

Roger Henderson
Network Assets Director
Northern Ireland Electricity Networks
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25 February 2021

NET/E/TH/319

Dear Roger

Tamnamore & Tandragee Shunt Reactors: Construction Allowance Determination

This letter sets out the Utility Regulator's decision in respect of Tamnamore & Tandragee shunt reactors construction costs under paragraph 4.34 of Annex 2 of the NIE Networks Transmission Licence.

Our decision takes account of the information provided to us in your submission of 21 August 2020 and the subsequent query process.

We have determined an additional allowed CAPEX amount (ACTR_Xt) of £2,139,306 (2019/20 price base) for the works as profiled below.

		Expenditure Profile	
	Total Cost	FY 20/21	FY 20/21
Pre-construction Works	2,139,306	391,389	1,747,917

We will publish the decision by uploading it to our website and including it in the public register required under Article 57 of the Electricity (Northern Ireland) Order 1992.

Under paragraph 4.35 of Annex 2 of the NIE Networks Transmission Licence the Utility Regulator may make a determination subject to conditions with which the Licensee shall be required to comply, including conditions as to the monitoring, audit and reporting in relation to the project. In respect of this determination the Licensee shall, in addition to ongoing RIGs reporting, maintain records of costs in sufficient granularity to provide a report, or reports, of costs against the headings identified in the submission of 21 August 2020 and shall report these costs to the

Utility Regulator on request. This will provide the Utility Regulator with additional information and experience which will help inform future decisions of this type.

Yours sincerely,



John French
Chief Executive

Cc Jonathan Pollock (NIE Networks)
Carl Hashim (NIE Networks)
Tanya Hedley (UR)
John Mills (UR)
Paul Stewart (UR)
Alan Craig (UR)