

Meeting minutes

NOA Committee - January 2022

Date: 11/01/2022	Location: On Teams
Start: 14:00	End: 16:00

Participants

Attendee	Attend/Regrets	Attendee	Attend/Regrets
Matthew Wright	Chair	Head of ESO Strategy and Regulation - ESO	1-13
Isabelle Haigh	Committee member	Head of National Control- ESO	1-13
Julian Leslie	Committee member	Head of Networks - ESO	1-13
Lauren Stuchfield	Committee member	Electricity Analysis Senior Manager - ESO	1-8
Amy Weltevreden	Proxy for Head of Markets	Market Requirements Senior Manager - ESO	1-13
Nicholas Harvey	Support member and Presenter	Network Development Manager - ESO	1-13
Susana Nevesebrooks	Support member	Customer Connections Senior Manager - ESO	1-13
Martin Price	Technical secretary	Power System Engineer - ESO	1-6
Jason Hicks	Presenter	Holistic Network Design Integration Manager- ESO	1-13
Emmanouil Belivanis	Presenter	Power System Engineer - ESO	1-13
Thomas Petty	Presenter	Power System Engineer - ESO	1-13
Victor Matilla	Observer	Power System Engineer - ESO	1-13
Iain Shepherd	Observer	Technical Economic Assessment Manager - ESO	1-13
Paul Wakeley	Observer	Economic Assessment Manager - ESO	1-13
External Participants			
James Norman	Observer	Ofgem	1-13
Niall McDonald	Observer	Ofgem	1-13
David Willmot	Observer	Network Development - National Grid Electricity Transmission	3-10
Owen Wilkes	Observer	Network Development - National Grid Electricity Transmission	3-10
Mark Perry	Observer	Network Development - National Grid Electricity Transmission	3-10

Rodney Williams	Observer	Business Development Manager - National Grid Electricity Transmission	3-10
Roddy Wilson	Observer	Network Planning Manager – SSEN-T	3-8
Graeme Dean	Observer	Senior Transmission System Planning & Investment Engineer - SSEN-T	3-8
Bless Kuri	Observer	Head of System Planning and Investment – SSEN-T	3-8
Kirsten McIver	Observer	Lead Design Engineer - SP Transmission	3-8
Eric Leavy	Observer	Head of Transmission Network – SP Transmission	3-8

Agenda

#	Topics to be discussed		Time allotted
1.	Apologies and Introduction	Chair	14:00-14:02
2.	Governance and process <ul style="list-style-type: none"> • Terms of reference • Conflict of interests • Proxies to the meeting • SOFI confidentiality • Risks 	Chair	14:02-14:05
3.	NOA for interconnectors results	Gary Dolphin	14:05-14:20
4.	TOs enter meeting		14:20-14:25
5.	Holistic Network Design (HND) update: <ul style="list-style-type: none"> • Update on ESO derogation request from OFGEM • Update on decision for January NOA publication 	Jason Hicks Nicholas Harvey	14:25-14:35
6.	North of Scotland reinforcements update	Thomas Petty	14:35-14:55
7.	VSRE recommendation update	Thomas Petty	14:55-15:10
8.	Scottish TOs exit meeting		
9.	TENC analysis update	Emmanouil Belivanis	15:10-15:20
10.	TOs exit meeting		
11.	Date and time of next meeting	Chair	15:20-15:22
12.	Any other business	Chair	15:22-15:27
13.	Feedback and review	Chair	15:27-15:32

Discussion and details

#	Topics to be discussed
1.	Apologies and Introduction
2.	Governance and process

[Redacted due to administrative nature]

3. NOA for Interconnectors

Mr Wright invited Mr Dolphin to present on the NOA for Interconnectors (NOA IC). The following was presented to the Committee for information.

- As part of the licence condition, the NOA for Interconnectors will be published with the NOA in January 2022. It is not a recommendation of or an assessment of the viability of actual current or future projects.
- The NOA IC can provide a market and network assessment of the optimal mix of interconnection capacity to GB. It can also evaluate the overall benefit to society, by considering the social economic welfare, as well as constraint costs and capital expenditure costs.
- The NOA IC cannot provide project-specific information or assess the viability of current or future interconnector projects: the final insights are based on assessing a range of theoretical interconnector options.
- Our analysis shows that interconnection in the range of 18.2 GW to 29.5 GW between GB and European markets by 2041 would provide optimal benefit to GB and the connecting country economy.

Table 1: The optimal levels of Interconnection per scenario.

Consumer Transformation (CT)	Leading the Way (LW)	Steady Progression (SP)	System Transformation (ST)
28.1 GW	29.5 GW	18.2 GW	21.1 GW

- The combination of connecting country and the GB connection zone is critical in maximising value to the GB economy.
- Ofgem's Interconnector Policy Review (ICPR) was an open letter launched in August 2020. This was designed to establish whether there is a need for more Interconnection in GB, beyond what is currently with approval.
- On December 12th Ofgem published their final decisions. Ofgem believe additional interconnection is in the Interest of GB consumers.
- Implications for the ESO
 - Ofgem are aware this may sit outside of the ETYS, NOA and SOF but want us to focus on how Interconnectors may impact constraints, frequency, stability, ancillary services - not socio-economic welfare.
 - ESO to support Ofgem needs case assessments (wider impacts) of specific projects under cap and floor regime.

Questions and comments:

- Ms Haigh asked - If we move to 18 GW interconnection, will we assess the political and electrical reliability? What is the risk of that 18 GW not being available to us, such as due to extreme weather?
- Mr Dolphin replied - We should have weather diversity built into our pan-European modelling but as we see interconnection increasing, we will need to ensure we have robust modelling done on that.

4. TOs enter meeting

5. Holistic Network Design (HND) update

5a. Update on decision for January NOA publication

Mr Wright invited Mr Harvey to present.

- HND is planned to be published in July. We have decided to publish the NOA in January following discussion with the Transmission Owners.
- There was a perceived risk for publishing at different times and potential void of information if we did not publish in January. Two of the TOs believed the NOA was the correct platform for delivering the

intermediate information. We are keen to avoid delaying any projects and we believe the January publication will aid this. We are aiming to reduce the size of the January NOA publication to limit the interactions between the HND and NOA. We are looking to use the document to signpost our work to the final position in the HND report.

- The plan is to keep the TOs fully engaged with this as it progresses. We have looked at the potential levels of regret for delaying a project due to not publishing in January. These have shown that the cost to maintain these projects EISD is significantly less than the cost to delay them 1 or more years.

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- We believe stakeholder transparency is essential to maintaining trust and is the right thing to do. Stakeholders are expecting the NOA in January so would raise questions should there be no January publication.

Questions and comments:

- Mr Wright - We have agreed on a toned-down publication in January which means there is no requirement for a derogation.
- Mr Norman - I am content with this approach and I reinforce the requirement for transparency and clarity.
- Mr Wright - We will keep you in the loop of what we intend to say.
- Mr Kuri - We are comfortable that it aligns with proposals we have with our stakeholders so that is good for us.
- Mr Wilkes - The important thing for us TOs is to be really close on the wording as we go forwards as it is difficult to coordinate to get the message right.

6. North of Scotland reinforcements update

Mr Wright invited Mr Petty to present.

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- SSEN-T have raised concerns about options that could be delayed for two years if they are not given a proceed this year due to complications with consenting and stakeholders. This has been seen in the past.

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- Another concern is stop-start signalling. This is a difficult message to take to stakeholders as can reduce confidence in the process.
- For our onshore path we had many more options that became optimal. We have tested all of these to see the impact of delaying these by two years.
- This will be reviewed in the summer when HND has been finalised and a new analysis can be performed.

Table 2: Summary of the proposed recommendation changes.

Option	Description	Original CBA results	Proposal to be approved
BBNC	Beauly to Blackhilllock 400 kV double circuit addition	"Hold"	"Proceed"
BLN2	Beauly to Loch Buidhe 275 kV reinforcement	"Stop"	"Proceed"
BPNC	Blackhilllock to Peterhead 400 kV double circuit addition	"Hold"	"Proceed"
DBNC	Beauly to Dounreay 400 kV double circuit addition	"Hold"	"Proceed"
LBRE	Beauly to Loch Buidhe 275 kV double circuit OHL reconductoring	"Stop"	"Hold"
SLU2	Loch Buidhe to Spittal 275kV reinforcement	"Do not start"	"Proceed"
No change to recommendation:			
PSDC	Spittal to Peterhead HVDC reinforcement	"Proceed"	"Proceed"

Questions and comments:

- Mr Wright - Why isn't LBRE proposed to "Proceed" instead of a "Hold"?

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- Mr Petty - It's not essential to bring it in on its EISD (not critical) but we do see a need for it, so it is a "Hold".

Based on the evidence presented, the Committee agreed to make the recommendation changes found in Table 2, above.

7. VSRE (Strathaven – Smeaton OHL Conductor Replacement) recommendation update

Mr Wright invited Mr Petty to present on an update on VSRE's recommendation.

Mr Petty stated that VSRE is Strathaven to Smeaton conductor replacement.

- This line is essential for moving power east-west across Scotland.
- It is essential for unlocking flows on the B6 boundary.
- Due to outage clashes it was pushed to 2029 in every scenario.
- SPT have shown that if VSRE is delivered in 2027, the outages can be aligned with other work.
- As part of RIIO2 this line is coming to its end of life. If VSRE is delayed then the line has to be replaced on a like-for-like basis, and then upgraded later to VSRE, involving two sets of outages on the line.
- SPT have shown that instead of replacing it on a like-for-like basis we can go straight to a higher rating provided by VSRE and avoid a second set of outages.
- The cost and disruption should be minimised by building it in 2027.
- We propose VSRE's recommendation is changed to "Proceed".

Questions and comments:

- Mr Norman - The existing line coming to an end, so this work needs to be done. Has the additional cost saving of only doing the work once been factored into this?
- Mr Petty - No as that has not been costed up fully. It is assumed to make this case even stronger due to these un-costed savings.
- Mr Adam - We support this and think this is the best way forward. The non-load related need case was agreed in T2 but recognising the challenges in that corridor transferring flows south. This is the right thing to do for a whole host of reasons.

Based on the evidence presented, the Committee agreed to make the change VSRE's recommendation to "Proceed".

8. Scottish TOs exit meeting

- Before leaving, Mr Adam expressed gratitude for the support to get to this point.
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9. TENC (Tilbury Grain new 400 kV OHL) analysis update

Mr Wright invited Mr Belivanis to present on an update on TENC analysis.

- Mr Belivanis stated that there was an additional driver for TENC in the previous NOA, the capability it provided to South Coast boundary SC3. The requirement for this boundary is different this year and TENC was not used in the technical studied for SC3; so, this is a 'what if' analysis to see what the recommendation would be if TENC was also used for SC3 this year.
- TENC is likely not 'optimal' in NOA 2021/22 if also used for SC3.
- TKRE and SCD1 are already 'optimal' and would be preferred instead.
- Increased north to south flows means we require options that can benefit multiple boundaries.
- TENC does not provide capability to the South East boundary (LE1).
- TENC is not justified for SC3 if TKRE and SCD1 are used already.
- Having TENC results in a negative impact in all scenarios, even with the updated results.

Questions and comments:

- Mr Wright confirmed - we have done additional analysis and it has proven that TENC is not required.
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10. TOs exit meeting

11. Date and time of next meeting

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- 1st March 2022 10:00-12:00

Questions and comments:

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12. Any other business

[Redacted due to administrative nature]

13. Feedback and review

[Redacted due to administrative nature]

Decision Log

Decisions made this meeting

ID	Description	Owner
6.1	The Committee agreed to make the recommendation changes found in Table 2, about the north of Scotland.	Mr Wright
7.1	Based on the evidence presented, the Committee agreed to make the change VSRE's recommendation to "Proceed".	Mr Wright

Action Item Log

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