

About Active Network Management

1. What is Active Network Management?

Active Network Management (ANM) is a technology employed by UK Power Networks to connect more customers to our networks faster and at lower cost by avoiding the need for reinforcement. Active Network Management achieves this by managing participating customers in real-time to keep the network within safe operational limits.

2. Why would I want to be connected to an Active Network Management system?

Active Network Management enables us to offer customers cheaper and faster connections. Traditionally, if it is identified that a new customer connection contributes to constraints on the network, the customer cannot connect to the Distribution System until additional capacity has been built. This means both cost and time for customers, who need to pay a contribution towards the network reinforcement as well as wait for work to be completed before they can connect. ANM exploits the fact that, typically, network constraints only materialise during certain times of the year when the network is highly utilised. At most other times of the year, new customers can export to the network without the risk of constraints materialising. If it is identified that your connection contributes to constraints on the network, Active Network Management could save you time and money by enabling you to connect to the network without paying for network reinforcement or waiting for it to be completed. ANM connections are granted on the condition that your output may be constrained during times when constraints on the network materialise.

3. What is a Flexible Connection?

A customer with a Flexible Connection agrees to have their connection curtailed by the ANM system during times of peak demand on the network. Customers with a Flexible Connection can connect to the network without having to pay towards network reinforcement or wait for the reinforcement to be complete before being able to connect.

4. UK Power Networks have implemented Active Network Management schemes before. What exactly is changing?

There are a number of live ANM schemes already on the UK Power Networks Distribution System. Under the previous connections process, UK Power Networks declared specific zones on the network as 'open' for Flexible Connections, or "Flexible Distributed Generation (FDG)" as it was previously referred. Customers could only apply for a flexible connection in zones that were declared 'open'. Under the previous connections process, it was also a requirement that customers request a Feasibility Study from UK Power Networks if they wished to apply for flexible connection. The purpose of the Feasibility Study was to analyse the impact of the customers connection on the network and in particular carry out a curtailment assessment to estimate how often the customer may be curtailed over the course of one year. Customers could not apply for a formal quote until they had received the Feasibility Study report from UK Power Networks.

What's Changing

1. Customers no longer have to wait for dedicated flexible connection zones to open.

UK Power Networks is integrating ANM into our central control centre and rolling it out across our three network areas. This means that customer's no longer have to wait for dedicated zones to open before they can apply for a flexible connection. Customers can apply for a connection at any time and any location across our three networks and be offered a flexible connection. We taking this step forward as part of our transition from Distribution Network Operator to Distribution System Operator.

2. Customers no longer have to request a Feasibility Study for a constrained connection before being able to apply for a formal quote.

We are always striving to provide our customers with a better service, which is why one of the major changes of the ANM rollout is removing the need for a Feasibility Study before applying for a formal quote. This change will save customers time and money.

You can now apply for a formal quote for a flexible connection in the same way you would apply for an unconstrained connection. All details regarding estimated curtailment that was previously provided in the Feasibility Study will now be provided to you alongside the formal quote offer letter in the form of a Curtailment Assessment report.

3. You can now apply for a budget estimate and receive a high-level comparison of the costs between an unconstrained and flexible connection, as well as high-level curtailment estimates.

To help you make an informed choice about whether you want to apply for a flexible or unconstrained connection at formal quote stage, you can apply for a Budget Estimate, free of charge. If constraints are identified with your connection, you will receive a budget estimate cost for both the unconstrained connection option and the flexible connection option, as well as an estimated curtailment range for the flexible connection.

4. How much will it cost to apply for a Flexible Connection?

The cost to apply for a Flexible Connection formal quote follows the same process as for unconstrained connections. Both flexible and unconstrained connection applications are subject to an upfront Assessment and Design (A&D) payment. The upfront A&D payment required at application stage depends on the geographical area and capacity of your site. Further details can be found at this link: https://www.ukpowernetworks.co.uk/internet/en/have-your-say/documents/Connections%20Offer%20Expenses_Changes%20to%20A&D%20Charges%20wef%2001July2019.pptx

Budget Estimate applications can be made free of charge.

5. If I opt for a Flexible Connection, how often I will get curtailed?

How often your connection is curtailed depends primarily on two factors:

1. How often your annual output profile coincides with the times constraints are likely to appear on the network.
2. Your position in the Last-In First-Out (LIFO) priority stack.

If you apply for a formal quote for a flexible connection, UK Power Networks will also provide you with a Curtailment Assessment report that gives you an estimate of how often your connection may be curtailed over the course of one year. This estimate depends on factors such as historical network power flows, typical load and generation profiles and Last-In First-Out (LIFO) priority stack position.

6. What does the Last-In First-Out (LIFO) priority stack mean for my connection?

Last-In First-Out (LIFO) is a Principle of Access that defines how customers that contribute to the same constraint get curtailed when that constraint materialises.

Under LIFO, each customer is assigned a position within a priority stack based on application date. When new customers apply for a connection in the area, they are given a position at the bottom of the priority queue. Your position in the priority stack is reserved for unless the connection offer expires or is withdrawn.

During a constraint event the customer at the bottom of the priority stack will be curtailed first. This means that a customer with a lower priority will always be fully curtailed before the customer one position higher in the priority stack is curtailed. LIFO ensures that the curtailment for a given customer will not be impacted by customers with a lower position in the priority stack.

7. I am a Storage / Demand customer. Can I apply for a flexible connection?

For the first release of the central ANM system, flexible connections are only applicable to new generation customers or storage customers with export related constraints. We aim to expand flexible connections so we can offer them to demand customers and storage customers with import related constraints in future.