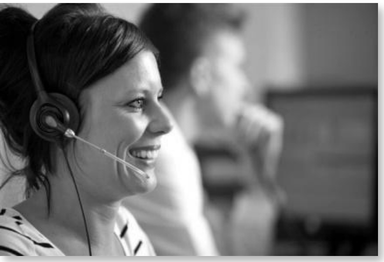





Ofgem Distributed Generation Forum

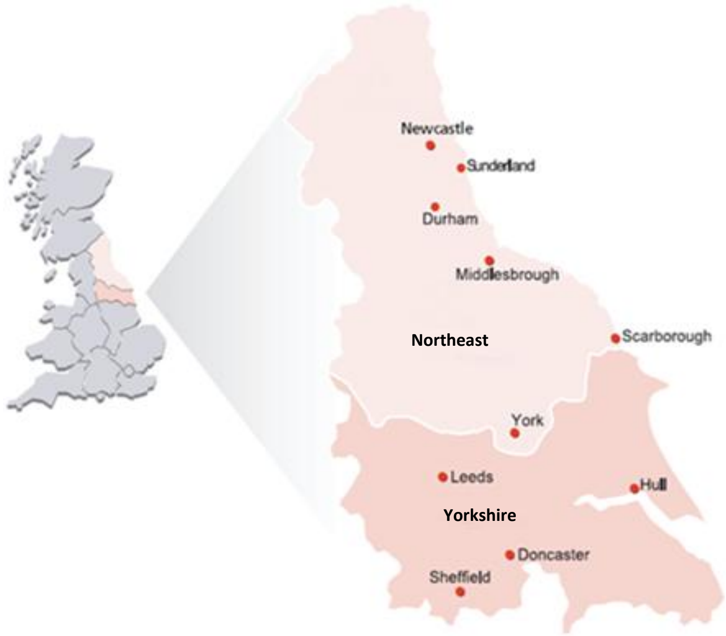
Phil Jones

London

22 October 2012

Northern Powergrid

- Northern Powergrid is MidAmerican's wholly-owned vehicle for ownership of utility businesses in the UK
- Focused, since 2001, on networks and metering - the powergrid is our core business
- Relatively active region in terms of DG:
  - One of GB's busiest regions for wind turbines
  - Both onshore and offshore wind turbines feature in our pipeline
  - PV has increased along with national take-up stimulated by feed-in tariff
  - The largest low carbon network fund project



Connected customers	3.8m
Population served	7.4m
DG connected in 2011-12	218 MW
Total DG connected	2,177 MW
Network maximum demand	6,644 MW

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Performance trends are in the right direction

Attribute	Indicator	2010-11	2011-12	Change
Handling enquiries	Customer enquiries received	1300	5300	+ 308%
Offering terms	Quotations and estimates issued	700	3900	+457%
Processing orders	Customer acceptances received	85	470	+453%
	Proposals accepted	12%	12%	-
Meeting timescales	Quotation/estimate lead time (days)	26	29	-3
	Guaranteed-standard success rate	99.3%	99.8%	0.5%
	Lead time to connect (days)	146	84	62

We are delivering on the commitments we made

Themes	Commitments	Progress
1. Collaborate on connection options ahead of firm proposals – *fast tracking the right answer*	3	Complete
2. Develop our online application process – *providing easier access*	4	On target for 2012
3. Develop a database for generator manufacturer's technical data – *reduce complexity*	5	4 complete 1 adapted and on target for 2012
4. Enhance DG stakeholder engagement – *regular working-level meetings to identify improvement opportunities*	4	Complete
5. Establish a case to lobby DECC on assessment and design fees – *create a price signal to reduce waste and improve service*	4	3 complete 1 on target for 2012
6. Update our communication strategy – *regularly update our public-domain strategy document*	3	2 complete 1 on target for 2012
TOTAL	23	16 complete 7 on target for 2012

Responding to your feedback (1 of 2)

You said
• "Shorten the process and provide better access to information"
• "Make DG cheaper to connect"
• "Improve consistency among DNOs"
• "Connecting DG is different, take this into account"
• "Collaborate with us"
• "Pay attention to project specifics to improve processes"

	Our response
Complete	• Deliver Web-channel enhancements – Connections guide prices and timescales – Capacity maps – GDUoS price estimator • Hold more "open-door" customer surgeries • Increase the DG delivery team • Develop the case for assessment and design fees
In progress	• Introduce online connection application *(Dec 2012)* • Establish central repository for generator technical data – Encountered legitimate concerns from manufacturers on data maintenance and ownership – Interim: hot-link website to manufacturers' sites *(Dec 2012)*

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Responding to your feedback *(2 of 2)*

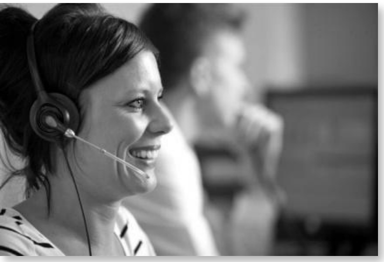
You said
• "Shorten the process and provide better access to information"
• "Make DG cheaper to connect"
• "Improve consistency among DNOs"
• "Connecting DG is different, take this into account"
• "Collaborate with us"
• "Pay attention to project specifics to improve processes"

	Our response
Complete	• Introduce new substation leases that match the lifetime of DG installations • Introduce step-in clauses for project financiers to enhance bankability • Change protection policy to simplify schemes and reduce costs • Back-end load stage payments to align with project milestones • Seek customer feedback on further improvements • Engage with trade providers at external events
In progress	• Extend quotation acceptance period to 90 days *(Nov 2012)* • Develop active links with National Farmers Union and Home Builders Federation • Explore the potential for local DG training for our people and customers

In conclusion

1. Market activity has increased – *our traditional services have met the demand, but timescales alone aren't all that matters*
2. Information availability is improved – *easy access to internet services and personal expert advice*
3. We are working more collaboratively – *forming relationships that are designed to make life easier for our customers*
4. Stakeholder views are driving our improvements – *we are acting on the feedback we are getting*
5. This is just the start – *local generation, smart meters and smart grids signal the potential for a very different world*
6. Industry-wide change is needed in some areas – *we think we are doing our fair share*
7. We are delivering on our current commitments – *16 down, 7 to go…and we won't stop there*



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http://www.northernpowergrid.com/page/stakeholder
http://www.northernpowergrid.com/community

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