

Noel Gormley Northern Ireland Electricity Networks Ltd 120 Malone Road Belfast BT9 5HT

By Email Only: Noel.Gormley@nienetworks.co.uk

Date: 25 June 2025

Our Ref: NET/E/JF/1247

Dear Noel,

Request for Authority's¹ consent to extend the connection offer timelines for the Increased Load' connection at Kilkeel High School, Knockchree Avenue, Kilkeel (NIE Networks job Ref: 24/05089)

Thank you for your letter of 13 June 2025 setting out an application (the **Application**) made by NIE Networks Limited (**NIE Networks**) under Condition 30(7) of NIE Networks' distribution licence (the **Licence**) for an extension to the period within which NIE Networks is required to make a connection offer in relation to the 'Increased Load' connection of Kilkeel High School, Knockchree Avenue, Kilkeel.

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

We start by setting out the relevant terms of Condition 30 of the Licence, before proceeding to address the Application.

1. Condition 30 of the Licence

Condition 30(6) provides, so far as relevant, as follows (our underlining added):

¹ In this letter "we", "UR" "us", and "the Authority" are used interchangeably to refer to the Northern Ireland Authority for Utility Regulation.



"Where [NIE Networks] receives a request from any person for a connection to [sic] made to the Distribution System, the Licensee shall...as soon as practicable...and...in any event no later than 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...offer terms for the making of the connection...or inform the person requesting the connection that the Licensee is unable to offer terms for the making of the connection by virtue of one or more the exceptions available to [NIE Networks] under Article 21 of the Order".

Condition 30(6) is to be read alongside and reflects the provision made in Article 20(3) - 20(5) of the Electricity (NI) Order 1992.

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) shall be substituted by a longer period and subject to any conditions as specified in the consent.

2. Background

The initial application (by the Connection Applicant) for a connection offer was received by NIE Networks on 15 May 2024 and "deemed compliant" on 11 June 2024, with NIE Networks then having until 11 September 2024 to either make an offer or to refuse the connection request.

NIE Networks explains in the Application (as reflected in further written correspondence with the Authority), that it has been receiving a large number of complex demand applications over the past year. It states that its team has "progressively scaled up since July 2024" in order to deal with the level of applications, and the team is continuing to grow to cope with the demands. In addition, NIE Networks has recently implemented a queue management approach for demand applications which closely aligns to that of generation applications.

NIE Networks further explains that, due to the sensitivity of the queue position in relation to costs and capacity allocation, each application is first registered and assessed to confirm that it is compliant before any other works can be carried out. NIE Networks states that this is to ensure "a fair and just approach to all who have applied".



However, the large volumes of applications has had a knock-on effect on the queue management process and the number of applications that NIE Networks is able to process with its current resources. NIE Networks notes that due to the complex nature of the applications and the requirement to complete detailed assessments of high voltage networks to determine upstream reinforcement requirements, the relevant time period "can sometimes extend beyond the 3 month licence period".

3. The Application

NIE Networks is applying for an extension of the Condition 30 period for the making of a connection offer from **11 September 2024** to **31 July 2025**. We note that NIE Networks refers to 11 September on page 1 of the Application, and 9 September elsewhere. We assume that it intends to refer to 11 September, being 3 months after it deemed the initial connection application compliant.

NIE Networks states in the Application that, following a site visit in July 2024, the existing equipment was deemed insufficient to provide the capacity requested under the connection application (). The Connection Applicant was therefore notified of a requirement to update their design and provide a remote switchboard for terminating and metering.

NIE Networks explains that this led to a change in the requested capacity from the Connection Applicant on 25 October 2024, to "almost double" that of the original application ().

As such, the Application indicates that a detailed high voltage (HV) network assessment was required, and the Connection Applicant's revised connection application joined the HV design queue on 6 December 2024 once NIE Networks "had received all the required information from the [Connection Applicant] to make [its] application compliant, following the increased requested capacity". The HV design queue (as at December 2024, according to NIE Networks) had a lead time of 22 weeks due to the high level of complex applications (referred to above).

NIE Networks confirms in the Application that the HV assessment was completed within the 22-week window and identified "significant upstream network reinforcement required to facilitate this connection".



NIE Networks therefore seeks an extension in order to have sufficient time for the final stages of design and the development of a connection offer (following the knock-on effects of the large volume of applications). In particular, NIE Networks considers that granting the extension will:

- Enable NIE Networks to determine if capacity is available or can be created;
- Allow continued engagement with the Connection Applicant on the scale and complexity of the required HV upstream reinforcement works and other technical design aspects;
- Allow NIE Networks to accurately design and cost the connection taking account of the impact on others in the queue ahead of them;
- Allow finalisation of the low voltage network design and service arrangements;
- Allow a connection offer to be issued in accordance with the Licence;
- Provide a defined timeline for the Connection Applicant to receive an offer, allowing them to plan appropriately; and
- Facilitate a fair and transparent network capacity allocation and queueing process for all applicants.

By contrast, NIE Networks states that a rejection of the extension request would result in NIE Networks failing to meet its licence standard (although we note that the Condition 30 Standard date of 11 September 2024 had already passed at the time of the making of the application) and may lead to the Authority having to initiate an investigation which would detract further from NIE Networks' ability to issue the connection offer as soon as practicably possible.

The Application additionally notes that as NIE Networks did not meet its Guaranteed Standards of Service for this connection application, the Connection Applicant has received a GS4 and GS10 default payment.



4. Consultation associated with the Application

Condition 30(7)(a) of the Licence provides that NIE Networks must consult with the Connection Applicant (and such other persons as NIE Networks considers may be affected by or interested in the Application) when making an extension application under Condition 30(7).

NIE Networks consulted with the Connection Applicant in writing by an email dated 9 June 2025.

We note that NIE Networks appears to have misstated the dates in the consultation in that (1) it refers to the licence date when the connection offer is to be made as 9 September 2024 (rather than 11 September 2024) and (2) it subsequently states the Application is for an extension from 11 June 2024 to 31 July 2025 (rather than from 11 September 2024). However, given that the effect is the same in either case (i.e. that NIE Networks is seeking an extension to 31 July), we do not consider this to materially impact upon the validity of the consultation.

A representative of the Connection Applicant responded by email on 9 June 2025, stating that:

"The Education Authority have expressed their disappointment that [they] have still not received a quotation for works which were deemed as urgent to facilitate additional classroom accommodation...It was hoped to have the works completed over the 2025 summer holidays as a worst-case, but if [they] will not be receiving the NIE quotation until at least 31st July then this will not be possible. Can [NIE Networks] please aim to issue the quotation sooner as it was applied for on 16th May 2024."

5. The Authority's decision

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

- (a) our published Decision Paper Guidance²,
- (b) our principal objective (and related statutory objectives) under Article 12 of the Energy (NI) Order 2003,
- (c) the contents of the Application, and
- (d) the consultation with the Connection Applicant.

² Electricity Connections Review Decision Paper | Utility Regulator (uregni.gov.uk)



The Decision Paper Guidance states that the Authority "would expect to receive a request from the licensee at least <u>two weeks</u> before the end of the three month connection application period." (our emphasis).

We do not consider the Application to have been made in accordance with the Decision Paper Guidance.

The period within which NIE Networks was required to either make a connection offer or decline to do so expired on 11 September 2024, and the Application was not received by the Authority until 13 June 2025.

The Authority acknowledges that a (seemingly unavoidable) delay resulted from the site visit and subsequent need for a HV network assessment. However, there is nothing in Condition 30 which provides that the relevant period can be extended without NIE Networks having obtained consent from the Authority.

Our decision is to give consent to an extension to **31 July 2025** under Condition 30(7) for the issuing of a connection offer.

In making this decision we have had proper and full regard to the reasons for the Application and the consultation response from the Connection Applicant. While we note that the Connection Applicant has expressed disappointment with the delay to the connection, we acknowledge that in order for the connection offer to be issued in compliance with the Licence, it is necessary for an extension to be granted for the reasons set out in the Application.

We also note NIE Networks' efforts to improve the queue management process and resourcing for demand connection applications. The Authority hopes that NIE Networks' changes will help to prevent such delays and the need for extensions.

The Connection Applicant requested that the connection offer be provided "sooner". In respect of this, notwithstanding the grant of the Application, we remind NIE Networks that the extension of time in this case does not absolve NIE Networks of its Condition 30 obligation to make a connection offer to the Connection Applicant "as soon as practicable".

NIE Networks is also asked to reflect on our observations (above) as to the



expectations explained in the Decision Paper Guidance. Our expectation is that further applications for Condition 30(7) extensions will be presented in accordance with our observations.

This decision will be published and placed on the Electricity Register.

We trust this is satisfactory. Please contact us if you have any queries.

Yours sincerely,

Jillian Ferris

Head of Networks

Duly authorised by the Authority