

DG Forum - Cardiff

DNO Overview

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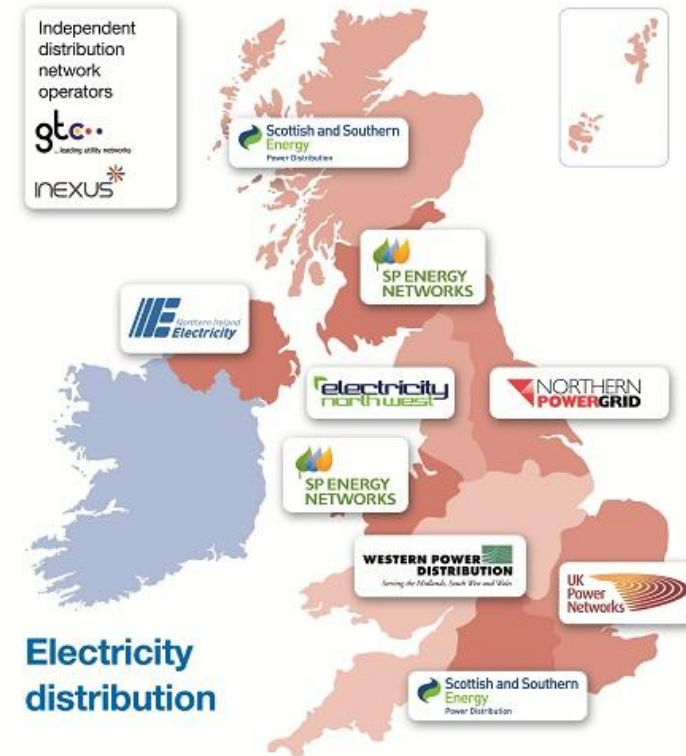
30 October 2012

Agenda

- Role of the ENA
- ENA Highlights for the year
- Wider industry working groups
- RIIO-ED1

Role of ENA

- ENA activities provide key support for member companies and help to promote the introduction of new initiatives through joint working.
- The key documents are subject to Distribution Code Review Panel governance, which is supported by the ENA.
- These Engineering Documents support important initiatives including the drive to low-carbon networks through the connection of distributed generation. They will need to be further expanded to assist the development of smart grids.



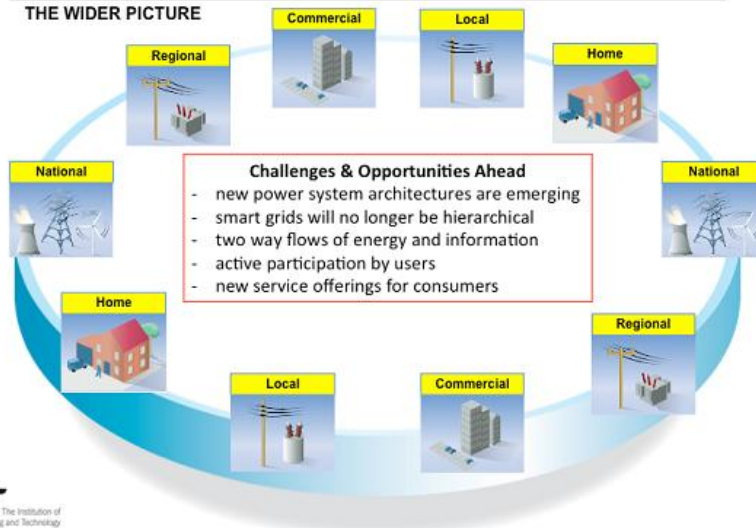
- Small scale/domestic generation (ER G83/1)
 - Has been modified to account for new generation types
 - Currently awaiting Ofgem sign off
 - Interim exemption for generation that doesn't quite comply (Distribution Code Guidance Note 2)
 - Proposed exemption for Stirling engined domestic CHP (Distribution Code Guidance Note 3)
- Type testing
 - Establishment of a Industry Stakeholder Working Group to review the Type Testing requirements for distributed generation (ER G59 and ER G83)
 - Establishment of a ENA database for collation of DG manufactures Type Testing Verification Reports
 - To recommend to the DCRP amendments to ER G59/2 as a result of G83/2 consequential changes and the work of the Type testing WG;

- Contribution to policy and standards development here and abroad to preserve customer friendly approach in GB:
 - DG Connection Guide Workshop – to be held in Nov 2012.
 - GB input into development of EU Network Codes, with the objective of minimising new costs and complexity in GB
 - ER L44 Separation between Wind Turbines and Overhead Lines: Principles of Good Practice;
 - Acted as liaison between clients, installers and DNOs with regard to issues of concern or clarification relating to G59, G83 and other DG related matters;
 - Engaged with UK Stakeholders on the development of European Standards ie recent review of EN 50438 to ensure it is no more onerous than G59

Smart Grids Forum

SMART GRIDS

THE WIDER PICTURE



- ENA is engaged in European developments and is represented on the smart grids working group set up by the European electricity industry association, Eurelectric
- DNOs also represented on the DECC/Ofgem **Smart Grid Forum** which is considering how a Smart Grid could be introduced to support the transition to a low carbon economy.

There are six Work Streams under the forum and in particular:

- **WS1 Assumptions and scenarios**
 - led by DECC, to establish the assumptions and scenarios necessary for the network companies to produce business plans that are consistent with DECC's low carbon transition.
- **WS3 Developing Networks for Low Carbon**
 - led by the DNOs, this work models the network impacts of the assumptions and scenarios from WS1 and assess the costs and benefits of different smart grids solutions
 - Phase 1 report and Phase 2 model and report have been published and are available from Ofgem's website
- **WS5 Ways of Working**
 - this work stream is developing knowledge management and dissemination of smart grid developments
- **WS6 Commercial and Regulatory**
 - brings together stakeholders to investigate the commercial and regulatory challenges of implementing the smart grid solutions (including demand side response).
 - The work stream published a report in August 2012

- RIIO-ED1 is the next electricity distribution price control
- It will set the outputs that the 14 DNOs need to deliver for their consumers and the associated revenues they are allowed to collect for the eight-year period from 1 April 2015 to 31 March 2023.
- This will be the first electricity distribution price control to reflect the new RIIO (Revenue = Incentives + Innovation + Outputs) model.
- Ofgem have set out, for consultation, the key elements of the regulatory framework that the DNOs will need to understand in order to develop their business plans.

Figure 1.1: Map of RIIO-ED1 Strategy Consultation documents

