

# LCNF Full Submission

## Supplementary Answer Form

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<b>DNO Name:</b>	Electricity North West Limited	<b>Question Number:</b>	ENWL031
<b>Question Date:</b>	21 Sept 2010	<b>Answer Date:</b>	24 Sept 2010
<b>Question Topic:</b>		Box 4	

<b>Original Question No:</b>		<b>Original Answer Date:</b>	
<b>Original Question:</b>			
<b>Original Answer:</b>			

<b>Question:</b>	Please provide more description of the circumstances under which generation failures might cause unplanned outages, an estimate of risk of this happening, and potential impact in terms of number of customers and outage duration. The submission states that temporary suspension of the IIS may be cheaper than designing in expensive features to reduce the risk – please provide more details of these expensive features, and confirm that they are included in the amount of LCN Funding currently requested. As per the Governance Document, please set out whether you would withdraw the request for Second Tier Funding in the event that Ofgem would not support the change to the regulatory arrangements requested.
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<b>Answer:</b>	<p>To reiterate our position; Electricity North West believes that it should be possible to undertake this Project without the need for derogation or exemption from our regulatory requirements.</p> <p>The request for exemption from Licence requirements is to cater for presently unforeseen issues which may manifest during the more detailed planning phase of this Project. At this stage we are not seeking a specific derogation but we would like to reserve the option to open discussions with Ofgem should the need arise.</p>
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	<p>Electricity North West will not withdraw its request for Second Tier Funding in the event that Ofgem would not support the change to the regulatory arrangements requested. However, we will review the viability of the Project following Ofgem's response to our request for funding.</p> <p>In describing circumstances under which generation failures might cause unplanned outages it should be remembered that at this stage this is a hypothetical scenario. However, in a smart grid arrangement IIS performance will be secured through a combination of strategies that include Distributed Generation (DG), as opposed to traditional network reinforcement. For example: DG could be used as an alternative to the provision of HV feeder capacity to cater for increased feeder demand, and in the event of a fault on the DG the overload will have to be removed possibly by the shedding of demand. The risk of this is low and the duration of outage would be approximately 2 hours over the typical demand peak period. Assuming 1000 customers are connected to a typical city centre HV feeder and to remove the overload 10% of demand would need to be shed then the outage would impact 100 customers. A typical cost of HV feeder reinforcement is £100k for possible cable overlay or network reconfiguration involving new cable circuitry and has not been included in the Project.</p>
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<b>Attachments:</b>	None.
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