

From: [Mark McGuigan](#)
To: [UREGNI Electricity Networks Responses](#)
Cc: [Craig, Alan](#)
Subject: RP7 Utility Regulator Response
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Attachments: [image001.jpg](#)

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FAO. Alan Craig
Finance and Network Assets

Dear Alan,

With reference to the Utility Regulators recent draft determination on the NIE's RP7 business plan we welcome the ongoing consultation the opportunity to provide our response.

Translink have ambitious plans to reduce carbon emissions by 50% by 2030 and to be net-zero by 2040. These plans align with the Climate Change Act (Northern Ireland) 2022, Programme for Government, Green Growth Strategy and DEARA's carbon budget targets etc. To deliver our plans, which include transitioning to an electric bus and train fleet, upgrading our buildings and micro-generation of green energy, we will consult, collaborate and partner with a wide range of stakeholders including NIE.

To facilitate the above we require an electricity network with sufficient capacity and flexibility to accommodate the LV and HV connections we will require across Northern Ireland. These include but are not limited to:

- Rail Electrification - 5no. 20MW connections supplied from the 110KV transmission network.
- Bus EV Charging - 40no. connections totalling 42MW to enable charging of 1400 buses.
- Micro-generation of renewable energy – network wide connections to enable power to be exported to the grid from proposed wind and solar installations.

NIE's proposal to invest in the electricity network in advance of the need is to be welcomed as it creates the foundation for Northern Ireland's journey towards net-zero, will facilitate a more efficient use of the electricity transmission system and provide households and businesses with the infrastructure that will allow them to make use of new greener technologies.

We are encouraged by the Utility Regulators acknowledgement that a step change in investment in the electricity network is required to prepare the network for the transition to net-zero. However, we have the following concerns regarding the draft determination:

- We note the level of proposed Capex reduction and would have concerns that this could impact on the establishment of an electricity network capable of delivering for existing and future customers. To invest in the delivery of a robust and flexible electricity network suitable for societies future needs, NIE must be confident that the available funding is sufficient to account for foreseeable risks and issues e.g. unprecedented inflation,

material shortages and lead in times etc.

- We welcome the uncertainty mechanism which could facilitate additional investment if the assumptions upon which the determination is based are incorrect e.g. a greater uptake of electric vehicles or air source heat pumps. However, the ability of the Utility Regulator to trigger the same mechanism to reduce the level of funding, should the assumptions be incorrect, could discourage pro-active investment in the network by NIE and result in a backwards movement to a reactive investment approach.
- We note that the transmission network investment (D5) has not been approved at this time and that NIE will have to formally apply for this funding at a later stage. We would encourage a review of this funding application process to be undertaken to ensure that it enables the assessment and approval of applications to be made in a timely manner to facilitate required transmission network upgrades.
- At a time when technology is changing at a significant rate, investment in innovation has never been more important to ensure the electricity network is fit for purpose. The proposal to reduce the innovation budget appears to be a backward step in this regard. As a minimum, we would recommend that the proposed mid-point reopener mechanism is changed to an annual mechanism to minimise delays in initiating new innovation projects.
- To enable the planning, design and delivery of the step change in investment proposed NIE will need to be appropriately resourced. Given that recent benchmarking has confirmed NIE's ability to deliver efficiently we would be concerned that the proposed reduction in revenue funding would impact on the ability of NIE to deliver the proposed network upgrades and associated network connections in a timely manner.

We also noted the recent consultation into charging for new connections and eagerly await the outcome which we hope will recommend bringing Northern Ireland into line with the rest of the UK and RoI in relation to this.

Yours sincerely,

Mark

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