

ALoMCP Steering Group, 04 May 2022

Notes and actions

Name	Company	Name	Company
Julian Leslie	NGESO – Chair of Steering Group	Christian Hjelm	WPD
John Rowland	NPg (Stakeholder workstream chair)	Cheng Chen	NGESO
Steven Kelly	SSEN (Customer Support & Delivery Assurance workstreams chair)	Andy Vaudin	EDF Energy
Lois Clark	ENW	Paul Richards	Ylem Energy
Mark Johnston	NPg	Paul Graham	Sembcorp Energy UK
Mark O Connor	SSEN		
Programme delivery colleagues in attendance			
Bieshoy Awad	NGESO	Mike Robey	NGESO
Sue Guest	For SSEN	Kellie Dillon	UKPN
Apologies			
Cara Blockley	ENW	Matt White	UKPN
Martin Queen	Ofgem	Steve Beasley	Anesco
Gerry Boyd	SPEN	John Smart	SSEN
Steve Mockford	GTC	Andrew Colley	SSE Generation

Assurance of self-declared sites

Sites that declare compliance without applying for programme funding (Slides 5-7)

Bieshoy summarised three considerations:

- The current evidence validation practices for each DNO receiving a report of compliance from a customer
- Sampling a proportion of these compliance reports was agreed at the last Steering Group meeting. One or two DNOs are starting to prepare to undertake these sample site visits, but none have taken place yet.
- Contract amendments are under review, to provide reassurance that the costs incurred during this assurance activity will be reimbursed through the programme.

John emphasised that the contract amendment needs to be agreed before sampling can begin for Northern Powergrid.

Kellie sought clarification of which documentation sets out the requirements for generators to confirm their compliance to their DNO. Bieshoy noted that the connection agreement sets out the need for generators to confirm compliance and to engage with their DNO if settings are being changed. In addition, the Distribution Code compliance process, approved earlier this year, provides a mechanism to pursue instances where the compliance status is not confirmed.

Mark O'C asked for Scottish & Southern Electricity Networks' status to be corrected on the slide as SSEN has already responded with no issues on the proposed contract amendment.

Steven noted the good faith on the commitment to reimburse costs incurred during this assurance activity and highlighted his primary concerns as the time and resource implications of undertaking this. He highlighted reviewing the sampling rates required and exemptions as key issues to discuss.

Julian noted the tens of millions of pounds ESO spends to cover this risk currently, with the driver of this assurance activity to be to continue to reduce this cost. Bieshoj summarised the progress of sampling activity for generators that have received funding for Loss of Mains protection changes through the programme, with just 5 failures identified in 700 sample site visits. Julian noted the high confidence this provides in changes being delivered through the programme and therefore the assurance priority was now clearly the 7.3 GW of capacity that has declared compliance without applying for funding to make protection changes.

Mark O'C asked whether there were trends or other useful insight from the sites failing the assurance visits which could be shared. John noted that the sampling has primarily confirmed that programme delivery is robust, rather than assuring compliance.

Actions:

- **Assurance of self-declaring sites must be the focus.**
- **DNOs to respond to the proposed contract amendments so that agreement can be reached, and assurance of self-declaring sites can begin.**
- **ESO to review sampling rates for sites undertaking changes through the funded programme given the high confidence emerging from sampling to date.**
- **The programme team to share learning from the five sample site visit failures.**

Remaining 6.15 GW capacity with unknown compliance status (slides 8 – 12)

Mike summarised key elements of the remaining capacity at risk and the programme's efforts to engage these generators to either apply or to report their compliance to the programme.

Bieshoj noted that further work to align data sets could reduce the remaining capacity by up to 700MW.

Steven requested ESO to leverage more urgency and action from the wind sector, where delays clarifying the compliance status of turbines has delayed some major wind farm portfolio owners from reporting their G59 compliance status. Julian confirmed that ESO is happy to do this. Bieshoj noted that Mike Kay, for the programme, and ESO's compliance team are chasing this information, but further escalation could help.

Julian asked the Steering Group to consider whether an additional funding window should be adopted. Steven did not support this, and he noted the two and a half years that the programme had sought to engage customers and communicate the funding opportunity. He felt it unlikely that an extension now would make a significant difference, given all the effort that has already been made. Mark O'C presented the counter argument that it would be good to give customers another opportunity. Mark J did not support an additional funding round, noting that it undermines all the messaging that has emphasised 10 May as the final application deadline. Lois agreed the need to be consistent with the current messaging and not to make a last-minute change. Kellie also supported maintaining the current plan and proposed investigating other ways to engage lower capacity generation sites that have been harder for the programme to reach. John also supported not changing the approach and highlighted the practical implications if an additional funding window was added now. Julian summarised that the Steering Group did not support an additional funding round, noting that a late change would risk undermining this and future deadlines.

Outcomes:

- **Steering Group did not support creating an additional funding round.**
- **ESO to escalate engagement with wind turbine OEMs where information is still required.**

Compliance status programme close

The programme's latest projections estimate 2.1GW of capacity will remain with an unknown compliance status at the compliance deadline of 01 September. Bieshoj noted this would be equivalent to resolving the compliance status of almost all 1-50MW capacity sites and a proportion of the <1MW capacity sites.

Work is underway to model the cost of managing the remaining Loss of Mains risk at the end of the programme. £17/MWh can be considered an estimated cost for securing this risk.

Bieshoj suggested a good outcome would be to resolve the compliance status of all 1-50MW sites and 50% of the remaining <1MW capacity. He noted that further activity after the end of the programme will be needed to keep driving down the remaining risk and cost of managing this risk. Further analysis will refine this initial estimate and be reported to future Steering Group meetings.

Mark J asked how confident Bieshoj was in the numbers and the distribution of remaining capacity by Licence area. Bieshoj noted that Feed in Tariff data provides details of 1 GW of solar capacity within <1MW sites and an additional 0.1 GW of wind generation in <1MW sites. A significant proportion of the solar capacity in particular is expected to be already compliant or out of scope. Estimates of the 0.5 GW capacity of other generation types in <1MW sites are less certain and has required a number of assumptions to be applied.

Bieshoj noted that ESO shares the remaining capacity by Licence area through the programme's customer support workstream, and the focus for data alignment to date has been on the 1-50MW capacity sites in particular. The programme continues to work to align datasets with ESO working with each DNO. Mark J supported ESO revisiting data with each individual DNO to improve understanding of what remains for compliance due diligence.

Steven noted that information is quite limited for <1MW capacity sites and that the programme has made substantial communications and engagement efforts throughout the programme. ESO's analysis of FiT data suggests there could be 60,000 smaller sites remaining, but the resource effort required to find these would be a huge effort over several years. Instead, we should reflect on the scale of achievement that the programme has delivered. Julian agreed that the programme has had a phenomenal impact. He also highlighted that the more non-compliance that can be eliminated through enforcement activity and the more existing compliance that can be established from unknown-status sites, the greater the level of costs that can be avoided by reducing the remaining risk that ESO needs to secure.

Mark O'C encouraged the programme to keep pushing to engage <1MW sites, noting that this was hard work, but SSEN is making some progress in this. He said it would be disappointing to undertake this engagement after the programme ended and urged the programme to go for it and continue engaging sites whilst the programme was still running. Julian asked whether the SSEN team could shared details of what impact their effort with smaller sites was having as this could help the programme to better understand the compliance status of remaining sites. Sue advised that SSEN's engagement of smaller capacity solar generators is finding 80% of these sites are already compliant. She noted that work was ongoing between SSEN and ESO to align datasets and there continued to be a small number of sites where no contact could be established.

Julian closed the meeting, thanking the programme team and noting the huge success of the programme in reducing the capacity of generation at Loss of Mains risk, noting that every MW of generation that can be resolved will further reduce costs.