

## **Annex 1 – Open letter consultation on the Incentive of Connections Engagement**

- 1.1. We would like to hear the views of interested parties in relation to any of the issues set out in our open consultation letter.
- 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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Ofgem, 9 Millbank, London, SW1P 3GE  
020 7901 1861  
[Connections@Ofgem.gov.uk](mailto:Connections@Ofgem.gov.uk)

- 1.4. **Responses should be sent, preferably by e-mail by 17 August 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](http://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.
- 1.9. Please ensure that you **indicate the DNO or specific licence area** 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 – Incentive on Connections Engagement July 2016

Question	Response																														
<b>About you and your work</b>																															
1. What is the name of your company?	Community Energy Scotland																														
2. Which DNO's ICE submission is your response related to (see Annex 2 for DNO map)?  Please indicate clearly in your response to the questions below whether your comments refer to the DNO's plans as a whole, or to one of the DNO's licence areas.  If you wish to provide a response to the ICE submission of more than one DNO, please use a separate template for each DNO.	SP Energy Networks (Scottish license area).																														
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?	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><b>Type of connection</b></th> <th style="text-align: center;"><b>Total number of connections</b></th> <th style="text-align: center;"><b>Total MVA of connections</b></th> </tr> </thead> <tbody> <tr> <td><b>Metered Demand Connections</b></td> <td style="text-align: center;">Low Voltage (LV) Work</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">High Voltage (HV) Work</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">HV and Extra High Voltage (EHV) Work</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">EHV work and above</td> <td></td> </tr> <tr> <td><b>Metered Distributed Generation (DG)</b></td> <td style="text-align: center;">LV work</td> <td style="text-align: center;">100kW</td> </tr> <tr> <td></td> <td style="text-align: center;">HV and EHV work</td> <td style="text-align: center;">10MW</td> </tr> <tr> <td><b>Unmetered Connections</b></td> <td style="text-align: center;">Local Authority (LA) work</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">Private finance initiatives (PFI) Work</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">Other work</td> <td></td> </tr> </tbody> </table>	<b>Type of connection</b>	<b>Total number of connections</b>	<b>Total MVA of connections</b>	<b>Metered Demand Connections</b>	Low Voltage (LV) Work			High Voltage (HV) Work			HV and Extra High Voltage (EHV) Work			EHV work and above		<b>Metered Distributed Generation (DG)</b>	LV work	100kW		HV and EHV work	10MW	<b>Unmetered Connections</b>	Local Authority (LA) work			Private finance initiatives (PFI) Work			Other work	
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<b>Consultation questions</b>																															

## **Section 1: Looking Back report 2015-16**

### **We want your views on how well the DNOs have performed over the last year**

1. Are you satisfied that the licensee had a comprehensive and robust strategy for engaging with connections stakeholders? Do you consider that the licensee implemented its strategy? If not, are you satisfied that the licensee has provided reasonable and well justified reasons?	Yes
2. Are you satisfied that the licensee had a comprehensive work plan of activities (with associated delivery dates) to meet the requirements of its connections stakeholders? Do you consider that the licensee delivered its work plan? If not, are you satisfied that the licensee has provided reasonable and well justified reasons?	Yes
3. Do you consider that the licensee's work plan provided relevant outputs (eg key performance indicators, targets etc.)? Are you satisfied that the licensee has delivered these outputs? If not, do you view the reasons provided to be reasonable and well justified?	Yes
4. Do you agree that the licensee's strategy, activities and outputs have taken into account ongoing feedback from a broad and inclusive range of connections stakeholders? If not, has the DNO provided reasonable justification?	Yes. SPEN customer engagement has been excellent. As a general point however, many of the challenges facing developers cannot be addressed by DNOs or developers alone, and need timely input from other stakeholders such as National Grid and Ofgem. There is a risk of consultation fatigue if the same issues are discussed without visible progress due to UK government policy decisions that are outwith the control of local stakeholders.

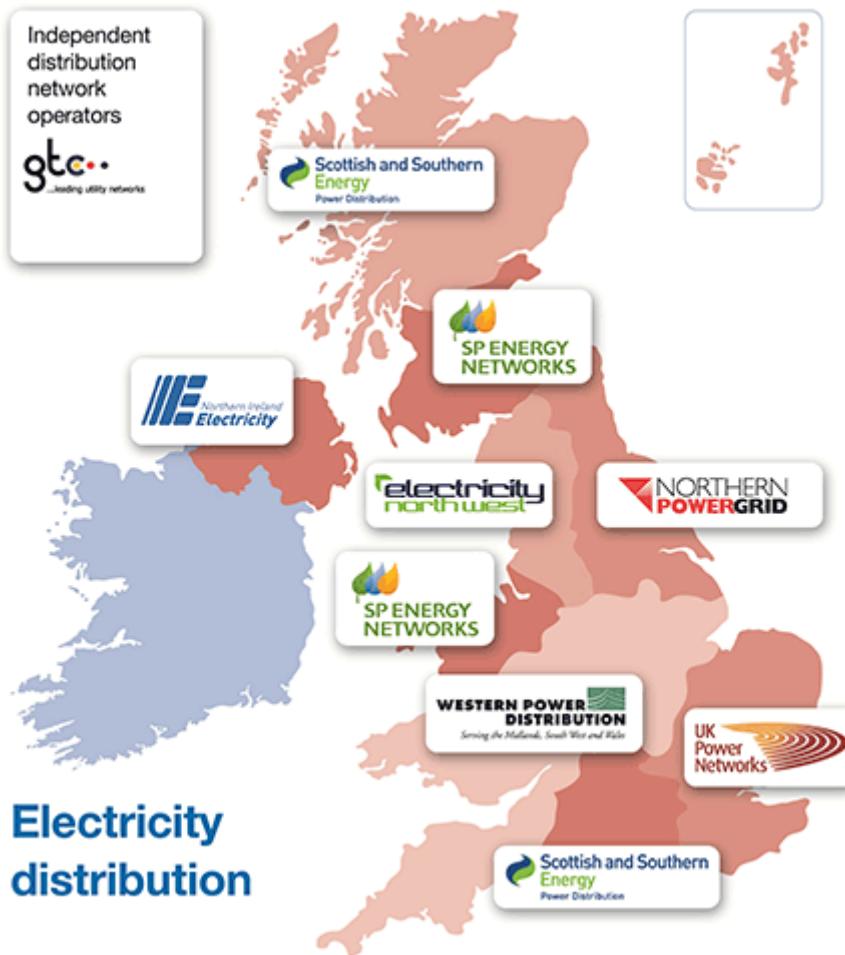
## **Section 2: Looking Forward plans 2016-17**

### **We want your views on what the DNOs aim to achieve in the coming year**

5. Are you satisfied that the licensee has a comprehensive and robust strategy for engaging with connection stakeholders and facilitating joint discussions where appropriate?	Yes
6. 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?	Yes
7. Do you consider that the licensee has set relevant outputs that it will deliver during the regulatory year (eg key performance indicators, targets, etc.)?	Yes
8. 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?	Yes
<b>We also want your views on how DNO plans will address issues for new connections in constrained areas</b>	
9. Where flexible connection offers are available, do you consider that the DNO's work plan for 2016-17 sufficiently addresses concerns about the uncertainty of curtailment levels? For example, do their plans ensure that stakeholders have access to the data they require for an investment decision?	Through the ARC project SP Energy Networks have carefully considered how best to estimate levels of constraint in a way that allows developers to finance their projects. All available data is made available, which is very welcome. This has built on the learning from previous Ofgem and LCNI supported projects. Furthermore SP Energy Networks are actively developing ways for non-firm generation to manage constraint levels, through Virtual Private Networks and Demand Side Management services. We have been impressed by SP Energy Networks forward thinking and ambition in this area which is of direct relevance to small scale and community developers.
10. Where consortium connections are available, do you consider that the DNO's	Due to the scale of transmission constraints in SP Energy Networks' region we understand that connection consortia are often not viable due to

<p>work plan for 2016-17 reflect requirements for clear and detailed information about where, how and under what conditions such projects can proceed?</p>	<p>timescales and cost. However we are aware of instances where SPEN have successfully facilitated this approach.</p>
<p>11. Where consortium connections are available, do you consider that the DNO's work plan for 2016-17 reflect requirements for clear and detailed information about where, how and under what conditions such projects can proceed?</p>	<p>Consortium connections are not a focus of the work plan but as in our experience these have been challenging to deliver we welcome the practical focus on areas such as improved queue management and the implementation of flexible connections. SPEN have been very strong in identifying areas of underused capacity and approaching developers to release it.</p>
<p>12. Do you consider that the DNO's work plans include appropriate engagement to ensure that network investment plans are well communicated to stakeholders, including when new capacity will become available?</p>	<p>Yes- the heat maps are regularly updated and information is available at customer engagement events.</p>
<p>13. Do you consider that the DNOs' plans include appropriate activities to improve, where necessary, the provision of information on constrained areas of the network to provide better data about where connections may be viable?</p>	<p>Yes</p>
<p>14. Are there particular additional activities or outputs which you consider should be included in the work plan of activities to better facilitate grid connections?</p>	<p>We would welcome a timescale/ milestones for the rollout of learning from the ARC project this year, and specifically the offer of non-firm connections across the DNO area.</p>

## Annex 2 - Map showing DNO licensee areas<sup>1</sup>



<sup>1</sup> Image from Electricity Networks Association (ENA)