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22<sup>nd</sup> January 2014

Dear Angelita,

**Diamond Transmission Corporation**  
**Consultation on changes to National Grid Electricity Transmission plc's**  
**electricity transmission licence to publish the Electricity Ten Year Statement**  
**(ETYS)**

We would like to thank you for providing us with the opportunity to respond to your consultation and apologies for our response being one day late. We hope you are able to include our comments in your consultation.

Diamond Transmission Corporation (DTC), a wholly owned subsidiary of Mitsubishi Corporation, is part of the Blue Transmission consortium comprising 3i and DTC.

Blue Transmission Investments Limited is the owner of four Offshore Transmission (OFTO) businesses: Blue Transmission Walney 1 Limited, Blue Transmission Walney 2 Limited, Blue Transmission Sheringham Shoal Limited and Blue Transmission London Array Limited and our response set out below is based upon experience gained in bidding for, completing the transfer and running the OFTO assets of these four businesses.

If you have any follow up queries please do not hesitate to contact me on 07785 527154 or at [gary.thornton@diamondtransmissioncorp.com](mailto:gary.thornton@diamondtransmissioncorp.com).

Regards,

A handwritten signature in blue ink, appearing to read 'Gary Thornton', is positioned above the printed name.

**Gary Thornton B Eng(Hons), C Eng, FIET**  
**Technical Director – Diamond Transmission Corporation**

<b>Questions for response</b>
<p><b>Question 1:</b>  <b>Do you agree that amending Standard Condition C11 (replacing the obligation to produce the SYS with one to produce the ETYS) and amending Special Condition 2F (removing the obligation to produce the ODIS) in line with the proposals above is appropriate?</b></p>
<p>Yes. DTC believe replacing the current STS and ODIS with a combined publication provides an improved document which will add clarity for stakeholders.</p>
<p><b>Question 2:</b>  <b>Do you think that setting the reporting period to ten years is appropriate?</b></p>
<p>Yes. There has to be a balance between providing information which is far enough ahead in order to plan business strategies against looking too far ahead with information which may change radically.</p> <p>DTC agree that a ten year time frame provides a reasonable balance.</p>
<p><b>Question 3:</b>  <b>Do you agree that the ETYS should be published annually, and that updates should be published quarterly? Alternatively, do you consider half-yearly updates to be sufficient?</b></p>
<p>Yes. DTC believe the ETYS should be published annually without the need for quarterly or half yearly updates.</p>
<p><b>Question 4:</b>  <b>Do you have any comments on our proposed timings for stages in the ETYS, in particular whether 30 November is an appropriate publication date?</b></p>
<p>The ETYS may be used to assist in developing business strategies and plans. Given these strategies and plans are normally refreshed ready for the next financial year beginning April for UK companies the issue date of end of November is adequate.</p>
<p><b>Question 5:</b>  <b>Do you have any comments on the type of information provided in the ETYS?</b></p>
<p>Overall the ETYS is a good document well presented with the colour coding of sections providing a better presentation than the 2012 document.</p> <p>Suggestions for improvement include:</p> <ul style="list-style-type: none"> <li>• The ‘Executive Summary’ could be expanded to include a short summary of the important issues contained within the ETYS report. The 2013 ‘Executive Summary’ was basically an introduction rather than a summary of the report.</li> <li>• The Offshore transmission section could be expanded to show maps and ratings of projects in operation, construction and development with timelines and a table similar to that provided for interconnector projects.</li> <li>• Although there is an appendix for technology it could be beneficial if the ETYS main body could contain a section focusing on new technology and innovation either recently applied, about to be applied or in development.</li> <li>• More information on System Balancing and balancing services would be beneficial with details of the past year’s market position and future development e.g. the ENTSO-e draft Energy Balancing Code and the impact on the NETS.</li> </ul>

- Appendix B ‘System Data’ could be improved with a summary sheet totalling information where appropriate e.g. total reactive generation / absorption etc.
- The document contents page could list all the appendices that form part of the ETYS.

**Question 6:**

**Do you agree with our proposals on how interconnection should be covered in the ETYS (see Appendix 2, table 2)?**

DTC agree that it is important to help identify and evaluate opportunities for interconnection that the ETYS gives details under each scenario of future capacity, location and timing of potential future interconnectors including plant and equipment that is currently available or may be available in the near future given innovation within equipment suppliers.

Estimates under each scenario of economic information including costs associated with connecting and technical factors will aid investment and development of not only interconnectors but also offshore wind.

**Question 7:**

**Do you have any comments relating to the submission of the future scenarios to the Authority each year (including the timing), and the right for the Authority to request further development of the future scenarios?**

It is important that given the importance of the ETYS that the scenarios upon which it is based on are reviewed and challenged and therefore it is right for the Authority to request further development if it is required.

Timescale of 1<sup>st</sup> June for first submission of scenarios with a publication date of 30<sup>th</sup> November appear reasonable.

Note: There appears to be a discrepancy with the main body of the letter stating:

*‘The Authority may, within 30 working days of receipt, request NGET to undertake further development of the scenarios, in consultation with stakeholders.’*

And Appendix 2 Table 1 stating:

*‘Ofgem request for further development of scenarios: Within 42 days of receipt’*

**Question 8:**

**Do you have any comments about the interaction between the ETYS and the TYNDP, e.g. in their content or the frequency of publication (the TYNDP being published every two years)?**

Given the ETYS is published annually it would seem sensible for the TYNDP to also be published annually by say 1<sup>st</sup> March each year. This would of course require the co-ordination of other ENTSO-e members to submit their reports to the same 30<sup>th</sup> November timescale to ensure the information contained within the TYNDP is current.

**Question 9:**

**Do you have any general comments or suggestions on the form or contents of the ETYS?**

Please see response to Question 5.