

Con Feeney
Customer Delivery Director
Northern Ireland Electricity Networks
Fortwilliam House
Edgewater Office Park
Edgewater Road
Belfast
BT3 9JQ

18 June 2021

NET/E/JF/333-1

Dear Con

North/South Interconnector Pre-Construction Allowance Determination

This letter sets out the Utility Regulator's decision in respect of North/South Interconnector pre-construction costs under paragraph 4.34 of Annex 2 of the NIE Networks Transmission Licence.

Our decision takes account of the information provided in your submission of 30 October 2020 and the subsequent query process.

We have determined an additional allowed CAPEX amount (ACTR_X_t) of £2,873,840 (2020/21 price base) for the works as profiled below.

	Total Cost	Expenditure Profile	
		FY 21/22	FY 22/23
Pre-construction and Advanced Construction Works	2,873,840	1,436,920	1,436,920

We will publish the decision by uploading it to our website and including it in the public register required under Article 57 of the Electricity (Northern Ireland) Order 1992

Under paragraph 4.35 of Annex 2 of the NIE Networks Transmission Licence the Utility Regulator may make a determination subject to conditions with which the Licensee shall be required to comply, including conditions as to the monitoring, audit and reporting in relation to the project.

From the office of the Chief Executive

In respect of this determination the Licensee shall, in addition to ongoing RIGs reporting, maintain records of costs in sufficient granularity to provide a report or reports of costs against the headings identified in the submission of 30 October 2020 and shall report these costs to the Utility Regulator on request. This will provide the Utility Regulator with additional information and experience which will help inform future decisions of this type.

We look forward to your submission of construction costs for the project which will be subject to a separate determination by the Utility Regulator. Your submission should include a copy of the necessary project specification, agreements and instructions required under the Transmission Interface Arrangements. We ask that you provide a timeline for this submission.

Should you require any further information or clarification please do not hesitate to contact me.

Yours sincerely



John French
Chief Executive

Cc Paul Martin (NIE Networks)
Carl Hashim (NIE Networks)
John Mills (UR)
Alan Craig (UR)
Paul Stewart (UR)