

Meeting minutes

NOA Committee meeting 9 January (redacted)

Meeting name

Date:	09/01/2020	Location:	Faraday House L1.15
Start:	10:00 AM	End:	12:00 PM

Participants

Present	Attend/Regrets
Duncan Burt (Chair)	Attend
Roisin Quinn	Attend
Julian Leslie	Attend
Richard Smith	Attend
Lauren Moody	Attend
Kayte O'Neill	Attend

Attendee	Role	Minute(s) attended
Kelvin Lambert	Technical Secretary	Full
Nick Harvey	Network Development Manager, ESO	Full
James Greenhalgh	Electricity Customer Connections Manager, ESO	Full
Hannah Kirk-Wilson	Technical Economic Assessment Manager, ESO	Minutes 1-4
Marc Vincent	Economic Assessment Manager, ESO	Full
Jingchao Deng	NOA CBA lead - north, ESO	Full
Sean Williams	NOA CBA lead – south, ESO	Full
Jason Hicks	NOA lead, ESO	Full
Iain Shepherd	NOA CBA lead, ESO	Full
Gary Dolphin	NOA for Interconnectors lead, ESO	Minutes 1-5
Bekah Pryn	Power system engineer, CfD lead, ESO	Minutes 1-4

Thomas Johns	Senior Economist, New Transmission Investment, Ofgem	Full*
Joe Slater	Senior Manager RIIO Transmission, Ofgem	Full*
David Adam	Transmission Networks Manager, SPT	Minutes 5-6*
Eric Leavy	Head of Transmission Network, SPT	Minutes 5-6*
Kirsten McIver	Lead Design Engineer, SPT	Minutes 5-6*
Bless Kuri	Head of Transmission System Planning & Investment, SHE Transmission	Minutes 5-6*
Roddy Wilson	Network Planning Manager, SHE Transmission	Minutes 5-6*
Mark Perry	Network Development Manager, NGET	Minutes 5-10
Aaron Zuill	Connection Investment Manager, NGET	Minutes 5-10
Le Fu	Power System Expert, NGET	Minutes 5-10

*Joined by teleconference

Topics to be discussed

1. Apologies and introductions

Mr Burt welcomed all attendees and introductions were made.

2. Meeting governance and process

[Redacted due to administrative nature.]

3. Minutes of the NOA Committee meeting held on 10 December 2019

The draft NOA committee minutes for the meeting held on 10 December 2019 (the “Minutes”), as circulated prior to the meeting, were taken as read. Mr Burt requested the members and attendees to provide any final comments.

There were no further comments and accordingly the Minutes were **APPROVED** as an accurate record and **APPROVED** for signature by the Chair.

4. Actions arising from the NOA Committee meeting of 10 December 2019

[Redacted due to administrative nature.]

5. NOA for Interconnectors

Mr Burt invited Mr Dolphin to provide an update on NOA for interconnectors and the following points were noted:

- Mr Dolphin gave background information highlighting that the analysis is a market assessment and does not give recommendations. It evaluates Social Economic Welfare (SEW), constraint costs, likely capex and associated network reinforcement costs.
- In the process, we assessed for the three years 2027, 2029 and 2032.
- There were 30 combinations of interconnected country, GB connection zone and additional GB reinforcement considered this year.
- The results showed a larger range than last year; 18.1 GW to 23.1 GW compared with 18.4 GW to 21.4 GW in last year’s analysis. The range is larger because of additional welfare caused by increased offshore wind in CR and TD.
- The optimum interconnection capacity is higher than the base case for all scenarios to Belgium and Ireland. For Denmark, the optimum interconnection is no higher than the base case in any scenario but may still add value in paths that are not optimal.
- More interconnection is driven by balancing more renewables in different markets.
- The cost of onshore reinforcements is calculated separately and then included as part of the SEW.

6. Eastern link discussion

Mr Burt invited Mr Shepherd, Mr Perry and Mr Vincent to provide an update in response to actions 13.4, 13.5 and 13.6 on Eastern links E2DC and E2D2 and the following points were noted:

Action 13.4 *Investigate what drives E2DC and E2D2 recommendations in the FES and the CBA.*

- Mr Shepherd explained that in higher wind scenarios, the network is more constrained in later years hence E2D2 (Torness to Cottam) which relieves more boundaries is better.
- The earlier EISD of E2DC (Torness to Hawthorn Pit) is more valuable for more constrained earlier years and then there is a pause as nuclear generation closes.
- E2DC has more upfront savings. Additional analysis confirmed E2DC as the link's first year's availability is so valuable.

Action 13.5 *Explain why it is not possible to take both E2DC and E2D2 forward, and the costs.*

- The TOs have concerns about taking forward both schemes because of seabed surveys and consents. There is no guarantee of doing both seabed surveys at the same time. These factors could add 4-6 months to the overall delivery date and there is a very significant risk of delay if having to progress both.
- The routes of the two links diverge quite quickly from Torness southwards if trying to share surveys between the two links.
- The NOA Committee agreed to **proceed** with both E2DC and E2D2 but accepted that E2D2 may need to be delayed to maintain the EISD of E2DC. This was supported by the analysis presented to the Committee that E2DC should be favoured if both cannot maintain their EISD.
- Further decision stages including the SWW assessment and higher wind scenarios have the potential to push the result back to E2D2 in future analysis. The NOA report is to emphasise the further stages such as SWW.
- The TOs will submit both options for next year's NOA if the SWW process doesn't lead to one link being approved before then.

Action 13.6 *Walk through with SPT the changes in capability that affect B6 and B7a.*

Mr Vincent completed this action with SPT.

Mr Burt invited Mr Perry to provide an update on action 13.7 *Check what the boundary benefit of TLNO would be*, and the following points were noted:

- Mr Perry said that the TLNO benefit that NGET quoted for B6 was a minimum capability for if the new option was considered on its own.

7. RTRE discussion

Mr Burt invited Mr Williams to provide an update on action 13.9 *Review RTRE as a marginal 'proceed' for January NOA Committee meeting*, and the following points were noted:

- Mr Williams explained that in NOA 2018/19, RTRE was critical and the recommendation was proceed. NOA 2019/20 said that RTRE's optimum year is a year after the option's earliest in-service date. [Redacted due to commercially sensitive nature.] The option benefits boundary LE1 whose flows are very low in 2021, but in reality, we do see higher flows particularly for exports to the continent. The NOA Committee agreed to **proceed** option RTRE.

8. BBRE discussion

Mr Burt invited Mr Perry to provide an update on action 13.10 *Check the cause of the delayed EISD of BRRE for January NOA Committee meeting*, and the following points were noted:

- Mr Perry said that BRRE's EISD was an error by the TO. Mr Williams explained that it needs further assessment to prove but by inspection the option is still a proceed.

Action 14.3 Mr Vincent to check that the proceed for BRRE is still correct without full study runs.

9. BTNO discussion

Mr Burt invited Mr Perry and Mr Williams to provide an update on actions 13.12 and 13.11 for option BTNO and the following points were noted:

Action 13.12 *Investigate congestion costs associated with the BTNO delay and report to the January NOA Committee meeting.*

- Mr Williams explained the analysis that showed that delaying BTNO by one year to 2027 has significant regrets and delaying by two years slightly more but the significant regret is for just one year.
- The analysis was using the best case or lowest regret for delay.

Action 13.11 *Considering the significant constraint cost impact, investigate if can BTNO be delivered on its original EISD (2026) and if so what are the risks and costs of that, or if not, why not.*

- Mr Perry said that much has changed since 2026 year quoted and that pursuing the option will force the TO to look at other approaches or options for exports from East Anglia. TO doesn't believe it can take forward the option without considering the wider context.
- East Anglia generation connections in TD are driving the need whereas costs in the other three scenarios are much less.
- Mr Burt reiterated that NOA Committee expected a proceed in NOA 2018/19 based on a 2026 EISD rather than two years later.

Action 14.4 Mr Williams to circulate the BTNO report to NGET and Ofgem.

Action 14.5 Mr Harvey to work with TOs on improving the NOA process communication.

10. MBHW discussion

Mr Burt invited Mr Williams to explain the revised ESO view for the MBHW (thermal upgrade of Bramley – Melksham 1 and 2 circuits) and the following points were noted:

- Mr Williams said that following NOA Committee meeting held on 9 December, the NOA team checked the B13 boundary assessments and obtained new data from NGET. The team concluded it is possible to reduce constraints on B13 for which option MBHW becomes critical in CR. The NOA team recommend to proceed MBHW. The NOA Committee agreed proceed for MBHW.

11. Date and time of next meeting

6 May 2020, Wednesday, 1pm to 3pm

8 October 2020, Thursday, 1pm to 3pm

8 December 2020, Tuesday, all day – [post meeting note, due to clashes, this meeting will be held on Monday 7 December 2020].

12 January 2021, Tuesday, 1.30pm to 3.30pm.

12. Any other business

Mr Burt asked for items of any other business and the following points were noted:

Action 13.8 *Review stability on the south coast.*

Dr Smith responding for Mr Magill said this work is still in progress. The due date is changed to the May meeting.

13. Feedback

Not discussed.
