

CONSULTATION PAPER SONI CONNECTIONS POLICY CONNECTION OFFER PROCESS

NIE Networks' Comments on SONI's
Connection Policy

9th December 2024

NIE Networks welcomes the opportunity to respond to SONI's Consultation Paper on SONI's Connection Policy and Connection Offer Process.

NIE Networks is the owner of the transmission system, and the owner and operator of the distribution system in Northern Ireland. NIE Networks' role in SONI's connection offer process is mandated in Condition 20 of NIE Networks Transmission Licence agreed between both companies and detailed in the Transmission Interface Arrangements (TIA).

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. NIE Networks and SONI have a duty to co-ordinate their activities and work in partnership as detailed in the Transmission Interface Arrangements.

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. Based on analysis of data provided to us by Renewable NI, 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 support SONI in pursuing modifications to its Connections Policy and the necessary changes to the Transmission Connection Charging Methodology Statement (TCCMS) where it improves the process, whilst remaining compliant with relevant obligations and standards.

Alignment of connection policy and charging at transmission and distribution drives benefits through the efficient allocation of scarce network capacity. Some of the modifications proposed by SONI bring the transmission connection policy more closely into alignment with the existing distribution connections policy¹.

NIE Networks welcomes the consideration of a move towards a more plan led approach and would encourage proactive engagement with NIE Networks on this as the distribution network will play a critical role.

It is important to note that changes to the TCCMS may drive the need for changes to the NIE Networks' Transmission Charging Statement² (TCS). The change process for the NIE Networks' Transmission Charging Statement is independent of the change process for the SONI Connection Policy and Connection Offer Process and the TCCMS. Changes to the NIE Networks' Transmission Charging Statement are subject to approval from the Utility Regulator (UR) and normally take effect one month from the date of approval. For transparency, it would be beneficial to clearly identify which proposed changes can be progressed without the need for changes to the TCCMS, and approval by the UR.

As a point of correction, the flow chart of Page 4 incorrectly shows NIE Networks (TO) making a Construction Offer to SONI ahead of SONI submitting a Construction Application to NIE Networks (TO).

As written, the SONI Connections Policy document seems to focus on the connection of generation to the transmission system. As a result, some of the pre-application criteria i.e. Route to Obtaining Licence, cannot be achieved by potential demand customers and will need to be considered.

On page 6 SONI sets out that they will only accept Connection Applications for projects that can currently obtain the relevant licence from the Utility Regulator. We agree with the principle that SONI will only accept applications for projects that can obtain a relevant licence from the UR to prevent capacity hoarding for projects that cannot be actualised. We think it would be beneficial for the criteria and timing to obtain a relevant licence to be detailed for developers to make this more transparent.

¹ [Distribution Generation Application and Offer Process Statement](#)

² [transmission-charging-statement](#)

It is not uncommon for NIE Networks to receive multiple applications for the same generation connection, usually to obtain connection through zero export arrangements first before later adding export capabilities to the network. Importantly however, it is NIE Networks as the DNO/DSO who determines the point of connection and the connection voltage for any connection based on the most efficient and/or Least Cost Technically Acceptable (LCTA) design³.

NIE Networks has well established queue management principles in place for generation connections that is able to manage this scenario. For example, an initial export application for 250kW and a subsequent application to increase the export to 300kW (an additional 50kW export). NIE Networks would position the 250kW export and the 50kW export in their individual positions in the queue, with all intervening applications queue in between, this ensures the correct assumptions for connection design and capacity is allocated correctly. This would result in a single agreement, containing the relevant information of both individual applications, and our internal systems are set-up to enable this process.

An applicant being unable to accept more than one Connection Offer for the same project i.e. from the TSO, DNO or Other TSO⁴, is not currently a condition of an NIE Networks' Connection Offer or Connection Agreement. If SONI wish to progress this further, it is essential that SONI engage with NIE Networks (and the Other TSO) on this matter. A process for SONI to crosscheck with NIE Networks (and the Other TSO) for each of the Transmission Applications received, will also need to be established.

We note the change in approach proposed regarding the two-stage payment of Application Fees. The two-stage payment approach is replicated in the payments required from SONI to NIE Networks for the production of a Construction Offer. If this process is changed in the TCCMS, similar changes may be required to the NIE Network's Transmission Charging Statement. Processes will also need to be developed to deal with the situation that an application is withdrawn ahead of a Connection Offer being issued.

SONI has proposed changes to how connection offer amendments and modifications will be treated, and outlined where this is 'material' it will be treated as a new application. It should be noted that where an amendment is made to a Connection Application that results in a change to the Construction Application, NIE Networks may require SONI to pay a fee to enable NIE Networks to recover the costs of producing the Construction Offer, as per the NIE Networks' Transmission Charging Statement. The decision on whether to levy a fee will depend on the materiality of the change to the application. The materiality of the change may also impact the previously agreed timelines for NIE Networks to issue a Construction Offer to SONI. Noting that the nature of the change and the timing of the change will have a direct impact on how NIE Networks' decision on materiality.

As SONI develops the changes to the TCCMS, we would encourage early engagement with NIE Networks so we can consider the need for changes to the NIE Networks' Transmission Charging Statement.

We acknowledge the change in approach to the Relevant Consent for a project. The proposed approach of Relevant Consent being required 30 days post offer acceptance or 210 days post the application being effective, aligns more closely with the NIE Networks Planning Approval Milestone⁵ than the current SONI approach of Relevant Consent being a condition of offer acceptance.

NIE Networks is supportive of the temporary amendment to the policy proposed for offshore connection applications. This is because of the unique situation that potential offshore developers are currently facing in Northern Ireland, and the widely accepted role that offshore renewable generation must play in Northern Ireland's road to achieving 2030 targets. At this time, we don't see the need to have a similar amendment for connections to the Distribution System, as the same unique situation does not apply. We will review this decision if necessary.

³ Section 6.8 of the [NIE Network's Statement of Charges for Connection to the Northern Ireland Electricity Networks' Distribution System](#) explains circumstances when the LCTA may not be offered.

⁴ "The holder of a licence granted pursuant to Section 14 of the Electricity Regulation Act 1999 in the Republic of Ireland to operate a Transmission System" as defined in the SONI Grid Code.

⁵ The NIE Networks Planning Approval Milestone applies to all Generating Unit applicants seeking new or modified MEC, and requires planning permission or relevant consents to be achieved no later than 120 days from the date of the Terms Letter.

SONI states the Firm Access Quantity (FAQ) will be assessed in line with established processes that were previously consulted upon and references the joint NIE Networks and SONI Alternative Connection Application and Offer Process Proposal Decision Paper (ACAOP), published in 2016. We do not believe it is correct to reference this document for the following reasons:

1. The Relevant Consent referenced in the FAQ section of ACAOP do not align with the new proposals in the SONI Connections Policy document.
2. Subsequent to the publication of ACAOP, SONI and NIE Networks have published updated policies that supersede all other aspects of the ACAOP and therefore the FAQ section no longer makes sense i.e. it references Phase 1 applications, and Category B applications (which limits over-install to 120%, and this is no longer the policy for Distribution connections⁶).
3. The FAQ methodology is not contained within the ACAOP document.

It would therefore be appropriate to reference another published document detailing the FAQ processes, or for complete transparency, include them within this policy document.

NIE Networks welcomes the changes proposed by SONI to make improvements to the Transmission Connection Process to better suit the changing connections environment. As noted throughout our response there are some considerations on changes to the TCS and TCCMS which will be required as a result and we would suggest a forum is established between the two companies to work through the final agreed changes from the consultation.

⁶ [NI Over Install Decision Paper For Final Review](#)



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