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Our ref Your ref Date

14 February 2019

Dear Sir

ESO Draft Forward Plan April 2019 - March 2021 consultation

Please find attached our response to the above consultation.

If you require any further information please feel free to contact me at nturvey@westernpower.co.uk.

Yours sincerely

Nigel Turvey

DSO and Future Networks Manager

Nigel Turrey

ESO Forward Plan Consultation April 2019 – March 2021

WPD comments on the forward plan:

Principle 1

Insight documents

The FES should be further developed to incorporate those produced by Distribution companies to provide a regional insight into how the scenarios may develop.

Stakeholder interactions

Should the operational forum be extended to include activities by distribution companies to give a better whole electricity system view?

Forecasting

Continuously improving forecasting data should be a normal activity of a system operator, so should all of these be exceeding baseline? Should there be more of a criteria on how difficult the different areas are to highlight those which a truly exceeding baseline?

Information access

Similar to above, shouldn't these be expected activities rather than exceeding baseline?

Principle 2

Addressing operational issues

RoCoF and Vector shift changes – whilst accepting that the ESO could, in the short/medium term hold higher levels of reserve rather than address this issue, it would not be a long term solution. This activity will be funded from BSUoS and most of the activity to deliver this change will fall to distributors and hence we believe that it is more meeting rather than exceeding baseline.

Upgrading of information systems

European Network Codes – whilst the detail was not available at the time RIIO-T1 was established, the need for change associated with these was known at that time and hence would question if this is exceeding baseline.

Principle 3

Product roadmap for reactive power

We are working on implementing the approach for efficient reactive power flows between networks via the Open Networks project, hence unclear why this is exceeding baseline and hence potentially rewarded via the incentive scheme when distributors are neither funded nor were able to be forewarned of this issue in advance of the RIIO-ED1 settlement being agreed.

The Power Potential project is funded via innovation funding which has its own reward mechanisms for performance exceeding expectations, hence it should not feature as exceeding expectations.

Product roadmap for restoration implementation

Alternative approaches to restoration – as this is being funded via NIA it should not be shown as exceeding baseline.

Principle 4

<u>Transforming industry frameworks to enable decentralised, decarbonised and digitalised energy networks</u>

Whilst some of these maybe exceeding expectations, a significant part of the deliverables described are what we would expect an effective code administrator to deliver.

Transforming the customer experience for network charging

Some of these, e.g. 'publications and guidance of the impact of charging reform to our customers' should be normal expectations and hence not exceeding baseline.

Principle 5

Ongoing Regional Development Plans

These have been in development over the past two years and are essential to allow further distributed generation to connect economically and in a timely manner. As both these objectives are core requirements for both the ESO and the distributors we are unclear why these are all exceeding baseline.

Principle 6

Whole system operability

For the reasons highlighted under principles 2 and 3 for the first two of these deliverables we are unclear why these are exceeding baseline.

Enhanced customer experience

Customer connection portal – not sure that scoping the portal is exceeding baseline, delivering it maybe.

Whole Energy System thought leadership

The ESO's involvement in the Open Networks project is both essential and welcome, however we share out leading different parts of the project between all participating network companies who are doing this activity as part of their regulated revenue. Hence, we would question whether the ESO input in this area is exceeding baseline.

Principle 7

Pathfinder projects

We value the development of pathfinder projects as part of an overall learning by doing approach. Given that the options for voltage management have been documents for a number of years we are unclear why these are exceeding baseline deliverables.