

Eimear Watson
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Date: 15 November 2024

Ref: NET/E/JF/1066

Dear Eimear

Request for Authority's¹ consent to Extend the Connection Offer Timelines Relating to the Connection Application for the EP Kilroot Limited Data Centre Project (MEC 300MW)

Thank you for your letter of 29 October 2024 (“**the Letter**”).

We treat the Letter as an application (“**the Application**”) - made under Condition 25(5) of SONI’s Transmission Licence (“**the Licence**”) - seeking the Authority’s consent for the extension of the period for the making of an offer by SONI to EP Kilroot Limited (referred to for ease as the **Connection Applicant**), for the connection of a 300 MW MIC Data Centre (**Kilroot Data Centre**), to the Transmission System.

We start by setting out the relevant terms of Condition 25 of the Licence. We then move to the Application:

1. Condition 25 of the Licence.

Condition 25(5) provides, so far as relevant, as follows (our underlining added):

“[SONI] shall offer terms for [connection agreements] . . . as soon as practicable and (save where the Authority consents to a longer period, which consent may be given on the application of [SONI] following consultation by [SONI] with the person making the application and such other persons as [SONI] considers may be affected or interested) in any event not more than the period specified in paragraph 7 after receipt by [SONI] of an application containing all such information as [SONI] may reasonably require for the purpose of formulating the terms of the offer . . .”

¹ In this letter “we”, “UR” “us”, and “the Authority” are used interchangeably to refer to the Northern Ireland Authority for Utility Regulation.

Condition 25(7) provides that the “*period specified*” in this case is three months, unless the Authority has consented to a longer period.

2. Background

The application (by the Connection Applicant) for the connection of the Kilroot Data Centre, was deemed effective by SONI on 15 August 2024, with an offer for connection due by 15 November 2024, under Condition 25 of the SONI Transmission Licence.

In the Application, SONI explains why it cannot make a connection offer for the Kilroot Data Centre by 13 November 2024.² SONI firstly highlights that there are two, other, significant connection applications ahead of the connection applicant in the connection queue, to connect to Kilroot Substation. These connection applications have also been the subject of extensions approved by the Authority in 2024.³ Part of the rationale given in these applications was that redevelopment of Kilroot substation to handle the connections may be needed, and time was needed for optioneering for the redevelopment to happen, and for a potential Transmission Network Pre-Construction Project to be conducted and put forward to the Authority for approval, after which potentially a Connection Offer could be made.

SONI points out that a potential connection offer date for the Connection Applicant is partially dependent on the progression of the two significant projects ahead of the Connection Applicant in the connection queue. If these projects did not proceed, or if other assumptions changed, then it could be possible for SONI to make a connection offer to the Connection Applicant sooner than the end of the extension period applied for.

However, despite this, and also due to what SONI calls ‘a number of’ significant connection applications entering the connection queue in the Kilroot area, SONI states that “*the need and justification for a new substation in the Kilroot area in general, and more specifically the Kilroot Data Centre connection, is becoming increasingly likely.*”

A new substation would be strategic infrastructure, involving a significant optioneering assessment, including “*the consideration of new technologies not previously used in Northern Ireland to meet the challenges of developing a substation in the area.*” Developing a new

² SONI appears to consider that the Condition 25(7) “date” for the making of a connection offer is 13 November 2024. We understand that SONI has – absent an extension under Condition 25(5) – out to 15 November 2024 to make an offer of connection. Nothing turns on this for the purposes of judging the Application and we are content to proceed by recording the 13 November 2024 date mentioned by SONI.

³ [2024.06.13 C25 SONI Prime Power Extension Decision 0.pdf](#) and Authority Decision Letter on EPK ST2.

substation could require the Authority's approval of a Transmission Networks Pre-Construction Project.

3. The Application

SONI is applying for an extension of the Condition 25 period for the making of the Connection Offer from 13 November 2024 to **13 September 2026**. SONI's rationale for this request concerns the need for rebuild at Kilroot Substation, and an associated Transmission Network Pre-Construction Project (TNPP):

SONI states that the redevelopment of Kilroot (which would be needed to give the Kilroot Data Centre available space to connect) would require the eventual approval, by the Authority, of an associated TNPP.

SONI has outlined the timescales involved:

- (a) 12 months for the optioneering assessment for a new substation at Kilroot
- (b) 3 months for Stakeholder engagement and preparation of the TNPP
- (c) up to 4 months for the Authority to approve the TNPP
- (d) 3 months to make the Connection Offer.

SONI explains that these elements build out the requirement for a 2-year extension period for the making of a connection offer to the Connection Applicant.

SONI further explains that it has considered that there are no alternative actions that could allow the connection offer (to the Connection Applicant) to be issued by 13 November 2024.

SONI defines the impact of not granting an extension as meaning it *"would not be able to issue a Connection Offer on 13 November 2024 . . . SONI would have to refuse to make the connection offer under Condition 25(6) of the Licence."*

SONI has stated that *"[it] would point out that the situation is fluid as the Kilroot Data Centre connection arrangement is interdependent on other parties' connection arrangements as well as connection arrangements for other EPKL projects. Therefore, should other parties' projects, and/or other EPKL projects, not proceed, or if other assumptions change, then it may be possible to progress the Kilroot Data Centre Connection Offer sooner, however the need and justification*

for a new substation in the Kilroot area in general, and more specifically the Kilroot Data Centre connection, is becoming increasingly likely.”

4. The Application Consultation

An application by SONI under Condition 25(5) requires SONI to consult with “...*the person making the application for connection, and such other persons as [SONI] considers may be affected or interested.*”

SONI has consulted with the Connection Applicant, and NIE Networks, both who it considers as affected parties.

Consultation with the Connection Applicant

SONI consulted the Connection Applicant on 25 October 2024, with a response received on 29 October 2024.

In its consultation response the Connection Applicant stated that it effectively took a neutral position on the request:

“EP Kilroot cannot support an extension to the offer timelines, however neither do we object to SONI seeking the below extension to the revised timelines. We ask that SONI aspires to issue the Connection Offer ahead of any future deadline agreed by the Utility Regulator. Please note that EP Kilroot’s neutral position on this occasion should not be considered to represent our opinion on any further proposed extensions and we request that any potential further delays are communicated at the earliest opportunity.”

Consultation with NIE Networks

SONI consulted NIE Networks on 25 October 2024, with a response received on 28 October 2024. NIE Networks commented in the response that “*We are in support of this extension request.*”

5. Our Decision on the SONI Application

We judge the Application against: (i) our principal objective and general duties set out in Article 12 of the Energy (NI) Order 2003; and (ii) the published Decision Paper Guidance⁴. We consider the Application to have been made in accordance with the Decision Paper Guidance.

Our decision is to:

- (i) accede to the Application considering it properly founded; and (accordingly)
- (ii) give consent to an extension to **13 September 2026** for the purposes of Condition 25(5) as regards the Connection Application made by the Connection Applicant for the connection of the Interconnector.

In making this decision we have had proper and full regard to the consultation responses from the Connection Applicant and NIE Networks. We note that the Connection Applicant has taken a neutral position on the request for extension.

We are cognisant of the length of extension period requested, and urge SONI to, as it has stated it will, endeavour to issue the Connection Offer as soon as practicable. We note SONI has highlighted there are scenarios (although not necessarily the most likely to occur) where a Connection Offer could be offered before the end of the 22 month period. We recognise that SONI has described the need for extension, as likely dependent on the need for optioneering, and potentially the production and approval of a TNPP for the Kilroot substation. SONI has explained the time likely required for those steps. While the explanation is appreciated, we would ask that SONI consider if there are any measures it can take, that would speed this process up. Aside from this extension, other extensions already approved by the Authority are (partially or mostly) dependent on the optioneering and TNPP process for the Kilroot substation. From the wording used in this application we also anticipate there could be other extension applications received in the future employing a similar rationale. Therefore speeding the process up could be of some benefit. We would request SONI keeps the Connection Applicant, and the Authority, updated as the programme of work progresses.

We are satisfied that we should grant the Application based on the reasons set out in the Application.

⁴ [Electricity Connections Decision FINAL.pdf \(uregni.gov.uk\)](#).

However, we should remind SONI that the grant of consent (for an extension of time) relayed in this letter does not absolve SONI of its Condition 25 obligation to make a connection offer to the Connection Applicant *as soon as practicable*. Adherence to this obligation is particularly pertinent given the length of extension period proposed. The newly substituted Condition 25 period does not affect that key licence obligation.

This decision shall be published and placed in the Electricity Register.

We trust this is satisfactory. If you have any queries, please contact Jody O'Boyle.

Yours sincerely,



Jillian Ferris
Head of Networks