

Electricity Connections Steering Group (ECSG) - Teleconference

Teleconference meeting of the ECSG Date and time of Meeting 13 June 2012, 13:00-15:00

1. Present

Attendees	Company
Bob Weaver (BW)	PowerCon/ Metered Customers Connections Group (MCCG) (Secretary)
Paul Bogle (PB)	National Federation of Builders
Tim Edwards (TE)	UK Lighting Board
Jason Raymond (JR)	Consultant
Chris Bean (CB)	MCCG (Chair)
Rodger Yuile (RY)	Scottish and Southern Energy (SSE)
David Overman (DO)	GTC
Michael Scowcroft (MS)	Scottish Power (SP)
David Clare (DC)	British Property Foundation/MCCG
David Taylor (DT)	Utility Partnership Limited (UPL)
Richard Allcock (RA)	Western Power Distribution (WPD)
Julie Thompson (JT)	Northern Powergrid
Brian Hoy (BH)	Electricity North West Limited (ENWL)
Steve Wood (SW)	UK Power Networks (UKPN)
James Veaney (JV)	Ofgem/ECSG Chair
Olivia Powis (OP)	Ofgem
Rebecca Langford (RL)	Ofgem
Stacy Feldmann (SF)	Ofgem/ECSG Secretariat

2. Introductions and apologies

2.1. Steve Bolland (Unmetered Customers Connection Group (UCCG)); Gareth Pritchard (UCCG); Alex Spreadbury (Major Energy Users Council (MEUC)); Ray Farrow (House Builders Federation); Bob Stevenson (Sheffield County Council).

2.2. JV opened the teleconference by explaining that the meeting of the full ECSG at Ofgem's Millbank offices had been postponed. He explained that the decision to hold a shorter meeting via teleconference had been taken as it was felt that there had not been a lot of progress since the last meeting, and no new agenda items had been tabled.

2.3. Ofgem took an action to advise members of the date of the next full ECSG meeting as soon as possible after the teleconference,.

2.4. Paul Bogle introduced himself to the members as representing the National Federation of Builders (NFB).

3. Minutes of 8 February 2012 ECSG meeting and outstanding actions

3.1. BW queried whether the last paragraph, page 5, section 5.1 of the 8 February 2012 minutes was a correct interpretation of Ofgem's 2007 decision on internal dispute resolution process for business disputes. Ofgem indicated that the reference to the original

decision document was provided in the minutes and that the minutes accurately reflected what this published document explained.¹

3.2. It was explained that a new version of the actions list was recently circulated indicating which actions were believed to be closed, open and ongoing. Members were asked to review the actions to ensure that the status was felt to be correct.

3.3. It was proposed that the actions would not be reviewed until the next formal meeting of the ECSG which is intended to be scheduled for July 2012.

Action	Person – By
Members to review the new actions list and indicate whether the categorisations were correct, i.e. open, closed, ongoing	ECSG
Set a date for the next ECSG	Ofgem

4. Ofgem updates

4.1. Extension of Contestability update

RL provided a brief update on Ofgem’s 8 May 2012 decision on the extension of contestability to existing DNO mains.

In principle, Ofgem believe that contestability should be extended to jointing to existing DNO mains at Low Voltage (LV) and High Voltage (HV).

Ofgem has not made an ‘in principle’ decision on whether contestability should be extended to operational activity associated with jointing to mains as it had not seen sufficient evidence. This does not preclude DNOs from extending contestability to operational activity.

Ofgem is expecting DNOs to modify their individual connection charging methodologies to formally extend contestability. To date one modification proposal has been received with a decision due to be published in the next week. RL asked DNOs to indicate when they expected to submit modification proposals.

4.2. Out of Area (OOA) and Independent Distribution Network Operator connections margins update

RL explained that the drafting of the licence does not allow for IDNOs or DNOs operating out of area to charge margins on connections activities where they intend to own and operate the installed assets. She stated that this issue had previously been discussed at the ECSG and that it had been agreed that interested parties would form a working group to propose modifications to the licence.

She explained that Ofgem had attended the first meeting of the working group and highlighted to them issues that it expected to be addressed by any proposals. Ofgem is awaiting proposals to be submitted.

RL explained that changing the licence was not a quick process. She explained that once Ofgem had received proposals that it was happy to take forward, it would be required to consult, consider respondents views and then conduct a statutory consultation. She also explained that Ofgem were required to wait 56 days from the date of any decision before allowing changes to the licence to come into effect.

¹ Following the teleconference BW further challenged the 8 February 2012 minutes as he does not consider that the minutes accurately reflect Ofgem’s 2007 decision on internal dispute resolution processes for business disputes. Ofgem agreed to make a note of his challenge in the February 2012 minutes.

It was queried whether there had been any thought to a short term solution in the meantime where it could be that IDNOs remain disadvantaged or where those operating out of area may still be charging margins regardless. RL explained that Ofgem was open to receiving alternate solutions to licence change.

4.3. Open Governance update

RL provided an overview of what open governance was and provided an update on the progress of the consultation on open governance:

- The Common Connection Charging Methodology (CCCM) launched in October 2010. All DNOs are now using the CCCM.
- Open governance will allow non-DNO parties to raise changes to the CCCM.
- DNOs are looking to achieve open governance through the inclusion of the CCCM in the Distribution Connection Use of System Agreement (DCUSA). This is how open governance of DNOs use of system charging methodologies was achieved.
- Changes to the licence are required to facilitate open governance. Ofgem are also intending to make including the CCCM connection charging methodologies a condition of DNOs licences.
- The process of licence change is already underway. Ofgem issued to a first consultation on proposed changes to the licence in February 2012. Having considered responses it issued a statutory consultation on the changes in May 2012. It alerted the ECSG to both consultations.
- Subject to responses to its consultation, Ofgem expects to make a decision on the licence changes in June 2012. Subject to any appeals of its decision, it expects the changes to take effect on 1 September and for open governance to be achieved by 1 October 2012.
- DNOs will be raising a DCUSA change proposal requesting that the CCCM be included in the DCUSA.

Once open governance is achieved, changes can be raised direct by parties to the DCUSA and customers can seek Ofgem permission to raise a modification to the CCCM.

Once a change has been proposed, the change will go through the normal DCUSA channels of working group, consultation, voting by DCUSA panel and submission of change proposal to Ofgem to approve or reject.

4.4. Update on Guaranteed Standards Of Performance (GSOP)

Slides were provided before the meeting providing a high level average performance by category; metered, other metered and unmetered.

It was clarified that Consumer Focus still had remit for publishing data on GSOP in the public domain.

CB suggested perhaps requesting whether the Energy Networks Association (ENA) could publish individual performance.

An action was taken for GSOP to be added to the agenda of the next full ECSG meeting.

It was explained that the Connections Industry Review (CIR) will be providing some further granularity on GSOP. Further it was suggested that once this report was published, it could be discussed whether an ENA route to publish further detail may be necessary.

Action	Person – By
GSOP added to the agenda for the next full ECSG	Ofgem

5. Stakeholder group updates

5.1. DNO Group

GSOP

DNOs have initially met to discuss and compare their application and understanding of GSOP. Generally it was felt that application and understanding amongst the DNOs was consistent. DNOs commented that at this stage they would welcome feedback from customers to be able to review how DNOs reviewed and approached different scenarios. This would allow DNOs to compare and contrast interpretation on specific aspects of GSOP.

CB indicated that in the area of traffic management there was a question about DNO interpretation and consistency where exemptions are also being used excessively in some cases.

DNOs clarified that the review they were conducting was to do with their compliance with the guidance for GSOP, rather than a review of any particular issues that may point to changes in guidance or the standards.

JV encouraged members to submit any cases where they felt interpretations were not consistent both to Ofgem and DNOs to allow them to identify specific instances of inconsistency.

Extension of Contestability

A roundtable update on modifications for EoC was given:

- ENWL: LV and HV scope and have submitted
- WPD: LV jointing initially. Looking to trial HV first before considering modification to open this up
- UKPN: expecting to have a modification submitted by the end of July for LV. They have an HV pilot currently running and will need to take a view on its outcomes before considering applying a modification to this sector
- SP: LV and HV modifications planned and expected to be submitted by October
- SSE: LV and HV modifications planned and expected to be submitted by the end of the summer 2012
- Northern Power Grid: LV and HV modifications planned and expected to be submitted by October

Adoption Agreements

- It was left to the DNOs to coordinate separately in a bi-lateral capacity with particular stakeholders. CB took an action to explain to their members that they should engage with their individual DNOs in the first instance to seek to resolve their issues.

Inspection and Monitoring

- There was a repeated request for further nominations to the group, specifically to cover off unmetered and the limited metered scope. An action was taken to pass on this request to Steve Bolland and Gareth Pritchard for unmetered nominees.

Legals process

- They had received a large number of nominations and it is progressing. Michael Scowcroft is chair for this group.
- DO reported within AOB that to date, there had been commitment to the legals process by all DNOs bar one.

5.2. MCCG

The group indicated that they would update formally at the next ECSG. They had convened an MCCG meeting recently and would have an update from that to report on.

5.3. UCCG

No members were in attendance. In their absence, it was reported by others that the latest annual questionnaire had been completed and was going to be circulated to DNOs before publication.

Ofgem took an action to liaise with SB and GP check if there was anything further they wished to add.

Action	Person – By
Advise MCCG members regarding adoption agreements and the advice to engage with their individual DNOs	CB
Pass request for nominees to SB and GP, i.e. for unmetered members for Inspection and Monitoring group	DNO group
Ofgem to liaise with SP and GP in their absence to check if there were any items of importance to raise at this teleconference	Ofgem

6. Any other business

6.1. Disconnections

JR raised that he wanted this to be progressed as it had appeared to have been removed from the actions list. It was explained that it had been approved as a working practice and it was now up to Meter Registration Agreement (MRA) members to continue to push it through to the next step. SW took an action to get a colleague of his to speak to JR and advise him on the progress with disconnections.

DO clarified that the data flows developed for disconnections appeared to be working well but pointed out that these were the flows designed to run between supplier and distributor.

6.2. Distributed Generation community engagement

BW reported that the responses to MCCG letters had been received from all DNOs and formed part of the content of the 4 papers submitted to the Common Connection Charging Methodology Forum (CCCMF). BH explained that the DNOs would be responding formally to the MCCG on the 4 papers tabled. It was suggested that the 4 papers could form part of the agenda for the next ECSG.

BW reported that the Renewable Energy Association (REA) had highlighted three specific issues which he wanted to raise. JV explained that these items were not within the scope of the work of the ECSG and that they should be progressed outside the meeting.

6.3. Electricity Connection Charging Regulations 2002 - Second Comer rule

It was reported that the data for this had still not been received. BH responded that all DNOs had been reminded of the need for this data to be submitted.

An action was taken for Ofgem to remind the DNOs to submit the data.

6.4. Brown-field sites

DO sought to raise an item concerning DNOs' position on ownership and stance on releasing land which they have owned or may take ownership of for substation/ operational use. He explained that in 2010 DNOs explained thier position to Ofgem but that this was not circulated to the ECSG.

It was suggested that some questions could be constructed to outline what the current status and position was on this issue. DO took this action.

6.5. IDNOs and unmetered connections

DO reported that IDNOs were experiencing some issues with councils concerning payments for UoS with unmetered suppliers. It was taken to be tabled at an existing Elexon working group but was rejected as outside the group's remit. Concerns were raised that it may not be within the remit of the ECSG but in the absence of another forum it was noted as an agenda item for the next meeting.

Action	Person – By
SW to liaise with a colleague in UKPN and pass him on to JR, regarding the process on disconnections	SW-UKPN
4 CCCMF papers to be added to the agenda of the next ECSG	Ofgem
Ofgem to remind DNOs to submit data.	Ofgem
Questionnaire for land ownership	DO
Agenda item for the next ECSG meeting regarding IDNO group and UoS charges	Ofgem