



*Promoting choice and value for
all gas and electricity customers*

Reference No: 61/11
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Email: stacy.altman@ofgem.gov.uk

Date: 16th May 2011

Dear Colleague,

DISTRIBUTED GENERATION: AN OPEN LETTER REQUESTING VIEWS ON THE PROCESS OF GETTING CONNECTED

We consider that the efficient development of distributed generation could play an important role in addressing a number of key policy issues. These include helping the UK to achieve its targets for reduced carbon emissions as well as improving the security of energy supply and addressing fuel poverty issues. To this end, we have endeavoured to ensure that those seeking to connect distributed generation to the network do not encounter any unnecessary barriers resulting from the way that the electricity distribution networks are operated and regulated.

In recent years we have implemented a number of initiatives to support distributed generation, including the following:

- In October 2010, the Electricity Connections Guaranteed Standards of Performance (Statutory Instrument No. 2088/2010) came into force. These set out the minimum timescales associated with the various stages of obtaining a connection and provide compensation to customers where these are not met. An accompanying direction made by Authority placed similar connections services obligations on DNOs with regard to distributed generation connections¹.
- At the last price control (DPCR5) we set out a requirement for DNOs to publish a distributed generation connection guide as well as a wider information strategy for the provision of information to customers in order to support them during the connection process². This guide is now available on the Energy Networks Association website.
- In 2002, the Authority issued a formal direction to DNOs to publish a pack of information termed the Long Term Development Statement on an annual basis³. The information contained in this statement is meant to enable existing and potential users of the network to carry out initial assessments in the planning stages of their project so as to identify where capacity or opportunities exist to accommodate their development project.

¹ <http://www.ofgem.gov.uk/Networks/ElecDist/QualofServ/GuarStandds/Documents1/DG%20Direction.pdf>

² http://www.ofgem.gov.uk/Networks/ElecDist/Policy/DistGen/Documents1/25A_letter_notice_direction%20FINAL3%20web.pdf

³ <http://www.ofgem.gov.uk/Networks/Techn/NetwrkSupp/LongTermDS/Documents1/10822-13605a.pdf>

Building upon the above work we have committed to holding a distributed generation forum in 2011 in order to engage with stakeholders and better understand the challenges they face. It is intended for this forum to be a platform to discuss the experiences of stakeholders in engaging with regulated companies, specifically in relation to getting connected to the network.

To that end, we are seeking feedback on the issues and challenges faced. We intend to use this feedback to assist us in drafting an agenda for the planned forum. Responses are requested by no later than **Tuesday 31st May**.

Responses should be sent to:

Stacy Altman
Distribution Policy
Ofgem
9 Millbank
SW1P 3GE

stacy.altman@ofgem.gov.uk

Following receipt of responses, the agenda and date for this forum will be announced and opportunity will be given for interested parties to apply to attend. A preliminary timescale of activities is outlined below:

Task	Date
Publication of open letter requesting responses on a proposed DG forum	Monday 16 th May
Deadline for responses	Tuesday 31 st May
Announcement of agenda and date and request for interested parties to signal their wish to attend	Tuesday 7 th June
Deadline for the delegate list to be finalised	Tuesday 21 st June
DG forum	Mid July

Should you have any queries regarding this letter or the intended forum, please do not hesitate to contact Stacy Altman who is coordinating this event.

Yours Sincerely

Gareth Evans
Head of Profession-Engineering