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Claire Whiteside Northern Ireland Electricity Networks Ltd 120 Malone Road Belfast BT9 5HT

By Email Only: Claire.Whiteside@nienetworks.co.uk

Date: 20 December 2024

Our Ref: NET/E/JF/1103

Dear Claire,

Application for consent to a longer period for the issuance of a Connection Offer for Kitchen Hill Lurgan, NIE Networks Reference: 24/10917

Thank you for your letter received 17 December 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), concerning a PV at Kitchen Hill Lurgan.

In this letter we shall refer to the person making the application for the relevant Connection Offer as the **Connection Applicant**.

1. The Application

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

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 <u>NIE Distribution Licence.</u>

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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*

"after receipt by [NIE Networks] of an application containing all such information in relation to the required connection as [NIE Networks] may reasonably request."

Condition 30 (6) is to be read alongside and reflects the provision made in Article 20(3) through to Article 20(5) 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 (following requisite consultation) for a consent (in writing) that the period specified in Condition 30 (6)(b) shall be substituted by a longer period and subject to any conditions as specified in the consent.

Significantly, the making – or grant - of a Condition 30(7) type application does <u>not</u> alter NIE Networks' licence obligation⁵ (under Condition 30(6)(a)) to make a connection offer *as soon as practicable*. The primary obligation (recorded in Condition 30(6)(a) of the Licence and Article 20 the Electricity Order) - to make a connection offer *as soon as practicable* - remains.

It is stated in the Application that an application from the Connection Applicant was deemed compliant by NIE Networks on 4 November 2024.

The Application (made in the Letter) is for consent – under Condition 30(7) - for a longer substituted Condition 30 (6)(b) period out (from **4 February 2025**) to **20 March 2025**.

NIE Networks, in the Application, refer to receiving a *"large number of zero export applications,"* which are described as increasing by 18%. NIE Networks says the increase has been driven by *"the Invest NI Energy Efficiency Grant as well as, long lead times for export connection offers."*

NIE Networks states the large number of zero export applications *"have had a knock on effect to the Generation Queue and the number of applications NIE Networks can process in a week."*

³ Recorded in Article 21 of the Electricity (NI) Order 1992 (**the Electricity Order**): see Condition 30(6) (d) of the Licence.

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 and 20 of the Electricity Order.

Combined with effects of Christmas Holidays, this has led NIE Networks to seek an extension to 20 March 2025.

NIE Networks states that granting the extension will allow time for it to be determined if capacity is available, complete the design of the connection, and issue a connection offer. NIE Networks also states that if the extension is not granted, then this *"would result in NIE Networks not being able to meet it's licence standard."*

We note that NIE Networks states in the application that over the past month the relevant team has grown, and specifically cite 3 engineers developing zero export applications. NIE Networks states that it is already seeing the benefits of this expansion, which is described as *"an important step in getting back to our 90-day licence standard for zero export applications."* We note also that NIE Networks says it has liaised with Invest NI to highlight the increase in zero export applications, and will continue this liaison.

2. Consultation associated with 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).

The Application sets out such consultation with the Connection Applicant – the Connection Applicant has not provided a response.

3. The Authority's decision

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

- (a) our published decision document on extension applications⁶
- (b) our principal objective (and related statutory objectives) under Article 12 of the Energy (NI) Order 2003
- (c) the contents of the Application
- (d) the consultation with the Connection Applicant

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 (in

⁶ <u>Electricity Connections Review Decision Paper | Utility Regulator (uregni.gov.uk)</u>

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respect of the application for connection made by the Connection Applicant for the **EVAN** PV at **Kitchen Hill Lurgan**) is now extended until **20 March 2025**. We consider the Application justified for the reasons set out in the Letter.

We recognise NIE Networks has identified in the Application that measures have been taken, such as growing the team responsible, that could assist in returning to the 3 month license standard for processing these types of applications. We hope this will be the case, and will record and monitor extension applications in 2025 for these types of applications reducing.

We would take this opportunity to confirm that the (extended consented to) period ending 20 March 2025 is a "long stop" date. The obligation under Condition 30 of the Licence is (now), subject to applicable exceptions,⁷ to make a relevant Connection Offer to the Connection Applicant for the **PV** at **Kitchen Hill Lurgan** "as soon as practicable" and "in any event no later than" 20 March 2025. The Licence obligation is not (now) simply to offer connection terms by 20 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.

Yours sincerely,

Jillian Ferris

Head of Networks Duly authorised by the Authority

⁷ Consonant with NIE Networks' licence obligations and its statutory duties set out in Articles 12 and 19 of the Electricity Order.