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The Utility Regulator
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2 August 2024

Dear Mr O'Boyle,

Response to Utility Regulator's consultation on SONI's Draft Transmission Development Plan for Northern Ireland 2023-2032

Transmission Investment (TI) is a leading independent electricity transmission business in the UK, with over ten years of experience developing, acquiring and managing large complex infrastructure projects. We are one of the largest managers of offshore wind transmission in Great Britain (GB), in total we currently have a portfolio of approximately 4GW and £3bn in capital employed. Transmission Investment is also leading the development of interconnector projects in support of the UK's Net Zero ambition. This includes a proposed 700MW link from Northern Ireland (NI) to Scotland known as "LirIC", as well as the FAB Link interconnector between GB and France.

We welcome the opportunity to comment on SONI's Draft Transmission Development Plan for Northern Ireland 2023-2032 ("TDPNI 2023-32"), and in particular support the recognition of the economic and technical benefits associated with increased interconnection for the UK, particularly between NI and GB. Further interconnection is expected to deliver a number of wider benefits including socio-economic welfare, security of supply, reduced curtailment of wind, and helps to support net zero objectives. As outlined in our Socio-Economic Welfare study for LirIC (which we have shared with Utility Regulator), we believe that the LirIC interconnector project can deliver significant benefits to energy consumers in Northern Ireland..

As renewable generation developers seek to bring forward the significant investment required to deliver projects and support the delivery of national targets, a trend has started to appear globally, i.e. the emergence of transmission as a bottleneck in delivering clean power, not only where but also when it is needed¹. New transmission is being identified as being essential to avoid curtailment, where generation (such as wind) is reduced because it exceeds the demand of the market to which it is connected. Therefore, interconnectors are enabling projects to the successful delivery of the pipeline of projects required to meet our net zero future. We note SONI's Report on TDPNI 2023-32², which summarises and responds to the submissions to its consultation which highlighted their concerns that, *"Given the scale of new infrastructure that is required to meet Northern Ireland's renewable energy and decarbonisation goals, SONI is concerned about future timely deliverability in the absence of meaningful reform and resourcing in these critical external areas."*

Electricity interconnection provides a well-proven means of optimising the use of excess energy from renewables, minimising investment needed in generation (and storage) capacity and maximising overall economic benefit with neighbouring markets. The technology is proven, and operations well understood, and with the right investment environment, is ready and able to overcome the challenges of deploying renewables at scale.

¹ [Lack of ambition and attention risks making electricity grids the weak link in clean energy transitions - News - IEA](#)

² [Report-on-Draft-TDPNI-2023-2032-SONI-Consultation.pdf](#)

Whilst we welcome the recognition in TDPNI 2023-32 of the benefits further interconnection can bring, we are very disappointed that the LirIC project *“is not included within any studies or tables in this report.”* The lack of inclusion of LirIC, even as a modelled sensitivity, means that if the LirIC project continues to progress the TDPNI 2023-32 becomes in effect redundant, as it does not appropriately consider the implications of a large transmission project on the system of Northern Ireland. If the ambitious climate change targets are to be met, then grid and infrastructure plans must become more proactive in considering the investment and reinforcement needed to support the development of projects not only now, but into the future.

The project development process for infrastructure like LirIC is exceptionally complex, have long lead times, and depend upon the progression of a series of intrinsically linked activities, many of which are sequential in nature. The LirIC project was first initiated in 2019, engagement with relevant parties such as UR and SONI commenced in 2020, with a grid connection application being submitted in October 2022 and a transmission licence application in May 2023. The continued progression of key project milestones, such as licencing, connection agreements, consenting, land acquisition etc, in a timely manner are crucial to ensure the project is able progress effectively along its critical path and deliver its associated benefits. We would emphasise the need for suitable resourcing and engagement from all key actors in these critical areas to enable delivery at the necessary pace. For example, we would highlight the need for parties such as SONI and UR to provide adequate resource, work proactively together, and with developers such as ourselves, and their counterparts in GB as appropriate, to facilitate and support the timely delivery of infrastructure at an acceptable level of risk.

Finally, the development of a multi-jurisdictional infrastructure project, such as LirIC, will only progress in the timeliest and most efficient way when there is a clearly defined, stable and harmonised regulatory and policy environment in place at each end, supporting investor confidence. In addition, early indication of any proposed regulatory arrangement to the revenues of the interconnector, such as a Cap and Floor, to support interconnector delivery will also support investor confidence, and accelerate the delivery of social economic welfare benefits to Northern Ireland’s consumers.

We hope the contents of this letter are helpful, and if there are any questions in relation to the content we would be happy to discuss.

Yours sincerely,

Keith Morrison

Keith Morrison
LirIC Project Director