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

Date: 20 June 2023

Our Ref: NET/E/DH/682

Dear John,

Request for Extension of Time to Issue a Connection Offer for Connection Application at Barr Cregg Wind Farm

Thank you for your letter of the 4 May 2023 (the **4 May Letter**).

The 4 May Letter reflects an application (the **Application**) by NIE Networks Limited (**NIE**) – under Condition 30(7) of its distribution licence (the **Licence**) – for the consent of the Authority to the (further) extension of the period specified (the **Condition 30(6) period**) under Condition 30(6) of the Licence in respect of the application for connection (the **connection application**) made in respect of Barr Cregg Wind Farm (**BC WF**) out to 25 July 2023.

The 4 May Letter was preceded by two other letters. These letters were dated 24 March 2023 and 6 April 2023 (the **24 March Letter** and the **6 April Letter** respectively) and each made application for consent under Condition 30(7) viz. the connection application.

The 24 March Letter asked for the Condition 30(6) period to be extended out to 25 April 2023 from 7 April 2023 being the operable extended Condition 30(6) period (for the connection application) following a previous decision of the Authority dated 9 December 2022 (the **December 2022 Decision**).¹

¹ [Extension to issuing a connection offer – Barr Craig Windfarm | Utility Regulator \(uregni.gov.uk\)](#)

1. Condition 30 of the Licence

Condition 30 provides that (barring specified exceptions) NIE 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 provides for NIE to make an application to the Authority² seeking written consent to a “*longer period*” than the 3-month period specified in Condition 30(6)(b) of the Licence. Neither the making of a Condition 30(7) application, nor any (written) consent from the Authority in response thereto to a longer period, negates NIE’s obligation to make a connection offer *as soon as practicable*. That obligation – which is recorded in Article 20 of the Electricity (NI) Order 1992 (the **Electricity Order**) – remains.

2. Background

The background can be found in the introduction section of this decision letter and in the December 2022 Decision. The December 2022 Decision narrates the previous applications and decisions on Condition 30(7) applications made by NIE viz. the connection application for BC WF. Again, the December 2022 Decision consented to the extension of the Condition 30(6) period out to 7 April 2023. The May Letter applies for a further extension out to 25 July 2023.

The May Letter was produced following our initial consideration of the April Letter and a follow up online call discussion with NIE on 20 April 2023 it being considered that NIE’s application for a (further) Condition 30(6) extension consent could be better clarified.

Receipt of the 4 May Letter resulted in the UR asking NIE to supply the 4 May Letter to the developer of BC WF (Renewable Energy Systems Limited (**RES**)). A redacted copy of the 4 May Letter was subsequently provided to RES in early June. RES has subsequently made direct contact with the UR. This direct contact is set out in section 5 of this letter.

This letter represents our decision on the Application.

² In this letter “we”, “UR” “us”, and “the Authority” are used interchangeably to refer to the Northern Ireland Authority for Utility Regulation.

3. The Application

Like the previous Condition 30(7) applications made in respect of the connection application for BC WF the Application deals with the proposal for a Cluster connection (to Feeny Cluster) for BC WF.

NIE states that *“this application is subject to the outcome of events which are outside of NIE Networks’ control.”*

NIE states that it transpired in March 2023 that another wind farm [X WF] *“is currently in planning and is viable for connection to Feeny Cluster.”* NIE further states that:

“With the prospect of [X WF] connecting to Feeny Cluster it has become necessary to determine:

- i. *“if a connection for [X WF] to Feeny cluster will trigger the Timing provision detailed within Section 5 of Appendix 2 of the NIE Networks SoCC so that Ballyhanedin would be entitled to receive a direct connection. In this scenario the impact of Ballyhanedin being removed from Feeny cluster on the other 3 potential connections, especially Barr Cregg, has to be assessed in accordance with section 5 of Appendix 2 of the SoCC.”*
- ii. *“whether a connection to Feeny Cluster remains the preferred means of connection for the 4 wind farms identified as potential connections, including Ballyhanedin and Barr Cregg. An assessment must therefore be carried out for each of the 4 wind farms in the vicinity of Feeny cluster taking into account all the factors referred to in section 5 of Appendix 2 of the SoCC, together with NIE Networks wider statutory obligations. This assessment has significant consequences for the 4 wind farms under consideration from a connection timing and cost perspective and also from an environmental perspective. The outcome of this assessment may result in Feeny cluster having its status as Designated Cluster Substation Infrastructure being removed pending further engagement with SONI.”*

The rationale for requesting the extension sought in the Application thus appears to signal the possibility for offering a direct connection. But a connection to a Cluster is not ruled out.

NIE states that an extension out from 7 April to 25 July would be needed because:

“ . . . With the addition of [X WF] to Feeny Cluster NIE Networks has been working through the methodology set out in Section 5 Appendix 2 of the SOCC to determine if Feeny Cluster is still justifiable. . . . If an extension was not granted to allow NIE Networks to assess further design to connect Barr Cregg to Lisaghmore Main, which would be a 15km 33kV connection, a connection offer would not be able to be offered in the remaining timescale.”

We note also that an email in response to a query from the Authority about what information had been conveyed to BC WF (on 5 June 2023), NIE stated that it had:-

“explained to . . . that NIE Networks [were] currently considering if the designation of Feeny cluster would remain and in parallel to this we were carrying out detailed design of direct connections. [We] explained however that additional challenges had presented themselves during the detailed design and therefore NIE Networks would need to wait until the detailed designs were complete in order to see if direct connections were viable – given that each connection is close to design limits.[We] advised that either way we would be in a position to provide an offer by the 25th of July 2023.”

4. Application Impacts

NIE has provided the following information regarding the impacts of granting consent or not granting the consent sought in the Application:-

Granting Consent

- a. *“This extension will allow NIE Networks to work through Section 5 Appendix 2 of the SOCC.*
- b. *This extension would allow NIE Networks to ensure that all connection options for those wind farms proposed to be connected to Feeny cluster have been fully considered.*
- c. *This extension would allow the applicant to remain in the connection queue for the 90MW at the proposed Feeny Cluster where there is an opportunity for network*

capacity to become available that would facilitate the connection of this proposed project.

- d. *This extension would facilitate a fair and transparent network capacity allocation and queuing process for the capacity available for the 90MW at Feeny Cluster.*
- e. *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 Feeny Cluster to be fully committed.*
- f. *This extension will enable NIE Networks to progress the connection design and production of a connection offer subject to capacity becoming available.”*

Not Granting Consent

- a. *“Stakeholder feedback suggests that for NIE Networks to issue a cluster connection offer without considering other viable connection options may result in a dispute being lodged with the UR.”*

5. Consultation on the Application

Condition 30(7)(a) of the Licence provides that NIE must consult with the applicant for connection. That applicant is RES.

Comments by RES in response to the March Letter and the April Letter made it clear that RES did not support any further Condition 30(7) extension. RES raised concerns about costs and timescales. The response to the April Letter asks that the Feeny Cluster be ‘undesigned.’

The consultation response on the March Letter included the following:

“We have previously made our comments clear in the past that these requests are not something that we support as the Feeny cluster renders Barr Cregg unviable due to the high costs and the lengthy timescales the cluster will impose on our project. Unfortunately, we therefore hereby reiterate this point yet again.”

RES comments on the April Letter included:

“We are unable to support NIE Networks to seek the extension. We do not understand why NIE would require 3 months to understand how the “timing provision” of an NIE policy works and the implication on Barr Cregg.”

“Since submitting our grid application in January 2022, there have been multiple extensions already. The reason why there have been multiple extensions is that the Feeney cluster currently has significant uncertainties for all parties and as currently envisaged involves such high costs and timescales as to render our project unviable given that it was consented in 2020 and Feeney cluster will connect in 2029/2030 at the earliest. It is evident to all parties that since the designation of the Feeney Cluster, the landscape has changed. Given the projects that would naturally connect to Feeney Cluster, that are in planning and currently under development, the most holistic solution is to develop a transmission level project, capable of accommodating those projects that are yet to receive planning consent.”

“We are of the view that the most effective approach is to undesignate the Feeney Cluster until there is greater clarity rather than continuously delay projects that have planning consent which could progress via LCTA connections where available and clearly for Barr Cregg there is a viable LCTA connection solution.”

We note that it is stated in the Application that:

“NIE Networks has consulted both verbally and via written correspondence with the applicant,” but included in the application is the same correspondence from the applicant incorporated into the fourth application. NIE also states that *“considering the fact that this is a resubmission and we have already consulted with those affected we don’t regard further consultation to be necessary given the responses already received.”*

Related interaction resulted (as already mentioned) in RES being supplied – in early June - with a redacted copy of the 4 May Letter.

On 25 May 2023 RES also wrote directly to the Authority. RES stated that dialogue with NIE Networks and SONI has focused on the Feeney Cluster, and *“throughout this dialogue, it has been clear that Feeney Cluster grid connection approach renders Barr Cregg unviable on ground of excessive cost and also of delay relative to the viable sole use least cost technically acceptable (LCTA) alternative.”* Their position is summarised as follows:

- *“Forcing Barr Cregg Wind Farm to accept a connection solution via a Feeny cluster (energisation circa 2030) will result in failure as the project will be abandoned.*
- *The needs case for the Feeny Cluster has never been strong and the longer-term wind farm pipeline would appear to undermine it still further.*
- *There is further work to be done by SONI and NIE Networks to identify the optimum long term transmission solution to integrate essential new renewables in the area.”*

RES continued that:

“it is clear that the time has come to release [BC WF] from the Feeny Cluster and offer a single use least cost technically acceptable (LCTA) connection. This is the only scenario that will enable delivery....”

Following provision of a redacted copy of the 4 May Letter (in early June) RES commented to NIE, in an email forwarded to the UR on 2 June that:

“Disappointingly the extension request letter that you provided us does not address the concerns we have communicated to NIE many times previously and in our letter of 25 May. Forcing Barr Cregg Wind Farm to accept a connection solution via a Feeny Cluster will result in failure as the project will be abandoned. We neither understand the reasons for the delays to determining this matter nor the need for the latest extension request. As stated in our [25 May] letter [to the UR] it is essential for all parties to engage with us and the other effected developer at a face-to-face meeting as a matter of the utmost urgency.”

We should note that the Application also refers to engagement with SONI.³

6. The Authority’s decision

Having considered the matter fully, and taking all relevant matters into account,⁴ the Authority:

- I. Determines to accede to the Application considering it properly founded and, accordingly

³ There is also mention of the other applicant designated for the Cluster.

⁴ To include (i) our principal objective and related obligations as set out in Article 12 of the Energy (NI) Order 2003 and (ii) our published guidance on extension applications [Electricity Connections Review Decision Paper | Utility Regulator \(uregni.gov.uk\)](#)

- II. Gives its (written) consent to a longer period – within which NIE is required to make a connection offer to RES in respect of the application for connection made for the BC WF – out (from 7 April 2023) to **25 July 2023**.

In making the decision, we have had proper and full regard to the consultation responses from RES as the developer of BC WF. We also have regard to the contents of the letter of 25 May.

Our decision to grant the extension sought reflects an acceptance of the case made by NIE in the Application.

We confirm that the period ending **25 July 2023** is a “long stop” date. The obligation under Condition 30 of the NIE Licence is (now), subject to applicable exceptions,⁵ to offer terms of connection for BC WF “as soon as practicable” and “in any event no later than” 25 July 2023. The licence obligation is not (now) simply to offer connection terms *by* 25 July 2023. NIE will be aware of the complimentary provisions of Article 20 of the Electricity Order.

This decision will be published on our website and placed in the Public Electricity Register.

Postscript

We make the following observations outside of our decision on the Application.

We note that RES has stated that communication with NIE has focused on the Feeny Cluster. We make no finding on this considering this unnecessary for present purposes. However, it is for NIE to reflect upon whether there could have been better communication with RES.

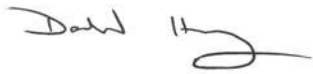
We further note also that the 4 May Letter indicates (and subsequent communication from NIE seems to confirm) that it is not clear whether a direct connection can be delivered. The responses from RES indicate that a failure to deliver a direct line connection could impact on the future of the project. It is for NIE to consider the points made by RES in complying with its legal/regulatory obligations.

⁵ Consonant with NIE’s license obligations and its statutory duties set out in Articles 12 and 19 of the Electricity Order.

The request made by RES for a meeting is being processed.

Please do return to us should you require any clarification.

Yours sincerely,



Donald Henry
Networks and Energy Futures Director