

## **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:

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020 7901 1861  
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- 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  |   |                          |                             |                          |                                   |                       |                    |  |                        |                    |  |                                      |                    |  |                    |   |  |  |         |      |  |                 |   |  |
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| <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)?<br><br>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.<br><br>If you wish to provide a response to the ICE submission of more than one DNO, please use a separate template for each DNO. | UKPN  |   |                          |                             |                          |                                   |                       |                    |  |                        |                    |  |                                      |                    |  |                    |   |  |  |         |      |  |                 |   |  |
| 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 colspan="2">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> <td></td> </tr> <tr> <td>High Voltage (HV) Work</td> <td>Almost all members</td> <td></td> </tr> <tr> <td>HV and Extra High Voltage (EHV) Work</td> <td>Almost all members</td> <td></td> </tr> <tr> <td>EHV work and above</td> <td>Limited to a small subset of membership</td> <td></td> </tr> <tr> <td rowspan="2"><b>Metered Distributed Generation (DG)</b></td> <td>LV work</td> <td>None</td> <td></td> </tr> <tr> <td>HV and EHV work</td> <td>Limited to a small subset of membership</td> <td></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 |  |
| 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 |  |

### Consultation questions

## Section 1: Looking Back report 2015-16

### We want your views on how well the DNOs have performed over the last year

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| 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, UKPN have been amongst the best DNOs in the past couple of years when it comes to stakeholder engagement.<br><br>We are also pleased to see that they have employed an independent auditor to look at how successfully they are engaging with customers and developing and implementing the plans that come out of this work. |
| 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? | UKPN had a comprehensive plan, which was developed with lots of input from key stakeholders including MCGG members.  |
| 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 those activities that members have been calling for, UKPN have delivered against their promises. In most instances, the outputs that UKPN committed to deliver have been met.  |
| 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  | Yes we do. For example, MCGG members challenged UKPN to bring forward a regime where Competitors could gain training and experience and be assessed and authorised to undertake LV operations duties such as signal  |

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| stakeholders? If not, has the DNO provided reasonable justification? | <p>injection and linking and fusing of the UKPN network. This has been taken away and UKPN have commenced these courses in the past few months.</p> <p>In other areas UKPN have been listening to our membership in relation to the problems encountered for those who build assets for adoption by IDNOs.</p> <p>There has been a long standing problem in UKPN's Distribution Services Area, (and in other parts of the country), where Local Authorities were required to raise new MPANs every time they adopted highways that contained connections to an IDNO network.</p> <p>In the past 12 months UKPN have met with the C NA on a number of occasions to work through a solution to address the issue. Unfortunately the solution put forward by UKPN was overly complicated and was not taken forward.</p> <p>However UKPN have given a commitment to look at the work produced by ENW and the C NA on UMS connections to IDNO networks issues referred to above. We hope to see this included in the going forward plan and would urge UKPN to ensure that this is actioned without delay.</p> |
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## **Section 2: Looking Forward plans 2016-17**

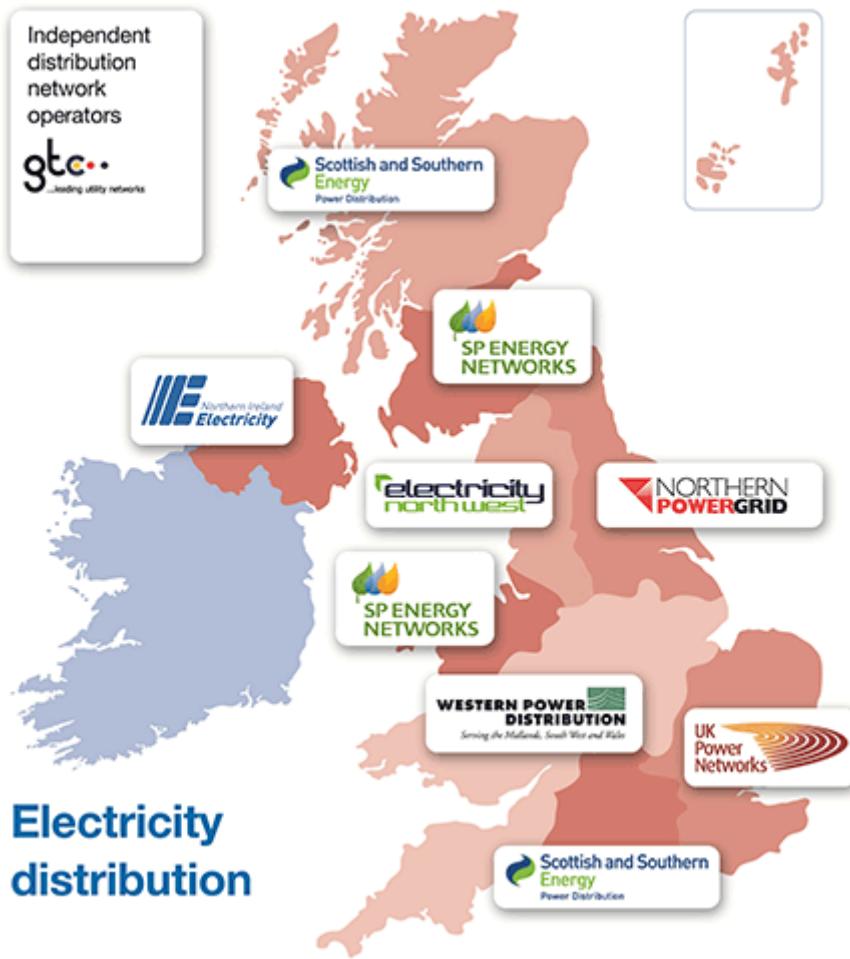
### **We want your views on what the DNOs aim to achieve in the coming year**

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| 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 provided reasonable and well-justified reasons? What other activities should the DNOs do? | <p>We welcome the content of the work plan and agree with the activities proposed.</p> <p>We also note that UKPN have committed to collaborating with other DNOs to compare and contrast lessons learned and best practice in enabling contestable activities. This is certainly something to be welcomed as developing harmonisation is an important part of the CIC COP. We would caution UKPN and other DNOs not to fall into the trap of adopting the lowest</p> |

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|  | common denominator solution, but instead those that stakeholders see as best practice, whether that be within or outside the industry.  |
| 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, UKPN 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 UKPN have listened to connections stakeholders we welcome their continued commitment to developing the competitive connections market.</p> <p>We have been really pleased with the excellent progress last year in Self Connect on both the UKPN LV and HV networks. To build on this good work MCCG members want to explore HV Self Connections Operation Activities to help ensure the ICP can set its HV jointing teams to work under the ICP's Safety Management System, but use the UKPN's DSRs to switch on the UKPN network. In this instance the ICP SAP would need to be authorised for HV switching only under the UKPN DSRs for the purpose of reconfiguring the network prior to and following setting the ICP's jointers to work.</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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| 11. 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?  |  |
| 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)