SP Energy Networks Newsletter October 2019



Application Interactivity and Queue Management

The ENA, Open Networks Project Workstream 2, held a consultation on Application Interactivity and Queue Management which was open for eight weeks and closed 25 September 2019.

The purpose of this consultation was to seek views from stakeholders on a policy standard to be applied across all GB network companies to deal with the following issues:

- Application interactivity
- · Connection queue management

It is intended that the outcome of this consultation will be used to develop an implementation plan for both policy frameworks at the end of 2019. This will include an assessment of implementation cost/benefit as well as identifying any necessary license or industry code modifications.

This consultation proposed a 'minded to' position to move to a 'conditional' interactivity process. The stakeholder responses were positive, such that this approach will now be taken forward.

This common process would be used by all Transmission and Distribution Network Operators all of whom will need to change existing interactivity processes.

The consultation also set out a policy framework to be adopted across transmission and distribution networks for Queue Management, enabling network companies to intervene in the connection queue to free up capacity where customers have delayed against agreed milestones.

DNO's have broadly adopted the milestones developed by the ENA DER Steering Group and these have been used to form the basis of the proposed queue management approach with the addition of a new milestone "Project Commitment".

Queue management requires delayed customers to move down the connection queue with revised costs and securities, while customers that are ready to connect earlier would be able to progress (also benefiting from a revised cost and security position). Customers that have been queue managed and continue to delay against milestones could then be subject to termination.

A fixed approach to milestone management is not consistent with the challenges that can arise in the development of any project and therefore a "Tolerance" proposal has also been developed to allow customers to manage reasonable delays without risk of immediately losing their place in the connection queue. This is in recognition of the fact that all projects can be subject to delays that are out with the control of the developer.





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Application Interactivity

This consultation describes a 'minded to' position to move to a 'conditional' interactivity process, similar to that currently used by UKPN, but modified to improve how unsuccessful customers are treated.

There are currently two main application interactivity processes used across network companies:

The 'moratorium process'

- used by SPEN and most other DNO's
- · with significant variation between each DNO
- the 'conditional process'
- · currently used by UKPN



Background to Conditional Process (used by UKPN)

- Customers are notified about likely interactivity shortly after the DNO receives the application which triggers interactivity.
- Customers receive a 'good news first' offer, which assumes that no other live offers have been accepted.
- When interactivity is triggered, the customer first in the interactivity queue receives an 'unconditional' offer and so can accept their offer regardless of the outcome of any of the other offers.
- All other customers receive a 'conditional' offer, such that their ability to accept is dependent on one or more earlier offers not being accepted.
- All interactive offers have a 30 day acceptance period during which customers can consider their options and accept their offers, until all available capacity is utilised.
- Any customers accepting their offers after this point are therefore unsuccessful. If customers are unsuccessful in the interactivity, they can reapply and join the back of the queue.
- The modified process proposed in this consultation includes the ability for unsuccessful customers to maintain their position in the queue for any subsequent interactivity, as they would under the moratorium process.

Queue Management

• DNO's have broadly adopted the milestones developed by the ENA DER Steering Group and these are used to form the basis of this queue management approach with the addition of a new milestone (Project Commitment).

