

Appendix 1 - Summary of responses to UR/DfE joint Connections Policy Framework Call for Evidence.

Question	Summary of Responses
<p>1. What are the risks and opportunities in relation to the development of micro grids and what issues do these raise for the connections framework in NI?</p>	<p>45% of the respondents to the CfE declined to provide an answer to this question.</p> <ul style="list-style-type: none"> • Eight respondents felt that microgrids could be beneficial, however felt that the development of microgrids would likely result in a cost increase for the customers using microgrids or alternatively cost increases across all NI consumers resulting from cross-subsidisation, for example Mutual Energy stated that <i>“prosumers produce and consumer self-generated electricity within their own microgrids and therefore do not regularly consume power from electricity suppliers, allowing them to avoid community levied charges. This will result in more costs having to be recovered over a reduced number of customers, requiring higher per unit commodity charges, and disproportionately increasing costs for non-prosumers”</i>. A. Breathnach highlighted that <i>“the economics of microgrids in NI would not be dictated by benefits to resilience, or increased renewables, but instead by savings to microgrid members, although in essence this means transferring costs to other customers”</i>. • One respondent highlighted that it is unclear how the cost of micro grid infrastructure would be distributed between the prosumer, neighbouring consumers and the DNO. • A group of seven respondents were again broadly supportive of microgrids, feeling that larger industrial sites/customers and community energy schemes would see the greatest benefits. There was also an opinion from some in this group that microgrids would help positively deliver net zero benefits: in the case of heat pumps being powered by co-located renewable generation assets, as an example. One respondent demonstrated that the development of micro grids in constrained capacity areas would free up grid capacity allowing additional low carbon technology connections without the need to levy additional reinforcement costs onto the connecting party. • Three respondents made arguments in favour of IDNOs (Independent Distribution Network Operators) or private wire operators, although these are agreed outside the scope of this work. • Other respondents raised some perceived complexity, technical and supply security risks of microgrids, for example Fermanagh & Omagh District Council highlighted that electricity stability may be an issue within micro grid systems and frequency and voltage regulation is more difficult when not synchronised to mains grid. Smart Grid Ireland (SGI) highlighted that <i>“the risks in accelerating the deployment and support for local microgrids is that design, installation, and ongoing support of the electrical infrastructure of the microgrid may not meet the same standards as the overall regulated electric grid. This could have safety and reliability implications for the local microgrid”</i>. SGI did flag that this risk could be overcome with policies that help assure the safety and reliability of the design and operation for the local microgrids, regardless of ownership structures. • Both SGI and NIE Networks have indicated significant changes would have to occur to the regulatory/tariff regime with the introduction of microgrids. NIE Networks stated <i>“Large uptake of micro grids will therefore require tariff reform to ensure network costs are fairly recovered from prosumers and passive customers. Any change to the distribution connections charging methodology will have a knock-on impact on the socialisation of network costs via network tariffs, hence there is a need to consider this impact along with the impact on connection charges”</i>.
<p>2. Do you agree with our guiding principles?</p>	<p>Approximately a third of respondents did not answer this question. Of those that did:</p> <ul style="list-style-type: none"> • Two respondents explicitly disagreed, one suggesting that the guiding principles did not provide the rules and assumptions that would be expected when developing new connections policy. The other felt that community energy had been omitted from the guiding principles. • A group of five respondents were broadly aligned in asserting that Net Zero targets (some referencing the Climate Change Act NI); UR ‘energy strategy targets’; and associated economic growth objectives should be incorporated. • The need for a just energy transition was cited by a few respondents, with two recommending expanding its scope to include economic development and another suggesting that it be subordinate to accelerating renewable energy development. These respondents did not state how their expectations should influence connections policy. • Other respondents suggested that the guiding principles should address rebalancing industrial customers’ costs (2), whilst others suggesting the inclusion of earthing arrangements and closer alignment with the recent Single Electric Market (SEM) Committee work.
<p>3. Do you agree with our proposed scope in relation to this connection review? this includes: - Are there other issues which you consider we should take into account. - Are there any connection areas we should remove from the scope of our review?</p>	<p>63% of respondents answered this question which elicited a variety of responses representing multiple interests.</p> <ul style="list-style-type: none"> • A broad group of respondents were in favour of a root and branch review of connection charging arrangements, with a small number preferring a standardised charging practice. ERG, ESB GT were in favour of introducing a firm access policy. • Improving the speed and simplicity of connections was a clear theme that came from responses. Primarily this would be aimed at smaller scale renewable generation and storage assets which have a broadly similar and more predictable connection profile. • Newry Mourne & Down District Council highlighted <i>“As part of the scope of this CfE and further planned engagement, it would be beneficial to also consider the important issues of speed and simplicity of electricity connections in more detail, as these may also be a significant barrier to delivery of future renewable energy targets”</i>. A respondent who wishes to remain anonymous echoes this view and highlight that the timing issue with connections is linked to existing planning constraints to acquire connections are bottlenecks in the process. • The uptake of EVs, rooftop PV, and home battery storage, is a key factor that led one respondent to suggest that the load profiles of these new technologies be better understood as part of the review process, particularly in relation to the expansion of heat electrification and heat pump roll-out. • Four respondents made general comments that consideration should be given to those consumers currently unable to access these products and technologies (whether from a cost perspective, a particular

	<p>vulnerability, a disability, or not owning their home, etc) to ensure their needs (potentially future needs) are kept in mind.</p> <ul style="list-style-type: none"> • Some respondents have identified the need to consider offshore connections or holistically considering onshore and offshore connections. Offshore connections are out of the scope of this connections review, offshore being dealt with via a separate programme (OREAP) being led by DfE. • NIE Networks have major concerns with the “do nothing” approach in relation to the connection charging boundary in NI and NIE Networks wishes to clarify what ‘do nothing’ may mean in reality.
<p>4. Do you consider the current ‘partially deep’ connection boundary in NI appropriate?</p>	<p>Of the twenty-seven who responded, twenty-four respondents were against the existing ‘partially deep’ connection boundary and many were vocal in their opposition offering a range of issues they felt resulted from it.</p> <ul style="list-style-type: none"> • A small group of respondents felt that the existing connection boundary created a barrier to entry in NI, particularly for first movers (in rural areas predominantly) and has effectively resulted in a downturn of projects going live. For example RES group suggest <i>“currently some renewable generation projects are not progressing to connection due to high upfront capex of construction of new grid assets. This is adversely impacting the achievement of 2030 and net zero targets and restricting the development of effective competition in electricity generation”</i>. FP McCann LTD highlight that <i>“The current ‘partially deep’ connection boundary is inequitable as it is based on geographical location. Due to the nature of our industry, our operational sites are in remote areas, generally in the West of the province and far from the main urban centres. We are aware that the cost of new connections/upgrades at these locations is significantly more costly than for comparable connections in the Greater Belfast and Derry/Londonderry areas. This puts out business at a significant disadvantage to other manufacturers and mineral operators”</i>. • NIE Networks further demonstrate that <i>“under the current charging regime, there are large discrepancies in distribution connection costs between rural and urban customers depending on the level of network reinforcement required. According to NIE Networks’ quotation data from 2018 to 2021, rural domestic customers accounted for 94.5% of total single domestic connection applications, while urban domestic customers accounted for only 5.5% of single domestic connection applications. However, the average connection charge for a single domestic rural dwelling is around £5,700, and for a single domestic urban dwelling is around £1,866. The current deep distribution connection charging regime appears to discriminate against rural based connecting customers, with higher quote values and therefore less acceptance for that customer sector”</i>. • NIE’s ability to refuse connections was of particular concern to one respondent. <i>“We note that whilst the Electricity Order in NI permits NIE Networks to refuse to connect based on a lack of capacity, there is no similar mechanism in GB which further puts connection customers at a disadvantage in N.I.”</i> • A further group of respondents believe connection costs are too high. EVANI suggest that their members/Charge Point Operators (CPOs) have told them that connection costs are between 3x to 10x greater than what they pay other regions. This chimed with other respondents who cited a ‘postcode lottery’ whereby geographic location played a major part in a) the ability to secure a grid connection and b) the fee charged. It was commented that the present practice made NI uncompetitive when compared to GB. These comments were largely made by generation asset development companies and some local authorities NIE Networks did provide some worked examples demonstrating the higher connection costs under its charging rules than would be experience in GB and ROI. • Mutual Energy held that there is currently insufficient information to make a clear judgment call, although the tenor of their reasonable statement suggests that they doubt that shallower charges will have the expected effect of increasing LCT take up. Mel highlight that <i>“Increased socialisation of connection costs for generation should be considered if there is sufficient evidence to suggest it will increase renewable development in NI and long-term benefits to consumers accrue from this”</i>.
<p>5. Do you consider a shallow connection boundary to be appropriate in the NI context? If so, which of the following connection types should have a shallow connection boundary; • Demand only • Generation only • Demand and Generation • An alternate connection type (for example Domestic/Non-Domestic connections)</p>	<p>The majority of respondents were in favour of a shallow connection boundary in NI (21), 2 respondents were not in favour with 15 either not specifying a preference or responding to the question altogether. As in Q4, Mutual Energy held that there is currently insufficient information to make a clear judgment call. A small number of respondents did not favour a shallow connection boundary, one citing that it would push too much cost onto existing customers and two felt that there is much strategic grid reinforcement to be undertaken (which would tend to make the charges automatically shallow irrespective of the formal boundary), one stating (perhaps a little confusingly) that these costs should be shared via TNUoS.</p> <ul style="list-style-type: none"> • Most respondents considered a shallow connection boundary to be appropriate, one of the reasons being because lower bid prices would lock in a cheaper strike price for the 15-20 year contract. Stakeholders also express a need for the grid to be developed and this would be more achievable via a shallow connection boundary. It is also noted some stakeholders disagreed with a shallow connection boundary due to too high a burden on customers. • Of the respondents how consider moving to a shallow boundary appropriate, two felt it would be appropriate for generation projects only (with no further details), whilst another two were broadly supportive overall, so long as a comprehensive cost-benefit analysis was undertaken beforehand. Three respondents supported a shallow boundary for demand only, one proposing a cost cap for customers. Another view supported having a subsidy for LCT connections. A third was supportive since they felt it would encourage the wider deployment of domestic EV chargers. • Renewable NI expressed support for a shallow connection boundary, citing <i>“NI’s investment outlook has been poor and a lack of a support scheme along with significantly longer planning timelines than ROI and GB has meant that NI has not been an attractive region for development. KPMG and RNI’s Accelerating Renewables report further evidence this, with 82% of respondents stating that they do not view NI as an attractive location for renewables development”</i>. • NIE Networks state that <i>“A shallower charging approach would help facilitate a non-discriminatory, fair and just energy transition, by breaking down cost barriers for the connection of LCT’s. With existing and future planned changes to policy and legislation, many consumers will no longer have a choice on whether or not to adopt LCTs and so costs will need to be fair to all customers. With costs shared across such a large group of customers, the impact on customer bills would be under £3 per year for an average domestic customer, but would ensure a fair approach and non-discriminatory access for everyone”</i>. • On the contrary, one respondent felt the shallow connection boundary was not appropriate in NI as it sends no price signals to customers of the upstream costs of connection. They felt that using the voltage level thresholds for connection, and additional levies where capacity is available are good approaches.

	<ul style="list-style-type: none"> • Advice NI suggested that NI could adopt the Swedish model and we should apply the shallow connection boundary to a project if the project is to be benefit of the general public, and categorising community-owned or publicly owned projects as those benefiting the general public and apply the deep approach if only the plant operator benefits from the connection.
<p>6. Do you consider a shallow-ish boundary to be appropriate in the NI context? If so, which of the following connection types should have a shallow-ish connection boundary (as Q5)</p>	<ul style="list-style-type: none"> • In common with the two previous questions, Mutual Energy remained of the opinion that there is currently insufficient information available to make a clear judgment call and Newry, Mourne & Down District Council expressed the view that a comprehensive cost benefit analysis should be undertaken prior to any decision making. • A group of half a dozen respondents were specific in their favouring of the existing shallow GB model. RES Group is a GB based company, so they already have experience of the GB model, but Weev (Belfast) and a number of other NI based organisations, both commercial and public sector, expressed similar viewpoints. • Weev supported a move to either the 'new' shallow GB arrangements or the outgoing, reinforcement cost-apportioned GB approach, as both are superior in Weev's opinion to the current NI arrangements. • RES, as part of its justification for a shallow boundary, asserted that NIE would be able to take a more holistic approach to grid reinforcement, allowing it to be more strategically orientated. • A majority of respondents (including for Questions 4 and 5 also) approved of a shallower boundary approach, particularly for generation. However, DfE and UR note that the majority of generators/developers who responded to this question were in favour of this approach. • Energia ascertain that a shallower boundary discourages certain tranches of customers moving to microgrids or going off grid altogether. If this scenario were to play out Energia argues, then broader grid and connection costs would be spread across fewer customers, increasing the price each must pay. Consequently, a shallow boundary reduces this risk. Energia state that "...a shallow-ish boundary is an improvement in some respects but that a truly shallow connection boundary would confer additional benefits beyond such an approach, namely economic growth, attracting inward investment and delivering a just transition".
<p>7. Do you believe that moving to a more shallow connection boundary in NI will deliver NI renewable targets that otherwise would not be met? Please provide evidence to demonstrate your answer</p>	<p>29 respondents answered this question, with 26 suggesting that moving to a shallower connection boundary in NI will help to deliver renewable targets or at least get closer to reaching the targets.</p> <ul style="list-style-type: none"> • CBI agree that a shift to a shallower connection would facilitate the increased adoption of renewable generation and low carbon technologies (LCTs) including heat pumps and EV charging infrastructure. • Energia agreed that a shallow connection for both demand and generation is the most appropriate for NI to facilitate greater success in achieving 2030 renewable targets. It also believes that it would reduce costs long term for consumers thus contributing toward making NI more competitive to GB & Ireland when it comes to renewable investments. ERG shared similar thoughts that a shallow connection policy would increase NI's competitiveness. • ESB GT were also in agreement and suggested that partially deep charges may prevent smaller businesses from investing within NI thus decreasing competition and have a detrimental impact on consumers in the transition to net zero. • There is a theme across multiple participants of the view that a shallower connection regime should be implemented in order to facilitate reduced wholesale costs and a faster development of renewables across NI. The majority of the respondents have agreed that moving to a shallower connection boundary in NI will aid in delivering renewable energy targets. • Two of the respondents thought that the existing regime deters investors. One respondent was not necessarily convinced that changing the connection regime would allow for delivering targets and implies that appropriate evidence should be produced to inform policy changes. Another respondent was concerned that a transition to shallow charging may risk oversupply of LCTs which would then lead to an excess of operating limitations of all those that do get built. <p>Conversely, some of the respondents argue that greater speed in the design and implementation processes for the connection of renewables is also required for reaching Net Zero targets by 2030, specifically to have 80% of energy consumption from renewables.</p>
<p>8. Please provide evidence on the potential impacts on energy affordability in NI if reinforcement costs were socialised further? What would the impact on energy affordability be in NI if household bills were to increase per annum by; • 1-3% • 4-7% • 7-10% • > 10%</p>	<p>24 respondents answered this question and most shared similar views that related to concerns surrounding consumers, especially vulnerable ones, would be unable to withstand any increase in bills.</p> <ul style="list-style-type: none"> • Many respondents recognised and were vocal about Northern Ireland having a high percentage of households in fuel poverty currently. Some stated figures from the 2016 NI House Condition Survey: in 2016, 22% of homes were in fuel poverty however, energy prices now have considerably increased and estimates could be approximately 50% of households in NI in fuel poverty. This is due to several factors such as the war in Ukraine, the global pandemic and the energy crisis. • Fermanagh & Omagh district Council suggest that although any increase now could exacerbate fuel poverty in the short term, in the longer term the effects are likely to benefit NI due to lessened vulnerability to global energy costs through indigenous energy production and electrified heating/transport/ industrial processes. • It was stated that the Derry City and Strabane District Council region is amongst the most disadvantaged regions within NI with 65% of households experiencing a level of deprivation which is measured by employment rates, educational health and housing therefore the Council was explicit in saying that even a 1-3% increase could have detrimental impacts on that area. • Some answers to this question looped back around to a shallower connection being able to facilitate lower costs to the consumer. E Smart Networks proposed that any transition to a shallower regime can incorporate mechanisms which are aimed at safeguarding vulnerable customers such as High-Cost Customer (HCC) provisions or Lowest Cost Technically Acceptable (LCTA) rules. • One respondent highlighted "<i>The issue on whether socialisation would change affordability by 1-3%, 4-7% or 7-10% is not related to whether socialisation takes place, but to what the costs of Grid reinforcement may be, as these costs will find their way to customers either as increased DUOS or increased energy prices</i>". • Advice NI demonstrate that socialising the cost of grid upgrades and improved grid connectivity will take a significant toll on people here, and particularly those on the lowest incomes. And yet, this work is vital if we are to make the grid fit-for-purpose in a climate crisis world. They go on to argue that "<i>NI should seek to enhance and share in the Energy Company Levy / Windfall Tax. An Energy Company Levy / Windfall</i>

	<p><i>Tax is a tax that is placed on additional profits made by energy companies. In essence, it is a tax that socialises profits rather than costs.</i></p> <ul style="list-style-type: none"> • ESB GT suggest that <i>“until a decision is made on which charging regime should be taken forward, a quantitative analysis cannot be made. Instead, following this CfE, modelling should be undertaken of the potential impacts from increased socialisation”.</i> • The Consumer Council highlight that <i>“socialisation of connection costs across consumers must be set in the context of a much smaller NI customer base (in comparison be in NI if household bills were to increase per annum by; 1-3% 4-7% 7-10% to GB and ROI) and, therefore, may have the potential for a much greater impact on the individual tariffs of the NI consumer, and in turn, with the current high energy prices, the very real prospect of increased levels of fuel poverty”</i> • They continue to illustrate that if electricity prices were increased by the different percentages provided, this would cause electricity bills to increase by the following amounts: <ul style="list-style-type: none"> ○ 1-3% £30 per year / £0.57 per week ○ 4-7% £71 / £1.37 per week ○ 7-10% £102 / £1.96 per week • NIE Networks also echo these costs above (albeit these are the higher percentile costs). NIE Networks flag that <i>“in an effort to quantify what moving to a shallower distribution connection charging regime might look like, as opposed to highlighting general percentage increases, it is vitally important to outline the piece of work NIE Networks completed with an external consultant to model the impact of socialised reinforcement costs on a customer bill if NI were to move to a shallower distribution charging regime”.</i> • NIE Networks state that, <i>“it’s important to note that NIE Networks acknowledges that any increase to a customer’s bill, while projected to be small, given the current economic landscape is difficult to accept. However as stated in response to Q3, a “do nothing” approach does not correlate to no changes to customer bills. Costs for connection are recovered by developers through market prices and eventually passed onto customers. There will be also be [sic] a cost for NI in losing investment and not meeting renewable and LCT target’s, which may result in fines”.</i>
<p>9. Can NIE Networks differentiate between RP6 allowances, RP7 business plan connection requests and how these differentiate and have been factored into the analysis that has been done on potential reinforcement connection costs analysis NIE Networks have completed?</p>	<p>Question 9 of the consultation was the least answered question, with 16 respondents providing a response. However, UR/DfE recognise that it is difficult for most respondents to comment on NIE’s differentiation of RP6 and RP7 expenditures, given that some of the details are not in public domain and are only known in detail to UR and NIE Networks.</p> <ul style="list-style-type: none"> • NIE Networks highlight that network reinforcement, particularly on the secondary network, can be driven by a variety of mechanisms such as those noted in the RP7 Business Plan, as part of maintaining the network within NIE Networks’ Licence obligations. The other main source of network reinforcement is driven by specific customer applications from NIE Network’s connections business (which is currently a partially deep connection boundary). • NIE Networks have highlighted that <i>“throughout the modelling and analysis phases of the project to calculate the bill impact of moving to a shallower charging regime (discussed in response to Q8), reducing the risk of double counting network reinforcement from these two sources was a key consideration. In terms of double counting, the main risk was the inclusion of chargeable reinforcement to the connecting customer within the forecast for new connections when in reality this area may have already been reinforced through network investment programs. In order to address this risk, the same tool was used for this project as the one utilised by NIE Networks for the RP7 submissions”.</i> • NIE Networks demonstrate the method they used to model (which is considered to be industry best practice) the forecasted increases in demand and generation (through applying calculated assumptions) • To see NIE Networks full response to our CfE, including this question, please follow this link.
<p>10. Do you think that a developer led or plan led is the best approach for the future development of connections in NI?</p>	<p>26 respondents replied to Question 10 with a mix of views. The majority (9) agreeing that the current developer led approach still stands as their optimal choice, however an additional 5 respondents would couple this with the need for anticipatory investments. 6 respondents felt that a plan led approach was the best with 2 suggesting that this question was too simplistic to answer.</p> <ul style="list-style-type: none"> • Many organisations agreed that the developer approach has been working well and has aided achievement of the 2020 net zero targets for NI. However, there were similar concerns across these respondents who opted for developer led, surrounding the overall time taken for renewable energy development to be processed and connected. • Derry City and Strabane District Council Draft Response suggest that <i>“developer led is the best approach for the future development of connections in NI. Currently the planning system in NI appears to be under resourced and it can take several years for renewable energy development decisions to be processed”.</i> They continue on to highlight that (according to NISRA) 121 renewable energy planning applications were made in 2022/23. 151 applications are shown as live with 71% of these for wind turbines. 36.5% were in the planning system for over a year. • ESB GT believes that NI should retain its current developer led approach for connections and the future siting of generation. Introducing a plan led approach would create substantial delays and increase the extant risk of not obtaining 2030 targets. • An individual respondent stated that <i>“A plan led approach is best for actually getting renewables connected as it has focus and economies of scale, whereas attempting to provide separate connections in many locations would be difficult on a manpower basis alone.”</i> • Organisations like, E Smart Networks, EPUK, although in agreement for developer led solutions, believe that a combined approach could be the way forward. E smart networks believe that the current approach can act as a blocker to developer led therefore agree that a collaborative approach between both developers and network operators is optimal. EPUK agree that developer led works well however if time taken for grid connections is to be accelerated in order to meet net zero targets, a new approach needs to be developed. • An individual respondent stated suggested that this question was too simplistic to answer <i>“there is a case for planning to determine the likely need for EV charging provision, and a case for both community consensus building and advance planning for low carbon heat provision. The use of predominantly individual air source heat pumps rather than some high or low temperature heat networks can lead towards a very expensive and underused power system”.</i> • There was very little consideration of any difference in costs between developer-led or plan-led approaches by respondents. SONI did state that they believed that a plan-led approach, and one

	<p>including clustering for transmission, would be cheaper overall, although without any indicative costs and savings provided.</p> <p>Some respondents to this question mentioned that a clear definition on what each approach entails is required to make a clear recommendation. SONI stated that the volume of connections now seeking to connect through the current developer led approach has become very difficult to manage. We also note that some who are in favour for plan based did also note that the developers' own plans and views must be taken into account.</p>
<p>11. Do you think the current 3-month timeframe for SONI and NIE Networks to issue a connection offer is appropriate?</p>	<p>The majority of respondents (28) answered this question.</p> <ul style="list-style-type: none"> • Six respondents favoured the potential for a longer period than three months being offered, with up to six months for more complex applications (SONI, iPower Flex). Although views were also put forward that an expiry date/limited period for each connection offer should also be implemented (BH Estates and an individual respondent) to ensure an ongoing 'clearing' of the connections queue of projects that were either not progressing or doing so at a rate that was withholding opportunity for ready-to-connect projects. • EP UK Investments commented that connection lead times from SONI often took longer anyway. • Conversely, a small number of respondents, for example, E Smart Networks and Weev, suggested that connection offers for projects up to 2MVA should be made within one month. And without specifying project size, NI Chamber agreed that that smaller projects should receive connection offers in less than three months. Similarly, there was a view amongst a number of respondents that, broadly speaking, smaller projects should receive connection offers sooner than the current three months, for example An individual respondent stated <i>"It may be appropriate to aim to have very short timeframes for smaller connections, say one month, while recording average approval times for larger connections over one month weighed by the capacity of connection"</i>. • Another small number of respondents said that the current three months was inadequate, but failed to make clear whether they thought it too long or too short. • E-Smart Networks demonstrated that <i>"regulation for GB Network operators sets out much faster timescales for Network companies to issue Connection Offer to customers, particularly for connections in the 1-2MVA capacity bracket (such as High-Power Charging (HPC) sites). typical timescale for connection offer for a 1MVA EV HPC site in GB is 4 weeks, compared with 3 months in NI"</i>. E-Smart Networks demonstrate via a diagram how shortening connection offer timescales by several weeks impact on the rollout of a programme of public EV charging infrastructure. • UFU were in favour of reviewing the existing policy as were REG Group, who felt that although the present three month offer timeframe remained appropriate, procedures could be improved so that the consenting process and the connection offer process could run concurrently, rather than sequentially.
<p>12. If our legislation facilitated it, should obtaining planning permission be a prerequisite in order to receive a grid connection?</p>	<p>Respondents were reasonably balanced in their approach to this question with six agreeing explicitly that planning consent should be a mandatory precondition for a grid connection and seven disagreeing. With regard to auction positions in connections study queue, developers who are most likely to develop their site fastest will bid high, and those who are less sure will bid low.</p> <ul style="list-style-type: none"> • A small number of respondents were clearly in favour of legal changes to refine the consenting-connections nexus but didn't give specific detail, although Renewable NI have suggested that a taskforce be established to deliver this work. Several respondents suggested that even if planning consent was not a prerequisite then an agreed sequence of mandatory milestones or stage gates should be introduced so that LCT and other energy asset developers would need to demonstrate clear ongoing progress in their project development process to secure a place in the connections queue. Energia cited examples of this from GB, Spain and other EU states. • Two respondents favoured a batched approach whereby connection applications would be managed in discrete time periods on a grouped basis. This approach was stated to be used effectively in the ROI. • Other opinions included those from Newry, Mourne & Down District Council who were comfortable with projects that were otherwise ready to progress, aside from receiving planning consent, remaining in the connections queue. • Evani which considered that the consenting and connections processes should continue to run largely in parallel, rather than be sequential. • RES Group, alluded to a dissatisfaction with the status quo, implying that further investment into grid infrastructure was required on a more widespread basis, rather than just legislative adjustments. • A number of respondents made the point that the challenges of connecting LCTs are all aggravated by the shortage of upstream network capacity, both distribution and transmission. • The respondents in general clearly support expediting connections in a large part to hasten the deployment of renewable and LCT across the scale spectrum, thus helping to achieve emissions reductions and Net Zero objectives. It is equally clear though that the question of planning consent in relation to a slot in the connections queue very much divide's opinion.
<p>13. If our legislation facilitated it, do respondents consider any other issues associated with the current queue process? Or that a different approach to managing the connection queue, would result in quicker connections? If so, what would that be? Are there any lessons to be learned from other jurisdictions?</p>	<p>In common with some of the earlier questions (questions 4 -7 especially) a notable number of respondents pointed to the GB connections model as one to, if not replicate, then certainly take a strategic steer from.</p> <ul style="list-style-type: none"> • Advice NI, took the stance that planning policy should be reformed to be more permissive of LCT developments across the spectrum.. Equally, CBI NI referenced the UK Prime Minister's recent 'softening' of planning guidelines for onshore wind but again, regardless of the outcome of this potential policy shift, connections could still be an ongoing barrier to deployment. • The Electricity Association of Ireland, in similar fashion, recommended a review of the overall connection processes but did not put forward any real recommendations as to where the emphasis should be targeted. • A small number of respondents, including NIE Networks, proposed that milestones might be usefully employed to help manage the queue. RES Group was largely aligned with this position, stating that the two-gate process being developed for the GB market could be drawn upon, perhaps even permitting the inclusion of some developer-led work. • Smart Grid Ireland put forward a batch approach which, whilst not exactly the same as the gated suggestion, is not dissimilar and is worthy of note.

<p>14. Do you have any other information relevant to the subject matter of this Call for Evidence that you think we should consider?</p>	<p>This question was answered by 24 respondents, there was a variety of suggested modifications to the NI connections process. Some examples of this are provided below;</p> <ul style="list-style-type: none"> • As previously demonstrated, Advice NI put forward the idea of adopting a variable Swedish model for the connection charging boundary whereby a shallow approach is employed if the project is of benefit to the general public (categorising community-owned or publicly-owned projects as those benefiting the general public) and a deeper approach is employed if it is the plant developer/operator that benefits from the grid expansion. • The Construction Employers Federation stated that connection costs are one factor that can make new housing projects financially unviable and felt that NIE's connection charges were too high. ESB GT requested that the price of connection be quoted at the same time the connection offer is made. Gemserv found it surprising that this is not already the case. • One respondent who wished to remain anonymous suggested that a positive change would be if TN earthing was made mandatory for all new connections. • One respondent encouraged UR to develop a land bank of sites earmarked for generation which could be made available to developers, although how UR would undertake this was not defined. • iPower Flex put forward a number of proposed changes, including: <ul style="list-style-type: none"> ○ Sharing of grid Maximum Export Capacity (MEC); ○ Expanding NIE Flex to minimise grid reinforcement costs (but without defining what NIE Flex actually is); ○ Ensuring that NI generators can access the same constraints payments as RoI generators ○ Supporting demand side export flexibility • NEA believe there is a need to ensure that existing consumer protections (across all utilities) are maintained and strengthened to support lower income and vulnerable households during these challenging times
<p>15. Please list any connection issues you have raised in order of priority. Please explain your reasoning behind your priority.</p>	<p>Many respondents took this opportunity to raise a number of connections-related suggestions, comments, and issues with a broad leaning to how the present situation could be improved for the future, largely to the benefit of Net Zero objectives. Two key themes kept recurring through many of the responses, these being:</p> <ul style="list-style-type: none"> • The time it takes to receive a grid connection offer, and for a project to be connected, • The actual cost of a grid connection, which many respondents claim, or imply, is too high <p>Within these responses some a number of remedial action options were proposed. These included:</p> <ul style="list-style-type: none"> • A review of connection costs and, where possible/where appropriate, a reduction of the socialised costs and a socialisation of energy companies' profits. It was not stated how this could be achieved. • A grid reinforcement plan pushing out to 2050 to ensure that future Net Zero targets were sufficiently accommodated. • The need to grant a (financially) firm connection with a fixed time frame, regardless of other grid delays (as is the RoI policy). • Modification to the legal and regulatory rules in NI to allow for the emergence of independent distribution network operators. • The Consumer Council would wish to see greater co-ordination with industry processes, both improving and increasing stakeholder engagement to gain much better clarification of the impact of connections and charging on the fuel poor and how a just energy transitions can be better supported. • EP UK Investments put forward several proposals for reform including: <ul style="list-style-type: none"> ○ Introducing connections queue management based on real-time project progression to reduce capacity hoarding. ○ A review of standard terms for both connections and construction agreements. ○ The promotion of greater competition through the alignment of the connections process with other market arrangements. • UFU proposed a dedicated connections ombudsmen to provide independent adjudication to difficult to resolve issues. • ESB GT provided a comprehensive list of proposals for reform that advocated for full transparency and certainty, retaining the developer-led model rather than moving towards a planned regimen. Also noted: <ul style="list-style-type: none"> ○ Supportive of planning consent being a pre-requisite to a connection offer. ○ Steer towards the RoI model to create consistency across the SEM. ○ Introducing a connections queue management system. • NIE Networks also contributed a large number of suggested areas for review, split between those needing regulatory or legal changes, and those which could be implemented without, including: <ul style="list-style-type: none"> ○ Charging methodology review, including application fees and tariffs. ○ Clustering proposal (as did SONI) ○ Establishing criteria for prioritisation (as did SONI) ○ Extensions to offer timelines ○ Provision of flexible connections. <p>The responses to Question 15, whilst being broad in nature, did certainly steer towards reform and much of this suggested reform, though not necessarily explicit, would tend to benefit the speed and efficiency of connecting LCT and low/zero emissions projects. Equally, the impact on customers, especially those in fuel poverty, must be considered as an integral part of any reform considerations which, in tandem with decarbonisation goals, should comprise a just energy transition.</p>

