

John Heywood Northern Ireland Electricity Networks Ltd Unit 3 21 Old Channel Road Belfast BT3 9DE

By Email Only: John.Heywood@nienetworks.co.uk

Date: 7 March 2024

Our Ref: NET/E/DH/849

Dear John,

Application for consent to a longer period for the issuance of a Connection Offer for 68 Drumcrow Road, NIE Networks Reference: 23/12720

Thank you for your letter dated 22 February 2024 (the **Letter**) setting out an application (**the Application**) made by NIE Networks Limited (**NIE Networks**) for an extension to the period within which NIE Networks is required to make a connection offer, concerning a at 68 Drumcrow Road.

1. The Application

The Letter describes the relevant background¹ to the Application. Reference is made to Condition 30 of NIE Networks' licence authorising participation in the activity of distribution (**the Licence**).²

¹ What follows is a summary of the Application. It is not intended to be a complete rehearsal. All parts of the Application have been considered in making the decision set out in this correspondence. Failure to mention parts of the Application (or related correspondence) should not be taken as representing any failure to have regard to those parts.

² NIE Distribution Licence.



Condition 30 (6) (of the Licence) provides that (barring specified exceptions)³ NIE Networks is obliged to make an offer for connection to the distribution system as soon as practicable and (by operation of Condition 30 (6)(b)) in any event within 3 months from receipt of a valid/completed application for connection to the distribution system.

Condition 30 (7) of the Licence allows NIE Networks to make an application to the Authority⁴ for a (written) consent that the period specified in Condition 30 (6)(b) be longer than 3 months. The making of such an application does <u>not</u> change NIE Networks' licence obligation⁵ (under Condition 30(6)(a)) to make a connection offer *as soon as practicable*. Nor does the grant (by the Authority) of the consent sought through any such application change the position. The primary obligation (recorded in Condition 30(6) of the Licence and Article 20 the Electricity Order) - to make a connection offer *as soon as practicable* remains.

The Letter explains that on 7 November 2023 NIE Networks received a valid application for an offer of connection for a This application was deemed compliant on 8 December 2023. We shall refer to the person making the application as the **Connection Applicant**.

It is explained that the "license standard" - at this time - for provision of the relevant Connection Offer to the Connection Applicant – was **8 March 2024**.

By the Application NIE Networks applies for consent for the relevant period under Condition 30(6) to be substituted by a longer period ending **7 October 2024**.

NIE Networks outlines in the application that the issuing of a connection offer is dependent upon a replacement of the Transformers at Larne Main BSP, and waiting for this process to complete will require extra time beyond the present deadline for the making of a connection offer:

"The existing 45MVA Transformers at Larne Main BSP are currently at capacity for generation. Normally this would be grounds for a refusal to connect, however the

³ Recorded in Article 21 of the Electricity (NI) Order 1992 (the Electricity Order).

⁴ In this correspondence we use the words "us" "we" "our" "UR" "Utility Regulator" and "Authority" interchangeably to refer to the Northern Ireland Authority for Utility Regulation.

⁵ Which aligns with the statutory duties reflected in Article 19-15 of the Electricity Order.



transformers are due to be replaced by SONI with 90MVA which would free up sufficient capacity to allow this connection to go ahead.

NIE Networks (DNO) are unable to provide a connection offer based on the transformers being replaced until the Transmission Project Agreement has been signed. SONI has issued NIE Networks with a Functional Specification in 12/12/23, NIE Networks (TO) will then have to return a Design Specification to SONI (Approximately 6 months) and then the Transmission Project Agreement will need to be prepared (approximately 1 month) and governance meeting arranged."

NIE Networks describes the rationale for the extension as follows:

- 1. "As the Transmission Project Agreement is estimated to be approximately 8 months from being signed a connection offer cannot be issued to [the Connection Applicant].
- 2. As the planned transformer replacement is imminent it would be reasonable to refuse the connection on this basis.
- 3. Once the Transmission Project Agreement has been signed the connection offer design can be progressed with certainty.
- 4. As these timescales are outside of NIE Networks control we are not able to progress the connection design until the Transmission Project Agreement has been signed."

NIE Networks states that this rationale "outlines how this application is subject to the outcome of an event which is outside of NIE Networks' control" – the circa 8 months it will take for the Transmission Project Agreement for the replacement transformers at Larne to be signed.

If the Transmission Project Agreement is agreed and signed earlier than this, NIE Networks says they will progress a connection offer for an earlier date, but if the Transmission Project Agreement is not completed in the circa 8 months, then "we may need to extend further."

In the opinion of NIE Networks, not granting an extension offer "would result in a refusal to connect and would prevent of Renewable Energy being connected to the network."



2. Consultation associated with the Application

Condition 30(7)(a) of the Licence provides that NIE Networks must consult with the Connection Applicant when making an Application (for extension) under Condition 30(7).

The Application sets out such consultation with the Connection Applicant and indicates that the Connection Applicant does not object to the Application.

3. The Authority's decision

In making our decision on the Application we have regard to:

- (a) our published decision document on extension applications⁶
- (b) our principal objective (and related statutory objectives) under Art 12 of the Energy (NI) Order 2003
- (c) the contents of the Application
- (d) the consultation with the Connection Applicant.

Having considered the matter fully, the Authority hereby confirms that it provides the consent sought in the Application. It follows that the period under Condition 30(6)(b) of the Licence (in respect of the application for connection made by the Connection Applicant for the at 68 Drumcrow Road) is now extended until **7 October 2024**. We consider the Application justified for the reasons set out in the Letter.

We welcome the commitment of NIE Networks to work with SONI in progressing the relevant connection applications to include that of the Connection Applicant.

This request is being approved on the understanding that NIE Networks will not make any changes that result in additional costs borne by Northern Ireland consumers.

We would take this opportunity to confirm that the period ending 7 October 2024 is a "long stop" date. The obligation under Condition 30 of the Licence is (now), subject to

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⁶ Electricity Connections Review Decision Paper | Utility Regulator (uregni.gov.uk)



applicable exceptions⁷, to make a Connection Offer to the Connection Applicant for the at 68 Drumcrow Road "<u>as soon as practicable</u>" and "<u>in any event no later than</u>" 7 October 2024. The Licence obligation is <u>not</u> (now) simply to offer connection terms by 7 October 2024.

This decision will be published and placed on the Register in the normal way.

Please do return to us should you require any clarification.

Yours sincerely,

Donald Henry

Networks and Energy Futures Director Duly authorised by the Authority

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⁷ Consonant with NIE Networks' licence obligations and its statutory duties set out in Articles 12 and 19 of the Electricity Order.