

Eimear Watson
SONI Ltd
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Date: 13 June 2024

Ref: NET/E/JF/967

Dear Eimear

**Request for Authority's¹ consent to Extend the Connection Offer Timelines
Relating to the Connection Application for the Prime Power Generation Limited
CCGT Project**

Thank you for your letter of 31 May 2024 (“**the Letter**”).

We treat the Letter as an application (“**the Application**”) - made under Condition 25(5) of SONI's Transmission Licence (“**the Licence**”) - seeking the Authority's consent for the extension of the period for the making of an offer by SONI to Prime Power Generation Ltd (referred to for ease as the **Connection Applicant**), for the connection of a 480 MW CCGT project, to the Transmission System.

We start by setting out the relevant terms of Condition 25 of the Licence. We then move to the application:

1. Condition 25 of the Licence.

Condition 25(5) provides, so far as relevant, as follows (our underlining added):

“[SONI] shall offer terms for [connection agreements] . . . as soon as practicable and (save where the Authority consents to a longer period, which consent may be given on the application of [SONI] following consultation by [SONI] with the person making the application and such other persons as [SONI] considers may be affected or interested) in any event not more than the period specified in paragraph 7 after receipt by [SONI] of an application containing all such information as [SONI] may reasonably require for the purpose of formulating the terms of the offer . . .”

¹ In this letter “we”, “UR” “us”, and “the Authority” are used interchangeably to refer to the Northern Ireland Authority for Utility Regulation.

Condition 25(7) provides that the “*period specified*” in this case is three months, unless the Authority has consented to a longer period.

2. Background

The application (by the Connection Applicant) for the connection of the 480 MW CCGT, was made to SONI on 29 February 2024. SONI deemed the application effective on 19 March 2024.

SONI states that the size of the proposed connection means it can only be feasibly connected at 275kV. The nearest 275kV substation is at Castlereagh. It has been set out in the latest draft version of the Transmission Development Plan Northern Ireland (TDPNI) that Castlereagh “*will require a rebuild due to the concrete structures and the final arrangements for the new substation is yet to be determined.*” SONI estimates the process to identify the preferred option could take 2 years, involving different technical factors and external consultancy. The route of a cable connection to Castlereagh, could be along the A55. SONI says NIE Networks (not SONI) have previously been advised by the Department for Infrastructure (DfI) that a closure of the A55 Outer Ring would be very disruptive to traffic and require Ministerial Approval. SONI states that, along with NIE Networks, they “*will engage with DfI at an early stage to conduct an impact assessment and determine the basic viability of this route.*”

In the Application, SONI references an alternative option for connection – at Kilroot 275kV substation. However, Kilroot is further away than Castlereagh, and almost at capacity, with it being anticipated that additional reinforcements would be required to facilitate the connection of 480 MW CCGT. Part of the cable route would have to be submarine or Horizontal Directional Drilled (HDD). SONI says this had been previously considered, with a risk identified that HDD drilling may not be possible, and “*for that to be an option at all this would need to be checked for viability.*” SONI says connection to Kilroot is “*expected to be more expensive.*”

3. The SONI Application

SONI is applying for an extension of the Condition 25 period for the making of the Connection Offer from 17 June 2024 to **17 August 2026**. SONI's rationale for this request concerns the need for rebuild at Castlereagh Substation, and an associated Transmission Network Pre-Construction Project (TNPP):

SONI states that, due to the need for rebuild at Castlereagh, if it is identified as the LCTA option, then *“the issuing of a connection offer to the Customer would be subject to the prior appropriate level of governance (including if required the approval of any TNPP) for the redevelopment...”* SONI says their *“interpretation is that it is not feasible to issue the connection offer to Prime Power Generation Ltd ahead of an approval of the TNPP project by the Utility Regulator, otherwise this would be a ‘conditional offer’”* (in this case upon Authority approval of the TNPP). SONI cites [Determination 522](#) as support for this position.

SONI anticipates a TNPP for the redevelopment of Castlereagh would be submitted to the Authority for approval by February 2026, after identification of the preferred option for redevelopment, which *“depending on the outcome of optioneering, may or may not facilitate space within the redeveloped substation for connection of Prime Power.”* SONI acknowledge that the normal timeline for the Authority to then decide on a TNPP submission is 4 months.

Due to this, SONI states that the rationale for the extension request and the duration is that *“SONI is unable to issue a Connection Offer without having progressed optioneering and determined the appropriate redevelopment plans for Castlereagh.”*

SONI states that:

“the impact of the extension will be that SONI will be able to complete optioneering (including technical, environmental and civil design) to develop a substation with sufficient rating and capacity to address long term future network needs including Prime Power.

SONI will then be in a position to draft and submit a TNPP to the UR for the redevelopment of Castlereagh, which will facilitate the connection of this Customer (allowing SONI to issue a Connection Offer).

This requirement is not only essential to this application, but also for system planning and delivering further distribution connections.”

The Authority notes the difference between the two statements highlighted above, in terms of the level of certainty that the final option for the redevelopment of Castlereagh would facilitate the connection of the 480MW CCGT.

If the extension was not granted, in SONI's opinion *"then SONI would have to refuse to make the connection offer under Condition 25(6) of the Licence."* SONI has *"concluded that the situation as it currently stands, an offer could not be made to the Customer ahead of a TNPP approval."*

4. The Application Consultation

An application by SONI under Condition 25(5) requires SONI to consult with *"...the person making the application for connection, and such other persons as [SONI] considers may be affected or interested."*

SONI has consulted with the Connection Applicant, and NIE Networks.

The Connection Applicant

SONI consulted the Connection Applicant on 23 May 2024, with a response received on 31 May 2024.

In the response, the Connection Applicant stated they were *"sympathetic"* to the technical complexities of preparing the connection offer, but also said that *"two years and two months is a lengthy extension for a process which should take 90 days."* The Connection Applicant requested that a detailed programme of work proposed to be conducted during the requested extension period should be shared, and that their project keeps its place in the connection queue to take advantage of any change in capacity that would allow the project to connect.

SONI's reply to the Connection Applicant, also sent on 31 May 2024, stated that *"SONI is happy to remain in communication with [the Connection Applicant] as the programme progresses and to provide relevant updates as they become available. As would be the case of any applicant, should the circumstances change, and a bay became available at*

a neighbouring station (e.g. Kilroot) and this was identified as the Least Cost Technically Available (LCTA) connection, this would be offered to Prime Power, providing it was next in the queue to make use of the bay. In any case, SONI endeavours to issue the Connection Offer ahead of the requested extension date if possible.”

SONI has provided evidence of consulting NIE Networks as well, with NIE Networks responding on 30 May 2024, saying “*there are no objections from NIE Networks and we are in support of this extension.*”

5. Our Decision on the SONI Application

We judge the Application against: (i) our principal objective and general duties set out in Article 12 of the Energy (NI) Order 2003; and (ii) the published Decision Paper Guidance². We consider the Application to have been made in accordance with the Decision Paper Guidance.

Our decision is to:

- (i) accede to the Application considering it properly founded; and (accordingly)
- (ii) give consent to an extension to **17 August 2026** for the purposes of Condition 25(5) as regards the Connection Application made by the Connection Applicant for the connection of the Interconnector.

In making this decision we have had proper and full regard to the consultation responses from the Connection Applicant. Although the Authority notes that the Connection Applicant has expressed the opinion that the over two year period of proposed extension is a lengthy extension, we also note that SONI has given positive assurances to their requests to be kept comprehensively and regularly informed of the work being undertaken during this period, and they keep their place in the queue should circumstances change at neighbouring stations. We would request that the Authority is also kept informed as this programme of work progresses.

We are also cognisant of the length of extension period requested, and urge SONI to, as they have stated they will, endeavour to issue the Connection Offer as soon as possible. We have also noted that SONI has highlighted it is not certain the option identified for redevelopment of Castlereagh would facilitate the connection of the 480MW CCGT, and

² [Electricity Connections Decision FINAL.pdf \(uregni.gov.uk\)](https://www.uregni.gov.uk/Document/Electricity_Connections_Decision_FINAL.pdf)

would like clarification on their level of confidence. However, with the Connection Offer likely being dependent upon the need for an approved TNPP, we recognise extra time is required.

We are satisfied to grant the Application based on the reasons set out in the Application.

We should remind SONI that the grant of consent relayed in this letter does not absolve SONI of their Condition 25 obligation to make a connection offer to the Connection Applicant *as soon as practicable*. Adherence to this obligation is particularly pertinent given the length of extension period proposed. The newly substituted Condition 25 period does not affect that key licence obligation.

This decision shall be published and placed in the Electricity Register.

We trust this is satisfactory. If you have any queries, please contact Jody O'Boyle.

Yours sincerely,



Jillian Ferris
Head of Networks

