

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

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

Date: 26 August 2025

Our Ref: NET/E/JF/1321

Dear Noel,

Application for consent to a longer period for the issuance of a Connection Offer at High Trees Development, Donaghadee NIE Networks Reference: 25/05017

Thank you for your letter received 20 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, 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**) for sixty new housing units, at **High Trees Development, Donaghadee.**

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 background² to the Application. Reference is made to Condition 30 of the Licence.

¹ NIE Distribution Licence.

² What follows includes the most relevant aspects of the Application. 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.



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) (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 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 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 (including by reference to a specific date) and subject to any conditions as specified in the consent.

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 6 June 2025, for sixty new housing units, meaning the existing Condition 30 (6) period expires on 6 September 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 24 October 2025.

NIE Networks highlights in the application that a large number of complex demand applications have been received over the past year, with these applications requiring "detailed assessment of the high voltage network"

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.



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.

NIE Networks says the dedicated team for demand connections has been growing and is still continuing to grow (NIE Networks highlights that this has been progressively occurring since 2024), 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, finalising Low Voltage network design and service arrangements.

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

1. 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, noting that they



have recently appointed a number of new members into the Major Projects team which will help manage the workload when fully trained. Citing a large number of complex demand applications and resource/Training constraints is not considered valid reasons for non compliance with the three month licence condition.

While the application also notes volume and sensitivity of the queue position, the application does not indicate where in the queue this application is, nor the impacts of those ahead of them in the queue, so we cannot determine the effect of approving or not approving this request on the queue position.

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 requiring more time to assess the high voltage network. Overall, it does not appear to the Authority additional time for resource/training 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 requires NIE Networks to 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 8 August 2025.

On the 11 August 2025 the Connection Applicant responded via Email, stating that "Thanks for this information and have cc colleagues to make aware."

3. The Authority's Decision

In making our Decision on the Application we have had regard to:



- (a) our published decision document on extension applications dated 31 May 2017^6
- (b) our principal objective (and related statutory objectives) under Article 12 of the Energy (NI) Order 2003⁷
- (c) the contents of the Application
- (d) the consultation with the Connection Applicant

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 sixty new housing units at High Trees Development). The timeline for the issue of a connection offer therefore remains at **6 September 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 as NIE Networks have been allocated sufficient resources to enable it to meet its licence conditions. 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 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.

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

⁷ The Energy (Northern Ireland) Order 2003.



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