

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: 18 May 2022

Our Ref: NET/E/TH/515

Dear John,

Request for Extension of Time to Issue a Connection Offer for Connection Application at Cullion Wind Farm, NIE Networks reference 22/00468 ("the Application")

Thank you for your letter dated 29 April 2022 (the **Letter**) setting out the Application.

## The Application

The Letter describes the relevant background<sup>1</sup> to the Application.

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

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 UR<sup>3</sup> for a consent to an extended Condition 30 (6)(b) period. The making of such an

<sup>&</sup>lt;sup>1</sup> 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.

<sup>&</sup>lt;sup>2</sup> 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.

Cullion Wind Farm (**CWF**) 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 CWF currently has a connection offer of 12.85MW Maximum Export Capacity (14.4MW Total Installed Capacity) into Tremoge Main and NIE Networks' application is an extension to increase the Total Installed Capacity to 20MW with a Maximum Export Capacity of 20MW.

NIE Networks under its licence condition believe that a connection to Tremoge Main Cluster S/S is the most economic and technically feasible solution. The existing 90MVA 110/33kV Transformer at Tremoge currently has 77.15MW of connected generation and 12.85MW uncommitted.

The Application highlights that the existing connection associated with the connection offer for 12.85MW has been designed to accommodate this capacity however it would not be capable of accommodating the full 20MW. NIE Networks state that the applicant was advised of this restriction and was given several options with reduced capacity as to increase beyond 12.85MW would trigger a second transformer at Tremoge Main. This would be fully chargeable to the customer and had the potential to make the project economically unviable.

The Application states that options were presented to the applicant on 10 February 2022 and the application was subsequently paused. NIE Networks received a response on 10 March 22 and the application restarted with a revised quote date of <u>23 May 2022</u>.

Utility Regulator
Queens House, 14 Queen Street, BELFAST, BT1 6ED

<sup>&</sup>lt;sup>3</sup> 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.



The Section S application with SONI for the second transformer at Tremoge Main was deemed effective on 12 April 2022, SONI have three months to provide NIE Networks with a Section S offer from 12 April 2022.

The Application states that NIE Networks cannot be certain that a Section S offer will be provided by SONI or that unexpected costs are included. NIE Networks cannot proceed to design the unique element of the (CWF) connection until they are in receipt of the Section S offer for the second transformer at Tremoge Main.

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 CWF's connection application) being extended from **23 May 2022** to **12 October 2022**.

This end date of 12 October 2022 is made up as follows:

- (i) a period of 3 months out from 12 April 2022 (the date SONI deemed NIE Networks' Section S application valid) for SONI to provide NIE Networks with a Section S offer for the second transformer at Tremoge cluster, and
- (ii) a further period of (no more than) 3 months out from the receipt of the Section S Offer for NIE Networks to complete design and quotation for connection.

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

### Extension Rationale

- 1. Tremoge Main is the geographically closest 33kV Connection (approximately 25km).
- 2. Creagh Main is closer however at the time of the original Cullion application it was determined that there was no firm transmission capacity available. The non-firm connection process was not in place at this time.
- 3. The offer for 12.85MW is currently designed to connect to Tremoge Main. Any extension to the Maximum Export Capacity would require it to be connected to the same node.
- 4. For this reason NIE Networks does not believe it would be reasonable to issue 'An exemption from NIE Networks' duty to connect' letter.



5. Following discussions with the applicant, 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 the second transformer at Tremoge 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 with the addition of a 2nd 90MVA 110/33kV at the existing Tremoge Main Substation 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 2nd 110/33kV 90MVA Transformer at Tremoge Main.
- 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 the original connection offer is into Tremoge Main, NIE Networks would need to discuss with the applicant the option of terminating the first offer and reapplying for the full Maximum Export Capacity to be placed into Creagh Main. Due to limitation of the cable route to Creagh Main an offer of 14MW Maximum Export Capacity (16.8MW Total Installed Capacity) could only be offered. Otherwise NIE Networks would have to issue an exemption from NIE Networks' duty to connect' letter.

### 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 CWF. 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 CWF. We further note the confirmation that there are no affected parties as there are currently no other generation applications in the queue behind CWF for the assigned transmission node (Tremoge Main) and for that reason NIE Networks have not considered it appropriate to engage with any further parties at this stage of the process.

## 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 CWF) is now extended until **12 October 2022**.

We would take this opportunity to confirm that the period ending 12 October 2022 is a "long stop" date. The obligation under Condition 30 of the Licence is (now), subject to applicable exceptions<sup>4</sup>, to offer terms of connection for CWF "as soon as practicable" and "in any event no later than" 12 October 2022. The Licence obligation is not (now) simply to offer connection terms by 12 October 2022.

This decision will be published in the normal way.

Please do return to us should you require any clarification.

Yours sincerely,

<sup>&</sup>lt;sup>4</sup> Consonant with NIE Networks' licence obligations and its statutory duties set out in Articles 12 and 19 of the Electricity Order.



Tanya Hedley Director of Networks