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non-confidential response

Dinorwig-Pentir – Project Assessment

Please find below our response to the Dinorwig-Pentir – Project Assessment consultation. We hope you find these comments useful but should you require further details please let me know.

Your faithfully

Simon Lord

Transmissions Services Director

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Proposed Cost Allowances for the Dinorwig-Pentir project

Chapter 2:-Question 1: Do you agree with our proposed cost allowances for the Dinorwig-Pentir project?

Whilst we have no specific comment on the magnitude of the proposed adjustments Ofgem is seeking to make, we can provide some context to the challenges that the TO faces for the part of the works that are taking place at an operational power station.

This project is complex both in terms of the engineering but also in terms interactions with stakeholders. Some of these interactions are within the commercial control of the TO whilst other are governed industry (CUSC) or land documents (leases and licences).

As one of the major stakeholders in this project we have sought to minimise the costs to customers by putting in place with the TO a set of agreements that set out how planned and unplanned issues will be dealt with.

Given the works take part at an operational power station that is in the process of undertaking its own refurbishment exercise, these agreements are by necessity complex. The nature of these agreements is that in general power station real time activities take precedence over TO refurbishment activities unless they relate to transmission outages where the TO's requirements take precedence.

This in theory can lead to the situation where the TO (or other stakeholders) plans need to be adjusted. Whilst this is a theoretical possibility, experience to date has shown that these issue have been relatively rare.

Chapter 3: Question 2: Do you agree with our proposed output and delivery date for this project?

Yes these dates seem appropriate

Chapter 3 Question 3: Do you agree with our view on the implementation the Large Project Delivery (LPD) mechanisms – Re-Profiling and Project Delay Charge – on this project? In particular, do you have a view on our proposal not to apply a Project Delay Charge?

We agree that this is an appropriate course of action.

Chapter 4: Proposed Licence Modifications for the Delivery of the Dinorwig-Pentir project

Question 4: Do you agree with our proposed modifications to Special Condition 3.13 of NGET's electricity transmission licence

Yes

