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

Date: 18 July 2024

Our Ref: NET/E/JF/1000

Dear John,

Application for consent to a longer period for the issuance of a Connection Offer for 4 Ballyoran Lane, Dundonald, NIE Networks Reference: 24/03528

Thank you for your letter dated 4 July 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 4 Ballyoran Lane, Dundonald.

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.

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 18 April 2024.

The “license standard” - at this time - for provision of the relevant Connection Offer to the Connection Applicant – was **18 July 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 **14 April 2025**.

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.”*

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 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 (**14 April 2025**) 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 *“further extensions may be required if it is deemed that capacity is not available until the outcome of an applicant ahead of them in the queue is known,”* or *“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).

The Application sets out such consultation with the Connection Applicant and indicates objections to this application. The Connection Applicant, in response of 9 July 2024, has commented that they *“find this request totally unacceptable”* as it means they could be waiting a year for a connection decision. The Connection Applicant says this will delay decision making on investment. The Connection Applicant comments that *“We would ask NIE to look again at this timeline and what it can do to bring it in line with its statutory targets.”*

NIE Networks responded to the Connection Applicant on 10 July 2024, saying that *“Currently, we have received a huge number of export applications. We are managing this workload by staggering the connections offers and eventually we will be in place where extensions won’t be required and brought back to statutory targets once we get through the work in front of us.”*

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 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 [REDACTED] at 4 Ballyoran Lane, Dundonald) is now extended until **14 April 2025**. We consider the Application justified for the reasons set out in the Letter.

The Authority has, however, noted the comments of the Connection Applicant concerning the length of time extension may add, for a Decision to be taken on their connection application. The Authority has communicated to NIE Networks that we observed the same reasoning is being used in this application, as in many previous applications for extensions received since January 2024, 9 months after the Go Live date of the Over Install and Zero Export changes.

The Authority notes that NIE Networks, in response, say they will reflect as much detail as possible to customers, in written and verbal format, about why their offer is being extended, and may include different reasoning in support of any forthcoming extension applications.

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

We would take this opportunity to confirm that the period ending 14 April 2025 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 4 Ballyoran Lane, Dundonald “as soon as practicable” and “in any event no later than” 14 April 2025. The Licence obligation is not (now) simply to offer connection terms by 14 April 2025.

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.