

Connection Customer Steering Group

Notes from the meeting held 23rd October 2018 at WPD's Gloucester office

Present:

Alex Spreadbury – B&Q	David Overman – GTC
Graham Pannell – RES Group	Helen Ewing – Severn Trent
Lucy Naughton – Green Frog	David Sheppard – Green Frog
Nikki Pillinger – British Renewables	Steve McElveen – SMS Plc
Kerry Hayes – Regen	Duncan Cockburn – BT
Dean Callow – UK Power Reserve	Aidan Morris – Aggregated Micro Power Holdings

Alison Sleightholm	WPD Resources and External Affairs Director
Graham Halladay	WPD Network Services Manager (DSO)
Nigel Turvey	WPD Network Strategy and Innovation Manager
Tim Hughes	WPD Connection Policy Manager
Richard Allcock	WPD Connection Policy Engineer
Vanessa Buxton	WPD Connection Policy Co-ordinator
Penny Carolan	WPD Team Manager

1. Introduction

Alison Sleightholm introduced the agenda for the day.

2. Director's Update

Alison Sleightholm gave an update on WPD's operational performance and the Broad Measure Customer Survey. Query received on no visible IIS (Interruption and Incentive Scheme) exclusions for exceptional events (e.g. storms). Alison confirmed we have been close during busy periods but not reached the trigger for exclusion.

RIIO ED2 update

Alison explained the requirements for forming a new Customer Engagement Group (CEG) in ED2, which WPD are already in the process of appointing a Chair. The CEG will need to be independently chaired and will provide challenge and independent assurance to Ofgem on whether the company's RIIO-ED2 Business Plan addresses the needs and preferences of customers

The ED2 timetable is currently our interpretation based on the gas industry; no timetable for electricity has yet been determined by Ofgem.

Political update

There is an increased emphasis on WPD to engage government to increase their understanding of the role of the distribution business and the use of contributions made via customers' bills. Query received on where the Dieter Helm report sits in this. Alison advised we have been tracking this but not expecting a government response to it soon.

3. ICE Update

Richard Allcock gave an update on the process and Ofgem decision not to issue any penalty consultations. Areas highlighted for all DNO's including engagement with stakeholders who access DNO services via a third party. Query regarding the additional step in Ofgem's ICE assessment process. Richard advised Ofgem improved the process, issuing a series of questions and liaising with the respondents for more details about the issues raised, prior to them deciding whether to consult on potential penalties.

We have submitted an update to our ICE Looking Back Looking Forward Report for 2018/19, available to view on our website at www.westernpower.co.uk/connections/ICE, which includes additional initiatives, focussing on Electric Vehicles, A&D fees and the G98/G99 requirements for generators. Richard reviewed the topic areas we currently have for the 2019/20 and asked for input from attendees in highlighting other priority areas in the session feedback forms. We will present our proposals on the initiatives we will look to deliver at the next CCSG in February.

Query on what happens if there is customer fatigue with the ICE process. Richard advised if there are no issues raised through ICE feedback due to being resolved during discussion in other forums, such as the CCSG, then ICE remains successful. If we experience true fatigue the process will be looked into. One stakeholder felt that not all ICE plans are qualitative, some are more about the communication than the end goal.

Query over whether the process of last year's penalty threat has caused a scale back in DNO's proposals. Richard advised it may or may not have for some DNO's but WPD have not scaled back. We have revised the look of our plan to show overall initiatives rather than individual actions for each step in the process towards achieving those initiatives but we are still setting ourselves stretching targets.

4. Open Networks

Nigel Turvey provided an update on the work being undertaken by the ENA and in liaison with NGET, Ofgem and BEIS. Query on why competition is one of the priorities. Nigel advised that it is a DNO licence obligation. In reality some users want standardisation whilst others want innovation to keep improving. Stakeholders feel a mix of the two would be better.

Nigel advised discussions are also looking at energy storage and possibility of queue jumping if providing a flexible solution, which could benefit the wider queue. Query over whether it is just storage or could consider other technologies. Nigel advised the solutions may not just be storage and he would prefer to move away from defined technologies, e.g. other solutions could be used to support issues created by electric vehicles in the future. However, at the moment BEIS specifically references storage and that needs a response. More information on the Open Networks Project can be found on the ENA website [here](#).

Action: Consultation letter sent to CCSG members

5. Flexibility Services

Graham Halladay provided an update on flexibility services and that procurement of these is in progress. Query on what is meant by 'in progress'. Graham advised we are still in discussions for contracting, for example for Rugeley we have 20MW of contracted flexible services and remain in progress to contract a further 20MW.

Query on what is being done about customer behaviour and time of day tariffs. Flexibility tackles the peaks without building larger networks. Graham advised engagement is ongoing, e.g. to implement technologies into the home which manage and balance usage. DNO on costs are relatively low but generating electricity forms a larger proportion of customer bills so there are other ways to save.

Nigel advised these concepts are not new, e.g. radio teleswitching, but solutions need to have no user input, if a customer needs to manually do something to make a change to their usage it may not get delivered. Therefore we are looking at automation solutions. Some manufacturers are already building in technologies but they're not being switched on as there is no demand for it. Customer behaviour is key but needs to be automated and integrated to provide an aggravated benefit to the network. Graham added there are many ways to tackle flexibility, time of day tariffs, energy efficiency, it will be a combination of solutions.

Query on the commercial arrangements, what if the flexibility is not available when needed, is there a back-up plan? Graham advised that availability and diversity will be considered which is why we are contracting with more than one provider of flexible services. Nigel advised NGET already procure services and built market confidence which is what we need to achieve to ensure those services come forward and are available.

Query on where the Long Term Development Statement (LTDS) fits into this. Graham advised that we are conscious of the various platforms we publish on and we will ensure those things align. Information may look different but it comes from the same source data.

Query on why info would not be in the LTDS as it is used by stakeholders. Nigel advised the LTDS gives our current position, 1-2 year certainty and a forecast. DFES (distribution future energy scenarios) is more a range of possibilities. The two are trying to do different things, one being a short term road map and best guess of the future the other a wider envelope of what might happen on the network.

Query on what reactions there have been to the Future Energy Scenarios reports. Nigel advised we have had reactions from Local Authorities in particular. We already see this in the feedback obtained but we try to get as much engagement as possible and also provide a realistic view as well as the wider estimates of possible outcomes.

6. Connection Policy Update

Tim Hughes updated on A&D fees including a summary and graph of application volumes. Query on whether the graph shows only the chargeable schemes. Tim confirmed it is only those with EHV works and above i.e. where we have implemented the fees.

Query on whether other DNO's have seen the same results. Graham Pannell advised he had seen other DNO information and it is a similar pattern for most. Tim advised budget estimates hadn't seen an associated pattern but we did see an increased spike of applications last month so we will continue to monitor.

Tim updated on our consultation for allocation and reservation of capacity. We have shared our thoughts based on the feedback. Query on whether we will consult again prior to implementing changes. Tim confirmed we will not be seeking further consultation but we will engage with stakeholders as we develop the solutions. Query on whether we are working with other DNO's, e.g. in the understanding of what is speculative. Tim confirmed we are proceeding with our Q1 deadline but there are workstreams having related discussions across the industry.

Tim provided an updated on G98 G99, effective for generation installations to be connected in parallel with our network on or after 27th April 2019. Information has been provided on our website, available to view [here](#). Query on whether WPD have set out anything on compliance, as NGET already have procedures to demonstrate compliance with the requirements. Tim advised we have not set this out as yet, we are currently sharing the message internally on the changes but there is more to do. Stakeholders advised it needs more clarity, what does the customer need to do and in what timescales to ensure a compliant installation and achieve an energised connection. Tim advised we are still looking at the new application processes to confirm what parts we need, however we have included a new initiative in our 2018/19 ICE workplan in recognition of the importance to stakeholders which is for WPD to provide information and guidance as well as hosting a webinar in November. Query whether, due to the size of the new ENA application forms, whether there could be an online version which filtered down the required fields based on the inputs of the users and removed those sections which were not required for their specific connection.

Tim advised the DUOS guidance on charging updated by Simon yeo has now been published on our website, a link to which can be found on our website [here](#). Query on whether it covers all charges and whether it could include description of where a customer is instructed by the DNO to run at a different power factor and there is no impact on charges. At present it doesn't but we could build on it.

9. Wrap up – Summary and Next Steps

Richard summarised the output from the day and the plans for future meetings, with a reminder for attendees to raise suggestions for future topics and priority areas for ICE. Dave Overman requested future topic on rules for capacity allocation.

Future CCSG meetings:

	Suggested breakout session topics from CCSG members:
	<ul style="list-style-type: none"> - Electric vehicles - Requirements for generators G98/G99 - Capacity allocation and reservation update