

DISTRIBUTION SYSTEM OPERATOR LICENCE

GRANTED TO

ESB NETWORKS LTD

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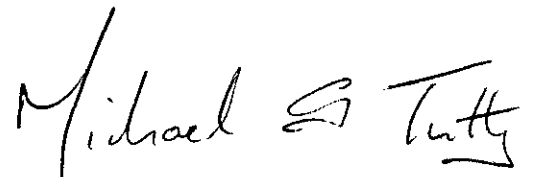
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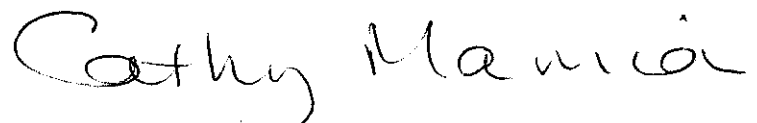
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PART I TERMS OF THE LICENCE

1. The Commission for Energy Regulation (hereinafter referred to as the "**Commission**") in exercise of the powers conferred by Section 14(1)(g) of the Electricity Regulation Act, 1999 (hereinafter referred to as "**the Act**"), as amended by the European Communities (Internal Market in Electricity) Regulations 2000 - 2008, hereby grants to ESB Networks Ltd (hereinafter referred to as "**the Licensee**") a licence to discharge the functions of the Distribution System operator in the State subject to the conditions (hereinafter referred to as "**the Conditions**") set out in Part II.
2. The Licensee shall:
 - (a) operate and ensure the maintenance of and develop, as necessary, a safe, secure, reliable, economical and efficient electricity Distribution System, taking into account exchanges with other interconnected systems, with a view to ensuring that all reasonable demands for electricity are met and having due regard for the environment; and
 - (b) take into account the need to operate co-ordinated transmission and Distribution Systems.
3. The Conditions are subject to Modification or amendment in accordance with Sections 14(3), 14(6)(a) and 19 of the Act.
4. The licence hereby granted (hereinafter referred to as "**this Licence**") shall come into force on the Effective Date and shall continue in full force and effect until determined by notice in writing given by the Commission to the Licensee.

Sealed with the common seal of the Commission for Energy Regulation on
7th January 2009


Member of Commission


Member of staff of Commission

PART II CONDITIONS OF THE LICENCE

SECTION A TRANSITION CONDITIONS

Condition 1 Application of Other Licence Conditions

1. Notwithstanding any other provision of this Licence, the following Conditions 2 and 3 shall cease to apply one day after the date which is six years and one month after SEM Go-Live or on such other date as may be specified by the Commission;
2. Where a Condition ceases to apply in accordance with paragraph 1 the Conditions shall automatically be modified by the deletion of that Condition.
3. Once all of the Conditions referred to in paragraph 1 have been deleted in accordance with paragraph 2, the Conditions shall automatically be modified by the deletion of this Section A.
2. For the avoidance of doubt the provisions of Condition 1 of Section B shall apply to the Conditions in this Section A from SEM Go-Live.
4. In this Section A:

"Market Operator Licensee" means EirGrid plc in its capacity as market operator licensed pursuant to Section 14(1)(j) of the Act or any other person which may, from time to time, hold a licence pursuant to Section 14(1)(j) of the Act;

"Meter Data" has the meaning given to it in the Single Electricity Market Trading and Settlement Code;

"Northern Ireland Authorised Electricity Operator" has the meaning given to the expression "authorised electricity operator" in the licence granted under Article 10(1)(b) of the Electricity (Northern Ireland) Order 1992 to SONI Limited or a licence subsequently granted under Article 10(1)(b) of the Electricity (Northern Ireland) Order 1992;

"Pre-SEM Arrangements" means the arrangements relating to the system of trading in electricity and settling electricity imbalances established by the Electricity Regulation Act 1999 (Trading Arrangements in Electricity) Regulations 2000 (S.I. 49 of 2000);

"Run-Off"

means, in relation to any arrangements, the bringing to an end of those arrangements, which shall include the determination and settlement (including by way of reconciliation) of electricity and payments in connection with periods up to and including the point at which such arrangements are brought to an end;

"SEM Go-Live"

means the time and date designated as such by the Commission for the purposes of the Single Electricity Market;

"Single Electricity Market"

means the single wholesale electricity market for the Island of Ireland implemented in the Republic of Ireland pursuant to the Act and the Single Market Regulations;

Condition 2 Run-Off Steps (General)

1. The Licensee shall take all reasonable steps, and do all such reasonable things, as are (in each case) within its power and necessary or expedient in order to fully and effectively Run-Off from SEM Go-Live the Pre-SEM Arrangements for which it is responsible.
2. Without prejudice to paragraphs 1 and 4, the Licensee shall, to the extent reasonably requested by Electricity Undertakings and Northern Ireland Authorised Electricity Operators, co-operate with Electricity Undertakings and Northern Ireland Authorised Electricity Operators as well as the Transmission System Operator, the Market Operator Licensee, the Commission and such other persons as the Commission may direct, and shall take all reasonable steps, and do all such reasonable things, as are (in each case) within its power and necessary or expedient in order to:
 - (a) fully and effectively Run-Off the Pre-SEM Arrangements from SEM Go-Live;
 - (b) enable such Electricity Undertakings to comply with any directions made by the Commission under the provisions of their licences which are equivalent to paragraph 3; and
 - (c) enable such Northern Ireland Authorised Electricity Operators to comply with their statutory or licence obligations to Run-Off the Pre-SEM Arrangements,

and where the Licensee considers that a request for co-operation is unreasonable, the Licensee shall refer the request to the Commission who will give a decision as to whether the request is reasonable, and the Licensee shall comply, and act in a manner consistent, with such a decision.

3. The Commission may issue directions to the Licensee setting out the steps to be taken or procured by the Licensee which are, in the reasonable opinion of the Commission, appropriate in order to fully and effectively Run-Off, from SEM Go-Live, the Pre-SEM Arrangements for which it is responsible.
4. Without prejudice to paragraphs 1 and 2, the Licensee shall take all reasonable steps, and do all such reasonable things, as are (in each case) within its power and necessary or expedient in order to comply with directions made from time to time by the Commission in accordance with paragraph 3.
5. The Commission may, at any time, by a further direction in accordance with paragraph 3, (in order to fully and effectively Run-Off, from SEM Go-Live, the Pre-SEM Arrangements for which the Licensee is responsible) amend or cancel any direction (or part thereof) previously made under paragraph 3.
6. Without prejudice to any public, administrative or common law right or contractual right that the Licensee may have to bring any claim against any person, the Licensee shall not take any step, or exercise any right, which is intended to hinder or frustrate the full and effective Run-Off, from SEM Go-Live, of the Pre-SEM Arrangements.

7. If the Licensee is aware of any conflict between its compliance with the provisions of this Condition or any direction under paragraph 3 and its compliance with any other Condition of this Licence, the Licensee shall promptly inform the Commission.
8. Provided the Licensee complies with paragraph 7 the other Conditions of the Licence shall prevail over this condition in the event of conflict. If there is any conflict between a direction made under paragraph 3 and another requirement of this Licence, the provisions of the direction shall prevail.
9. The Licensee shall provide to the Commission, in such manner and at such times as the Commission may reasonably require, such information and shall procure and furnish to it such reports as the Commission may reasonably require or deem necessary or appropriate to enable the Commission to monitor the Licensee's compliance with the requirements of this Condition.
10. If the Licensee is aware (or should reasonably be aware) of any matter or circumstance which it considers will (or which the Licensee should reasonably consider likely to) hinder or frustrate the full and effective Run-Off, from SEM Go-Live, of the Pre-SEM Arrangements, the Licensee shall promptly inform the Commission of such matter or circumstance.

Condition 3 Run-Off Steps (Specific)

Without prejudice to the generality of Condition 2 of this Section A, the Licensee shall provide Meter Data to the extent required in order to fully and effectively Run-Off, from SEM Go-Live, the Pre-SEM Arrangements.

SECTION B CONDITIONS TO APPLY FROM SEM GO-LIVE

Condition 1 Interpretation and Construction

1. Unless the contrary intention appears:
 - (a) words and expressions used in the Conditions shall be construed as if they were in an enactment and the Interpretation Act 2005 applied to them; and
 - (b) references to an enactment shall include subordinate legislation and, in both cases, any statutory Modification or re-enactment thereof after the date when this Licence comes into force.

2. Any word or expression defined for the purposes of any provision of the Act or the Regulations shall, unless otherwise defined herein, have the same meaning when used in the Conditions.

3. In the Conditions, unless otherwise specified or the context otherwise requires:

“Act” refers to the Electricity Regulation Act, 1999;

"Affiliate" in relation to the Licensee or any Subsidiary of a Holding Company of the Licensee, means any Holding Company of the Licensee or any Subsidiary of the Licensee or any Subsidiary of a Holding Company of the Licensee;

"Board" means the Electricity Supply Board;

“Commercially Sensitive Information” means any matter the disclosure of which would materially prejudice the interests of any person;

"Confidential Information" means any information relating to the business, affairs and finances of a system user being confidential to that system user whether or not such information is marked confidential, including, without limitation, Commercially Sensitive Information held or obtained by the Licensee in the discharge of its functions as Distribution System Operator under the Act, the Regulations and this Licence ;

“Direct Line” has the meaning given under the Act;

“Distribution System Owner” means the entity licensed pursuant to Section 14(1)(k) of the Act;

"Distribution System Owner Business"	means the business of the owner of the Distribution System;
"Distribution Business"	means the business of the Licensee as the operator of the Distribution System and includes the activities covered by the Operations Agreements;
"Distribution System Operator"	means the Licensee;
"Distribution Code"	means the Distribution Code, prepared by the Licensee pursuant to Section 33 of the Act, and approved by the Commission, as from time to time revised, amended, supplemented or replaced with the approval or at the instance of the Commission;
"Distribution System"	means all electric lines of the Board which the Board may, with the approval of the Commission, specify as being part of the Distribution System, and includes any electric plant, transformers and switchgear of the Board which is used for conveying electricity to Final Customers, including any Direct Line acquired by the Distribution System Owner pursuant to their Licence;
"Distribution System Security and Planning Standards"	means the document of that title to be prepared by the Licensee under Condition 11;
"Effective Date"	means the date specified by the Minister for Public Enterprise pursuant to Regulation 3 (Effective date) of the Regulations;
"Electricity Undertaking"	means any person engaged in the generation, transmission, distribution or supply of electricity including any holder of a licence or authorisation or a person who has been granted a permit under Section 37 of the Electricity (Supply) Act 1927 and any person transferring electricity to or from the Republic of Ireland across an Interconnector or across the North/South Circuits or who has made an application for use of an Interconnector which has not been refused;

"Final Customers"	has the meaning given under the Act;
"Grid Code"	means the Grid Code, prepared by the Transmission System Operator pursuant to Section 33 (Preparation of Grid Code and Distribution Code) of the Act and approved by the Commission, as from time to time revised, amended, supplemented or replaced by the Transmission System Operator with the approval or at the instance of the Commission;
"Holding Company"	means a holding company within the meaning of the Companies Acts, 1963 to 2006;
"Household Customer"	means customers purchasing electricity for their own household consumption, excluding commercial or professional activities;
"Interconnector"	means for the purposes of this Licence, equipment used to link the Transmission System to electricity systems outside of the Island of Ireland, and (for the avoidance of doubt) does not include the North/South Circuits;
"Island of Ireland"	means the Republic of Ireland and Northern Ireland;
"Licensee"	means ESB Networks Ltd formed under Regulation 3 of SI 280 of 2008;
"Meter Data"	has the meaning given to it in the Single Electricity Market Trading and Settlement Code;
"Meter Point"	means the point at which electricity consumption is measured;
"Meter Point Registration Service"	means the service described in Condition 8(2);
"Meter Point Reference Number"	means the unique identifier for each connection point on the Distribution System;

“Meter Registration Agreement”

means the agreement between the Distribution System Operator, the Transmission System Operator and Suppliers and of that name dated July 2002;

“Meter Registration System Operator”

means the unit of the Distribution System Operator which discharges the functions described in Condition 8 and provides the services described in Condition 9(1)(d);

“Metering Code”

means the Metering Code, to be prepared by the Licensee and approved by the Commission, as from time to time revised, amended, supplemented or replaced with the approval or at the instance of the Commission;

“Metering Equipment”

means meters, time-switches, measurement transformers, metering protection and isolation equipment, circuitry and their associated data storage and data communications equipment and wiring which are part of the active energy and reactive energy measuring equipment at or relating to land and/or premises of a final customer or Electricity Undertaking;

“Modification”

includes addition, deletion, amendment and substitution, and cognate expressions shall be construed accordingly;

“North/South Circuits”

means the electric lines and electrical plant and meters used for conveying electricity directly to or from a substation or converter station within the Republic of Ireland directly to or from a substation or converter station within Northern Ireland (and not for conveying electricity elsewhere);

“Operation Agreements”

means the agreement or agreements entered into between the Distribution System Owner and the Licensee, pursuant to Regulation 6 of SI 280 of 2008, as from time to time revised, amended, supplemented or replaced with the approval or at the instance of the Commission;

"Participating Interest"	has the meaning given to that term in Regulation 35 of the European Communities (Companies: Group Accounts) Regulations 1992 (S.I. 201 of 1992);
"Principal Regulations"	means the European Communities (Internal Market in Electricity) Regulations 2000;
"Regulations"	means the European Communities (Internal Market in Electricity) Regulations 2000 to 2008;
"Related Undertaking"	means any undertaking having a Participating Interest in the Licensee or any undertaking in which the Licensee has a Participating Interest;
"SEM Matters"	Has the meaning set out in the Act (as amended by Electricity Regulation (Amendment) (Single Electricity Market) Act 2007);
"Single Electricity Market Trading and Settlement Code"	means the Trading and Settlement Code provided for in Regulation 4 of the Single Market Regulations, as from time to time, revised, amended, supplemented or replaced;
"Single Market Regulations"	means the Electricity Regulation Act 1999 (Single Electricity Market) Regulations 2007 (S.I. 406 of 2007);
"Subsidiary"	has the meaning given in the Companies Acts, 1963 to 2006;
"Supplier"	means a person licensed to supply electricity under Sections 14(1)(b), (c), (d) or (h), or 14(2) of the Act;

"Transmission System"	means the system of electric lines comprising wholly or mainly the Transmission System Owner's high voltage lines and electric plant which is used for conveying electricity from a generating station to a substation, from one generating station to another, from one substation to another or to or from any Interconnector or to Final Customers (including such part of the North/South Circuits as is owned by the Board) (but shall not include any such lines which the Board may, with the approval of the Commission, specify as part of the Distribution System) and shall include any Interconnector owned by the Board;
"Transmission System Operator"	means the entity licensed to operate the Transmission System under Section 14(1)(e) of the Act;
"Transmission System Owner"	means the entity licensed to own the Transmission System, pursuant to Section 14(1)(f) of the Act; and
"Vulnerable Customer"	means a Household Customer that is particularly vulnerable to a supply interruption and/or has special communication requirements or other such special requirements as may be specified by the Commission from time to time.

4. Unless otherwise specified:
 - (a) any reference to a numbered Condition is a reference to the Condition bearing that number in this Licence;
 - (b) any reference to a numbered paragraph is a reference to the paragraph bearing that number in the Condition or Schedule in which the reference occurs; and
 - (c) without prejudice to any provision which restricts such variation, supplement or replacement, any reference to any agreement, licence (other than this Licence), code, statute or other instrument shall include a reference to such agreement, licence, code, statute or other instrument as varied, amended, supplemented or replaced from time to time.

5. The heading or title of any Part, Condition, Schedule or paragraph shall not affect the construction thereof.

6. Where any obligation of the Licensee is expressed to require performance within a specified time limit that obligation shall continue to be binding and enforceable after that time limit if the Licensee fails to perform that obligation within that time limit (but without prejudice to all rights and remedies available against the Licensee by reason of the Licensee's failure to perform within the time limit).
7. The provisions of Section 4 (Service of notices) of the Act shall apply for the purposes of the delivery or service of any document, direction or notice to be delivered or served pursuant to this Licence, and directions issued by the Commission pursuant to any Condition shall be delivered or served as aforesaid.
8. Words in the singular include the plural and in the plural include the singular.

Condition 2 Connection to and Use of the Distribution System

1. The provisions of Sections 34, 35, 36 of the Act and Regulation 22 of the Principal Regulations shall apply to the Licensee, save that for the purposes of this Licence, references to the Transmission System and the Distribution System shall be read as references to the Distribution System only.
2. The Licensee shall comply with any directions or determinations given to it by the Commission, from time to time, pursuant to Section 34, Section 35 or Section 36 of the Act.
3. Where required by the Commission, the Licensee shall publish and make available on the Licensee's web-site the statement of charges for connection to and use of the Distribution System approved by the Commission under Section 36 of the Act.
4. The Licensee shall, by 1 October 2009:
 - (a) determine and prepare a policy document for a use of system charging methodology, approved by the Commission, that achieves the relevant objectives;
 - (b) comply with the use of system charging methodology at that date and as modified from time to time thereafter in accordance with the provisions of this condition;
 - (c) review the use of system charging methodology at least once every year and make such Modifications (if any), with the approval of the Commission, to the use of system charging methodology as are necessary for the purpose of better achieving the relevant objectives.
5. In paragraph 4 above, the relevant objectives are:
 - (a) sets out the basis on which charges will be made for the use of the Distribution System;
 - (b) sets out the basis on which charges for services provided to Suppliers or Final Customers related to their use of the Distribution System;
 - (c) sets out the contractual terms for use of the Distribution System;
 - (d) that the document shall be in such form and contain such details as would enable any person to make a reasonable estimate of the charges he/she would be liable for use of the Distribution System;
 - (e) that compliance with the use of system charging methodology document facilitates the discharge by the Licensee of the obligations imposed on it under the Act, the Regulations and this Licence;
 - (f) that compliance with the use of system charging methodology document facilitates competition in the generation and supply of electricity;

- (g) that compliance with the use of system charging methodology document results in charges which reflect, as far as is reasonably practicable (taking account of implementation costs), the costs incurred by the Licensee in the performance of its function under the Act, the Regulations and this Licence.
6. The Licensee shall, by 1 October 2009:
- (a) prepare a connection policy document approved by the Commission, that achieves the relevant objectives;
 - (b) comply with the connection policy document at that date and as modified from time to time thereafter in accordance with the provisions of this Condition; and
 - (c) review the connection policy at least once every year and make such Modifications (if any), with the approval of the Commission, to the connection policy document as are necessary for the purpose of better achieving the relevant objectives.
7. In paragraph 6 above, the relevant objectives are:
- (a) sets out the basis on which charges will be made for connection to the Distribution System;
 - (b) sets out the process of connection to the Distribution System;
 - (c) sets out the contractual terms for connection;
 - (d) that the document shall be in such form and contain such details as would enable any person to make a reasonable estimate of the charges he/she would be liable for connection to the Distribution System;
 - (e) that compliance with the connection policy document facilitates the discharge by the Licensee of the obligations imposed on it under the Act, the Regulations and this Licence;
 - (f) that compliance with the connection policy document facilitates competition in the generation and supply of electricity;
 - (g) that compliance with the connection policy document results in charges which reflect, as far as is reasonably practicable (taking account of implementation costs), the costs incurred by the Licensee.
9. Where the Licensee proposes to amend its use of system charges methodology or connection policy documents, it shall:
- (a) consult with those that are affected or are likely to be affected by the proposed amendments, including TSO;
 - (b) report to the Commission on any consultation carried out and any revisions to the proposed amendments arising from the consultation; and

- (c) not implement any amendment without the written approval of the Commission.
10. The Licensee shall comply with any direction issued by the Commission relating to the form or content of the use of system charges methodology or connection policy documents.
 11. The Licensee shall publish and make available on the Licensee's web-site the use of system charges methodology and connection policy documents.

Condition 3 Operation Agreements

1. The Licensee shall, by 1 January 2009 (or such later date as the Commission may direct), enter into, and thereafter comply with, and, in conjunction with the Distribution System Owner, at all times maintain in force an agreement or agreements (the "Operation Agreements") which:
 - (a) insofar as any matter is within the control of the Distribution System Owner and affects the ability of the Licensee to carry on the Distribution Business, ensures that such matter is carried out in a manner such that the Licensee is capable, on a continuing basis, of carrying on the Distribution Business;
 - (b) insofar as any matter is within the control of the Licensee in its capacity as the holder of this Licence and affects the ability of the Distribution System Owner to carry on the Distribution System Owner Business, ensures that such matter is carried out in a manner such that the Distribution System Owner is capable, on a continuing basis, of carrying on the Distribution System Owner Business;
 - (c) is designed so as to:
 - (i) promote the efficient discharge of the obligations imposed on the Licensee in its capacity as the Distribution System Operator, and on the Distribution System Owner, under licences, laws and regulations;
 - (ii) facilitate the development, maintenance and operation of the Distribution System in an efficient, economical, co-ordinated, safe, secure and reliable manner;
 - (iii) neither prevent nor restrict effective competition in the generation and supply of electricity; and
 - (iv) promote good industry practice and efficiency in the implementation and administration of the matters covered by the Operation Agreements.
2. The Licensee shall, in conjunction with the Distribution System Owner, submit the Operation Agreements to the Commission for approval before entering into them.
3. The Operation Agreements may not be amended without the consent of the Commission.
4. Subject to paragraph 3 above, where the Distribution System Owner wishes to vary the Operation Agreements the Licensee shall enter into negotiations in good faith with a view to concluding such a variation.
5. Subject to paragraph 3 above, where the Licensee and the Distribution System Owner cannot reach agreement on a variation referred to into paragraph 4, the matter shall be submitted to the Commission and the

Commission shall determine the matter and issue a direction to both parties. The Licensee shall comply with any direction issued under this paragraph.

6. The Licensee shall, in conjunction with the Distribution System Owner, periodically review (including at the request of the Commission) the Operation Agreements and their implementation. The Licensee shall report the findings of any such review to the Commission in a timely manner.
7. Where required by the Commission and to the extent required by the Commission, the Licensee shall publish the Operation Agreements on its web-site.

Condition 4 Economic Procurement of Assets and Services

1. The Licensee shall procure or direct the Distribution System Owner to procure such assets and services as may from time to time be necessary to enable the Licensee to discharge its obligations under the Act, the Regulations, the Single Market Regulations and this Licence.
2. In procuring or directing the procurement of assets and services pursuant to paragraph 1, the Licensee shall procure or direct the procurement of assets and services from the most economical sources available to it, or the Distribution System Owner, having regard to the quantity and nature of the assets and services required to enable it to discharge its obligations under the Act, the Regulations, the Single Market Regulations and this Licence and to the diversity, number, timeliness of delivery and reliability of such assets and services.
3. This Condition shall not extend to prescribing the manner or circumstances in which the Licensee shall at any time call for the delivery of assets and services under any contract or arrangement entered into pursuant to paragraph 1.
4. Any provision of assets or services to the Licensee, for the purposes of discharging its functions under this Licence, by any Affiliate or Related Undertaking or shareholder shall be on arm's length terms.
5. Any provision of assets or services by the Licensee, for the purposes of discharging its functions under this Licence, to any Affiliate or Related Undertaking or shareholder shall be on arm's length terms.
6. For the avoidance of doubt the arrangements provided for under the Operation Agreements are deemed to comply with this Condition.

Condition 5 Relevant Assets

1. The Licensee shall prepare and maintain a register of all relevant assets in a form as specified by the Commission from time to time. The Licensee shall provide the Commission with such a register no later than six months after this Licence has come into force and shall provide the Commission with such a register annually.
2. The Licensee shall provide a copy of the register to the Distribution System Owner and, where the register is revised from time to time, the Licensee shall provide a copy of the revised register to the Distribution System Owner as soon as reasonably practicable after such revision.
3. The Licensee shall not dispose of, or relinquish operational control over, any relevant asset if the disposal or relinquishment of control would adversely affect its ability to discharge its obligations under the Act, the Regulations or the Single Market Regulations, or the carrying on of activities authorised or required by this Licence, and any question arising under this Condition shall be determined by the Commission.
4. The Licensee shall not consent to the disposal of, or the relinquishment of operational control over, any relevant asset by the Distribution System Owner if the disposal or relinquishment of control would adversely affect the Licensee's ability to discharge its obligations under the Act, the Regulations or the Single Market Regulations, or the carrying on of activities authorised or required by this Licence, and any question arising under this Condition shall be determined by the Commission. Such consent shall not be unreasonably withheld.
5. The Commission shall issue directions from time to time requiring the Licensee to give prior written notification to the Commission of proposed disposals of relevant assets of a specified description and these directions may include a direction that certain categories of such disposals may not take place until either the Commission has expressly agreed to them or a specified time period has elapsed.
6. In this Condition:

"disposal"

includes any sale, assignment, gift, lease, licence, transfer, mortgage, charge, restriction on use (whether physical or legal), or the grant of any other encumbrance or the permitting of any encumbrance to subsist or any other disposition to a third party and "**dispose**" shall be construed accordingly;

"relevant asset"

means:

- (a) any equipment which can be considered material used by the Licensee, including those owned by the Distribution System Owner, in the discharge of its functions under this Licence, the Act or the Regulations.
- (b) any control centre for use in conjunction with the Distribution System including those owned by the Distribution System Owner; and
- (c) any legal or beneficial interest which can be considered material in land and/or premises upon which any of the foregoing is situated and/or used by the Licensee in the discharge of its functions under this Licence.

Any question arising as to the materiality of relevant assets shall be determined by the Commission for the purposes of this Condition.

Condition 6 Additional Use or Disposal of Relevant Assets

1. If any or all of the relevant assets are being used or disposed of, or if any or all of the relevant assets are proposed to be used or disposed of, by the Licensee (or any Affiliated or Related Undertaking or shareholder of the Licensee) for interests other than or in addition to discharging the functions of the Distribution System Operator, the Licensee shall, as soon as is practicable after the date of issue of this Licence, notify the Commission in writing of same and provide the Commission with such information as the Commission requires in relation to such usage or disposal.
2. The Commission shall issue directions from time to time requiring the Licensee to give prior written notification to the Commission of proposed additional uses or disposals of relevant assets of a specified description and these directions may include a direction that certain categories of such disposals may not take place until either the Commission has expressly agreed to them or a specified time period has elapsed.

3. In this Condition:

“disposal” has the meaning as defined in Condition 5 and **“disposed”** shall be construed accordingly;

“relevant asset” has the meaning as defined in Condition 5.

Any question arising as to the materiality of relevant assets shall be determined by the Commission for the purposes of this Condition.

Condition 7 Detection and Prevention of Theft of Electricity

1. In respect to the Distribution System, the Licensee shall (and shall ensure that its agents) take all reasonable steps to detect and prevent:
 - (a) the theft of electricity;
 - (b) damage to any electrical plant, electric line and Metering Equipment; and
 - (c) interference with any Metering Equipment.
2. Where the Licensee has reason to believe that:
 - (a) the theft of electricity is taking place or has taken place; or
 - (b) there has been interference with the Metering Equipment to alter its register or prevent it from duly registering the quantity of electricity supplied or produced;

the Licensee shall as soon as reasonably practicable, inform the affected Supplier of the incident in question.

3. The Licensee shall, no later than three months after this Licence has come into force, prepare and submit for approval by the Commission a code of practice for revenue protection and shall comply with the relevant provisions of this code.
4. The code of practice produced pursuant to paragraph 3 above is subject to the provisions of Condition 16.
5. In this Condition:

“code of practice for revenue protection”

means the procedure used to ensure the accurate recording of electricity consumption and production; and

“theft of electricity”

means the dishonest use, waste or diversion of electricity, within the meaning of Section 15 of the Energy (Miscellaneous Provisions) Act, 1995.

Condition 8 Meter Point Registration Service

1. The Licensee shall establish, operate and maintain a service to be known as the **Meter Point Registration Service**.
2. The Meter Point Registration Service shall fulfil the following functions:
 - (a) the maintenance of a register of technical and other data as is necessary to facilitate supply by a Supplier to any premises. The register shall contain, inter alia, the following data in relation to all Meter Points :
 - (i) the Meter Point Reference Number; and
 - (ii) the identity of the Supplier responsible under the Single Electricity Market Trading and Settlement Code for the supply of electricity to each premises; and
 - (iii) the class of Metering Equipment installed at each such premises; and
 - (iv) the address of each such premises.
 - (b) the amendment of the register maintained in accordance with subparagraph (a) to reflect changes of Supplier in respect of any premises; and
 - (c) the provision, in a timely and efficient manner, of such data contained in the register as is reasonably required and requested to:
 - (i) any Supplier; and
 - (ii) any person identified in accordance with the Single Electricity Market Trading and Settlement Code as an appropriate person for the receipt of data for settlement purposes; and
 - (iii) any person identified in the Meter Registration Agreement as entitled to such data for the purpose of facilitating changes of Supplier in respect of any premises; and
 - (d) the maintenance of an enquiry service for the provision to any Final Customer, on request, of such data contained in the register as is relevant to the supply of electricity to premises which are (or are to be) owned or occupied by the Final Customer.

Condition 9 Provision of Metering and Data Services

1. The Licensee shall provide the following services to customers, Suppliers, the Transmission System Operator and the Market Operator as may be required:
 - (a) the provision of Metering Equipment; and
 - (b) the installation, commissioning, testing, repair and maintenance of Metering Equipment; and
 - (c) data collection; and
 - (d) data transfer, data processing and data aggregation services; and
 - (e) the provision of Meter Data for the purposes of, and in accordance with, the Single Electricity Market Trading and Settlement Code.
2. Any question arising as to the services to be provided under this Condition will be determined by the Commission.
3. In this Condition:

“data collection” means the collection and verification of Meter Data from electricity meters.

“data transfer” means the transfer of raw and processed Meter Data to market participants as required for settlement and billing purposes.

“data processing” means the processing, validation, estimation of Meter Data in respect of the consumption or production of electricity at premises are metered, and the creation, processing and validation of data in respect of the consumption of electricity at premises which receive an unmetered supply.

“data aggregation” means the collation and summation of Meter Data (whether actual or estimated), and the delivery of such data to the Market Operator, as the case may be, for settlement purposes and to the Transmission System Operator for billing purposes, in each case for the purposes of, and in accordance with, the Single Electricity Market Trading and Settlement Code.

“Market Operator” has the meaning given to it in the Single Electricity Market Trading and Settlement Code.

Condition 10 Capacity Statement

1. If so requested and subject to paragraphs 2 and 3, the Licensee shall as soon as practicable and in any event within 28 days after the date referred to in paragraph 4 (or where the Commission so approves such longer period as the Licensee may reasonably require having regard to the nature and complexity of the request), give or send to any person making such request a statement showing present and future circuit capacity, forecast power flows and loading on the part or parts of its Distribution System specified in the request and fault levels for each distribution node covered by the request and:
 - (a) such further information as shall be reasonably necessary to enable such person to identify and evaluate the opportunities available when connecting to and making use of the part or parts of the Distribution System specified in the request; and
 - (b) if so requested, a commentary prepared by the Licensee indicating its view as to the suitability of the part or parts of the Distribution System specified in the request for new connections and transport of further quantities of electricity;

provided that the Licensee may apply to the Commission to be relieved of the obligation to prepare any such statement in respect of any period and any part or parts of the Distribution System, stating in each case the reasons for the request for disapplication of the provisions of this paragraph and the Commission may, where the request for disapplication has been duly substantiated, relieve the Licensee of the obligation to prepare a statement in accordance with the provisions of this paragraph.

2.
 - (a) Except as provided in sub-paragraphs (b) and (c) below, the Licensee shall include in every statement prepared or (as the case may be) given or sent under paragraph 1 the information required by such paragraph.
 - (b) The Licensee may with the prior consent of the Commission omit from any such statement any details as to circuit capacity, power flows, loading or other information the disclosure of which would, in the view of the Licensee, seriously and prejudicially affect the commercial interests of the Licensee or any third party.
 - (c) The Licensee may omit from any statement given or sent under paragraph 1 any information the disclosure of which would place the Licensee in breach of Condition 21.
3. The Licensee may within 10 days after receipt of the request provide an estimate of its reasonable costs in the preparation of any statement referred to in paragraph 1, and its obligation to provide such statement shall be conditional on the person requesting such statement agreeing to pay the amount estimated or such other amount as the Commission may, upon the application of the Licensee or the person requesting such statement, direct.

4. For the purposes of paragraph 1, the date referred to shall be the later of:
 - (a) the date of receipt of the request referred to in paragraph 1; or
 - (b) the date on which the Licensee receives agreement from the person making the request to pay the amount estimated or on which an amount is determined by the Commission (as the case may be) under paragraph 3.

Condition 11 Distribution System Security and Planning Standards

1. The Licensee shall, in consultation with the Transmission System Operator, establish standards for Distribution System security and planning and shall prepare a document entitled "**The Distribution System Security and Planning Standards**" which shall embody such standards.
2. The Licensee shall be responsible for operating, ensuring the maintenance of and, if necessary, developing the Distribution System in accordance with the Distribution System Security and Planning Standards.
3. The Distribution System Security and Planning Standards shall be furnished to the Commission for its approval no later than six months after this Licence has come into force.
4. The Licensee shall, in consultation with the Transmission System Operator, periodically review (including at the request of the Commission) the Distribution System Security and Planning Standards and their implementation. Following any such review, the Licensee shall send to the Commission:
 - (a) a report of the outcome of such review; and
 - (b) any revisions which it proposes to make to the Distribution System Security and Planning Standards (having regard to the outcome of the review).

Revisions to the Distribution System Security and Planning Standards proposed by the Licensee shall be subject to the approval of the Commission.

5. The Commission may issue directions requiring the Licensee to revise the Distribution System Security and Planning Standards in such manner as may be specified in the directions and the Licensee shall forthwith comply with such directions.
6. The Distribution System Security and Planning Standards shall be reviewed in the manner provided for in paragraph 4 no later than twelve months after the date of first approval by the Commission of such standards. Such date may be extended by the Commission in directions issued to the Licensee for the purposes of this paragraph.
7. The Licensee shall publish and make the Distribution System Security and Planning Standards available on the Licensee's web-site.
8. The Licensee may seek a derogation relieving the Licensee of its obligations under paragraph 2 in respect of parts of the Distribution System Security and Planning Standards and the Commission may issue directions relieving the Licensee of its obligations under paragraph 2 above in respect of such parts of the Distribution System Security and Planning Standards, to such extent as may be specified in those directions.

Condition 12 Duty of Non-Discrimination

In the carrying out of its functions under this Licence, the Licensee shall not discriminate unfairly between persons or classes of persons, or between system users or classes of system users, particularly in favour of its associated or Affiliated or Related Undertakings, joint ventures or shareholders.

Condition 13 Performance of the Distribution Business

1. The Licensee shall, no later than three months after this Licence has come into force submit to the Commission for approval a report setting out the criteria against which the performance of the Distribution Business can be measured. The Commission may from time to time make amendments to such criteria as it sees fit and shall notify the Licensee of such amendments.
2. The Licensee shall conduct the Distribution Business in the manner which it reasonably considers to be best calculated to achieve any and all standards and/or targets of performance as may be determined by the Commission from time to time.
3. The Licensee shall, periodically review (including at the request of the Commission) the performance criteria. Following any such review, the Licensee shall send to the Commission:
 - (a) a report of the outcome of such review; and
 - (b) revisions which it proposes to make to the performance criteria (having regard to the outcome of the review).

Revisions to the performance criteria proposed by the Licensee shall be subject to the approval of the Commission.

4. The Licensee shall report annually on the performance of the Distribution Business using the criteria specified in paragraph 1.
5. The performance criteria specified in paragraph 1 as approved by the Commission and the report on performance specified in paragraph 4 shall be published and made available on the Licensee's web-site.

Condition 14 Access to Land and/or Premises

1. The Licensee shall no later than three months after this Licence comes into force, prepare and submit to the Commission for its approval, a code of practice setting out the principles and procedures the Licensee will follow in respect of any person acting on its behalf who requires access to land and/or premises for the purposes set out in this licence.
2. The code of practice shall include procedures calculated to ensure that persons visiting land and/or premises on behalf of the Licensee:
 - (a) possess the skills necessary to perform the required duties; and
 - (b) are readily identifiable to members of the public; and
 - (c) are appropriate persons to visit and enter land and/or premises; and
 - (d) are able to inform Final Customers connected to the Distribution System, on request, of a contact point for help and advice they may require in relation to the distribution of electricity.
3. This Condition is subject to the provisions of Condition 16.

Condition 15 Customer Service Code and Complaints Handling Procedure

1. The Licensee shall no later than three months after this Licence has come into force, prepare and submit to the Commission for its approval a:
 - (a) Distribution System Customer Service Code (which shall include, inter alia, provisions relating to an enquiry service, emergency contact, quality of supply targets, penalties, continuity targets, connection timescales, and other service level targets);
 - (b) Complaints Handling Procedure (which will detail the procedure for handling complaints from Final Customers and users about the manner in which the Licensee conducts its Distribution Business); and
 - (c) Disconnection Code of Practice (including any provisions to assist Vulnerable Customers in avoiding disconnection as set out by the Commission from time to time).
2. Any procedure established in accordance with this Condition shall specify the periods within which it is intended that different type of complaints should be processed and resolved.

The above documents will be in line with any guidelines issued by the Commission from time to time.

3. This Condition is subject to the provisions of Condition 16.

Condition 16 Compliance with Codes of Practice, Procedures and Publishing Arrangements

1. This Condition applies to any code of practice or procedure required to be prepared by the Licensee pursuant to Conditions 7, 14 and 15 of this Licence.
2. The Licensee shall periodically review (including at the request of the Commission) such code or procedure and the manner in which it has been operated, with a view to determining whether any Modification should be made to it or to the manner of its operation.
3. The Licensee shall submit any revision of such code or procedure which it wishes to make to the Commission for its approval and, following its approval in writing, shall then revise the code.
4. The Licensee shall:
 - (a) as soon as practicable following the preparation of any code or procedure or any revision made to it send to the Commission a copy of such code or procedure or (as the case may be) such revision (in each case in the form approved by the Commission);
 - (b) draw the attention of those Final Customers or users to whom such code or procedure applies to the existence of the code or procedure and of each substantive revision of it and to the means by which they may inspect a copy of such code or procedure in its latest form; and
 - (c) publish and make such codes and procedures available on the Licensee's web-site.
 - (d) Make such codes and procedures as apply to Household Customers available in a format appropriate for customers with a visual impairment.
5. No changes may be made to any code or procedure otherwise than in accordance with this Condition.
6. The Licensee shall ensure, so far as reasonably practicable, that it complies with such arrangements or procedures (as the case may be) as are contained in or described by any code or procedure to which this Condition applies and approved by the Commission or any revision to such code or procedure approved by the Commission.

Condition 17 Records and Reporting

1. The Licensee shall keep a record of its general operation of the arrangements mentioned in Conditions 7, 8, 9, 13, 14 and 15 and, if the Commission so directs in writing, of its operation of any particular cases specified, or of classes specified, by the Commission.
2. The Licensee shall, from time to time as required by the Commission in writing, provide to the Commission such information contained in the records prepared in accordance with paragraph 1.
3. No later than three months after the end of each calendar year, the Licensee shall submit to the Commission a report dealing with the matters mentioned in paragraph 1 in relation to that year.
4. The Licensee shall publish the report and make it available on the Licensee's web-site except that, in performing its obligations under this Condition, the Licensee shall exclude from the published report such information as appears to it to be necessary or expedient to protect the legitimate interests of the Licensee and to ensure that, save where they consent, individual Final Customers referred to therein cannot readily be identified.
5. The report shall be presented, so far as is reasonably practicable, in a standard form to be approved by the Commission for the purposes of this Condition.

Condition 18 Separation of Distribution Business

1. The Licensee shall establish and shall thereafter maintain the full managerial and operational independence of the Distribution System Operator from each other Affiliate, Related Undertaking or shareholder.
2. The Licensee shall designate a unit of the Distribution Business to be known as the Meter Registration System Operator to carry out the functions as described in Conditions 8 and provide the services described in Condition 9(1)(d) of this Licence.
3. Subject to such arrangements as the Commission may approve in the interests of economic efficiency in accordance with Section 14(13) of the Act (as amended by Regulation 32(1)(c) of the Principal Regulations) and such arrangements as may be approved under the Operation Agreements, the Licensee shall secure and maintain the complete and effective separation of the Distribution Business from each other Affiliate, Related Undertaking or shareholder. This separation shall include, but not be limited to:
 - (a) access to and exchange of information including (without limitation) undertakings by individual employees regarding the non-disclosure of information;
 - (b) information systems;
 - (c) resources including (without limitation) staff, premises, finance;
 - (d) the Meter Registration System Operator; and
 - (e) a code of conduct on the transfer and/or movement of employees, either part-time or full time, between the Distribution Business and any other Affiliated or Related Undertaking or shareholder.

The Licensee shall comply with any requirement or direction as may be made by the Commission from time to time for the purposes of this Condition.

4. The Licensee shall prepare and submit to the Commission for approval a compliance programme which shall specify
 - (a) measures designed to ensure that the Licensee complies with this Condition;
 - (b) measures designed to ensure that the Licensee complies with Condition 12
 - (c) the obligations of those persons concerned in the management of or employed by the Licensee that will ensure that the Licensee does not engage in discriminatory behaviour; and
 - (d) provisions designed to ensure that the professional interests of persons who are concerned in the management of the Licensee are

taken into account in a way that is consistent with the independence of the Licensee.

5. The Licensee shall implement and comply with the compliance programme and so far as reasonably practicable ensure that those persons who are concerned in the management, or are employees of the Licensee observe the requirements of the compliance programme.
6. The Licensee shall appoint a compliance officer who is responsible, inter alia, for monitoring compliance with the compliance programme. Within the Distribution Business, the compliance officer shall report to the chief executive officer and/or the board of directors of the Licensee on compliance matters.
7. The compliance officer shall report to the Commission, in such form and at such times as the Commission requires, on the effectiveness of the practices, procedures and systems implemented by the Licensee under the compliance programme. Any such report may be published by the Commission.
8. The Licensee shall prepare a code of conduct, subject to the approval of the Commission, which shall apply to every director and to every person employed by the Licensee under a contract of employment.
9. The Licensee shall ensure that the code of conduct referred to in paragraph 8 is included as part of each contract of employment with the Licensee.
10. The Licensee shall take all reasonable steps to ensure compliance with the code of conduct referred to in paragraph 8.
11. The Licensee shall provide the Commission with any information or access to information the Commission may deem necessary for compliance with this Condition.

Condition 19 Separate Accounts

1. The Licensee shall prepare annual accounts in accordance with the Principal Regulations and shall deliver to the Commission a copy of the annual audited accounts so prepared as soon as reasonably practicable, and in any event no later than three months after the end of the period to which the accounts relate. This period may be extended by the Commission to six months, at the request of the Licensee, in respect of the first accounting year.
2. Without prejudice to paragraph 1, the Licensee shall keep or cause to be kept accounts for the Distribution Business, which when requested from time to time by the Commission, must be delivered to the Commission in the form and at the times specified by the Commission. The accounts shall be in accordance with such regulatory accounting guidelines as may be issued by the Commission from time to time. The accounts shall also be in accordance with any and all directions as are reasonable and appropriate for the purposes of this Condition as the Commission may, from time to time, notify to the Licensee.
3. The regulatory accounting guidelines or directions notified by the Commission to the Licensee under paragraph 2 may, inter alia:
 - (a) specify the form of the accounting statements/records, including but not limited to, profit and loss accounts, balance sheets, recognised gains and losses statements, cash flow statements and statements of the amounts of any revenues, costs, assets, liabilities, reserves or provisions which have been either charged from or to any other business or determined by allocation or apportionment between the Distribution Business and any other business;
 - (b) specify the nature and content of the accounting statements/records, including information on specified types of revenue, cost, asset or liability and information on the revenues, costs, assets and liabilities attributable to specified activities;
 - (c) require any reconciliation that may be required with the annual accounts of the Licensee prepared under the Companies Acts, 1963 to 2006;
 - (d) specify the accounting principles (including the basis for the allocation of costs) and the bases of valuation to be used in preparing accounting statements/records.
4. The Licensee shall not, in relation to the accounting statements in respect of a financial year, change the basis of charge, apportionment or allocation from those applied in respect of the previous financial year, unless the Commission shall previously have issued directions for the purposes of this Condition directing the Licensee to change such basis in a manner set out in the directions or the Commission gives its prior written approval to the change in such basis.

5. **The Licensee shall comply with any directions issued by the Commission for the purposes of this Condition.**

Condition 20 Prohibition of Subsidies and Cross-subsidies

1. The Licensee shall procure that the Distribution Business does not give any subsidy or cross-subsidy (direct or indirect) to any Affiliate or Related Undertaking or shareholder of the Licensee.
2. For the purposes of this Condition, the Commission shall determine whether or not subsidisation or cross-subsidisation is taking place. Where the Commission determines that a subsidy or cross-subsidy involving the Distribution Business is taking place, the Commission may issue a direction to that effect and require the cessation of same.
3. Nothing which the Licensee is obliged or permitted to do or not do pursuant to this Licence shall be regarded as a subsidy or cross-subsidy for the purposes of this Condition.

Condition 21 Restriction on Use of Certain Information

1. The Licensee shall preserve the confidentiality of Commercially Sensitive Information held and/or obtained by it in the discharge of its functions as Distribution System Operator in accordance with the Regulations, the Single Market Regulations, the Act and this Licence.
2. The Licensee shall implement such measures and procedures and take all such other steps as shall be specified in directions issued by the Commission from time to time for the purposes of this Condition to be in its opinion reasonably necessary for the purpose of securing compliance by the Licensee with its obligations under paragraph 1.
3. The Licensee shall ensure that Confidential Information is only disclosed to authorised recipients, classes of authorised recipients or authorised advisors.
4. Paragraphs 1 and 3 shall not apply to:
 - (a) any Confidential Information which, before or after it is furnished to the Licensee's employees, authorised recipients or authorised advisors, is in the public domain; or
 - (b) the disclosure of any Confidential Information:
 - (i) in compliance with the duties of the Licensee under the Act, the Regulations, the Single Market Regulations or any other requirement of a competent authority; or
 - (ii) in compliance with the Conditions granted in this Licence or any document referred to in this Licence with which the Licensee is required by virtue of the Act, the Regulations, the Single Market Regulations or this Licence to comply; or
 - (iii) in compliance with any other requirement of law; or
 - (iv) pursuant to any judicial or other arbitral process or tribunal of competent jurisdiction; or
 - (c) any Confidential Information to the extent that the Licensee is expressly permitted or required to disclose that information under the terms of any agreement or arrangement (including the Grid Code, the Distribution Code, the Metering Code and the Single Electricity Market Trading and Settlement Code) with the relevant person to whose affairs such Confidential Information relates.
5. Without prejudice to the other provisions of this Condition, the Licensee shall procure that any additional copies made of the Confidential Information, whether in hard copy or computerised form, will clearly identify the Confidential Information as confidential.
6. The Licensee shall take all reasonable measures to prevent (so far as the Licensee can so require) any person who is or ceases to be employed by the

Licensee, whether that person is or was employed part-time or full time in the Distribution Business, from disclosing Confidential Information.

7. The Licensee shall take all reasonable steps to ensure that every authorised recipient or authorised adviser to whom the Licensee discloses Confidential Information, including employees of the Distribution System Owner, does not use that Confidential Information for any purpose other than that for which it was provided and does not disclose that Confidential Information otherwise than in accordance with the provisions of this Condition.
8. This Condition is without prejudice to the duties at law of the Licensee towards third parties.
9. In this Condition:

"authorised adviser" means such professional advisers of the Licensee, including employees of the Distribution System Owner, engaged and acting in that capacity, as require access to any Confidential Information;

"authorised recipient" means, in relation to any Confidential Information, any employee of the Licensee or an employee of the Distribution System Owner who, before the Confidential Information had been divulged to him by the Licensee, had been informed of the nature and effect of this Condition and who requires access to such Confidential Information for the proper performance of his duties as an employee in the course of permitted activities;

Condition 22 Payment of Levy

1. The Licensee shall pay to the Commission any amounts specified in, or determined under, a Levy Order, in accordance with the provisions of such Levy Order.
2. In this Condition:

"Levy Order"

means an Order made by the Commission under paragraph 16 of the Schedule 1 to the Act.

Condition 23 Public Service Obligation

The Licensee shall comply with any public service obligation imposed on it by the Commission pursuant to Section 39 of the Act.

Condition 24 Provision of Information to the Transmission System Operator

1. Subject to the provisions of Condition 21, the Licensee shall furnish to the Transmission System Operator, in such manner and at such times as may reasonably be required, such information as may be reasonably required by the Transmission System Operator in order to ensure the secure and efficient operation, co-ordinated development and inter-operability of the distribution and Transmission Systems.
2. For the purposes of this Condition, the Commission shall decide on any difference or dispute between the Licensee and the Transmission System Operator and the Commission shall issue a direction regarding its decision, as it sees fit, regarding the matter in dispute and the Licensee shall comply with such direction.

Condition 25 Provision of Information to the Commission

1. The Licensee shall procure and furnish to the Commission, in such form and at such times as the Commission may require, such information as the Commission may consider relevant in the light of the Conditions or as it may require for the purpose of performing the functions assigned or transferred to it by or under the Act, the Regulations or the Single Market Regulations.
2. The power of the Commission to call for information under paragraph 1 is without prejudice to the power of the Commission to call for information under or pursuant to any other Condition of this Licence or under or pursuant to the Act, the Regulations or the Single Market Regulations.
3. In this Condition "**information**" means oral or written and shall include, without limitation, any books, documents, records, accounts (statutory or otherwise), estimates, returns or reports of any description (whether or not in electronic or any other format, or prepared specifically at the request of the Commission) requested by the Commission and any explanations (oral or written) in relation to such information as may be requested by the Commission.
4. The information shall be to a level of audit as may be required by the Commission from time to time.
5. The Commission may publish any information provided to the Commission under this Licence. In exercising its discretion under this Condition, the Commission shall have regard to the need to protect Confidential Information.

Condition 26 Distribution Code

1. The Licensee, in consultation with Electricity Undertakings liable to be materially affected thereby, shall adopt and at all times have in force and shall implement and comply with a Distribution Code in accordance with the provisions of Section 33 of the Act.
2. The Licensee shall comply with all directions given by the Commission in relation to the Distribution Code.

Condition 27 Grid Code

1. The Licensee shall comply with the provisions of the Grid Code, insofar as it is applicable to the Licensee.

Condition 28 Trading and Settlement Code

1. The Licensee shall be party to and shall comply with the Single Electricity Market Trading and Settlement Code insofar as applicable to the Licensee.

Condition 29 Compliance with Laws and Directions

1. The Licensee shall comply with all applicable laws.
2. The Licensee shall comply with any requirements, directions or determinations made by the Commission pursuant to the Act, the Regulations, the Single Market Regulations or this Licence.
3. Any costs associated with compliance with such requirements, directions or determinations shall be the responsibility of the Licensee.
4. The Licensee shall monitor and keep a record of its compliance with this Licence, and any requirement, direction, determination, code, procedure or guideline it is required to comply with.
5. In this Condition:

“applicable laws”

means any requirements imposed by or under any applicable Irish or EU law, including but not limited to any legislative provision, common law, order, direction, licence, decision, rule or code.

Condition 30 Environment

1. The Licensee shall comply with all applicable European Union and Irish Environmental Laws whether in force at the date hereof or in the future and also with any direction given to it from time to time by the Commission in pursuance to the Commission's duties under Section 9(5)(a) and Section 9BC (5)(a) (in relation to SEM Matters) of the Act to take account of the protection of the environment.
2. The Licensee shall, not later than such date as the Commission may specify and in consultation with the Commission, prepare and from time to time modify a written policy setting out the manner in which the Licensee proposes to comply with its duties and obligations under all applicable European Union and Irish Environmental Laws and any direction issued to it under this Condition.
3. The Licensee shall report annually to the Commission on its environmental performance in such form and at such times as the Commission may specify.
4. For the purposes of this Licence, " European Union and Irish Environmental Laws" means those laws which are from time to time in force whose purpose is the protection of the environment including the protection of human health, flora, fauna and the eco-systems on which they depend, and for the avoidance of doubt shall include but shall not be limited to the Planning and Development Acts 2000-2006, the Environmental Protection Agency Acts 1992 and 2003, the Waste Management Acts 1996 and 2003, the Protection of the Environment Act, 2003 and the European Communities (Environmental Impact Assessment) Regulations 1989 to 2001.

Condition 31 Health and Safety

1. The Licensee shall take all reasonable steps to protect persons and property from injury and damage that may be caused by the Licensee when carrying out the Distribution Business.
2. The Licensee shall ensure that a technical and safety audit is undertaken in respect of the Distribution System every three years by an independent expert whose appointment is approved by the Commission.
3. The Licensee shall provide the results of such audits carried out in a timely manner to the Commission.
4. The Licensee shall comply with the following in relation to the regulatory system for electricity safety:
 - (a) The Licensee shall co-operate with an Electrical Safety Supervisory Body in relation to electricity safety.
 - (b) The Licensee shall be entitled to rely upon a completion certificate issued by a registered electrical contractor as evidence that an Electrical Installation is safe to be connected to the Distribution System unless it is reasonably apparent to the Licensee that such an Electrical Installation is unsafe.
 - (c) Where an Authorised Officer requests that the Licensee de-energises an Electrical Installation for reasons of safety, the Licensee shall immediately comply with such request.
 - (d) Where the electrical installation has been de-energised by the Licensee at the request of an Authorised Officer under 4(c) above, or where in an emergency situation the authorised officer or inspector has undertaken to de-energise the electrical installation pursuant to the issuing of an emergency works notice, the Licensee may only re-energise the electrical installation where it has received a request to do so from the authorised officer or inspector together with a completion certificate.
 - (e) Where the Licensee becomes aware of any activities which may be in breach of the requirements of the regulatory system, the Licensee shall notify the Commission and/or the Body of the relevant details of such matters, in line with such requirements and procedure as may be specified by the Commission.
 - (f) The Licensee shall comply with any direction issued by the Commission in relation to the regulatory system.
5. In this condition:

“authorised officer”

means the officer appointed by the Commission under Section 9D(21) of the Act;

“completion certificate”	means the certificate issued by the Registered Electrical Contractor under Section 9D(13) of the Act which has been validated by the Electrical Safety Supervisory Body or the certificate issued by an Electrical Safety Supervisory Body under Section 9D(14) of the Act;
“electrical installation”	means any building, part of building or other thing that may be connected to the Distribution System;
“Electrical Safety Supervisory Body”	means the body or bodies appointed by the Commission under Section 9D(1)(a) of the Act;
emergency works notice	means the notice issued by an authorised officer or inspector in relation to works that, in the opinion of the authorised officer or Inspector, pose an immediate risk to safety;
registered electrical contractor	means an electrical contractor registered with the Electrical Safety Supervisory Body under Section 9D of the Act;
regulatory system	means the system for the regulation of electrical contractors with respect to safety established by the Commission pursuant to the powers and provisions of Section 4 of the Act and the Criteria Document published by the Commission on 25 April 2008 and as may be amended from time to time.

Condition 32 Availability of Resources

1. The Licensee shall at all times act in a manner calculated to secure that it has sufficient resources to enable it:
 - (a) to carry on the Distribution Business; and
 - (b) to comply with its obligations under the Act, the Regulations, the Single Market Regulations and this Licence.
2. The Licensee shall submit a certificate addressed to the Commission, approved by a resolution of the board of the Licensee and signed by a director of the Licensee pursuant to that resolution. Such certificate shall be submitted on 30 October of each year. Each certificate shall be in one of the following forms:
 - (a) "After making enquiries, the directors of the Licensee have a reasonable expectation that the Licensee will have available to it, after taking into account in particular (but without limitation) any dividend or other distribution which might reasonably be expected to be declared or paid, sufficient resources and financial facilities to enable the Licensee to carry on the Distribution Business for a period of 12 months from the date of this certificate."
 - (b) "After making enquiries, the directors of the Licensee have a reasonable expectation, subject to the terms of this certificate, that the Licensee will have available to it, after taking into account in particular (but without limitation) any dividend or other distribution which might reasonably be expected to be declared or paid, sufficient resources and financial facilities to enable the Licensee to carry on the Distribution Business for a period of 12 months from the date of this certificate. However, they would like to draw attention to the following factors which may cast doubt on the ability of the Licensee to carry on the Distribution Business."
 - (c) "In the opinion of the directors of the Licensee, the Licensee will not have available to it sufficient resources and financial facilities to enable the Licensee to carry on the Distribution Business for a period of 12 months from the date of this certificate."
3. The Licensee shall submit to the Commission, together with the certificate referred to in paragraph 2, a statement of the principal factors which the directors of the Licensee have taken into account in giving that certificate.
4. The Licensee shall inform the Commission in writing immediately if the directors of the Licensee become aware of any circumstances which cause them no longer to have the expectation expressed in the certificate most recently submitted to the Commission in accordance with paragraph 2.

5. In this Condition:

“resources” includes staff, premises, finance, services and such other things necessary to enable the Licensee to fulfil its functions under the Act, the Regulations, the Single Market Regulations and this Licence.

Condition 33 Dispute Resolution

1. The Commission shall decide on any difference or dispute between the Licensee and the Distribution System Owner and the Commission shall issue a direction regarding its decision, as it sees fit, regarding the matter in dispute and the Licensee shall comply with such direction.

Condition 34 Retail Market Code

1. The Licensee shall, pursuant to a direction from the Commission under this condition, develop and establish a code to be designated the "Retail Market Code" in relation to the operation of the electricity retail market.
2. The Retail Market Code shall be drafted in accordance with guidelines, which may be issued by the Commission from time to time.
3. The Licensee shall develop and establish the Retail Market Code required under paragraph 1 in consultation with those that will be party to it.
4. The Licensee shall, no later than six months following direction by the Commission under paragraph 1, and submit Retail Market Code to the Commission for approval and designation. Once approved, the Licensee shall thereafter publish the Retail Market Code on its website.
5. The Retail Market Code may not be amended without the consent of the Commission.
6. Following development and designation of the Retail Market Code, the Meter Registration Agreement shall cease to have effect.

Condition 35 Retail Market System Development Plan

1. The Licensee shall prepare and submit to the Commission for approval a plan to be known and referred to as the Retail Market System Development Plan, for the development of the retail market systems over the following five calendar years.
2. The Licensee shall revise the Retail Market System Development Plan at least annually in order that the information set out in the Retail Market System Development Plan shall continue to be accurate in all material respects and shall submit it to the Commission for approval.
3. The Licensee shall:
 - (a) engage in a public consultation process, including any other form of consultation that the Commission may direct, before submitting the Retail Market System Development Plan to the Commission for approval; and
 - (b) report in writing to the Commission on the results of that process not later than when submitting the Retail Market System Development Plan to the Commission for approval.
4. Where required by the Commission and to the extent required by the Commission, the Licensee shall amend the Retail Market System Development Plan and shall submit to the Commission for approval such amended plan.
5. Where required by the Commission and to the extent required by the Commission, the Licensee shall publish and make available the Retail Market System Development Plan on their web-site.
6. The Commission may from time to time give directions to the Licensee in respect of:
 - (a) the matters to be specified in the Retail Market System Development Plan; and
 - (b) the review and revision by the Licensee from time to time of the Retail Market System Development Plan,and the Licence shall comply with directions given by the Commission under this paragraph.
7. The Licensee shall implement the approved Retail Market System Development Plan in accordance with the timelines set out therein.
8. The Licensee shall ensure that sufficient resources are made available to implement the Retail Market System Development Plan in accordance with the timelines set out therein.