

Integrated Transmission Planning and Regulation (ITPR)



STC Panel

26th November 2014

Agenda

- Summary of our consultation response
 - Enhanced SO
 - Interconnection
 - Non GB generation
 - Onshore competition
- Impact on STC
- Next steps

We are supportive of the Enhanced SO role

Broader advisory role to TOs, developers and Ofgem

- Identification of system needs
- Provision of appropriate information to TOs, developers and Ofgem as required to support investment decisions

Identification of Interconnection opportunities

- Develop options for where interconnectors should connect
- Enhanced European scenarios and modelling capabilities

Network Options Assessment (NOA) methodology

- Annual planning cycle
- Adopt a network development policy style approach across whole of GB including offshore and interconnectors

Greater role developing needs cases for strategic investment

- Support to SWW need cases
- Leading developer-led WNBI gateways

Coordinating other aspects of system planning

- Formalisation of CION
- Coordination of outage planning – further development of NAP and associated STC changes
- Support to TOs to manage quality of supply

Support Interconnector and non-GB generation proposals and early model for competitive tendering

Interconnection

- Supportive of the roll out of cap and floor regime to other interconnectors
- Maintain developer led approach

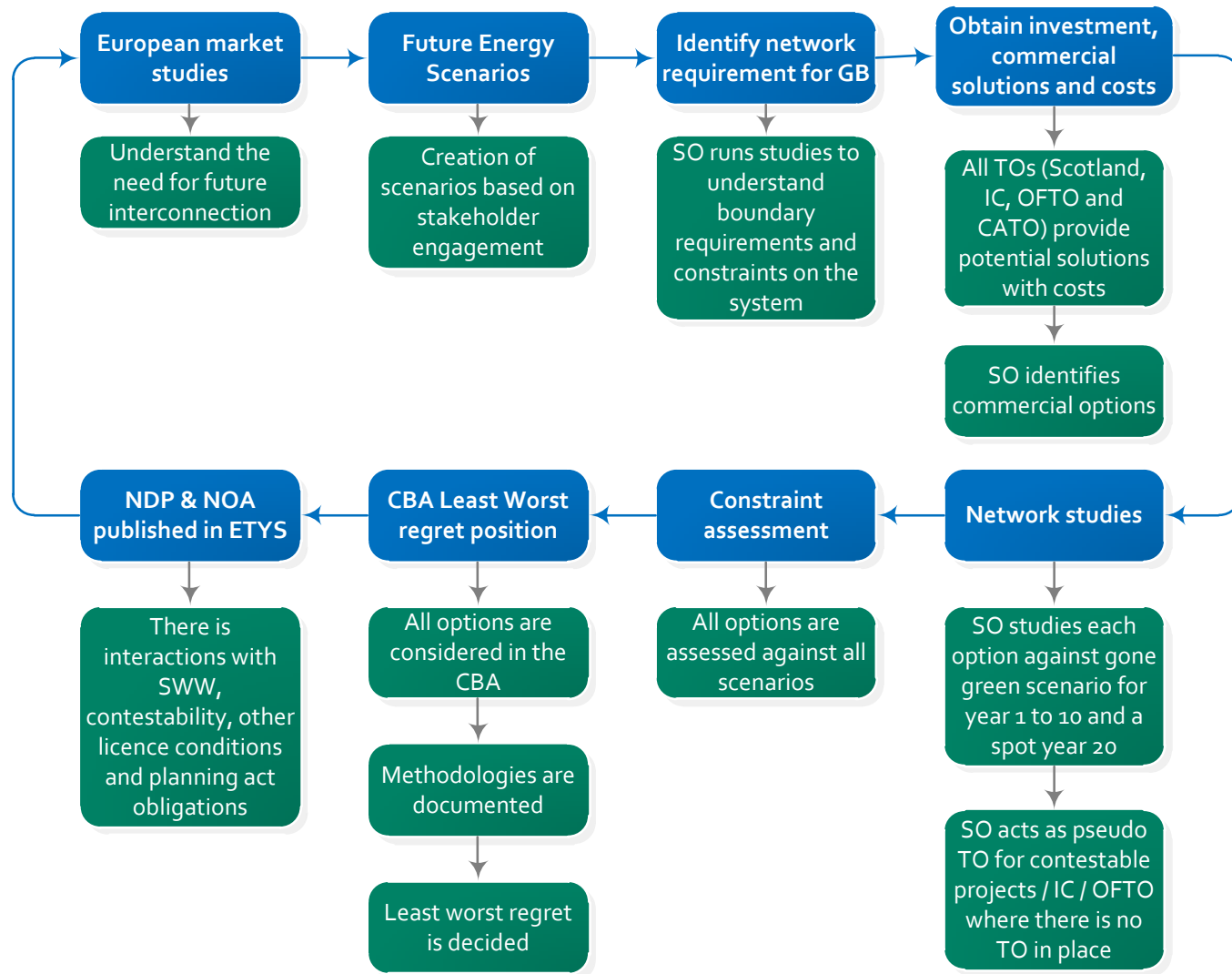
Non GB Generation

- Support position of default no GB consumer underwriting of non-GB generation and case by case approach

Onshore competition

- Requires further demonstration of the benefit to consumers
- Criteria need further development:
 - Materiality threshold too low, propose £100m
 - Separable needs further definition

Proposed Approach for NOA



Impact of ITPR on STC and STCPs

- Key areas:
 - Network Options Assessment
 - SO Support to need cases
 - Outage Planning
 - Quality of supply
- Could require changes to:
 - Section D: Planning Co-ordination
 - Section F: Communications and Data
 - Schedule 3: Information and data exchange specification
 - Number of STCPs

Next Steps

- **Proposal to move forward:**
 - From NGET perspective, policy coordination being managed by Transmission Strategy team (Manager: Ben Graff)
 - To be ready for implementation (current Ofgem target of Summer 2015):
 - Establish ITPR STC sub-workgroup to identify areas of STC and the STCPs which may need to change
 - Set up working groups under STC governance to review identified areas of the STC in light of ITPR
 - Hannah Kirk-Wilson to attend STC meetings to provide an update on the progress of ITPR
 - Interface between STC Panel and policy development team
- We welcome your input on this and over the coming weeks

Contact details

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