

# Connection Customer Steering Group

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*Notes from the meeting held 23/06/2021 via Zoom*

## Present:

<b>Bean Beanland</b>	Heat Pump Federation	<b>Olly Frankland</b>	Regen SW
<b>Helen Ewing</b>	Severn Trent Water	<b>Steve Gist</b>	TUSC Ltd
<b>Hugh Taylor</b>	Roadnight Taylor Ltd	<b>Rahala Miah</b>	BP Chargemaster
<b>Mark Boyce</b>	UCSM	<b>Gareth Jones</b>	Leep Utilities
<b>Alex Spreadbury</b>	B & Q	<b>Charles Deacon</b>	Renewable Connections Ltd
<b>Edward Sargent</b>	Pivot Power	<b>Simon Atherton</b>	Sens Energy
<b>James Barker</b>	Electrical Testing Ltd	<b>Reece Burkey</b>	TUSC Ltd
<b>Tom Callow</b>	BP Chargemaster	<b>Pelin Morgan</b>	UK Power Solutions
<b>Nikki Pillinger</b>	Grid Serve	<b>Zach Bullock</b>	Amey
<b>Helen Stack</b>	Centrica		
<b>Alison Sleightholm</b>	WPD Resources and External Affairs Director		
<b>Tim Hughes</b>	WPD Connections Policy Manager		
<b>Christian Hjelm</b>	WPD Network Design Manager		
<b>Grant Rogers</b>	WPD Connections Policy Engineer		
<b>Vanessa Buxton</b>	WPD Connections Policy Engineer		
<b>Penny Carolan</b>	WPD Connections Policy Coordinator		
<b>Kate Sheehan</b>	WPD Connections Policy Coordinator		

## 1. Introduction

Tim Hughes welcomed everyone and introduced the agenda for the day.

## 2. Director's Update

Alison Sleightholm gave an update on the sale of WPD to National Grid, which is currently subject to approval by the Competition and Markets Authority.

Alison gave an update on WPDs Business Plan for RIIO-ED2 (2023-2028).

Two drafts have been published prior to first submission to OFGEM on 01<sup>st</sup> July 2021. Final plan due December 2021.

The Business Plan includes;

- 45 ambitious and measurable core commitments
- Around £655 million investment increase whilst keeping the bills broadly flat
- The ability to enable a smarter affordable future for customers and stakeholders

Alison gave detail of Ofgem's proposal to review competition in electricity, specifically regarding the potential to re-run the Competition Test originally undertaken between 2012 and 2014. Interested stakeholders were urged to respond to the consultation which can be found on Ofgem's website: <https://www.ofgem.gov.uk/publications-and-updates/consultation-proposal-review-competition-electricity-distribution-connections-market>

Closing date 13<sup>th</sup> August 2021.

Alison opened the discussion to stakeholders;

*Stakeholder Query (BB) – Slightly concerned that all DNOs seem to have a specific EV headlines and plans yet do not have the same level of emphasis on heat pumps. It can't be wise to upgrade connections for EVs whilst not allowing for heat pumps at the same time.*

*AS – Our business plan considers a number of scenarios that include EV, Heat Pumps and generation. What you may see is more certainty over the rollout of EV.*

*Scenario planning allows us to foresee 1.5m EV and 600,000 HP but we have allowed for flexibility and adaption here.*

*BB – Do have certainty on how many buildings you have connected that work off gas.*

*AS – This is on our priority list for ED1 to obtain this data.*

*ES – Given the amount of change and understanding around the need for a change in the last 3 years, do you feel the plan is ambitious enough to cover the period to 2028? Change is happening quicker than anyone has anticipated and the need for it is ever more important.*

*AS – We are not particularly good at articulating ambition. However, we are proud of our track record for being flexible and adaptable throughout ED1 and our business plan for ED2 has been developed to ensure we are ready to accommodate the Government's roadmap for net zero in line with its Ten Point Plan and the Energy White Paper.*

*OF – How does WPD RIIO-ED2 BP impact on bills compare with other DNOs?*

*AS – We are unsure at this point – we are the only DNO to have published a business plan for the RIIO-ED2 period.*

### 3. Green Recovery

Christian Hjelm presented WPDs strategy for Green Recovery going into ED2.

- WPD investing up to £60m in the network over the next 2 years
- The investment will enable more green developments such as EV chargers, mass heat pump installations and renewable generation to connect to the network
- Stakeholder engagement during a Call for Evidence received over 200 responses
- These responses have identified areas for investment
- Investment will unlock additional capacity to be available to any customer

Christian provided detail of some Green Recovery projects we will be undertaking.

More detail can be found at [www.westernpower.co.uk/green-recovery](http://www.westernpower.co.uk/green-recovery)

*HT – Do you have a shapefile or KMZ file version of the Green Recovery Scheme map available?*

*CH – Action to provide this if available*

*CD - While there may be local generation capacity created, the issues at the GSP still remain making any new connections unviable (Truro for example), which really limits the scope of the GRS for generation customers.*

*CH – the green recovery scheme is aimed at providing capacity that can be built out in near future but we are continuing to work with Grid on solutions to GSP constraints.*

*OF – Is it possible to get the geographical details of the LV/HV upgrades under this scheme? As I notice they were not included.*

*CH – Action to provide this data if available*

*SG – Ultra rapid chargers, what have WPD done to cater for these*

*CH – A lot of our schemes have been future-proofed to allow for additional capacity with minimal work involved. Green Recovery is the first step.*

*AS- We have also been working with BEIS and OZEV to understand future energy requirements and how we might best provide the electrical infrastructure to support the rise in ultra-rapid chargers*

*RM – Since coming out of Covid restrictions, what are your SLA's for delivery of connections?*

*TH – We operate under the Guaranteed Standards of Performance for connections in accordance with our licence requirements and associated legislation. There is also a Time to Connect incentive for smaller connections.*

## 4. Major Connections Strategy Update

Vanessa Buxton presented an update on our Connections Strategy due to be published on 1<sup>st</sup> July 2021 – Business Plan 3 First Submission to Ofgem

Vanessa ran through our 5 core commitments;

- 1) Achieve an average customer satisfaction  $\geq 90\%$  for all connection types (inc major connections and LCT connections)
- 2) Improve our performance against Time to Quote and Time to Connect for LCTs by 1% from RIIO-ED1 level (small schemes) and deliver 90% satisfaction with timeliness of connections for larger schemes
- 3) Provide a same day connections' response for customers by introducing online self-assessment tools for individual domestic LCT applications
- 4) Hold 90 local energy surgeries per year for local authorities, supporting them to deliver their local area energy plans
- 5) Increase the number of flexible connection offers made lowering the reinforcement cost threshold to  $>£75k$  per MW and works that will take more than 12 months to complete

Vanessa detailed our 3 high level principles – 3 key areas of the Connections Process;

- 1) Support Connection Stakeholders prior to application by providing accurate, comprehensive and user-friendly information
- 2) Deliver value for customers by ensuring simplicity and transparency through the applications process
- 3) Facilitate the delivery of timely and economical connections that meet customers' needs

The strategy also includes 20 baseline expectations. More details can be found on our website <https://yourpowerfuture.westernpower.co.uk/our-future-business-plan/rrioed2-business-plan-consultation>

*RM – Any change on allocating delivery team details once EV application have been processed rather than constantly contacting the planner.*

*VB – Once our enquiry tracker portal is open customers will have sight of their scheme and timescales with no need to contact WPD for update. Governed by the GSOPs.*

*BB – There is some confusion as to the DNO's obligations with respect to domestic supply capacity. I'm told that WPD will now provide each of its customers with an increase in capacity to 18.4kVa which equates to 80A (single phase). Regarding the OFGEM 100A upgrade scenario, WPD has agreed that where possible it will upgrade the fuse and or cut-out for free to facilitate a 100A supply, however, if the supply cable is not sufficiently rated or the cut-out position is not suitable for the current flow the customer would be expected to upgrade the supply. If a customer had an insufficient supply that was only capable of 60A, WPD will now where possible upgrade this supply to a three phase supply and preferably install 3 x 60A fuses. Is all this at WPD cost?*

*VB – There are currently no hard and fast answers, but we are already installing 3 phase cables and cut-outs for new build to future proof and retrofitting existing connections with 3 phase where appropriate to do so.*

*Not sure there is a specific obligation. We are retrospectively replacing with 80A.*

*BB – Heat Pumps will require 100A. Keen for all DNOs to follow your example with 3phase upgrades. Consistency across all DNOs would be helpful. Should be centrally driven by ENA. WPDs teams have been very responsive.*

*BB - How do those potential consumer charges reflect the DCP205 Decision (DCP205 - recovery of costs due to load and generation increases from existing customers)?*

*TH - Process for cost recovery is written in to the common connection charging methodology. There is currently much discussion at industry level, including BEIS and Ofgem, surrounding DNO's interpretation of the methodology, especially with regard to accommodating LCT's. There is a desire to ensure that DNO's apply the rules consistently so that customers have greater certainty.*

## 5. Ofgem Proposals for distribution connection charging

Tim Hughes presented on the distribution connection charging process including the perceived shortcomings in current charging arrangements;

- 1) not providing an effective signal
- 2) hindering efficient development and investment in distribution networks

- 3) potential distortions created by differences in charging arrangements for distribution and transmission
- 4) meaning users wishing to connect LCT could face significantly different costs depending on when they are able to connect

Tim stated that, following extensive industry discussion under the Significant Code Review (SCR) Ofgem was due to issue a consultation document that would include a minded-to position regarding future connection charging arrangements for ED2. Ofgem have been looking at the existing Voltage Rule (Customer is required to contribute towards the cost of any reinforcement provided at the same level as their PoC plus one voltage level above) with a view to potentially reducing or removing charges for reinforcement and thus creating a shallower connection charge. Charges for sole use assets would remain. Tim stated that Ofgem were seeking to find the right balance and ensure that locational signals were not entirely lost but also to encourage the take up of LCT to meet net zero. So they are keen to understand stakeholder views on the implications of changing the connections boundary.

Tim also discussed the potential impact any methodology change could have on applications for connections and the potential for customers to delay their applications for connection until any new methodology was in place, thus creating a bow wave of applications. Much consideration would be needed for any transitional arrangements and some changes to legislation (the Electricity (Connection Charges) Regulations) may be required.

Tim added that we should expect Ofgem's consultation and associated impact assessment to be published any time soon and that he would send a link to it to steering group members as soon as he had the information.

Tim opened the discussion for questions;

*CD - How do you envisage this working in reverse? I.e. a transmission customer triggering third party works on the distribution system?*

*TH – Stated this was uncommon but tertiary connections had thrown up some instances. It hadn't been widely considered and so may be worth discussion under the consultation process.*

*CD - It said that D customers wouldn't pay for T works up-front. Will they be recovered later directly or just socialised?*

*TH - Discussion to date had centred around the potential to recover costs through Duo's charges although Ofgem are aware that this would not be straightforward and so were still considering the potential options.*

*MB – Have Ofgem indicated how this would work with second comer rule i.e. Customer who has paid for reinforcement 2 years ago and then a further Customer connects to network using same reinforcement previously paid by another Customer? I presume for a period of 10 years, this will continue?*

*TH – Under reinforcement the first comer usually only pays a proportion of the reinforcement costs according to their required capacity with the DNO picking up the rest. The issue with the ECCR's as currently written is that the DNO is obligated to recover reinforcement costs from any second comer*

*so, following transition, a customer expecting not to have to contribute to reinforcement may still have to pay if they connect within 10 years of the first connection.*

*RM - Domestic ENA applications for notify and connect seem to have no priority on getting decisions back in a timely manner, this increases the frustration of the customer waiting as they have no idea who or what DNO's do.*

*TH – Again, the industry as a whole is looking at processes and considering what can be done to simplify them, particularly with the expected increase in volumes. It's also high on WPD's agenda and we have initiatives in place for both ED1 and ED2 to automate processes.*

*OF – If we see a bow wave of new applications, what technologies are you expecting to see in this?*

*TH – Mainly generation – Demand connections tend to be made where they are needed but generation is built around financial models so if the connection charge is too expensive the scheme won't go ahead. If the connection boundary changes this may make it more attractive to generation customers and we may expect to see more applications*

## 6. ICE Plan Update

Penny Carolan presented an ICE update. Our Looking Back, Looking Forward report has been published and is available on our website [www.westernpower.co.uk/ice](http://www.westernpower.co.uk/ice)

### ICE Plan 2021/22

The ICE plan covers four Key areas

- Policy Guidance
- Customers support
- Communication
- Process Improvement

Penny Invited Grant Rogers to provide an update on Connections Queue Management an ICE Commitment due to be complete at the end of June 20.

Grant spoke about our New WPD Queue Management guidance based on new industry wide guidance issued but the ENA – the ENA Queue Management Guide. This new guidance ensures WPD Customers have a clear and constant approach to Milestones and Queue Management that is agreed across the industry. Our new guidance will provide Distributed Generator Customers with clear detail on WPD's approach to implementing the new ENA Queue Management process.

This new WPD guidance, combined with our recently release Capacity Allocation & Reservation Guidance, will improve consistency, transparency and fair application of queue management for WPD Customers across both Generation and Demand.

WPD Guide – <https://www.westernpower.co.uk/downloads-view-reciteme/232207>

ENA Queue Management User Guide Dec 2020 v4 – <https://www.energynetworks.org/industry-hub/resource-library/open-networks-2020-ws2-p2-queue-management-user-guide.pdf>

No questions/comments arose.

## 7. Summary, Feedback & Next Steps

Tim thanked the CCSG members for attending and invited general feedback. He also raised the question of future meetings and whether they should continue to be held virtually or face to face. The consensus seemed to be to have a mixture of the two.

Tim also said that suggestions for topics for future meetings from steering group members were welcome and that if anyone had a desire to present on a topic he would be happy to consider it.

A feedback form regarding the workshop would be emailed to steering group members.

### Future CCSG meetings:

Dates	Topics	Venue
27 <sup>th</sup> October 2021	TBC	TBC
February 2022	TBC	TBC