

## Customer Solutions

Emma Carr  
National Grid Electricity Transmission Owner  
Emma.j.carr@nationalgrid.com  
Tel: +44 (0)7974000913  
[www.nationalgrid.com](http://www.nationalgrid.com)

**Date: 6<sup>th</sup> February 2020**

Dear Nick,

### **Reference: Long- Term Mersey tender NGET analysis and perceived conflict of interest**

Further to discussions with your team, I am writing to detail the steps that we have taken to address any concerns regarding the pathfinder tender analysis that NGET is undertaking on behalf of the ESO for the Long-term Mersey reactive services.

As you are aware NGET have also proposed a solution and we have been requested by the ESO to undertake connection transmission network analysis for the other tenderers. To address the perceived conflict of interest we taken the following steps:

1. We have sort legal advice regarding this matter and we see no reason why NGET is unable to undertake the analysis for the ESO and propose its own solution. ESO have ensured the tenderers identifies are concealed from NGET and all technical solutions where submitted prior to sharing any information with NGET.
2. We have established separate teams within NGET looking at the assessment of tender analysis and the NGET proposed solution
3. My team, the DNO and Demand will lead the tender analysis. This work will be undertaken under Feasibility Contract with the ESO and a quotation was provided on 22<sup>nd</sup> January 2020.
4. The DNO and Demand team is not and will not be party to the details of the NGET proposed solution or commercial costs. However, we will share the following information to ensure consistency and a level playing field for all parties.
  - a. Analysis assumptions – we have indicated that this information is detailed within our quotation and we are happy to share these assumptions with all tenderers. In addition, we will support the ESO in providing information that can be used for the FAQ for tenderers, as part of the procurement process.
  - b. Power Factory model – this will ensure we consider the same network assumptions and generation background
  - c. Cost book – NGET have a common cost book which is used across all NGET activity for connections. For the avoidance of doubt the cost book will not be shared outside NGET but the charging implications and cost components will be shared with the ESO as detailed within the Feasibility Contract.

I hope this helps address concerns raised and we are happy for this letter to be shared with the tenderers. If you have any other questions or queries, please don't hesitate to contact me and I will be happy to help.

Yours sincerely,



Emma Carr  
Sector Head DNO and Demand