

CALL FOR EVIDENCE SONI EVALUATIVE PERFORMANCE FRAMEWORK

NIE Networks' Comments on SONI's
2024/25 Forward Work Plan

7th November 2024

NIE Networks welcomes the opportunity to respond to the Utility Regulator's (UR) Call for Evidence on SONI's 2024/25 Forward Work Plan (FWP) as part of the Evaluative Performance Framework.

1. INTRODUCTION

NIE Networks is the owner of the transmission system, and the owner and operator of the distribution system in Northern Ireland. We have a significant interest in SONI's future plans for the transmission network and the potential impact on our own activities. NIE Networks and SONI have a duty to co-ordinate their activities and work in partnership as detailed in the Transmission Interface Arrangements.

We congratulate SONI on the introduction of a new executive and management structure in 2024, whilst progressing many of the items outlined within the FWP. We also welcome the efforts by SONI in the establishment of its Price Control Challenge and Advisory Group which will be critical in ensuring that the SONI price control delivers for the people of Northern Ireland.

We continue to work in partnership to develop SONI's Transmission Investment Plan (TIP) and Transmission Development Plan for Northern Ireland (TDPNI). We expect to carry out increased activities between the two companies this year as a number of key projects move through various approval stages and to construction.

We are pleased to report that the progress on the Grid Delivery optimisation project has been a huge achievement over the past year. This work will bring significant insights to the delivery plan for the TDPNI and how best to optimise resources and outages along with dealing with any unforeseen impacts. This work is an example of how the companies can work together to achieve important outcomes for NI.

2. GENERAL COMMENTS

We are fully supportive of SONI's engagement approach for grid projects and agree that early engagement with stakeholders will be critical for successful project delivery, however, this alone will not be sufficient.

We agree with the need to distinguish between BAU and non-BAU activities in SONI's Forward Work Plan to provide clarity as to what activities are being assessed through the Evaluative Performance Framework (EPF). However, the current approach has resulted in an inconsistent approach to the inclusion of transmission projects, which are due to meet significant milestones within the timeframe of the 2024-25 FWP. More detail is included in our response to SONI's Role 3 in this document. For completeness and ease of access to information, it may be more appropriate to include all work, but differentiate between BAU and non-BAU, rather than exclude it from the document.

In general terms, the document would be more user friendly and easy to navigate, if it was published as a single searchable document. It is difficult to compare this FWP against previous years. For transparency, NIE Networks also thinks it would be beneficial to include a section explaining what has been changed, removed or added since the previous FWP (e.g. Long Duration Energy Storage). Some explanatory commentary would be helpful i.e. based on customer feedback or another reason. It would also be appropriate to acknowledge the additional work completed by SONI during the previous FWP, that arose during the year and was not previously accounted for.

We are pleased to see the planned engagements over 2024-25 and are keen to flag that NIE Networks should be a key engagement partner on a number of these items: Shaping our Electricity Future Advisory Council, Tomorrow's Energy Scenarios Northern Ireland (TESNI), and the Dispatch Down working group. To date NIE Networks has not been involved in any activities related to the Future Energy System Shared Paper (FES) but has been listed as a "relevant organisation to be engaged". We do not feel that this is sufficient to represent the role of NIE Networks in Northern Ireland's journey to Net Zero and the importance of collaboration and data sharing needed to achieve this ambitious goal. We do note that engagement between the two companies has continued to improve, and we welcome the considerable effort by SONI to engage NIE Networks on several workstreams before consultations are published.

We are pleased to see that some of our feedback around Performance Measures has been taken on board. However, we note that our feedback on further KPIs around system outages, which we feel are important for SONI to be measured against for transparency in all its roles, has still not been included or acknowledged. More detail on this is included in our commentary under Role 1 below. We note that in the Panel's last assessment they commented that there was "limited detail on how SONI has incorporated feedback from stakeholders" and think it would be good practice to re-introduce the appendix outlining stakeholder feedback and responses which has not been included this year.

We think the inclusion of the Cost Scales against projects is a good addition to the FWP to give an idea of the scale of project costs, however we still think these costs could be made clearer by splitting out TSO and TO costs. There will be some projects where the TSO work is minimal and there are minimal pre-construction activities however the project itself is still important. We don't feel this information is clear as currently presented and believe that it does not explain the TSO work itself. We would also urge caution against linking cost to importance i.e. low cost does not mean low importance or impact.

3. ROLE 1 - SYSTEM OPERATION AND ADEQUACY

As the Transmission Owner, NIE Networks is very invested in the successful delivery of SONI's role on System Operation and Adequacy. In our previous submissions in May 2022, November 2022 and November 2023, we gave feedback on the suitability of the KPIs in this role. We also gave a suggestion for new KPIs and deliverables that could be used instead as follows:

KPIs

1. % outage availability for maintenance plan
2. % outage availability for asset replacement plan
3. % outage availability for TIP works
4. % outages cancelled
5. E600s approved within agreed timescales

Deliverable

6. All overdue Critical Plant maintenance and Protection Testing to be facilitated within 12 months of being requested
7. T&M requests to be approved at least three days before work is to be carried out

Since the removal of System Availability and SML from its KPIs in 2023, SONI has not replaced them with any other System Operation and availability KPIs. In addition to network development projects, the TIP and TDPNI also include asset replacement and maintenance works identified by NIE Networks. Timely maintenance of existing assets and replacement of end-of-life equipment are essential to maintaining a safe and secure transmission network in the longer term.

We fully acknowledge that system security is crucial and that there are many factors that contribute to the amount of work and number of outages that can be facilitated at any time. We still believe that the KPIs and deliverables we have proposed would not only provide a good framework and service level between the two companies, but they will also deliver against SONI's four outcomes and provide quantifiable KPIs for assessment which support a holistic approach to managing the Transmission Network. We are disappointed that there has not been any engagement on these to progress a suitable solution and note that last year the panel recommended that "SONI reconsiders the range of KPIs in future Plans to ensure that the metrics employed fully measure performance across all Roles and Criteria".

Whilst our response last year outlined concerns about the previous Dispatch Down (DD) target of 10% and how it was measured, we believe the removal of the DD KPI altogether in the 2024/25 FWP is counterintuitive, at a time when high levels of DD are causing a lot of concern within the renewables industry in Northern Ireland. SONI has acknowledged the impacts of high levels of DD through the creation of a dedicated working group and commitment of an action plan to be published in December 2024. Therefore, a KPI linked to DD may be beneficial to focus minds on the importance it has on the industry and our ability to increase energy consumption from renewable sources.

The majority (>80%) of DD YTD has been attributed to constraint, with the N-S Interconnector constraint being the most common binding constraint. The development of a DD KPI (or group of KPIs) should aim to minimise/reduce the impact of DD on renewable generation while enabling SONI to approve network outages required to deliver the significant transmission work programmes required to achieve net zero whilst ensuring that the system remains safe, secure and reliable.

We would highlight the need for NIE Networks to be involved in the DD working group, as dispatch down figures are having a significant impact on investment in renewables in NI and the operation of renewable generation connected to the Distribution System. Consideration should be given to how NI is set up to utilise the renewable generation that is connected and committed to connect using storage, flexible demand and interconnection.

We would highlight the importance of FWP23-01 Future Arrangements for System Services and the need for timely approvals and delivery. NIE Networks has engaged with SONI regarding FWP23-01 FASS, and we note the overlap with the future TSO/DSO operating model. The NIE Networks Flex project is developing a framework for distribution flexibility services, and we are

also considering improvements to the 'instruction set' process which will have impacts on this and other work items. We note under FWP23-08 there is a commitment to the TSO-DSO operations model for Flex and there has been great work between both organisations on this. We note the importance of this work and the timelines being met to ensure delivery of the NIE Networks Flex product in winter 2025.

We previously suggested that an additional project should be included in the plan to transfer the SCADA and Telecoms assets over to NIE Networks. This work is already underway and will extend into future years and should therefore be reflected in the FWP when the full direction from the UR has been received from both companies. Additionally, under FWP012, affected SCADA & Telecoms assets should be included as a refresh for end-of-life assets.

We support the development of new Control Centre Tools to improve the operation of the transmission system. If the implementation of a new or updated Control Centre Tool is going to alter the operation of customers connected to the Distribution System, or have an impact on communication links between the Transmission and Distribution Control Centres, NIE Networks should be consulted, given time to assess the impact and advise of any remedial works/actions required, at a suitable stage in the development process.

4. ROLE 2 - INDEPENDENT EXPERT

We look forward to the outcome from FWP24-06 Publish System Needs Assessment. We see the increasing need for this work to inform the overall strategy for Net Zero for Northern Ireland, especially for offshore wind development. NIE Networks has provided data to enable this assessment, however we would highlight our desire to be more involved in the process from the outset and throughout, to ensure alignment in forecasting, etc. Our early involvement will avoid sub-optimal outcomes developing that are not aware of distribution network impacts.

We have previously suggested that a working group should be established for 80% RES-E to look at the strategy around how the transmission and distribution systems will deliver this most efficiently. There has been no progress in the establishment of this group, and we are disappointed that it has not been included in this FWP. The lack of NIE Networks involvement in FWP25-11 Future Energy System Shared Paper (FPS) is also disappointing, and we feel it undermines the importance of NIE Networks' role in the Northern Ireland electricity system (and whole energy system). This omission ignores the large amounts of data and expertise NIE Networks could provide. The membership and scope of this group could be reviewed to ensure it is able to deliver on the stated objectives, or another group could be established to consider the whole system (however, this should not be duplication of work and resources). We note the Panel last year also commented on 'system wide' and 'whole system' issues and the nature of collaboration required from a range of stakeholders in these areas too, including NIE Networks.

This year, NIE Networks and SONI have established a Joint Project Management Office (JPMO) to oversee and manage all transmission projects on the network (more detail under Role 3 - System Planning). Throughout this work SONI has commented that the input of NIE Networks into earlier stages of project development has been hugely successful in developing the best solutions for the network. This is evidence of the progress that can be made when all relevant parties and stakeholders are engaged early and in an open-minded way and we would welcome this approach across the strategy groups outlined above.

NIE Networks has fed into the SONI Landowner Charter (FWP25-02) and welcomed the opportunity to contribute to the successful publication of the Charter. NIE Networks is also developing a Distribution Landowner Charter to provide end to end guidance for all landowners impacted by electricity network assets.

NIE Networks welcomes the transparent and collaborative approach that SONI is taking towards its upcoming price control. In particular, we consider that the ongoing engagement with the SONI Price Control Challenge and Advisory Group will be of particular benefit in helping to ensure the SONI business plan submission delivers balanced outcomes for the people of Northern Ireland. We are looking forward to continuing to engage as part of this group and see how the Group's input shapes the SONI submission.

We would comment that work on FWP23-23 TSO-DSO Operating Model has been going well and there has been continued significant engagement and progress between both companies. We note under FWP23-08 there is a commitment to the TSO-DSO operations model for Flex and there has been great work between both organisations on this already. We note the importance of this work, and we welcome the inclusion of a performance measure for SONI to ensure delivery of the NIE Networks Flex product in winter 2025.

As previously stated, NIE Networks needs to be involved in the proposed DD working group, as dispatch down figures are having a significant impact on investment in renewables in NI and the operation of renewable generation connected to the Distribution System.

5. ROLE 3 - SYSTEM PLANNING

NIE Networks will continue to work with SONI to progress the projects outlined and agreed in the TDPNI and TIP. It is important that the timescales outlined are achieved as we note that a number have already slipped from the last FWP milestones.

We welcome the inclusion of FWP 25-04 Transmission Clusters Policy as a new project in this FWP. We have been working closely with SONI in the development of this policy to reflect our own learning from Distribution Clusters and their development as well as keeping SONI updated on the changes being proposed by NIE Networks on Distribution Clusters due to recent developments. This will be an important piece of work for net zero in Northern Ireland and continuing to efficiently connect generators to the system to achieve 100% RES-E.

We welcome the inclusion of FWP 25-06 Transmission nodes at/reaching capacity and have been working with SONI to identify constraints and possible solutions. We believe this work needs to be comprehensive (to consider electrical and physical limitations) across the whole network and deliver agreed short, medium, and long-term strategies for creating more capacity in areas of concern. This should look at non-traditional methods as well as traditional methods to increase capacity.

We also consider that increased transparency should be included within the transmission investment planning process. Similar has been in place in NIE Networks and other UK Distribution Networks Operators for multiple price controls, in the form of Load Indices, and has facilitated stakeholders and the Utility Regulator to assess the level of current and future network utilisation, appropriateness of the need cases presented and benchmarking against similar networks. Whilst typically used by distribution network operators, it should be noted that this includes the 132kV network in Great Britain and as such it is entirely appropriate that the 110kV network (i.e. Bulk Supply Points) is included in the Northern Ireland context. NIE Networks is happy to support SONI in the establishment of this process.

We note that, as a whole, the Role 3 FWP has been significantly scaled back when compared with previous years which is at odds with the recognised and growing volume of work/projects in this area. While we welcome the inclusion of new projects, we are concerned that there are many more projects in flight which have been omitted from the FWP, including but not limited to major renewable enabling projects such as Mid-Antrim Upgrade or Moyle Interconnector Capacity Increase seen in previous FWPs. We are unsure if this is due to some being classed as BAU or for other unknown reasons.

We would query how EPF can fairly assess SONI's performance when not all projects are included in the FWP, as this could result in projects which are included becoming prioritised to the detriment of projects omitted from the FWP with no overall net outperformance.

Accordingly, we would welcome clarity on the criteria used to include or omit projects and milestones from SONI's FWP. We would also recommend that a summary table (with progress against KPIs from the previous year) is also included going forward. This would support comparison between FWPs as projects and follow-on milestones from the FWP 2023-24 have been omitted for this year's FWP.

We welcome SONI's inclusion of intermediary milestones such as securing landowner agreements and options to purchase, in addition to TNPP submission and issuing TPI to NIE Networks. This is important because 1) milestones such as securing land agreements and options are crucial for project progression; and 2) without intermediary milestones there can be a significant period of time between TNPP and TPI (for instance) making tracking project progress challenging. In using intermediary milestones, it is important they are applied consistently across all projects where possible.

Based on the above, we have therefore provided commentary on the projects included within the FWP below and outlined those which we feel should also be included in a separate table reflecting SONI's approach to milestones. However, NIE Networks would recommend that all live projects have a minimum of one milestone and KPI per FWP.

Regarding FWP25-08, the establishment of a Joint Programme Management Office between NIE Networks & SONI (FWP23-26 in SONI's 2023/24 FWP) has been a significant piece of work undertaken by both companies. This work has progressed to a stage where we have a single programme for all transmission works within the TDPNI, TIP, known connections as well as those agreed in NIE Networks RP7 price control for asset replacement. We are now jointly working through outage and constraint mapping to identify ways to reduce bottlenecks in the plan and maximise the work that can be safely delivered on the system.

We would welcome further engagement on performance measures and timescales for FWP25-08 as it has not yet been agreed between SONI and NIE Networks. A similar KPI was included in the 2023-24 FWP (FWP 23-26) to update stakeholders on the Joint Programme, early in 2024, which was over ambitious.

PROJECT	ITEM	TARGET DATE	COMMENT
FWP25-05- Limavady	Submit TNPP	October 2024	TNPP submission is an appropriate milestone to track against however we understand this one will be closer to December 2024.
FWP027- Energising Belfast: Castlereagh - Hannahstown	Secure options to purchase substations	March 2025	We note the KPI for securing options to purchase two substation sites was included last year with a timeline of March 2024. For consistency in project reporting, we would suggest landowner consents are not tracked KPIs on projects or are tracked against all projects as this is not done on others such as Mid-Antrim.
	SONI to issue TPI to NIEN for the post connection works at Finaghy	July 2025	To provide clarity on the scope of this TPI it would be better described as in relation to 'Castlereagh IBTx4 connection, construction of new Hannahstown B 275 kV diagonal, and Finaghy Main Construction works (post-connection of IBTx4)'.
FWP25-08- Airport Road	Landowner agreement secured	October 2024	We note the project code has changed since last year (was FWP028) - we are unsure why this has happened. We note that securing of landowner agreements was included in last year's FWP with a deliverable of Jan 2024. Landowner agreements are not tracked as KPIs consistently against all projects.
	TPI issued to NIEN	July 2025	We note there will have to be a second TPI for Rosebank/OHL works if NIE Networks don't receive a TPI for the whole project This is not included as a deliverable.
FWP026- North South	Issue TPI to NIEN	October 2024	TPI issue to NIEN is a useful milestone to track against consistently across all projects. We note there is no KPI included against this project for landowner consents. We note that an energisation date of Q1 2029 is contained within Appendix 3. Due to the cross jurisdictional nature of this project and the fact that a significant amount of landowner access in both jurisdictions will be agreed through compulsory processes, there is uncertainty on how long this process will take and as such it is difficult to determine its duration and subsequently an accurate date for project energisation. NIE Networks and SONI are working collaboratively with all stakeholders in NI and RoI to progress this project.

We would suggest that the following projects and milestones are missing from FWP. As a minimum we think these should be included for consistency across all project reporting as they occur over this FWP period:

PROJECT	ITEM	TARGET DATE	COMMENT
Carrmoney-Eden Reinforcement - Phase 1 (Glengormley 2nd Tx)	Issue TPI to NIEN	December 2024	Was included in last year's FWP (FWP036) - we are unsure why it has been removed this year.
Energising Belfast - Phase 1 Part 1 -(Dangerous Clearances, Castlereagh 110kV and 275kV Pre-Con, Finaghy Enabling)	Issue TPI to NIEN	September 2024	
Larne Transformer Replacement	Issue TPI to NIEN	January 2025	
Mid-Antrim Upgrade	Secure option to purchase site for substation development	May 2025	If securing of sites is to be included across all projects this project should be included.
Armagh & Drumnakelly Reinforcement	Submit TNPP	October 2024	Was included in last year's FWP (FWP037) - we are unsure why it has been removed this year.
Mid-Tyrone Reinforcement	Submit TNPP	December 2024	Was included in last year's FWP (FWP033) - we are unsure why it has been removed this year.
Kells/ Coolkeeragh 275kV Redevelopment	Submit TNPP for Kells	March 2025	Was included in last year's FWP (FWP030) - we are unsure why it has been removed this year.

The regulatory approval process for transmission infrastructure in Northern Ireland has helped to deliver a number of critical infrastructure projects over the last decade. The process necessitates that each individual project is brought forward to the Utility Regulator for three separate approvals prior to any construction commencing. Whilst applicable for a small number of projects, NIE Networks considers that this process is no longer fit for purpose considering the length of time that each project spends receiving regulatory approval (typically 1 year per project) and the overall step increase in transmission infrastructure projects required over the next decade. For this reason, as part of the RP7 price control process we requested a full review of this process, with a view to streamlining and accelerating. It should be noted that this aligns with the findings of the Nick Winser report in Great Britain¹.

Unfortunately, a full review of the regulatory approval process was not instigated by the UR as part of the RP7 process; however, we strongly encourage SONI to include proposals within its price control design, specifically with respect to their Transmission Network Pre-construction Project (TNPP) step, which will enable the acceleration of transmission infrastructure projects in Northern Ireland. We would suggest that the process needs to be more reflective of the different scales of projects, rather than a one size fits all approach.

¹ [Accelerating electricity transmission network deployment: Electricity Networks Commissioner's recommendations - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/accelerating-electricity-transmission-network-deployment)

It might be also appropriate to include a new deliverable for SONI to work with the UR and NIE Networks to suggest a more streamlined TNPP and approval process given the size of the work pipeline in the coming years. Noting the NIE Networks submission to the UR as part of the RP7 process.

In our November 2022 submission in relation to SONI's 2022/23 FWP we suggested "SONI should consider a more reflective KPI for TNPP submission dates within +/-X weeks of the FWP timeline date". Given the number of transmission projects SONI has identified in the coming years, we think this should be given consideration again. A KPI in relation to TNPP submission or issuing of TPI would highlight the importance of timely progress on these important projects.

6. ROLE 4 - COMMERCIAL INTERFACE

NIE Networks continues to work closely with SONI to support its processing of connection applications. SONI also fulfils a role in NIE Networks' connection process, by providing confirmation of whether there is transmission capacity for export applications to the Distribution Network. The timely delivery of this information is essential to ensure NIE Networks meets its license obligations to issue Connection Offers within 3 months.

The volume of transmission connection applications that SONI will receive in the coming years will be a complete step change from what it has experienced in the past. For context, there are over 30 renewable generation projects totalling around 2.7GW in the planning and pre-planning pipeline, each sized greater than 50MVA and so would require a transmission connection. Adequate resources will be required to meet the license timescales to issue these offers, even if only some of it materialises.

We note FWP25-07 Firm Access Quantity (FAQ) Methodology, is included in Role 3 (System Planning) of the FWP, however this project is more aligned to Role 4 (Commercial Interface) as the methodology for assessing FAQ and the timely delivery of the reports has a large commercial impact on all customers (transmission and distribution connections). SONI is responsible for issuing FAQ/Associated Transmission Reinforcement (ATR) reports to generators connecting to the Distribution System. This report has commercial impacts on these generators and is a very important piece of information when making investment decisions.

There is currently no obligation on SONI to provide the FAQ/ATR report to generators in a timely manner, and experience has shown, that in many cases, the customer has not received this report by the time they have to accept their Connection Offer.

We have previously suggested that a KPI could be included for timely responses to customer queries from SONI, i.e. FAQ reports and Transmission Capacity requests. Considering the commercial importance of this information (particularly in the context of high levels of DD) and with an increasing pipeline of customer connections up to 2030 we think this merits further consideration. This has not been responded to by SONI since our previous submissions and would be a useful and tangible KPI for the panel's assessment.

We note the removal of items relating to Long Duration Energy Storage (LDES) without explanation. We are aware of ongoing development of a procurement model in this area by the TSOs and policy discussions with DfE and UR. Again, we would refer to our general remarks at the start of our response for the inclusion of a section to outline progress against previously listed projects along with an explanation for their removal when this happens.

SUMMARY

We are fully supportive of SONI in its efforts to improve the FWP documentation and on the delivery of the specific projects included within it, noting our comments on projects omitted.

- The inclusion of NIE Networks in key projects e.g. (FWP25-12) Dispatch Down and FWP25-11 Future Energy System Shared Paper (FPS)
- Completeness of information included (BAU and non-BAU) with clear identification as such. And transparent tracking of items added/removed since the previous plan.
- Consistency of projects included – aligned with project milestones e.g. TPI submission
- Development and inclusion of relevant KPIs across all roles



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