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In addition to the incentives for low carbon zones and innovation, we think that a very simple performance measure might be included in RIIO, which would help drive the outcomes below (along with licence reviews which should drive better customer performance)

We think that RIIO should allow a “connection bonus” for distributed generation (DG) claimable by DNOs for each connection they make.

Why?

They (connections) impose costs on DNOs back office functions which may not be readily chargeable to generators, and require staffing and skill sets that need to be made more readily available to avoid connections issues remaining a blockage to the roll out of DG.

The wider agenda is set out below.

Equitable regulation -

- Net charging for the impact distributed generation makes on the system: DG is reinforcement!
- Shallow charging so customers can amortise the net cost over time
- Clearer boundaries between connection and local upgrading/ maintenance of existing LV connections
- Better competition in connections: ensuring contestible works are open to any qualified electrician
- Bigger rewards to DNOs for speedy connections and customer service –carrots not sticks

Customer service

- Dedicated and accessible new “generation connection” teams with rewards for success in making connections
- A “partnership approach” to new generators
- Assistance and explanation to enable access to grid capacity information.
- Iterative planning of potential generation with customers
- Clear and detailed costings in quotations
- Low cost speedy dispute resolution

Charging

- DG connections treated as reinforcement
- Charging boundary drawn tightly to project
- Shallow charging

- Competitive contracting costs for non contestable works
- No charges for information on grid capacity and available access points
- No charges for indicative estimates/ feasibility studies

Technology

- Adoption of new voltage management tools (being discussed by ENA with no resolution yet)
- Adoption of new transformer types
- Open to new technology
- Quick decision making

The Electricity Internet ?

- A reactive/actively managed network
- 30% of electricity generated locally
- Rewards and technology to implement them for demand management at microgeneration level
- Open to new technology

I hope this helps

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