

ofgem Promoting choice and value for all gas and electricity customers

DG Forum 2012 London

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Feedback from breakout sessions

- National Grid
- Low carbon and innovative solutions
- Application process
- Charging

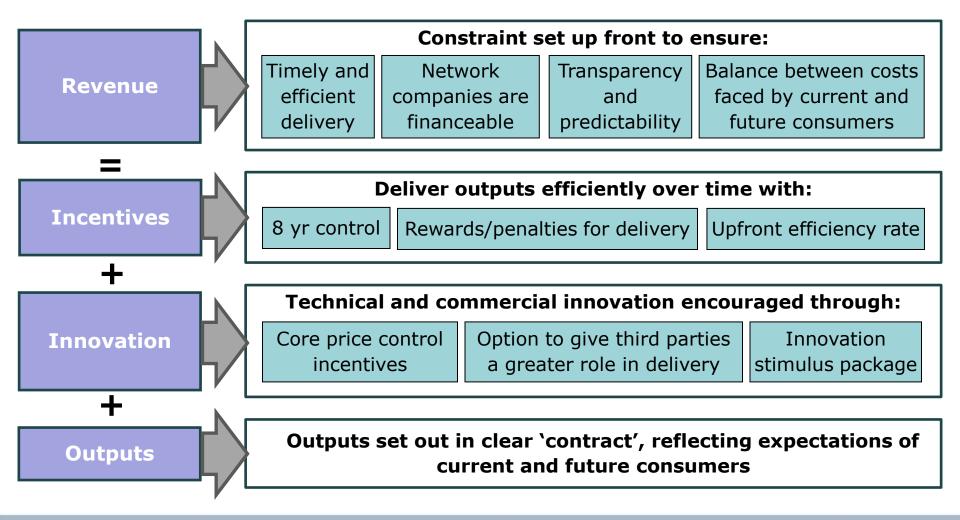


Regulatory tools

- Policies in relation to:
 - Ensuring the integrity of the network
 - Charging for network connections & use of distribution system
 - Incentivising networks to provide a good service to customers seeking a connection
- Engineering recommendations
 - P2/6 and G83
- Licence conditions
 - Requirement to offer a connection
 - Timescales for issuing quotes
 - Ability to recover costs for connection and Use of System
 - Requirement to have charging methodologies
- Price Controls; setting out the outputs DNOs need to deliver for their customers and the associated revenues they are entitled to connect:
 - DPCR5 (2010 2015)
 - RIIO-ED1 (2015 2023)



RIIO: A new approach to regulation





The outputs-led framework

We are committed to developing clear and comprehensive outputs These will help deliver the objectives of RIIO to encourage network companies to

Play a full role in the delivery of a sustainable energy sector Deliver long-term value for money network services for existing and future consumers

Environmental impact: Help to reduce direct/indirect GHG emissions

RIIO includes six output categories within which network companies should deliver

Customer satisfaction: Maintain/increase customer satisfaction levels

Connections: Connect customers in a timely and efficient way

Safety: Provide a safe network in compliance with HSE standards

Reliability and availability: Promote reliability e.g. less interruptions

Social obligations: Treatment of vulnerable customers and fuel poor



RIIO-ED1 Timetable

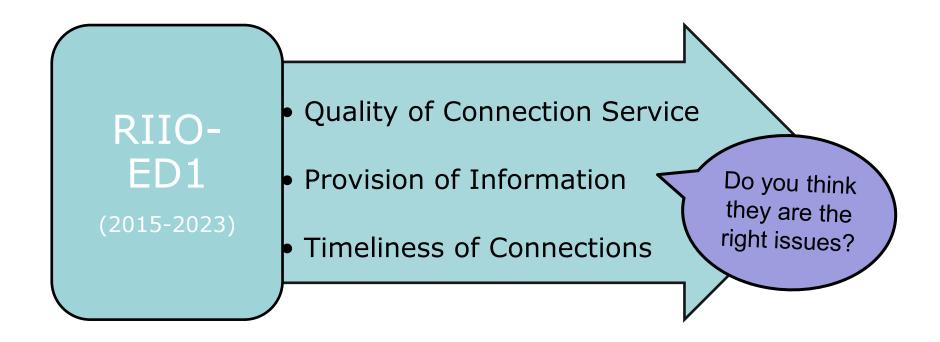


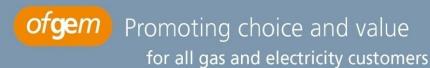
Consultation ends 23 November 2012



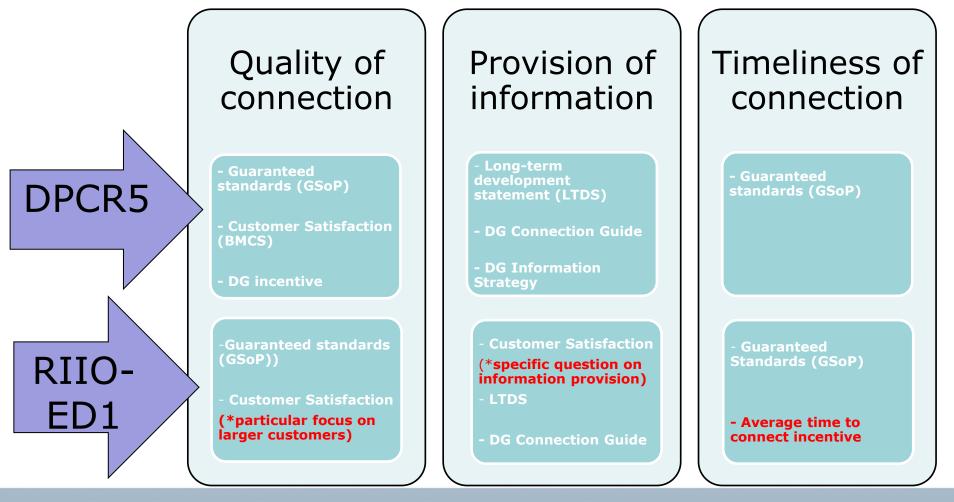
RIIO- ED1: Connections

For connections, we are considering the following key issues:





How price controls affect DG customers





Next steps

- We have sought to ensure that DG does not encounter any unnecessary barriers when seeking to connect and that DNOs have an incentive to consider the role DG can play in managing the network
 - Please respond to the ED1 consultation with your views
 - Consultation ends 23 November 2012
- We are hosting these DG Forum events in London, Cardiff (30 October) and Glasgow (12 November) and will take issues raised into consideration in our ongoing development of policy
- We will produce a note of these events detailing any follow-up actions
- Over to you
 - Regular engagement between DNOs and customers
 - Customers to highlight their requirements to DNOs in order to make an efficient connection
 - DNOs continue to put measures in place to respond to customer needs



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