



**MODIFICATION PROPOSAL ENW/2008/006**

**Electricity North West Limited**

**Proposal to revise the Interactive Connection Applications methodology as  
contained within our Licence Condition 4B statement.**

**Date of Issue: 18th January 2008**

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For approval by the Gas and Electricity Markets Authority

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## 1. Description of the modification

Electricity North West Limited proposes to revise its Interactive Connection Applications methodology for customers applying to connect to our electricity distribution network.

The main aims of our proposal are:

- to improve its clarity and ease of use; and
- to better reflect the business developments undertaken by Electricity North West in the area of connections to our electricity distribution network.

## 2. Reasons for the change with an explanation of how the proposed change better meets the relevant objectives

Our proposal will better meet the relevant objectives in the following ways:

- it aids understanding of the process for dealing with Interactive Connection Applications, thus helping parties to better understand the terms and conditions associated with their Connection Offer; and
- the introduction of further information associated with the timescales allowable in which to accept our Connection Offer should it become interactive with other parties', allowing for a greater awareness of the acceptance periods and hopefully the prevention of exceeding the period and requiring a new Connection Offer.

## 3. Proposed Interactive Connection Application Methodology

### Interactive Connection Applications

2.23 The principles for managing two or more "Interactive Connection Applications" will be in accordance with the information as provided below.

#### Definitions

1. "**Application Date**" is, in respect of each applicant who makes a request for connection, the date and time at which Electricity North West's agent United Utilities Electricity Services receives the complete set of data which we deem is necessary to progress the connection application and (where applicable) we receive the payment for the associated study work.
2. "**Committed Network**" means assets that are not yet installed and commissioned on the electricity distribution network owned by Electricity North West and operated by Electricity North West's agent United Utilities Electricity Services, but which are planned to be so as a result of other Connection Offers which have been made by it and accepted by the applicant for connection and where the applicant for connection has paid any applicable charges.

3. **“Connection Offer”** is an offer from Electricity North West’s agent United Utilities Electricity Services to an applicant who has requested connection to the electricity distribution network owned by Electricity North West and operated by Electricity North West’s agent United Utilities Electricity Services.
4. **“Existing Network”** means Electricity North West’s currently installed and commissioned electricity distribution network.
5. **“First Applicant”** is the applicant, within a group of applicants from whom we have received Interactive Connection Applications, with the earliest Application Date.
6. **“Interactive Connection Applications”** arise where Electricity North West’s agent United Utilities Electricity Services receives two or more applications for connection which make use of the same part of the Existing Network or Committed Network or otherwise have a material operational effect on that network such that there is or would be a material impact on the terms and conditions of any Connection Offer made in respect of such connections.
7. **“Interactive Connection Offers”** are Connection Offers made in respect of Interactive Connection Applications.
8. **“Offer Date”** is the date and time on which Electricity North West’s agent United Utilities Electricity Services sends the Connection Offer to the applicant.

### **Parties Applicable**

All parties who connect to Electricity North West’s distribution network may be classed as being interactive, but applications to connect load or Export Generation of 1 MVA and above to our HV and EHV networks will be applicable in all instances. In any event, Electricity North West’s agent United Utilities Electricity Services will endeavour to contact/inform any applicant who it deems to be applicable.

### **Connection Offers**

Electricity North West’s agent United Utilities Electricity Services will make a Connection Offer to any applicant in accordance with the criteria as provided within 2.14 of this document, except where the Authority has agreed to a longer period <sup>3</sup>.

The Application Date shall signify the start time of the formal application for connection process and therefore define the ranking of the applicants.

Should Electricity North West’s agent United Utilities Electricity Services receive one of more Interactive Connection Applications within this period, which provide for Interactive Connection Offers, it shall inform all applicants in writing that their applications are interactive. Any Interactive Connection Offer shall also specify the interactivity ranking with other applications.

Once the First Applicant's Connection Offer is deemed interactive by Electricity North West's agent United Utilities Electricity Services, they have 30 days from the date of notification (this may be the offer date) or the remainder of their existing offer period, whichever is less, in which to accept the offer by signing it and returning it to us. United Utilities Electricity Services may make Interactive Connection Offers to subsequent applicants during this period, but the First Applicant's offer shall always have priority over any other Interactive Connection Offer(s) it makes. The Interactive Connection Offers to subsequent applicants shall indicate that their offer shall be conditional on the response of the First Applicant and of any applicants holding Interactive Connection Offers ranking before theirs.

Should the First Applicant choose to accept their Connection Offer, all associated Interactive Connection Offers shall become invalid. At that point, Electricity North West's agent United Utilities Electricity Services will write to all parties who have Interactive Connection Offers and inform them that these are now invalid. Those customer(s) can advise United Utilities Electricity Services that they wish their original application to continue to be considered, which entitles them to remain in the same existing order for a new [Interactive] Connection Offer, or they can withdraw their application. If a customer wishes their original application to be considered, United Utilities Electricity Services will issue them with a new [Interactive] Connection Offer, in accordance with Electricity North West's Licence Condition obligations.

Should the First Applicant choose not to accept their Connection Offer from Electricity North West's agent United Utilities Electricity Services, or fails to accept it within the validity period, the next highest ranked Interactive Connection Application shall move into First Applicant status. The Interactive Connection Offer as provided to that party is now unconditional and shall remain valid, as all Interactive Connection Offers are based on our knowledge of Existing Network or Committed Network. United Utilities Electricity Services shall inform all other applicants with Interactive Connection Applications of this revised position and of the revised status of their Interactive Connection Application/Interactive Connection Offer.

Electricity North West's agent United Utilities Electricity Services shall not process any acceptance of Interactive Connection Offers from any applicant other than the First Applicant while the First Applicant's Connection Offer is still valid and has not been formally accepted or declined.

### **Connection Offer Validity**

All Connection Offers which are known to be interactive at the Offer Date will be valid for 30 days.

If a Connection Offer becomes interactive after the Offer Date it will be valid for the lesser of the remainder of the original validity period or 30 days from notification of interactivity.

3• This time period maybe extended if United Utilities is required to seek confirmation from NGET on whether works are necessary on the transmission network to facilitate the connection (refer to section 5.15 for further details).

#### **4. Proposed illustrative structure and charges**

There is an attachment to this document with the relevant areas to be changed highlighted in track changes. This should make it easy to see how the areas of change sit within the Condition 4B statement.

#### **5. A timetable for the implementation of the modification and charges changes**

<b>Date</b>	<b>Activity</b>
18 January 2008	Modification proposal submitted to Ofgem for approval.
1 April 2008	Electricity North West Limited's proposed implementation date.