

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:

James Veaney
Head of Connections and Constraint Management
Ofgem, 9 Millbank, London, SW1P 3GE
020 7901 1861
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. 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																														
About you and your work																															
1. What is the name of your company?	Barr Environmental Limited																														
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 My comments relate specifically to SP Energy Networks Ayrshire and Clyde South District. Currently in the process of working through an offer for import capacity of 1250kW and an export capacity of 7750kW. Supply will be 11kV 3 phase with a design fault of 250MVA at 11kV. Point of connection will be high voltage.																														
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"> <thead> <tr> <th>Type of connection</th> <th>Total number of connections</th> <th>Total MVA of connections</th> </tr> </thead> <tbody> <tr> <td>Metered Demand Connections</td> <td>Low Voltage (LV) Work</td> <td></td> </tr> <tr> <td></td> <td>High Voltage (HV) Work</td> <td></td> </tr> <tr> <td></td> <td>HV and Extra High Voltage (EHV) Work</td> <td></td> </tr> <tr> <td></td> <td>EHV work and above</td> <td></td> </tr> <tr> <td>Metered Distributed Generation (DG)</td> <td>LV work</td> <td></td> </tr> <tr> <td></td> <td>HV and EHV work</td> <td></td> </tr> <tr> <td>Unmetered Connections</td> <td>Local Authority (LA) work</td> <td></td> </tr> <tr> <td></td> <td>Private finance initiatives (PFI) Work</td> <td></td> </tr> <tr> <td></td> <td>Other work</td> <td></td> </tr> </tbody> </table>	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	
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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. SPEN have embarked on a more localised approach through the creation of a district-based strategy and team. This approach was well communicated to me and my business directly. We were also invited to an open day where members of the senior SPEN team within the newly formed district spoke to customers and stakeholders. Good, clear communication.
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?	They have a clear plan of works but from a developer's perspective the time to connect is significant due to capacity constraints and a number of consented projects (that have not been constructed) sitting in a connection queue and absorbing potential capacity and adding to what is clearly a bottleneck in this area of South West Scotland. Having made an application we have been given a connection timeframe of December 2023.
3. Do you consider that the licensee's work plan provided relevant outputs (e.g. 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. To be fair SPEN have been upfront and clear on the challenges faced right from initial engagement with us in terms of connection. They have accessed the Statement of Works required for our connection and have significantly reduced the cost of connection as a result.
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?	The SPEN team's open day coupled with good, open dialogue with Alistair Menzies of the SPEN Ayrshire & Clyde South who has been first class in proactively calling and working with his colleagues to deliver a best value solution. Alastair has also tried to piece together working with the National Grid in an effort to seek ways of achieving an accelerated connection.

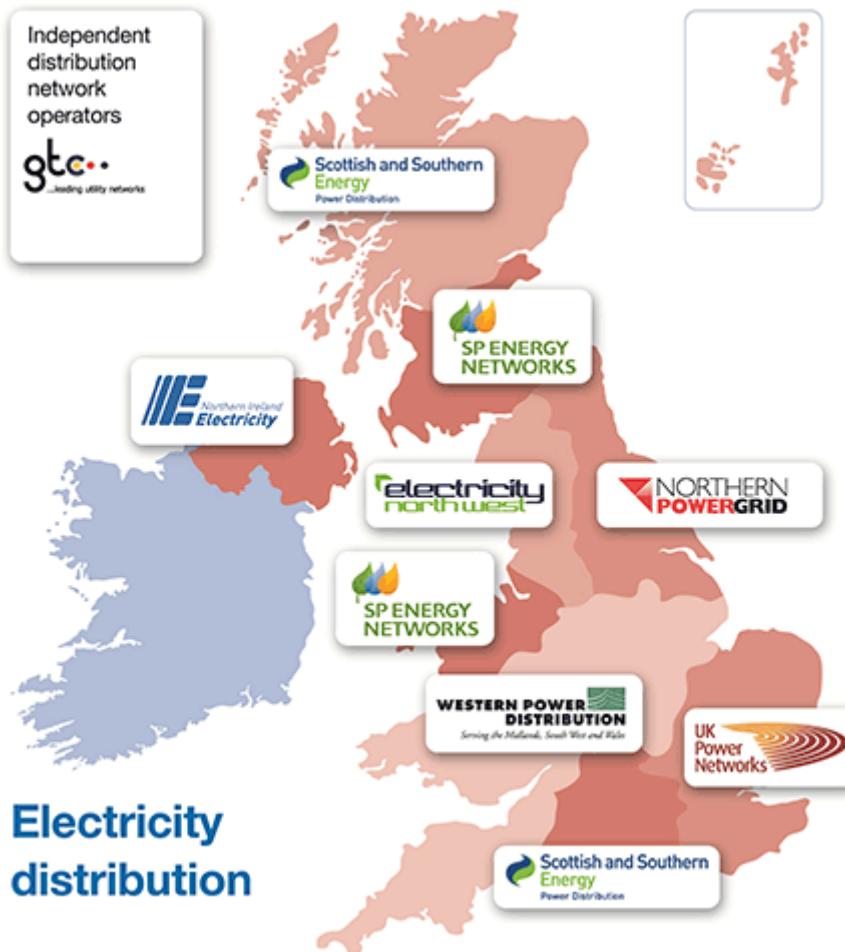
Section 2: Looking Forward plans 2016-17

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?	Certainly. Momentum built in 2015 has carried through into this year. Alistair Menzies calls and emails us regularly to ask about our business and project developments.
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?	They have a clear plan of works but from a developer's perspective the time to connect is significant due to capacity constraints and a number of consented projects (that have not been constructed) sitting in a connection queue and absorbing potential capacity and adding to what is clearly a bottleneck in this area of South West Scotland. Having made an application we have been given a connection timeframe of December 2023.
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. To be fair SPEN have been upfront and clear on the challenges faced right from initial engagement with us in terms of connection. They have accessed the Statement of Works required for our connection and have significantly reduced the cost of connection as a result.
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?	The SPEN team's open day coupled with good, open dialogue with Alistair Menzies of the SPEN Ayrshire & Clyde South who has been first class in proactively calling and working with his colleagues to deliver a best value solution. Alastair has also tried to piece together working with the National Grid in an effort to seek ways of achieving an accelerated connection.
We also want your views on how DNO plans will address issues for new connections in constrained areas	
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?	There is sufficient information but irrespective of this the time to connect from our perspective (7 years) makes it extremely challenging to finance our project hence the reasoning for exploring restricted access options with SPEN and National Grid to accelerate connections.
10. Where consortium connections are available, do you consider that the DNO's work plan for 2016-17 reflect	N/A

requirements for clear and detailed information about where, how and under what conditions such projects can proceed?	
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?	N/A
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?	Yes, this has been communicated and constraints are well understood. However, I do believe that a process needs to be introduced for those projects sitting in a connection queue, (which is effectively absorbing connection capacity) to be reviewed on a regular basis. If no funding or progress is being made then those projects should either be removed or placed at the back of the queue.
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?	I think more could be done to support SPEN (either at a local or national government level) in developing connection network especially in the South West of Scotland where clearly an issue exists. To be given a 7 year timeframe to secure a connection is debilitating for development of industry and job creation especially when a few consented but underdeveloped windfarms are consuming connection queue space.
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?	As answering in Questions 12 and 13.

Annex 2 - Map showing DNO licensee areas¹



¹ Image from Electricity Networks Association (ENA)