



Energia Response to Utility Regulator
Forward Work Plan 2026/2027

19 February 2026

Executive Summary

Energia welcomes the opportunity to respond to the Utility Regulator (UR) and the consultation on the 2026/2027 Forward Work Plan (FWP). This response primarily covers three of the projects listed in the UR FWP that impact Energia as a generator in Northern Ireland

Energia supports the UR's ambition to deliver on net-zero targets and affordability for consumers. A significant barrier to progress is the elevated and sustained levels of dispatch down affecting renewable generation in NI. Since 2023 NI has been facing unsustainably high levels of dispatch down for existing renewables which limits future development, undermines NI's energy transition, and the attainment of the 2030 targets. It is concerning that dispatch down is omitted from section 2 of the draft FWP on the context of the UR's FWP.

Energia notes three key items in the UR's FWP that are directly relevant with regards to mitigating or exacerbating rising levels of dispatch down. Energia would further recommend a strategic objective on Long Duration Energy Storage (LDES) development in NI, which would provide a further practical and effective means of reducing dispatch down.

Energia supports the development of a robust regulatory framework for interconnection to ensure that future interconnectors do not further significantly exacerbate dispatch down, a risk particularly acute in the absence of the second 400kV North-South tie line. Energia encourages the UR to ensure the regulatory framework includes a robust system assessment to understand system capability and considers the potential negative impacts of an oversaturation of interconnection.

As the FWP is proposing to develop a regulatory framework for interconnection, it would be consistent and appropriate to also include the development of a storage framework, both of which are without supporting DfE policy. The UR has an important role to play in facilitating the development of energy storage in NI. Storage can provide flexibility benefits similar to interconnection without the additional system risks and threat to indigenous generation. Energia therefore encourages the UR to include the development of LDES within the FWP. LDES would act as a valuable mitigant to dispatch down and support the utilisation of zero-marginal cost renewables.

With regards to price controls and dispatch down, Energia notes the upcoming SONI Price Control and encourage the UR to ensure the TSO are sufficiently resourced to continue work on their dispatch down action plan, and to accelerate the delivery of crucial transmission reinforcement projects, nearly all of which have been delayed, some by almost a decade, according to the latest SONI transmission development plan. Moreover, the UR can support the development of an LDES procurement scheme by the TSO through ringfenced resourcing within the price control.

Energia welcomes the UR's commitment to consult on Firm Access arrangements and urges the UR to prioritise delivery of a new Firm Access policy. Without this, existing NI renewables will become unviable due to the elevated and unsustainable levels of dispatch down. This risks undermining existing investment and deterring future development to the detriment of renewable build out and the delivery of NI's climate targets.

1.1 Regulatory framework for interconnectors

Energia welcomes the UR's commitment to developing a regulatory framework for interconnectors. It is essential that this work is properly resourced and that the framework fully considers the potential impacts of additional interconnection. Given the small size and sensitivity of the NI power system, Energia supports the development of a framework that is comprehensive and robust, and will enable the UR to reach a sound conclusion as to whether a proposed interconnector would, in practice, strengthen the NI energy market, benefit the NI consumer, and support the transition to a low-carbon future.

Energia has identified several critical components required to ensure that the UR's assessment process within the UR's regulatory framework is robust and credible. Once an interconnector is approved, there is no going back. It is crucial that any regulatory framework, given the sensitivity of NI's small system, is designed prudently, erring on the side of caution by way of an extensive assessment process to ensure realisable benefit for the long-term interests of the NI consumer.

First a TSO-led assessment of system capability and system impacts must precede and directly inform any economic modelling. This is essential to avoid simplistic modelling assumptions that may overstate the benefits of further interconnection. The framework must also include a detailed evaluation of the impact on dispatch down, including both the quantitative cost implications for the consumer, and the wider effects on investor confidence, renewable development and NI's energy transition.

In addition, the delivery of the 400kV second North-South tie-line must be considered within the regulatory framework as a fundamental pre-requisite before any further interconnection can reasonably be considered. Its significance in the mitigation of constraints and enhanced operational resilience to facilitate further interconnection cannot be overstated. Therefore, the delivery of the second North South tie-line should be seen as one of the key pre-requisites for further interconnection, alongside other measures such as mitigation of local constraints, consideration of existing interconnection, and a thorough technical assessment on the impact to security of supply.

A rigorous assessment of system capability and impact must be embedded within the framework, the results of which can inform any subsequent economic analysis, ensuring realistic assumptions of system limitations and realisable system utilisation. This is essential to protect the NI consumer from inaccurate and over-optimistic benefit assessments and ensure the consumer does not underwrite projects for which the benefits are not realisable due to system limitations.

Finally, the framework must also consider implications for security of supply, including the risk associated with over-reliance on GB imports, the displacement of indigenous dispatchable generation, exposure to NTC restrictions and SO-SO trades during scarcity events, and the various technical challenges relating to voltage stability and frequency control. These risks are amplified by increased Largest Single Infeed contingencies and the characteristics of HVDC technology, including its susceptibility to sympathetic trips and control interaction.

Crucially, the design of a regulatory framework or subsequent assessment within it should not be unduly accelerated in the interests of alignment with Ofgem or private developer timelines. The potential negative and enduring impact of an erroneous

decision is significantly greater for the small, constrained and sensitive NI power system than in GB.

Energia responded to the UR's consultation on the assessment on the need for a Regulated Operating Revenue Regime for further interconnection (RORR) which closed on the 12 February 2026 and is open to further engage bi-laterally on any aspect of that response.

1.2 Price controls

SONI's 2027-2032 Price Control will oversee a critical period in NI's energy transition. With substantial progress still required to meet NI's 2030 climate objectives, Energia emphasises the necessity for the SONI Price Control to recognise the need for adequate TSO funding as demonstrated by recently expressed support for SONI's funding submission. This is in order to increase capacity and capability within SONI's operational tools development and future energy modelling work.

In particular, SONI should be sufficiently resourced and incentivised to continue the positive work on the dispatch down action plan. Additionally, SONI should be incentivised to deliver transmission reinforcement and upgrades early. These upgrades are critical to addressing the unsustainable levels of dispatch down for NI's renewable generators, and Energia notes in SONI's latest Transmission Development Plans that most transmission developments were delayed, some by almost 10 years into the mid-late 2030s. The UR must resource SONI to arrest this slippage of timelines for the delivery of crucial transmission projects. The UR should empower a meaningful incentive system to encourage and deter delay or non-delivery.

The main mechanism of the assessment of SONI's performance, the Evaluative Performance Framework (EPF), has been in operation since the beginning of the current Price Control period (2020-2027). Changes to the EPF should be considered to ensure that the EPF accurately aligns with both the overall system performance and developments required to mitigate the outstanding issues with dispatch down. It is important that the EPF methodology (including the grading system and metrics such as Shortfall, Meets Expectations, Exceeds Expectations) captures and accurately reflects both the underlying past performance in the Annual Performance Report and the assessment of the Forward Work Plan.

In addition, the EPF process should consider the nature of joint responsibility, alongside EirGrid, of markets that deliver system adequacy, such as the Capacity Remuneration Mechanism and the implementation of the necessary code modifications to improve its function.

1.3 Public consultation on Firm Access arrangements

Energia has previously made clear the need for an accelerated workstream on Firm Access in our response to the previous edition of the Utility Regulator's Forward Work Plan. The lack of an expedited process for a Firm Access review and the absence of clear, fixed timelines for developers creates significant risk to the delivery of net-zero targets.

A Firm Access review is crucial to provide developer certainty and support NI's renewable energy. The scope set out in the Forward Work Program needs to provide a clear indication of timeline, or intention to deliver the public consultation on policy options as priority as soon as possible in 2026.

Energia welcomes that the Utility Regulator will collaborate with SONI in technical analysis and studies to look at the potential impacts. The UR, in supporting the energy transition, should support SONI and prioritise the public consultation on the proposed policy options for Firm Access. Renewable NI has communicated to the UR with a proposal to introduce 'Assumed Firm Access' which suggests that existing non-firm generators should be granted Firm Access starting 18 months after the latest original Associated Transmission Reinforcement (ATR) completion date (or its indicative completion date) or on commencement of the revised policy, whichever is later.

This paper also highlights that the persistent delays in ATR completion, coupled with the slow pace of delivery of the 'key enablers' in the Transmission Development Plans (TDPs), create unacceptable uncertainty around Firm Access approval. Energia continues to endorse Renewable NI's position and urges the Utility Regulator to prioritise a sustainable and effective new policy regarding Firm Access.