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Dear Mark,

**A framework for considering reforms to how generators gain access to the GB electricity transmission system – Response to ARODG Report**

**1 Reference to the BWEA response**

GreenPower commends the “Connect and Manage” philosophy as outlined in the BWEA response to the ARODG Report. This philosophy is expounded in the various sections of the BWEA response. GreenPower additional comments or observations are added under BWEA headings as per the following sections 1.1 – 1.4 and we would refer you to the BWEA response subject to these corresponding comments.

**1.1 The “Connect and Manage” philosophy**

GreenPower commends the connect and manage principle and indeed its implementation is fundamental to enable the remaining issues to be addressed as BWEA suggest.

**1.2 Breaking the interaction with the planning process**

Connect and manage must offer all prospective generators their requested connection capacity in a predefined timescale. In this way, the competition for grid capacity and the incentive to reserve MW far in advance of planning completion would be ascribed a lower priority by prospective developers. Crucially, BWEA also propose that a commitment is made by the prospective generator (see 1.4 below).

**1.3 Managing risk**

Due to the overwhelming volume of prospective developments which have sought to secure grid access rights, the present secured sum regime has given rise to liabilities which, for projects at early development stages, are unsupportable. The stark choice facing many parties is whether to continue with development at all, given the attendant grid connection situation.

GreenPower believes that the connect and manage philosophy offers a way out of the congested queue for transmission access which is creating an artificial picture of the scale of network reinforcement which might be required. It is crucial that the management of this risk is placed with the parties best placed to manage and absorb such risks, namely the System Operator and Transmission Owners. Only by the SO/TO giving a guarantee of connection under BWEA’s proposed connect and manage philosophy can the early, and perhaps speculative, need to secure grid connection rights be obviated.

#### **1.4 Commitment by new generation**

The new prospective generator might reasonably be expected to make a corresponding commitment which could, as demonstrated in “Illustrative option 2” in the ARODG report, require that the User is bound to pay TNUoS charges from the contractual completion date for a defined period of up to 5 years, say.

It is entirely right that this commitment is required only in circumstances where it can be reasonably given i.e. where the prospective generator will be in a position to generate revenue from a connected project to cover the TNUoS charge. Such commitments should not be brought forward as large “up-front” payments as this, GreenPower considers, would be anti-competitive.

## **2 Other comments**

GreenPower has no comment to offer in respect of the remaining sections of the BWEA document:

- Enduring commitment by generators
- Provision of limited access rights after connection
- Reallocation of existing capacity
- Illustrative Options

We refer you to the BWEA response document in respect of these headings.

GreenPower would, however, make a strong comment that new arrangements, under a revised final sums regime such as the connect and manage philosophy that is put forward here, should be available to prospective generator should they choose and NOT imposed retrospectively upon those who have existing CUSC contracts. It would be expected, nevertheless, that many Users would terminate their existing arrangements and then a smaller subset of these Users with realistic prospects for connection would then seek to secure grid connection under connect and manage terms.

Yours sincerely

**John Morgan**