

# **Customer Seminars – April 2013**

## **Questions and Answers**

*The purpose of this document is to share the questions and the answers discussed at the April 2013 Customer Seminars. For information a list of acronyms can also be found at the end of the document. If you should have any comments or further questions then please contact your Customer Account Manager or telephone us on our Customer Hotline on 01926 654634 or send an email to the following address;*

[transmissionconnections@nationalgrid.com](mailto:transmissionconnections@nationalgrid.com)

**1. Will there be a further breakdown of capacity that has been returned to the network following the TEC amnesty and TEC Reductions?**

National Grid will work with the developers who we think can benefit from the additional available capacity on a regional basis. If you think you can benefit from the extra capacity, contact your Customer Account Manager to discuss

**2. How do new developers know where the spare capacity is on the system, especially given the recent TEC Reductions?**

ETYS gives indications of the capacity and transmission reinforcements required on the system. The next version to be published will be updated with the additional capacity from the TEC reductions. The system however is dynamic and is constantly changing, dependant on the amount of applications and offers we receive and send out. The best option would be for developers who are seeking more information on capacity availability to contact their Customer Account Manager and arrange a pre-application meeting to understand the latest position at any one time.

**3. Can National Grid Electricity Transmission produce similar capacity available maps to those produced by the DNOs to give us a starting point?**

Capacity maps are difficult to produce as capacity availability is dynamic and changes frequently. We would always welcome pre-application meeting to understand the latest position at any one time and discuss how your specific projects can be accommodated. In the Transmission Network Quarterly Connections Update there is a section that gives an idea of the likely connection dates in particular regions. However, even within these regions there may be opportunities to connect earlier, or there may be commercial arrangements that can facilitate an earlier connection.

4. **It was mentioned that within Construction Agreements for generators connecting in England and Wales the Wider Transmission Reinforcement Works are in future to be removed from Appendix H and replaced with a reference to the Electricity Ten Year Statement and associated Network Development Policy – why is this not also the case for generators connecting in Scotland? How does this proposal interact with Connect and Manage?**

The RIIO price control is slightly different for each TO in respect of funding arrangements for works covered under Appendix H so it is possible to revise Appendix H for connections in England and Wales but not in Scotland.

With regard to Connect and Manage arrangements these will remain unaffected by this change in approach i.e. where applicable a Connect and Manage Derogation will remain required and works could still in theory move from the Wider Transmission Reinforcement Works classification to the Enabling Works classification if this were not granted.

5. **The 2020 Gone Green scenario states 25GW where previously it stated 31GW. How can we avoid a slow down in Grid investment and therefore a knock on slow down in wind or other renewable project developments?**

There is always going to be changes to scenarios and this represents only 5% / 10% change. Some of the change will be driven by changes in assumptions around embedded renewable generation and changes in the demand profile. The scenarios we use are based upon extensive industry consultation and is therefore a view that is supported by the industry.

6. **CMP212 states that following a CAP48 claim, generators would be paid within 28 days, however, you need to be a registered vendor with National Grid first before the invoice is paid and the registration process is delaying that 28 day payment period. It would be an idea for National Grid to consider a credit transfer of the amounts due to be reflected in monthly TNUoS charges.**

We are aware of the delay in the process and are working to streamline this process and will look into the possibilities of the credit transfer through reduced TNUoS payments.

7. **Does CMP212 also apply to offshore wind generation?**

Yes, however where compensation is not payable this will be reflected in the Bilateral Connection Agreement (charges reflect the level of assets capped at a redundancy premium of 1.8) due to the Security and Quality of Supply Standard offshore network design.

8. **What is the policy on making User choice non-firm Offers?**

The first option is for National Grid to make a fully complaint Offer, following this in post-Offer negotiations, National Grid can discuss User choice, non-firm options and assess all potential risk associated with this. For those users with complaint connection offers that do not suit, they should contact their Customer Account Manager to discuss available options.

**9. Is there a policy around BELLAs?**

Non-firm Offers for embedded generators is challenging due to the DNO and control issue as National Grid does not have an indication of how the DNO network is performing. More clarity will be offered in October, is this is an area we are actively working with the Scottish TOs to resolve.

TOs have proposed active management systems however, some non-firm Offers require intertrip arrangements others require active management by the NETSO control room and having individual solutions for each project would make it difficult to coordinate many different projects. The active management system will provide automated actions against a predetermined set of parameters and export onto the Transmission system will be managed through monitoring load and managing the generation output.

**10. What are the main differences between a BELLA and a BEGA, especially with regard to Appendix F?**

A BELLA does not have access rights and as such is not required to pay use of system charges, whereas a BEGA does have access rights and is required to pay use of system charges. With regard to Appendix F, usually a BELLA does not participate in the balancing mechanism so the respective technical requirements (for example, Trading Point Data Transfer capability and Electronic Despatch and Logging capability) are not included within Appendix F. In the event a BELLA wishes to participate in the Balancing Mechanism then the relevant technical requirements will be added to the Appendix F to allow compliant participation in the balancing mechanism.

**11. Is National Grid considering improvements to the Statement of Works process?**

Yes. A process has recently commenced to explore potential for improvement with Distribution Network Operators for which suggestions – for both quick wins and longer-term improvements – can be suggested and discussed via an industry workgroup planned for Summer 2013. The outputs of the industry workgroup will then subsequently be taken to Ofgem for further discussion in Autumn 2013.

**12. With regard to the proposed intertripping consultation is it intended that the suggested Category 5 and Category 6 intertrips will be uncompensated in a similar fashion to a Category 1 intertrip under the existing arrangements? Will any existing Appendix F3 be amended to introduce or amend those contracted categories of intertrip?**

There have been no decisions made to date in either respect and we would welcome input in our consultation on this matter to inform the response to such questions.

## Acronyms

<b>Acronym</b>	<b>Term</b>
<b>BEGA</b>	<b>Bilateral Embedded Generation Agreement</b>
<b>BELLA</b>	<b>Bilateral Embedded License exemptible Large power station Agreement</b>
<b>CAP</b>	<b>CUSC Amendment Proposal (superceded by CMP)</b>
<b>CMP</b>	<b>CUSC Modification Proposal</b>
<b>DNO</b>	<b>Distribution Network Operator</b>
<b>ETYS</b>	<b>Electricity – Ten Year Statement</b>
<b>RIIO</b>	<b>Revenue = Incentives + Innovation +Outputs</b>
<b>TEC</b>	<b>Transmission Entry Capacity</b>
<b>TNUoS</b>	<b>Transmission Network Use of System</b>