

Ronan McKeown  
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 Northern Ireland Electricity Networks  
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Our Ref: NET/E/JF/581

16 September 2022

Dear Ronan

**Re: TIBCO System Separation Project Allowance Request**

Thank you for your letter dated 11 August 2022 regarding the updated allowance request for Atos support costs for the NI Tibco solution, following system separation in September 2021.

Your request outlines costs as per the following table:

**Table 1**

<b>TIBCO Solution Support Charge - Atos</b>	<b>NIE Networks</b>
<b>Pre-September 2021</b>	
Monthly Support Charge	£16,836
Annual Support Charge	£202,032
<b>Post System Separation (October 2021 onwards)</b>	
Monthly Support Charge	£51,064
Annual Support Charge	£612,768
<b>Additional Operating Costs Required</b>	
Additional Monthly Support Charge	£34,228
Additional Annual Support Charge	£410,736

Following engagement with NIE Networks staff UR understands the following:

- This is an annual allowance request commencing October 2021 until the end of the current price control RP6, no further submissions will be made regarding this matter.
- The request is made under the NES<sub>i</sub> term of paragraph 6.15 (allowed Opex other amount) of Annex 2 of the NIE Networks Distribution licence.
- The annual total for the Atos support charge is £612,768, resulting in a total request of £1,531,920 until the current end of RP6 (as per the current licence timescale). Following RP6 extension<sup>1</sup> the expected annual allowance of £612,768 will also apply for the extension year, therefore, giving a total request of £2,144,688<sup>2</sup> until the anticipated end date of the price control (31 March 2025).
- The period October 2021 until March 2022 is included in the figures above at a total cost of £306,384 for this period, being a ½-year allowance.
- The submission is made using 2021/2022 as the applicable price base, and will be subject to RPI indexation<sup>3</sup> (i.e. RP6 RPI) as appropriate.

Following consideration of your submission and NIE Networks associated follow up correspondence, UR hereby approves the additional request for expenditure for the NI Tibco solution Atos Service support charges from 2021 until 2024 as per Table 1 above and set out below. The costs identified for 2024-2025 have been assessed and will be included in UR's consideration of costs for the RP6 extension year.

Expenditure Profile	Oct 2021-Mar 2022	FY 2022-23	FY 2023-24	FY 2024-25 <sup>4</sup>
<b>Tibco Atos support costs</b>	<b>£306,384</b>	<b>£612,768</b>	<b>£612,768</b>	<b>£612,768</b>

<sup>1</sup> As indicated in UR RP7 final approach document: <https://www.uregni.gov.uk/files/uregni/documents/2022-07/2022-07-06%20RP7%20final%20Approach%20Document%20final.pdf>

<sup>2</sup> These figures were agreed in email correspondence between UR and NIE Networks on 2 September 2022.

<sup>3</sup> This was established in email correspondence between NIE Networks and UR dated 6 September 2022

<sup>4</sup> RP6 Extension Year – costs only applicable following licence modification.

UR expect that the above costs will be efficiently incurred. Any additional costs in respect of the NI Tibco solution must be made via a new submission and will be considered in line with UR statutory duties.

In accordance with the requirements of the NES<sub>t</sub> term in the Distribution licence, this decision will be published in the normal manner.

I trust this satisfies your requirements at this time. Should you have any comments, queries or issues, feel free to contact Ruairi McCann at [ruairi.mccann@uregni.gov.uk](mailto:ruairi.mccann@uregni.gov.uk)

Yours sincerely



**John French**  
**Chief Executive**