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Dear James,

Statement of Works trial

SSEPD welcomes the opportunity to respond to the recent open letter regarding the proposed Statement of Works trial. We are generally supportive of this proposed trial. Our view is informed both by our experience in this area and, more importantly, by feedback that we have had from a number of our stakeholders that are involved in Distributed Generation.

Our answers to the questions set out in the letter are provided in Appendix I. If you would like to discuss any of this further please do not hesitate to contact Gwen MacIntyre (gwen.macintyre@sse.com).

Yours sincerely,

Aileen McLeod
Head of Regulation, Networks

Appendix I

Do you understand NGET's proposal?

Yes, given our experience and involvement in this area, we do understand this proposal. However, we do consider that the open letter provides a high level summary of the proposal, and a more detailed explanation would be helpful, particularly for DG customers.

What is your view of the usefulness of the proposal and its perceived benefits?

Stage 1 of the Statement of Works process requires a DNO to submit an application to National Grid Electricity Transmission (NGET) if it reasonably believes that the connection may have an impact on the transmission system. NGET then contacts the relevant transmission owner and subsequently responds to the DNO on a 'yes' or 'no' basis. Increasingly, particularly in Scotland, this is becoming a purely administrative exercise, as the vast majority of the transmission system is constrained and we are already aware of this.

Removing Stage 1 of the process when the DNO is already aware of whether the connection would have an impact on the transmission system would allow customers to progress straight to Stage 2, which requires NGET to contact the transmission owner and subsequently provide details of the costs and timescales associated with the works required on the transmission system.

There are two clear benefits to customers of this streamlined process:

- the fee associated with Stage 1 would be removed (this typically amounts to £1000); and
- the customer would be aware at an earlier stage of the costs and timescales for the transmission works.

Do you have any concerns with this proposal?

DNOs are obliged under CUSC section 6.5.5.1 to progress Stage 1 of the Statement of Works process if they consider that a generator may have an impact on the transmission system. If the proposed trial is to be implemented, DNOs would therefore also require a letter of comfort because, in participating in the trial, they would not be compliant with this section of the CUSC.

Whilst there are some clear benefits to customers associated with the proposed trial (as detailed in our answer above), we do not consider that all of the benefits identified by NGET will be realised. For example we do not consider that the proposed trial would increase the opportunity for customers to

contract for capacity on highly constrained parts of the network, nor would it lead to the issuing of a connection offer more quickly. It would however mean that customers would be made aware sooner of the costs and timescales associated with the transmission works, which is likely to allow them to make a commercial decision on the viability of a project at an earlier stage.