

# SONI's Draft Transmission Development Plan for Northern Ireland 2021-30

Consultation Paper 23<sup>rd</sup> May 2022





# **About the Utility Regulator**

The Utility Regulator is the independent non-ministerial government department responsible for regulating Northern Ireland's electricity, gas, water and sewerage industries, to promote the short and long-term interests of consumers.

We are not a policy-making department of government, but we make sure that the energy and water utility industries in Northern Ireland are regulated and developed within ministerial policy as set out in our statutory duties.

We are governed by a Board of Directors and are accountable to the Northern Ireland Assembly through financial and annual reporting obligations.

We are based at Queens House in the centre of Belfast. The Chief Executive leads a management team of directors representing each of the key functional areas in the organisation: Corporate Affairs, Markets and Networks. The staff team includes economists, engineers, accountants, utility specialists, legal advisors and administration professionals.



- · Be a collaborative, co-operative and learning team.
- · Be motivated and empowered to make a difference.





#### Abstract

SONI, as Transmission System Operator (TSO), is responsible for ensuring continuity of electricity supply for homes and businesses across Northern Ireland. In order to do so, SONI must plan investment in the transmission network.

The Transmission Development Plan Northern Ireland (TDPNI) 2021-2030 is the proposal for the development of the NI transmission network and interconnection over the ten years from 2021. This plan presents projects that are expected to be needed for the operation of the transmission network in the short and medium-term.

### Audience

This document is likely to be of interest to regulated companies in the energy industry, government, industry groups, consumer bodies, environmental groups and those with an interest in the energy industry and network planning.

## **Consumer impact**

The TDPNI provides clarity to consumers on:

- 1) The drivers of electricity transmission investment;
- 2) The need for action;
- 3) The location and activity of network investment;
- 4) The estimated cost and timing of project completion and
- 5) Tomorrows Energy Scenarios NI
- 6) NI Projects in European Plans and Projects





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# **Executive Summary**

The Transmission Development Plan for Northern Ireland (TDPNI) 2021-2030 is the proposals for the development of the NI transmission network and interconnection over the ten years from 2021. This plan presents projects that are expected to be needed for the operation of the transmission network in the short and medium-term.

The TDPNI will help to achieve the strategic objectives as laid out by national and EU policies. The strategic objectives include:

- a) Ensuring the security of electricity supply;
- b) Ensuring the competitiveness of the national economy;
- c) Ensuring the long-term sustainability of electricity supply.

In accordance with its' licence (Condition 40), SONI must prepare a TDPNI every year. Under Article 22(4) of Directive <u>2009/72/EC</u>, the Utility Regulator (UR) must then consult on the draft TDPNI prepared by SONI.

Last year we published our <u>decision paper</u> and approval of SONI's Transmission Development Plan for Northern Ireland (TDPNI) 2020-2029.

SONI has now consulted upon the <u>Draft TDPNI 2020-2029</u> plan and submitted an updated draft <u>2021-2030 TDPNI</u> including SONIs <u>report</u> in responses to representations received from their consultation, to the UR for consideration. The UR has prepared this consultation paper calling for comment on the TDPNI.

UR welcomes comments on all aspects of SONI's draft TDPNI.

The UR will require SONI to fully consider all comments and suggestions submitted as part of the consultation, before submitting a final TDPNI for approval. The deadline for submitting responses to this consultation is 5pm on 24<sup>th</sup> June 2022.

# 1. Introduction

#### Background

- 1.1 SONI is the independent electricity Transmission System Operator (TSO) for Northern Ireland. As part of its function as TSO, SONI has a licence obligation under Condition 40 to produce a Transmission Development Plan for Northern Ireland (TDPNI).
- 1.2 SONI has consulted upon a draft TDPNI for 2021-30. Results have been considered and an updated plan has been submitted to the UR.
- 1.3 Under Article 22(4) of Directive <u>2009/72/EC</u>, the UR must then consult on the draft TDPNI prepared by SONI. The UR has prepared this consultation paper calling for comment on the TDPNI 2021-30.

#### **Related Documents**

- 1.4 Last year we published our decision paper and approval of SONI's Transmission Development Plan for Northern Ireland (TDPNI) 2020-2029
- 1.5 UR is now seeking views on the SONI Draft TDPNI 2021-2030. This document should be read in conjunction with:
  - a) SONI report TDPNI Consultation Responses;
  - b) Strategic Environmental Assessment (SEA) <u>Environmental</u> <u>Report</u><sup>1</sup>;
  - c) Habitats Regulation Assessment (HRA) <u>Report</u>.
- 1.6 UR welcomes comments / views on all aspects of SONI's draft 2021-2030 TDPNI.

<sup>&</sup>lt;sup>1</sup> The SEA has a five year lifespan and was carried out on TDPNI 2018-2027, related documents associated with the development plan can be found at <a href="http://www.soni.ltd.uk/the-grid/projects/tdpni/related-documents/">http://www.soni.ltd.uk/the-grid/projects/tdpni/related-documents/</a>

#### 2. Overview

#### 2020 - 2029 - Decision Paper

2.1 Last year we published our <u>decision paper</u> on the 2020-2029 TDPNI, on approval we recommended a number of information areas which will need to be addressed in future plans. This included the following:

1) Projects labelled to identify that they are an addition or new project from the previous year's TDPNI

2) Project Capex costs – TSO estimate displayed as well as combined.

3) Detail on new renewable capacity including projected connection dates per project that focus on the net zero targets.

4) Continued monitoring of delivery against planned projects including reasoning for revised completion dates/costs

5) Continued monitoring of estimated versus actual spend on completed projects

6) Continued detail on the economic costs and benefits of certain projects and/or information on constraint problems which provide a context for action.

7) Integration of responsibilities of the TSO regarding grid development that shall be delivered from the New Energy Strategy (Subject to DfE delivery of the New Energy Strategy.

#### 2021 - 2030 Draft TDPNI

- 2.2 SONI's draft TDPNI 2021-30 is the second such plan that they have had to complete. This ten year plan undertakes a variety of functions including:
  - a) Outlines the drivers for network development;
  - b) Details the network investment needs;
  - c) Lists the projects and activity required to address these needs;
  - d) Describes the TSO's planning process;
  - e) Details project information i.e. category, planning area, location, activity, estimated cost and completion date.
  - f) Incorporates Tomorrows Energy Scenarios NI

2.3 The draft TDPNI describes 76 different projects under this plan. Of this, 39 are NIE Networks asset replacement projects, and 37 are network development projects.

Projects by Planning Area and Category							
Project Category	North-West	South-East	Both Areas	TOTAL			
New Build	9	6	0	15			
Uprate / Modify	9	7	4	20			
Refurbish / Replace	0	0	0	0			
Combination/ Other	0	2	0	2			
TOTAL	18	15	4	37			
2021-2030 Network Development Projects							

2.4 On a region and project category basis, the 37 development projects are captured as follows:

2.5 In comparison with last year, some projects have been cancelled, initiated and some projects have been reviewed and consolidated. Either moved from Refurbish / Replace to the Uprate / Modify Category and the Combination/ Other Category.

- 2.6 SONI expenditure on transmission development projects is estimated at £54.2m for the ten year period, of which £12.9 million has been spent already. This figure is the amount SONI state is required to bring projects to the point of handover to NIE Networks. Estimated TO costs associated with these projects are £508.1 million, as stated within SONIs Draft 2021-2030 TDPNI.
- 2.7 Total estimated asset replacement costs over the ten years covered by this plan are approximately £168.9 million, as stated within SONIs Draft 2021-2030 TDPNI
- 2.8 The total estimated cost of all projects described in the TDPNI 2021-2030 is £729.4 million, as stated within SONIs Draft 2021-2030 TDPNI.
- 2.9 To allow for comparison of network development projects on a year-on-year basis, data is represented at a fixed point in time the data freeze date. The data freeze date of TDPNI 2021-2030 was 1 July 2021.
- 2.10 SONI have indicated that there has been a number of changes in regards to a projects status or scope since the data freeze. These are detailed within section 1.7 and section 1.8 of SONIs draft 2021-2030 TDPNI.
- 2.11 In regards to the Strategic Environmental Assessment (SEA), it should be

noted that the SEA has a five year lifespan and was carried out on the TDPNI 2018-2027. The environmental report and shadow Habitats Regulations report are available on SONI's Website<sup>2</sup>. The main findings of these assessments have influenced and are incorporated into the current Plan.

- 2.12 SONI has also produced a report summarising the feedback received from its own consultation. It further details the TSO responses to issues raised and subsequent changes made from the previous version of the TDPNI to the updated plan published alongside this document<sup>3</sup>.
- 2.13 Following consultation, UR intends to consider responses and share findings with SONI. This will help inform submission of a final TDPNI for approval.

#### 3. Next Steps

#### **Consultation Responses**

3.1 The deadline for responses to this consultation is 5pm on 24<sup>th</sup> June 2022. Responses should be sent to:

- 3.2 The Utility Regulator's preference would be for responses to be submitted by e-mail to the above email addresses. We welcome feedback on any aspect of the TDPNI.
- 3.3 Your response may be made public by the Utility Regulator. If you do not want all or part of your response or name made public, please state this clearly in the response by marking your response as 'CONFIDENTIAL'.

<sup>&</sup>lt;sup>2</sup> <u>http://www.soni.ltd.uk/the-grid/projects/tdpni/related-documents/</u>

<sup>&</sup>lt;sup>3</sup> https://www.soni.ltd.uk/media/documents/Report-on-Draft-TDPNI-2021-2030-Consultation.pdf

- 3.4 If you want other information that you provide to be treated as confidential, please be aware that, under the Freedom of Information Act 2000, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential.
- 3.5 Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 and the Data Protection Act 2018
- 3.6 As stated in the GDPR Privacy Statement for consumers and stakeholders, any personal data contained within your response will be deleted once the matter being consulted on has been concluded though the substance of the response may be retained.
- 3.7 This paper is available in alternative formats such as audio, Braille etc. If an alternative format is required, please contact us and we will be happy to assist.