Feedback on "Stability Phase 3 Connection Approach" Document

As has been experienced under Pathfinder Phase 2, there is a risk that multiple parties applying to connect high fault level equipment at the same location in the network results in too high a fault level and triggers the replacement of switchgear in the TOs assessment of these connections. The likelihood of such switchgear replacement actually being required is very low as only one or two parties are likely to win contracts and proceed with connection. In addition it is non-sensical for a tender process aimed at resolving low fault levels to result in costs and expenditure due to high fault levels – noting that any such costs will ultimately land on consumers' bills.

In Pathfinder Phase 3, NGESO has looked to solve this issue by allocating bays (and we assume reserving fault level headroom) as certain substations so that parties connecting to those substations do not need to apply for connection as successful tenderers will be allocated a connection (with reserved fault level headroom).

There is however an issue with parties who are connected or may be connected at adjacent or nearby substations. These parties do not benefit from allocated connections and will have to apply for new or modified connections. Their applications can result in the same situation as Pathfinder Phase 2 where cumulative fault level from existing background, Phase 3 allocated bays, and the new party results in predicted high fault levels and switchgear replacement costs. This scenario is shown in Figures 1 and 2.

Without changes to the Connection Approach this system could result in a much higher cost outcome to the consumer. Hence the proposal below to improve the Connections Approach in order to remove this risk. The proposal would allow the projects at adjacent substations to be given access to the fault level headroom if this is the lowest cost solution in the tender. Infrastructure costs should be fully investigated on a site by site basis allowing solutions at adjacent substations to access reserved fault level headroom as proposed by Figure 3 and 4.

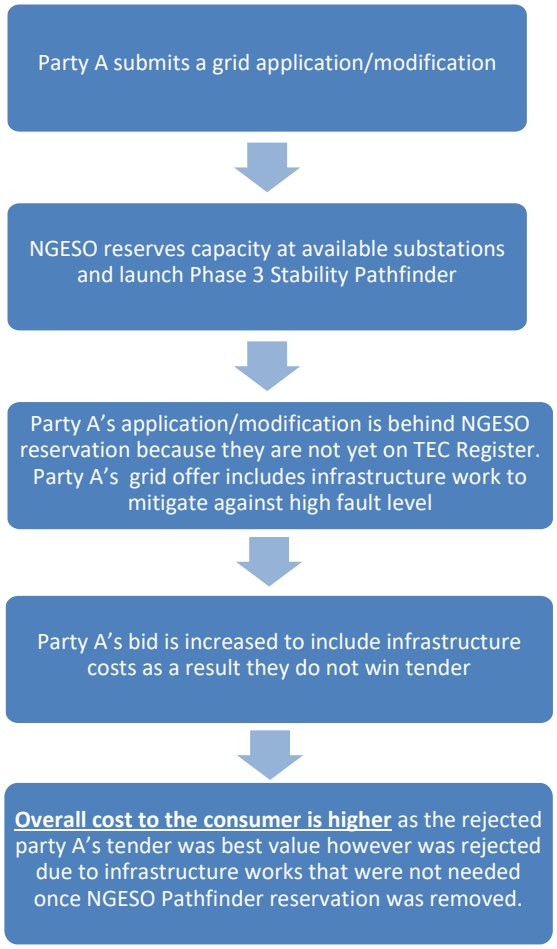

Figure 1: Current evaluation system.

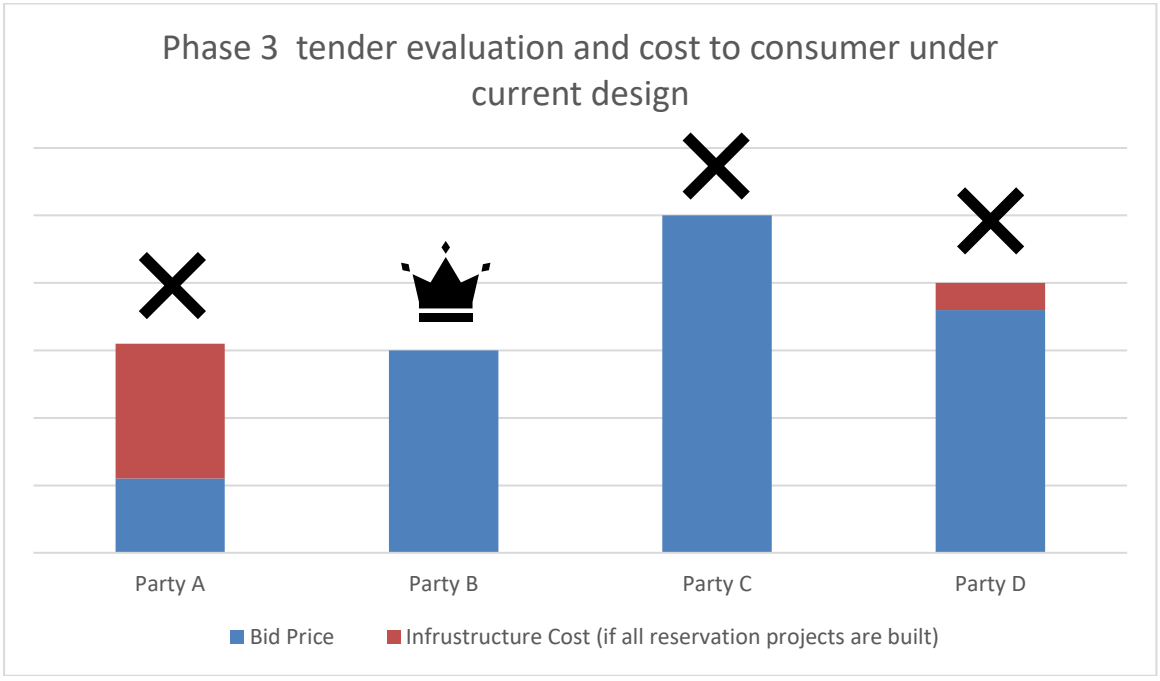

Figure 2: Example outcome under current system

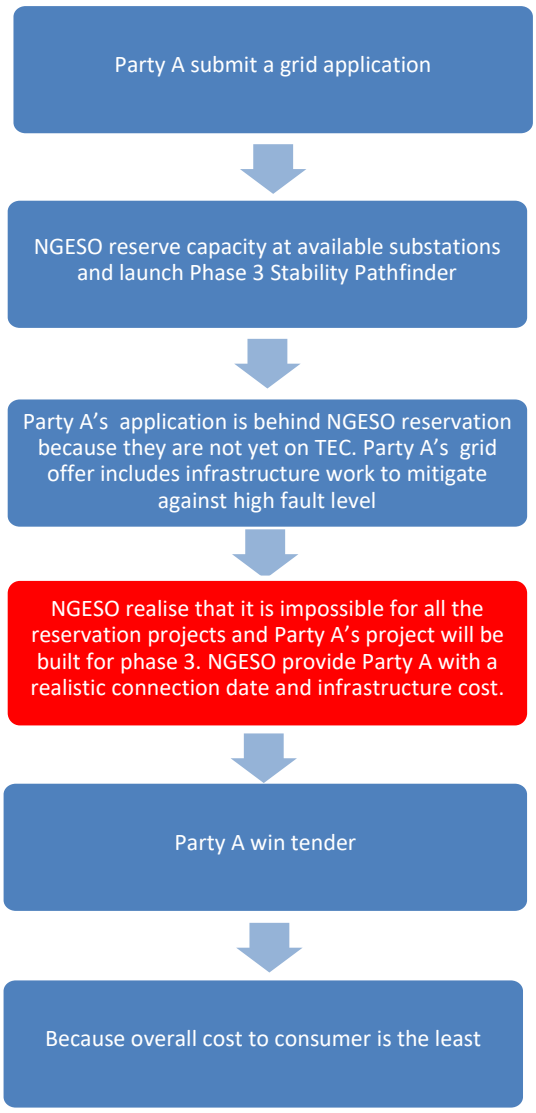

Figure 3: Proposed change to evaluation process.

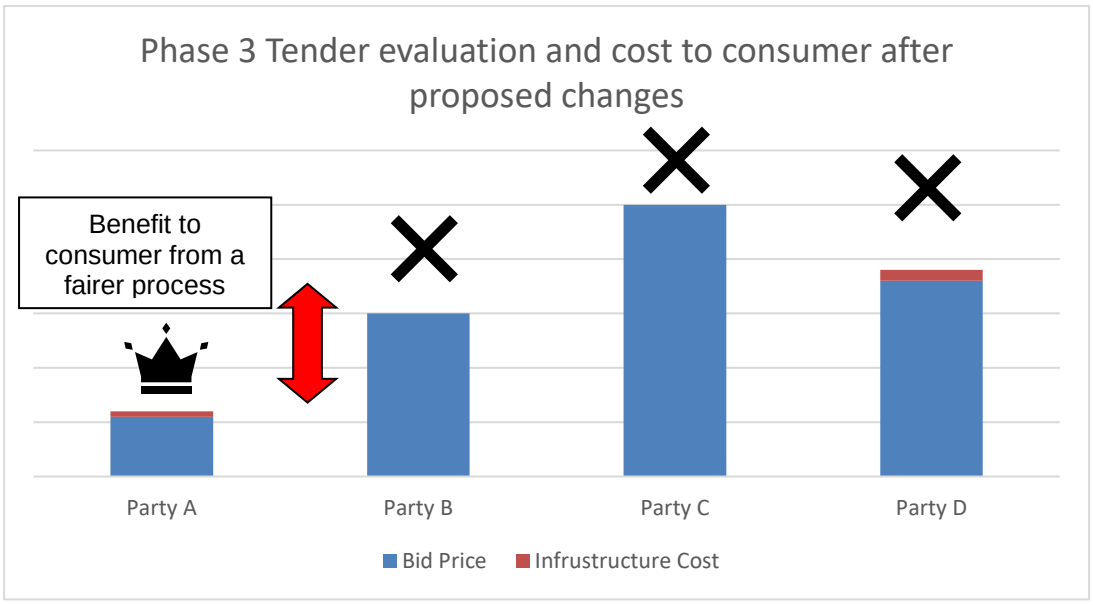

Figure 4: Example result for consumers benefit due to proposed changes.