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Connections (electricity distribution)
The Office of Gas and Electricity Markets
9 Millbank London SW1P 3GE

Our Ref: EN01-005205

14 August 2015

Dear James,

Re: RES response to the Incentive on Connections Engagement looking forward report by NPg.

Renewable Energy Systems Limited (RES) is one of the world's leading independent renewable energy project developers with operations across Europe, the Americas and Asia-Pacific. RES has been at the forefront of wind energy development since the 1980s and has developed and/or built more than 8GW of wind energy capacity worldwide, including projects in the UK, Ireland, France, Scandinavia and the United States. In the context of this Incentive (ICE) we are therefore writing based on our experiences as an EHV/HV distributed generation connectee.

RES strongly welcome the principles of ICE, and we note the considerable improvements already made by all DNOs through the trial DG workplans under the over-arching guidance of the ENA DG-DNO steering group; such as the new or improved heat maps, published constraint information, connection offer contract clarifications, and the 'quote+' application option. We intend to provide constructive feedback in the following pages and hope the DNOs will have an opportunity to reply or redress their plans in the first instance. This year there is significant overlap with the *Competition in Connections Code of Practice* (CCCoP); while we have not commented on whether any DNOs have taken any explicit actions from CCCoP into their ICE workplans, we have looked for commitments to clarify processes and support users who choose to undertake a contestable connection, in keeping with the principles of the CCCoP. As raised at last year's DG Fora, we have been particularly keen to see commitments on the key issues of transmission system interactions and release of unused or non-progressing reserved capacity.

We look forward to seeing the progress by all DNOs with their commitments and are happy to clarify any of the specific items raised in this letter.

Yours sincerely,

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We found the NPg workplan at this link, and reviewed the copy accessed on 30th July 2015:
<http://www.northernpowergrid.com/get-connected/ofgem-incentive-on-connections-engagement>

1. Are you satisfied that the licensee has a comprehensive and robust strategy for engaging with connection stakeholders and facilitating joint discussions where appropriate?

We are pleased to have been involved in NPg's Stakeholder Panel, where connection issues have been debated in open fora alongside a range of stakeholders. We welcome NPg's positive participation in the EN DG-DNO steering group. We appreciate NPg's efforts to engage directly with large numbers of quoted customers and follow up with an independent research company (p9). On NPg's website it was easy to find the ICE submission documents, although we would caution that there is a possible confusion with NPg's "DG Service Improvement Plan", which appears to be shortly concluded, while neither the ICE plan nor the DG Service Plan make reference to the existence of the other.

2. Do you agree that the licensee has a comprehensive work plan of activities (with associated delivery dates) that will meet the requirements of its connection stakeholders? If not, has the licensee provided reasonable and well-justified reasons? What other activities should the DNOs do?

We have largely addressed question 2 and 3 together due to the structure of the plan. We greatly appreciate the separation of a plan for DG, which better facilitates review.

For all DNOs we have particularly looked for proactive engagement regarding **transmission system interactions**. We are pleased to see the commitment to streamline use of the existing Statement of Works process (action 2.7). We would have liked to see further commitments about better communicating both the assessment process and known transmission-related connection restrictions, and a commitment to engage with NGET both on best solutions and on refining the statement of works process itself.

For all DNOs we have particularly looked for proactive work in relation to releasing **unused capacity** – whether in addressing slow-moving contracted projects or operational projects which have installed less than originally declared, as highlighted at last year's (September 2014) DG Fora. We strongly welcome NPg's recognition of this issue (action 4.2, explained on p24 of the Looking Forward Report). We look forward to supporting NPg where we can, and hope NPg can also learn from other DNOs on this issue, for example from WPD's experiences in setting milestone targets within a connection offer.

In a roundup of other key issue: we are also pleased to see a commitment to speed up the completion of legal wayleaves and consents (4.3), and to clarify the process and responsibilities (1.2). We welcome NPg's commitment for quotations to include "all the required technical information" (action 3.2.1) and hope this will include providing appropriate detail (cost and composition, triggering scenarios and likelihood, etc.) and associated justification for any potential *export management system*, which has been insufficient in the past. Closely related to action 4.1 on ANM, we would like NPg to review its *protection* policy with regards all DG connections, to ensure the obligations on new connectees remain proportionate and facilitate lowest-cost connection solutions, in light of the increasing need to actively manage the output of new generation.

Other than the omissions noted above, we would support the plan as addressing a credible suite of issues. We would like to see a summary of last year's key achievements in future such reports.

On specific actions not already mentioned:

- 1.1 NPg's heatmaps are a significant help and the increasing level of proposed detail is welcome
- 1.2 We hope that the resulting guidance will clarify explicitly what can or should be done by an ICP or customer with regard contestable works – for example, showing all the licensing and land rights responsibilities for the development, installation and operation of a 33kV overhead line requiring 'section 37' consent; down to the detail of who performs the relevant surveys, who fills in and who files the relevant forms
- 1.3 Contracted Capacity Register – KPI should include frequency of update, noting that monthly is a minimum needed to render the tool useful.
- 2.1 Interactivity - we welcome this 'consult first' approach for such a complex issue, as completed successfully by WPD.
- 2.3 Quote plus – referring to p23, should say SPEN's Quote Plus. We note that SPEN has reported a significant uptake in use of this scheme.
- 4.1 ANM – where can we find out more on NPg's plans and performance targets?
- 4.2 release of unused capacity – welcome (the sub-action contains a '*' as if there is a footnote – is this a drafting error or is more detail available?)
- 5.2 design approval – we hope NPg can investigate streamlining design approval, with a commitment to shorter timescales and availability of template designs as appropriate.

2. Do you consider that the licensee has set relevant outputs that it will deliver during the regulatory year (e.g. key performance indicators, targets, etc.)?

NPg has listed "Target measures" against each action. The targets are always appropriate and the sub-actions are often sufficiently specific to drive a simple yes/no target. However, there are instances where the target is difficult to understand or track; for example, while the Looking Forward report on p24 talks about Active Network Management becoming business as usual, target 4.1 simply states "Develop ANM trials" and it's not obvious how a stakeholder can find out more. Conversely, the wayleaves completion timescale target is a good example of specificity, and we hope this target can then be reduced in future.

3. Would you agree that the licensee's proposed strategy, activities and outputs have been informed and endorsed by a broad and inclusive range of connection stakeholders? If they have not been endorsed, has the licensee provided robust evidence that it has pursued this?

Answered along with Question 1, this appears very well addressed.