

NORTHERN IRELAND ELECTRICITY plc

**Proposed Conditions of the System
Operator Licences – Second
Consultation**

**Consultation Paper
5 April 2007
AIP/SEM/07/97**

NIE's Response

3 May 2007



Proposed Conditions of the System Operator Licences – Second Consultation

NIE's Response

Northern Ireland Electricity plc (“NIE”) is not commenting in detail on the System Operator licence, the details and practical operation of this being a matter for SONI. NIE does, however, have an interest in ensuring that the conditions of the System Operator Licence work in harmony with the proposed conditions of NIE's Transmission Owner Licence and that there are no areas where the two Licences fall out of step or into conflict.

In Condition 12 (Independence of the Transmission System Operator Business) we note that paragraph 2(c) of this Condition obliges the System Operator to ensure that decisions relating to the transmission system are taken only by the employees of the Licensee. The corresponding condition in the proposed Transmission Owner Licence requires NIE to ensure that all decisions relating to the transmission (and distribution) system are taken only by its employees. While NIE appreciates that it would not be intended that these two provisions could be construed as creating a conflict, the obligation to facilitate that the other licensee can comply with its obligations through the Transmission Interface Arrangements could technically lead to a conflicting interpretation that only one or other licensee is to make decisions in relation to the transmission system.

To avoid this technical interpretation, the paragraph should be amended as follows: “(save as provided for in the Transmission Interface Arrangements) decisions [by the Licensee](#) relating to the transmission system (or any part of it) are taken by those persons who are employed by, and are engaged in the operation and management of, the Transmission System Operator Business (and no others);”. A corresponding change could also be made in the Transmission Owner Licence.