

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

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

Date: 15 April 2025

Our Ref: NET/E/JF/1213

Dear Claire,

Application for consent to a longer period for the issuance of a connection offer – Woodside Road Industrial Estate, Ballymena, NIE Networks Reference: 24/03740

Thank you for your letter received 1 April 2025 (the **Letter**) setting out an application made by NIE Networks Limited (**NIE Networks**) for an extension to the period within which NIE Networks is required, under Condition 30 of its electricity distribution licence (the **Licence**)¹ to make a connection offer, in response to an application for a connection to its distribution system (the **Network**) of a Diesel Generator at Woodside Road Industrial Estate, Ballymena (the **Site**).

NIE Networks made a previous application (under Condition 30 of the Licence) for an extension to the time period within which it was required to make a connection offer – which application for extension was approved by the Authority² (the **First Extension Application**). Therefore, we refer to the application that is the subject of this letter as the **Second Extension Application**.

In this letter we refer to the legal person requesting the relevant connection to the Network, as the **Connection Applicant**.

¹ NIE Networks Distribution Licence.

² 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.



1. The Second Extension Application

The Letter describes the relevant background³ to the Second Extension Application. Reference is made to Condition 30 of the Licence.

- 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(6) provides that (barring specified exceptions)⁴ NIE Networks is obliged to make an offer for connection to the distribution system as soon as practicable and 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(7) of the Licence allows NIE Networks to make an application to the Authority (following requisite consultation) for a consent (in writing) that the period specified in Condition 30(6)(b) shall be substituted by a longer period (including by reference to a specific date) and subject to any conditions as specified in the consent.
- Significantly, if the Authority grants the Second Extension Application, this 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.

NIE Networks stated, in the First Extension Application, that it received a valid application from the Connection Applicant on 1 May 2024, for the connection of a Diesel Generator at the Site. In the absence of an extension request, Condition 30(6) would have required NIE Networks to respond by 1 August 2024.

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³ What follows includes the most relevant aspects of the Second Extension Application. All parts of the Second Extension 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.

⁴ Recorded in Article 21 of the <u>Electricity (NI) Order 1992</u> (**the Electricity Order**): see Condition 30(6)(d) of the Licence.

⁵ Which aligns with the statutory duties reflected in Articles 19 and 20 of the Electricity Order.



On 4 July 2024, NIE Networks made the First Extension Application to the Authority for extension of the 3-month Condition 30 period, from 1 August 2024 to 15 April 2025.

NIE Networks' reason for making the First Extension Application was that the knock-on effect of 2023 connection policy changes concerning 'over-install' and small scale generation had triggered an 'unusually' high level of connection applications being made to it.

The First Extension Application was granted by the Authority by a letter dated 23 July 2024⁶ and the new deadline for responding to the Connection Applicant became 15 April 2025, noting that NIE Networks' obligation remained to respond 'as soon as practicable' under Condition 30(6)(a).

On 1 April 2025, NIE Networks made the Second Extension Application. In respect of this Second Extension Application, NIE Networks makes the following points in support of its request for a further extension:

- 1. There is a finite amount of capacity remaining at the LCTA Connection Node for the Site (the **Connection Node**).
- 2. The Connection Applicant is third in the 'connection queue' for a connection to be made at the Connection Node.
- 3. The first person in the connection queue (the **first applicant**) requests a connection with a capacity of . A connection offer was made to the first applicant (in respect of this maximum capacity) on 16 January 2025. The first applicant has 90 days to accept the connection offer made to it and, if it does so accept, 120 days (so up to 14 May 2025) to prove planning permission.
- 4. Should the first applicant accept the connection offer and subsequently be able to prove planning permission, that connection will utilise all the capacity which is available at the Connection Node.

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⁶ 2024.07.22 Redacted Woodside Road DL.pdf.

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6. If the first applicant does not accept its connection offer (or does so accept but fails to prove planning permission) by 14 May 2025, a connection offer will be made by NIE Networks to the second applicant. This second applicant will then have three months to accept any such connection offer, and a further four months to produce evidence of planning permission.

7. NIE Networks states that if these milestones are not met, the second applicant would be removed from the queue on 16 December 2025. In these circumstances NIE Networks would require a further three months to process the design and quotation for a connection offer to be made to the Connection Applicant.

NIE Networks has therefore requested the Authority to grant an extension to the period within which it must, under Condition 30, either issue or refuse to issue a connection offer to the Connection Applicant, to **16 March 2026**.

NIE Networks believes it would not be appropriate to refuse to issue a connection offer to the Connection Applicant at this stage, as capacity may become avaliable, depending on the outcome of discussions with the two other connection applicants in the queue ahead of the Connection Applicant.

NIE Networks states that this rationale demonstrates how the Connection Applicant's application is subject to the outcome of an event which is outside of NIE Networks' control. NIE Networks has advised the Connection Applicant that it will confirm if capacity will be available for it on 16 December 2025.

NIE Networks states that if clarity regarding the remaining capacity at the Site is realised earlier than 16 December 2025, NIE Networks would progress the Connection Applicant's connection offer at an earlier date.

NIE Networks has set out an impact assessment in relation to the Second Extension Application. NIE Networks states that if the Authority refuses the Second Extension Application, NIE Networks would have to refuse the Connection Applicant's request to connect under Article 21(1) of the Electricity Order, as there is currently no network capacity available for the Connection Applicant.

Alternatively, NIE Networks states that if the Authority grants the Second Extension Application:

The Connection Applicant would remain in the connection queue at the Site, where there
is an opportunity for network capacity to become available that would facilitate the

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connection of this proposed project. NIE Networks also states that it could "progress the connection design and production of a connection offer subject to capacity becoming available", which the Authority takes to be essentially the same point, i.e. that the Connection Applicant would retain their place in the queue.

 This would facilitate a fair and transparent network capacity allocation and queuing process for the capacity available.

 Keeping the Connection Applicant in the queue presents a potential benefit by providing a greater opportunity for the remaining capacity at the Site to be fully committed.

2. Consultation associated with the Application

Condition 30(7)(a) of the Licence requires NIE Networks to consult with the Connection Applicant when making an application for extension under Condition 30(7).

NIE Networks has provided the Authority with evidence that it sent two emails to the Connection Applicant on 20 December 2024 and 24 February 2025 respectively.

The email response from the Connection Applicant (of 12 March 2025) included with the Second Extension Application demonstrates that the Connection Applicant does not expressly support the Second Extension Application. The pertinent parts of the Connection Applicant's email are as follows:

"... I am not particularly happy about this as you have noted below that our application was deemed compliant on 1st of May 2024 and full planning has been in place since 5th March 2024.

I think that it is grossly unfair that I have everything in place and correct while others who do not have planning are allowed to precede us on the NIE waiting list.

Planning for the solar projects have only been submitted in December 2024 and are still in process. You can see the on the planning portal. [sic.]

I would appreciate your urgency with our application as all parts have been compliant since early 2024."

NIE Networks also confirms it has consulted with the first and second applicants in the queue.



3. The Authority's decision

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

- (a) our published decision document on extension applications dated 31 May 2017⁷,
- (b) our principal objective (and related statutory objectives) under Article 12 of the Energy (NI) Order 2003⁸,
- (c) the contents of the Second Extension Application,
- (d) the Connection Applicant's response to NIE Networks' consultation,
- (e) clarifications sought and received from NIE Networks in the period following receipt of the Letter.

The Authority recognises the limited capacity at the Connection Node and accepts NIE Networks' argument that if the Authority does not grant the Second Extension Application, NIE Networks will have to refuse the Connection Applicant's application for connection. The Authority recognises that by granting the Second Extension Application, the Connection Applicant's place in the queue is preserved while NIE Networks works through the applications in the queue ahead of the Connection Applicant, which may or may not result in the Connection Applicant receiving a connection offer.

The Authority notes that at various points in 2025, NIE Networks will have greater clarity as to the remaining capacity at the Connection Node. So, for example, by 14 May 2025, NIE Networks should be in a position to know whether the first applicant is able to connect to the Connection Node or alternatively, whether the second applicant's request can be processed instead.

The Authority acknowledges that NIE Networks has confirmed that if clarity regarding the remaining capacity at the Connection Node is realised earlier than 16 December 2025, then it would progress the Connection Applicant's offer at an earlier date.

Notwithstanding this, the Authority requests that NIE Networks keeps all applicants in the queue, including the Connection Applicant, updated on their status within the queue, particularly at the key points identified, namely mid-May 2025 and mid-December 2025.

⁷ Electricity Connections Review Decision Paper | Utility Regulator (uregni.gov.uk).

⁸ Article 12 of the Energy (NI) Order 2003.



In conclusion, the Authority hereby confirms that it provides the consent sought in the Second Extension Application. It follows that the period under Condition 30(6)(b) of the Licence in respect of the application for connection to the Network made by the Connection Applicant for the Diesel Generator at the Site is now extended until **16 March 2026**.

We note the Connection Applicant has responded to NIE Networks that they are not happy about the Second Extension Application and raised issues around permissions and queue position. They have commented that their connection application has been compliant since May 2024. We ask NIE Networks to reflect upon the Connection Applicant's concerns.

We also take this opportunity to emphasise to NIE Networks that 16 March 2026 is a "long stop" date. The obligation under Condition 30 of the Licence is (now), subject to applicable exceptions,⁹ to make a relevant connection offer to the Connection Applicant for the Diesel Generator at the Site <u>as soon as practicable</u> and <u>in any event no later than</u> 16 March 2026. The Licence obligation is <u>not</u> (now) simply to offer connection terms by 16 March 2026.

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

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⁹ Consonant with NIE Networks' licence obligations and its statutory duties, including Articles 12 and 19 of the Electricity Order.