

RenewableNI Response to the Utility Regulator’s Regulatory Approach to Future Electricity Network Price Controls

RenewableNI (RNI) welcomes the opportunity to respond to the Utility Regulator’s (UR) call for evidence on lessons learnt from the RP7 price control process and early thinking on the approach to RP8. As the representative body for the renewable electricity industry in Northern Ireland, our members are directly affected by the effectiveness of network investment, delivery timelines and the wider system conditions that enable or constrain progress.

We support the UR’s decision to undertake this exercise early in the RP7 period and agree there is value in reflecting on both the design and operation of recent price controls to inform future regulatory frameworks. This response addresses the consultation questions holistically, focusing on key lessons learnt from RP7 and the implications for the design and delivery of future electricity network price controls.

Lessons from RP7 and delivery outcomes

From an industry perspective, RP7 reflects increased recognition of the scale of investment required to support Northern Ireland’s energy transition. However, experience to date reinforces that the success of a price control cannot be judged by funding allocation alone, but by whether that funding translates into timely and deliverable network outcomes.

The UR’s RP7 Final Determination notes that “*cumulative capital expenditure to the end of 2023/24 was lower than the regulatory allowances*” allocated under RP6, and that some RP6 outputs are being carried forward into RP7¹. This highlights that the allocation of funding alone does not guarantee delivery, particularly where wider system constraints affect the progression of projects.

Recent experience illustrated in successive Transmission Development Plans demonstrates that delays in delivering core reinforcements remain structural rather than project-specific. This underscores the point that capital allowances, while necessary, will not deliver outcomes unless the wider system is capable of advancing projects into construction at the pace assumed in the price control².

Feedback from RNI members consistently highlights this issue. Where projects do not progress through the wider system at the anticipated pace, network investment allowances may remain underutilised. In a constrained fiscal environment, this raises legitimate questions about whether resources are being deployed in the most effective way to deliver outcomes for consumers and the electricity system.

System coordination and price control design

¹ [RP7 FD Main Report \[Final\] 0.pdf](#)

² [Transmission Development Plan for Northern Ireland | SONI](#)

Network investment does not occur in isolation. The pace and sequencing of project progression, particularly at the transmission level, has a direct bearing on whether distribution and transmission allowances can be effectively deployed.

The pattern of multi-year slippage across key transmission projects highlights the importance of price controls that reflect delivery dependencies across the whole system. Unless investment allowances are matched with credible delivery pathways, network funding risks remaining unused and failing to alleviate the very constraints it is intended to address. This is reflected in public reporting by both SONI and NIE Networks and was a key driver behind the establishment of the Joint Programme Management Office, which itself acknowledged the need for stronger delivery coordination.

In developing RP8, the UR should consider how future price controls can better reflect these system-wide interdependencies. Stronger alignment between network investment decisions, system planning processes and realistic delivery pipelines would help ensure that approved funding can be translated into timely network reinforcement in practice, rather than remaining unused within the regulatory period.

RNI believes that RP8 would benefit from a more integrated, system-wide perspective that recognises these delivery dependencies, rather than treating funding allocation as the end point of the regulatory process.

Business plan assessment and proportionality

RNI broadly supports the high-level themes used in the RP7 business plan assessment. However, there is scope to refine future processes to better prioritise delivery credibility and proportionality.

Recent price controls have been resource-intensive for regulated entities and stakeholders alike. For RP8, the UR should consider opportunities to streamline elements of the process, focusing scrutiny on the most material issues while maintaining strong consumer protections. Earlier clarity on key assumptions and expectations would also support more meaningful stakeholder engagement.

Preparing for RP8

The indicative RP8 timetable appears broadly reasonable, but the scale of change expected on the electricity system means that early engagement and clarity will be important. Investment confidence depends not only on the availability of funding, but on credible pathways to delivery.

RNI therefore encourages continued early engagement with stakeholders as RP8 thinking develops, particularly where decisions may affect investment timelines, network access and system capacity.

Greater transparency around progress, including consistent reporting of milestones, dependencies and reasons for delay, would allow stakeholders and the Regulator to assess whether approved expenditure is converting into actual delivery. The absence of reliable reporting in recent years has significantly limited this oversight.

Conclusion

The central lesson from RP7 is that funding allocation, while necessary, is not sufficient on its own to deliver network outcomes. Where approved investment cannot be deployed in practice, consumers ultimately bear the cost through delayed network capacity, prolonged constraints and missed opportunities to reduce system and market costs.

Future price controls should therefore place greater emphasis on delivery conditions, system coordination and realistic assumptions around project progression. Doing so will help ensure that regulatory allowances translate into tangible network improvements, deliver better value for consumers and support Northern Ireland's transition to a secure, low-carbon electricity system.



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