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Subject: Follow up to Monday's meeting
Date: 30 March 2017 at 10:13
To: act@wapa.org.uk
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Dear WAPA core team,

Many thanks for taking the time to meet with us on Monday afternoon for what we hope you will agree was another constructive meeting.

As promised, I hope the following information helps clarify the intention behind our recent announcement that we are committed to review the Beaulieu-Blackhilllock-Kintore project should it return at some point in the future.

Background to reinforcement need

Firstly, it is important to note that it is by no means certain that the project will return in the future. As we discussed, the driver for the reinforcement is due to a technical requirement to increase the capability of the transmission network across a number of transmission boundaries from Beaulieu to Kintore. This technical requirement comes from the application of the rules within our Planning Standards, across a range of future demand and generation scenarios derived from the Future Energy Scenarios (FES) publication, produced annually (in July) by National Grid System Operator (GBSO). This results in a set of required power transfers for each scenario across the different boundaries, compared to the actual power transfer capability of each boundary, as reported in the Electricity Ten Year Statement (ETYS), also produced annually (in November) by the GBSO. The process continues by assessing, on a GB wide basis, whether reinforcement options to address shortfalls in boundary capability are economic and if so, to determine the optimal timing of reinforcement. This extensive cost benefit study is carried out by the GBSO on an annual basis and reported in the Network Option Assessment (NOA) report published in January each year. The output from the NOA is a set of recommendations for the relevant transmission owner (TO) to assess and bring forward suitable reinforcement proposals.

It is important to note that the electricity transmission business is a part of a regulated industry and each TO is required to satisfy the energy regulator Ofgem that reinforcement proposals are economic, efficient and coordinated. As you are aware, projects of this scale must also satisfy all the relevant environmental and consenting regulations and ultimately, be granted the necessary planning permissions.

SSEN commitment to review project if it returns

Moving back to our commitment to review the project should it return in the future, as we discussed our main intention behind this announcement was to try and provide a degree of closure to those communities opposed to the project as we didn't want the uncertainty surrounding its future to remain in perpetuity. In terms of what we mean by review and to what extent this review will take place, this will depend on a number of factors, predominately timing of revisiting project and what this means for the following considerations:

- an assessment of the underlying need and driver for the project, including changes in generation profile;
- wider transmission system developments;
- advances and changes in technology;

- changes in legislation, e.g. planning, designations etc; and
- land use constraints, particularly changes/developments within the region.

As I'm sure you will appreciate it is difficult to provide any more clarity at this time due to the range of variable factors that will 1) influence the future need, or otherwise, of the project; and 2) the range of issues which will be considered as part of any review that we are committed to if the project does return. I do, however, hope this reassures you that our commitment to review is genuine and we have been able to provide you with a degree of closure. As we discussed, I can confirm that all work associated with the project has now stopped with all individuals involved on the project having been reassigned to other projects.

In the interests of transparency I can confirm that we are happy for you to circulate this note to your members and publish it on your website.

I hope the information I have provided has helped clarify our position and our commitment to review the project should we return to it at some point in the future. I would be grateful if you can let me know how this message is received by your wider membership and whether there is anything else we can help with.

Best wishes

Greg



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