STATUTORY RULES OF NORTHERN IRELAND

2014 No. 198

ENERGY

The Energy Efficiency Regulations (Northern Ireland) 2014

Made - - - - 4th July 2014
Coming into operation 25th July 2014

The Department of Enterprise, Trade and Investment, being a Department designated(1) for the purposes of section 2(2) of the European Communities Act 1972(2) in relation to energy and energy sources, in exercise of the powers conferred on it by the said section 2(2), and of every other power enabling it in that behalf, hereby makes the following Regulations:

PART 1

INTRODUCTORY

Citation and commencement

1. These Regulations may be cited as the Energy Efficiency Regulations (Northern Ireland) 2014 and shall come into operation on 25th July 2014.

Interpretation

- **2.**—(1) The Interpretation Act (Northern Ireland) 1954(3) shall apply to these Regulations as it applies to an Act of the Assembly.
 - (2) In these Regulations—
 - "the Authority" means the Northern Ireland Authority for Utility Regulation;
 - "the Department" means the Department of Enterprise, Trade and Investment;
 - "Directive 2012/27/EU" means the European Parliament and Council Directive 2012/27/EU on energy efficiency, amending Directive 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC;

"electricity licence" means a licence granted under Article 10 of the Electricity Order;

⁽¹⁾ S.I. 2010/761

^{(2) 1972} c.68; section 2(2) was amended by the Legislative and Regulatory Reform Act 2006 (c.51), section 27(1) and by the European Union (Amendment) Act 2008 (c.7), section 3(3) and Part I of the Schedule

^{(3) 1954} c.33 (N.I.1)

"the Electricity Order" means the Electricity (Northern Ireland) Order 1992(4);

"the Energy Order" means the Energy (Northern Ireland) Order 2003(5);

"gas licence" means a licence granted under Article 8 of the Gas Order; and

"the Gas Order" means the Gas (Northern Ireland) Order 1996(6).

PART 2

AMENDMENTS TO THE ENERGY ORDER

Interpretation

3. In Article 2(2) (Interpretation) of the Energy Order, insert at the appropriate place the following definition—

""Energy Efficiency Directive" means the European Parliament and Council Directive 2012/27/EU on energy efficiency, amending Directive 2009/125/EC and 2010/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC;".

Principal objective and general duties in relation to electricity

- 4. Article 12 of the Energy Order is amended as follows—
 - (a) in paragraph (5)(a) for the words "on the part of persons authorised by licences or exemptions to supply, distribute or participate in the transmission of electricity" substitute "in the generation, distribution, transmission and supply of electricity";
 - (b) after paragraph 12(5) insert:—
 - "(5A) The duties under paragraph (5) shall, in particular, include—
 - (a) ensuring the provision of the incentives referred to in Article 15(1) of the Energy Efficiency Directive, where appropriate and having taken into account the costs and benefits, and ensuring that no incentives are provided contrary to Article 15(4) of that Directive; and
 - (b) the encouragement of demand side resources in accordance with Article 15(8), first and third indents of that Directive.
 - (5B) Before 30 June 2015, the Authority shall deliver to the Department—
 - (a) an assessment of the electricity infrastructure which complies with the requirements of Article 15(2)(a) of the Energy Efficiency Directive; and
 - (b) a list identifying concrete measures and investments which complies with the requirements of Article 15(2)(b) of that Directive.
 - (5C) For the purpose of paragraph (5B), the Authority may, by notice given to the holder of any electricity licence or any exemption holder, require that person to provide such information, assistance and advice as may be specified in the notice and that holder shall comply with that requirement.".

Principal objective and general duties in relation to gas

5. Article 14 of the Energy Order is amended as follows—

⁽⁴⁾ S.I. 1992/231 (N.I.1)

⁽⁵⁾ S.I. 2003/419 (N.I.6)

⁽⁶⁾ S.I. 1996/275 (N.I.2)

- (a) for paragraph (5)(a) substitute—
 - "(a) to promote the efficient use of gas and efficiency and economy in the conveyance, storage or supply of gas;"; and
- (b) after paragraph 14(5A) insert—
 - "(5B) Before 30 June 2015 the Authority shall deliver to the Department—
 - (a) an assessment of the gas infrastructure which complies with the requirements of Article 15(2)(a) of the Energy Efficiency Directive; and
 - (b) a list identifying concrete measures and investments which complies with the requirements of Article 15(2)(b) of that Directive.
 - (5C) For the purpose of paragraph (5A), the Authority may serve on any holder of a gas licence or any exemption holder a notice requiring that person to provide the Authority with such information, assistance or advice as may be specified in the notice and that holder shall comply with that requirement."

Penalties

- **6.** Article 41A of the Energy Order is amended as follows—.
 - (a) in paragraph (4)(i), omit "and";
 - (b) in paragraph (4)(j), for "," substitute "; and"; and
 - (c) after paragraph (4)(j) there shall be inserted the following sub-paragraph—
 - "(k) paragraph 2(1) and 3(4) of Schedule 7 to the Electricity Order (individual meters).".
- 7. Article 41B of the Energy Order is amended as follows—.
 - (a) in paragraph (3)(h) omit "and";
 - (b) in paragraph (3)(i), for "." substitute "; and"; and
 - (c) after paragraph (3)(i) there shall be inserted the following sub-paragraph—
 - "(j) Article 21A of the Gas Order (individual meters).".

PART 3

AMENDMENTS TO THE ELECTRICITY ORDER

Electricity Licensing and Energy Efficiency

8. After Article 11AB of the Electricity Order insert the following Article—

"Licensing and Energy Efficiency

- **11AC.**—(1) Without prejudice to the generality of Article 11(1), a licence shall include such conditions as appear to the grantor to be requisite or expedient to ensure that any activity authorised by it is carried out in accordance with the requirements and prohibitions laid down by the Energy Efficiency Directive and referred to in the following paragraphs.
- (2) Subject to paragraph (7), the conditions included in a licence in accordance with paragraph (1) shall in particular in the case of a licence under Article 10(1)(c) include such conditions as appear to the grantor to be requisite or expedient to require, where a customer of the licence holder takes a supply of electricity through a smart meter, that the licence holder ensures that—

- (a) the meter complies with the relevant requirements of Article 9(2)(a) and 10(2) and, where the customer so requests, Article 9(2)(c) of the Energy Efficiency Directive;
- (b) the customer is provided with the information required by Article 9(2)(a) and 10(2) of the Energy Efficiency Directive;
- (c) the information required by Article 10(2)(b) of the Energy Efficiency Directive is provided in the format so required;
- (d) where the customer so requests, the customer or another person acting on the customer's behalf is provided with the information required by Article 9(2)(d) of the Energy Efficiency Directive in a format so required;
- (e) the meter and any information provided by it is secure as required by Article 9(2) (b) of the Energy Efficiency Directive; and
- (f) the advice and information required by Article 9(2)(e) of the Energy Efficiency Directive is provided to the customer.
- (3) The conditions included in the licence in accordance with paragraph (1) shall in particular in the case of a licence under Article 10(1)(c) also include such conditions as appear to the grantor to be requisite or expedient to require, where a customer of the licence holder does not take a supply of electricity through a smart meter, that the licence holder ensures that any bill or statement of account provided to the customer complies with the requirements of Article 10(1) of and paragraph 1.1 of Annex VII to the Energy Efficiency Directive.
- (4) The conditions included in the licence in accordance with paragraph (1) shall in particular in the case of a licence under Article 10(1)(c) also include such conditions as appear to the grantor to be requisite or expedient to require that the licence holder ensures that—
 - (a) the information required by Article 10(3)(a) of the Energy Efficiency Directive is provided, where it is available and the customer to whom it relates so requests, to an energy service provider designated by the customer;
 - (b) any bill or statement of account sent to a customer—
 - (i) contains the information required by Article 10(3)(c) of and paragraph 1.2 and 1.3 of Annex VII to the Energy Efficiency Directive;
 - (ii) complies with the guidance issued and published by the Authority, in particular for the purposes referred to in Article 10(3)(d) of the Energy Efficiency Directive; and
 - (iii) if the customer so requests, is in an electronic format.
 - (c) where a customer so requests, the information required by Article 10(3)(b) of the Energy Efficiency Directive is provided to the customer;
 - (d) any customer taking a supply of electricity from the licence holder is provided with the information required by paragraph 1.3 of Annex VII to the Energy Efficiency Directive in contract documentation;
 - (e) any information provided to a customer in accordance with any conditions included under this paragraph is provided in a timely manner and in an easily understandable format for the purposes referred to in Article 10(3)(e) of the Energy Efficiency Directive; and
 - (f) a charge is not made in respect of any bill or statement of account sent to a customer or in respect of any information provided to the customer (whether in the

bill or statement of account or otherwise) contrary to Article 11(1) of the Energy Efficiency Directive.

- (5) The conditions included in a licence in accordance with paragraph (1) shall, in particular, in the case of a transmission licence include such conditions as appear to the grantor to be requisite or expedient to ensure that—
 - (a) in relation to network regulation and network tariffs, the requirements of Article 15(1) fourth indent of and Annex XI to the Energy Efficiency Directive are complied with;
 - (b) the licence holder complies with the requirements of Article 15(5), third indent of and Annex XII to the Energy Efficiency Directive in relation to electricity from high efficiency co generation;
 - (c) where Article 15(6) of the Energy Efficiency Directive requires the licence holder to be responsible for conducting balancing services and other operational services—
 - (i) such services are part of a service bidding process which is transparent, non discriminatory and open to scrutiny in accordance with the requirements of that provision; and
 - (ii) in meeting the requirements for such services and ancillary services, the licence holder complies with Article 15(8), second indent of the Energy Efficiency Directive;
 - (d) the licence holder carries out the tasks required by Article 15(8), third indent of the Energy Efficiency Directive for the purposes set out therein.
- (6) The conditions included in a licence in accordance with paragraph (1) shall in particular in the case of a distribution licence include such conditions as appear to the grantor to be requisite or expedient to ensure that—
 - (a) any customer taking a supply of electricity distributed by the licence holder is provided with the information required by paragraph 1.3 of Annex VII to the Energy Efficiency Directive in contract documentation;
 - (b) in relation to network regulation and network tariffs, the requirements of Article 15(1), fourth indent of and Annex XI to the Energy Efficiency Directive are complied with;
 - (c) the licence holder complies with the requirements of Article 15(5), third indent and Annex XII to the Energy Efficiency Directive in relation to electricity from high efficiency co generation;
 - (d) where Article 15(6) of the Energy Efficiency Directive requires the licence holder to be responsible for conducting balancing services and other operational services—
 - (i) such services are part of a service bidding process which is transparent, non discriminatory and open to scrutiny in accordance with the requirements of that provision; and
 - (ii) in meeting the requirements for such services and ancillary services, the licence holder, complies with Article 15(8), second indent of the Energy Efficiency Directive;
 - (e) the licence holder carries out the tasks required by Article 15(8), third indent for the purposes set out therein.
- (7) The duty on the Authority in paragraph (2) to include conditions in a licence shall only have effect where the Department—

- (a) has determined that it is technically possible, financially reasonable and proportionate in relation to the potential energy savings to implement a programme for the widespread provision of smart meters; and
- (b) notifies the Authority in writing to that effect.
- (8) In this Article—
 - (a) "the Energy Efficiency Directive" means the European Parliament and Council Directive 2012/27/EU on energy efficiency, amending Directive 2009/125/EC and 2010/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC;
 - (b) "smart meter" means—
 - (i) an electricity meter which can send and receive information using an electronic communications network; or
 - (ii) an electricity meter and a device which is associated with or ancillary to that meter and which enables information to be sent and received by the meter using an electronic communication network;
 - (c) "electronic communication" has the same meaning as in Section 4(1) of the Electronic Communications Act (Northern Ireland) 2001; and
 - (d) other expressions which are also used in the Energy Efficiency Directive shall have the same meaning as in that Directive.".

Provision of individual meters

- 9. After paragraph 3(3) of Schedule 7 to the Electricity Order insert the following paragraph—
 - "(4) Any meter used for ascertaining the quantity of electricity supplied by an electricity supplier to a customer and which was provided after 25th July 2014 shall provide information on the actual time of use of the electricity."

PART 4

AMENDMENTS TO THE GAS ORDER

Gas Licensing and Energy Efficiency Obligations

10. After Article 10A of the Gas Order insert the following Article—

"Licensing and Energy Efficiency

- **10AA.**—(1) Without prejudice to the generality of Article 10(1), a licence shall include such conditions as appear to the grantor to be requisite or expedient to ensure that any activity authorised by it is carried out in compliance with the relevant requirements and prohibitions laid down by the Energy Efficiency Directive and referred to in the following paragraphs.
- (2) Subject to paragraph (5) the conditions included in a licence in accordance with paragraph (1) shall in particular in the case of a licence under Article 8(1)(c) include such conditions as appear to the grantor to be requisite or expedient to require, where a customer of the licence holder takes a supply of gas through a smart meter, that the licence holder ensures that—

- (a) the meter complies with the relevant requirements of Article 9(2)(a) and 10(2) and, where the customer so requests, Article 9(2)(c) of the Energy Efficiency Directive;
- (b) the customer is provided with the information required by Article 9(2)(a) and 10(2) of the Energy Efficiency Directive;
- (c) the information required by Article 10(2)(b) of the Energy Efficiency Directive is provided in the format so required;
- (d) where the customer so requests, the customer or another person acting on the customer's behalf is provided with the information required by Article 9(2)(d) of the Energy Efficiency Directive in the format so required;
- (e) the meter and any information provided by it is secure as required by Article 9(2) (b) of the Energy Efficiency Directive; and
- (f) the advice and information required by Article 9(2)(e) of the Energy Efficiency Directive is provided to the customer.
- (3) The conditions included in a licence in accordance with paragraph (1) shall in particular in the case of a licence under Article 8(1)(c) also include such conditions as appear to the grantor to be requisite or expedient to require, where a customer of the licence holder does not take a supply of gas through a smart meter, that the licence holder ensures that any bill or statement of account provided to the customer complies with the requirements of Article 8(1) of and paragraph 1.1 of Annex VII to the Energy Efficiency Directive.
- (4) The conditions included in a licence in accordance with paragraph (1) shall, in the case of a licence under Article 8(1)(c) also require that the licence holder ensures that—
 - (a) the information required by Article 10(3)(a) of the Energy Efficiency Directive is provided, where it is available and the customer to whom it relates so requests, to an energy service provider designated by the customer;
 - (b) any bill or statement of account sent to a customer—
 - (i) contains the information required by Article 10(3)(c) of and paragraph 1.2 and 1.3 of Annex VII to the Energy Efficiency Directive;
 - (ii) complies with the guidance issued and published by the Authority, in particular for the purposes referred to in Article 10(3)(d) of the Energy Efficiency Directive; and
 - (iii) if the customer so requests, is in an electronic format;
 - (c) where a customer so requests, the information required by Article 10(3)(b) of the Energy Efficiency Directive is provided to the customer;
 - (d) any customer taking a supply of gas from the licence holder is provided with the information required by paragraph 1.3 of Annex VII to the Energy Efficiency Directive;
 - (e) any information provided to a customer in accordance with any conditions included under this paragraph is provided in a timely manner and in an easily understandable format for the purposes referred to in Article 10(3)(e) of the Energy Efficiency Directive; and
 - (f) a charge is not made in respect of any bill or statement of account sent by a customer or in respect of any information provided to the customer (whether in the bill or statement of account or otherwise) contrary to Article 11(1) of the Energy Efficiency Directive.
- (5) The duty on the Authority in paragraph (2) to include conditions in a licence shall only have effect where the Department—

- (a) has determined that it is technically possible, financially reasonable and proportionate in relation to the potential energy savings to implement a programme for the widespread provision of smart meters; and
- (b) notifies the Authority in writing to that effect.
- (6) In this Article—
 - (a) "the Energy Efficiency Directive" means the European Parliament and Council Directive 2012/27/EU on energy efficiency, amending Directive 2009/125/EC and 2010/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC;
 - (b) "smart meter" means—
 - (i) a gas meter which can send and receive information using an electronic communications network; or
 - (ii) a gas meter and a device which is associated with or ancillary to that meter and which enables information to be sent and received by the meter using an electronic communication network;
 - (c) "electronic communication" has the same meaning as Section 4(1) of the Electronic Communications Act (Northern Ireland) 2001; and
 - (d) other expressions which are also used in the Energy Efficiency Directive shall have the same meaning as in that Directive.".

Provision of individual meters

11. Immediately before Article 22 of the Gas (Northern Ireland) Order 1996 there shall be inserted—

"Individual meters

- **21A.**—(1) Where a customer of a gas supplier is to be charged for his supply wholly or partly by reference to the quantity of gas supplied, the supply shall be given through, and the quantity of gas shall be ascertained by, a meter which complies with Article 22.
- (2) Any charge in respect of the provision of such a meter (whether that provision is by way of sale, hire or loan) shall be no higher than the competitive market rate.".

PART 5

PRIORITY DISPATCH

Amendments to the Electricity Order

- **12.**—(1) Article 11AB (Conditions on transmission licences relating to priority dispatch) of the Electricity Order is amended as follows.
 - (2) In the heading, after "transmission" insert "and distribution".
 - (3) In paragraph (1)—
 - (a) after "a transmission" insert "or a distribution"; and
 - (b) after "in accordance with Article 16(2)(c) of Directive 2009/28/EC" insert "and Article 15(5)(c) of Directive 2012/27/EU".
- (4) In paragraph (4), for the words "Annex III of Directive 2004/8/EC(6) of the European Parliament and of the Council on the promotion of co-generation based on useful heat demand in the

internal energy market and amending Directive 92/42/EEC(7)" there shall be substituted "Annex II of the Energy Efficiency Directive (as defined in Article 11AC(8))".

Amendments to the Electricity (Priority Dispatch) Regulations (Northern Ireland) 2012

- **13.**—(1) The Electricity (Priority Dispatch) Regulations (Northern Ireland) 2012(7) are amended as follows.
 - (2) In regulation 3—
 - (a) in the heading, after "Transmission" insert "and Distribution"
 - (b) after "an existing transmission licence" insert "or existing distribution licence"; and
 - (c) after "in accordance with Article 16(2)(c) of Directive 2009/28 EC" insert "and Article 15(5)(c) of Directive 2012/27/EU".
- (3) In regulation 5, after the definition of "the 1992 Order" there shall be inserted the following definition—

""Directive 2012/27/EU" means the European Parliament and Council Directive 2012/27/EU on energy efficiency, amending Directive 2009/125/EC and 2010/30/EU and repealing Directive 2004/8/EC and 2006/32/EC."

PART 6

TRANSITIONAL PROVISIONS

Modification of existing electricity licences

- 14.—(1) The Department, after consultation with the Authority, or the Authority with the consent of the Department, may by notice in writing make such modifications to the conditions of an existing electricity licence as the Department or the Authority, as the case may be, considers requisite or expedient—
 - (a) to ensure that any activity authorised by the licence is carried out in compliance with the relevant requirements and prohibitions laid down by Directive 2012/27/EU; or
 - (b) otherwise for the purpose of Directive 2012/27/EU.
 - (2) A notice under paragraph (1) may—
 - (a) revoke or modify such conditions of; or
 - (b) include such new conditions in,

an existing licence as the Department or the Authority, as the case may be, considers requisite or expedient for the purposes of that paragraph.

- (3) Conditions included in a licence by virtue of the power conferred by this regulation—
 - (a) may do any of the things authorised by Articles 11(2) to (6B) of the Electricity Order; and
 - (b) shall, in particular, ensure that existing electricity licences comply with the requirements of Article 11AC of the Electricity Order.
- (4) Before making modifications under this regulation, the Department or the Authority shall consult the holders of the licences being modified and such other persons as it considers appropriate.
- (5) The requirements of paragraphs (1) and (4) as to consultation may be satisfied by consultation before, as well as by consultation after, the coming into operation of the regulation.

- (6) Where the Department or the Authority makes any modifications under this regulation, it shall publish those modifications in such manner as it considers appropriate.
- (7) The power to make modifications under this regulation may not be exercised after the end of the period of 12 months beginning with the day on which this regulation comes into operation.
- (8) The Department may, prior to the end of the period referred to in paragraph (7), and if it is satisfied there are good reasons for doing so, extend that period by no more than 12 months.
- (9) Article 38(1) of the Energy Order applies in relation to the power to modify a licence under this regulation as it applies in relation to a power to modify a licence under the Electricity Order.
- (10) Nothing in this regulation prejudices the generality of any other power to modify an electricity licence; and nothing in paragraph (3) prejudices the generality of paragraph (1).

Modification of existing gas licences

- 15.—(1) The Department, after consultation with the Authority, or the Authority with the consent of the Department, may by notice in writing make such modifications to the conditions of an existing gas licence as the Department or the Authority, as the case may be, considers requisite or expedient—
 - (a) to ensure that any activity authorised by the licence is carried out in compliance with the relevant requirements and prohibitions laid down by Directive 2012/27/EU; or
 - (b) otherwise for the purpose of Directive 2012/27/EU.
 - (2) A notice under paragraph (1) may—
 - (a) revoke or modify such conditions of; or
 - (b) include such new conditions in,

an existing licence as the Department or the Authority, as the case may be, considers requisite or expedient for the purposes of that paragraph.

- (3) Conditions included in a licence by virtue of the power conferred by this regulation—
 - (a) may do any of the things authorised by Article 10(2) to (6A) of the Gas Order; and
 - (b) shall, in particular, ensure that existing gas licences comply with the requirements of Article 10AA of the Gas Order.
- (4) Before making modifications under this regulation, the Department or the Authority shall consult the holders of the licences being modified and such other persons as it considers appropriate.
- (5) The requirements of paragraphs (1) and (4) as to consultation may be satisfied by consultation before, as well as by consultation after, the coming into operation of the regulation.
- (6) Where the Department or the Authority makes any modifications under this regulation, it shall publish those modifications in such manner as it considers appropriate.
- (7) The power to make modifications under this regulation may not be exercised after the end of the period of 12 months beginning with the day on which this regulation comes into operation.
- (8) The Department may, prior to the end of the period referred to in paragraph (7), and if it is satisfied there are good reasons for doing so, extend that period by no more than 12 months.
- (9) Article 38(2) of the Energy Order applies in relation to the power to modify a licence under this regulation as it applies in relation to a power to modify a licence under the Gas Order.
- (10) Nothing in this regulation prejudices the generality of any other power to modify a gas licence; and nothing in paragraph (3) prejudices the generality of paragraph (1).

Sealed with the Official Seal of the Department of Enterprise, Trade and Investment on 4th July 2014.



J Mills
A senior officer of the
Department of Enterprise, Trade and Investment

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations inter alia amend the Electricity (Northern Ireland) Order 1992 ("the Electricity Order"), the Gas (Northern Ireland) Order 1996 ("the Gas Order") and the Energy (Northern Ireland) Order 2003 ("the Energy Order") to ensure that they conform to the requirements of Articles 9, 10, 11(1), 13 and 15 of and Annexes VII, XI and XII to Directive 2012/27/EU ("the Energy Efficiency Directive").

Part 1 contains certain introductory provisions.

Part 2 amends the Energy Order to –

- (a) align the functions of the Northern Ireland Authority for Utility Regulation with the requirements of Article 15 of the Directive; and
- (b) to amend the enforcement powers to ensure that the penalties under Article 41A and 41B are available in relation to breaches of the Electricity and Gas Order relating to individual meters which breach the requirements of Article 9(1) of the Energy Efficiency Directive.

Part 3 amends the Electricity Order to provide for the inclusion of appropriate conditions in electricity licences to ensure that the authorised activities comply with various requirements under Articles 9, 10, 11(1) and 15 of an Annexes VII, XI and XII to the Energy Efficiency Directive. These requirements are that inter alia customers have regular access to bills and billing information free of charge and that on request suppliers provide electronic billing and an easily understandable explanation of how the bill was derived.

This Part also amends Schedule 7 to the Electricity Order to require individual matters used to ascertain the quantity of electricity supplied and provided after [DATE] to provide information about the actual time of use of electricity.

Part 4 makes corresponding changes to the licensing provisions in the Gas Order.

This Part also inserts a requirement that where gas customers are charged by reference to the quantity of electricity supplied, that supply shall be given through and the quantity ascertained by an individual gas meter charged for at a competitive market rate.

Part 5 amends the Electricity Order and other subordinate legislation relating to priority dispatch of electricity. Article 15(5) of the Energy Efficiency Directive requires Member States to ensure that when dispatching electricity generating installations, electricity transmission and distribution system operators give priority to generating installations using renewable energy sources. This replaces Article 16(2)(c) of Directive 2009/28/EC which only applied in relation to transmission system operators. This Part updates the references to the Energy Efficiency Directive and extends the requirements of the relevant national implementing legislation to distribution system operators.

Part 6 sets out transitional provisions to provide for existing gas and electricity licences to be modified to ensure compliance with the relevant provisions of the Energy Efficiency Directive.