

## SCHEDULE 1

Regulation 150

### The Electricity Regulation

1.—(1) Article 1 of the Electricity Regulation (subject-matter and scope) is amended as follows.

(2) In point (a)—

- (a) in the first sentence, omit the words from “, thus” to the end;
- (b) for the second sentence substitute—

“This involves the setting of principles on cross-border transmission charges and the allocation of available capacity of interconnections between the transmission systems of Great Britain or Northern Ireland and transmission systems of other countries or territories.”.

(3) In point (b), omit the second sentence.

2. For Article 2 (definitions) substitute—

#### *“Article 2*

#### *Definitions*

In this Regulation—

“congestion”—

- (a) in relation to Great Britain, means a situation in which an interconnection linking the Great Britain transmission network with the transmission network of another country or territory cannot accommodate all physical flows resulting from international trade required by market participants, because of a lack of capacity of the interconnectors or the transmission systems concerned;
- (b) in relation to Northern Ireland, means a situation in which an interconnection linking the Northern Ireland transmission network with the transmission network of Great Britain or with that of a third country cannot accommodate all physical flows resulting from international trade required by market participants, because of a lack of capacity of the interconnectors or the transmission systems concerned;

“cross-border flow”—

- (a) in relation to Great Britain, means a physical flow of electricity on the Great Britain transmission network that results from the impact of the activity of producers or consumers, or both producers and consumers, outside Great Britain on its transmission network;
- (b) in relation to Northern Ireland, means a physical flow of electricity on the Northern Ireland transmission network that results from the impact of the activity of producers or consumers, or both producers and consumers, from outside the SEM on the Northern Ireland transmission network;

“customer” means a wholesale or final customer of electricity;

“declared export”—

- (a) in relation to Great Britain, means the dispatch of electricity in Great Britain on the basis of an underlying contractual arrangement to the effect that the simultaneous corresponding take-up of electricity will take place in another country or territory;
- (b) in relation to Northern Ireland, means the dispatch of electricity in Northern Ireland on the basis of an underlying contractual arrangement to the effect that the simultaneous

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corresponding take-up of electricity will take place in Great Britain or in a third country;

“declared import”—

- (a) in relation to Great Britain, means the take-up of electricity in Great Britain simultaneously with the dispatch of electricity in another country or territory;
- (b) in relation to Northern Ireland, means the take-up of electricity in Northern Ireland simultaneously with the dispatch of electricity in Great Britain or in a third country;

“declared transit” means a circumstance where a declared export of electricity occurs and where the nominated path for the transaction involves a country or territory in which neither the dispatch nor the simultaneous corresponding take-up of the electricity will take place;

“distribution” means the transport of electricity on high-voltage, medium-voltage and low-voltage distribution systems with a view to its delivery to customers, but does not include supply;

“distribution system operator” or “DSO” means a person responsible for operating, ensuring the maintenance of and, if necessary, developing the distribution system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the distribution of electricity;

“final customer” means a customer purchasing electricity for the customer’s own use;

“generation” means the production of electricity;

“interconnected system” means a number of transmission and distribution systems linked together by means of one or more interconnectors;

“interconnector”—

- (a) in relation to Great Britain, means a transmission line which crosses or spans a border between Great Britain and a member State, or between Great Britain and Northern Ireland, and which connects the national transmission system of Great Britain with the transmission system of that other state or territory;
- (b) in relation to Northern Ireland, means a transmission line which crosses or spans a border between Northern Ireland and a member State other than Ireland, or between Northern Ireland and Great Britain and which connects the transmission system in Northern Ireland with the transmission system of that other state or territory;

“the jurisdiction of Great Britain” has the meaning given in section 4(3F)(a) of the Electricity Act 1989<sup>(1)</sup>;

“the national competition authority” means the Competition and Markets Authority;

“new interconnector” means an interconnector not completed by 4th August 2003;

“Northern Ireland” has the meaning given in section 98 of the Northern Ireland Act 1998<sup>(2)</sup>;

“producer” means a person generating electricity;

“the regulatory authority”—

- (a) in relation to Great Britain, means the Gas and Electricity Markets Authority;
- (b) in relation to Northern Ireland, means the Northern Ireland Authority for Utility Regulation;

“the SEM” means the Single Electricity Market as defined in Article 2 of the Electricity (Single Wholesale Market) (Northern Ireland) Order 2007<sup>(3)</sup>;

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(1) 1989 c. 29. Section 4(3F) was inserted by section 145(3) of the Energy Act 2004 (c. 20).

(2) 1998 c. 47.

(3) S.I. 2007/913 (N.I. 7). The definition of “the SEM” in Article 2(2) was substituted by S.R. 2016 No.129.

“supply” means the sale, including resale, of electricity to customers;

“system user” means a person supplying to, or being supplied by, a transmission or distribution system;

“third country” means a country other than the United Kingdom or Ireland;

“transmission” means the transport of electricity on the extra high-voltage and high-voltage interconnected system with a view to its delivery to final customers or to distributors, but does not include supply;

“transmission system operator” or “TSO”—

(a) in relation to Great Britain, means a person who is designated as an electricity transmission system operator under section 10H of the Electricity Act 1989(4);

(b) in relation to Northern Ireland, means a person who is designated as an electricity transmission system operator under Article 10H of the Electricity (Northern Ireland) Order 1992(5);

“wholesale customer” means a person purchasing electricity for the purpose of resale within or outside the United Kingdom.”.

3. Omit Articles 3 to 5.

4. Omit Articles 8 to 13.

5.—(1) Article 14 (charges for access to networks) is amended as follows.

(2) In paragraph 2, omit “at Community level”.

(3) In paragraph 3, omit point (a).

6.—(1) Article 15 (provision of information) is amended as follows.

(2) In paragraph 2, for “authorities” substitute “authority”.

(3) In paragraph 6, for “the national regulatory authority, the national competition authority and the Commission” substitute “the regulatory authority and the national competition authority”.

7. In Article 16 (general principles of congestion management), in paragraph 6—

(a) in the second subparagraph—

(i) for “authorities of the Member States concerned” substitute “authority”;

(ii) for “those regulatory authorities” substitute “the regulatory authority”;

(iii) for “authorities when” substitute “authority when”;

(b) in the third subparagraph, omit the second sentence.

8.—(1) Article 17 (new interconnectors) is amended as follows.

(2) In paragraph 1—

(a) in the words before point (a), for the words from “the provisions of” to “[Directive 2009/72/EC](#)” substitute “the provisions specified in paragraph 4A”;

(b) in point (e), omit the words from the beginning to “electricity,”;

(c) in point (f), for “the internal market in electricity” substitute “electricity markets in the United Kingdom”.

(3) In paragraph 4—

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(4) Section 10H was inserted by [S.I. 2011/2704](#).

(5) [S.I. 1992/231 \(N.I. 1\)](#). Article 10H was inserted by [S.R. 2011 No.155](#).

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- (a) in the first subparagraph, for “the regulatory authorities of the Member States concerned” substitute “the regulatory authority”;
  - (b) omit the second subparagraph;
  - (c) in the fourth subparagraph, for “the regulatory authorities of the Member States concerned” substitute “the regulatory authority”;
  - (d) omit the fifth subparagraph.
- (4) After paragraph 4 insert—
- “**4A.** The provisions specified for the purposes of paragraph 1 are—
  - (a) Article 16(6) of this Regulation;
  - (b) provisions of the standard conditions of interconnector licences relating to—
    - (i) the provision of third-party access to an interconnector;
    - (ii) tariffs or charging methodologies for such access;
    - (iii) use of revenues.”.
- (5) Omit paragraphs 5 to 9.
- 9.**—(1) Article 19 (regulatory authorities) is amended as follows.
- (2) For the heading substitute “The regulatory authority”.
  - (3) In the first sentence—
    - (a) for “authorities” substitute “authority”;
    - (b) for “their” substitute “its”;
    - (c) at the end, insert “before exit day in so far as they are retained EU law (including such Guidelines as amended from time to time)”.
  - (4) Omit the second sentence.
- 10.** Omit Articles 20, 21 and 22.
- 11.** Omit Article 24.
- 12.** In Article 25 (repeal)—
- (a) omit the first sentence;
  - (b) in the second sentence, for “the repealed Regulation” substitute “Regulation (EC) [No. 1228/2003](#) in retained direct EU legislation”.
- 13.** In the text after Article 26 omit “This Regulation shall be binding in its entirety and directly applicable in all Member States.”.
- 14.**—(1) Annex I (guidelines on the management and allocation of available transfer capacity of interconnections between national systems) is amended as follows.
- (2) In point 1.5—
    - (a) after “TSOs,” insert “and”;
    - (b) omit the words from “and be suitable” to the end.
  - (3) In point 1.7, in the first sentence, for “the internal market in electricity” substitute “electricity markets in the United Kingdom”.
  - (4) Omit points 1.8 and 1.9.
  - (5) In point 1.10 —
    - (a) for “national regulatory authorities” substitute “regulatory authority”;

- (b) omit “and those Guidelines”;
- (c) for “authorities themselves” substitute “authority”.
- (6) In point 2.6, for “respective regulatory authorities” substitute “regulatory authority”.
- (7) In point 2.10, for “the relevant regulatory and/or competition authorities” substitute “the regulatory authority or the national competition authority”.
- (8) In point 2.13, for “relevant national regulatory authority or authorities” substitute “regulatory authority”.
- (9) Omit points 3.1 to 3.6, and the heading preceding point 3.1.
- (10) Omit point 4.4.
- (11) In point 5.2, for “authorities of the Member States concerned” substitute “authority”.
- (12) In point 5.4, for “of the national regulatory authorities” substitute “by the regulatory authority”.
- (13) In point 5.10—
  - (a) in the second sentence, for “authorities and to the Commission” substitute “authority”;
  - (b) in the third sentence, for “authorities and the Commission” substitute “authority”.
- (14) In point 6.1, in the second sentence, for “authorities” substitute “authority”.
- (15) In point 6.2, for “National regulatory authorities” substitute “The regulatory authority”.
- (16) Omit point 6.3.
- (17) In point 6.4, in the second sentence—
  - (a) for “Regulatory authorities” substitute “The regulatory authority”;
  - (b) omit “and those Guidelines”.
- (18) In point 6.5—
  - (a) for “authorities” substitute “authority”;
  - (b) omit “and those Guidelines”.
- 15.** In Annex II (correlation table), in the table omit the rows which refer in the second column to Articles 3, 4, 5, 8, 9, 10, 11, 12, 13, 20, 21, 22 and 24.