

Promoting choice and value for all gas and electricity customers

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Dear Colleagues

Re: Ofgem's Distributed Generation (DG) Forum 2012.

Over recent years we have witnessed a growth in the number of Distributed Generators seeking to connect to the distribution network. Accompanying this have been concerns that customers are encountering a number of difficulties in navigating their way through the connection process.

In May 2011¹ we issued an open letter asking for views on the experience of getting DG connected to the distribution network and hosted a series of regional events to explore the issues raised², with stakeholders.

In an effort to ensure continued improvement in addressing these issues, we are intending to repeat these events in autumn 2012.

These will be held on the following dates:

- London 22 October 2012
- Cardiff 30 October 2012
- Glasgow 12 November 2012

If you are interested in attending, please signal your preferred venue in your response.

In preparation for these events, we are issuing this open letter to request feedback from the DG community on the progress made to date in improving the experience of getting connected.

Responses to the questions below should be submitted to Olivia Powis olivia.powis@ofgem.gov.uk. The closing date for responses is 28 September 2012, however we would welcome early feedback in order to ensure effective input.

Yours sincerely

James Veaney

¹http://www.ofgem.gov.uk/Networks/ElecDist/Policy/DistGen/Documents1/DG%20Forum%20Open%20Letter May.pdf

²http://www.ofgem.gov.uk/Networks/ElecDist/Policy/DistGen/Documents1/high%20level%20summary%20of%20 DG%20Forum published.pdf

Key themes arising from 2011 events:

| Access to information | Need for DNOs to share as much information as possible on network capacities earlier in the process. |
|--------------------------------|--|
| Application process | DNOs have a large volume of applications to process which requires significant expert resouces. A common, transparent application process would help the customer to better undertstand the information required. |
| Transparency of costs | DNOs need to provide more clarity of information on costs and clearly signpost competitive opportunities |
| Technical Issues | DNOs had difficulty in obtaining detailed technical specification required from customers. |
| Customer service/DNO behaviour | Customers look to DNOs to provide expert advice and DNOs need to develop a more consistent approach to offers, charges, payment schedules and requirement for securities. |
| Network transmission issues | Challenge on network owners to provide detailed business cases for any investment that could assist and facilitate the growth of DG. |
| Stakeholder engagement | DNOs to continue to develop the work of the forums and regularly engage with DG customers. |

Question box

Question 1: Did you attend the DG forums in 2011? If so, did you find them helpful?

Question 2: Do you feel there have been improvements in getting DG connected, following these events? Please provide details

Question 3: are there any specific outstanding/new issues in getting DG connected? Please provide details