the proposed legislative measures is to comply with EU law by transposing the 2019 Gas Directive Amendment and avoid potential infraction fines.

## SECTION 6 - Documenting and Recording

**6A. Please tick below to confirm that the RNIA Template will be retained by the Public Authority and relevant information on the Section 1 activity compiled in accordance with paragraph 6.7 of the guidance.**

I confirm that the RNIA Template will be retained and relevant information compiled.

<b>Rural Needs Impact Assessment undertaken by:</b>	Fred Frazer
<b>Position/Grade:</b>	Grade 7
<b>Division/Branch</b>	Gas Policy Branch
<b>Signature:</b>	
<b>Date:</b>	17 November 2020
<b>Rural Needs Impact Assessment approved by:</b>	Joe Reynolds
<b>Position/Grade:</b>	Grade 5
<b>Division/Branch:</b>	Energy Markets and EU Relations Division
<b>Signature:</b>	JOE REYNOLDS
<b>Date:</b>	24 November 2020