

Connection Offer Expenses our approach

November 2018

Stay connected...











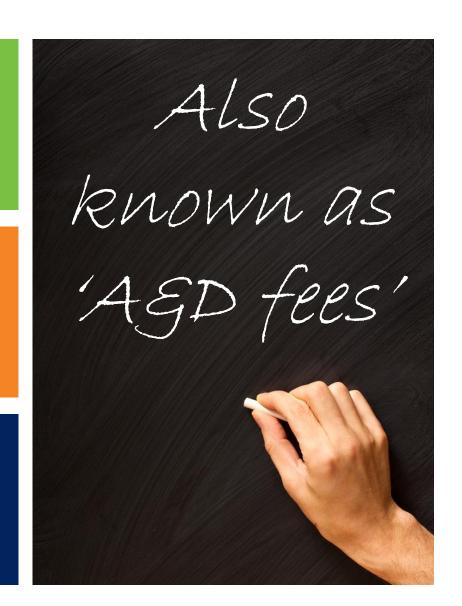
www.enwl.co.uk



BEIS introduced new regulations from April 2018

These allow DNOs to charge customers for their connection offer whether it is accepted or not

BEIS intention is to allow a fairer allocation of costs to customers



What do we propose to charge for?



What we won't be charging for

Budget Estimates

Minor connections (1-4)

Cancellations within cooling off period

Offers for diversions

What we will be charging for

EHV offers (demand and generation) from May 2018

HV generation offers over 1MVA from January 2019

LV and other HV offers (demand and generation) but from a later date

Requotes including interactivity requotes

Cancellations (after cooling off period)

Gen+ initial assessments

These charges will be due whether the connection offer is accepted or not



Customer Application

Connection Offer issued Connection
Offer validity
period

Acceptance

Email informing customer is liable for payment for quote but with 10 working day cooling off period

Connection offer issued together with invoice for £1,000 with 30 day payment terms

Quote validity
period normally
180 days but will
end after 30 days if
invoice not paid

Customer pays
balance of
Connection Offer
Expenses if they
accept as part of
Acceptance Fee

Key actions for stakeholders





Make arrangements in advance so invoice can be paid quickly

Cancel quickly if you don't want to incur costs

Late payment means your offer can't be accepted

Late payment risks you having to pay in advance of getting your offer next time

Revised process if payments not made



Customer Application Connection
Offer invoice
issued

Connection Offer issued

Acceptance

Email informing customer is liable for payment for quote but with 10 working day cooling off period

Connection offer invoice for £1,000 with 30 day payment terms issued

Connection offer only issued after payment received with validity period normally 180 days

Customer pays
balance of
Connection Offer
Expenses if they
accept as part of
Acceptance Fee



Customer Submission Budget costs

Confirmation of viable options

Connection Offer issued Connection
Offer validity
period

Customer submits up to six variations for same site eg different capacities and/or technologies together with £500 payment

We provide budget costs for all six variants and an indication of the POC within 30 working days

You will have 7
days to confirm if
any are viable and
you want to
progress through
to a full offer using
submission date as
application date

Connection offer issued together with invoice for £1,000 with 30 day payment terms

Quote validity
period normally
180 days but will
end after 30 days if
invoice not paid





Payment must be received with application

Please pay £600.00 (£500.00 plus VAT)

BACS payment preferred – Include "Your Company Name" and "Gen+ Application"

If information is missing it may cause a delay in the date your application has been deemed to have been received



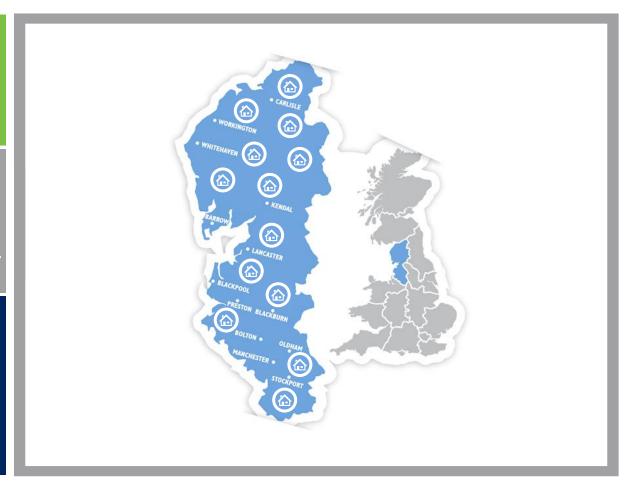
For Connection Offers issued in ENWL area

Initial charge:

£1,000 for EHV demand, EHV generation and HV generation over 1MVA

Residual charge on acceptance: £20,200 for a EHV full works offer £5,870 for a HV generation over 1MVA full works offer

> Residual charge on acceptance: £15,800 for EHV non contestable work only £4,500 for HV generation over 1MVA non contestable work only



How is our Connection Offer charge calculated?





Includes cost of all Budget Estimates issued



Includes the cost of all Gen+ initial assessments (less initial charge)



Includes costs of all Connection Offers that are accepted

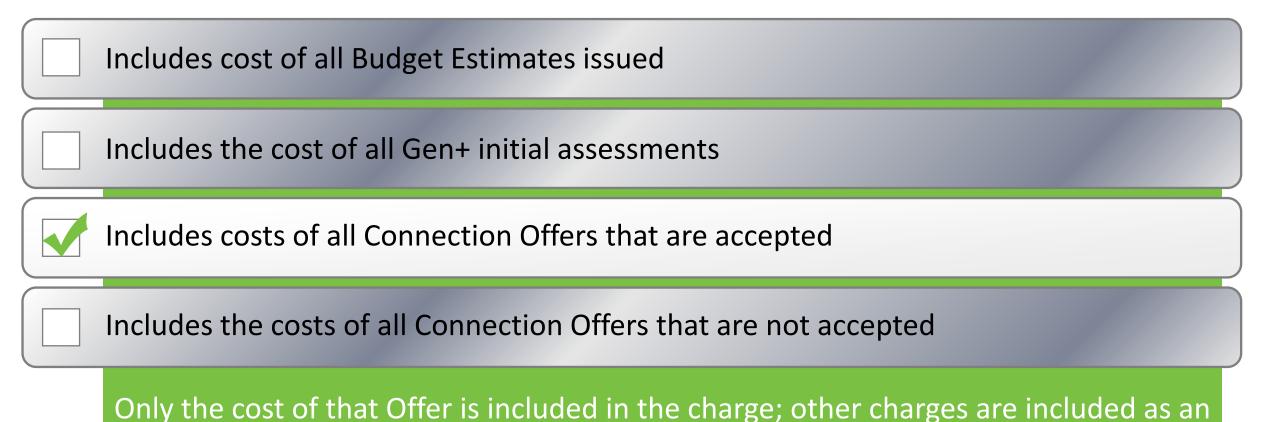


Includes the costs of all Connection Offers that are not accepted

All costs associated with issuing Connection Offer are recovered through the Connection Offer charges: part recovered from initial £1,000 fee and rest on acceptance

Why do other DNO charges appear lower?





on-cost on the construction work and paid on acceptance



Four different options available to you for EHV offers and HV generation over 1MVA offers

Budget Estimate

Gen +

Full Works Offer

POC Only Offer

- No charge
- Can't accept
- No queue position
- •Initial charge of £500 payable in advance
 - •Further charge of £1,000 for full offer
 - Queue position retained

- •Initial charge of £1,000 for Dual Offer
- •Balance based on type of acceptance:
- £20,200 for EHV full works
- •£15,800 for EHV POC only
- •£5,870 for HV gen full works
- •£4,500 for HV gen POC only

- •Initial charge of £1,000 for connection Offer
 - Balance based on type of acceptance:
 - •£15,800 for EHV POC only
 - •£4,500 for HV gen POC only

EHV applicable from 4 May 2018

HV Generation greater 1MVA applicable from 1 January 2019