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

Date: 19 April 2024

Our Ref: NET/E/DH/924

Dear John,

Application for consent to a longer period for the issuance of a Connection Offer for 80 Drummackin Road Tempo, NIE Networks Reference: 23/13411

Thank you for your letter dated 10 April 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 (the **relevant Connection Offer**), concerning a [REDACTED] at 80 Drummackin Road Tempo.

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 not 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 NIE Networks received an application – deemed valid on 24 January 2024 - for the relevant Connection Offer and the “license standard” - at this time - for provision of the relevant Connection Offer to the person applying for the Connection Offer (the Connection Applicant) was **24 April 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 **20 December 2024**.

The Application refers to two connection policy changes which came into effect on 7 November 2023 (the “Go-Live” date) affecting: (i) the facility for connection offers (for export) for small scale generation (which in some areas had been closed since 2016) and (ii) the ‘over-install’ limits for single technology and hybrid co-located sites. These connection policy change decisions can be found here⁶ and here.⁷

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.

⁶ [NIE Networks Providing Distribution Generation Export Offers to Applicants less than 5MW – Decision paper.](#) ⁷ [NI Over Install Decision Paper For Final Review \(nienetworks.co.uk\).](#)

The connection policy changes triggered an unusually high volume of applications to connect made to NIE Networks on the “Go-Live” date of 7 November 2023. The volume

of applications received (approximately 163 in the space of 4 hours) is explained in the Application as approximate to the volume of applications received in the six months prior to the “Go-Live” date. The Application records that NIE Networks has: assessed all these applications for compliance; validated the information received; and conducted high level studies to determine the BSP each applicant would connect to *“to allow conversations regarding transmission capacity to start with SONI.”*

The Application further states that *“this work has taken considerably more resource and time to complete than it would take during normal application levels”* and cites this as a reason for requesting more time to facilitate related liaison with SONI and (if capacity is available) to carry out detailed design and costing work so as to produce a Connection Offer to/for the Connection Applicant.

The Application goes on to accept that the application (for the Connection Offer) was made after the Go Live date of 7 November 2023 but describes the *“knock on effect of the influx”* as the reason for the Application; with NIE Networks asserting that the grant of the Application will allow it *“sufficient time for the development of the connection.”*

The Application also states that NIE Networks will endeavour to issue the Connection Offer *“as soon as practicable”* before the expiry of the substituted period (20 December 2024) before acknowledging that further C30(7) type application might be required if *“it is deemed that capacity is not available until the outcome of an applicant ahead”* in the queue.

The rationale for the Application is explained as follows:

“Given the influx of applications it will allow

- 1. SONI to determine if transmission capacity is available taking into account of the interactivity of other applicants in the queue ahead of them*

- 2. NIE Networks time to accurately design and cost connections taking account of the impact of others in the queue ahead of them.”*

NIE Networks also states that granting the extension would have the impact of enabling “SONI and NIE Networks to determine if capacity is available, complete connection design and production of a connection offer subject to capacity becoming available,” while not granting the extension “would result in NIE Networks not being able to meet its licence standard.”

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).

NIE Networks wrote to the representative of the Connection Applicant on the afternoon of 9 April 2024 advising of the making of the Application and asking for a response by close 9 April 2024.

The representatives of the Connection Applicant wrote back on the morning of 10 April 2024. Objection was made to the short period for response allowed by NIE Networks. The Application was not consented to. It was contended that “NIE would/should have foreseen the influx of generation applications from 07/11/23 and has clearly failed to adequately prepare for same.”

We called NIE Networks on 19 April 2024 and asked whether NIE Networks had responded to the email of 10 April 2024. NIE Networks responded promptly to confirm that it had emailed (the representative of the Connection Applicant) back on 12 April 2024. That email communicated an apology for the short notice provided by NIE Networks for the consultation and confirmed that NIE Networks would endeavour to do better. It referenced the “huge volume” of work being encountered and associated recruitment exercises. It also said this:

As jobs’ progress, possibly applications will be withdrawn by customers or they have to reduce to zero export, this will reduce workload for our team and these dates could be brought forward.

If you want to get in touch in a months' time to get an update on what the queue is like, I'd be happy to have a call and discuss.

I'd like to have these offers out before the specified date, however, with the amount of jobs now in the queue this is the date we need to ask the Utility Regulator for."

NIE also emailed us on 19 April 2024 to state the following:

" . . . [NIE Networks is] trying as best [it] can to chat to customers before they enter the queue, on where capacity may not be available and if they want to proceed with zero export or keep their application in place. This will help streamline the queue and determine which applications need extended. Customers that [we] speak to [are also made] aware of the extensions that are currently in place to help them determine if they want to proceed with an export application or zero export is actually [sufficient]. This will also help manage extensions required and workload."

3. The Authority's decision

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

- (a) our published decision document on extension applications⁷
- (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 (to include the lack of support from the Connection Applicant), the Authority hereby confirms that it provides the consent sought in the Application. We do not consider whether we need to make a judgment on the contention from the Connection Applicant that NIE Networks failed to adequately prepare. We consider that the Application is just for the reasons set out in the Letter. It is not disputed that the policy changes that went live on 7 November 2023 have resulted in a very large number of related connection applications being received in a compressed period. This

⁷ [Electricity Connections Review Decision Paper | Utility Regulator \(uregni.gov.uk\)](https://www.uregni.gov.uk/electricity-connections-review-decision-paper)

obviously presents very real logistical challenges for NIE Networks. We do not consider that any finding of inadequate preparation (which we do not make) would have resulted in a different adjudication on the Application.

Relatedly, we note the commitments made in the NIE Networks emails of 12 April 2024 (to the representative of the Connection Applicant) and 19 April 2024 (to the Authority) regarding ongoing recruitment efforts.

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 [REDACTED] [REDACTED] at 80 Drummackin Road Tempo) is now extended until **20 December 2024**.

We would take this opportunity to confirm that the period ending 20 December 2024 is a “long stop” date. The obligation under Condition 30 of the Licence is (now), subject to applicable exceptions⁸, to make a Connection Offer to the Connection Applicant for the [REDACTED] at 80 Drummackin Road Tempo “as soon as practicable” and “in any event no later than” 20 December 2024. The Licence obligation is not (now) simply to offer connection terms by 20 December 2024.

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

Closing observation of the consultation process

We share the concerns raised in the email from the representatives of the Connection Applicant dated 10 April 2024 as regards the short period allowed for consultation response. We are pleased that NIE Networks has acknowledged the issue and undertaken to do better in future.

We also welcome the offer to speak to the Connection Applicant as things progress.

Please do return to us should you require any clarification.

⁸ Consonant with NIE Networks’ licence obligations and its statutory duties set out in Articles 12 and 19 of the Electricity Order.

Yours sincerely,



Donald Henry

**Networks and Energy Futures Director Duly
authorised by the Authority**



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