

20th August 2014

Renewables Grid Liaison Group

Minutes of Meeting

Attendees	
Utility Regulator	Jenny Pyper (JP) Tanya Hedley (TH), Jody O'Boyle (JOB), Ronan McKeown (RK)
NIRIG	Meabh Cormacain (MC), Billy Graham (BG)
NIE	Michael Atkinson (MA), Aidan Bradley (AB), Stephen Thompson (ST) Caron Malone (CM) Adrian Macauley (AM) Robert Wasson (RW)
SONI	Eimear Watson (EW) Dick Lewis (DL)
DETI	Michael Harris (MH(arr))
Solar Power Representative	Ruth McGuigan (RMcG)
Ulster Farmers Union	Chris Osborne (CO)
Apologies	Richard Love (RL) Mervyn Adams (MA(d)) Michael Harper (MH) Gary Hawkes (GH)

No	Item	Action
1	Apologies Richard Love (RL) Mervyn Adams (MA(d)) Michael Harper (MH) Gary Hawkes (GH)	
2	Minutes and actions from previous meeting Minutes agreed for publication	
	Actions from previous meeting <u>Action 1</u> - DETI to update regarding ETI committee review -closed <u>Action 2</u> - DETI to provide links to NIE to include in minutes – closed <u>Action 3</u> - NIE to provide plan for RIDP/Network 25 at next meeting on preferred scheme- this action is now with SONI and is to be kept on agenda for next meeting. Consultation is being finalised in next 3 months and SONI will present to RGLG after internal agreement <u>Action 4</u> - NIE Also to provide timetable for closure report to UR- on RIDP- working to finalise report for October <u>Action 5</u> - NIE to write to UR informing of delays in procurement and when the procurement is finished NIE can write to UR- this relates to conditional offers and is to be covered under agenda Item 7 <u>Action 6</u> - Formal confirmation of timetable to be provided for next meeting by NIE this relates to conditional offers and is to be covered under agenda Item 7	SONI NIE NIE
3	Renewables Integration Status report Last update to this report was early 2014. SONI are currently in process of completing transmission planning review process and expect report to be updated before next meeting. ACTION- SONI to provide update on Renewables Integration	SONI/NIE

No	Item	Action
	<p>Status report for next meeting</p> <p>Current connection figures are; Large Scale Generation- 552MW connected (400MW in delivery pipe); Small Scale Generation- 65MW connected; and Microgeneration over 35MW connected.</p> <p>This equates to around 18/19% consumption from renewables.</p> <p>Important Project areas:</p> <p><u>Clusters</u></p> <p>Good progress with the 3 main clusters (Tremoge, Gort, Mid-Antrim) which are all at construction approval stage with UR. Additional pre-construction approval for Garvagh to be submitted to UR imminently. Expect to bring plans for 3 further clusters soon (Drumquin, Garvagh & Newtownstewart).</p> <p>NIE is conscious that 2017 is important date for developers due to ROCs finishing so are communicating with developers regularly about timelines.</p> <p><u>Medium Term Plan</u></p> <p>Dunagannon-Omagh works are complete; only one outstanding item which is related to completion of Tamnamore works.</p> <p>Tamnamore- work progressing- expect to be complete 2015</p> <p>Kells-Coleraine- 3 phases of this project- phases 2 and 3 are underway and due for completion end 2014</p> <p><u>Network 25</u></p> <p>SONI to complete- Should be complete early October</p> <p><u>RIDP</u></p> <p>Report for end August</p> <p><u>SEA</u></p> <p>SONI needs registered as beneficiary for EU funding. Will request extension as funding expires in September</p> <p>ACTION- SONI to confirm if they require a letter of support from UR & DETI</p> <p>NIRIG welcomed that NIE & SONI working together on this reporting. NIRIG questioned if these reports were due to be published every 6 months and highlighted that they are very useful reports so would like to see these kept on schedule.</p> <p>NIRIG also requested that the timeline for these reports to be extended beyond 2017.</p> <p>SONI were asked about what assumptions are made for the North South Interconnector - SONI confirmed they have to assume current timing for interconnector and apply this to assumptions</p>	<p>SONI</p>
4	<p>SONI Off Shore Consultation - Next Steps Paper</p> <p>Comments on this consultation have been received and reviewed. A meeting has also taken place with UR & DETI to discuss these comments as some are regarding whose decision</p>	

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	<p>it is to make decisions about the application process. This lies with SONI/NIE</p> <p>SONI have drafted a decision paper which is due to be published in next few weeks</p>	
5	<p>Competition in connections</p> <p>Ronan McKeown has joined UR to look at contestability in connections.</p> <p>Draft timeline has been developed:</p> <ul style="list-style-type: none"> • Mid Sept 14- initial stakeholder call for evidence • Mid Oct 14 - stakeholders to provide presentations • End Oct 14- call for evidence workshop • Mid Nov 14- issue consultation • Mid Jan 15- stakeholder workshop to finalise proposals • March 15- issue paper • May 15 - decision paper issued <p>Timeline to be published along with the call for evidence in September.</p> <p>UR intend for people to be more involved in development of consultation and solution and have included the call for evidence for this reason. The idea is that open workshops will be for people to give their views on the process and consultation.</p> <p>UR indicated that as two of the main stakeholders NIE & SONI are welcome to present on their thoughts.</p> <p>UR are keen to be very open on how contestability will be introduced so would not be presenting on their views as they have no preconceptions. However they are mindful not to try and reinvent the wheel and have looked at information already provided by NIRIG on UK & ROI models and have also engaged with Ofgem already</p> <p>UR acknowledged that timelines are challenging but that they want to do this right as it is such an important issue.</p> <p>NIRIG said they thought there was value in UR putting criteria on how call for evidence would be judged and the priorities. This might also help to structure responses as priorities change for different types and sizes of generation. UR indicated that if they put criteria in call for evidence, this would be based on their statutory duties</p> <p>SONI suggested this should be rebranded 'contestability' in connections rather than competition as it is misleading</p>	
6	<p>Cluster Security- Payment Policy</p> <p>This item had been on agenda previously. There had been discussions between NIE & UR in early 2014, those discussions stopped due to CC review</p> <p>Will be covered under Project 40 heading going forward</p>	
7	<p>SSG Conditional Offers</p>	

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	<p>NIE have been working over last 8 weeks in trying to cope with result of CC determination (no more 33kV investment in public interest) and the result of DET 522.</p> <p>Statement was released by NIE on Friday 15th August and can be found on the website. This statement provides background and explanation of process.</p> <p>As a result of the withdrawal of offers NIE will be looking to implement a change to NIE Statement of Charges and a 'managed connection' – both of these will be developed under Project 40. Albeit early in the assessment process 'Managed Connections' may bring some benefits in exploiting any remaining headroom on the network.</p> <p>A substantial communication exercise has been on going with developers/applicants to withdraw offers or explain to developers/applicants why offers cannot be made</p> <p>NIRIG asked if the progressing of works under the £2.3m will release further offers. NIE confirmed that conditionality had been released from over 80 offers to date. In some cases the investments have facilitated significant additional generation to be connected. The offers withdrawn or not made will include the totality of assuming all of the £2.3m being implemented going forward.</p> <p>NIRIG asked what is the process for obtaining funds for further investments like the £2.3m and if these can be submitted to UR for approval</p> <p>NIE's take is that the CC stated further spending was 'not in the public interest'. NIE view is that it is possible that some more lower level investments may still be economically justified but this would be a matter for UR to decide. NIE are currently looking at SOC as it currently applies to see if some investment may be paid for by developers or if some further small investment may be funded from general customer base. This will be subject to discussion with UR around SOC and a possible consultation around any changes to the SOC.</p> <p>UR indicated they are currently engaging with NIE about what is in the RP5 allowances from CC and what is not. UR indicated this will be a key aspect of any additional approvals. NIE confirmed they are not of a mind to spend load related allowances to fund work – noting again that such work was deemed by CC to be 'not in the public interest'.</p> <p>NIRIG said they would be keen to get further engagement on this issue and that this type of investment would complement the managed connection.</p> <p>UFU asked what landowners should do if they have questions. NIE indicated they should call in via the NIE call centre where they query can be dealt with. NIE also confirmed the letter details customer options.</p> <p>UFU indicated they were working hard to help to manage developer expectations and they any feedback they have</p>	

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	<p>received so far has been positive</p> <p>NIRIG said it was very positive for NIE to retain developers/applicants in queue and reissue them with offer.</p> <p>80 offers already withdrawn, 120 so far to be told they cannot be issued an offer at this time. This number will continue to grow</p>	
8	<p>NIE Project 40</p> <p>In May of this year NIE established "Project 40" (the "40" referencing the 40% target). Project 40 was tasked with assessing industry best practice and considering a range of technical and commercial options to optimise network access and the delivery of renewable generation to the NIE network.</p> <p>NIE recognised over past number of months a number of areas within generation connections that there is a need to discuss issues and develop protocols and approaches and then make sure this is understood. The NIE distribution network is at high levels of saturation and are therefore NIE is working hard to enhance where or if possible the capabilities of the distribution network to accommodate additional generation.</p> <p>To date NIE have already identified, at a high level, a number of challenging areas to look at and engaged with UK DNO to understand best practice.</p> <p>A 'kick off' workshop took place on 26th June with attendees from UR, DOE Planning, UFU, DETI, SONI, and NIRIG to discuss some of the issues.</p> <p>NIE have now framed number of subgroups and are engaging further with stakeholders albeit the initial area of focus is on SSG</p> <p><u>Large Scale Matters</u></p> <p>NIE have identified 5 subgroups within Large Scale Generation including clustering, reactive power management, long cable connections, deposit levels, connection offers and their structure.</p> <p>Internal work is underway to frame concepts and issues to discuss and NIE have agreed to attend NIRIG meeting on 28th to give an update on progress.</p> <p>Next step is to agree how to engage developers on subgroups.</p> <p>One issue is around cluster security deposits:</p> <ul style="list-style-type: none"> • NIE plan to have further meetings with external stakeholders on this. This will also require UR input as NI customer base is subsidising cluster costs initially • NIRIG stressed importance of this issue <p><u>Small Scale Matters</u></p> <p>The main focus of SSG work is to try and develop alternative methods of connecting to the distribution network and NIE are currently looking at the concept of 'managed connections'.</p> <p>Several meetings have taken place and a consultation document is being drafted on how the 'managed connection' will work. This</p>	

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	<p>will also involve a review of statement of charges.</p> <p>NIE has a number of resources internally working on this. NIE have already initially engaged with UR and will continue to do so including when NIE are aware of what investment is required to facilitate further connections. NIE & UR are already engaging regarding CC allowances and what additional approvals may be required</p> <p>NIE have made good progress to date in the area of 'managed connections' concept analysis and will continue to engage generation communities as work progresses.</p> <p>NISTA explained that they would like Solar industry to be represented on SSG forum as PV industry to dramatically change within next year. NIE agreed to take this on board</p> <p>NIE explained that all groups are across all technology types and NIE will be consulting on all major changes. Work at the minute is to develop consultation document for managed connections.</p> <p>£2.3m programme update:</p> <ul style="list-style-type: none"> • At last meeting NIE gave an update on tap changer programme. Currently at Post Tender Negotiation (PTN) stage and the tenderers have suggested work is far in excess of what was anticipated. This unfortunately means programming has slipped but the offers have been released and are continuing through pre-construction works Applicants with offers out of these substations have been informed they cannot connect until tap changes are changed (13 substations). NIE indicated this may require further engagement with UR when final costs are known. • Completed 10 of super tap relays to date. No further restriction on these substations. <p><u>Microgeneration Matters</u></p> <p>Scope of microgeneration sub group is being developed. Need to hold a number of internal meetings initially before inviting industry along.</p> <p>Agreed to convene forum with micro community and aim to do this within number of weeks to get take on board their issues and how these could be investigated.</p> <p>NIE agreed to provide Project 40 updates at RGLG meetings.</p> <p>ACTION- NIE to circulate structure of groups and who is involved</p> <p>SONI raised concerns that NIE should consider that for transmission constraints the SEM committee decided that pro-rata generator output reduction applies rather than a LIFO principal. SONI suggested the consultation on 'managed connections' should not be in isolation to SSG community but should also include LSG community as this will have a ripple effect. SONI confirmed that curtailment payments will only apply until 2018.</p> <p>NIE confirmed that the consultation will be an opportunity for</p>	<p>NIE</p>

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	<p>anyone interested to get involved.</p> <p>NIRIG raised concerns on engagement so far. NIRIG said that in order to have NIRIG engagement this should include the broader group not just a select few members. NIE confirmed that the meeting next week will inform NIRIG further on Project 40 matters.</p> <p>ACTION- NIE and UR to meet for update meeting on Project 40</p>	<p>NIE/UR</p>
<p>9</p>	<p>NIRIG Presentation</p> <p>NIRIG flagged concerns on</p> <ul style="list-style-type: none"> • Clear timeframes • Early & broad engagement with industry • Adequately resourced policy development • Visibility on network and policy development • NIRIG is willing to provide support on this <p>NIE responded that they will be providing more network formation in short term as part of project 40. NIE also considers Project 40 and the engagement on this as a long term strategy not short term.</p> <p>NIE also explained that VSS process will not affect connection business as this is self funding.</p> <p>ACTION- NIE to provide an update to NIRIG on Project 40</p>	<p>NIE</p>
<p>10</p>	<p>UR Organisational Changes</p> <p>Last meeting updated on letter that was sent out regarding changes to UR structure. Since then there have been a number of areas where there are additional pressures and in addition DETI have flagged areas where they would like UR to engage.</p> <p>Final structure to be in place in Jan. UR will provide updates when available</p> <p>ACTION- UR to provide updates on structure</p> <p>Tanya Hedley- Director of Network operations across Water, Gas & Electricity- will continue to chair RGLG</p> <p>Brian McHugh- Price Control Regulation across Water, Gas & Electricity</p>	<p>UR</p>
<p>11</p>	<p>AOB</p> <p><u>NSI</u></p> <p>Now falls within SONI remit. Planning application still with DOE. Expect to return to PAC so public inquiry can be restarted.</p> <p>EirGrid hope to lodge planning application for their section later this year</p> <p>This is an area of great concern to both regulators and the SEM committee. UR would urge that if anything can be done to hasten process this would be appreciated. UR asked if there was any</p>	

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	<p>way they could assist they would like to be notified.</p> <p><u>Move from G59/1 to G59/2</u></p> <p>NIE have been in consultation with ENA and have completed GAP analysis.</p> <p>Looking for ‘tracked changes’ document on changes and are considering a move to G59/3. At present looking to end 2015 for this to happen</p> <p>NISTA flagged this is causing issues in solar industry with additional cost of relays imposed on NI customers only and also starting to get issues obtaining compliant G83/1 inverters.</p> <p>Agreed to add this item to agenda going forward.</p> <p>ACTION- NIE to provide update at next meeting</p> <p><u>Rebate Policy</u></p> <p>Gap between T&D applicants. SONI asked if Project 40 would be addressing the possibility of a rebate policy that would permit transmission connectees to receive rebates from distribution connectees making use of a transmission connection asset.</p> <p>UR & NIRIG have both written to DETI about this.</p> <p>DETI highlighted concerns around the impact of bringing forward legislation to introduce rebate policy as further information was required on this.</p> <p>ACTION- NIRIG, NIE & SONI to meet around this</p> <p><u>SEDWIG</u></p> <p>NIE & NIRIG should have received letters confirming a SEDWIG meeting will be arranged. This will be chaired by the Minister</p> <p><u>DETI statistics</u></p> <p>Now in position where statisticians have agreed position on methodology with NIE & SONI. Draft now to be shared with Minister. These will be published on calendar & financial year. DETI expect this should be published before next meeting</p> <p>ACTION- DETI to provide update at next meeting</p>	<p>NIE</p> <p>NIRIG/NIE/SONI</p> <p>DETI</p>
12	<p>Dates of Meetings for 2014</p> <p>Week after SONI board meeting in October</p> <p>Tuesday 11th November 2014</p>	

Summary of Actions

Action No.	Action Description	To be Actioned by
<u>Actions carried forward</u>		
1	NIE to provide plan for RIDP/Network 25 at next meeting on preferred scheme- this action is now with SONI and is to be kept on agenda for next meeting. Consultation is being finalised in next 3 months and SONI will present to RGLG after internal agreement	SONI
2	NIE Also to provide timetable for closure report to UR for RIDP- working to finalise report for October	NIE
3	NIE to write to UR informing of delays in procurement and when the procurement is finished NIE can write to UR	NIE
<u>New Actions</u>		
4	SONI and NIE to provide update on Renewables Integration Status report for next meeting	SONI/NIE
5	SONI to confirm if they require a letter of support from UR & DETI regarding EU funding	SONI
6	Project 40- NIE to circulate structure of groups and who is involved	NIE
7	NIE and UR to meet for update meeting on Project 40	NIE/UR
8	NIE to provide an update to NIRIG on Project 40	NIE
9	UR to provide updates on organisational structure as this develops	UR
10	G59 and G83 changes -NIE to provide update at next meeting	NIE
11	Rebate Policy- NIRIG, NIE & SONI to meet around this	NIRIG/NIE/SONI
12	DETI to provide update at next meeting when statistics report is published	DETI