

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: 13 September 2024

Our Ref: NET/E/JF/1025

Dear John,

Application for consent to a longer period for the issuance of a Connection Offer for Larne NIE Networks Reference: 23/07794

Thank you for your letter received 2 September 2024 (the **Letter**) setting out an application (**the Application**) made by NIE Networks Limited (**NIE Networks**) for an extension to the period within which NIE Networks is required to make a connection offer (**the relevant Connection Offer**) to an applicant for connection (**the Connection Applicant**) concerning the connection of a Larne.

#### 1. Condition 30 of the Licence

The Letter describes the relevant background<sup>1</sup> to the Application. Reference is made to Condition 30 of NIE Networks' licence authorising participation in the activity of distribution (**the Licence**).<sup>2</sup>

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

<sup>&</sup>lt;sup>2</sup> NIE Distribution Licence.



Condition 30 (6) (of the Licence) provides that (barring specified exceptions)<sup>3</sup> 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 Authority<sup>4</sup> for a (written) consent that the period specified in Condition 30 (6)(b) be longer than 3 months. The making of such an application does <u>not</u> change NIE Networks' licence obligation<sup>5</sup> (under Condition 30(6)(a)) to make a connection offer as soon as practicable. Nor does the grant (by the Authority) of the consent sought through any such application change the position. The primary obligation (recorded in Condition 30(6) of the Licence and Article 20 of the Electricity Order) - to make a connection offer as soon as practicable - remains.

### 2. Background

The connection of the into Larne Main has been the subject of a previous decision of the Authority under Condition 30 (7) consenting to a longer period for the making of the relevant Connection Offer (out to 16 September 2024).<sup>6</sup> That previous decision was based on the inability of NIE Networks to issue a relevant Connection Offer until a Transmission Project Agreement (**TPA**) had been signed to replace 45MVA Transformers at Larne Main BSP with 90MVA Transformers so freeing up capacity for the connect. It was previously proposed the execution of the TPA would take place by 16 June 2024, with the design for the relevant Connection Offer placed to be progressed in the period after that.

NIE Networks states in the (present) Application that the projected timeline for the TPA has not been realised because of the "detailed design required at Larne Main to determine location of required cable sealing ends." NIE Networks has been advised that the TPA will be signed by the end of December 2024 with the 3 months then required for the relevant connection to be designed and the relevant Connection Offer issued to the Connection Applicant.

<sup>&</sup>lt;sup>3</sup> Recorded in Article 21 of the Electricity (NI) Order 1992 (the Electricity Order).

<sup>&</sup>lt;sup>4</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.

<sup>&</sup>lt;sup>5</sup> Which aligns with the statutory duties reflected in Article 15-19 of the Electricity Order.

<sup>&</sup>lt;sup>6</sup> Electricity Connections Decision FINAL.pdf (uregni.gov.uk).



#### 3. The Application

By the Application NIE Networks applies for consent for the relevant period under Condition 30(6) to be substituted by a longer period, ending **28 March 2025**.

NIE Networks explains the rationale for seeking this extension period as follows:

- 1. "As these timescales are outside of NIE Networks control we are not able to progress the connection design until the TPA has been signed.
- 2. The TPA is estimated to be signed at the end of December 2024, due to the complex nature of the design at the substation.
- 3. As the planned transformer replacement is imminent it would not be reasonable to refuse the connection on this basis.
- 4. Once the Transmission Project Agreement has been signed the connection offer design can be progressed with certainty."

NIE Networks comments how the application "is subject to the outcome of an event which is outside of NIE Networks' control" (the TPA being signed). NIE Networks explains that allowing the extension sought in the Application will enable the connection design and production of the relevant Connection Offer to be progressed, while not granting the extension would "result in a refusal to connect."

# 4. Consultation on the Application

Condition 30(7)(a) of the Licence provides that NIE Networks must consult with the Connection Applicant when making an Application (for extension) under Condition 30(7).

NIE Networks consulted with the Connection Applicant on 27 August 2024. We note that the Connection Applicant, in its letter of response, raised concerns about the replacement of the 45MVA Transformers, saying this was cited in the 2021-2030 TDPNI, and was a key driver for the Larne Project. The Connection Applicant expressed concern about delays to connection offers, especially repeated or long-term delays. The Connection Applicant concluded by saying:

"To avoid the potential issuance of a 'refusal to connect' by NIE, we reluctantly acknowledge and accept the proposed extension for the issuance of the Connection Offer.



Again, we urge NIEN to expediate the process where possible to avoid any further delay and certainly not request yet another extension."

On 10 September 2024 NIE Networks communicated to the Authority that responses (to consultation) from 5 out of 8 Small Scale Generators behind the Connection Applicant in the queue for Larne Main had been received. The Small-Scale Generators had been consulted as affected parties. NIE Networks communicated that the 5 respondents supported the Application.

## 5. The Authority's decision

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

- (a) our published decision paper on extension applications<sup>7</sup>
- (b) our principal objective (and related statutory objectives) under Art 12 of the Energy (NI) Order 2003
- (c) the contents of the Application
- (d) the Consultation on the Application.

Having considered the matter fully, the Authority hereby confirms that it provides the consent sought in the Application. It follows that the period under Condition 30(6)(b) of the Licence (for the making of a relevant Connection Offer to the Connection Applicant) is now extended until **28 March 2025**. We consider the Application justified for the reasons set out in the Letter.

We would take this opportunity to confirm that the period ending 28 March 2025 is a "long stop" date. The obligation under Condition 30 of the Licence is (now), subject to applicable exceptions<sup>8</sup>, to make a relevant Connection Offer to the Connection Applicant "as soon as practicable" and "in any event no later than" 28 March 2025. The Licence obligation is not (now) simply to offer connection terms by 28 March 2025.

This decision will be published and placed on the Register in the normal way.

Please do return to us should you require any clarification.

<sup>&</sup>lt;sup>7</sup> Electricity Connections Review Decision Paper | Utility Regulator (uregni.gov.uk)

<sup>&</sup>lt;sup>8</sup> Consonant with NIE Networks' licence obligations and its statutory duties set out in Articles 12 and 19 of the Electricity Order.



Yours sincerely,

Jillian Ferris

Head of Networks
Duly authorised by the Authority



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