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Date: 10 April 2024

Ref: NET/E/DH/922

Dear Eimear

Request for Authority's¹ consent to Extend the Connection Offer Timelines Relating to the Connection Application for the TI LIRIC Ltd Interconnector

Thank you for your letter of 26 March 2024 (“**the Letter**”).

We treat the Letter as an 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 TI LIRIC Ltd (referred to for ease as the **Connection Applicant**), for the connection of a electricity transmission proposed to be constructed, owned and operated by the Connection Applicant (which transmission system we refer to for ease and the purposes of this letter as the **Interconnector**), to the transmission system owned by NIE Networks and operated by SONI at a point on land which is adjacent to the Kilroot Business Park. This application follows a previous application for extension of the connection offer timeline, which was approved by the Authority on 16 March 2023. We therefore refer to this application as the “**second application**”.

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

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

containing all such information as [SONI] may reasonably require for the purpose of formulating the terms of the offer . . .”

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 Interconnector was deemed effective by SONI on 11 January 2023. The resultant Condition 25 obligation was for SONI to make a connection offer by 11 April 2023. On 3 February 2023, the Authority received an application (the “**first application**”) from SONI seeking extension of this timeline to 11 April 2024, with the explanation that such additional time was needed to allow SONI the opportunity to properly assess how to facilitate the Connection Applicant’s connection at the Kilroot 275 kV substation (potentially including taking account of a preliminary preferred option – via approved TNPP – for the replacement/refurbishment of the Kilroot Substation), and to fully understand the impact on the system of the proposed 730MW MIC. This request for extension was granted by the Authority on 16 March 2023.²

The second application was received by the Authority on 26 March 2024. SONI explains in the second application how, since the extension requested in the first application was granted, work has been continuing to establish the Least Cost Technically Acceptable (LCTA) connection method for the project. SONI labelled this work “*complex,*” and stated that “*changes to the makeup of the projects in the connections queue at Kilroot led to changes in study assumptions and as a consequence SONI could only confirm that the LCTA had been established in early 2024.*”

On 13 February 2024, SONI then delivered their application to NIE Networks for construction works required for the purposes of making the requested connection. SONI had applied TIA³ timelines, and maintained NIE would be due to deliver the offer for the construction works (**Construction Offer**) to SONI on or before 26 March 2024. On 22 February 2024, NIE Networks confirmed to SONI that they would not be able to deliver the Construction Offer by the 26 March 2024, and advised that they may not be able to deliver it until 13 April 2024, as per timelines in the NIE Networks TO Licence. As such, SONI would not be able to issue a Connection Offer by 11 April 2024, and are accordingly making a Condition 25 application for an extension to the Connection Offer timeline.

² [2023.03.16 TILIRIC Decision Letter Redacted 0.pdf \(uregni.gov.uk\)](#)

³ Meaning the Transmission Interface Arrangements entered into by SONI and NIE Networks pursuant to a condition in their respective electricity transmission licences.

3. The SONI Application

SONI is applying for an extension of the Condition 25 period for the making of the Connection Offer from 11 April 2024 to **10 May 2024**. SONI's rationale for this request differs from the first application, and is detailed further below:

SONI observes that, normally, they would have *"a maximum of 10 business days from the receipt of a Construction Offer in which to issue the Connection Offer,"* implying SONI would issue the Connection Offer by 29 April 2024. However, SONI states that:

"...this project has a number of unique characteristics. This will be the first interconnector offer to be delivered by SONI. This proposed offer date gives what we believe is a prudent allowance of some additional time for SONI to thoroughly scrutinize the Construction Offer NIE Networks deliver and develop the Connection Offer appropriately. We therefore see it as a pragmatic approach to request an extension to the date for Connection Offer..."

SONI defines the impact of granting this extension as allowing time for the *"opportunity to properly receive and scrutinize the NIE Networks Construction Offer and ensure it is fully incorporated into the Connection Offer issued to TI in a compliant manner"*. SONI comments that if the second application request is not granted, then they *"would have to refuse to make the connection offer under Condition 25(6) of the Licence."*

SONI has concluded there are no alternative actions that would allow SONI to issue a connection offer to the Connection Applicant by 11 April 2024.

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 also included material which is quoted as giving more detail on the NIE Networks position on the second application (although SONI do not appear to have directly consulted NIE Networks on the second application). Their views are set out below.

The Connection Applicant

SONI consulted the Connection Applicant on 5 March 2024. We note that, in the consultation for the first application, the Connection Applicant expressed concerns about the length of time being taken to issue a connection offer. However, in respect of the second application,

the Connection Applicant confirmed in their reply dated 7 March 2024 that they were comfortable with the timelines outlined:

“We have considered the letter and we are comfortable with the proposed timelines on the basis that this is a firm commitment to delivering the connection offer.

We would separately like to have a conversation around the next stages, particularly around the timing of acceptance (as it may interact with other decisions by UR) and the level of securities required immediately following signature.”

SONI’s reply, also of 7 March 2024, pointed out that they are *“still “exposed” to any further unforeseen delay in NIE providing [SONI] with the necessary Construction Offer. [TI] are however absolutely correct that [SONI] are committed to delivering the offer and are unaware at this stage of any reason why [they] should not be able to do so.”*

SONI states in the application that they have considered the Connection Applicant’s response and conclude that the request for extension is still appropriate and that no further changes need to be made to the proposal.

NIE Networks

Although SONI did not formally consult NIE Networks on their proposal to make the second application (unlike the first application) they do refer to an email dated 1 February 2024 from NIE Networks which provides detail on NIE Networks’ position regarding the need for extension:

“...With regards to the Construction Offer currently being prepared by NIE Networks for the connection of the LirlC Interconnector, we are considering the necessary 275kV reconfiguration at Kilroot substation. The proposed system configuration requires alterations to the existing Tandragee and Castlereagh circuits plus development of a termination solution for the LirlC 275kV underground cable. The complete arrangement is proving to be complex due to bespoke design requirements whilst ensuring minimum clearances are observed and future maintenance methodologies are considered. NIE Networks are progressing through this work and currently aiming to have the Construction Offer for a feasible connection issued to SONI on, or before, the 13th April 2024.”

SONI states that, having considered the NIE Networks position, *“a request for extension is the only viable course of action SONI can take”*.

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 **10 May 2024** 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. Although the Authority notes in this application that the Connection Applicant has previously expressed concerns about delays to securing a connection agreement, we also recognise that in response to consultation on this application, the Connection Applicant has indicated they are comfortable with the proposed timelines.

Although SONI has pointed out that they cannot rule out potential further delays to the issue of a construction offer, and NIE Networks have highlighted the complexity of the work related to issuing a Construction Offer, we also note that NIE Networks states in the material provided that they aim to have a construction offer issued to SONI on, or before, 13 April 2024, as per the timelines forecast in the second application. Given this statement, and SONI's indication that they would otherwise be required to refuse to make the connection offer to the Connection Applicant under Condition 25 (6), we have decided to grant this extension.

We are satisfied to grant the Application based on the reasons set out in the Application.

We should remind SONI that the grant of consent relayed in this letter does not absolve SONI of their Condition 25 obligation to make a connection offer to the 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.

⁴ [Electricity Connections Decision FINAL.pdf \(uregni.gov.uk\)](https://www.uregni.gov.uk/Electricity_Connections_Decision_FINAL.pdf)

Yours sincerely,



Donald Henry
Networks and Energy Futures Director