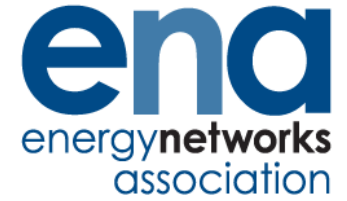


The Voice of the Networks



Energy Networks Association

WS2 P3: Industry Conditional Interactivity Process – Refresh and between Transmission / Distribution

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20th July 2020

Thank you for joining this Open Networks Project Webinar on Interactivity

- This webinar will commence at 1.35pm to allow time for attendees to log in.
- If you are unable to play the audio through your device, you can **dial in by calling 020 3478 5289 and using access code 323 120 927**
- All microphones have been set to mute to avoid background noise. Please ask questions or make comments **via the chat or Q&A function** throughout the meeting.
- We will address as many of these as possible during the presentation, and publish our response to the feedback we have received following the webinar.
- If you have any feedback you would like to submit, please get in touch with us at opennetworks@energynetworks.org.

- In July 2019 the ENA presented a 'minded to' position for consistent industry wide (Transmission and Distribution) Interactivity.
- Responses to a published ENA Consultation supported the proposal to adopt **Conditional Interactivity**
- The ENA subsequently developed the principles and processes for Conditional Interactivity, presenting them at a Customer Webinar in February 2020 and publishing in an Interactivity Guide in March 2020
- This webinar revisits key aspects of Conditional Interactivity, and summarises how these will be managed where Interactivity occurs between a Transmission application and a Distribution application
- Feedback from today will help shape the final updates to the guide.

What is Interactivity?

- Network companies may receive two or more applications for connection which would make use of the same part of the existing or future network, but where not all the applicants can be connected due to restrictions
 - Limited network capacity, fault levels and physical limitations (e.g. space) are examples of such restrictions
- Such applications will be considered 'Interactive' with each other and the 'Interactivity process' is the method by which network companies determine which application is successful

Why is an Interactivity Process Needed?

- To ensure that decisions made in how connections are allocated are transparent, consistent, fair and simple enough to administer in large numbers

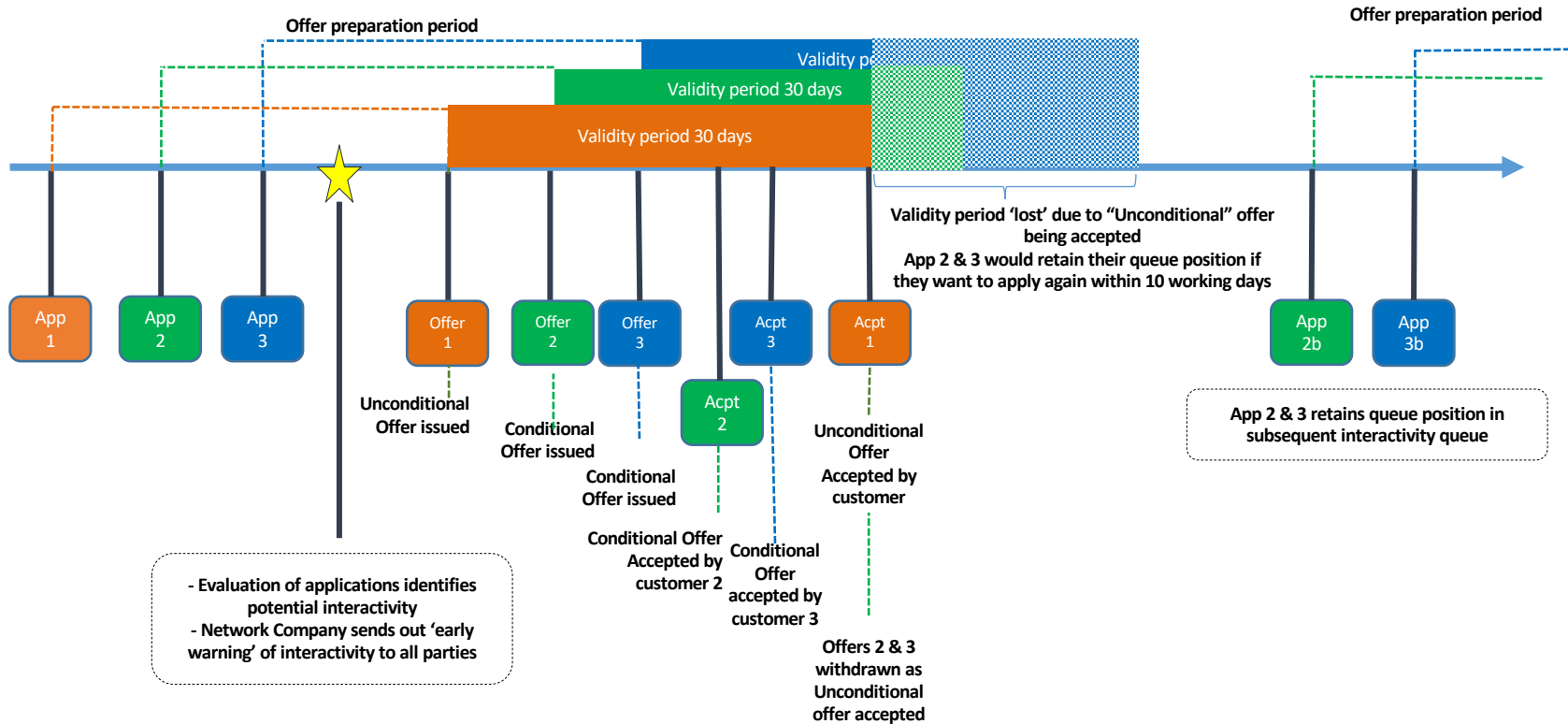
Conditional Interactivity

Key Features

- When Interactivity is triggered the applications are ‘queued’ based on their respective application dates
- The application that is first in the Interactivity Queue has first refusal on the connection – they are considered ‘Unconditional’
- Later applications depend on some or all earlier applications **not** being accepted - they are ‘Conditional’
- Where possible, applicants will be given early warning that they are Interactive
- Connection Offers are issued in normal timescales and as either Conditional or Unconditional as appropriate
- Interactive Connection Offers will be issued with a shorter acceptance validity

Conditional Interactivity

End to End Illustration



Conditional Interactivity

Unconditional and Conditional Offers

Key concepts - 'Unconditional' and 'Conditional' Offers

An **Unconditional Offer** is not dependent on any other Offers i.e. it has first refusal, or to put another way they are at the front of the Interactivity Queue.

- The Unconditional Offer may have already been issued (i.e. with standard terms and validity period) when it became Interactive. In this case the validity period is reduced to 30 days when the subsequent Interactive Offer is sent where more than 30 days remain (no change if fewer than 30 days)
- Otherwise the Unconditional Offer is issued with 30 days.

A **Conditional Offer** is one that is dependent on some or all earlier Offers **NOT** being accepted.

- Conditional Offers are normally issued with 30 days validity
- Where a Conditional Offer is accepted the Network Company will need to validate whether the customer has been successful

For the avoidance of doubt, **no extension will be provided to the validity period on any Interactive Offer**

Acceptance of Offers and Allocation (confirmation of success)

Unconditional Offers must be accepted and paid for within the validity period and with the standard network company terms – this is normally payment in full or part

- Depending on the scenario the network company will withdraw any issued Conditional Offers

Conditional Offers do **not** require payment until the application is confirmed as successful by the Network Company.

- Stage 1 is signed acceptance of the Connection Offer received by the Network company within the validity period
- If successful the Network Company notifies the applicant and requests payment within 10 days
- Stage 2 is payment received by the Network company within the 10 days
- If unsuccessful the applicant will need to re-apply

Conditional Interactivity

Re-applications and Queue Position

Re-applications and Queue Position

- Network Companies will notify unsuccessful applicants once the connection allocation has been confirmed.
- Customers who accepted their Conditional Offer to Stage 1 (acceptance but not payment) but were unsuccessful, will be given the opportunity to retain their original queue position
 - To retain their queue position in any further round of interactivity
Customers will need to re-apply within 10 days of the notification
- Customers who did not accept to Stage 1 will also need to reapply. In the case of any subsequent Interactivity, these offers will be given a queue position based on their new application date
- Note that for all re-applications there may be an additional charge for this and customers should check with the relevant network company.

Interactivity between Transmission and Distribution

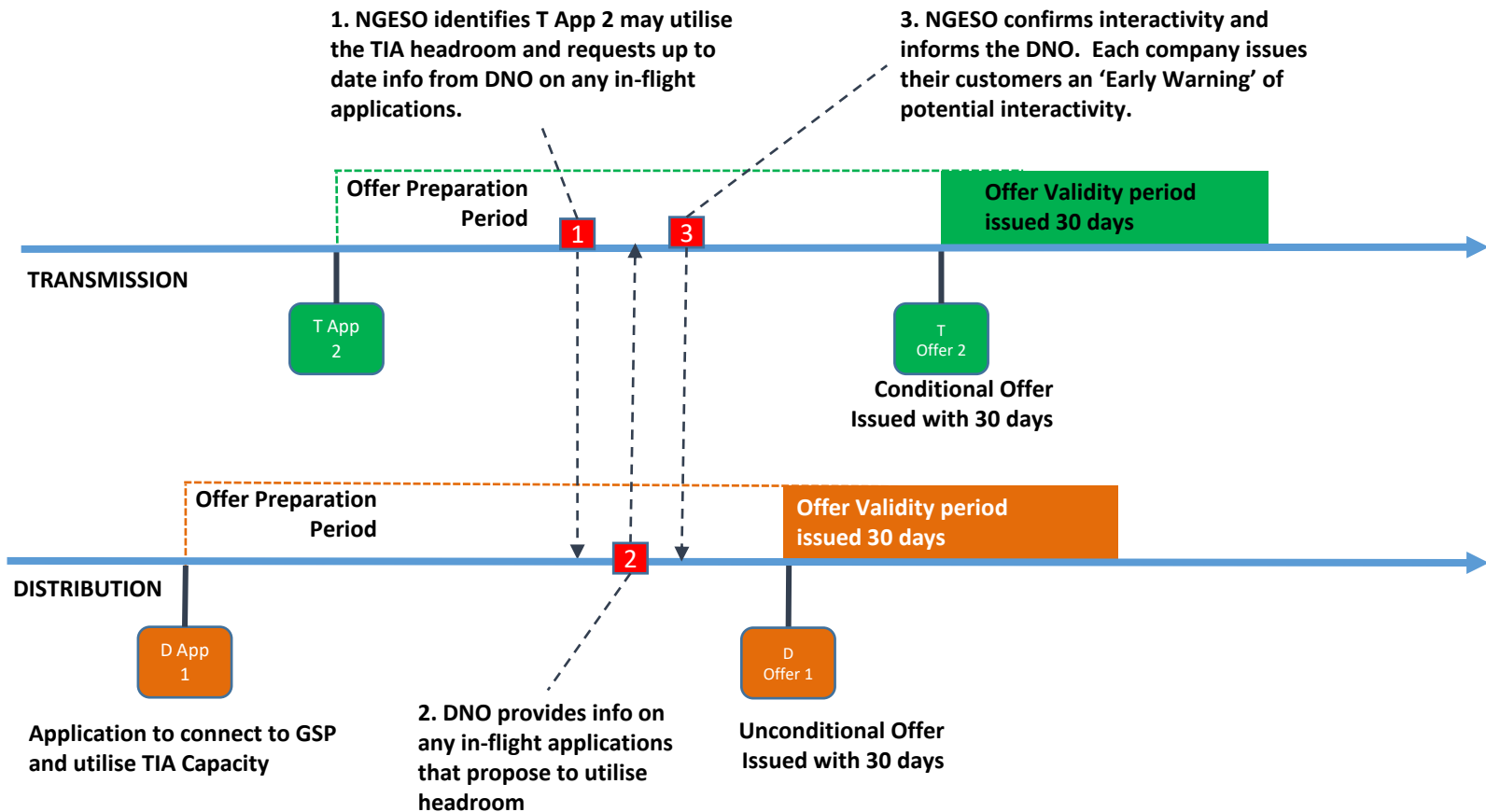
- Interactivity can occur between Transmission and Distribution where an application to connect to the Transmission Network triggers Interactivity with an in-flight application to the Distribution system, or vice versa.
- The Transmission Companies will identify Interactivity following an interaction with the DNO however, each individual Network Company will manage the interactions directly with their customers

Project Progression / Transmission Impact Assessment

- Where there is a known impact on the Transmission system, or the DNO believes the connection of generation to their network will have an impact on the Transmission system, the DNO will follow the Statement of Works (SoW) process
 - This process requires DNOs to submit 'Statement of Works Request' and / or 'Project Progression' applications to NGENSO to identify what if any reinforcement is required to accommodate the new connection
 - **To be clear the Project Progression application made by the DNO is the interactive application**
- At certain Grid Supply Points (GSPs) on the network however, an alternative process has been established between DNOs and NGENSO - the Transmission Impact Assessment (TIA)
 - This process was developed as part of the Open Networks Project and is commonly referred to as an 'Appendix G'
 - Under this process DNOs provide a list to NGENSO of all generators already connected or contracted to connect to a specific GSP, including size and type, for review by NGENSO and TOs
 - In return, the NGENSO provides an available 'headroom' at these GSPs to the DNO

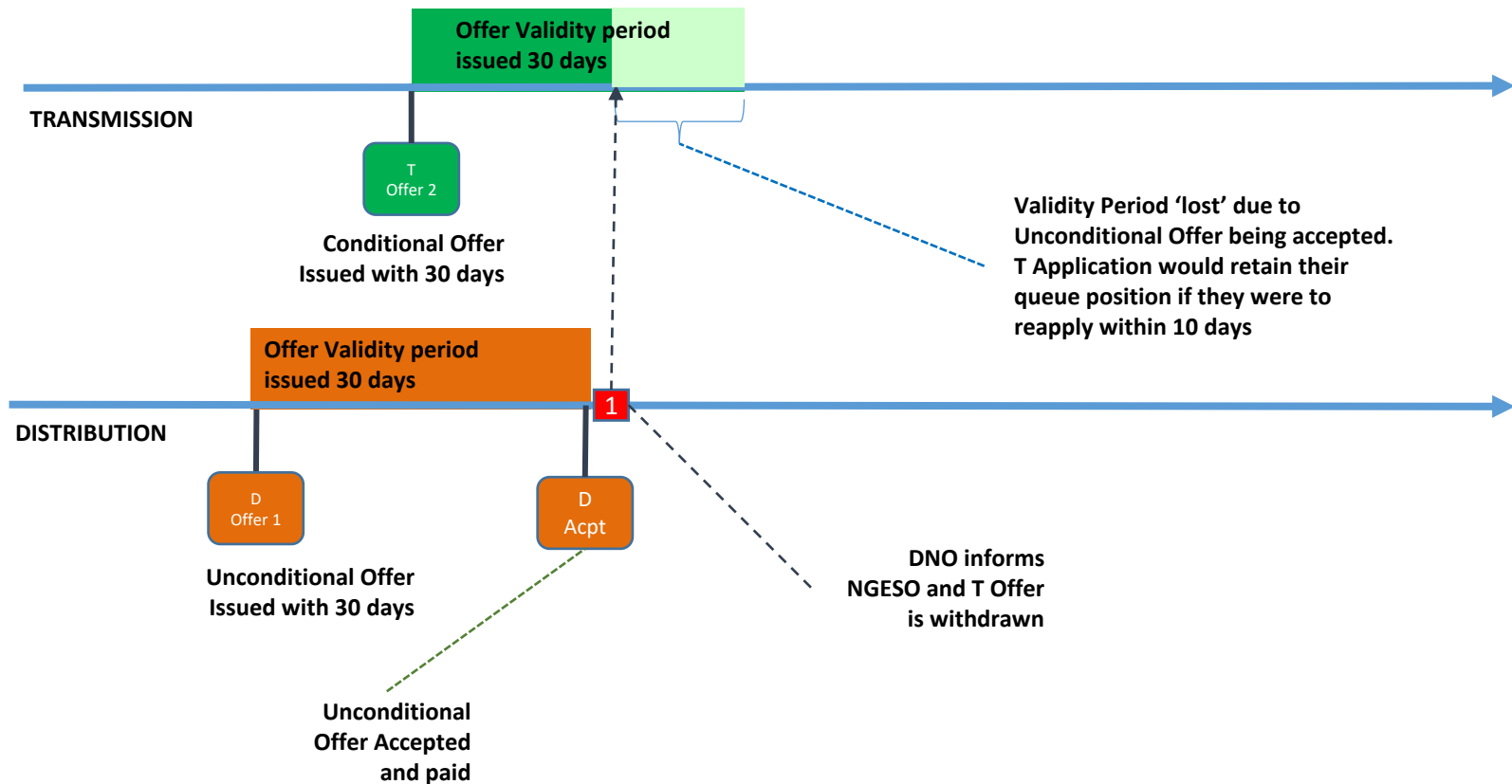
Transmission / Distribution Interactivity – TIA Part 1

Transmission Application triggers Interactivity with a DNO Application – TIA applies (part 1)



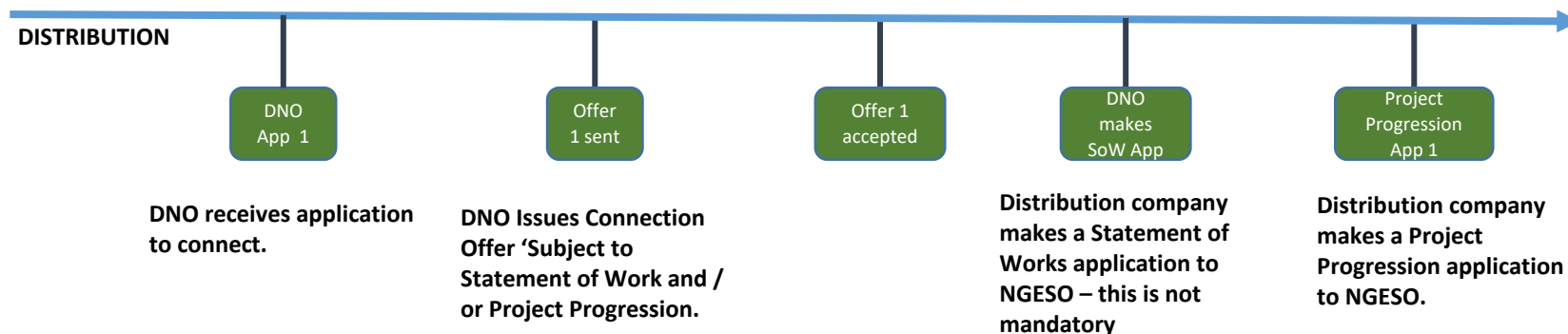
Transmission / Distribution Interactivity – TIA Part 2

Transmission Application triggers Interactivity with a DNO Application – TIA applies (part 2)



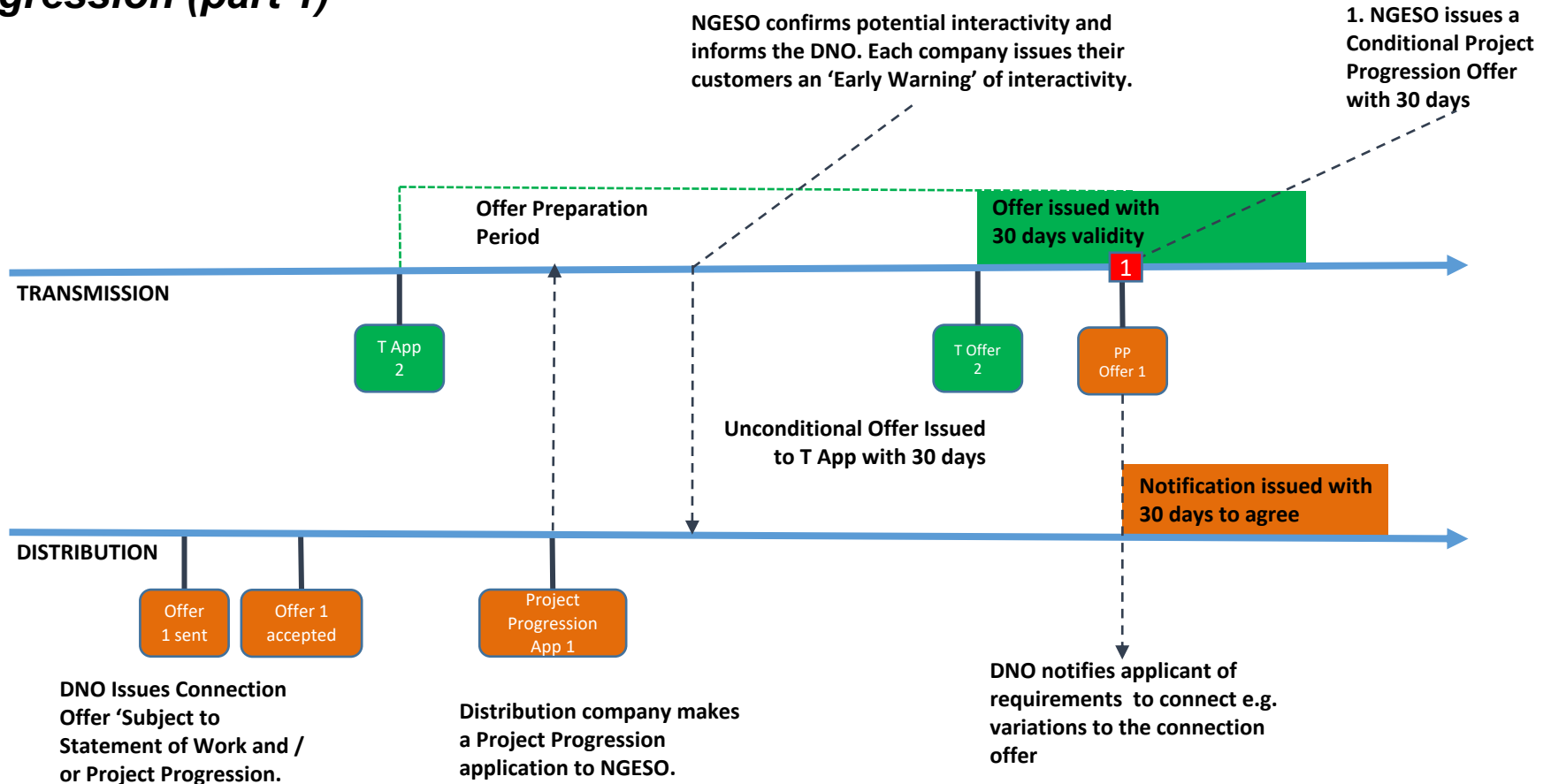
Transmission / Distribution Interactivity - Project Progression – Queue Position Dates

- The TIA scenario on the previous slide queues applications based on the initial application dates from the customer to the network company.
- Where there is no TIA in place any Interactivity triggered will normally be identified after a Project Progression is submitted by the DNO – and it is this date that is taken as the queue position date for the DNO application.
- This may be several months after the DNO customer’s initial application date and there may also have been a Statement of Works process.
- There is a balance here to be considered - using the original DNO Application date could provisionally put someone in an interactive queue for several months before the queue is even identified – when the DNO applies for the Project Progression.



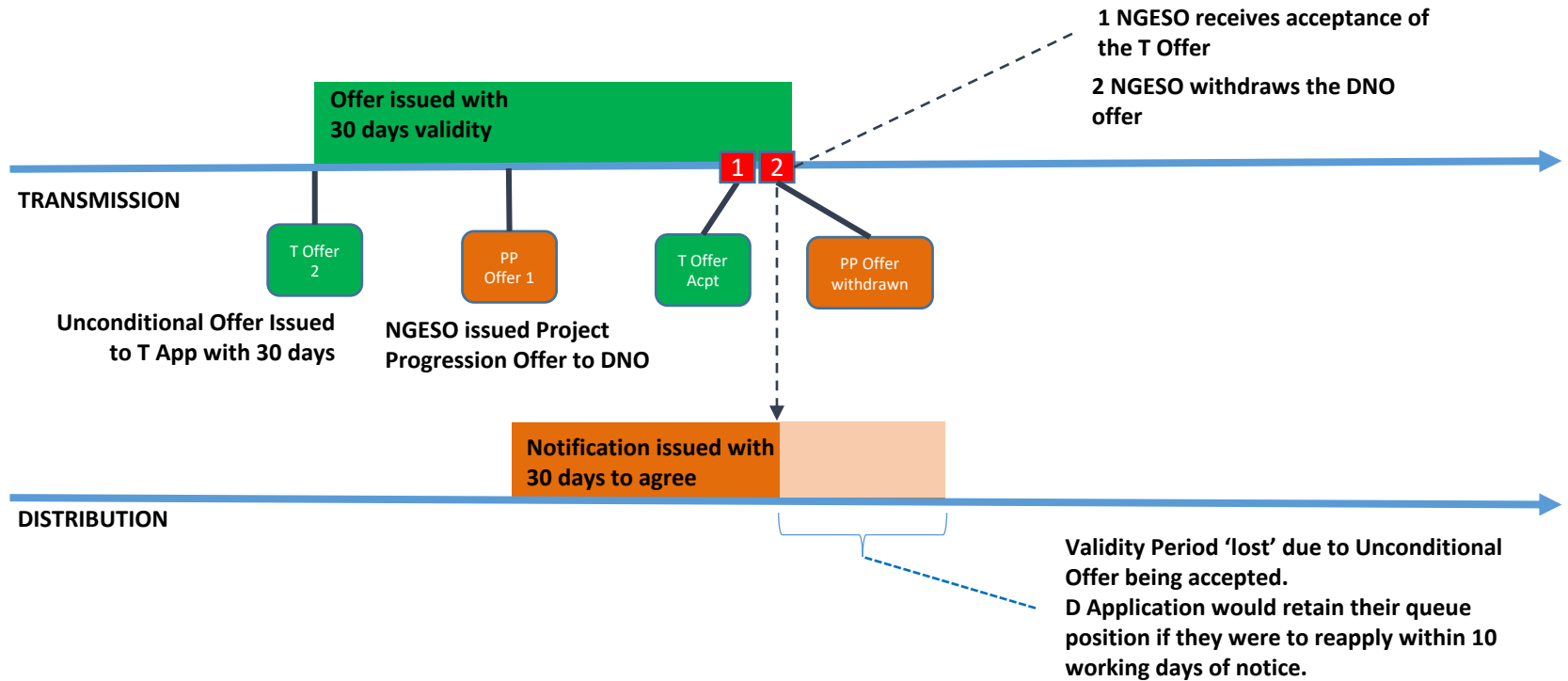
Transmission / Distribution Interactivity - Project Progression – Part 1

Transmission Application triggers Interactivity with a DNO Application – Project Progression (part 1)

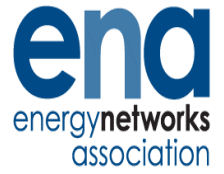


Transmission / Distribution Interactivity - Project Progression – Part 2

Transmission Application triggers Interactivity with a DNO Application – Project Progression (part 2)



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Q&A

Thank you for joining this webinar. To find out more or send us feedback, email us at opennetworks@energynetworks.org.