

Eimear Watson SONI Ltd Castlereagh House 12 Manse Road Belfast BT6 9RT

Date: 31 October 2024 Ref: NET/E/BM/1053

Dear Eimear

Request for Authority's¹ consent to Extend the Connection Offer Timelines for the EP Ballylumford Limited's Ballylumford Battery (MEC 300MW and MIC 300MW)

Thank you for your letter of 23 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 Ballylumford Limited (referred to for ease as the **Connection Applicant**), for the connection of a Battery Storage Project (300MW MEC and 300MW MIC), 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] . . . <u>as soon as practicable</u> and (<u>save where the Authority consents to a longer period</u>, which <u>consent may be given on the application of [SONI]</u> 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 <u>period specified in paragraph 7</u> 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 Battery Storage Project, was deemed effective by SONI on 26 July 2024, with SONI maintaining it has until 24 October 2024 to make a Connection Offer.

As part of due diligence on the final drawings and designs that were part of the Connection Offer, technical issues were identified concerning the proposed connection arrangement, specifically the location of the connection point and related cabling. This triggered review and modification of these. This delayed the original timetable for issue of the Connection Offer, because of a series of resultant actions. SONI and NIE Networks needed to review and agree an alternative connection arrangement; SONI discussing this alternative connection arrangement with the Connection Applicant; NIE Networks to review the terms, conditions and costings within the associated Construction Offer; and SONI reviewing the terms, conditions and costings in the Connection Offer, incorporating consideration of the impact of the Construction Offer not being available on the originally anticipated timescale.

We note that identification of the technical issues will likely delay the provision of the related Construction Offer from NIE Networks to SONI, which SONI had originally projected to happen, under TIA timelines, by 10 October 2024. NIE Networks has also applied for an extension to the Authority (for provision of a Construction Offer, under Condition 20 of the NIE Networks Transmission Licence) to allow costings for the Construction Offer to be determined. This would be to 7 November 2024, and is also the subject of a Decision by the Authority.

3. The Application

Whilst the Application was submitted to the Authority with the necessary information - as per the Authority's 2017 Electricity Connections Decision (the Decision Paper Guidance) – it was not received in line with the expectations set out in the Decision Paper Guidance.² The Decision Paper Guidance states that the Authority "would expect to receive a request from the licensee"

_

T: +44 (0) 28 9031 1575 W: www.uregni.gov.uk

² Electricity Connections Review Decision Paper | Utility Regulator (uregni.gov.uk).



at least two weeks before the end of the three month connection application period." We have already referenced that the connection application period, as defined by SONI, expires on 24 October 2024. SONI's application was made on 23 October 2024, just one day out from the expiry of the connection application period.

We recognise that, in this case, SONI has provided an explanation for why the application did not meet the expectation in the Decision Paper Guidance. In the covering email to the submission of the application to the Authority, SONI commented that it had hoped to hold a meeting with the Connection Applicant to discuss the issues that had arisen with the original connection proposal, before formal written consultation was made to the Connection Applicant. Attempts were made to arrange this on, and from, 11 October 2024. However, SONI was unable to secure a meeting with the connection applicant until 23 October 2024, immediately after which this application was submitted. We welcome that SONI has provided this explanation. However, we note that the 11 October 2024 offered meeting was relatively close to the two week period (working off SONI's expectation of the extension timeline running to 24 October 2024). Ultimately the submission date did not meet the expectation within the guidance.

SONI is applying for an extension of the Condition 25 period for the making of the Connection Offer from 24 October 2024 to **5 December 2024**.

We note that SONI appears to consider that the Condition 25(7) "date" for the making of a connection offer is 24 October 2024. We understand that SONI has – absent an extension under Condition 25(5) – out to 26 October 2024 to make an offer of connection, as SONI determined the connection application effective on 26 July 2024. The Authority would remind SONI that the period specified in Condition 25 (7) is 3 months, meaning the period for the making of a connection offer is slightly longer than SONI has calculated. While noting this error and making clear SONI should utilise the 3 month period in future calculations of the Condition 25 period, we have proceeded with using the 24 October 2024 date, quoted by SONI. Given the timing of the application submission and our decision, use of the 24 October 2024 date would make no material difference to our decision, nor to implementation of the granted extension period.

SONI has broken down the extension period required as 6 weeks, to enable a review of the connection arrangement and costing by NIE Networks and SONI, along with time for SONI to review, and, if necessary, query NIE Networks' Construction Offer to be able to "deem this effective as per the normal processes under the TIA."



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.

Consultation with the Connection Applicant

SONI consulted the Connection Applicant on 17 October 2024, with this consultation outlining that SONI would be requesting a 4 week extension to 21 November 2024. In a second written consultation of 22 October 2024, this proposed timescale was updated to a 6 week extension request, to 5 December 2024, with more detail also included on the proposed revisions to the connection arrangement.

After a meeting had occurred between the Connection Applicant and SONI on the 23 October 2024, the Connection Applicant provided response via email to SONI's consultation, also on 23 October 2024. In this response, the Connection Applicant took a 'neutral' position to the making of the extension request, commenting that:

"With respect to the extension, [the Connection Applicant] 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 [the Connection Applicant]'s neutral position on this occasion should not be considered to represent our opinion on any further proposed extensions as we request that any potential further delays are communicated at the earliest opportunity."

Consultation with NIE Networks

On 16 October 2024, mirroring the initial consultation with the connection applicant, SONI consulted with NIE Networks on an extension to 21 November 2024. On 22 October 2024, SONI consulted NIE Networks on an extension to 5 December 2024. On 23 October 2024, NIE Networks replied that "NIE Networks are in support of the 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 Guidance³. 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 **5 December 2024** for the purposes of Condition 25(5) as regards the Connection Application made by the Connection Applicant for the connection of the Interconnector.

We consider the Application to have been made in accordance with the Decision Paper Guidance, save that aspect relating to the expected date of submission (described above). We recognise that SONI has provided an explanation of why material departure from the relevant guidance expectation occurred, relating to the timing of meeting with the connection applicant. We wish to be clear that SONI should make every reasonable effort to ensure that an application for consent under Condition 30 is made in good time, with all reasonable efforts made to organise timely consultation with affected parties. Some of these applications can be complex. Orderly processing of connection applications will assist all stakeholders. There should in general be compliance with the expectations set out in the Decision Paper Guidance, with departures from those expectations explained within the application. We would ask that SONI consider these observations in the processing of relevant applications in the future.

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 not opposed the application, and taken a 'neutral' position on it, with NIE Networks supporting the application.

The Authority is satisfied that we should grant the Application based on the reasons set out in the Application.

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

_

³ Electricity Connections Decision FINAL.pdf (uregni.gov.uk).



Connection Applicant as soon as practicable. 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,

Brian Mulhern

Director of Networks and Energy Futures