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By Email Only: Claire.Whiteside@nienetworks.co.uk

Date: 31 October 2024

Our Ref: NET/E/BM/1053

Dear Claire,

Request for Extension of Time to Issue a Construction Offer to SONI Ltd in relation to the connection of Ballylumford Battery [REDACTED].

Thank you for your letter dated 17 October 2024 (**the Letter**) setting out an application (**the Application**) made by NIE Networks Limited (**NIE Networks**) - under Condition 20 (3) of the licence held by NIE Networks authorising participation in the activity of transmission (**the Licence**)¹ – for the Authority’s² consent to a longer period for the making of a construction offer (**the Construction Offer**) by NIE Networks to SONI Limited (**SONI**) in relation to an application (**the Connection Application**) for connection (to the NI transmission system (**the NITS**)) made to SONI concerning the connection of a Battery Energy Storage System (BESS) to the NITS.

¹ [Transmission licence](#)

² In this letter we use the words “we” “us” “our” “the UR” “the Utility Regulator” and “Authority” interchangeably to refer to the Northern Ireland Authority for Utility Regulation.

1. The Application

The Letter describes the relevant background³ to the Application. It starts by referring to the provisions of section 2.4.1 of Section D of the *Transmission Interface Arrangements (the TIA)*⁴ between NIE Networks and SONI, as follows:

“Where NIE Networks receives an effective Construction Application under sub-paragraph 2.4.1 above NIE Networks shall, unless otherwise agreed with SONI pursuant to paragraph 5 of this Section D or determined or directed by the Authority, submit a Construction Offer to SONI as soon as reasonably practicable but, in any event, on or before three months less ten Business Days after the User Application Date or the RoI TSO Application Date.”

There is then reference to the terms of Condition 20(3) of the Licence. Condition 20(3) provides as follows:

“Condition 20 paragraph 3 of the NIE Networks Transmission Licences allows NIE Networks to apply to the Utility Regulator for an extension of time in which to offer terms for connection beyond the period of 2 months. Under this provision NIE Networks are seeking a request of extension from 02/11/24 (which would be 2 months from the date we received the construction application) to 07/11/24.”

Whilst the Application begins with a reference to timelines under the TIA the Letter reads as confirming that the Application is an application for consent within the meaning of Condition 20(3) of the Licence.

The Letter confirms that NIE Networks received an application under the TIA for a Construction Offer from SONI – arising out of the Connection Application – on **2 September 2024**. However, NIE Networks appears to treat this application as under the NIE Transmission Licence, and it is explained that absent a relevant Condition 20(3)

³ 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 should not be taken as representing any failure to have regard to those parts. The same goes for correspondence in relation to the Application, following its receipt.

⁴ <https://www.nienetworks.co.uk/tia>

consent from the Authority to a “longer period” NIE Networks is obliged (by the terms of Condition 20(3)) to make a Condition 20 type Construction Offer to SONI (in respect of the Construction Application) by **2 November 2024** (this being 2 months following receipt of the compliant application from SONI).

It should be noted that the obligation set out in Condition 20(3) requires, in the circumstances rehearsed, NIE Networks to make a relevant Condition 20 Construction Offer (to SONI) in respect of the Construction Application *as soon as practicable*⁵ and in any event by 2 November 2024. The 2 November 2024 date is a back stop date and only that.

Returning to the Letter, it is explained there that NIE Networks needs more time to make a Condition 20 Construction Offer to SONI.

NIE Networks outlines in the application that, in the construction application, it was proposed that the connection point *“will be the cable sealing ends situated in a proposed new compound constructed immediately outside the Ballylumford 275 kV substation building.”*

NIE Networks goes on to comment that, during design determination, it determined (alongside SONI) that this connection point *“was no longer technically feasible.”* This was due to the size of the compound required, the fact it would extend onto the roadway, and the impact of the proposed compound on the development of future connections.

NIE Networks believes SONI are still engaging with EP Ballylumford about where the connection point should be situated, and assume there will be a ‘positive outcome’ to this engagement, and a resultant updated connection application will follow in due course. It says in the application that a meeting between SONI and EP Ballylumford will happen on 25 October 2024.

NIE Networks has highlighted that, lacking confirmation of the outcome of this engagement, it will have to make an assumption on where the substation within the battery site will be located, therefore impacting assumptions regarding costs. If the

⁵ We note that the obligation to make an offer in Condition 20(1) of the Licence is framed as an obligation to make the stipulated offer *as soon as reasonably practicable*.

outcome on the location of the substation differs from NIE Networks' assumption, then a further Condition 20 extension may be required.

In NIE Networks' opinion, granting the extension would “allow NIE Networks to suitably determine the costings for the construction offer for the design as agreed with SONI,” and ensure the connection can be facilitated. If the extension was not granted, in NIE Networks' view, then a construction offer could not be offered under the timescales in NIE Networks' Transmission License.

2. Consultation associated with the Application

NIE Networks has consulted with SONI on the Application. We have been provided with relevant email correspondence.

NIE Networks consulted SONI on 11 October 2024, and received substantive reply on 16 October 2024. We note that there is a reference in the *consultation documentation* to the Application being an application for an extension of around 4 weeks (and not 5 days) out from 10 October 2024 to 7 November 2024. It further appears that this 10 October 2024 date is the date when SONI might have expected the Construction Offer to be made in line with TIA arrangements not cited in the Letter, but of which the Authority is aware.⁶

It might be that the Application could have been clearer in this regard. But we are prepared to be practical and note that the Application presents as an application in respect of the Condition 20(3) obligation (only) and the net effect of the longer period sought (no matter what the starting point, 10 October 2024 or 2 November 2024⁷) is still one that looks to 7 November 2024 as the (same) relevant date.

SONI has supported the Application for extension, “from on or before 10 October 2024 to on or before 7 November 2024.”

⁶ See section 2.2.2 of Section D of the TIA.

⁷ To be clear, we consider that 2 November 2024 is the right starting point for the Condition 20(3) application made in the Application.

It should be noted, for context, that SONI has made a related application (under Condition 25 of the SONI TSO Licence⁸) to the Authority for consent for a longer period, for the making of a Connection Offer to the Connection Applicant. Our decision on the Application precedes our decision on the related Condition 25 application.

The Authority's decision

In making our decision on the Application we have regard to our published decision document on extension applications⁹ and our principal objective (and related statutory objectives) under Art 12 of the Energy (NI) Order 2003.

Having considered the matter fully, to include the representations made by SONI on the Application, it is our decision to provide the consent sought in the Application. We consider that the request for Condition 20(3) type consent is justified for the reasons provided in the Application. It follows that the Authority hereby consents to a longer period for Condition 20(3) purposes - for the making of the relevant Construction Offer - out to **7 November 2024**.

We would take this opportunity to confirm that the period ending 7 November 2024 is a “long stop” date. The obligation under Condition 20(3) of the Licence is (now), subject to applicable exceptions¹⁰, to offer a relevant Construction Offer “as soon as practicable”¹¹ and “in any event no later than” 7 November 2024. The Licence obligation is not (now) simply to make a Condition 20 Construction Offer by 7 November 2024.

This decision will be published in the normal way.

Please do return to us should you require any clarification.

⁸ [2022-11-18 SONI TSO Consolidated.pdf \(uregni.gov.uk\)](#)

⁹ [Electricity Connections Review Decision Paper | Utility Regulator \(uregni.gov.uk\)](#)

¹⁰ Consonant with obligations under the Licence and NIE's statutory duties set out in Article 12 of the Electricity (NI) Order 1992.

¹¹ We again note the slight difference in wording as between Condition 20(1) and Condition 20(3) concerning the timing of construction offers.

Yours sincerely,



Brian Mulhern
Director – Networks and Energy Futures

For and duly authorised by the Authority.