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THE POWER OF ACTION

# Presentation to ENSG on SHE Transmission programme review

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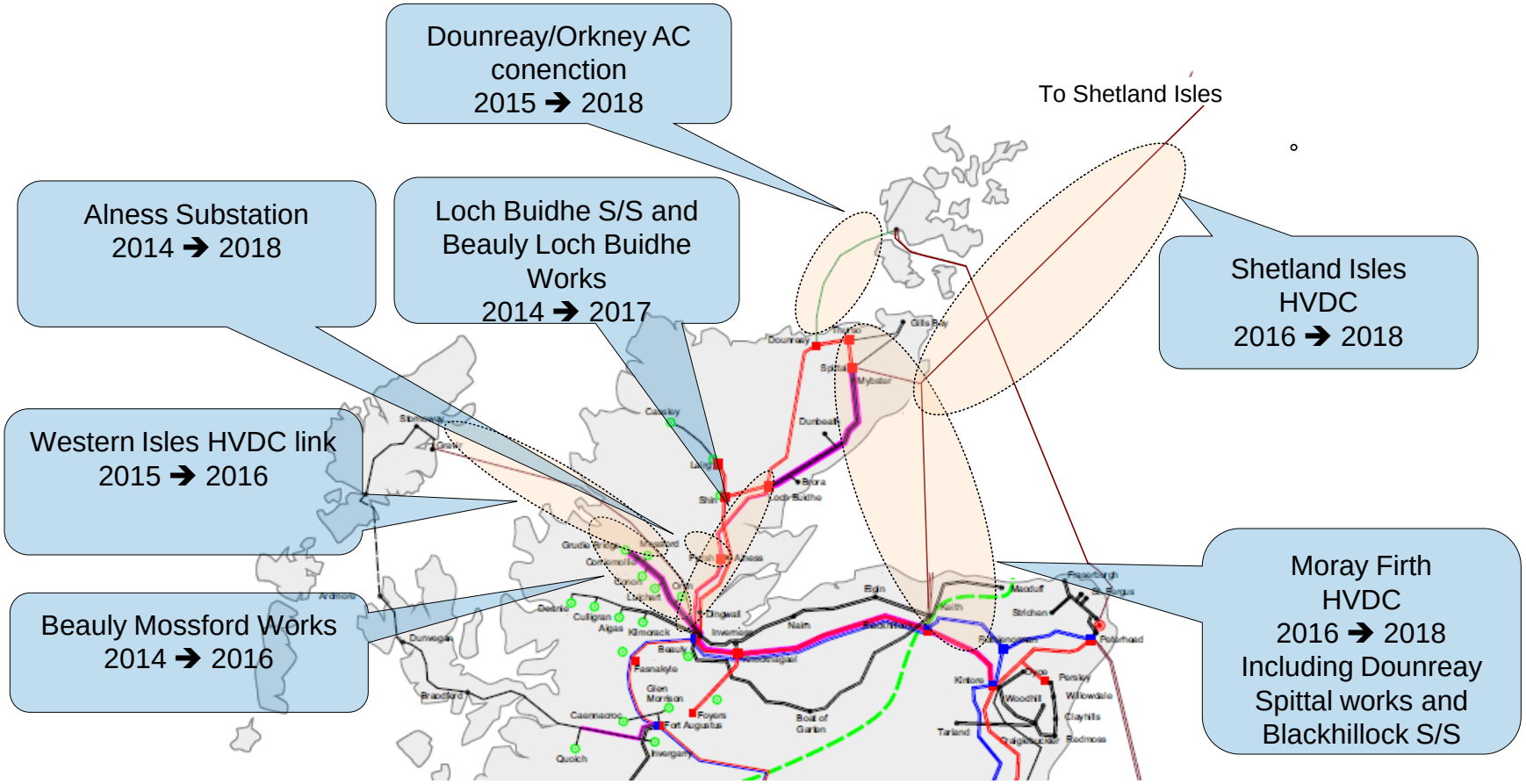
# Overview

- Programme changes affecting 17 reinforcements
- Impact on programme between 2 – 4 years
- Number of potential contracted Developers affected ~21
- Number of potential contracted MW affected ~2.4GW
- Number of MW potential contracted affected by Connect & Manage ~7GW

# Key programme changes



# Key impacts

- ~21 Developers contracted directly affected by delays - 2.4GW of contracted generation potentially impacted by new programme
  - 1.1GW Offshore Wind
    - None consented
  - 1.0GW Onshore Wind
    - Consented – 640MW
  - 0.3GW Wave & Tidal
    - None consented

# Key impacts (2)

- Connect & Manage Assessment
  - Detailed cost analysis to be undertaken
  - Await commercial contracts to be updated
  - 7GW “Wider Contracted” – What proportion will actually connect?
- Availability of Restricted Available Access
  - Limited over time without reinforcements
- ROC v EMR
  - Developers seeking connection by April 2017
  - EMR being developed designed to provide more stable framework and confidence going forwards

# Developer impact

- Developer impact relatively low;
- Majority of Developers have stated that revised programme is in line with their expectations
- 5 consented projects – 640MW affected
  - Island connections 549MW
  - Onshore connections 91MW
    - Identified range of options for restricted available access
- New security arrangements process has seen Developers engage to re-align the connection dates (including Developers who expressed a concern over delays)

# Connection enabling options (1)

- New underwriting provisions (CMP192)
  - Developers amending contracts to latest forecast dates / TEC
  - Provide a more accurate picture of connections
- Transmission Entry Capacity (TEC) Amnesty
  - Seeking to introduce as a one off to allow Developers to reduce TEC to their actual requirements
  - TEC reduction only included in the amnesty
  - Date delays will be through normal CUSC process

# Connection enabling options (2)

- GB Queue Management
  - Review of all Transmission & Distribution projects
  - Moving Developers forward where capacity becomes available
  - Non Discriminatory process
- Restricted Available Access
  - Developing an enduring process with SHE T / SPT
  - Providing indicative data for system access – enable Developer decisions
  - Active Network Management

# Connection enabling options (3)

- Capacity Management (CAP150)
  - Apply a firm but fair approach to Developer progress
  - Work closely with Developers & review progress for;
    - Consents & Planning
    - Procurement
    - Connection Dates
    - Capacity
  - Ultimately have the right to take back capacity that cannot be utilised

# Engagement

- Transmission Owners – SHE T, SPT
- Developers – large, small, community sized
- Government – DECC, Scottish Government
- Regulator – Ofgem
- Industry groups – Renewables UK, SRF
- Community groups – Orkney, Western Isles, Community Energy Scotland
- Investors

# In summary

- Network Delays between 2 – 4 years
- Developer impact relatively low
- NGET to implement a number of enabling actions
  - New Security Arrangements (CMP192)
  - Free TEC Amnesty
  - GB Queue Management
- Assessment of Connect & Manage ongoing
- We are working closely with affected Developers
- Engaging with Industry to understand the impact