



Developer's View Point

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What Developers want? - Basics

= renewable developers

- Early connection
- Known charges

Principles

- Appropriately cost reflective charges
 - recognise impact of embedded generation
- Insulate each developer from unrelated actions by others
- Constraint costs and Network construction risk managed by those best placed to do so

What Developers want?

Features

- Predictable long term access
- Guaranteed connection dates (makes queue management reciprocal)
- Take heat out of queue
 - If connection available within 3 years of commitment then firm applications can be made post planning only

Governance

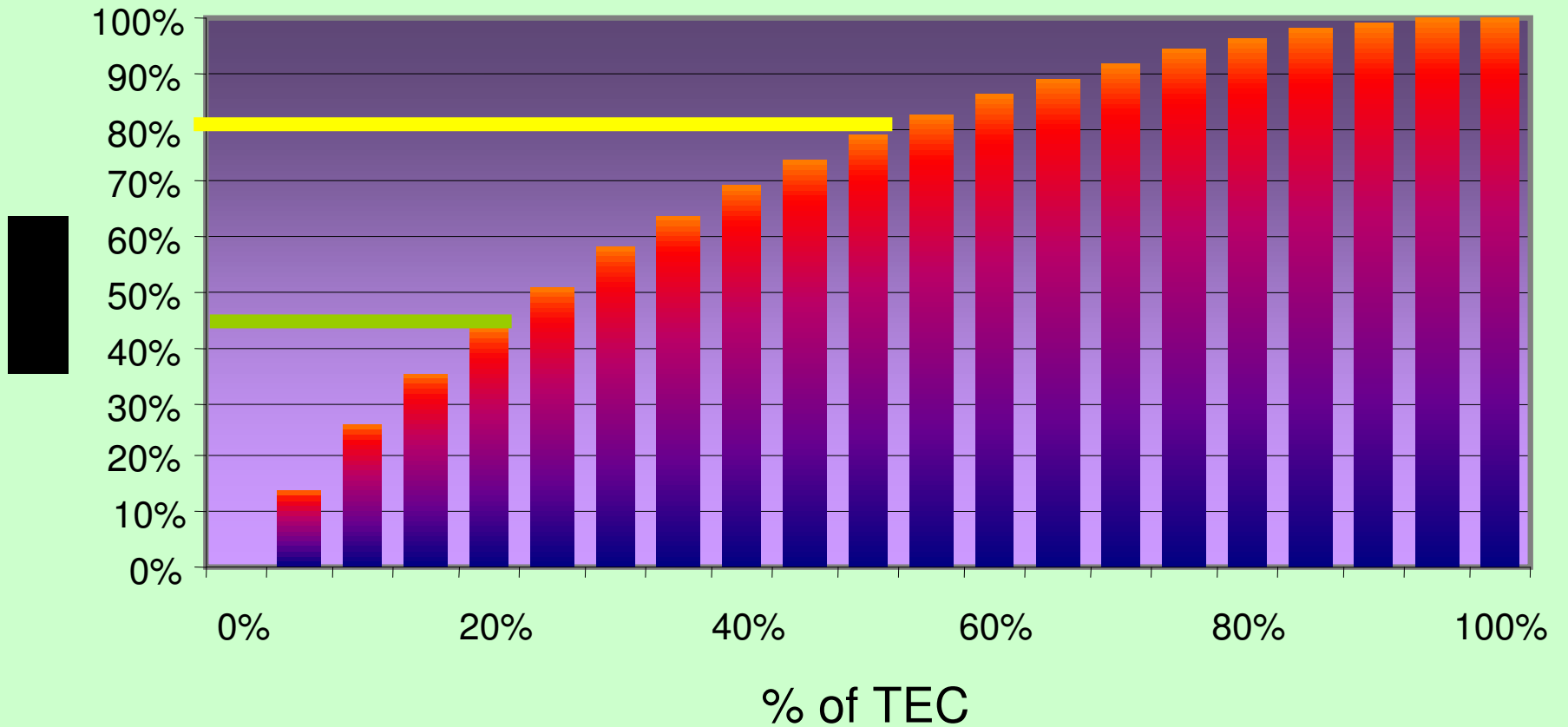
- OFGEM to make timely decisions
- Pro active engagement by OFGEM
 - planners do it

What Developers can live with?

- Sharing assets
- Queue management
 - unrealistic projects go to back of queue
- User commitment
 - appropriate risk allocation
- Early investment in Network planning
 - With incentives
- Wind farm output being managed by a System Operator

embrace

Value of output with increasing TEC



What Developers can't accept?

- Current scenario
- Investing $>£1\text{m}/\text{MW}$ and then paying an unknown price for access
 - SO NO 3G TYPE AUCTIONS
- Poor governance and using governance as an excuse for inaction/ delay
- Blindly applying rules designed for conventional plant to renewables

Making the Straw Men Work

- Connect & Manage
 - Implement now as trial for an early win so ✓
- Evolutionary change ✓ if
 - Short term rights at known prices
 - means NGET manage constraint risk and get reward
- Capacity Auction (✓ if bid to reach hurdle)
 - Hurdle fixed at TNUoS + new asset cost + risk premium
 - Developer can transfer Rights at [regulated] price
 - Encourage early commitment to get infrastructure into Planning