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

Date: 7 February 2024

Our Ref: NET/E/DH/783

Dear John,

RE: Request for Extension of Time to Issue a Connection Offer for a Connection Application at 300m N of 27 Newlands Road, Larne

Thank you for your letter dated 21 December 2023 (the **Letter**) setting out an application made by NIE Networks Limited (**NIE Networks**), for an extension of time to issue a connection offer (the **Extension Application**).

1. The Extension Application

The Letter describes the relevant background¹ to the Extension Application. Reference is made to Condition 30 of NIE Networks' electricity distribution licence (**the Licence**).²

Condition 30(6) (of the Licence) provides that (barring specified exceptions)³ 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.

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 mention parts of the Application (or related correspondence) should not be taken as representing any failure to have regard to those parts.

² [NIE Distribution Licence](#).

³ Recorded in Art 21 of the Electricity (NI) Order 1992 (**the Electricity Order**).

Condition 30(7) of the Licence allows NIE Networks to make an application to the Authority⁴ for a (written) consent that the period specified in Condition 30(6)(b) be extended beyond 3 months. The making of such an application does not change NIE Networks' licence obligation⁵ (under Condition 30(6)(a)) to make a connection offer as *soon as practicable*. Nor does the grant (by the Authority) of any such application made change the position. The primary obligation, recorded in Article 20 of the Electricity Order - to respond to a connection offer *as soon as practicable* - remains.

NIE Networks is currently considering an application, for a connection of a [REDACTED] [REDACTED]. We shall refer to the person making the application as the **Connection Applicant**. NIE Networks received the Connection Application on 7 November 2023. Under Condition 30(6), NIE Networks should make a decision on the Connection Application within 3 months, i.e. not later than 7 February 2024.

However, NIE Networks has outlined an issue with making a decision (in respect of the Connection Application) by the 7 February 2024. This concerns an ongoing Transmission Project Agreement process.

NIE Networks outlines in the application that the existing 45MVA Transformers at 'Larne Main' are at capacity for generation. NIE Networks comments that *"Normally this would be grounds for a refusal to connect, however the transformers are due to be replaced by SONI with 90MVA which would free up sufficient capacity to allow this connection to go ahead."* To carry out this replacement, a Transmission Project Agreement needs to be signed. SONI issued NIE Networks with a Functional Specification on 12 December 2023, with NIE Networks is due to return a design specification to SONI (it is anticipated in the Extension Application this will take approximately 6 months). Then a Transmission Project Agreement could be prepared (anticipated to take approximately one month) and a governance meeting arranged (approximate timescale not given in the application).

As the proposed timescale for the approval of the Transmission Project Agreement for the replacement 90 MVA transformers would run past the existing deadline for the making of a connection offer (7 February 2024), NIE Networks outlined the following rationale for the Extension Application:

⁴ 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.

⁵ Which aligns with the statutory duties reflected in Articles 19-25 of the Electricity Order.

1. *“As the Transmission Project Agreement is estimated to be approximately 8 months from being signed a connection offer cannot be issued to **[the Connection Applicant]**.”*
2. *As the planned transformer replacement is imminent it would not be reasonable to refuse the connection on this basis.*
3. *Once the Transmission Project Agreement has been signed the connection offer design can be progressed with certainty.*
4. *As these timescales are outside of NIE Networks control we are not able to progress the connection design until the Transmission Project Agreement has been signed.”*

NIE Networks has assessed that the impact of granting this extension would be to allow the design and production of a connection offer to be progressed, and to be eventually issued (subject to the expected upgrades to the transmission system), while facilitating “a fair and transparent network capacity allocation and queuing process.” NIE Networks states that not granting the extension would “result in a refusal to connect and would prevent [REDACTED] of Renewable Energy being connected to the network.”

The Transmission Project Agreement process “will take c8 months to be signed,” and NIE Networks “will then require a further three months Connection Design and Quotation period.” Therefore, by its Extension Application NIE Networks applies for consent for the relevant period under Condition 30(6)(b) to be substituted by a longer period ending **7 October 2024**.

We note that NIE Networks states that there could be evolution to the approximate timelines outlined above – “Should the Transmission Project Agreement be agreed and signed earlier than the estimated 8 months, NIE Networks would progress a connection offer for this application at an earlier date. If, however the Transmission Project Agreement is not completed within the 8 months we may need to extend further.”

The Authority's decision

In making our decision on the Extension Application we have had regard to:

- a) our published decision document on extension applications,⁷
- b) our principal objective (and related statutory objectives) under Article 12 of the Energy (NI) Order 2003,
- c) the contents of the Extension Application set out in the Letter, and
- d) the 21 December Email and 5 February follow up.

Having considered the matter fully, the Authority hereby confirms that it provides the consent sought in the Extension Application. It follows that the period under Condition 30(6)(b) of the Licence (in respect of the Connection Application made by the Connection Applicant for the connection of the [REDACTED] at Newlands Road) is now extended until **7 October 2024**. We consider the Extension Application justified for the reasons set out in the Letter.

The Authority has also observed that NIE Networks believes there could be movement on approximate timelines outlined for the completion of the Transmission Project Agreement for the replacement transformers at Larne. This could lead to a connection offer being issued at an earlier date, or could necessitate a further application for extension of the connection offer timeline. We would remind NIE Networks of the need to ensure sufficient time is allowed for any future extension application to be drafted, consulted upon, and forwarded to the Authority.

The Authority has also noted in this decision letter that NIE Networks has not provided evidence that it consulted with SONI formally *on the specific details of this Extension Application*, in line with the expectations set out in the Guidance.

Given that reference has been made to some details of discussions with SONI on whether there is transmission capacity available for the Connection Applicant, and the Transmission Project Agreement process is ongoing, the Authority is, on this occasion, taking the position to be that SONI is, at least, neutral to (if not supportive of) the

⁷ [Electricity Connections Review Decision Paper | Utility Regulator \(uregni.gov.uk\)](#)

Extension Application. However, we remind NIE Networks to consider and ensure that it complies with the Guidance when formulating future extension requests.

We would take this opportunity to confirm that the period ending 7 October 2024 is a “long stop” date. The obligation under Condition 30 of the Licence is (now), subject to applicable exceptions,⁸ to make a connection offer to the Connection Applicant for Newlands Road as soon as practicable and in any event no later than 7 October 2024. The Licence obligation is not (now) simply to offer connection terms by 7 October 2024.

This decision will be published in the normal way.

Please do return to us should you require any clarification.

Yours sincerely,



Donald Henry

Networks and Energy Futures Director

Duly authorised by the Authority

⁸ Consonant with NIE Networks’ licence obligations and its statutory duties set out in Articles 12 and 19 of the Electricity Order.