

2009 No. 412

GAS

**Gas (Supplier of Last Resort) Regulations (Northern Ireland)
2009**

Made - - - - - *14th December 2009*

Coming into operation - - - - - *29th January 2010*

The Department of Enterprise, Trade and Investment being a Department designated for the purpose of section 2(2) of the European Communities Act 1972(a) in relation to measures relating to the regulation of the gas sector(b), in exercise of the powers conferred on it by the same section 2(2) and of every other power enabling it in that behalf, hereby makes the following Regulations.

Citation and commencement

1. These Regulations may be cited as the Gas (Supplier of Last Resort) Regulations (Northern Ireland) 2009 and shall come into operation on 29th January 2010.

Interpretation

2.—(1) The Interpretation Act (Northern Ireland) 1954(c) shall apply to these Regulations as it applies to an Act of the Northern Ireland Assembly.

(2) The following Article shall be inserted after Article 24 of the Gas (Northern Ireland) Order 1996(d)

“Suppliers of Last Resort

24A.—(1) Where it appears to the Authority that—

- (a) circumstances have arisen which would entitle it to revoke the licence of a gas supplier (“the defaulting supplier”); and
- (b) another gas supplier could comply with a direction under paragraph (2) without significantly prejudicing his ability—
 - (i) to continue to supply his customers; and
 - (ii) to fulfil his contractual obligations for the supply of gas,

the Authority may give such a direction to that supplier (“the designated supplier”).

(a) 1972 c.68
(b) S.I. 2000/738
(c) 1954 c.33 (N.I.2)
(d) S.I. 1996/275 (N.I.2)

(2) A direction under this paragraph—

- (a) shall require the designated supplier to supply gas to such customers of the defaulting supplier in such premises as are specified or described in the direction; and
- (b) may include such other requirements or prohibitions as are, in the opinion of the Authority, reasonably incidental or to consequential upon the requirement to supply.

(3) A direction under paragraph (2) shall specify the terms and conditions under which the designated supplier shall supply gas to any other customer to which the direction relates, including in particular the terms and conditions in relation to—

- (a) the termination of supply; and
- (b) the method for calculating the charges for supply;

and may specify the terms and conditions under which the designated supplier shall do anything else in pursuance of the direction.

(4) A direction under paragraph (2) may also modify the supply licence of the designated supplier or the conditions included in that licence where it is necessary or expedient for the purposes of ensuring that the supplier can comply with any requirement or prohibition under that direction.

(5) Upon being given a direction under paragraph (2) the designated supplier shall send a notice to those customers of the defaulting supplier to which the direction relates giving such particulars and containing such information as the Authority may specify in the direction.

(6) Where the customer is supplied by gas by a designated supplier in pursuance of a direction under paragraph (2), a contract for the supply of gas shall be deemed to exist between the customer and the designated supplier from the date on which the supply of gas commenced to the date the direction ceases to have effect.

(7) A direction under paragraph (2) may be made subject to such conditions as the Authority may specify in the directions.

(8) A direction under paragraph (2) shall take effect from such date as may be specified in the direction and shall continue for such period (being no longer than six months) as may be specified in the direction and shall then cease to have effect.

(9) In this Article—

“gas supplier” means a person who is authorised by a licence to supply gas to specified persons or premises;

“customer” in relation to a gas supplier means the persons or the occupier of the premises so specified;

“licence” means a licence granted under Article 8(1)(c); and

“specified” has the same meaning as in Article 8(1).”.

Sealed with the Official Seal of the Department of Enterprise, Trade and Investment
on 14th December 2009.



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

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations implement, in part, Article 3(3) of Directive 2003/55/EC by inserting into the Gas (Northern Ireland) Order 1996 a new Article 24A. This new Article helps to protect final gas customers and ensure high level of consumer protection by giving the Northern Ireland Authority for Utility Regulation (“the Authority”) the power to appoint a Supplier of Last Resort (“the SoLR”) to supply gas to customers in circumstance where their gas supplier (“the defaulting supplier”) has his supply licence revoked and can no longer supply to them. The new Article enables the Authority in making this appointment to specify the terms and conditions under which the SoLR will supply gas to the customer. This includes, in particular, provision relating to price. A contract for the supply of gas between customer and the SoLR will be deemed to exist from the date of the supply of gas commences to the date the direction ceases to have effect.

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