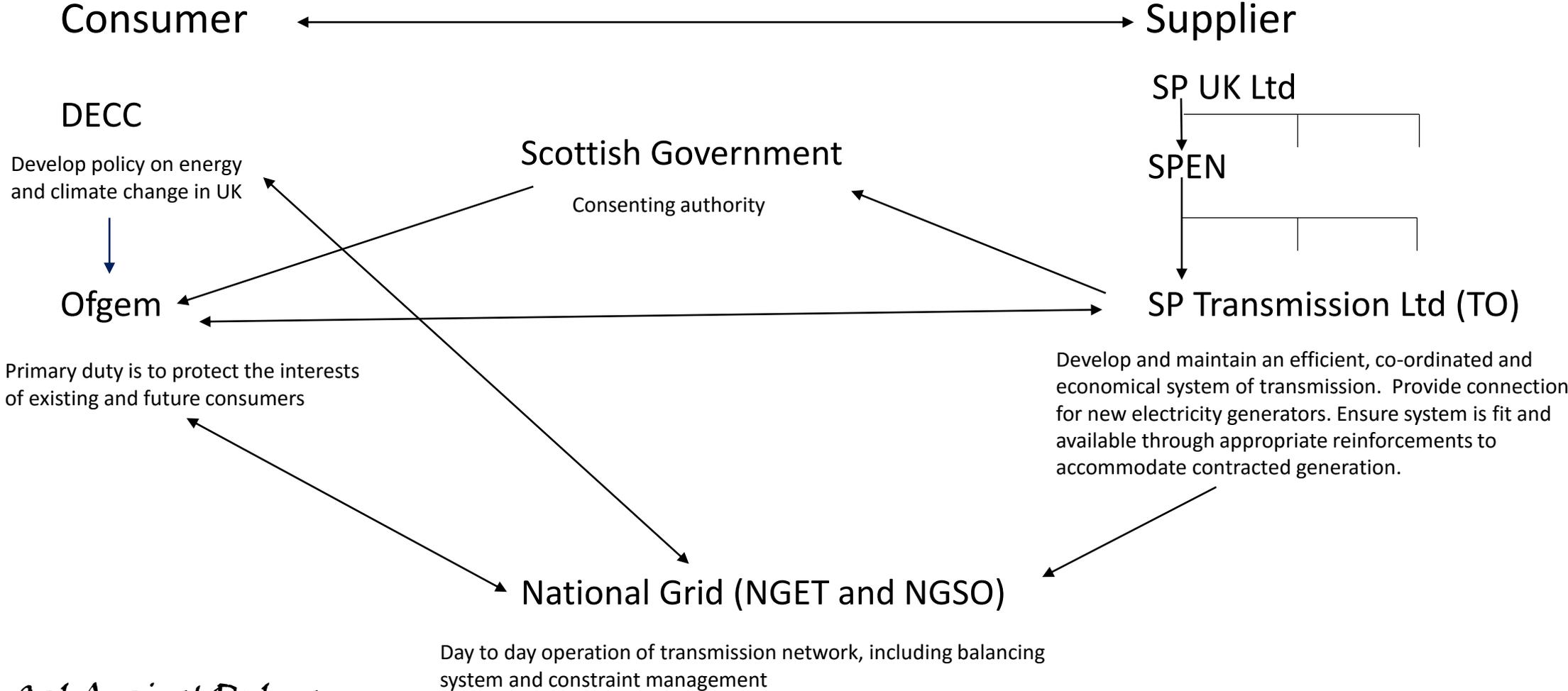
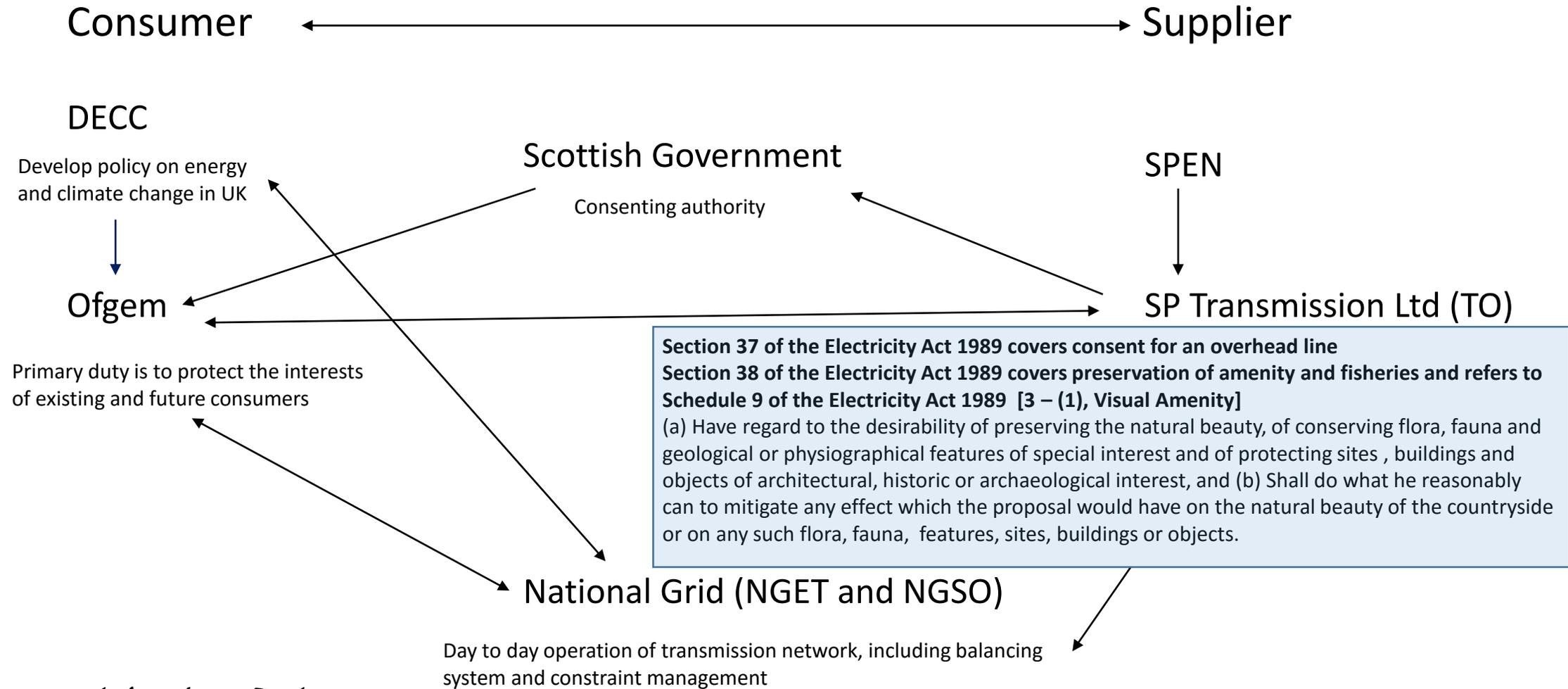


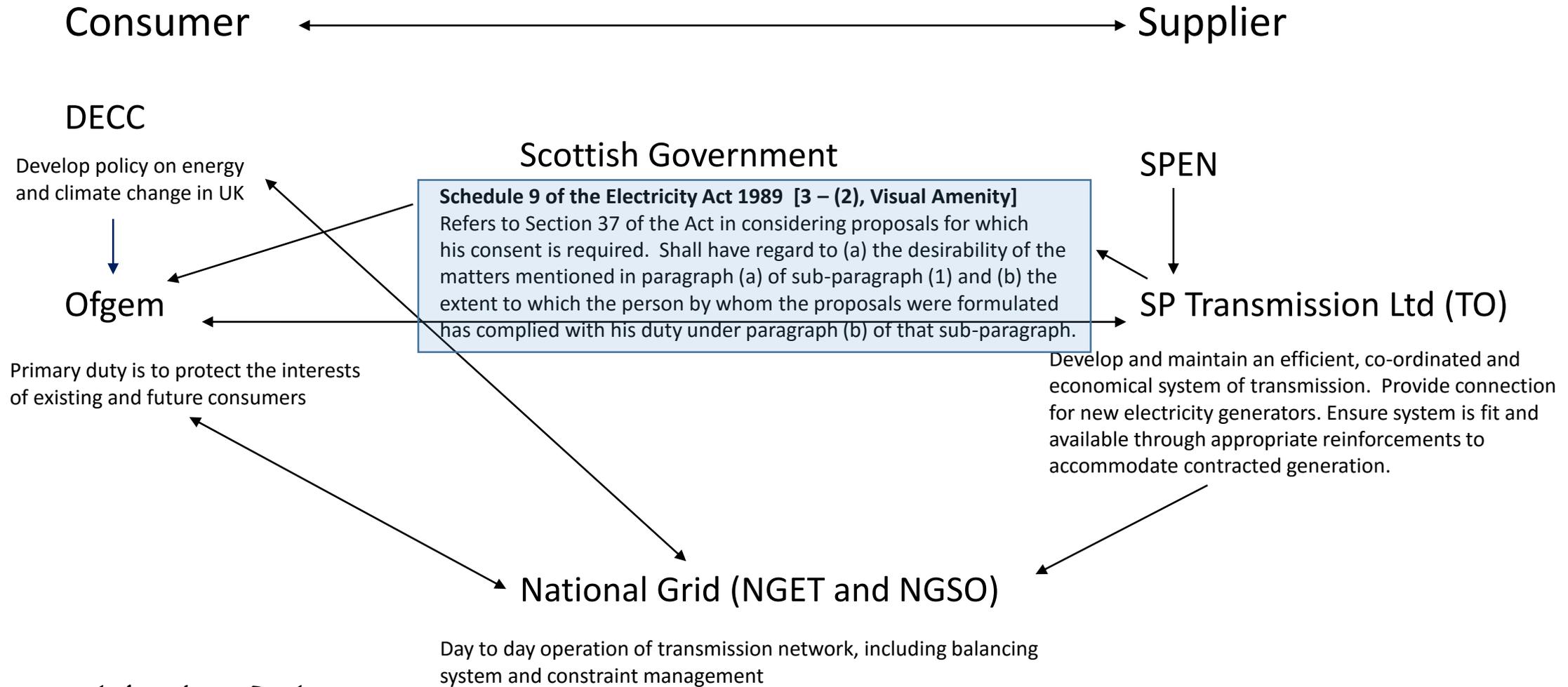
Roles and Relationships



Responsibilities

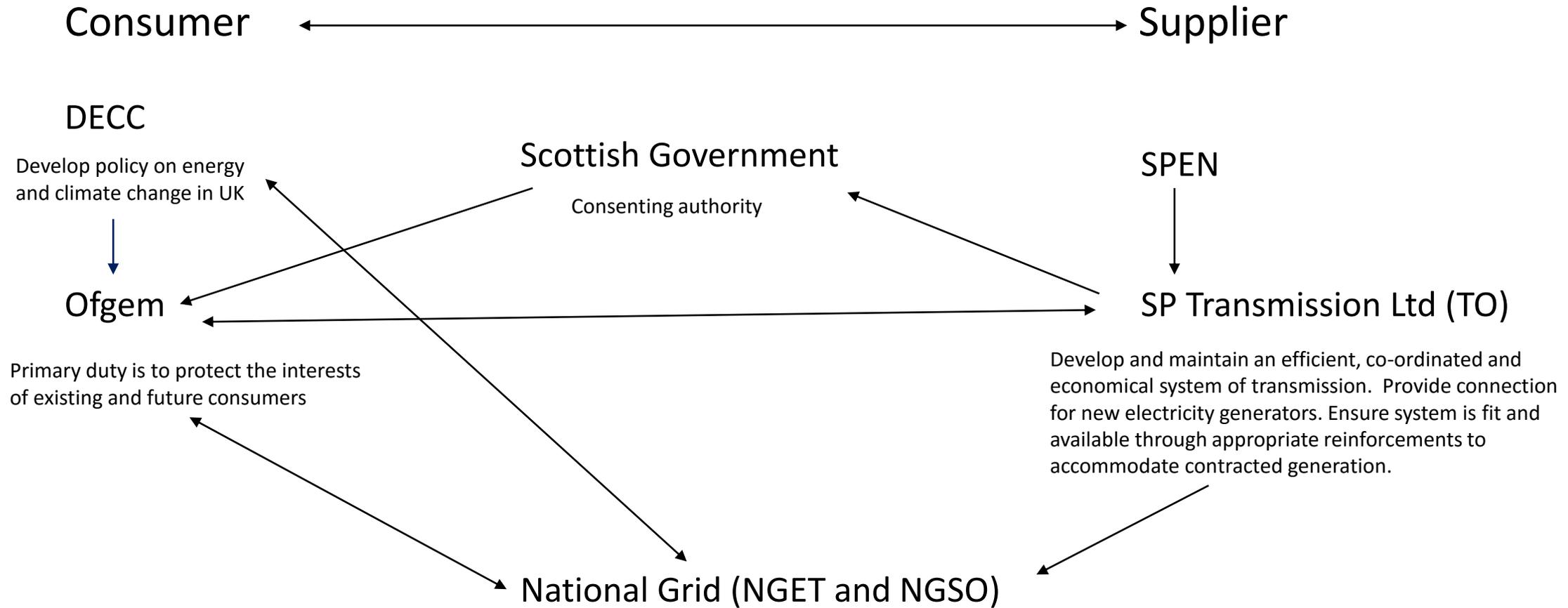


Responsibilities





Responsibilities



Ofgem's recent project (ITPR – Integrated Transmission Planning and Regulation) has improved the lack of co-ordination and transparency. From September 2015 role of NGSO expanded to take a holistic view of network development and provide independent technical advice and economic evaluation to Ofgem. NGSOs role will now include a) maintaining a database of proposed developments, b) assessing the economic need of different feasible options – in addition to those put forward by TOs and c) providing an assessment of TOs proposals to supplement Ofgem's own analysis. ITPR will also increase the role of competitive tendering – in which the NGSO will play an increasingly important part.

Needs Case

TO (Transmission Operator)

Needs Case submitted to Ofgem (and now NGSO).

Evidence to justify the project (emphasis on this being an organic process)

Overall need for the reinforcement (key specific drivers and SQSS analysis)

Reasoning for preferring the proposed project (optioneering and cost benefit analysis)

Proposed cost and detailed breakdown together with programme and timing of commissioning

Level of mitigation needed/proposed

Risk analysis/managing risk

Ofgem/NGSO (National Grid System Operator)

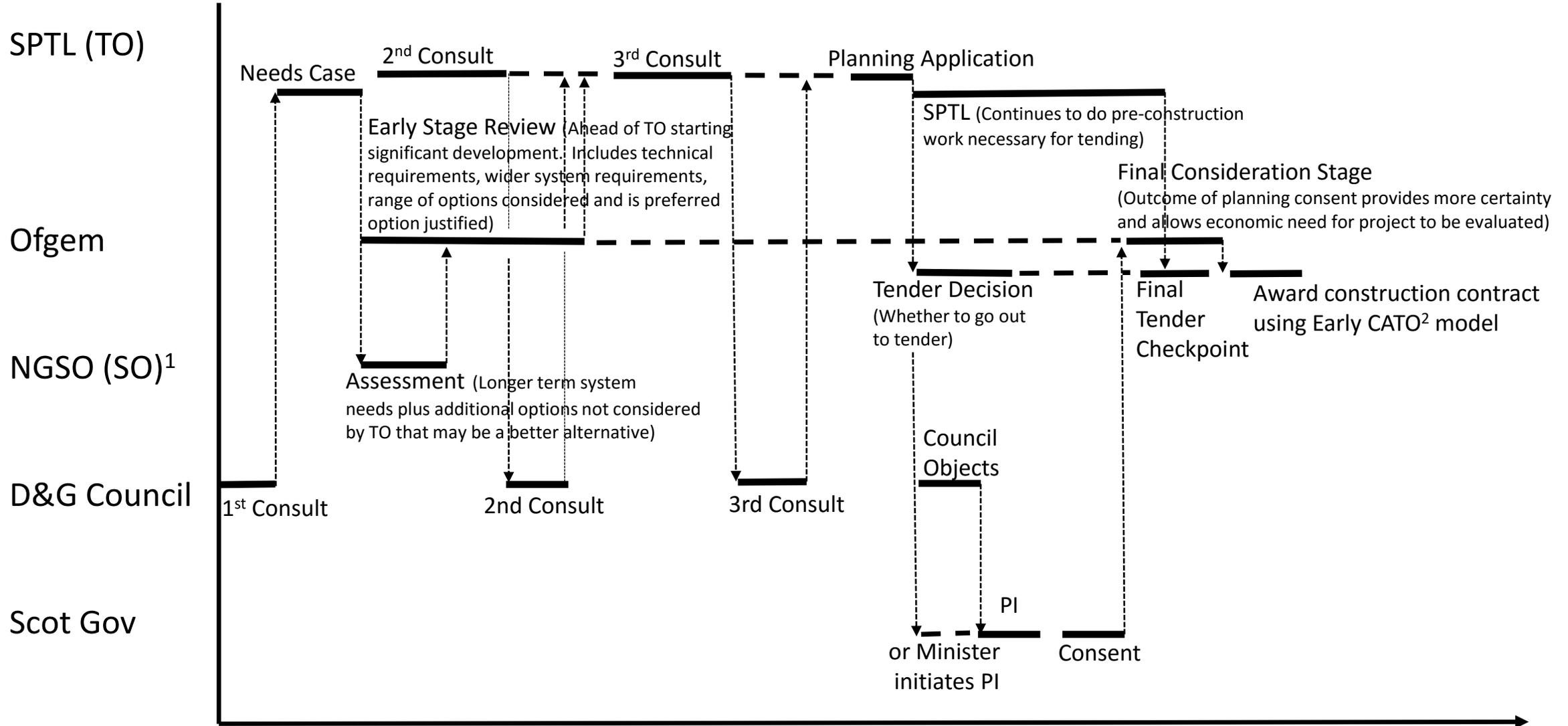
Examines investment drivers (amount of generation expected to connect, will developers take plans to completion, historic evidence, uncertainties, alternative proposals, wider holistic view of transmission needs and development)

Technical/environmental and economic analysis

Is there a net benefit to consumers?



Possible sequence of events for D&G Strategic Wider Works Project



(1) SO provides an independent assessment of the need for new wider works projects on a GB wide basis as well as an expert view on the option that has the most economic merit.

(2) CATO stands for Competitively Appointed Transmission Owner and the construction contract could be awarded to SPTL or to another contractor via a competitive tendering process. After 2021 the concept of Late CATO emerges.



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Ofgem (2012b) RIIO-T1: Final Proposal for SP Transmission Ltd and Scottish Hydro Electric Transmission Ltd, Final decision – Supporting documents. Reference 58A/12 dated 23April 2012.

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Ofgem (2015c) email from Liz Chester to Sheila Wren (JMT), dated 14 October 2015.

Ofgem (2015d) Letter from Kirsti Berge to Joan McAlpine, dated 14 October 2015.

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Scottish Government (2015c) Letter from Dr Aileen McLeod to Alan Jones, dated 23 October 2015.

