

NORTHERN IRELAND ELECTRICITY PLC

DISTRIBUTION CODE MODIFICATIONS

CONSULTATION PAPER

22 MAY 2008

1. Introduction

- 1.1 This Consultation Paper follows on from the recent meeting between the representatives who will nominate the persons to form the Northern Ireland Distribution Code Review Panel (the “**Panel**”), held in Belfast on 29 April 2008 and the paper entitled “The Distribution Code Development” dated 29 April 2008, which was presented at that meeting.
- 1.2 Northern Ireland Electricity plc (“**NIE**”) has, in accordance with its obligations under paragraph 2 of Condition 27 of its licence to participate in the transmission of electricity (the “**Licence**”), reviewed the Distribution Code and is now publishing this Consultation Paper in order to consult with electricity undertakings liable to be materially affected by the proposed revisions to the Distribution Code.
- 1.3 This review relates to amendments to the Distribution Code to reflect changes to the number of persons appointed on to the Panel. The amendments were raised at the meeting referred to above.
- 1.4 This Consultation Paper describes the proposed amendments and their effect, has attached to it an Appendix (Appendix 1) which sets out the proposed amendments to the existing Distribution Code, and seeks comments on those proposed amendments.
- 1.5 Following receipt of comments from those electricity undertakings which it has consulted by this Consultation Paper and the expiration of the period for making comments referred to in section 3 of this Consultation Paper, NIE will, in accordance with paragraph 2 of Condition 27 of the Licence, send to the Northern Ireland Authority for Utility Regulation (the “**Authority**”):
 - 1.5.1 a report on the outcome of its review;
 - 1.5.2 the proposed revisions to the Distribution Code which NIE (having regard to the outcome of such review) reasonably thinks fit for the achievement of the objectives of the Distribution Code referred to in paragraph 1(b) of Condition 27 of the Licence; and
 - 1.5.3 any written representations or objections from electricity undertakings (including any proposals by such persons for revisions to the Distribution Code not accepted by NIE in the course of the review) arising during the consultation process and subsequently maintained.
- 1.6 The revisions to the Distribution Code proposed by NIE and sent to the Authority then require the Authority’s approval and will, if approved, come into force on such date (or dates) as you are notified by NIE, in accordance with the Authority’s approval.

2. Description of the proposed amendments and their effect

- 2.1 Paragraph DG5.3 of the Distribution Code sets out the number of representatives that will constitute the Panel whose role it is to:
- (a) keep the **Distribution Code** and its workings under review;
 - (b) review all suggestions for amendments to the **Distribution Code** which the **Authority** or any **User** may submit to **NIE** for consideration by the **Panel** from time to time;
 - (c) determine recommendations for amendments to the **Distribution Code** which **NIE** or the **Panel** feels are necessary or desirable and the reasons for the recommendations;
 - (d) issue guidance in relation to the **Distribution Code** and its implementation, performance and interpretation upon the reasonable request of any **User**; and
 - (e) consider what changes are necessary to the **Distribution Code** arising out of any unforeseen circumstances referred to it by the **NIE** arising out of the provisions set out in **GC4** (as such provisions apply to the **Distribution Code**).
- 2.2 NIE believes that, with the experience of operation since SEM go-live, there would be benefit in developing the list of Panel representatives by slightly expanding the list to include one person representing large connected customers and also to include a further representative in respect of Generators as further set out in Appendix 1.

3. Comments

- 3.1 NIE would be grateful to receive your comments on, or any suggestions you may have in relation to, these proposed amendments to the Distribution Code by Wednesday 4 June 2008, in order that we can prepare our report to the Authority.
- 3.2 Your formal responses should be in writing and addressed to:

Leslie Bryans
Northern Ireland Electricity plc
Fortwilliam House
Edgewater Office Park
Edgewater Road
Belfast
BT3 9QJ

Northern Ireland Electricity plc
May 2008

APPENDIX 1
PROPOSED DISTRIBUTION CODE AMENDMENTS

In relation to DGC5.3 of the Distribution Code, we propose amending the wording to allow for more members on the Northern Ireland Distribution Code Review Panel. DGC5.3 currently reads as follows:

“DGC5.3 The **Distribution Panel** shall consist of the following persons, each of which shall have the right to vote:

- (a) a Chairman appointed by **NIE**;
- (b) 4 persons representing **NIE** such persons representing one each of **NIE**'s meter operations, generation connections, load/distribution system owner and distribution operations;
- (c) 2 persons representing **Generators**;
- (d) 3 persons representing **Suppliers**;
- (e) a person representing **Aggregators**;
- (f) a person appointed by and representing the **Authority**,

each of whom shall be appointed pursuant to the rules issued pursuant to DGC5.5.”

NIE is proposing that DGC5.3 is amended so that it would read as follows:

“DGC5.3 The **Distribution Panel** shall consist of the following persons, each of which shall have the right to vote:

- (a) a Chairman appointed by **NIE**;
- (b) four persons representing **NIE** (which in practice are likely to be one from each of the following – **NIE**'s meter operations, generation connections, distribution system owner and distribution operations);
- (c) three persons representing **Generators**;
- (d) one person representing connected customers with large energy usage;
- (e) three persons representing electricity **Suppliers**;
- (f) one person representing **Generator Aggregators**; and
- (g) one person appointed by and representing the **Authority**.

each of whom shall be appointed pursuant to the rules issued pursuant to DGC5.5.”