

Ore Ogundipe  
Ofgem  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU

**Electricity North West**  
Hartington Road, Preston,  
Lancashire, PR1 8AF

Email: [enquiries@enwl.co.uk](mailto:enquiries@enwl.co.uk)  
Web: [www.enwl.co.uk](http://www.enwl.co.uk)

Direct line: 07824321980

Email: [Tom.Selby@enwl.co.uk](mailto:Tom.Selby@enwl.co.uk)

Friday 30 September 2022

Sent by email to: [RIIOElectricityTransmission@ofgem.gov.uk](mailto:RIIOElectricityTransmission@ofgem.gov.uk)

Dear Ore,

### **Electricity North West response to the Ofgem consultation on the Harker project Initial Needs Case**

Thank you for the opportunity to respond to consultation on accelerating onshore electricity transmission investment. As we have detailed in our Leading The North West To Net Zero plan<sup>1</sup>, we have a long term plan to efficiently deliver the network upgrades to achieve Net Zero in the north west. A big part of this relies on additional capacity being provided at transmission network level for our customers to allow them to connect to our distribution network. We are constantly working collaboratively with NGESO (National Grid Electricity System Operator) and NGET (National Grid Electricity Transmission) on developing the network upgrades required to modernise the GB energy system to meet the needs of current and future customers.

There are several projects in the NGESO NOA<sup>2</sup> (Network Options Assessment) which we have a strong interest in. The completion of these projects will allow more customers to connect to our network:

- HAEU Harker supergrid transformer 5 and supergrid transformer 9A banking arrangement (2022)
- MRP2 Additional power control devices at both Harker and Penwortham (2022)
- HAE2 Harker supergrid transformer 6 replacement (2023)

We have worked with NGET over several years on the potential improvements to the Harker site as it is a vitally important part of our network, in particular for our renewable generation customers based in Cumbria.

Our response to the questions in the consultation is in annex 1 one below.

<sup>1</sup> <https://www.enwl.co.uk/about-us/regulatory-information/our-business-plan-2023-2028/>

<sup>2</sup> <https://www.nationalgrideso.com/document/233081/download>



Should you have any questions please do not hesitate to contact me.

Yours sincerely

**Tom Selby**  
**Regulation Manager**

## **Annex 1: Electricity North West response to consultation questions**

### **Question 1: Do you agree with the technical needs case for investment across the Harker site?**

3.6 notes that distribution to transmission capacity will be needed in the future on the transition to Net Zero for an anticipated increase in demand as well as distributed generation. In fact, additional capacity has been needed for over five years, due to there being insufficient capacity at transmission level for distribution generators to connect around the Harker area. Further delays to connection times for these projects adds more risk.

### **Question 2: Do you agree with our conclusions on the technical solution required to address the various drivers at the Harker site?**

Our response to this question has been left intentionally blank.

### **Question 3: Are there any additional factors that we should consider as part of our Initial Needs Case assessment?**

As referenced in 2.7 of the consultation document, the upgrades to capacity at Harker have been delayed. Some of our generation customers have been waiting for over five years to connect their projects to the network due to inadequate capacity available on the transmission network, and will be negatively affected even further if the project continues to be delayed.

### **Question 4: Do you agree with our proposal that late model competition should not be applied to the Harker project?**

We agree with the proposal to retain the Harker project within the LOTI mechanism and not to implement either of the competition models. At this stage, we are very concerned about the potential delays to the increase of capacity for north west customers that the introduction of a competition model could bring. We support Ofgem's role in ensuring the costs proposed by NGET are reviewed to ensure they are economic and have been efficiently incurred.

Introducing the CATO model and delaying the ITT process would further delay the project, which is unlikely to be in customers interests. A full specific cost benefit analysis for the Harker project must be carried out should a competitive model be applied.

### **Question 5: Do you agree with our proposed approach to LPD for the Harker project?**

Large Project Delivery – we agree that there should be a benchmarking process to ensure that the costs of the project are kept under control as a counter to going through the LOTI process instead of CATO, SPV or any other late competition arrangements. It is important to protect customers from NGET benefiting in any way from delays to the project and increases to their revenues due to the time value of money.