

Mr Giles Stevens
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Our ref

Your ref

Date

1 May 2007

Dear Mr Stevens

Offshore Electricity Transmission – Second Scoping Document

WPD supports the overall policy objectives outlined in the document, subject to detailed discussions on the detailed practical implementation of the new regime.

However we have a few specific concerns arising from the document itself and the recent conference. These are detailed below.

- (1) Compensation – para 4.12 and note 6 say that compensation would not be payable by DNO to SO (except by negotiation) and para 8.17 says that there will be no compensation from SO to generator where the system is built to the minimum offshore security standard. Whilst it's likely to be uncommon, no mention is made of offshore connections above the minimum offshore standard where the generator would reasonably expect compensation from the SO for constraints. Distributors do not have a mechanism to recover efficiently incurred constraint costs and hence we do not understand how this would work should the constraint be on the distributors network.
- (2) Ofgems proposal says that where there is an offshore transmission system connecting to a distribution network then the distributor will charge the GBSO for any necessary works. We are unclear as to whether this would be a deep connection charge to the GBSO or the existing shallowish connection charge and an ongoing use of network charge. In addition, whilst the connection would be to allow the connection of an off shore generator, as the generator connection would not be to the distribution network the current distribution price control arrangements for recovery of costs incurred would need reviewing.



I hope these comments are helpful. If you would like to discuss our concerns further please contact Nigel Turvey, Design & Development Manager on 0117 933 2435 or at nturvey@westernpower.co.uk.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'ASL', is positioned below the 'Yours sincerely' text.

ALISON SLEIGHTHOLM
Regulatory & Government Affairs Manager