

Centrica plc Regulatory Affairs Millstream Maidenhead Road Windsor Berkshire SL4 5GD www.centrica.com

Marco D'Alterio Ofgem 10 South Colonnade Canary Wharf London E14 4PU

30 July 2021

Sent by email to: connections@ofgem.gov.uk

Dear Mr D'Alterio

## 2021 open letter consultation on the Incentive on Connections Engagement

Thank you for the opportunity to provide feedback on Centrica's experience regarding our connection experience with Distribution Network Operators over the 2020-21 regulatory year.

## Larger DG & DER connections

In previous years Centrica has responded primarily based on experiences of connecting larger Distributed Generation and other larger scale Distributed Energy Resources (DER). This year we have had no major issues with our larger DG/DER connections that we feel need raising via ICE. Most DNOs are hitting their timescales, and WPD has performed particularly well in this regard. All DNOs have engaged with stakeholders.

Outside of the scope of ICE, we still need better visibility of the status of transmission works linked to DG connections (Statement of Works/Transmission Impact Assessment). We welcome the ESO's plan to establish a Distributed Energy Resource (DER) account management function in its connections team to support smaller parties with transmission related issues with their connection applications.

## Connection of EV charging points

In the open letter, Ofgem says it is specifically interested in hearing from customers seeking to connect electric vehicle (EV) charging points. EV charging is at the heart of our expanded range of customer propositions for homes and businesses. To date, we have installed over 17,000 charge points across the UK from home charging all the way through to ultra-rapid 350kW charging. We also have the UK's largest commercial EV fleet and have committed to electrifying the British Gas fleet by 2030.

Page 1 of 2

In our previous ICE responses, we noted problems Centrica Business Solutions had experienced connecting EV chargers for large customers – such as car dealerships. The problems related to poor network data and extremely high quotes for reinforcement.

In the past week my colleagues working on connecting EV chargers for domestic, small business and commercial customers have shared concerns about current DNO performance. Acknowledging the standard ENA application form and flow chart for EV and heat pump installations, we feel that the DNO processes in place right now are not fit for the volume of EV chargepoints needing to be connected.

We believe the following improvements are needed now to support the increasing demand for EV connections and give more consumers the confidence to change to an EV:

- We need more targeted Service Level Agreements (SLAs), to give consumers and installers better information on the progress of any approvals or work needed for EV connections. The current SLAs come from rules for new connections, and do not work well for connection upgrades to support EVs and Heat Pumps for small consumers. Our installation teams feel applications vanish into a 'black hole'.
- More appropriate DNO resourcing of EV connections is needed to speed up DNO responses to applications and connections work. Some DNO are already having difficulty keeping up with demand. Across all sizes of consumers, SSEN had severe delays, meaning some consumers were waiting months. We understand SSEN has since reduced wating times by bringing in a sub-contractor to help clear the backlog. (We recognise that there will be outliers for example of the DNO needs to apply for a permit from the local council to close the road.)
- My colleagues were impressed by the speed and usability of UKPN's Smart Connect portal and tool, which provides an automated assessment for EV charge point installation. They noted that this could provide approval within 1 second, compared with waiting several weeks for a response from other DNOs.
- More transparency and consistency around upgrade costs is needed Charges for upgrades can appear random. Whilst demand consumers still have to pay for reinforcement, there needs to be more consistency around when end-consumers are charged and clearer justification of any charges.
- We need more standardised processes across DNOs. There are significant differences between DNOs in how they approach EV connections. According to my colleagues working to deliver EV charge point installations, each DNO has its own rules and was of doing things. This is causing confusion. Outcomes where DNOs report consumers have a loop service can be unpredictable.
- We need clearer guidelines on the interpretation of existing rules. Where there are common rules, such as on the ENA's EV CP and HP Connections Process flowchart, these are open to wide interpretation both by networks and EV charge point installers. An example is the household load calculation: whether they exceed 60A and if this should be notified to the DNO. Clearer guidance will improve delivery for consumers, as well as supporting local grid safety and stability.

\* \* \*

I hope you find our response useful. Please contact me if you have any questions on <u>helen.stack@centrica.com</u> or 07979 567785.

Yours sincerely

Helen Stack, Centrica Regulatory Affairs, UK & Ireland