

Gate 3 - ITC Run

**Gate 3 Liaison Group Meeting
7 July 2009**



Status (1)

- Initial run of early years completed & results presented to CER
- Analysis identified concerns re. firm access ‘bottlenecks’
- Line uprates are one of the key factors to overcoming firm access network ‘bottlenecks’
- Now proposed to re-start ITC runs to include a new task of reviewing the line uprates schedule at end of each year’s run
- On its own this will serve to provide more firm access earlier



Status (2)

- Also reviewed initial ITC assumptions & proposed changes to schedule & scale of line upgrades, new build schedule, dispatches, demand growth and 220kV nodes
- Assumptions proposed concerning level of conventionals
- 2010 run re-started yesterday
- Currently estimate 5-7 months to complete ITC runs
- Reviewing overall Gate 3 project timelines, hoping to maintain current offer delivery schedule



Proposed Amendments to ITC Assumptions (1)

- **Schedule of uprates**
 - originally based on 2025 study results
 - now propose to review schedule at end of each year's run
- **Scale of uprates**
 - identified HTLS conductor which enables quicker line uprating
 - uprating key to delivering access (particularly in early years)
- **New build schedule**
 - originally assumed all new build projects started end 2009 with completion dates based on standard lead-times
 - can now develop more realistic schedule based on upcoming Price Review



Proposed Amendments to ITC Assumptions (2)

- Dispatch
 - refinements implemented
- Demand growth
 - original demand based on Forecast Statement 2008-14
 - now proposed to use revised growth projections
- 220kV nodes
 - propose to modify model to enable those applicants who require 220kV infrastructure as part of their shallow connections to avail of available capacity on the existing 110kV network
- Conventionals
 - progressing runs under a specific assumed basis
 - **risk is that CER's final decision differs from this basis**



Gate 3 Project Timelines

- Re-started ITC Runs on 6 July
- Estimate 5-7 months to complete ITC runs
 - 2 weeks/run for 2010-2017 & 1 week/run for 2018-2025
- Gate 3 Project impact assessment being undertaken
- Endeavouring to maintain current offer delivery schedule



Summary

- Re-started ITC Runs on 6 July
- Number of changes proposed to initial ITC assumptions
- Will deliver better quality offers
- Assumption made on level of conventionals receiving Gate 3 offers and criteria for their selection.....**this is a risk**
- Reviewing overall Gate 3 project timelines, hoping to maintain current offer delivery schedule

