

## **Annex 1 – Open letter consultation on the Incentive of Connections Engagement**

- 1.1. We would like to hear the views of interested parties in relation to any of the issues set out in our open consultation letter.
- 1.2. We would especially welcome responses to the specific questions which we have set out in our consultation and are replicated below.
- 1.3. If you have any questions on this document please contact:  
  
James Veaney  
Head of Connections and Constraint Management  
Ofgem, 9 Millbank, London, SW1P 3GE  
020 7901 1861  
[Connections@Ofgem.gov.uk](mailto:Connections@Ofgem.gov.uk)
- 1.4. **Responses should be sent, preferably by e-mail by 17 August 2016 to the address above.**
- 1.5. Unless marked confidential, all responses will be published by placing them in Ofgem's library and on its website [www.ofgem.gov.uk](http://www.ofgem.gov.uk). Respondents may request that their response is kept confidential. Ofgem shall respect this request, subject to any obligations to disclose information, for example, under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004.
- 1.6. Respondents who wish to have their responses kept confidential should clearly mark the document/s to that effect and include the reasons for confidentiality. Respondents are asked to put any confidential material in the appendices to their responses.
- 1.7. Next steps: We will consider the responses to this consultation and these will be used alongside other evidence for our assessment of the ICE plans.
- 1.8. Each of the questions asked by this consultation is set out in the template below.
- 1.9. Please ensure that you **indicate the DNO or specific licence area** to which your experiences relate.
- 1.10. When considering your responses to these questions, please consider your experiences, the actions that the DNO has undertaken or committed to undertake, and the actions that you consider it could reasonably undertake.

## Response template – Incentive on Connections Engagement July 2016

Question	Response																	
<b>About you and your work</b>																		
1. What is the name of your company?	MCCG																	
2. Which DNO's ICE submission is your response related to (see Annex 2 for DNO map)?  Please indicate clearly in your response to the questions below whether your comments refer to the DNO's plans as a whole, or to one of the DNO's licence areas.  If you wish to provide a response to the ICE submission of more than one DNO, please use a separate template for each DNO.	WPD																	
3. What type of connection do you generally require? And for each type of connection, how many connection applications, including total MVA (Mega Volt Ampere) of connections have you made in the past year?	<table border="1"> <thead> <tr> <th>Type of connection</th><th>Total number of connections</th><th>Total MVA of connections</th></tr> </thead> <tbody> <tr> <td rowspan="4"><b>Metered Demand Connections</b></td><td>Low Voltage (LV) Work</td><td>Almost all members</td></tr> <tr> <td>High Voltage (HV) Work</td><td>Almost all members</td></tr> <tr> <td>HV and Extra High Voltage (EHV) Work</td><td>Almost all members</td></tr> <tr> <td>EHV work and above</td><td>Limited to a small subset of membership</td></tr> <tr> <td rowspan="2"><b>Metered Distributed Generation (DG)</b></td><td>LV work</td><td>None</td></tr> <tr> <td>HV and EHV work</td><td>Limited to a small subset of membership</td></tr> </tbody> </table>	Type of connection	Total number of connections	Total MVA of connections	<b>Metered Demand Connections</b>	Low Voltage (LV) Work	Almost all members	High Voltage (HV) Work	Almost all members	HV and Extra High Voltage (EHV) Work	Almost all members	EHV work and above	Limited to a small subset of membership	<b>Metered Distributed Generation (DG)</b>	LV work	None	HV and EHV work	Limited to a small subset of membership
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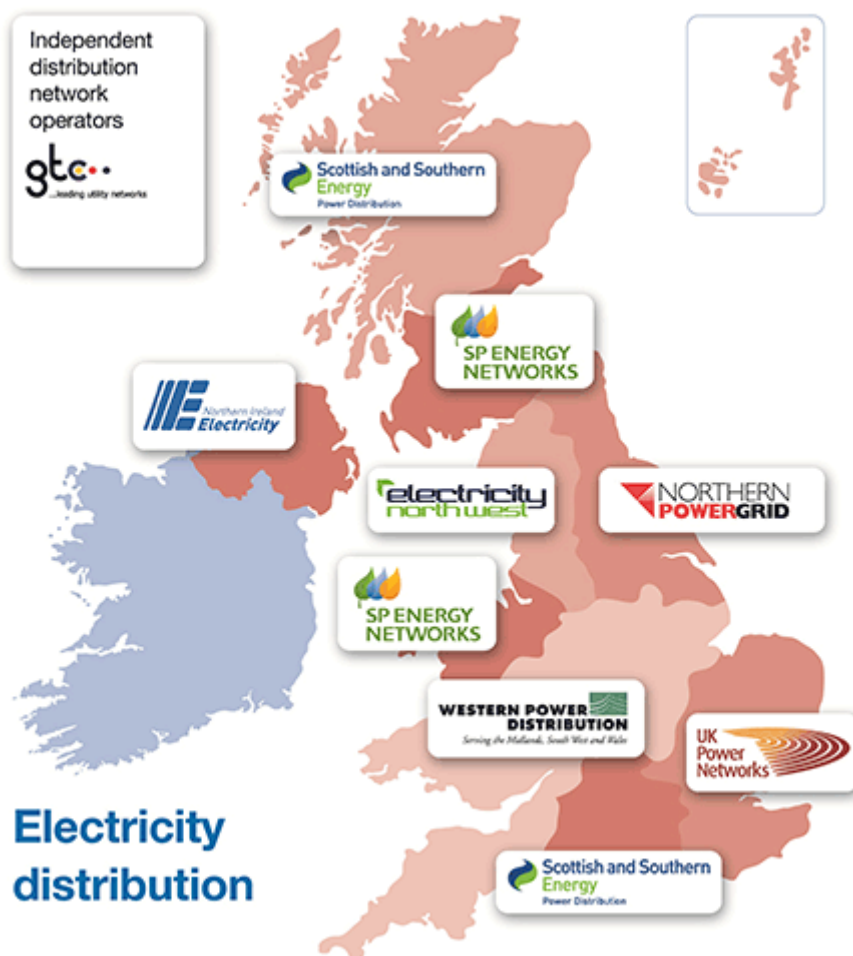
	<b>Unmetered Connections</b>	Local Authority (LA) work	None	
		Private finance initiatives (PFI) Work	None	
		Other work	None	
<b>Consultation questions</b>				
<b>Section 1: Looking Back report 2015-16</b>				
<b>We want your views on how well the DNOs have performed over the last year</b>				
1. Are you satisfied that the licensee had a comprehensive and robust strategy for engaging with connections stakeholders? Do you consider that the licensee implemented its strategy? If not, are you satisfied that the licensee has provided reasonable and well justified reasons?	Yes, we are also pleased to see that they have employ an independent accreditation to demonstrate how successfully they are engaging with customers.			
2. Are you satisfied that the licensee had a comprehensive work plan of activities (with associated delivery dates) to meet the requirements of its connections stakeholders? Do you consider that the licensee delivered its work plan? If not, are you satisfied that the licensee has provided reasonable and well justified reasons?	<p>WPD had a comprehensive plan, which was developed with lots of input from key stakeholders including MCCG members.</p> <p>However, we have been disappointed with WPD's approach to some of the Self Service Initiatives. Whilst we would agree that many of the activities were technically available to Competitors prior to the introduction of the COP, the qualification criteria imposed by WPD has been in some instances unreasonably stringent.</p> <p>The next two paragraphs cover two examples which are of particular concern.</p> <p>HV Self Connect: Whilst WPD are amongst best in class for the LV Self Connect process, HV Self Connect has not been as successful when compared to some of the other DNOs. The current process is more difficult for Competitors to take advantage of in comparison to other DNO processes in this area. Between them, our members have carried out HV Self Connect Operations and Connections activities on networks under the control of all of the DNOs. Our experience to date has found WPDs process to be most difficult to follow.</p>			

	Self Design Approval: In the area of design approval by Competitors, WPD appear to have set the bar extremely high before an ICP can be considered for Self Approval. A number of our members have been operating in the WPD DSA for many years and rarely have had design rejections in the past, yet this past performance is not being considered by WPD in any way when determining if the ICP can Self Approve their own designs.
3. Do you consider that the licensee's work plan provided relevant outputs (eg key performance indicators, targets etc.)? Are you satisfied that the licensee has delivered these outputs? If not, do you view the reasons provided to be reasonable and well justified?	For most of the activities that members have been calling for, WPD have delivered against their promises. However the metrics for HV Self Connect have failed to show our concerns that so far it has been as successful as other DNOs in this area.
4. Do you agree that the licensee's strategy, activities and outputs have taken into account ongoing feedback from a broad and inclusive range of connections stakeholders? If not, has the DNO provided reasonable justification?	<p>Yes we do for most of the activities, with the exception of the two highlighted above.</p> <p>We are really pleased to report that WPD have agreed to adopt the process produced by ENW and the C NA to help public lighting authority customer incorporate UMS connections to IDNO networks into their host DNO's inventories. WPD have been very supportive of IDNOs and UMS customers is the past and have made a significant contribution to help IDNOs find a way around this issue.</p>
<b>Section 2: Looking Forward plans 2016-17</b>	
<b>We want your views on what the DNOs aim to achieve in the coming year</b>	
5. Are you satisfied that the licensee has a comprehensive and robust strategy for engaging with connection stakeholders and facilitating joint discussions where appropriate?	Yes, we are happy with the engagement strategy.
6. Do you agree that the licensee has a comprehensive work plan of activities (with associated delivery dates) that will meet the requirements of its connection stakeholders? If not, has the licensee	<p>We welcome the content of the work plan and agree with the activities proposed.</p> <p>We are encouraged that WPD are committing to measuring and increasing the volume of Self Service activities undertaken by Competitors. WPD have</p>

provided reasonable and well-justified reasons? What other activities should the DNOs do?	historically shown that they can change when things when they are not working and we are hopeful that this will happen in the coming year.
7. Do you consider that the licensee has set relevant outputs that it will deliver during the regulatory year (eg key performance indicators, targets, etc.)?	Yes we do, WPD has provided clear KPIs that will be easily measured.
8. Would you agree that the licensee's proposed strategy, activities and outputs have been informed and endorsed by a broad and inclusive range of connection stakeholders? If they have not been endorsed, has the licensee provided robust evidence that it has pursued this?	<p>We believe that WPD do listen to connections stakeholders, we are confident that WPD will refine the Self Service activities in response to our feedback.</p> <p>We expect to see WPD offering for all three Self Connect accreditation options so competitors can chose what works best for them.</p>
<b>We also want your views on how DNO plans will address issues for new connections in constrained areas</b>	
9. Where flexible connection offers are available, do you consider that the DNO's work plan for 2016-17 sufficiently addresses concerns about the uncertainty of curtailment levels? For example, do their plans ensure that stakeholders have access to the data they require for an investment decision?	This is less of an issue for demand customer and more applicable to the DG market.
10. Where consortium connections are available, do you consider that the DNO's work plan for 2016-17 reflect requirements for clear and detailed information about where, how and under what conditions such projects can proceed?	
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12. Do you consider that the DNO's work plans include appropriate engagement to ensure that network investment plans are well communicated to stakeholders, including when new capacity will become available?	
13. Do you consider that the DNOs' plans include appropriate activities to improve, where necessary, the provision of information on constrained areas of the network to provide better data about where connections may be viable?	
14. Are there particular additional activities or outputs which you consider should be included in the work plan of activities to better facilitate grid connections?	

## Annex 2 - Map showing DNO licensee areas<sup>1</sup>



<sup>1</sup> Image from Electricity Networks Association (ENA)