

Connect and manage

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Invest and connect assumes...

- generation projects are able to wait for connection
- generators do not want earlier connection dates
- generators are content to have their connection dates deferred
- all projects will achieve all necessary consents and will progress to connection
- all projects will require the full grid capacity applied for

Issue...

- Projects don't disappear
- Projects that have secured an early grid slot but may not be able to use it are incentivised to retain their grid option (in case the other issues can be resolved)

...Or Opportunity

- At present (May 2007) there is over 1500MW of projects with proposed connection dates of 2007/2008 which are still in planning (or yet to enter planning) which will not be able to connect on the planned dates.
- There is a smaller volume of projects **which have planning consents** which are prevented from connecting as they have distant connection dates

Connect & Manage basics

For Generator

- Grid access guaranteed within 3 years
- Conditional on local connection
- No preconditions on wider reinforcements
- Firm commitment to TNUoS

Connect & Manage basics

For Grid

- NGET manage operational implications
 - Investment
 - Constraints
 - Balancing Services contracts
- Trade-off between operational and investment costs
- 3 year window provides some risk sharing

Connect & Manage options

- Connection application after planning
- Retention of additional TNUoS income

Benefits

- Fewer live offers
- Certainty of/for applicants
- Easier proof of network investment
- Greater/earlier connection of new generation
- Reduction in energy prices

If applied today...

- No immediate impact
- Fewer live applications
- Better forecasting of future grid need
- Variation already applied in S Scotland