

RenewableUK Greencoat House, Francis Street London SW1P 1DH, United Kingdom

> Tel: +44 (0)20 7901 3000 Fax: +44 (0)20 7901 3001

Web: www.renewable-uk.com Email: Info@renewable-uk.com 21st February 2014

From: (by e-mail)

zoltan.zavody@renewableuk.com

To: (by e-mail)

James Veaney
james.veaney@ofgem.gov.uk

Dear James,

RenewableUK consultation response

National Grid Transmission: Statement of Works

Summary

- RenewableUK and Scottish Renewables support National Grid's proposal to remove Stage 1 of the SoW process where this Stage is not necessary.
- We believe there are further efficiencies to be gained in Stage 1, for example in the trigger for the SoW and the system for upfront payment.
- There is a need for clear criteria and efficient process where it is not clear whether there will be an impact on the transmission network.
- The further stages of the SoW processes also need review and should be explored once Stage 1 trial has commenced.
- The SoW is just one of many issues relating to the TO/DNO interface. There
 is a need for strategic review and oversight of this interface.

Introduction

RenewableUK is the industry body representing wind, wave, and tidal technologies across the UK. Scottish Renewables is the representative body of the renewables industry in Scotland. With members covering the range of transmission and distribution connected generation, we welcome the opportunity to help improve the situation regarding the Statement of Works. We particularly welcome the emergence of proposals further to the DG Fora, demonstrating the value of these events and the associated work of the DG/DNO Steering Group.

The Proposal

RenewableUK and Scottish Renewables understand, welcome, and support National Grid's proposal to remove the time and cost hurdle of Stage 1 to the connection of DG projects. This should benefit both the DG project, particularly in Scotland, and the end consumer.

While not wishing to delay commencement of this project, we believe there is scope in trialling further improvements under Stage 1. For instance, we understand that the

Statement of Works process is not initiated until the connection offer has been signed (therefore a time delay and a further delay in receipt of information), and that the current need for initial payments can lead to delays as invoices are raised.

There is also a need for clear criteria and transparent process where it is not clear whether there will be an impact on the transmission network. This will allow applicants to know where they stand and avoid the need for the questioning of how decisions have been reached.

Further Stages of the SoW Process

While the National Grid proposal is a good start, Stage 1 is not the only inefficiency in the SoW process. For instance, is the 90 day period for confirmation of project progression effectively achieved? We welcome National Grid's proposal to run a workshop on further changes to the process, and would like to offer the participation of both RenewableUK and Scottish Renewables to help identify and prioritise the issues requiring discussion.

Wider Significance

The Statement of Works process is one of many examples of the need for more strategic oversight of the TO/DNO interface. Other current examples include: CMP 192 (followed up by CMP 223) on securities and liabilities; embedded benefits and transmission charging for distributed generation; coordination of outages between DNOs and TOs; and the distributed generation background for justifying transmission investment.

More issues will emerge over the course of the transformation of DNOs to more active managers of their networks. Some of these issues are being helpfully looked at under the auspices of the Smart Grids Forum, and this is welcome, but we believe this could be complemented by a more explicit and formal review of the TO/DNO interface. We note that many distributed generators are not CUSC parties, and are therefore not represented in the governance processes for SoW and other processes relating to the TO/DNO interface.

Thank you again for the opportunity to input. We look forward to hearing of the initial results of the trial, and to contributing to the wider development of this agenda.

Yours sincerely,

Zoltan Zavody Head of Grid RenewableUK Michael Rieley Senior Policy Manager: Grid and Markets Scottish Renewables

