

Connection arrangements for offshore generation update.
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1 Introduction

Following a review and feedback from interested stakeholders the Utility Regulator is issuing this clarification notice with respect to sections 1.10, 1.11, 4.5, 4.10 and 4.11 of the Connection Arrangements for Offshore Generation next steps paper published on the 23rd December 2013¹. In particular we wish to clarify two main issues:

- Planning approval and the connection process;
- Information associated with distribution or grid code changes

2 Planning approval and the connection process

With respect to section 1.11 and 4.5, statute law obliges NIE to connect parties requesting access to the electricity distribution system in NI unless certain exemptions apply. NIE is required under its licence to produce a charging statement and not to unduly prefer or discriminate against any person or class of persons. Under NIE's licence, the Utility Regulator approves the form of this statement, not the indicative costs contained within it or any policies, subsidiary documentation or application forms that NIE creates to implement the charging statement.

The Utility Regulator is the dispute body for connection issues i.e. to the extent to which an applicant believes that NIE has been in breach of its Licence conditions, the applicant may raise this matter with the Utility Regulator.

None of the documentation that we approve obliges the applicant to obtain planning permission before submitting the application. However, it is worth noting that the physical connection cannot be made without all necessary statutory consents being in place and that NIE's policy includes the requirement for planning approval within its connection application process documents but these documents do not require regulatory approval.

NIE's policy has been adopted for the purpose of ensuring that applications are bona fide and that scarce network capacity is not reserved for projects that may not proceed. This policy has been in place for in excess of ten years and has been accepted by industry participants as good industry practice.

With reference to paragraph 4.5 we would clarify that it is NIE (DSO) and SONI (TSO) policy to require planning approval for a development before a connection application is made.

¹http://www.uregni.gov.uk/uploads/publications/Connection_Arrangements_for_Offshore_Generation_Next_Steps_Paper.pdf

Additionally, the Electricity (Northern Ireland) Order 1992, Article 20 paragraph 3 highlights information that a distributor may reasonably request regarding a connection:

(3) The person requiring a connection shall also give the distributor such other information in relation to the required connection as the distributor may reasonably request.

As part of its policy for Generation Connections (G59), NIE requires planning approval prior to an application for connection being made by a developer. The only exception to the requirement for planning permission is where the proposed generation project complies fully with Permitted Development rules and the applicant confirms this in writing at the time of application.

In introductory section 1.10 and then more specifically in, 4.10 and 4.11 the paper stated;

4.10 We intend to remain with the principle of determining the Firm Access Quantities based on connection application date for both on- and off-shore generation.

The requirement for planning approval before connection application underpins paragraphs 1.10 and 4.10.

4.11 For the avoidance of doubt, should the connecting party revise any of the information specified in the Grid and/or Distribution code during the application process, the application date becomes the date on which the final information is provided. This is consistent with other forms of generation and is in line with our statutory duties.

3 Information associated with distribution or grid code changes

The Utility Regulator also wishes to clarify that if information required by Grid Code or Distribution Code during the application process requires changing this does not necessarily mean that the application date changes as was previously stated.

For transmission connected generators, their original Connection Application Date, which determines their place in the queue for Firm Access will only change if there was a change in a generating units Maximum Export Capacity (MEC). In this instance the incremental change to the generating units MEC will be required to have a separate Connection Application Date and join the queue at a later date.

This process is detailed in the joint “SONI/NIE Generator Connection Process, Allocation of Transmission FAQ in N Ireland and ITC Methodology to determine FAQs” decision paper published in July 2013².

If the generating unit is connected to the distribution network then NIE shall assess the materiality of any proposed change on its connection. In some instances NIE may require the parties Connection Application Date to change, resulting in it moving down the generation queue. Or in other cases NIE may require that any incremental export value requested have a separate Connection Application Date resulting in it moving down the generation queue.

For the avoidance of doubt, the “Offshore Connections Next Steps Paper” does not propose or intend any changes to the existing onshore connection arrangements.

²<http://www.soni.ltd.uk/media/documents/Consultations/Generator%20Connection%20Process%20Decision%20Paper%20-%20July%202013.pdf>