

DIF 71 – Use of Generators

COLLATED RFIRESPONSES WITH WORKING GROUP COMMENTS

| Company | Confidential/ Anonymous | 1. Are you aware of any examples where a generator has been used on a new development to provide energy to consumers before the properties can be connected to the network? Please provide volumes over the last 12 months (1 November 2022 to 31 October 2023). | Working Group Comments |
|---------------------------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| EON | Non-Confidential | No we are not aware of this specifically but we are aware of an example where 50 flats that all have MPANS registered with EON but had not yet been metered which were being supplied via a CT meter supplied by another supplier. The flats had sub meters and were occupied. | |
| Optimal Power Network | Non-Confidential | There's been 2 scenarios to our knowledge for networks that OPN were adopting. Both instances applied to single large customers. | |
| BUUK | Non-Confidential | Yes, although the numbers connected will vary month to month based on Developer needs and the timescales to deliver a permanent connection, on average this equate to ten/month throughout the period indicated above. | |
| ScottishPower | Non-Confidential | Yes, we are aware of 2 new developments where this has occurred. At these sites 83 Electric meters were installed whilst the site was running off the generator. | |
| British Gas | Non-Confidential | We believe we have seen around a dozen instances where this scenario has occurred affecting around 500 properties | |
| SP Distribution plc and SP Manweb plc | Non-Confidential | Yes. This is common on new housing schemes being installed by ICPs / IDNOs. It is difficult to provide comprehensive numbers on the volume of generators connected in this way as ICPs / IDNOs do not formally notify DNOs as a matter of course. | |

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| | | <p>Anecdotally, in one location up to 50% of new sites have been known to use this approach.</p> <p>It is important to note that these generators are installed by the ICP / IDNO – never by SPEN. We are not aware of any SPEN installations (i.e. sites with no ICP / IDNO involvement of whatever size) where we have energised customers on a generator instead of from the network.</p> <p>There are considerable safety concerns related to this issue which need to be urgently considered. At a minimum ICPs/IDNOs should provide a formal notification to DNOs that their networks could potentially be live due to the connection of an embedded generator.</p> | |
| SSE Energy Supply Ltd (SSE Business Energy) | Non-Confidential | No, we are unaware of any instances in the last 12 months | |
| ENLW | Non-Confidential | We are not aware of any generators being connected in this way within our Distribution Services Area. | |
| UKPN | Non-Confidential | No, we are not aware of any such examples. | |
| Working Group Conclusions: | | | |

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| Company | Confidential/ Anonymous | 2. Where this scenario arises, for what reasons does it occur and how do you think these customers should be treated? | Working Group Comments |
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| EON | Non-Confidential | <p>We imagine it would arise when the Developer needs to have a supply at site to allow works to be carried out and they are not aware they should be connected to the grid prior to install. Alternatively, it could be they have handover to client dates and need power to complete works and commission and knowingly call off meters install where not connected to the grid to allow works to complete and not delay the sale/handover</p> <p>We are unable to bill the customer until the connection is made so any electricity used up to that point is effectively unidentified. We don't know of a way to prevent this in industry processes aside from retrospectively amending install reads once the connection is made and this would rely on us knowing when and what the read was.</p> | |
| Optimal Power Network | Non-Confidential | <p>The two instances we are aware of the reason has been delays in energisation, one due to legal completion of easements for cables and substations, the other was the end customers programme was not aligned to the ICP, DNO and IDNOs.</p> | |
| BUUK | Non-Confidential | <p>There can be a variety of reasons, see below:</p> <ul style="list-style-type: none"> • Delivery delays with plant and equipment. • Delays in completing the required legals transactions. • Delays in completing the permanent connection to the upstream Network Owner's network, availability of their resources, reinforcement required etc. • The co-ordination of highway occupations per the New Road and Street works Act administered by Local Authorities. This can include clashes with Local Authorities planned works, other Statutory Undertakers works, | |

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| | | <p>embargoes over the Christmas and New Year period by Local Authorities but highway occupations may also be restricted where they are designated as having “Special Engineering Difficulties” prescribed by the Local Authorities.</p> <p>Initially, the use of temporary generation is via a request from the Site Developer, usually to enable them to achieve CML’s status ahead of being able to sell a property to the Public, and or planning requirements to complete street lighting connections and traffic management connections, ahead of residential occupations. The request may also include the provision of temporary site supplies for the Developer or their show homes and can also include connection of critical infrastructure such as electrical connections to water or sewerage pumping stations.</p> <p>As a licenced Distribution Network Operator, we have an obligation under SLC10AA to treat “Customers fairly” therefore in circumstances where completion of a permanent connection is not possible within the timescale required by the Site Developer, it would seem reasonable to consider other connection options, which in some instances will include the provision and use of temporary generation.</p> <p>Although not a question you have asked, BUUK will not enable a temporary generator connection for a property, unless metering is present</p> | |
| ScottishPower | Non-Confidential | <p>This arises when the builder’s connection via the DNO is pushed back or held up. It appears that rather than lose or push back the sale of the properties the builder continues as planned and powers properties within the site via a Diesel Generator. As a supplier we don’t know this is occurring until the developer queries their bill. We have made provisions for this in</p> | |

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| | | our builder's contracts going forward so we can terminate their agreements if they are found to be carrying out this practice. We have requested the builder settles the consumption used in addition to their diesel costs. | |
| British Gas | Non-Confidential | <p>We have been told that this scenario arises due to legal issues resulting in a delay energising the substation requiring the developer to use a generator to power the occupied plots until the substation is energised by the DNO.</p> <p>As electric generated by the generator is passing through the meter. The meter will register the consumption even though it has not been drawn from the grid. As a result, unless manual intervention takes place, the customer will be charged for this consumption even though it has not been drawn from the grid.</p> <p>The problem we have is we don't get notified until the Change of Tenancy and the only place it is recorded is in the notes box on the NSPD , usually at which point the developer will state "Electric for Plot X on generator" and we are reliant on them telling us afterwards when the generator has been switched off/disconnected and confirming the read at that point so we can manually manipulate our systems to avoid charging customers twice.</p> | |
| SP Distribution plc and SP Manweb plc | Non-Confidential | <p>We consider the main cause to be that the pace of connection to the DNO network is slower than the pace of development of the site and demand for occupation of new build housing.</p> <p>Given the safety implications, we do not consider it appropriate to connect customers via such generators without provided detailed information to the DNO that such a connection has taken place, and appropriate working arrangements to ensure electrical safety both to the public and ICP/IDNO/DNO staff.</p> | |

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| SSE Energy Supply Ltd (SSE Business Energy) | Non-Confidential | <p>As we have advised in Q1, we are unaware of any instances of this occurring however, we do believe that there are steps that could be taken to prevent this issue. Ultimately, the DNO is responsible for the connection to the network and the meter should not be energised until such time as the connection has been made. This issue could be resolved by adding extra steps into the new connection process as the DNO is aware of their scheduled works and are aware of when connection to the network is likely to occur.</p> <p>There is a risk that should these connections be occurring, trading disputes (dependant on the value) could be raised. The customer should be charged for the connection to the generator only and not incur additional costs where this happens. This will also impact on settlements from a supplier perspective, and where these situations arise, a supplier should be able to claim back the erroneously charged settlement from the DNO.</p> <p>It is difficult for us to comment on the scale of the issue or identify a process in which this could resolve these scenarios and which we would request additional information to help us comment on this further</p> | |
| ENLW | Non-Confidential | See response to Q1 above. | |
| UKPN | Non-Confidential | <p>We are not aware of such examples, could it be that developers install generators where there is a delay connecting to the wider network, however we would not expect that Suppliers would energise in such circumstances. However, should these MPANs become energised, they would look like any other energised customer, and as a result they will pick up balancing and settlement costs for the central 'generation', even though they have not purchased that.</p> | |

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| | | <p>The process of ‘Energising’ MPANs in the registration systems is fully within the control of Suppliers so if this is happening then potentially this might be a process issue to consider regarding how sites are energised, alongside the better control or understanding of how and where Generators are used on the Networks.</p> <p>There could also be a safety aspect here, where meters are fitted before being connected to the network. Is the MOp able to undertake all necessary checks/tests where a connection is not made to the wider network?</p> | |
| Working Group Conclusions: | | | |

| Company | Confidential/ Anonymous | 3. Where this scenario arises, for what reasons does it occur and how do you think these customers should be treated? | Working Group Comments |
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| EON | Non-Confidential | Electricity is not being drawn from the Grid in this scenario so the customers are not being settled. | |
| Optimal Power Network | Non-Confidential | No comment | |
| BUUK | Non-Confidential | N/A | |

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| ScottishPower | Non-Confidential | N/A | |
| British Gas | Non-Confidential | Costs are unknown Potentially customers could be overcharged if we are not informed that a site is being powered via a generator | |
| SP Distribution plc and SP Manweb plc | Non-Confidential | N/A | |
| SSE Energy Supply Ltd (SSE Business Energy) | Non-Confidential | As we have advised in previous questions, we are unaware of these situations and are unable to provide views on changes to the process without further information however, the DNO is responsible for connection to the network and should add due diligence to the new connections process to ensure the site is in a position to be used by the customer. A supplier would need to provide the customers a refund should these instances occur and therefore suppliers should be able to claim these costs back from DNO's. The new connections process should be reviewed to identify where there are gaps in the process to allow this to happen. | |
| ENLW | Non-Confidential | N/A | |
| UKPN | Non-Confidential | No comment. | |

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| Working Group Conclusions: |
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| Company | Confidential/ Anonymous | To DNOs/IDNOs: | Working Group Comments |
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| | | 4. If you are aware of examples where this scenario arises, who is responsible for the maintenance of the generator? (e.g., for fuelling it, repairing it, dealing with off supply incidents, etc). | |
| EON | Non-Confidential | No comment. | |
| Optimal Power Network | Non-Confidential | In the two examples, the end customer was responsible for the connection, supply incidents, maintenance, and refuelling. The generation was connected to the customers switchboard, with the controlling switch or fuses open or removed and isolated to achieve the required safety precautions. | |
| BUUK | Non-Confidential | The provision and use of temporary generation across BUUK direct build and adopted sites, is subject to a term contract with a large national provider of generation. The Contract covers, remote monitoring of each unit through the Generator Companies 24/7 Control Centre, and a version of the portal is available real-time to BUUK's Control Team. | |

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| | | <p>In terms of the generator deployment, the Contract covers full logistic provision, i.e., delivery and collection from site on a 24/7 basis. The provision of integral and secondary external fuel tanks for the units with refuelling based on monitored usage. Regular scheduled maintenance in-line with the equipment Manufacturers guidance, which is advised to Customers in advance per the Electricity (Standards of Performance Regulations) 2015 as a “Notice of Supply Interruption”, and BUUK provides the same level of no supply or incident response, as it does for its customers who are permanently connected to our electrical networks.</p> <p>In addition to the above, the Contract includes the installation of acoustic curtains if, or where needed, the use of hybrid generation supported by battery packs, which enables a reduction in the use of diesel or HVO fuels, but only where it is technically possible to do so.</p> | |
| Scottish Power | Non-Confidential | <p>We issue bills to the customer with consumption, however this consumption is related to the generator, so the customer states they are paying double, and refuses to pay our bills. We are getting settled for this consumption as MPANs are already registered. We have to work around all the impacted accounts, so we change the start date to the date where the generator was removed, and then we struggle to get initial reads from the customer, so it becomes difficult to get an accurate bill. We are not able to quantify costs as we don’t have a flag in the system to identify all the “Generator issues”.</p> | |
| British Gas | Non-Confidential | <p>No comment</p> | |

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| SP Distribution plc and SP Manweb plc | Non-Confidential | As we had not installed the generator, we would not be responsible for their maintenance. In addition, we would not deal with off supply incidents until the property is connected to our network. | |
| SSE Energy Supply Ltd (SSE Business Energy | Non-Confidential | No comment | |
| ENLW | Non-Confidential | N/A | |
| UKPN | Non-Confidential | We are not aware of any such examples. | |
| Working Group Conclusions: | | | |