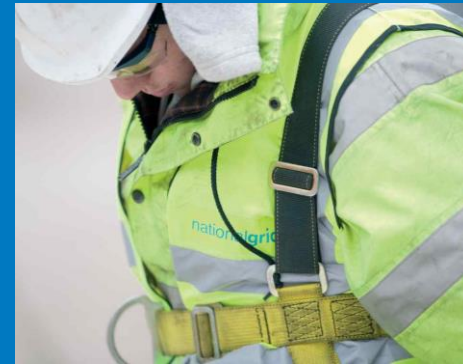


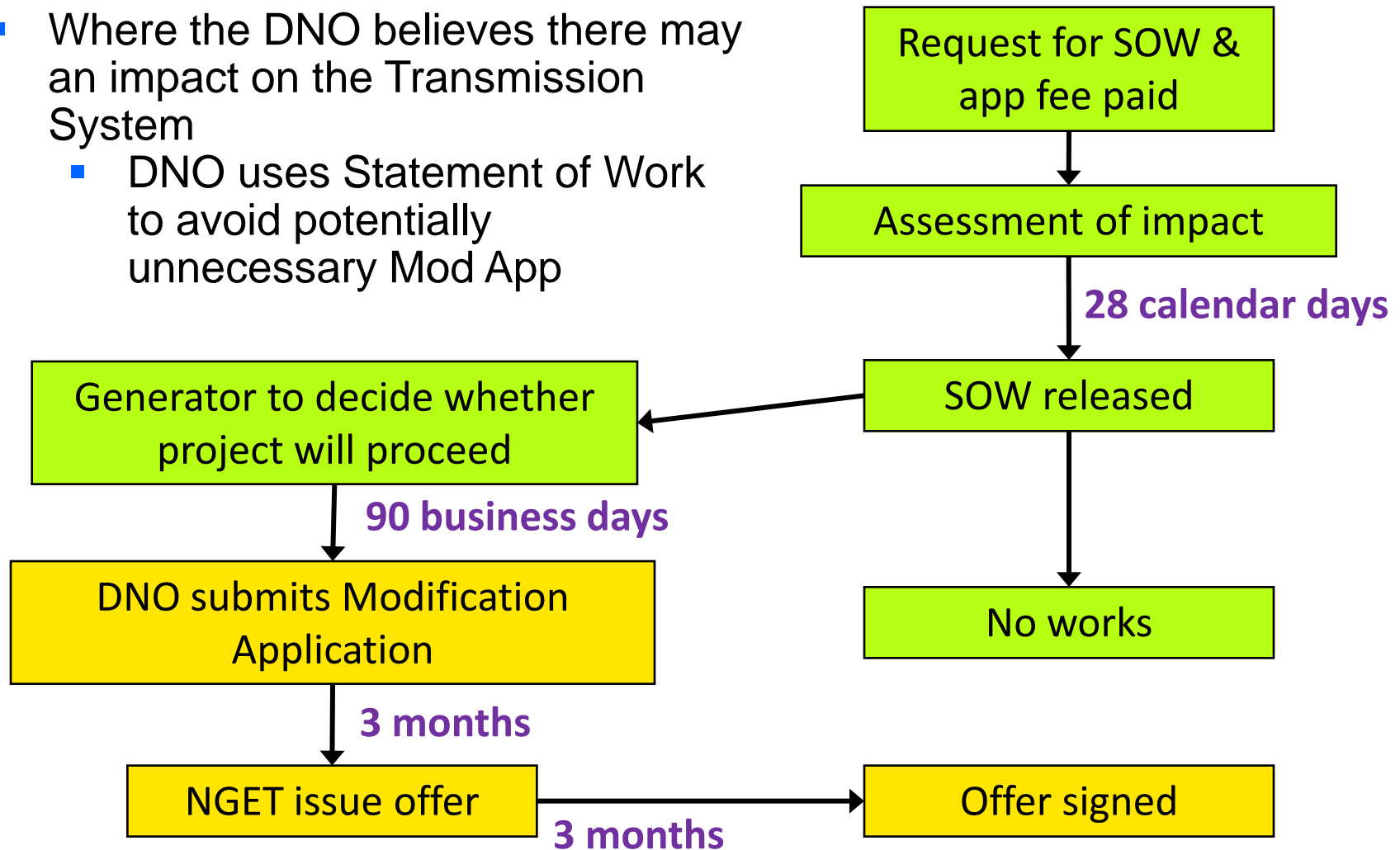
Application of Statement of Works Process when a modification application is made



David Corby – 31st October 2014

Current process

- Where the DNO believes there may be an impact on the Transmission System
 - DNO uses Statement of Work to avoid potentially unnecessary Mod App



The defect

Ofgem led DG Forums

NETSO

TOs

DNOs

The Statement of Works process:

- Took too long & was expensive
- There was a lack of transparency in the process
- Stage 1 caused a delay in most cases where it was obvious that a full mod application was required

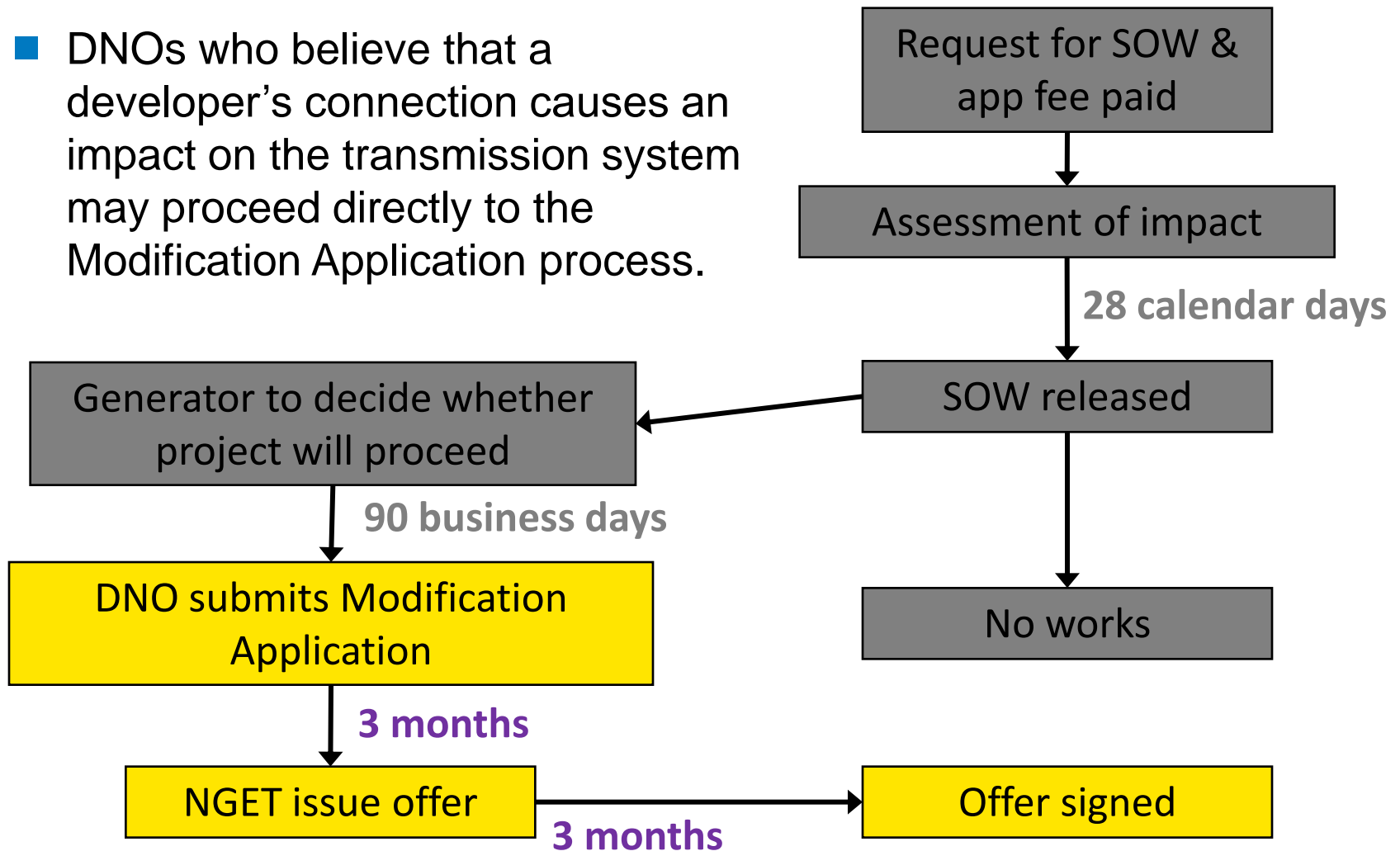


National Grid trial of proposed process. Ofgem letter of comfort until May 2015.

- Expectation of enduring solution

Proposed process

- DNOs who believe that a developer's connection causes an impact on the transmission system may proceed directly to the Modification Application process.



Assessment Against Relevant Objectives

The proposed changes remove a barrier to competition by reducing inefficient costs and timescales for parties wishing to connect to distribution networks. This better facilitates applicable objective (b).

Other Points

- Current view is a potential material impact on customers, so not raising as Self Governance
- Customer Services are separately reporting to Ofgem on the trial outcome
 - Interim report due 12th November
 - Raising now to meet May 2015 end of letter of comfort