

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: 26 September 2024

Our Ref: NET/E/BM/1032

Dear John,

Application for consent to a longer period for the issuance of a Connection Offer for 160 Holywood Road, Belfast, NIE Networks Reference: 24/04475

Thank you for your letter dated 11 September 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 160 Holywood Road, Belfast.

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.

NIE Networks received an application that was deemed compliant on 25 June 2024. Under the Condition 30 (6) 3 month window, a connection offer should therefore have been made, not later than 25 September 2024.

By the Application, NIE Networks applies for consent for the relevant period under Condition 30(6) to be substituted for a longer period ending **25 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

As per the Application, the connection policy changes triggered an unusually high volume of connection applications to be made to NIE Networks on the "Go-Live" date of 7 November 2023. The volume of applications received is identified as almost 500 small scale applications since November 2023. 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.*"

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 \(nienetworks.co.uk\).](#)

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.”*

NIE Networks has detailed changes it has made in response to the increased level of applications after the November 2023 changes. *“Over the past month our team has grown in size, which will help manage the workload. NIE Networks are already seeing the benefits of these changes which is improving workload management and an important step in getting back to the 90-day licence standard for export applications.”*

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 (**25 April 2025**) but acknowledges that a 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, reflecting the points above, 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.”*

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 provides evidence of written and oral consultation on the Application with the Connection Applicant. The Connection Applicant provided a consultation response, by email, dated 11 and 12 September 2024. Whilst they have consented to this Application, the Connection Applicant commented that *“We would wish to continue for our application to be processed and so don’t appear to have much option but to accept the extension noted below from NIE.”* Concern was also outlined about the timeframe set out in the application, and a request was made for NIE Networks to *“do all they can”* to process the application as early as possible.

The Application also confirms that NIE Networks are engaging with SONI in determining if there is Transmission Capacity available for this applicant.

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 Holywood Road, Belfast) is now extended until **25 April 2025**. We consider the Application justified for the reasons set out in the Letter.

The Authority notes that the same reasoning is used in this Application (which is around 10 months after the Go Live date of the Over Install and Zero Export changes) as has been relied upon for previous applications for extensions received in 2024. The Authority

⁸ [Electricity Connections Review Decision Paper | Utility Regulator \(uregni.gov.uk\)](https://www.uregni.gov.uk/decisions/2024/09/24/2024-09-24-001)

has previously communicated concern over the changes being used as a core rationale for extension applications to NIE Networks, and would re-iterate this concern after receiving this application. In July, NIE Networks said it intended to, in future extension applications, to reflect as much detail as possible to customers, both in writing and verbally, about why an extension application is being made. NIE Networks also raised the prospect that it may include different reasoning in support of any forthcoming extension applications. However, this is not reflected in this application. The Authority would request that NIE Networks considers how it can do this in future applications most effectively. We do recognise NIE Networks has stated in the application that it has expanded the team responsible for connection requests, in response to the increased pressures brought about by the November 2023 changes. NIE Networks has expressed optimism this will allow a return to the pre-November 2023 level of connection applications turnaround, which would be a positive development. The Authority will communicate further with NIE Networks for an update about whether this is the case, over the coming months.

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 note that the Connection Applicant, while accepting the making of the extension application, has voiced concern over the timescales outlined in the application. We would take this opportunity to confirm that the period ending 25 April 2025 is a “long stop” date. The obligation under Condition 30 of the Licence is (now), subject to applicable exceptions⁹, to make a Connection Offer to the Connection Applicant for the [REDACTED] at Holywood Road, Belfast “as soon as practicable” and “in any event no later than” 25 April 2025. The Licence obligation is not (now) simply to offer connection terms by 25 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.

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

Yours sincerely,



Brian Mulhern

Director of Networks and Energy Futures
Duly authorised by the Authority

