



Appendix 1 – UR Final Decision on NIE Networks RP6 Extension IT Requests

This document provides an individual project breakdown of the UR’s Final Determination allowances for NIE Networks RP6 Extension IT requests.

NIE Networks requested an allowance of £5.849m (2015/2016 prices) for planned Digital and IT Investment for the RP6 extension year (net allowances that have already been provided through the licence).

In our Draft Determination, UR provided an allowance of £4.054m (2015/16 prices). After reviewing NIE Networks response to our Draft Determination, we have made a final determination allowance of **£5.246M** (2015/16 prices) for RP6 Extension IT projects.

Table 1 below sets out each of NIE Networks RP6 Extension IT project requests, the UR allowances at the Draft Determination stage and Final Determination stage (for both 2021/22 prices and 2015/16 prices).

Table 2 below highlights the 3 projects whereby UR have not provided a full allocation for in our final determination, with the rationale behind our decision.

Ref.	IT Project	NIEN RP6 Extension request (2021/22 prices)	DD allowance (2021/22 prices)	FD allowance (2021/22 prices)
FIN01	S/4 HANA & Enhanced Business Reporting	£ 3 3 3	£ 3 3 3	£ 3 3 3
NOP03	NMS Developments	£ 3 3 3	£ 3 3 3	£ 3 3 3
PRG01	Programme Delivery	£ 3 3 3	£ 3 3 3	£ 3 3 3
INF07	Productivity Application Refresh	£ 3 3 3	£ 3 3 3	£ 3 3 3
INF04	Host Infrastructure / Software Refresh	£ 3 3 3	£ 3 3 3	£ 3 3 3
NOP04	CNS Replacement	£ 3 3 3	£ 3 3 3	£ 3 3 3
CYB01	Cyber Security Infrastructure Enhancements & Renewal	£ 3 3 3	£ 3 3 3	£ 3 3 3
DIG09	Hybrid Workplace Programme	£ 3 3 3	£ 3 3 3	£ 3 3 3
DAT07	NMS integration and Gtech Consolidation	£ 3 3 3	£ 3 3 3	£ 3 3 3
DAT15	Open Data Portal	£ 3 3 3	£ 3 3 3	£ 3 3 3
PRG03	RP7 Manpower IT Costs	£ 3 3 3	£ 3 3 3	£ 3 3 3



MOP03	SAP ISU Upgrade	£X.XX.X	£X.XX.X	£X.XX.X
TEL05	Mobile Device Estate Refresh	£X.XX.X	£X.XX.X	£X.XX.X
DAT16	LV Data Model	£X.XX.X	£X.XX.X	£X.XX.X
COM01	Internet Refresh	£X.XX.X	£X.XX.X	£X.XX.X
HS03	Public Awareness Online Interactions	£X.XX.X	£X.XX.X	£X.XX.X
DIG10	Vulnerable Customers	£X.XX.X	£X.XX.X	£X.XX.X
PRG02	Small Projects	£X.XX.X	£X.XX.X	£X.XX.X
TEL01	Corporate IT Data Network	£X.XX.X	£X.XX.X	£X.XX.X
MOP01	LiveQ Metering	£X.XX.X	£X.XX.X	£X.XX.X
HR01	LiveQ Mobile Timesheets	£X.XX.X	£X.XX.X	£X.XX.X
MOP02	LiveQ Meter Reading	£X.XX.X	£X.XX.X	£X.XX.X
TEL06	Craigavon Building IT & Telecoms Services	£X.XX.X	£X.XX.X	£X.XX.X
DIG08	Digital Services / Project Improvements	£X.XX.X	£X.XX.X	£X.XX.X
CUS03	Project Management System	£X.XX.X	£X.XX.X	£X.XX.X
DAT13	Data Management Platform	£X.XX.X	£X.XX.X	£X.XX.X
FIN05	JMS Migration	£X.XX.X	£X.XX.X	£X.XX.X
FIN04	SAP BW / BOBI & Qlik Migration	£X.XX.X	£X.XX.X	£X.XX.X
MOP15	SAP BI Upgrade	£X.XX.X	£X.XX.X	£X.XX.X
MOP05	ServicePower (SOSA)	£X.XX.X	£X.XX.X	£X.XX.X
COM02	Intranet Refresh	£X.XX.X	£X.XX.X	£X.XX.X
FIN03	RIO continuous system improvements	£X.XX.X	£X.XX.X	£X.XX.X
SUS01	Embodied Carbon Footprint	£X.XX.X	£X.XX.X	£X.XX.X
AM03	C55 (ADST) Version Upgrade	£X.XX.X	£X.XX.X	£X.XX.X
INF01	Secure File Server	£X.XX.X	£X.XX.X	£X.XX.X
AM15	Land and Property Management System Implementation	£X.XX.X	£X.XX.X	£X.XX.X



TEL02	Corporate IT Voice Network	£ XXXX	£ XXXX	£ XXXX
TEL03	Contact Centre telephony systems	£ XXXX	£ XXXX	£ XXXX
DIG01 ¹	Customer Engagement Platform	£ XXXX	£ XXXX	£ XXXX
		NIEN RP6 Extension request (21/22)	DD allowance (21/22)	FD allowance (21/22)
	Total 2021/22 Prices	£11,303,280	£9,145,348	£10,579,154
		NIEN RP6 Extension request (15/16)	DD allowance (15/16)	FD allowance (15/16)
	Total converted into 2015/16 Prices	£9,401,286	£7,606,467	£8,799,008
	Total deducting allowances already provided converted into 2015/16 Prices	£5,848,543	£4,053,724	£5,246,265

Table 1: RP6 extension year final determination allowance (excluding connection allocations)

¹ In our Draft Determination decision UR had included DIG03 (RPA – Process Automation Programme) instead of DIG01 (Customer Engagement Platform). As per Query NIEN-009, this has been rectified to DIG01 and reflected in the table above.



Ref.	IT Project Name	NIEN RP6 Extension request (2021/22 prices)	UR FD Allowance (2021/22 prices)	UR reasoning behind determination
HS03	Public Awareness Online Interactions	£ XXXX	£ XXXX	<p>UR have not allocated an allowance for £XXXX of requested costs associated with HS03. This proportion of costs are associated with NIE Network's commitment "NC004.3: Promoting Innovation in Everything We Do". UR are of the view that NIE Networks should be delivering these tasks as part of their business-as-usual functions.</p> <p>The UR are providing a partial allowance of £XXXX for HS03, this allowance is associated with costs relating to NIE Networks Safety Commitment (No 2.1). The UR have provided these allowances to facilitate NIE Network's in fulfilling their obligations under the ESQCR², in taking reasonable steps to ensure that the public are made aware of dangers which may arise from activities carried out in proximity to overhead lines, and to indicate the means by which those dangers may be avoided.</p>
SUS01	Embodied Carbon Footprint	£ XXXX	£ XXXX	As per NIE Networks response to the UR Draft Determination, NIE Networks no longer require an allowance for 'SUS01 Embodied Carbon Footprint' for the RP6 extension year.

² [Electricity, Safety Quality and Continuity Regulations](#)



PRG01	Programme Delivery	£<<<	£<<<	<p>UR are providing a partial allowance for PRG01. The resource rate estimates provided in NIE Network’s DD response do not consider ramping-up or ramping-down of resources.</p> <p>There was a lack of optionality demonstrated in NIE Networks response. For example, NIE Networks had not considered options such as potentially using PMO/finance analysts as an offshore service.</p> <p>It is the UR’s view that there are possible synergies with this project and the wider SAP programme. For example, in relation to the PMO processes such as time recording, reporting, governance, risk and issues.</p> <p>UR are of the view that using a gradual ramp up/ramp down approach and having lower resource costs for PMOs could result in savings of up to 50%.</p>
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Table 2: RP6 Extension Projects that have not been provided a full allocation.