SSEN Consultation Feedback

Unlocking Orkney’s renewable potential: An Alternative Approach
Introduction

Project overview

The existing electricity network on Orkney is at full capacity and no new generation can connect without significant network reinforcement.

With Orkney’s vast renewable generation unable to connect to the Great Britain (GB) energy market due to these constraints on the existing 33kV distribution network, Scottish and Southern Electricity Networks (SSEN) has presented the case for a new subsea cable transmission link from Orkney to the Scottish mainland.

The project would see a single 220kV cable between the Orkney Islands and Caithness by October 2022 which would create up to 220MW of export capacity, followed by a second cable of similar specification delivered once further generation has committed and the economic case can be made.

The reinforcement is subject to both regulatory approval from Ofgem and all necessary planning consents.
Proposed alternative approach to connection

The current industry model for connecting new generation to the transmission network is ‘first to contract, first in the queue’. This means that one project could fix capacity if it is not ready to proceed, preventing others that are ready, but further down the queue, from connecting. To avoid this on Orkney, SSEN believes that the most economical and efficient solution is to reinforce the network in incremental stages. Capacity made available from the reinforcement will be allocated on a ‘ready to connect’ basis. You can read more about the Alternative Approach here.

This is the basis of SSEN’s Needs Case for the Orkney reinforcement which was submitted to Ofgem for regulatory approval on 5 March 2018. SSEN has proposed that the Needs Case is accepted by Ofgem with the condition of realising 70MW of committed generation through the Alternative Approach.

The proposed Alternative Approach is also subject to regulatory approval from Ofgem.
To ensure we develop a solution that not only works for network companies but also the wider industry and our connection customers, we launched a consultation to seek feedback from stakeholders.

The consultation consisted of three stakeholder events across Orkney and Glasgow on 14, 15 and 16 of February, with a total of 47 attendees.

EQ Communications, a specialist stakeholder engagement consultancy, were utilised to facilitate the workshops, take notes of comments made and produce an independent report.

Additionally, an online feedback form was hosted on SSEN Transmission’s website (www.ssen-transmission.co.uk) to gain feedback from those unable to attend the events.

The consultation was open until 12 March 2018 and resulted in 12 formal responses. This report considers all feedback received during the consultation process.

Listening to our stakeholders
Feedback received

Q1. In your experience are the challenges that we have identified accurate?

At the stakeholder events, there was broad agreement that the challenges identified by SSEN such as unique conditions on Orkney and contracting framework for transmission connections are correct. Stakeholders repeatedly emphasised conditions unique to Orkney, including the weather and topography of the islands as well as the need for surveys to be completed before planning consent can be given. 67% of respondents to the website consultation agreed with the challenges identified.

“As SSEN has provided a very brief summary of the challenges, obstacles and factors. We consider that these issues are well known, were discussed in detail in a report produced for the Scottish Government and then Department of Energy and Climate Change in 2014, and have been the subject of the islands task force and associated workshops since then.”
- Website response

“On the whole I would agree with the challenges, especially now we have more knowledge about why these challenges exist in the first place.”
- Orkney stakeholder

“Other challenges identified during the consultation were as follows:
- Uncertainty of future connection charges;
- The level of TNUs charges;
- Constraints at a distribution level of the existing system;
- The visual impact of the proposed new substation at Finstown; and
- The regulatory process which SSEN requires approval.

“As an existing generator, one of my concerns is of the security of the existing links. It can be switched off with no compensation. No generation means I’m bankrupt.”
- Orkney stakeholder

“We also believe that TNUs charges are a major economic barrier for projects, currently estimated at around £90 per kW per annum. These charges are several times higher than the highest mainland charge and have disincentivised new low carbon generation projects from being progressed across all technologies.”
- Website response

“The SSEN consultation states that the queue policy is ‘first to contract, first to connect.’ At the transmission level, we would characterise the policy as ‘first to contract get first choice of connection date.’
- Website response

Summary of response to Question 1

Overall the feedback from the consultation has confirmed that the challenges to connection on Orkney have been captured correctly by SSEN. There were further challenges identified such as the distribution system being at full capacity, however SSES’s reinforcement will allow new distribution connections the ability to export to the transmission reinforcement. The visual impact of the proposed substation was also sighted as a challenge; this is being considered by SSEN as part of the project development with SSEN’s project team actively working to minimise the visual impact.
SSEN acknowledges the further challenges identified but note that many of these are out with the control of SSEN. TNUoS charges, future connection charges and the regulatory process are challenges which SSEN has considered and is actively engaging with relevant parties (such as Ofgem, the System Operator and BEIS) as well as in the development of the Alternative Approach.

**Q2. Do you agree that our aims for the Alternative Approach would provide an opportunity for those ready to connect and as a result unlock Orkney’s renewable potential?**

During the February consultation SSEN asked for feedback on the objectives for the Alternative Approach trial, which included:

- Creating an opportunity for customers to connect at the earliest opportunity;
- Facilitating economic and efficient development and operation of SSEN's network;
- Creating a fair, transparent and consistent approach to managing customer’s readiness; and
- Delivering more equitable security arrangements for customers.

There was consensus among stakeholders on Orkney that the aims identified would provide an opportunity for those ready to connect. However, it was added at the workshop in Glasgow that the aims put forward are very high-level and that more detail is needed.

50% of written respondents to the consultation agreed with the proposed aims of the Alternative Approach, 25% responding disagreed with the remaining 25% neutral.

**“The aims seem fine to me, as long as they’re for people who are genuinely ready.”**
- Orkney stakeholder

**“It’s going towards an almost anticipatory build. Nobody’s getting underwritten and there’s an almost socialist way to it. It’s an almost chicken-and-egg situation and too halfway, meaning that it doesn’t work as well as it could [on a commercial level.] It may be better to go extreme one way or another.”**
- Glasgow stakeholder

**“You have to remember, this is an aspect of national infrastructure. The three islands are members of the nation, unlike perhaps the Isle of Man, so there is a sense where there’s a degree of entitlement. You’d have to explain to the people why you were going to exclude them from a part of national infrastructure which would allow them to exploit a local opportunity.”**
- Orkney stakeholder
a. Are there any other aims we should take into consideration for the Alternative Approach?

Many stakeholders on Orkney cited the need for greater socioeconomic benefits to be associated with the project, calling for this to be stated as a separate aim. It was also commented that there was a will for capacity to be ring-fenced for community and marine projects, although it was acknowledged that this may not be practical as all projects must be treated the same.

Stakeholders in Glasgow suggested that another aim for the Alternative Approach should be to facilitate investment in the islands.

“Would things like ringfencing a certain amount of cable capacity for community projects be conceivable?” - Orkney stakeholder

“Will there be capacity ring-fenced for marine projects?” - Orkney stakeholder

“Was there anything on the socioeconomic benefits of the cable, I think everyone sees there are benefits.” - Glasgow stakeholder

Summary of response to Question 2

Overall the feedback from the consultation has shown that the aims of the Alternative Approach are supported by stakeholders. SSEN has considered the additional aim noted on ring-fencing capacity for certain groups of customer such as community projects or marine developers, however, this is out with the control of SSEN due to its licence obligation to ensure that all customers are treated in a fair and consistent manner when providing a connection to the electricity system.

Being fair and transparent is included in the aims of the Alternative Approach and ring-fencing capacity, without the support of all stakeholders and regulatory approval, risks diverging from that aim.

The other additional aims for socio-economic benefits and investment in the islands are considered as part of SSEN’s Need Case submission to Ofgem which the Alternative Approach forms part of.

Q3. Our Alternative Approach aims to create an opportunity for those ‘ready to connect’ via a staged approach to network reinforcement.

a. Our technical solution is to provide a staged approach to reinforcement. We believe, for Orkney, this is the most economical and efficient solution and shall avoid underutilised or stranded assets. Do you agree with our technical solution?

In general, stakeholders at all three workshops agreed that the staged approach to reinforcement is appropriate. It was commented by stakeholders in Orkney that, although the technical solution may not be perfect, it is what everyone needs to work with and it’s important not to go backwards at this stage.

There was agreement that one advantage of a staged approach is that it offers multiple cables. However, one stakeholder in Glasgow expressed concern that the solution would not open capacity to smaller turbines.

Q3a. Technical solution

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“Doing it incrementally makes sense as there might be less risk in the first phase, but there might be more risk in subsequent phases. It is a better approach as there is a greater chance of success.”
- Glasgow stakeholder

“The advantage the staged approach is that there is potential for connection of something – which is quite a good outcome, whether it’s generation or offer on demand. With one cable, if the cable goes down, that’s it. If a second cable comes along, I support the phased approach.”
- Orkney stakeholder

“Breaking the transmission reinforcement down into a staged approach should allow stages of reinforcement to progress against the changing generation background by ensuring the stages are always fully covered by the background generation. We believe this will be a key principle in providing new transmission capacity to Orkney. Furthermore, whilst the initial stage is proposed as 180MW and understood to be targeting 2022, we are concerned that the next 180MW stage is not until 2025. We believe it essential that second and subsequent stages can be deployed at an appropriate timescale to meet demand.”
- Website response

b. Our commercial solution it to allocate capacity to those ready to connect based on established delivery plans and meeting contract milestones. Do you agree with our commercial solution?

In general, stakeholders agreed with the commercial solution, although some raised concerns over fairness in terms of spurring. It was noted, however that some developers were worried about how delays in a project’s progress could lead to them being put at the back of the queue, with no acknowledgement of their previous effort or the money they had already invested.

c. Are there any other technical or commercial issues or approaches that we should consider?

Several stakeholders in both Glasgow and Orkney agreed that CFD timelines would impact the milestones. One point that was raised several times in Glasgow was that the commercial solution may disadvantage marine developers, although there was no consensus over whether this merits changing the solution. One stakeholder suggested that the allocation should be awarded on the basis that the first to contract gets the first choice of preferred connection date. There was a good deal of support for this approach.

d. Combined our technical and commercial approach make up the ‘Alternative Approach’ which aims to create an opportunity for those ‘ready to connect’ via a staged approach to network reinforcement. Do you agree our proposed Alternative Approach shall create an opportunity for those ready to connect?
Whilst there was broad agreement that the proposed Alternative Approach would create an opportunity for those ready to connect, some stakeholders felt strongly that it is important to agree on a definition of ‘ready to connect’ so it doesn’t exclude people from that opportunity.

Some stakeholders felt that although the proposed Alternative Approach would create an opportunity to connect at stage 1, there may need to be a review after stage 2 to ensure that it meets the needs of the developers at that time. There was a desire to see more detail provided about how the queue-management system will work before feeling certain that the proposed Alternative Approach will create an opportunity for those ready to connect.

36% of written respondents to the consultation agreed with the proposed Alternative Approach, 50% were neutral and 18% disagreed. Written respondents also questioned whether the proposed Alternative Approach could be developed under existing arrangements and emphasised one of SSEN’s aims of the Alternative Approach to be fair and reasonable; including across Transmission and Distribution customers.

“We agree that the SSEN ‘Alternative Approach’ does create an opportunity for those ready to connect. However, we would wish to see the impact on those parties with earlier contracts highlighted and how the proposals seek to not disadvantage them.” - Website response

“What you’re doing is inviting the people you engaged with in the consortium process to abandon one of the principles: first come first served. You must be mindful that the bankability of the projects must not be affected by the loosening of the mutual commitments. That being said, what we need to do is work together to see the bigger picture of achieving the connection in the first place.” - Orkney stakeholder

“National Grid as Electricity System Operator recognises that there are obstacles to the connection of generation on Orkney, both at a transmission and distribution level. We support the exploration and development of alternative approaches which may assist in removing some of the obstacles.” - Website response

**Summary of response to Question 3**

Feedback from the proposed Alternative Approach consultation agreed with the technical solution proposed which is outlined in SSEN’s Needs Case submission to Ofgem, which proposes the most economic and efficient solution for the network reinforcement. There was feedback for further detail on the commercial solution and whether this will be delivered under existing arrangements. SSEN will provide further detail on the proposed commercial solution, including a proposed definition of ‘ready to connect,’ in a more detailed consultation this based on the feedback received to date. Any solution proposed would aim to be fair and transparent and would therefore impact all Orkney connection customers across Transmission and Distribution.

“‘The transmission connection between Orkney and the mainland is vital to the islands, and certainty around contracted generation will further the Orkney Needs Case submitted by SSEN to Ofgem for approval” - Website response

“Create an opportunity for customers to connect at the earliest opportunity. We believe this is appropriate but that the existing frameworks can facilitate this in so far as customers (generators) wish to connect at the earliest opportunity.” - Website response

“Any changes will need to be fair, equitable and acceptable. Achieving fairness and equitability across a single queue management system that includes both T and D customers will demand substantially equivalent terms for both T and D contracted parties.” - Website response
Consultation respondents who disagreed with the proposed Alternative Approach were existing ANM network management customers. In order to fully explain the Alternative Approach and how this will impact Orkney’s existing connection customers SSEN has set up a separate session with ANM customers in Spring 2018.

Q4. Due to the geographical nature and current industry guidance, Orkney customers are liable for Transmission works from their connected point back to the mainland.

a. In your experience, have transmission liabilities created a barrier to progressing your connection?

Given the level of Transmission investment required to connect Orkney customers, particularly the need for the subsea cable, security arrangements and liabilities have been viewed as prohibitive to Orkney connection customers. All stakeholders attending the consultation events agreed that transmission liabilities have created a barrier to progressing connections, particularly for smaller developers. There was also broad agreement that transmission liabilities do create a disadvantage for connection projects outside the MITS such as Orkney.

b. Do you agree that the transmission liabilities create a disadvantage for connection projects outside the MITS such as Orkney?

82% of written respondents believed that there was a disadvantage to projects on Orkney due to transmission liabilities caused by being located outside the MITS; the rest of the respondents were neutral (18%) and no respondents disagreed.

“The risks we took in the beginning were insane, but it did push things along. Of course they create a barrier, they’re enormous.” - Orkney stakeholder

“It’s all about access to funds – if anyone’s reliant on project finance, they won’t have access.”
- Glasgow stakeholder

“It’s fundamental to the whole argument of what has prevented projects from proceeding.”
- Orkney stakeholder
“It is clear that transmission underwriting liabilities have presented one of the main barriers to generation projects being able to progress and to SSEN deploying new transmission infrastructure to Orkney. This is particularly relevant to the wave and tidal sector who have been unable to gain finance to support both new technology risk and underwriting liabilities.” - Website response

c. Do you agree with our plan to implement arrangements that will ensure customers do not face a disproportionate burden such as those associated with the significant cost of reinforcement, i.e. on Orkney the subsea cable link.

73% of written respondents agreed with the principle of ensuring that arrangements were proportionate with only one respondent disagreeing with the rest responding neutral. From the consultation events, there was strong agreement with a note of caution that more detail was required to better understand the arrangements.

Summary of response to Question 4

Stakeholder feedback on Transmission Liabilities has confirmed that Transmission liabilities are a barrier for island customers; this was not the intention or principle of the Transmission Liabilities arrangements which were intended to reduce the barrier to entry and enable competition in the electricity generation market. SSEN is currently assessing alternative arrangements and engaging with both the System Operator and Ofgem which will be covered further in SSEN’s summer consultation.

Q5. The proposed criteria will allow us to run a meaningful trial of the Alternative Approach. SSEN proposes to work back from the connection date previously agreed or applied for by the customer. In your experience, which delivery milestones are critical to a projects’ progression? Please provide details of the projects technology, location (i.e. island or mainland) and size.

The Alternative Approach would be implemented on a trial basis and would require approval from the industry regulator, Ofgem. The consultation outlined the criteria SSEN is proposing be met to allow developers to participate in the Alternative Approach trial. These criteria are:

• Geographic area (they need to be an Orkney connection customer);
• Commercial requirements (they need to be contracted customers who are not already connected as of January 2019); and
• Timing (the trial will commence in January 2019 and run during the first and second phase of the Orkney reinforcement with regular reviews throughout the project).
Overall both the written respondents (55%) and those who attended the consultation events have been supportive of the trial criteria proposed by SSEN for the Alternative Approach. SSEN will provide further detail on ‘working back from the previously agreed date’ and ‘delivery milestones’ in its more detailed consultation in the summer of 2018 as well as setting out the next steps with the existing industry frameworks.

“Agree with the criteria for the trial. We don’t understand the reference in the question to “working back from the connection date previously agreed” nor “delivery milestones” - Website response

“SSEN’s criteria appear acceptable. However, as already noted, it is not clear whether SSEN’s ‘alternative approach’ is within existing frameworks and guidelines.” - Website response

Summary of response to Question 5

Overall both the written respondents (55%) and those who attended the consultation events have been supportive of the trial criteria proposed by SSEN for the Alternative Approach. SSEN will provide further detail on ‘working back from the previously agreed date’ and ‘delivery milestones’ in its more detailed consultation in the summer of 2018 as well as setting out the next steps with the existing industry frameworks.

Q6. In order to better understand a customer’s project and further align reinforcement and developer’s delivery plans we need customers to provide information to demonstrate they are able to meet their proposed connection date. We are proposing this information is provided via a delivery plan pro-forma. Do you agree it is reasonable to ask for this information?

All stakeholders who attended the consultation events were of the view that a delivery plan pro forma was appropriate this was also reflected in the written respondents, with only a small number of written respondents disagreeing. It was added that coordination and exchange of information were vital to foster a mutual understanding of timescales and risk profiles. There was consensus across all three workshops that the delivery plan should not be too onerous on developers, with stakeholders underlining the need for a simple, easy-to-navigate system.

Q6. Delivery plan pro-forma

There was feedback at the Glasgow workshop about whether it is reasonable to ask for this information: some were in favour, as it is currently being requested for proposals elsewhere in the GB energy market and because some information was already publicly available. However, other stakeholders believed that this approach should only be considered down the line.
There was broad agreement at the consultation events that SSEN’s proposed approach to benchmark progression milestones against standard timescales was appropriate, although some stakeholders commented SSEN needs to recognise the different needs of community-based projects. 42% of website respondents agreed with the approach while 33% disagreed, with the rest remaining neutral. It was noted at the Orkney workshops that SSEN needs to consider the unique conditions of the islands, considering factors such as the weather and the need for certain surveys (including bird surveys and environmental assessments) to be done at certain times of year.

“We agree it is reasonable to ask for this information. We suggest the delivery plan is consistent with the delivery milestones supporting the ‘ready to connect’ definition suggested above.”
- Website response

“We note that this milestone information is already included in both transmission connection agreements and distribution connection offers and has been for many years. Therefore, we would ask SSEN to clarify how its proposed new pro forma relates to the existing agreement and offer programme information, why a separate pro forma is needed and how it would be used contractually?
- Website response

**Summary of response to Question 6**

Overall stakeholders supported SSEN’s proposal and agreed that it was reasonable to ask for delivery plan information to further align the timelines of SSEN and the customer; an example pro-forma will be included in SSEN’s more detailed consultation which will align with the proposed progression milestones.

**Q7. In order to assess a developer’s readiness, we propose to adopt a similar approach as the ENA of benchmarking projects against standard timescales (dependent on project size and type).**

a. Do you agree with SSEN’s proposed approach to benchmark progression milestones against standard timescales?

There was broad agreement at the consultation events that SSEN’s proposed approach to benchmark progression milestones against standard timescales was appropriate, although some stakeholders commented SSEN needs to recognise the different needs of community-based projects. 42% of website respondents agreed with the approach while 33% disagreed, with the rest remaining neutral. It was noted at the Orkney workshops that SSEN needs to consider the unique conditions of the islands, considering factors such as the weather and the need for certain surveys (including bird surveys and environmental assessments) to be done at certain times of year.

In Glasgow some stakeholders commented that they did not feel sure about this approach, due to a lack of knowledge about what ‘standard timescales’ actually are and the lack of certainty surrounding the intricacies of projects as a whole. Another mark against this approach was the lack of reputable data for newer energy technologies, due to the fact that they have not been used commercially on a wide enough basis.

Again, the issue of the timing of the CFD auction was raised by a number of stakeholders in response to this question.

“You’ve got to understand that there are different challenges faced by community projects than if it’s a big company.” - Orkney stakeholder

“Due to both weather and environmental factors most wind farms in Orkney will be require to be constructed over 18 month including two summers.” - Website response
“... recognise that standard timescales may assist in benchmarking and checking that timescales provided by projects are realistic and achievable”
- Website response

“A fairer approach may be for developers to provide and to commit to certain milestone delivery dates but which can be freely modified at their request but subject to possible queue repositioning. The reason milestones should be freely changeable is that Mod App fees are a barrier to the TO having best information and in an effort to have a more dynamic queue, consideration should be given to scrapping them for this Alternative Approach.”
- Website response

b. In your experience, what do you think are the standard timescales associated with project delivery for generation projects? Please include the technology type, location (i.e. island or mainland) and project size.

Stakeholders provided valuable feedback on what they believe the progression milestones should be, including: pre-planning activities, community engagement and project funding. The proposed progression milestones of the Alternative Approach will be detailed in SSEN’s summer consultation following this feedback.

c. In your experience, which delivery milestones are critical to a project’s progression? Please provide details of the project’s technology, location (i.e. island or mainland) and size.

A broad range of delivery milestones were suggested in all three stakeholder events. The most prevalent answer was, by far, planning consent. Other suggested delivery milestones included: land purchase (or an option being in place); community consultation having been undertaken; financial modelling and funding being in place; and issues relating to supply chain such as the selection of turbine supplier.

It was also noted that numerous pre-planning scoping reports on ecology, ornithology, hydrology, landscape and visual impact, noise, aviation, cultural heritage and transport and delivery formed part of all planning applications so would have to be considered as milestones for any project.

“It is clear that consents, finance and provision of the grid connection are critical milestones.”
- Website response

“The only thing is that it’s [the CFD announcement] not an absolute milestone as far as you’re concerned, because the project might go subsidy-free. There’s a lot of uncertainty around the CFD. I don’t think you would want to make it a hard-and-fast milestone.”
- Glasgow stakeholder

“A key milestone is ‘have you got land access?: It’s unbelievable how often it’s left to the last moment.”
- Orkney stakeholder

“Community engagement. It’s key within Orkney. I guess it’s part of the planning process more than anything.” - Glasgow stakeholder

Summary of response to Question 7

Overall feedback has been supportive of the use of standard milestones to benchmark projects; with the caveat of being inclusive of all types of connection projects. It was also noted that this should be used as a benchmark only to assess how realistic timescales are; this will be further explained in SSEN’s summer consultation as well as the standard timescales proposed based on feedback from this consultation.
Q8. In order to assess customer readiness, we have taken the approach to firstly assess delivery plans against connection dates and secondly consider when the customer accepted the offer. Do you agree that this approach to initial capacity allocation is reasonable?

While stakeholders who attended the events were of the view that this approach to capacity allocation is reasonable, there was widespread agreement that there is a real need for greater detail with regard to the criteria. 33% of written respondents to the consultation agreed to the criteria, whilst 33% disagreed and 34% were neutral.

“It seems broadly reasonable but it’s the criteria you apply to what makes people move up and down the queue that’s important.” - Orkney stakeholder

“You’re incurring costs all the time as a developer – you’ve got to coordinate the whole project stream, and that’s just part of project management. If you (SSEN) are involved in that process on every project, I can see it being a huge benefit for everyone.” - Glasgow stakeholder

Summary of response to Question 8

Overall feedback from stakeholders have been split on the proposed method of capacity allocation with feedback asking for further detail which SSEN will provide in the summer 2018 consultation.

Q9. We will consult on the queue management rules based on the principles within this consultation. Do you agree with our proposed principles to queue management?

In order to manage readiness and create an opportunity for earlier connection the consultation explained the proposed principles of queue management. These are:

- Customer driven;
- Capacity efficiency; and
- Fairness.

There was widespread agreement and support at the stakeholder events for SSEN’s proposed approach to queue management. The general view across all three workshops was that the principles are comprehensive, although stakeholders again said they would require more detail on the rules in due course. It was noted that fairness needs to be the underlying principle of queue management, meaning that openness and honesty from all parties is key.

Stakeholders in Glasgow said that they did not actively agree with the proposed principles at this stage and once again wanted to find out more detail about how it would affect the current queue-management system. Questions relating to how staged consent would work in the case of off-shore wind and tidal power (and whether it was possible to put in place a review mechanism) were raised.

Most (55%) of the written respondent to the consultation were neutral to the principles put forward for queue management rules whilst 27% agreed and 18% disagreed.
Several stakeholders stated that there should be a ‘three strikes and you’re out’ approach to remove those developers who are not serious from the process to free up capacity for those who are. It was reiterated that there should be an emphasis on flexibility and that it should not always be the case that a developer’s place in the queue is terminated; for example, instead, there should be a process whereby a developer moves one place down the queue if a milestone is not met, to be replaced with another developer who is successfully meeting their milestones.

It was broadly agreed that an evidence-based approach is needed to ensure that queue management identifies those developers that are not serious or ready to connect.

It was commented numerous times that timing is of paramount importance and that there will be issues impacting a developer’s readiness to connect that may be beyond their control. There was a good deal of support for SSEN to be flexible in these instances. It was, however, noted that flexibility should be given only to those developers who are serious about connecting to the grid, to prevent some holding up the process for others.

“It seems broadly reasonable but it’s the criteria you apply to what makes people move up and down the queue that’s important.” - Orkney stakeholder

“...SSEN should consider enabling a complete re-set of the relevant parties’ connection dates via some kind of free-Mod App offer. This needs to be provided alongside some significant moderation of liabilities to ensure fairness and equitability across T and D parties” - Website response

“I think there should be harsher rules to early milestones, with more flexible rules for those who are definitely serious.” - Glasgow stakeholder

“I think if there is something that’s outside of a developers’ control and they can’t meet a milestone, SSEN should be flexible - if they’re demonstrating progression but can’t achieve the milestone. However, if there are milestones within their ability to deliver on but they haven’t, you should seek to remove their queue position and allow other parties ready to move forward.” - Glasgow stakeholder

“National Grid’s option, for example, is very complex. SSEN needs to build on that based on feedback and make it more simple.” - Glasgow stakeholder

“It should be a case of moving down the queue rather than being put to the back.” - Glasgow stakeholder

“Certainly termination is a tool in distribution. In some cases, it is appropriate to be firm and in others you need to be flexible. Termination isn’t always the right tool as sometimes things are out of the customer’s control. It’s linked to the milestones.” - Orkney stakeholder
“...any new queue management system to be meaningful then it should start with the best possible information. To that end SSEN should consider enabling a complete re-set of the relevant parties’ connection dates via some kind of free-Mod App offer." - Website response

“It talks about transparency [in the booklet]. What is envisaged in terms of transparency? It talks about transparency in terms of queue management. What would other developers know? There could be opportunities or indeed problems if you’re sharing information about my project with other people.”

- Glasgow stakeholder

Summary of response to Question 9

It is clear from the feedback received that stakeholders broadly agree with the principles of the proposed queue management but require further detail on the rules. Feedback has also called for flexibility when issues are out with the control of the developer and more stringent rules when the issue is within the developer’s control. There was also feedback on how this would be implemented in regards to mod-app fees for transmission connection customers and confidentially of information from developers. SSEN will provide further detail in its summer 2018 consultation.

Q10. Do you agree with our proposed timeline?

The final section of the consultation explained the timeline for both the programme of engagement and the overall Orkney reinforcement project. This included SSEN’s project delivery activities, the Alternative Approach timeline and the milestones for regulatory approval for phase 1 of the reinforcement. The consultation asked for feedback on the proposed timelines.

Some stakeholders from the consultation events were of the view that the proposed timeline is appropriate, however, a significant proportion, particularly those on Orkney, felt that it should be shortened considerably and that timeframes should be accelerated. There was also a note of caution added from Orkney stakeholders that, whilst it was good to encourage transparency and community engagement, SSEN needs to be aware of ‘consultation fatigue’. It was also noted by some that timescales need to be co-ordinated with the CfD application process.

Written respondents to the consultation were split over whether they agreed or disagreed with SSEN’s proposed timeline: 46% agreed, 45% disagreed whilst 9% were neutral.
“We strongly suggest that this period be extended by at least 3 months” - Website response

“October energisation works out really well with construction, particularly in terms of wind construction.” - Orkney stakeholder

“We just need Ofgem to make a decision. Everyone’s been sitting on the fence for ten years.” - Orkney stakeholder

“I want to know what is going on in Ofgem with all of this. There are specific issues coming up, such as price caps and, of course, Brexit. Is there a specific department that is focusing on this or is it all hands on deck.” - Glasgow stakeholder

“The timeline is longer than we would like to see but we understand that this needs to be developed with care and with approval from Ofgem... also concerned that submission by SSEN detailed proposals to Ofgem will require a further period of consultation. The timescale to deliver any meaningful changes may therefore be outwith the period to deliver the Orkney connection.” - Website response

“It’s good. It’s, proactive. Fabulous to see it moving on. We just need to take the timescales back! It’s not a rush, but the clock is ticking. We have to take a proper approach. Our hands are being forced largely by CFD.” - Orkney stakeholder

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**Summary of response to Question 10**

Overall feedback on the proposed timeline has been mixed; some stakeholders have called for the timeline to be escalated whilst others have responded they wish to see it extended. SSEN is working with relevant industry parties (including BEIS and Ofgem) and developers to align timelines as closely as possible to deliver the transmission reinforcement by October 2022. Although the proposed timelines are challenging they are achievable and realistic overall.
Next steps

The purpose of this consultation is to consult on the principles, development and framework for the proposed Alternative Approach to ensure SSEN develops a solution that not only works for network companies but also its connection customers and the wider industry. Overall feedback from the consultation has been supportive of the development of the proposed Alternative Approach with the request for further detail on the proposal, including on the proposed progression milestones, queue management rules and a definition of 'ready to connect'.

SSEN will further develop the detail of the Alternative Approach based on the feedback from its stakeholder as part of this consultation process in the summer of 2018. SSEN has also been exploring whether the Alternative Approach could apply to other island connection customers and ran a public engagement event in the Western Isles in March 2018 with another event planned in Shetland. Further detail on whether the Alternative Approach will be applied to other islands customers will be provided at a later date.