

John Heywood Northern Ireland Electricity Networks Ltd Unit 3, 21 Old Channel Road Belfast BT3 9DE

By Email Only: John.Heywood@nienetworks.co.uk

Date: 09 May 2022

Our Ref: NET/E/TH/512

Dear John,

Request for Extension of Time to Issue a Connection Offer for Connection Application at Cam Burn Wind Farm, NIE Networks reference 22/00473 ("the Application")

Thank you for your letter dated 15 April 2022 (the **Letter**) setting out the Application.

The Application

The Letter describes the relevant background¹ to the Application.

Reference is made to Condition 30 of NIE's distribution licence (the Licence).²

Condition 30 (5) provides that (barring specified exceptions) NIE Networks is obliged to make an offer for connection to the distribution system as soon as practicable and (by operation of Condition 30 (6)(b)) in any event within 3 months from receipt of a valid/completed application for connection to the distribution system.

Condition 30 (7) of the Licence allows NIE Networks to make an application to the UR³ for a consent to an extended Condition 30 (6)(b) period. The making of such an

¹ What follows is a summary of the Application. It is not intended to be a complete rehearsal. All parts of the Application have been considered in making the decision set out in this correspondence. Failure to mentions parts of the Application should not be taken as representing any failure to have regard to those parts.

² Microsoft Word - NIE Distribution Licence



application does <u>not</u> change NIE Networks' obligation to make a connection offer as soon as practicable. Nor does the grant (by the UR) of any application made change the position. The primary obligation, recorded in Article 20 of the Electricity (NI) Order 1992 (the **Electricity Order**), is to offer a connection offer as soon as practicable remains.

The Application records that NIE Networks considers, having regard to the level of renewable projects either with planning permission or going through planning that two new clusters are justified in line with Chapter 7 of the NIE Networks Statement Charges for Connections.⁴

Cam Burn Wind Farm (**CB WF**) joined the generation queue on <u>24 January 2022.</u> This is the date from which time runs for the purposes of Condition 30 (5) of the Licence. That means that, without the consent of the UR under Condition 30 (7), NIE Networks is bound to offer terms for connection as soon as practicable and in any event by 24 April 2022.

The Application states that the site presented 2 connection options:

- 1. Connection into Garvagh Main S/S which would trigger the need for a second 90MVA 110/33kV Transformer.
- 2. Connection into the proposed Cam Cluster.

The Application states that the applicant was presented with both options with high level costs and construction timescales on 11 February 2022 and given a period of time to respond, during which their job was paused. A response was received from the applicant on 28 February 2022, after a total of 17 days, requesting a connection offer to *Cam Cluster*. This resulted in a revised date whereby NIE Networks is bound to offer terms for connection as soon as practicable and in any event by of <u>9 May 2022</u>.

The Application states that NIE Networks submitted a Section S application for *Cam Cluster*: an application SONI deemed valid on 24 December 2021. Discussions between NIE Networks and SONI regarding the location for *Cam Cluster* resulted in SONI asking the UR to consent to the extension of the period specified in Condition 25 of the SONI

³ In this correspondence we use the words "us" "we" "our" "UR" "Utility Regulator" and "Authority" interchangeably to refer to the Northern Ireland Authority for Utility Regulation.

⁴ https://www.nienetworks.co.uk/statementofcharges



TSO Licence viz the making of a Section S offer to NIE Networks (for the Cam Cluster) from 26 March 2022 out to 30 May 2022.

The UR notes that SONI's application was granted by decision dated 25 March 2022 and published 5 April 2022.⁵

NIE Networks indicates in the Application that it cannot proceed to design the unique element of the (CB WF) connection until it is in receipt Section S offer for Cam Cluster; as SONI might not be able to provide an offer, or might change the proposed location of the cluster substation.

The Application requests that the UR consent (pursuant to Condition 30(7) of the Licence) to the period under Condition 30(6)(b) of the Licence (in respect of CB WF's connection application) being extended from 9 May 2022 to **30 August 2022**.

This end date of 30 August 2022 is made up as follows:

(i) a period of 3 months out from the date (30 May 2022) by which NIE anticipates receiving the Section S offer for Cam Cluster from SONI

NIE Networks' rationale for the proposed extension (to the requisite C 30(5) period) is described as follows:

Extension Rationale

- 1. To allow the efficient connection and to minimise the environmental impact of a number of renewable projects through the creation of a new cluster at Cam.
- 2. If an extension was not granted to allow NIE Networks to receive a section S offer from SONI, NIE Networks would then look to connect Cam Burn to Garvagh Main, which would trigger the requirement for a second 90MVA 110/33kV.
- 3. Removing Cam Burn from Cam Cluster would result in the chances of Cam Cluster not being fully subscribed.

⁵ SONI Condition 25 Extension to Connection Offer – Cam Cluster | Utility Regulator (uregni.gov.uk)



4. Following discussions with [the developer of CB WF], it has been agreed that this application for an extension should progress until such time where NIE Networks knows the outcome of the Section S offer from SONI for Cam Cluster.

The Application goes on to record the "impacts" of a decision on the proposed extension to the requisite Condition 30 period as follows:

Granting Extension - Impact Assessment

- This extension would allow the applicant to remain in the connection queue for the 90MW at the proposed Cam Cluster where there is an opportunity for network capacity to become available that would facilitate the connection of this proposed project.
- This extension would facilitate a fair and transparent network capacity allocation and queuing process for the capacity available for the 90MW at Cam Cluster.
- Enabling this application to remain in the queue presents a potential benefit by providing a greater opportunity for the remaining capacity for the 90MW at Cam Cluster to be fully committed.
- This extension will enable NIE Networks to progress the connection design and production of a connection offer subject to capacity becoming available.

Not Granting Extension-Impact Assessment

- As capacity is not available at Limavady Main BSP and Coleraine Main BSP due to the transformers currently being fully subscribed, a connection would have to be offered from Garvagh Main S/S. This would result in a second 90MVA 110/33 kV transformer to be installed at Garvagh Main and has the potential to make the project economically unviable.
- A connection to Garvagh Main would result in reducing the chances of Cam Cluster becoming viable.

Consultation associated with the Application

Condition 30(7)(a) of the Licence provides that NIE Networks must consult with the applicant for connection in respect of which the application under Condition 30(7) is made. In this case that is the applicant for connection of CB WF. The Application provides evidence of the requisite consultation.



We note that the applicant (Abo Wind) requests that NIE Networks "keep the timelines as tight as possible" and the applicant would also like to be provided with "a few updates on the progress of the application".

Condition 30(7)(a) of the Licence also provides that NIE Networks should consult with "such other persons as [NIE Networks] considers may be affected or interested" in the Application. We note that NIE Networks has engaged with SONI in determining if there is Transmission Capacity available for CB WF. We further note the confirmation of discussions with two other applicants in the queue for Cam Cluster. NIE Networks has engaged with these particular applicants viz. delay and anticipates making a requisite C 30(7) application. NIE Networks highlights that there is no impact of CB WF on the other applicants, as if a Section S offer is received for Cam Cluster it will be capable of accommodating all three projects.

The Authority's decision

Having considered the matter fully, the UR hereby confirms that it consents to the Application. It follows that the period under Condition 30(6)(b) of the Licence (in respect of the application for connection of CB WF) is now extended until **30 August 2022**.

We would take this opportunity to confirm that the period ending 30 August 2022 is a "long stop" date. The obligation under Condition 30 of the Licence is (now), subject to applicable exceptions⁶, to offer terms of connection for CB WF "as soon as practicable" and "in any event no later than" 30 August 2022. The Licence obligation is not (now) simply to offer connection terms by 30 August 2022.

We note that in another recent Condition 30(7) application NIE Networks explicitly recognised that it was obliged, even when in receipt of a Condition 30(7) "consent", to offer terms (barring applicable exceptions) "as quickly as possible". We welcome this statement: whilst recognising that the obligation is, technically speaking, an obligation to offer terms as soon as practicable, and in any event within the (extended) Condition 30(6)(b) period. It reflects that NIE Networks is cognisant of its obligations.

This decision will be published in the normal way.

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⁶ Consonant with NIE Networks' licence obligations and its statutory duties set out in Articles 12 and 19 of the Electricity Order.



Please do return to us should you require any clarification.

Yours sincerely,

Tanya Hedley

Director of Networks