

Eimear Watson SONI Ltd Castlereagh House 12 Manse Road Belfast BT6 9RT

By Email Only: Eimear.Watson@soni.ltd.uk

Date: 17 June 2025

Our Ref: NET/E/JF/1242

Dear Eimear,

Request for Authority's consent to Extend the Connection Offer Timelines for the Magherakeel Battery Project (MEC 50MW and MIC 50MW)

Thank you for your letter received 30 April 2025 (the **Letter**) setting out an application **(the Application)** made under Condition 25(5) of SONI's Transmission Licence ("the Licence") - seeking the Authority's consent for the extension of the period for the making of an offer by SONI to a Connection Applicant, for the connection of a Battery Storage Project (50MW MEC and 50MW MIC), to the Northern Ireland Transmission System.

We start by setting out the relevant terms of Condition 25 of the Licence. We then move to the Application:

1. Condition 25 of the Licence.

Condition 25(5) provides, so far as relevant, as follows (our underlining added):

"[SONI] <u>shall</u> offer terms for [connection agreements] . . . <u>as soon as practicable</u> and (<u>save where the Authority consents to a longer period</u>, which <u>consent may be given on the application of</u> [SONI] following consultation by [SONI] with the person making the application and such other persons as [SONI] considers may be affected or interested) in any



event not more than the <u>period specified in paragraph 7</u> after receipt by [SONI] of an application containing all such information as [SONI] may reasonably require for the purpose of formulating the terms of the offer..."

Condition 25(7) provides that the "period specified" in this case is three months, unless the Authority has consented to a longer period.

2. Background

The application (by the Connection Applicant) for the connection of the Battery Storage Project, was deemed effective by SONI on 24 March 2025, with SONI stating it has until 22 June 2025 to make a Connection Offer.

We note that SONI appears to consider that the Condition 25(7) "date" for the making of a connection offer is 22 June 2025. We understand that SONI has – absent an extension under Condition 25(5) – until 24 June 2025 to make an offer of connection. This is due to the fact that the application by the Connection Applicant was deemed effective as of 24 March 2025 by SONI. This is reflected in the Application. The Authority would remind SONI that the period specified in Condition 25 (7) (b) is three months, meaning the period for the making of a connection offer is actually slightly longer than SONI has calculated. While noting this error and making clear SONI should utilise the three month period in future calculations, we have proceeded with the 22 June 2025 date used by SONI. Given the content of the extension application and our decision, use of the 24 June 2025 date would make no material difference to our decision, nor the implementation of the granted extension period.

SONI highlights that where the connection applicant seeks to connect the BESS system (Magherakeel Substation), there is currently no further capacity for generation. The current anticipated intention to operate a BESS system, is for it to charge during periods of high wind (and low cost), and discharge during periods of low wind (and high cost). If the proposed BESS followed this operating profile, SONI says it is likely it would be able to connect with no issues at Magherakeel.

However, SONI outlines that the Transmission System Security and Planning Standards (TSSPS) do not currently contain specific provisions on the modelling of a BESS, in connection studies. SONI has observed that



wind generation and market prices may not be perfectly correlated, and there is a "significant risk" BESS schemes "may seek to discharge at times when there is a high market price but also significant local wind availability." SONI has managed this risk by taking a 'conservative' approach to BESS applications, modelling them discharging during periods of high wind. This has previously not, according to SONI, caused many issues, as connection offers issued for BESS systems have been at 'comparatively strong' locations on the Transmission System, unlike Magherakeel, which is at a 'relatively weak' location on the Transmission System. SONI states that, if this BESS application is assessed under these assumptions, then it is likely that a non – chargeable reinforcement, requiring a Transmission Network Pre-Construction Project (TNPP) at Magherakeel, which has "a high-level cost estimate of £30m to the NI Consumer."

SONI believes carrying out such a reinforcement would run contrary to the intention of employing BESS schemes on the Transmission System, to reduce the need for dispatch down during periods of high renewable output. SONI comments that "Investing significant sums in network reinforcement to allow storage to discharge at the same time as high renewable generation does not align with this." The approach employed by NESO in GB, of not treating BESS schemes as having 'firm access' to the Transmission System, and therefore not compensating dispatch down or bringing forward network reinforcement to mitigate dispatch down costs, is highlighted by SONI in this application.

3. The Application

SONI is applying for an extension of the Condition 25 period for the making of the Connection Offer from 22 June 2025 to 22 June 2026. SONI would use this period to update the TSSPS, to "allow efficient, economic and coordinated planning of the Transmission System in relation to the connection of BESS schemes." – aligning with Condition 20 of SONI's licence in terms of planning and operation of the Transmission System. We take into account that SONI has detailed the TSSPS does not currently contain provisions on the modelling of a BESS in connection studies.

SONI breaks down the activities to be undertaken during the proposed extension period as follows:



- Seven months for the TSSPS update
- · Two months for public consultation on the changes
- · Three months for adoption of the changes
- With the Connection Offer (and Construction Offer) processes running in parallel to the three activities outlined above.

SONI states it has considered an alternative option of connecting the scheme to Dromore, which would require a long circuit as well as a substation extension, and would also require an extension to assess further. SONI concludes that a connection offer cannot be made to the Connection Applicant, either via connection at Magherakeel or Dromore, without 'extensive optioneering', which would not be necessary if the TSSPS is updated.

SONI says if the extension is not granted, then SONI would not be able to issue a Connection Offer in line with Condition 20 of the SONI Transmission Licence, within the Condition 25 timeline.

4. Consultation associated with the Application

An application by SONI under Condition 25(5) requires SONI to consult with "...the person making the application for connection, and such other persons as [SONI] considers may be affected or interested."

SONI has consulted with the Connection Applicant and NIE Networks.

Consultation with the Connection Applicant

SONI sent an email consulting the Connection Applicant on the decision to apply for extension, on 10 April 2025. The Connection Applicant replied via email of 29 April 2025, stating "We are okay and support the new proposed revised connection offer for Magherakeel battery storage connection."

On 10 April 2025, SONI consulted NIE Networks (TO) on the decision to apply for extension. On 15 April 2025, NIE Networks replied to the consultation, stating "We support this extension."



5. The Authority's decision

We judge the Application against: (i) our principal objective and general duties set out in Article 12 of the Energy (NI) Order 2003; and (ii) the published Decision Paper Guidance. We consider the Application to have been made in accordance with the Decision Paper Guidance.

Our decision is to:

- (i) accede to the Application considering it properly founded; and (accordingly)
- (ii) give consent to an extension to 22 June 2026 for the purposes of Condition 25(5) as regards the Connection Application made by the Connection Applicant for the connection of the BESS.

In making this decision we have had proper and full regard to the consultation responses from the Connection Applicant and NIE Networks. We note that the Connection Applicant and NIE Networks have supported the application, whilst acknowledging the related queries raised by the Connection Applicant.

The Authority is satisfied that we should grant the Application based on the reasons set out in the Application.

However, we should remind SONI that the grant of consent (for an extension of time) relayed in this letter does not absolve SONI of its Condition 25 obligation to make a connection offer to the Connection Applicant as soon as practicable. The newly substituted Condition 25 period does not affect that key licence obligation. SONI should particularly consider if there are any feasible ways the seven months allocated for the consideration and update of the TSSPS could be shortened; and that the Connection Offer process does run in parallel, to avoid any breaches of their licence and/or any further requests for an extension.

This decision shall be published and placed in the Electricity Register.

We trust this is satisfactory. If you have any queries, please contact Jody

¹ Electricity Connections Decision FINAL.pdf (uregni.gov.uk).



O'Boyle.

Yours sincerely,

Jillian Ferris

Head of Networks

Duly authorised by the Authority