

Alan Campbell SONI Ltd Castlereagh House, 12 Manse Road, Belfast, BT6 9RT

25 September 2020 Ref: NET/E/TH/269

Dear Alan

Request that the Authority¹ consent to extend the Condition 25(7) date for the Connection Offer Timelines for Connection Application for EP Kilroot OCGT GT8 ("the Application")

Thank you for your letter of 11 September 2020 ("the Letter").

We treat the Letter as a request (under Condition 25(5) of SONI's TSO Licence ("the **Licence"**)) seeking the Authority's consent to extend the time required to issue the Connection Offer to EP Kilroot Limited ("**EPKL**") for its OCGT GT8 project from 27 September 2020 to 1 <u>December 2020</u>.

Condition 25(5) of the licence obliges SONI to offer terms to connect in respect of the Application as soon as practicable and in any event within the period designated in Condition 25(7), save where the Authority consents to a longer period. Condition 25(7) provides that the designated period is 3 months from receipt of the Application.

SONI received a transmission connection application from EPKLfor the OCGT GT8 project on 12 June 2020. SONI assessed the application and following the provision of additional information and payment of the relevant connection application fees, deemed this to be valid on 29 June 2020. The application requests a total Maximum Export Capacity ("MEC") of 299 MW. Accordingly, absent the Authority consenting to a longer period (in accordance with Condition 25(5) of the Licence), SONI is obliged to offer terms of connection in respect of the Application as soon as practicable and in any event prior to 27 September 2020.

SONI requests that the UR consent to that period being extended to the longer period of <u>1</u> <u>December 2020</u>.

¹ In this letter "we", "the UR", and "the Authority" are used interchangeably to refer to the Northern Ireland Authority for Utility Regulation.

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Our consideration of the SONI request for a consent to a longer period ("the **Request**")

In the Letter SONI confirms that its submission of the Construction Application (in respect of the Application) to NIE Networks Limited ("NIE Networks") (in NIE Network's role as the Transmission Owner ("TO")) has been delayed due to certain factors/developments. These factors/developments have caused SONI to require more time to assess relevant connection options and complexities. Factors/development relied on in making the Request which have caused the delay in making the Construction Application are set out in the Letter as follows:

(i) Studies to assess the impact of GT8 on transmission fault levels showed that when assessed against the information available to SONI at that time for equipment ratings in Kilroot 275kV substation, some equipment required reinforcement. This included busbars, supports and switchgear. Consequently, SONI sought confirmation from the TO on the ratings to ensure that the Least Cost Technically Accepted ("LCTA") connection arrangement was offered for the connection of GT8. Due to the age of some of the equipment at the site, the TO needed to contact the original equipment manufacturers for this information. The TO were able to provide further detail mid-August 2020 that allowed SONI to then carry out further analysis. This uncertainty and the need to request the further technical detail from the TO meant that there has been a delay to SONI Construction Application² to the TO, which in turn has an impact in the overall Connection Offer timeline.

In the Letter, SONI proposes (as already indicated) that the UR consents to the Condition 25(7) period being extended in the circumstances to 1 December 2020. The Letter confirms that SONI will endeavour to make an offer of terms to connect for the Application sooner than this "if possible" and they note that there remains unknown and potentially unforeseen impacts of the ongoing Covid-19 pandemic in relation to the connection offer process including, but not limited to, availability of key staff both within SONI and NIE Networks.

In considering the Request the UR has had due regard to further clarification offered by SONI in respect of the matters set out in the Letter. The UR has also had regard to the input of relevant stakeholders. This input has taken the form of engagement between SONI, NIE Networks and EPKL (the applicant for the Application) in relation to the Request. This engagement is set out in Annexes to the Letter. The UR recognises that NIE Networks has raised no objection to the Request. EP KL have stated "Unfortunately given the timescale for response EPK are not in a position to provide a formal response at this time and so will remain silent on this matter."

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² Construction Application for GT8 is now due to be submitted on 9 October 2020.



Decision on the Request

Having considered the matter fully, and taken all relevant matters into account, the UR hereby confirms that it <u>consents to the Request</u>. Accordingly, the period provided by virtue of Condition 25(7) – in respect of the Application - is hereby extended to the longer period of <u>1 December 2020</u> subject to the requirement that is a "*long stop*" date. Accordingly the obligation under Condition 25 of the Licence is (now) to offer terms of connection for the Application "<u>as soon as practicable</u>" and "<u>in any event no later than</u>" 1 December 2020. SONI's connection obligation (under the Licence) is not (now) simply to offer connection terms by 1 December 2020.

The UR notes that SONI has recognised this in its statement that it shall endeavour to make an offer of terms to connect before the new (extended) date "if possible". SONI will of course be mindful of its actual Licence obligation in this regard.

Yours sincerely,

Tanya Hedley

Director of Networks

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