High Level Summary of DG Forum Responses

Below are outlined, at a high level, the responses we received as part of our open letter consultation in May 2011 as well as from attendees to the 3 forums. These responses have informed the drafting of the agenda for these events.

-Barriers to DG-

1. **Limited access to 11kV data**
   - This information is not publically available.
   - Where DNOs agree to provide it, access and level of information are both inconsistent.
   - This information is also not provided under the LTDS.

2. **Requirement for detailed, specific and technical data**
   - The level of information needed is inconsistent, sometimes unreasonable or unnecessary or not yet finalised.
   - The level of information required varies from DNO to DNO.
   - There is also no formal way to confirm network capacity without applying for point of connection.

3. **Additional charges**
   - There are additional, unknown costs incurred for grid capacity studies, feasibility studies, transmission impact assessments. This adds a level of uncertainty to any scheme.

4. **Information asymmetry**
   - There is an imbalance in the information held by DNOs and what they provide, which leads to a lack of sufficient information provided to developers by DNOs.
   - There is particularly an issue with mapping capacity on the network.

5. **Securities**
   - These are a costly and add uncertainty to the process.
   - Underwriting is also onerous and costly.

6. **Legals process for grid connection**
   - This is a prohibitive, lengthy and obstructive process.
   - There are no expectations for how long this might take.

7. **Grid Code requirements applied to small generation**
   - These requirements are prohibitive and an ill-fit for small generation and may not be necessary if the project is unlikely ever to be eligible under these requirements.

8. **Transparency of costs**
   - There is a lack of transparency and consistency in terms of costs.
   - DNOs could be more proactive in explaining their cost structures under the complex charging methodologies.
   - There is the issue of socialising the cost for such projects.
   - It was also felt that there was no opportunity for consultation on costs without a feasibility study.

9. **Infrastructure**
   - The investment by DNOs in infrastructure to date is insufficient to accommodate DG.
   - There is no long term view of network upgrade and investment seeking to anticipate future requirements.
   - There is a lack of infrastructure in rural areas, particularly in relation to Wales.
   - Upgrade costs are uncertain and some network protection measures applied for DG projects are excessive. In some cases, it is perceived that there is the practice of 'gold plating' the network.

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-Process issues-

10. Application process

- The process is inconsistent, lacks transparency and in some cases is subject to a lot of delays.
- There is no clear communication on process delays or changes. The process is inconsistent from DNO to DNO.
- Often DG projects require different applications.
- The timescale of 30 days to accept a connection offer is very short.
- There is no awareness/flexibility in the process to take into account the dynamic nature of DG projects.
- Notification on the availability of a connection is often provided late in the process.
- There should be clear identification of key contacts within each DNO with the technical expertise to advise DG/renewable schemes.

11. Planning

- DNOs underestimate the length of time and complexity of securing planning permissions for DG.

12. Design and feasibility

- There is information asymmetry in the request for additional studies and with the completion of the design part of the process. Developers have little visibility on the process or assumptions and cannot complete any of these activities elsewhere.

13. Complaints handling process

- Some feel they cannot complain as this could jeopardise relations with the DNO.

14. The quotation

- In some cases, DNOs have made changes or alterations to the quotation late in the day. In these cases, where customers tried to make changes themselves, either to alleviate the affects of an alteration made by the DNO, or to make a separate change, DNOs were unresponsive and uncooperative.
- A quote can sometimes still be indicated as 'provisional', which adds to uncertainty.

15. Pre-application process

- It is suggested that a pre-application consultation stage could be helpful to allow for early discussion on a project and the options available. Some DNOs have provided such a service, but inconsistently.

16. Connections guaranteed standards

- DNOs have failed to invest sufficient resources into these standards and as a result the service to DG is suffering.

17. Statement of Works

- Applying this process to all DG over 1MW is costly and introduced uncertainty.
- This issue was specifically raised in relation to Scotland.
- The requirements are also applied inconsistently and there is a lack of transparency.

-Network Concerns-

18. Infrastructure and reinforcement

- There is a lack of guidance on the voltage control limitations for DG with controllable reactive power.
- There is some confusion about the levels of reinforcement and what an individual should have to pay for and what would be recouped through Use of System.
- There is a wish for DNO flexibility with regard to reinforcement.

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19. Future proofing and innovation

- DNOs do not consider innovation outside specific innovation areas/current funded projects.

20. Budget Estimates

- The content of the budget estimates are of limited use without some consideration of reinforcements needed and that they add to the process timescales without providing sufficient detail.

-Technical Standards-

21. Confusion/lack of knowledge

- There is confusion regarding the interpretation of both G83 and G59 standards.

22. Inconsistent application of technical standards by Network Operators

Specifically:

- Voltage rise
- Fault levels (normal or abnormal)
- NVD and G59 protection
- Acceptance of IS limiters
- Voltage and Frequency limits
- Generator PF Requirements
- G81 requirements
- Contestable/Non Contestable splits
- Metering, were identified as technical areas where either there were not clear standards in place and where it was felt Network Operators were inconsistent and lacked transparency.

23. Charging methodology

- This is complex and could be more transparent.
- The new EDCM is perceived to increase uncertainty as there is a potential for charges to change annually. There is also a concern associated with how the EDCM will operate.
- There is some confusion over DGUoS charges.

-DNO behaviour-

- DNOs are not transparent with regard to the scope of works to be done to provide a connection and the split between contestable and non-contestable where applicable.
- They appear reluctant to enter into any negotiations with the customer to seek to resolve issues or arrive at a best fit option.
- In addition, there is a perception that there is a need for further communication between internal staff within the DNOs, e.g. between technical advisors and regulatory policy and customer service.
- It was suggested that regular stakeholder meetings with DNOs could be established to discuss regional issues.

-Scotland and Transmission-

24. Transmission concerns

- One comment suggested that the impact of variability in transmission charges should be considered through location pricing.
- The impact of transmission on distribution in certain areas is to the disadvantage of DG.
- The costs of transmission impact studies are uncertain and costly.
- There is confusion over the application of 'connect and manage'.

25. Regulatory aspects

- There is concern regarding User Commitment and Transmission Charging.

- Any changes in policy should be explained in layman's terms, clearly outlining the potential impacts. These should also be sent at any early stage to the stakeholders affected.

26. Scotland

- There is a lack of capacity and long waits for connections sometimes due to upgrade works in specific areas.