Alternative Connection Application and Offer Process Proposal

Response to Consultation Paper of the 04th March 2016

As a young but well-established wind power development company in Northern Ireland, with an active portfolio of individual projects at various stages of development and operation, we welcome the opportunity to respond to SONI/NIE Networks consultation paper on the Alternative Connection Application and Offer Process Proposal.

We would like to make the following responses to the consultation questions:

Question 1: Do you have any additional suggestions for consideration in relation to continuing to apply the existing connection application and offer process given the recent influx of connection applications received?

It is acknowledged that NIE/SONI are legally obliged to accept grid connection applications without planning consent. It is recommended that a deadline is put in place for planning to be obtained from the date a grid offer is issued.

A suggestion in relation to continuing the existing connection, would be to review the number of potential applications that would can be discounted due to for example; high fault level or no capacity. This would provide a more accurate reflection of the number of applications requiring full assessment.

Failing that, we would request assurance that we would not be disadvantaged by movement to a nodel assessment and away from the sequential processing. That is, the assessment within the node will be assessed based on application date order.

Detail of the timeframe in which this batch process will take should be indicated as this will allow individuals/companies to make an informed decision in regards to withdrawing their application due to timescales.

A project which we are currently developing makes use of the Demand Side Capacity Payments. NIE have stated that they intend to group “MEC adequate” connection applications within the same batch process as jobs which require network upgrades. This is unfair in this case. Take for example a 250kW wind turbine connection which is already connected and in operation. The capacity factor of this site, over the year will be significantly less than the 250kW MEC allocated. If we choose to utilise 100% of this capacity factor by connecting diesel generation to “use up” the excess, this is of no bearing to NIE/SONI. The grid study has already been carried out assuming worst case (100% capacity factor), therefore these connection offers should be prioritised and not be held back by the others in the “batch” which require additional capacity studies.

Question 2: Do you consider that the underpinning principles of the proposed connection application and offer process at a high level address the approach necessary to deal with the influx of connection applications? Can you suggest any further principles that should be considered?

The principals do not consider the timeframes for deployment or how the applications within the nodes will be considered.

Specific to small-scale generation, the timeframes for the new batch process analysis to be completed and offers issued should take into account the approaching decision regarding the closure of the ROCs. As these are intrinsically linked to ensuring the feasible of a project.

The NIE policy of studying projects at "worst case" could be improved, by dynamically modelling the true profile of the network. This would enable NIE/SONI to utilise the network's maximum capacity.

Question 3: Do you agree that the Batch Process is the most pragmatic alternative connection application and offer process to deal with the recent influx of applications? Do you have any other suggestions or specific comments on the proposed approach?

The proposed approach does not cover how the applications within the initial and final node assessments will be weighted. We would seek clarification that the applications within the nodes are weighted fairly.

It is anticipated that costs for connection will be spread across the applicants at each node based upon the MEC of each. Realistically this is not a fair approach. Take for example two applicants with the same MEC at opposite ends of the node. One close to a Bulk Supply Point with low potential for voltage rise, and another at the remote end which is more onerous. This must be weighted accordingly. NIE/SONI need to communicate a clear agreed method for weighting these projects.

In addition, there will be obvious situations when sequential processing should come into play. One latecomer to a batch could potentially increase the costs for the original applications within the node substantially. It is unfair for the others in the batch to then be responsible for the resultant unknown costs. This is a particular concern as NIEN/SONI have not made it clear how long each batch will remain open for. It is unfair for applications which we made once the procedure change was introduced in August to be treated equally alongside new applications up to the proposed closure date. We suggest that the publication of individual batch closure timeframes should be implemented.

Furthermore, the effect of 'ghost' projects should be considered within this approach. More clarity surrounding how this nature of projects with affect the timeframes and costs within the batch is required, in the likely event that certain projects within the node cannot proceed due to extended planning approval timeframes or planning refusal. As recommend in an earlier response, a deadline should be imposed on planning approval timeframes.

Question 4: Do you agree with the proposal to remove all consenting requirements for transmission connection applications?

Yes, we agreed with the proposal to remove the consenting requirements for transmission connection applications. It is necessary for a deadline to be in place to ensure that the system is not over-subscribed with 'ghost' projects.

Question 5: Do you agree with the types of connection applications that are proposed to be included in the Batch? Please provide reasons for any views expressed.

As per question 1's response, "MEC adequate" connection applications within the same batch should be treated differently. This differs from a zero export site. Take for example a 250kW wind turbine connection which is already connected and in operation. The capacity factor of this site, over the year will be significantly less than the 250kW MEC allocated. If we choose to utilise 100% of this capacity factor by connecting diesel generation to use up the excess, this is of no bearing to NIE/SONI. The grid study has already been carried out assuming worst case (100% capacity factor), therefore these connection offers should be prioritised and not be held back by the others in the "batch" which require additional capacity studies.

Question 6: What do you believe would be an adequate length of time between a decision paper from this consultation process being issued and the proposed Closure Date? Do you agree that a 4 week period would be adequate? Please provide reasons for any preference.

Agree, on the premise that the decision paper is issued on the same day it is dated.

We would request that up-to-date information on the connection applications currently in the queue process is provided within the decision paper, to clarify the current MWs and technology types which are in the system within particular areas. This would be used to assist in the decision-making process on how to proceed with current applications, or any subsequent applications being considered.

Question 7: Is there any information you can provide to describe how it is proposed that the over-installed plant, particularly in the case where there is a mix of generation technologies, is capped to MEC safely and securely?

NIE have developed a SCADA system capable of monitoring kW output in real time. This system can be utilised to automatically trip plant, should MEC be exceeded. Our concern arises from the fact that there are known offenders already connected to the system which are being dishonest in their declaration of their over-installed plant. It is important that NIE/SONI are proactive in rolling out the SCADA system in order to police this as these offenders are effectively stealing capacity from others.

Question 8: Is there any information you can provide to describe how it is proposed to limit the availability declarations from the generation site to the SEM and the SONI control centre via SCADA?

We are not involved with these generation sites and offer no opinion.

Question 9: Please provide any information you feel could explain how, if there is more than one technology type on site, the generation behind the connection point will be reduced in the event of a system constraint or curtailment?

Our bespoke SCADA is intelligent enough to respond to curtailment requests despite the technology. NIE/SONI's SCADA feedback can check to ensure curtailment requests have been met, if not there will be a penalty. It is unrealistic to expect NIE/SONI to have direct control of customers' generation, however curtailment requests should be dealt with in a timely manner, in exactly the same way that conventional plant is dispatched. Modern, variable speed wind turbines can harvest a specific requested kW output despite the wind speed. Sites which have this capability should be favoured during curtailment as they can dynamically respond to NIE/SONI's requirements. Whereas sites which are only capable of on/off should be curtailed first.

Question 10: Are there any further considerations for the TSO and DNO before this type of connection can be facilitated?

No further considerations proposed.

Question 11: Do you agree with the proposal for allocating any remaining Cluster capacity as a priority and issue these offers outside of the Batch Process? Can you suggest any alternatives for consideration?

We are in agreement. Currently, not all cluster substations are not being fully utilised. We are aware of connection offers which have been proposed to connect to clusters that are 20 miles away, when a BSP is within a few hundred metres. We would recommend that NIEN/SONI clarify, within the connection offer, the reason for selecting these non-intuitive substations for connection.

Question 12: Do you agree that a change may be required to the weighting of projects connecting into Clusters that have not submitted for planning permission and subsequent connection offers have expired or been rejected? Would you consider a weighting of zero for such projects to be acceptable?

As detailed within a previous response, this logic should be applied across the board. It is unreasonable for a project which is unlikely to proceed due to planning/consents/legals to reserve capacity within a node that is unlikely to ever proceed.

Question 13: Do you agree that the proposal to order the transmission assessments of the Groups based on the Groups with the earliest individual Valid Connection Application is a practical approach? If not, can you suggest any alternatives?

Agree that the earliest individual application determines the group to be assessed first. It is unclear if the application date/order is considered further within the group.

Additionally, the group should be re-evaluated once planning/consents are obtained. This is necessary to ensure that project within the group which are at early stages of planning/consent should have a detrimental effect on the progress of the other projects within the group.

Question 14: Do you believe it would be a prudent approach in the first instance for the TSO to determine whether there is existing grid capacity and issue offers where there is capacity as a priority, accepting that other applicants not included in this phase 1 would need to wait longer for connection offers?

We are in agreement, there are still areas on the system which have little to no generation and should not be postponed beyond “phase 1”

Question 15: In relation to connection offer validity periods, what length of time do you suggest would strike a balance between giving customers enough time to consider the connection offer and not unduly delay starting to process the remainder of the Batch?

If feasible this could be reduced to 60 days. The necessary resources would need to be in place within NIEN/SONI to accommodate this and also to ensure that time was still available to progress jobs already within the process.

Question 16: In order to reduce time, it is proposed to allow a period of 10 days from information on initial nodal assignment being provided for a decision to be made on whether to withdraw from an application from the process. Do you consider that the suggested 10 day period will provide an adequate balance between reducing delays and allowing high level decisions to be made by developers?

Agree that a 10 day period is sufficient to provide a decisions on whether to withdraw from the application process.

Question 17: Do you believe that high level information on estimated nodal assignment, connection method, potential charges and estimated timeframes for delivery would be of value and enable a decision to withdraw early to be made?

Agree that this information is vital, an informed decision could not be made without this information. Customers should also be made aware of any anticipated price increases to assist this decision.

Question 18: Can you suggest any alternatives to ensure that customers are committed to their connection application?

Suggest a deposit payment, following the confirmation on proceeding. An additional timeframe for payment would need to be applied to this.

A deadline for planning permission being obtained would also ensure commitment. We recommend that evidence that the planning process is in progress. Applicants which have not yet applied for planning should not be considered, due to be restrictive timeframes for other projects with the batch.

Question 19: Do you agree with the proposal to share the costs of common connection assets between applicants on a per MW basis as described?

As previously discussed, this is not a fair approach. Take for example two applicants with the same MEC at opposite ends of the node. One close to a Bulk Supply Point with low potential for voltage rise, and another at the remote end which is more onerous. This must be weighted accordingly. NIEN/SONI must have a clear agreed method for weighting these projects.

Question 20: Do you think Proposal A or Proposal B is preferable for entry into the FAQ list? Do you have any other suggestions for entry into the FAQ list?

No further recommendations.

Question 21: Would a connection offer for generators of 5MW and above without firm access assessment provide sufficient information for that offer to be accepted or for high level decisions on project viability to be made?

No further recommendations.

Question 22: Would a connection offer which does not contain GOR information provide sufficient information for that offer to be accepted or high level decisions on project viability to be made?

No further recommendations.

Question 23: Is it essential for GOR information to be issued along with FAQ and ATR information or is GOR information alone sufficient information for an offer to be accepted?

No further recommendations.

Question 24: Do you agree that the offer acceptance criteria outlined above strikes the right balance between ensuring that applicants are committed to their projects, without being too onerous that applicants will not be in a position to accept their offer?

We do not agree. Applicants must be able to demonstrate the viability of the project. A customer which is nearing the end of the planning permission process should be prioritised over someone who is yet to submit a planning application, or is only beginning the planning approval progress.

Question 25: Do you agree that project milestones relating specifically to securing planning permission are required now that the planning permission pre-requisite has been removed for applications to the Distribution System? What do you believe to be an adequate length of time to secure planning permission after a connection offer has been accepted?

Securing planning permission is essential for any project to proceed. It is believed obtaining this as early as possible is vital to expedite the assessment of nodes and to confirm expected expenditure. It is also required to ensure 'ghost' projects can be discounted as early as possible, to avoid the knock on effect on the analysis of surrounding projects.

It is believed after receiving a grid offer a deadline of 2 months should be in place for obtaining planning permission.

Question 26: Do you believe that the outcome of the Ofgem milestone consultation in GB should be applied in Northern Ireland without further consultation?

Disagree, the markets vary widely and further consultation for the Northern Ireland market is required.

In addition, there is concern that the connection offer process has been postponed pending an OFGEM decision. Realistically due to unacceptable NIEN/SONI delays on implementing the batch process, there is a high probability that once this is in place, many projects will already be unviable. There appears to be little to no communication or coordination between NIEN/SONI and OFGEM. Clarification is required on the communication on this matter. Had NIE been aware of OFGEM's decision to prematurely close the NIROC, the large influx of applications could have been avoided by postponing the decision to remove the requirement for planning permission for a grid application.