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

Date: 02 July 2024

Our Ref: NET/E/PR/960

Dear John,

Application for consent to a longer period for the issuance of a Connection Offer for 2 Strahans Road, Strabane, NIE Networks Reference: 23/13243

Thank you for your letter dated 31 May 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 2 Strahans Road, Strabane.

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

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*

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](#).

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

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.

It is explained in the letter that NIE Networks received an application after 7 November 2023 for an offer of connection for a [REDACTED]. The application was deemed valid on 8 December 2023.

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 **23 August 2024**.

NIE Networks has made the Condition 30 request for extension after expiry of the license standard period for provision of a Connection Offer (8 March 2024). NIE Networks has explained that the matter had been ‘missed’ and that it has “*assigned the job over to a HV Designer and corrected it’s queue position, making sure no job out of the same Primary Substation or Bulk Supply Point has gone ahead of it.*”

The Authority enquired further with NIE Networks on how the expiry of the Condition 30 period had been missed, and the steps NIE Networks will take to prevent this occurring again.

In response to these further enquiries, NIE Networks informed the Authority that an extension request should have been submitted to the Authority in February 2024, but NIE Networks did not do this due to an administration error. NIE Networks outlined that, usually, when an application is received by NIE Networks, after a successful review, it is

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.

given a Generation Queue date, and moved onto NIE Networks' Generation Queue spreadsheet. In this case, the specific job was in the queue *“but was missed in the spreadsheet for an extension request.”* NIE Networks explains that *“To avoid this error from happening again, [NIE Networks] will also include how many jobs required an extension with the Utility Regulator.”*

It is also described in the Application the background reasons for the need to request extension. 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

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.”*

NIE Networks 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 describe that that the *“large influx of applications”* triggered by the two 7 November 2023 changes, has meant that the processing of the applications has taken NIE Networks over two months, *“while in normal times this would typically be done within 2 weeks.”* NIE Networks says that the *“number of applications received is outside NIE Networks control however due to the implications of getting the queuing wrong time was required to ensure this was done consistently and fairly.”*

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 Application also states that NIE Networks will endeavour to issue the Connection Offer *“as soon as practicable”* before the expiry of the substituted period (**23 August 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.

NIE Networks explains the rationale for seeking the extension sought in the Application 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.”*

We note that NIE Networks has also stated that, regarding the extension period requested, *“NIE Networks at this stage believes that this is adequate time, however further requests may be required if other complex issues arise during NIE Networks’ or SONI’s analysis.”*

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 has provided evidence of consultation with the Connection Applicant. The Connection Applicant has not objected to the Application. NIE Networks has further explained that it has explained the circumstances behind the application being “missed” and the steps that are being taken to offer reassurance to the Connection Applicant as to the progression of the relevant Connection Offer.

3. The Authority's decision

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

- (a) our published decision document on extension applications⁸
- (b) our principal objective (and related statutory considerations) 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 [REDACTED] at 2 Strahans Road, Strabane) is now extended until **23 August 2024**. We consider the Application justified for the reasons set out in the Application/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.

Although the Authority has decided to consent to the extension sought in the Application, we have noted that the need for it was originally missed by NIE Networks, and it was submitted outside the Condition 30 period. We trust that this unfortunate situation will not be repeated. NIE has offered relevant assurance in this regard.

It is noted that the effect of our decision on the Application is to “cure” any potential licence contravention occasioned in the period after the expiry of the previously operable Condition 30 licence period (for the making of a Connection Offer). The relevant period has been substituted.

Our decision in no way signals a warrant for NIE Networks to be laggard in making suitable extension applications. Those extension applications should be made in a timely way. We refer to our published guidance. Repetition of the circumstances exhibited in this Application will cause the Authority to examine all appropriate regulatory action.

We would take this opportunity to confirm that the period ending 23 August 2024 is a “long stop” date. The obligation under Condition 30 of the Licence is (now), subject to

⁸ [Electricity Connections Review Decision Paper | Utility Regulator \(uregni.gov.uk\)](https://www.uregni.gov.uk/Electricity-Connections-Review-Decision-Paper)

applicable exceptions⁹, to make a Connection Offer to the Connection Applicant for the [REDACTED] at 2 Strahans Road, Strabane “as soon as practicable” and “in any event no later than” 23 August 2024. The Licence obligation is not (now) simply to offer connection terms by 23 August 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,



Jillian Ferris

Head of Networks
Duly authorised by the Authority

⁹ Consonant with NIE Networks’ licence obligations and its statutory duties set out in Articles 12 and 19 of the Electricity Order.