

Annex 1 – Consultation on getting an electricity connection responses and questions

- 1.1. We would like to hear the views of interested parties in relation to any of the issues set out in our consultation.
- 1.2. We would especially welcome responses to the specific questions which we have set out in our consultation and are replicated below.
- 1.3. If you have any questions on this document please contact:

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- 1.4. **Responses should be sent, preferably by e-mail by 29 April 2016 to the address above.**
- 1.5. Unless marked confidential, all responses will be published by placing them in Ofgem's library and on its website www.ofgem.gov.uk. Respondents may request that their response is kept confidential. Ofgem shall respect this request, subject to any obligations to disclose information, for example, under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004.
- 1.6. Respondents who wish to have their responses kept confidential should clearly mark the document/s to that effect and include the reasons for confidentiality. Respondents are asked to put any confidential material in the appendices to their responses.
- 1.7. Next steps: We will consider the responses to this consultation and these will be used alongside other evidence for our assessment of the ICE plans.
- 1.8. *Each of the questions asked by this consultation is set out in the template below.*
Note that an editable version of this response template is available on our website as an associated document to this consultation.
- 1.9. *Please ensure that you indicate the DNO to which your experiences relate.*
- 1.10. *When considering your responses to these questions, please consider your experiences, the actions that the DNO has undertaken or committed to undertake, and the actions that you consider it could reasonably undertake.*

Response template

Question	Response			
About you and your work				
1. What is the name of your company?	<p>Regen SW</p> <p>Please note Regen SW is not a developer, and therefore will answer the following questions as a membership organisation with over 250 members, many of which are developers who are connecting to the grid. Regen SW also sits on the WPD and SSEPD connections steering group and has worked with these DNO's to deliver trials, guidance documents, and engagement events to enable developers and community energy groups to connect to the grid using more innovative ways.</p>			
2. In which DNO's region do you generally operate (see Annex 2 for DNO map)? If you operate in more than one DNO's region please indicate which DNO your responses to the following questions refer to.	<p>Western Power Distribution and Scottish and Southern Energy Power Distribution. Our responses refer to WPD, unless stated otherwise.</p>			
3. What type of connection do you generally require? And for each type of connection, how many connection applications, including total MVA (Mega Volt Ampere) of connections have you made in the past year?	Type of connection		Total number of connections	Total MVA of connections
	Metered Demand Connections	Low Voltage (LV) Work		
		High Voltage (HV) Work		
		HV and Extra High Voltage (EHV) Work		
		EHV work and above		
	Metered Distributed Generation (DG)	LV work		
		HV and EHV work		
	Unmetered Connections	Local Authority (LA) work		
		Private finance initiatives (PFI) Work		
		Other work		

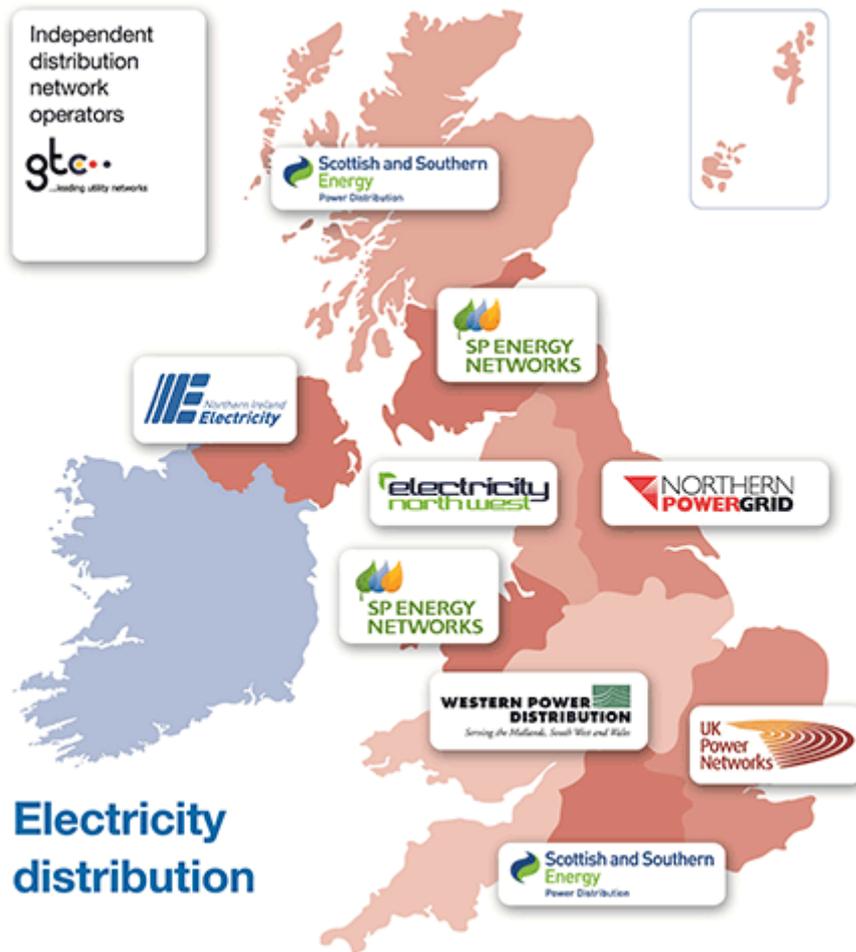
Consultation questions	
<p>1. Do you consider there are constraints on the network in this DNO's region?</p> <p>If there are no constraints please do not answer the following questions.</p>	<p>Yes, there is a capacity restriction on WPD's 132 kV network "F-route", in addition to a number of more local grid constraints across the south west licence area. There are also and significant 400kV Transmission issues within and outside of the WPD South West area in relation to the Hinckley C power station project.</p> <p>Within the SSEPD southern licence area there are also significant constraints across the area, specifically in the Isle of Wight area</p>
<p>2. What impact have these constraints had on your ability to get connected to the network?</p>	<p>All generation projects requiring works at HV or above in the south west licence area have faced delays of between 3 to 6 years, This also applies to some LV connections where there is a specific local constraint on certain grid routes .</p> <p>Whilst WPD is now addressing the "F-route" constraint, there are still significant constraints that make many generation projects unviable due to the time or costs associated with overcoming these constraints.</p> <p>Local Enterprise Partnerships and Local Authorities have expressed concern that constraints on the electricity grid could damage the economic prospects of their respective areas. For example the Heart of the South West LEP has asked Regen to provide a brief on the grid constraints and produce a guidance document for businesses looking to connect.</p> <p>Community energy groups face a particular problem in that they cannot move their generation projects to other locations where grid capacity is still available.</p>
<p>3. To what extent has the DNO tried to find ways to help you get connected in constrained areas? For example:</p>	
<p>a. To what extent has the DNO offered you more flexible and alternative connection arrangements alongside conventional firm connections? If not, then have they explained why</p>	<p>WPD offers three flexible connection options, depending on the location of the site. They clearly state on their website which options are available in which location within their licence areas and have engaged widely with stakeholders through a series of connection steering groups and customer feedback events</p> <p>SSEPD are also rolling out flexible connections within their licence area, and</p>

not?	clearly indicated the connection types available to generation customers on their website.
b. If the DNO does offer alternative arrangements, is the information provided sufficient to decide whether or not to go forward with the connection?	
c. If the DNO does offer alternative arrangements, do you find the associated terms (eg. level of potential curtailment and certainty around maximum curtailment levels) acceptable?	We are not aware there is any certainty provided around maximum curtailment levels for flexible connections. Feedback from our members tells us that this represents a barrier to projects in planning for finance and predicting long term revenues.
d. Community energy	<p>WPD and SSEPD have expended particular effort into communicating with community energy group stakeholders.</p> <p>WPD commissioned Regen SW to produce a connections guide for community energy groups and to run a series of engagement events to help community groups understand the issues and options available to them. SSEPD also commissioned Regen SW to produce a similar connections guide for communities in their licence area.</p> <p>WPD have set up an innovation trial to test the concept of an 'offset connection agreement'. If this is successful, it may provide a solution for community energy, which is unable to move to areas where the grid is less constrained</p>
e.	<p>WPD supported Regen SW to carry out a trial of a consortium approach to grid reinforcement. The findings of this two year trial have been published here.</p> <p>WPD and SSEPD also supported Regen SW to establish a grid collaboration service to assist developers interested in collaboration, details of which can be found here.</p>
4. What information has the DNO shared with you on its work plan of activities designed	Both WPD and SSEPD have increased their engagement activities, through attending and speaking at events, running their own events and surgeries,

to help enable connections in these areas?	setting up connections steering groups, updating their websites and producing grid guides.
a. How comprehensive has this information been?	Regen SW sits on the connections steering groups for both WPD and SSEPD, where information has been shared on engaging the community energy sector and on flexible connections. We, in turn, update our membership.
b. To what extent has the DNO provided information on associated delivery dates of its work plan of activities?	These have been presented and discussed at regular connections steering group meetings.
c. Are you aware if the DNO is forecasting future levels of growth in the type of connections you require?	<p>WPD has begun a Strategic Grid Investment Options Study for its licence area. Regen SW is delivering the generation and demand growth scenarios element of this work. This has been completed for the south west region (available here) and is now being carried out for South Wales, the East and West Midlands.</p> <p>The approach taken to assess distributed generation and demand technology growth in the south west has been to take a bottom-up approach to quantify the current baseline and the short term pipeline projection for each technology. A scenario based growth projection to 2030 was then estimated for each Bulk Supply Point, based on a bottom up assessment of renewable energy potential and using the four Future Energy Scenarios (FES) that have been developed by the National Grid.</p> <p>This scenario approach provides a much more robust basis to enable DNOs to assess the business case for network investment – or alternative approaches. Other DNOs could usefully consider a similar approach. A copy of the first resource assessment for the south west licence area can be found here</p>
d. Are you aware of any plans the DNO has to invest in new network capacity where the network is constrained, to enable further customer connections? Have you been consulted on these plans? Has the DNO explored with you ways in which this could be funded?	<p>As part of its Strategic Grid Investment Options Study, WPD will:</p> <ul style="list-style-type: none"> • Identify thermal, voltage and fault level constraints that result • Assess options for reinforcement • Provide recommendations for 'low regret' investment and identifying the cost and timescale of these • Use this to understand the economic potential for demand side

	<p>response and/or generation constraint to avoid reinforcement.</p> <p>Regen SW has been consulted on this approach, and is also involved in initial conversations about how WPD might move towards a DSO model, which could enable the funding of alternatives to network reinforcement.</p>
<p>5. Please give details of any other activities you would expect the DNO to be undertaking to deal with constraints on their network.</p>	<p>There is still a very large queue of projects with accepted offers to connect that have not yet proceeded. The DNO-DG steering group is working on a standard process for DNO's in managing the queue. Subsequently enforcing milestones on projects is essential and progress on this is welcomed.</p> <p>However, as far as we are aware, the steering group has not yet published anything on how to withdraw capacity from historical connection offers that have already been issued but that do not contain milestones.</p> <p>Regen SW ran a seminar with key stakeholders to explore queue management issues in more detail (find the meeting notes here). It was suggested that for grid offers that have no milestones there is a case for introducing a 'buy-back' incentive or providing the ability to trade capacity. These models would be cheaper than paying for reinforcement. Whilst it would create a secondary market, this would be a limited and controlled to deal with a historical situation, releasing capacity into the grid queue.</p> <p>An alternative route to relieving the grid queue would be to enable DNOs, based on evidence of project progress to date through resources such as the DECC planning database, to estimate the number of projects that are unlikely to proceed and subsequently allocate out a proportion of that capacity to the next project within the queue.</p>

Annex 2 - Map showing DNO licensee areas¹



¹ Image from Electricity Networks Association (ENA)