

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

- 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. 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																								
About you and your work																									
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.	Northern Powergrid																								
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">Metered Demand Connections</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">Metered Distributed Generation (DG)</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	Metered Demand Connections	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		Metered Distributed Generation (DG)	LV work	None		HV and EHV work	Limited to a small subset of membership	
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	Unmetered Connections	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

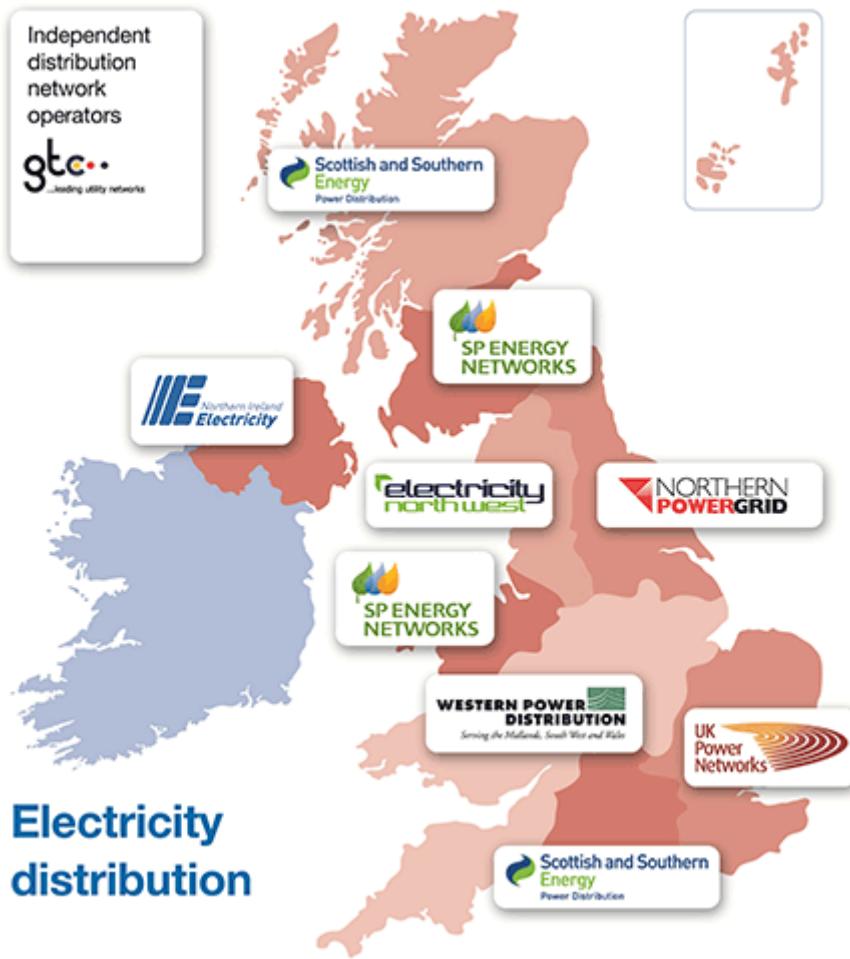
1. Are you satisfied that the licensee had a comprehensive and robust strategy for engaging with connections stakeholders? Do you consider that the licensee implemented its strategy? If not, are you satisfied that the licensee has provided reasonable and well justified reasons?	Yes, NPG had a well-developed engagement strategy. Our members found it easy to engage with NPG on a number of areas throughout the year.
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?	Yes, the plan produced was suitable, and most of the activities were delivered. The exception to this was NPG's proposed GIS system, which has been delayed but hopefully will be live towards the end of the year. This has slowed our progress with the Self Determination of HV Points of Connection as the way that we currently have access to network information means this work can be quite time consuming.
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?	Yes. It has generally been a good year for NPG where they have delivered in most of the areas they committed to.
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?	NPG like many of the DNOs have been aware of the challenges MCG members can face when constructing assets for adoption by IDNOs in relations to UMS connections to IDNO networks. IDNO and ICP clients have encountered difficulties when Public Lighting Authorities (PLAs) were later adopting highways containing street furniture connected to IDNO networks.

	<p>We believe NPG could have done more to engage IDNOs to help find a solution to this issue. This problem has been very well publicised by unmetered customers (PLAs), IDNOs and MCCG members.</p> <p>On a positive note NPG have listened to our concerns regarding the consistency of auditing and have taken steps to introduce independent auditing. They have also shared their own and anonymous ICP performance data with ICPs.</p>
Section 2: Looking Forward plans 2016-17	
We want your views on what the DNOs aim to achieve in the coming year	
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>NPG has a very ambitious plan of activities and we look forward to seeing these come to fruition over the coming months.</p> <p>As mentioned above we would like to see a commitment included for NPG to implement the IDNO UMS initiative developed by ENW and the CNA that will allow PLA customers to add their IDNO inventory to NPG UMS MPANs.</p> <p>We also look forward to working with NPG to build on the good progress last year in Self Connect by further developing 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 NPG DSRs to switch on the NPG network. In this instance the ICP SAP would need to be authorised for HV switching only under the NPG DSRs for the purpose of reconfiguring the network prior to and following setting the ICP's jointers to work.</p> <p>We also encourage NPG to collaborate with other DNOs to compare and contrast lessons learned and best practice in enabling contestable activities. We would caution NPG and other DNOs not to fall into the trap of adopting the lowest common denominator solution, but instead those that stakeholders see as best practice, whether that be within or outside the industry.</p>

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, NPG have set clear outputs that can 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?	Yes we do, with the exception of the lack of action on the UMS connections to IDNO networks issues referred to above.
We also want your views on how DNO plans will address issues for new connections in constrained areas	
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 customers 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 areas¹



¹ Image from Electricity Networks Association (ENA)