

The Utility Regulator  
Queens House  
14 Queens Street  
Belfast  
BT1 6ED

29 February 2024

Dear Barbara Brown,

### **Response to Utility Regulator's Draft Forward Work Programme 2024/2025**

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 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 to Scotland known as "LirIC", as well as the FAB Link interconnector between GB and France.

We welcome the opportunity to comment on the Utility Regulator's Draft Forward Work Programme 2024/2025. As stated in our response to the Utility Regulator's Draft Corporate Strategy, we are supportive overall of the Utility Regulator's strategic objectives to support net zero goals. In particular it is welcomed that interconnection is recognised as being part of the efficient solution to secure the electricity supply for Northern Ireland, as well as supporting the efficient integration and use of renewable energy sources.

We welcome the inclusion of the commitment to progressing a project (Strategic objective 2, Project 4) to assess and identify future interconnector projects of strategic importance which can also provide cost benefits to electricity consumers in Northern Ireland. The need for further interconnection between the Single Electricity Market and Great Britain has been recognised in a number of studies to date, including the ENTSO-E TYNDP, SONI's Tomorrow's Energy Scenarios, and a study by DNV for the Department of the Environment, Climate and Communications in RoI. It is clear that 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 yourselves), we believe that the LirIC interconnector project can deliver significant benefits to Northern Irish energy consumers, and as such stand ready to support, where appropriate, the Utility Regulator's efforts in this area.

The LirIC project was first initiated in 2019, and engagement with Utility Regulator with respect to options for developing a regulatory regime for the project, as well as licencing, started in 2020, with a transmission licence application being submitted in May 2023. As we have raised with UR colleagues to date, to continue to facilitate an attractive investment landscape for interconnection it is priority to see progress in licencing and, in future, the assessment of potential regulatory regimes. We would urge the Utility Regulator to commit the necessary resources early for this project and to seek to progress at pace, so that the benefits which further interconnection can bring to Northern Irish energy consumers can be realised as soon as possible.

We would encourage the Utility Regulator to ensure that any policy development in relation to frameworks for offshore infrastructure, such as hybrid assets, continues to take the timely development of interconnectors into account. How to adapt the existing specific and inflexible licences for individual activities (e.g. OFTO licence, interconnector licence, generator licence etc) to facilitate the development of the offshore grid is a challenge that the GB regulator is currently facing. The Utility Regulator is in a

unique position in that the existing transmission licence and regulatory framework has the potential to allow for the flexibility needed to support the development and delivery of these new assets.

Finally, we also recognise that the project outlined in the 2024/2025 Forward Work Programme appears similar in scope to the review of interconnector policy development included in Utility Regulator's 2023/2024 Forward Work Programme<sup>1</sup>. We note that, to date, there has been scarce communication of progress on the 2023/24 project with regards to outputs, and as an interconnector project developer this raises uncertainty around the pace of progress.

We continue to support the expansion of the UR staff to have the capacity to keep with the pace of the energy transition. A fully staffed regulator is critical in accelerating the industry change, to facilitate the unprecedented investment necessary for meeting the NI's Net Zero ambition.

We look forward to working with Utility Regulator in due course to deliver the actions and policies that will enable these important investments to be made, and if there are any questions on the content of this letter we would be happy to discuss.

Yours faithfully,



Mark Fitch  
Corporate Development Director, for and on behalf of TI LirIC

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<sup>1</sup> [FWP 2023-24 Final.pdf \(uregni.gov.uk\)](#) – Strategic objective 3, Project 6: *Commence a review of interconnector policy to facilitate potential new investment in electricity interconnectors.*