

MEG Renewables is a subsidiary of the clothing retailer, M & Co, and is a developer of small renewable energy installations, ranging in scale from 30kW solar pv installations on selected M & Co stores up to hydro schemes in the 500kW – 1MW range. We have been involved in the DG sector for more than 5 years and have had a lot of dealings in that time with Scottish and Southern Energy (SHEPD/SSPD)

I think it is important to provide some context for our feedback. Our participation in small scale renewable energy generation was stimulated by the introduction of Feed in Tariffs in 2009/10. By the same token, the effective dismantling of the Feed in Tariff scheme in the past 2-3 years, on the back of the 2012 FITs Consultation, has resulted in our withdrawal from any new development activity.

During the course of the past 5 years, our requirement of SSPD has changed repeatedly – and our needs have been mirrored by many others in the sector. In the early days, it was all about getting a grid connection offer. More recently the focus has shifted to achieving the physical connection ahead of each scheme's eligibility period for pre-accredited Feed in Tariff rates coming to an end. For hydro in particular, and to a lesser extent for other renewable technologies, 2015 and 2016 have seen a flurry of construction and commissioning activity, in advance of what is widely considered to be a 'cliff edge' for renewables as from 2017. The nature of hydro schemes is that it will commonly be 2-3 years between initiation and completion. Consequently the pressure on SSPD to deliver grid connection offers started to diminish during 2014, and will have fallen sharply during 2015 and 2016.

I am happy to record that SSPD have always been extremely responsive to the requirements of developers, so far as they were allowed to be by their licence conditions, but it inevitably takes time for initiatives to work their way through such large organisations in a highly regulated sector. Consequently, by the time many of the initiatives were introduced, the requirement had moved on.

In recognition of this, SSPD engaged with developers to get an understanding of how the market for renewables was evolving and how that would impact on customer needs. One of the more effective channels used for this was the Scottish Renewables DG Working Group, comprising representatives of SPEN and SSPD along with a number of developers and grid intermediaries.

In providing feedback on the performance of SSPD with regard to ICE, I must confess that, as a consequence of our withdrawal from new development activity over the past 18 months, I have been less focused on what might be termed the 'front end' activities of SSPD, and more concerned about getting schemes connected before our FIT deadlines. I have not been as close to grid related matters as was previously the case, but have still attempted to attend workshops and other customer related events run by SSPD. These events are always useful, as they provide a chance to mix with other players in the sector and compare notes. However, I also have to confess that my enthusiasm to attend such events has been diminished by the sheer number of them.

My own perception is that SSPD, and presumably the other DNO's, feel pressured by the threat of a penalty imposed by Ofgem, if they are not seen to be engaging adequately with customers and stakeholders. As a result, they are now over communicating with these groups, at all times seeking feedback and assurance that they are satisfying requirements. There is a tipping point at which stage customers become less inclined to engage, and I fear that we may have passed that point. As I say, this is just a personal view and I have already admitted that our interest in matters grid has diminished markedly. But even the most supportive stakeholder might balk at being faced with a document of more than 100 pages to comment on. I have no doubt that SSPD felt obliged to produce such a substantial report, but is it really serving a purpose?

Rather than attempt to answer the 14 questions listed in your letter, I would summarise by saying that I believe SSPD, and SPEN for that matter, have been extremely receptive to customer requirements in the 5 years I have been dealing with them. I would go so far as to say we witnessed something of a transformation in the relationship between the small-scale renewables community and the DNO's between 2011 and 2013, with an underlying atmosphere of suspicion and hostility replaced by one of genuine trust and collaboration. Much of this change was down to the individual personalities involved on the DNO side, but this was mirrored in follow up actions at a corporate level. I am sure the DNO's have been constantly frustrated by the changing needs of customers, triggered largely by the dramatic policy fluctuations since 2012. A repeated theme has been 'you asked us for this; we made the changes you asked for; and now you don't want it!'

Having said that, we have all had our moments of deep frustration with DNO's, noticeably at the delivery end. One of our greatest frustrations is the challenge in dealings with different parts of the same organisation, who are bound by the rules of business separation. Most developers only go through the process a few times, so we need the process to be as simple as possible, however trying to pull together metering, supply and grid elements to allow a scheme to conclude is a black art.

In closing, my plea to Ofgem would be to reduce the requirement on DNO's to constantly demonstrate that they are engaging with their connections customers, and let them get on with keeping pace with a fast changing market.

Regards

KENNY HUNTER