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Electricity Capacity Assessment 2014: consultation on methodology

National Grid Electricity Transmission (NGET) welcomes the opportunity to comment on Ofgem's consultation on the methodology to be used for the 2014 Electricity Capacity Assessment. This response is on behalf of National Grid Electricity Transmission plc in its capacity both as the National Electricity Transmission System Operator (NETSO) for GB and the Transmission Owner (TO) for England and Wales.

Given our role in the 2013 electricity capacity assessment analysis we have clear understanding of both the methodology previously employed and the proposed developments for the 2014 assessment. We fully support Ofgem's "minded to" position of using a similar approach to 2013, utilising a range of scenarios and sensitivities to analyse the uncertainty around generation adequacy measures into the future.

General Methodology

We agree the "time collapsed" methodology is fit for purpose for use in assessing the adequacy measures over the period being modelled.

The use of a qualitative approach for assessing potential interconnector flows is in our view the best and most practical way forward. Since the publication of last years report there has been a number of studies undertaken by various organisations that will provide some additional input to this year's assessment e.g. Poyry's report for DECC <http://www.poyry.co.uk/news/poyry-report-impact-emr-interconnection>.

Representing Uncertainty

We do agree that the sensitivities modelled in 2013 represented the main uncertainties facing electricity security of supply over the medium term. Hence a similar approach that uses such sensitivities over a similar period is valid. With regard to sensitivities around interconnector flows we still believe these are valid for the period being modelled.

We anticipate that the scenarios being developed as part of the Future Energy Scenarios process will incorporate a wide enough range of credible demand scenarios to encompass demand remaining at current levels.

We believe that any summary of the scenarios and sensitivities modelled should show the full range but would also benefit from showing a narrower range by excluding the more extreme sensitivities e.g. full exports.

In conclusion, we fully support Ofgem's "minded to" position of using a similar approach to 2013. We remain committed to working closely with Ofgem on the 2014 electricity capacity assessment and providing transparency in the analysis methods employed.

Yours sincerely,

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