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

Date: 15 August 2025

Our Ref: NET/E/JF/1315

Dear Noel,

Application for consent to a longer period for the issuance of a Connection Offer at Bradley Park, Draperstown, NIE Networks Reference: 25/03840

Thank you for your letter received 14 August 2025 (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) for a New Housing Connection (18 Units), at **Bradley Park, Draperstown.** The extended period now applied for expires on **20 January 2026.**

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 NIE Distribution Licence.



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.

NIE Networks states as part of the Application, that it received a valid application (for the Relevant Connection Offer) from the Connection Applicant on 16 May 2025, for a New Housing Connection (18 Units), meaning the existing Condition 30 (6) period expires on 16 August 2025.

The Application (made in the Letter) is for consent – under Condition 30(7) - for a longer substituted Condition 30 (6)(b) period out to 20 January 2026.

NIE Networks highlights in the application that a large number of complex demand applications have been received over the past year, with these

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

^à Ín 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.



applications requiring "detailed assessment of the high voltage network to determine upstream reinforcement requirements," which means the time to make a connection offer is 'sometimes' extending beyond the three month period laid out in Condition 30.

Although NIE Networks says the dedicated team for demand connections has been growing and still continuing to grow with new members being trained, along with a new approach to queue management being implemented, NIE Networks says the volume of applications have had a knock-on effect to the number of applications NIE Networks can process within the three month Condition 30 period.

NIE Networks highlights in the application that further time is required to complete the detailed network study, finalise Low Voltage Network design and produce an offer package, and complete a detailed overhead line survey that would allow the development of suitable alterations, that would facilitate progress on development and construction.

Reflecting the points above, NIE Networks explains the rationale for seeking the consent sought in the Application as allowing:

- 1. Full overhead line survey to be complete to determine the extent of alteration required.
- 2. NIE Networks time to accurately design and cost connections taking account of the impact of others in the queue ahead of them.

NIE Networks says that not granting the extension "would result in NIE Networks failing to meet its licence standard."

The Authority does acknowledge NIE Networks' comments concerning a large number of complex demand applications, and that the team responsible has been progressively expanded since July 2024, to enhance their ability to deal with these types of applications. While we acknowledge that a large and sudden increase in complex demand applications could theoretically affect NIE Networks' ability to fulfil Condition 30 timescales, the Authority has not been provided with evidence as such. We are unclear, from the evidence provided in the application, how large the increase is. We are also unclear on the effect of the scaling up of the team responsible, since July 2024, on NIE Networks' ability to fulfil connection requests within Condition 30 timelines. Indeed, the number of demand extension requests



received by the Authority has actually markedly increased, one year after what NIE Networks says was the start of the team responsible being scaled up.

It does not appear to the Authority there are specific reasons why this application requires more than the three month timeline, aside from the lack of staffing/resources to meet this timeline. We note the reference to the need for more time to complete a detailed overhead line survey, but there is not information on why there was no time to conduct this line survey before the expiry of the Condition 30 period.

Citing resource constraints alone is not considered a valid reason for non compliance with the three month licence condition. References in the application to work that, in NIE Networks' view, cannot be completed within the three months, were not accompanied by reasoning as to why this work could not be completed within the three month timeline.

The Authority notes that this extension request appears to have been submitted because of a lack of resources/time to complete work within the three month licence period. However, based upon the NIE Networks signed certificate of resources within Condition 3 (Availability of Resources and undertaking of Ultimate Controller), the Director confirms that NIE Networks has sufficient resources to enable it to meet licence conditions. Overall, it does not appear to the Authority that resource allocation is a sufficient reason to request an extension.

The paragraphs above provide a framework for our Decision, which is given in Section 3 of this Decision Letter.

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, via email of 11 August 2025.

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 Paper Guidance⁶
- (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
- (e) clarifications sought and received from NIE Networks in the period following receipt of the Letter.

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 accept that NIE Networks has provided reasoning for this application not being made at least two weeks before the end of the connection application period, that the NIE Networks process was paused while it was seeking guidance from the Authority on extension requests. However, we still do not consider the Application to have been made in accordance with the Decision Paper Guidance.

Having considered the matter fully, the Authority hereby decides, that it does not provide the consent sought in the Application, to extend the period under Condition 30(6)(b) of the Licence (in respect of the application for connection made by the Connection Applicant for the 18 New Housing Units at Bradley Park). The timeline for the issue of a connection offer therefore remains at **16 August 2025.** We would continue to encourage NIE Networks to issue a Connection Offer as soon as practicable.

The Authority has decided not to grant the extension applied for because the principal reason cited for the request (lack of staff/resources) appears to conflict with the signed Condition 3. Availability of Resources and Undertaking of Ultimate Controller.

We would ask that NIE Networks consider this potential conflict, provide the Authority with a full set of reasons why the Condition 30 licence standard cannot be complied with, and record this on the Statement of Licence

⁶ Electricity Connections Review Decision Paper | Utility Regulator (uregni.gov.uk)



Compliance (SoLC) report. This record should include identification of when the connection applicant applied, why NIE Networks could not comply with the Condition 30 licence standard, and confirmation that the Connection Applicant has received a payment under the licence guarantee standards.

The Authority also notes that future extension applications similar to this one, will be considered through the same framework as in this Decision Letter. In assessing the reasonableness of an extension request, sufficient detailed information must be provided within the extension request itself for example what makes this application more complex or novel than others together with what mitigation measures have been taken to avoid having to make the extension request both in the presented request and in the future.

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 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