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24th<sup>th</sup> Feb 2017

Dear James

Re: Consultation document “North West Coast Connections – Consultation on the project’s Initial Needs Case and suitability for tendering”, dated 14<sup>th</sup> Dec 2016

Thank you for the opportunity to respond to the Ofgem consultation document regarding the North West Coast Connections Project dated 14<sup>th</sup> Dec 2016.

John Laing is a leading international developer, investor and manager of infrastructure projects and is active in the energy, transport and social infrastructure markets.

We are happy for you to consider our response as non-confidential. We are also happy to have a further dialogue regarding our response, if required.

Your sincerely

Mark Westbrook

[attachment 1: John Laing response to the Consultation document..., Dec '16]

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**Attachment 1: John Laing Response to the Consultation document  
"North West Coast Connections – Consultation on the project's Initial  
Needs Case and suitability for tendering", dated 14th December 2016**

**CHAPTER: 2**

Strategic Wider Works Assessment

<b>QUESTION</b>	<b>JOHN LAING RESPONSE</b>
<b>Question 1:</b> Do you agree that there is a technical need for the project if Nugen's project goes ahead?	No comment
<b>Question 2:</b> Do you agree that connecting the Moorside site using four 400kV circuits is appropriate and compliant with SQSS requirements?	No comment
<b>Question 3:</b> Do you agree with our initial conclusions?	No comment
<b>Question 4:</b> Are there any additional factors that we should consider as part of our Initial Needs Case assessment?	No comment

**CHAPTER: 3**

Competition Assessment

<b>QUESTION</b>	<b>JOHN LAING RESPONSE</b>
<b>Question 5:</b> Do you agree with our view that: (a) the overall project meets the criteria for tendering? (b) the potential sections meet the criteria for tendering?	We agree with these conclusions
<b>Question 6:</b> What are your views on our deliverability assessment for: (a) the overall project? (b) the potential sections?  In particular, considering our analysis of the design, procurement, and construction timelines as submitted by NGET.	We believe the programme is conservative. In particular, based on our engagement with experienced tunnelling contractors the programme of 6-7 years for a tunnel of this length, design and location appears to be quite conservative and we suggest this should be further tested with the contractor market.
<b>Question 7:</b> What are your views on the need for overall coordination of the whole NWCC project if the project were to be split into packages with different delivery parties?	As part of the procurements, the points of interface need to be clearly defined in terms of scope and programme. Splitting into packages introduces some additional points of interface (and therefore is not preferred) however these seem very manageable.

	<p>For sites where multiple contractors are undertaking works one of the packages should have clear overall responsibility for the site and be under an obligation to coordinate access for the other party to complete their works.</p>
<p><b>Question 8:</b> If some, or all of NWCC were to be tendered, what, in your view, is the most appropriate allocation of risks across the relevant parties (TO, CATOs, and consumers)? How should these risks best be managed?</p>	<p>We generally are supportive of the arrangements proposed in relation to the risk allocation outlined in the consultation document and in previous consultations.</p> <p>In relation to the mechanics of the compulsory purchase process it would be good to have further details. Where compensation to landowners is agreed (but not paid) by the TO prior to transfer of compulsory purchase powers it may be that the TO will need to remain committed to this payment until such time as the CATO has discharged this obligation after financial close.</p>
<p><b>Question 9:</b> What are your thoughts on the substation modification and extension works at Harker and Middleton, in the context of efficient CATO delivery, including the options presented in this document?</p>	<p>Option 1 is the simplest and most efficient arrangement in general. Option 2 presents a number of difficulties as identified in the consultation document. Option 3 is technical and commercially achievable however we do not think it is the most efficient solution.</p>