

Raymond Smyth
Group Regulation
SONI Limited
Castlereagh House
12 Manse Road
Belfast
BT6 9RT

Ref: NET/E/TH/203

02 April 2020

Dear Raymond,

Re: Gort Transformer – TNPP Approval

Thank you for the capex TNPP submission of the 15 November 2019 regarding an additional transformer at Gort Main cluster substation and reconfiguration of Slieve Divena Wind Farm to this substation.

The SONI Licence¹ confirms that it is for the UR to decide what constitutes a TNPP by way of approval. With respect to the Gort transformer project, we accept the project need, case for action and the proposed solution as comprehensively set out by SONI and NIE Networks in the TNPP submission and Joint Technical Report.

However, the vast majority of SONI's pre-construction work relates to investigating the issue and developing a solution. As identified in the [TNPP Guidance](#),² SONI's initial activities are covered by its ex-ante opex allowance.

We consider that remaining work with respect to project management represents typical engagement with NIE Networks. Existing opex allowances are therefore considered to be the appropriate method of remuneration.

For confirmation, amounts requested and approved are detailed in the table below.

Tariff Year	SONI Claim (April 2014 prices)	UR Allowance (April 2014 prices)
2019-20	£5.5k	£0
Total	£5.5k	£0

¹ SONI Licence, Annex 1, Definitions, p176-177.

² See p6, para 1.14 of TNPP Guidance.

Should you have any comments, queries or issues regarding this letter, feel free to contact Jody O'Boyle.

Yours sincerely,



Tanya Hedley
Director of Networks

CC Alan Campbell (SONI)
Sarah Friedel (SONI)