

Paul Hogan
Commission for Energy Regulation

8th November 2006

Re: Consultation on Micro-generation

Dear Paul

Your recent consultation on micro-generation refers.

Section 2.3.1

As previously outlined DSO's preference would be not to hold a list of approved units. This is in order to avoid the perception that ESB is favouring some suppliers over others. In addition if an 'approved list' is maintained it would inadvertently apply an advantage to those suppliers who have generators on the list, as there is less paperwork required from a customer who wishes to install a pre-approved unit.

Section 2.3.2

This section states that where installation of a micro-generator would result in the proposed 40% threshold being exceeded, the application will be rejected. This does not happen in practice, but rather an analysis is undertaken to determine the cost of any reinforcement required to allow the installation to proceed. The customer is then liable for this cost should they wish to install their micro-generator.

Reference to 50kVa

Section 2.3.2 and onwards refers at various points to a 50kVa threshold. This is confusing, and may give the impression that a micro-generation unit is considered to be any unit with an MEC of 50kVa or less. (This is especially the case as the 'definition' of micro-generation is now contained at the end of the document). In addition it should be noted that 50kVa is an internal DSO threshold at which network analysis is centralised. In some cases, even where the total installation is less than 50kVa, network reinforcement may be required before installation can commence. DSO suggests therefore, that in CER's final decision paper:

1. The definition of micro-generation be included at the beginning of the document (repeated if necessary in the technical section).
2. There should be no reference to 50kVa.

Section 2.3.5 – Application Fees

DSO does not believe that it is appropriate at this stage to implement application fees as they introduce unnecessary expense on both customer and DSO. Should micro-generation become widespread it may be necessary to introduce same at some point in the future.

Section 3.3.3

DSO disagrees that it would be appropriate in any circumstances that reduced DUoS standing charges would apply. DUoS standing charges reflect the cost of providing the required MIC on a 24/7 basis and are not related to energy produced.

Processing Data

It should be noted that CER have already informed DSO (Hugh Mullany email to John Casey attached) that export will not be monitored via NQH metering.

I trust this is to your satisfaction. Should you have any further queries please contact me at 7027078

Regards

Fiona O'Donnell
DSO Regulation