

## **WPD South Wales Statement of Works Update March 2017**

### **Background**

On the 19th May 2016 WPD received notification from NGET which confirmed that their National Electricity Transmission System (NETS) in South Wales has reached capacity under peak conditions. As a result certain generation technologies that can generate at peak demand periods<sup>(1)</sup> would not be permitted to connect, as in the short term there would not be capacity available on the NETS. Renewable types of generation such as solar and wind could continue to connect, utilising existing capacity. The notification letter can be found [here](#).

Following notification of these restrictions WPD had a number of generators which fall under this restriction formally accept offers for connection. As a result, WPD made a number of formal Modification Applications to NGET asking them to identify the detail, scope and costs of any reinforcement or upgrade works required to the NETS.

### **Update**

On the 19th January 2017 WPD received Modification Offers from NGET, detailing the work required and/or conditions that must be met prior to the connection of certain generation technologies that can generate at peak demand periods<sup>(1)</sup> as identified in our Modification Application.

NGET has identified within the Modification Offers a requirement for the following transmission reinforcement works:

1. *Thermal uprate of the circuits from Whitson - Iron Acton – Melksham*
2. *Thermal Uprate of the Aberthaw – Upperboat circuit 1 and circuit 2*
3. *Thermal uprate of the Cardiff East – Uskmouth – Whitson circuit*
4. *Thermal uprate of the Aberthaw – Tremorfa circuit*
5. *Thermal uprate of the Melksham – Seabank circuit*
6. *Thermal uprate of the Imperial Park – Melksham and the Cilfynydd – Whitson – Seabank circuit (Severn Cable circuits)*
7. *Thermal uprate of the Tremorfa leg of the Tremorfa – Whitson circuit*
8. *Thermal uprate of the Cowley – Walham circuit*

<sup>(1)</sup> generation technologies such as (but not limited to) thermal and market driven storage.

## NGET Construction Programme

NGET has identified within the Modification Offers the following key dates:

1	<i>The date by which NGET should review the relevant reinforcement works to deliver a compliant connection.</i>	<i>30<sup>th</sup> November 2017</i>
2	<i>The completion date for the Transmission Reinforcement Works in South Wales.</i>	<i>31<sup>st</sup> October 2026</i>
3	<i>Backstop date</i>	<i>31<sup>st</sup> October 2028</i>

### Impact

All Relevant Embedded Generation<sup>(2)</sup> of a technology type that can generate at peak demand periods<sup>(1)</sup> in South Wales will be unable to connect and energise before October 2026. Customers may also be required to contribute to NGET's reinforcement works identified above. This includes any cancellation charges applied by NGET in the event that the customer's project is cancelled or the export capacity is reduced. NGET have advised that the cancellation amount will not be significant up to November 2017 and WPD will contact all affected customers when this position changes.

NGET also calculates a percentage of the cancellation charge which must be secured by the customers (the secured amount). This secured amount changes at certain trigger points throughout the development and construction of the reinforcement works. WPD may ask customers to place securities in respect of their proportion of the cancellation charge. We expect these to be required from 1 April 2022.

Please note that any new Relevant Embedded Generation<sup>(2)</sup> of a technology type that can generate at peak demand periods<sup>(1)</sup> seeking to connect to WPD's network in South Wales will still be required to go through a Statement of Works process and, as a consequence, the restrictions described above will apply as a minimum, together with any further works which may be identified at the time. Any local restrictions or constraints on WPD's distribution network will continue to be included as part of our connection offer.

Renewable types of generation such as solar and wind can continue to connect, utilising any existing capacity, subject to the Statement of Works process.

MARCH 2017

<sup>(1)</sup> generation technologies such as (but not limited to) thermal and market driven storage.

<sup>(2)</sup> Relevant Embedded Generation is any generator connected to WPD's network with an export capacity of 1MW and above. This threshold is set through the Statement of Works process and may be subject to change.