

## **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  
[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?	Power On Connections (POC)																																		
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.	SSEPD																																		
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>15% of a total of approx. 60 projects PA</td> <td></td> </tr> <tr> <td>High Voltage (HV) Work</td> <td>60%</td> <td></td> </tr> <tr> <td>HV and Extra High Voltage (EHV) Work</td> <td>15%</td> <td></td> </tr> <tr> <td>EHV work and above</td> <td></td> <td></td> </tr> <tr> <td rowspan="2"><b>Metered Distributed Generation (DG)</b></td> <td>LV work</td> <td>0%</td> <td></td> </tr> <tr> <td>HV and EHV work</td> <td>0%</td> <td></td> </tr> <tr> <td rowspan="3"><b>Unmetered Connections</b></td> <td>Local Authority (LA) work</td> <td>None</td> <td></td> </tr> <tr> <td>Private finance initiatives (PFI) Work</td> <td>None</td> <td></td> </tr> <tr> <td>Other work</td> <td>None</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	15% of a total of approx. 60 projects PA		High Voltage (HV) Work	60%		HV and Extra High Voltage (EHV) Work	15%		EHV work and above			<b>Metered Distributed Generation (DG)</b>	LV work	0%		HV and EHV work	0%		<b>Unmetered Connections</b>	Local Authority (LA) work	None		Private finance initiatives (PFI) Work	None		Other work	None	
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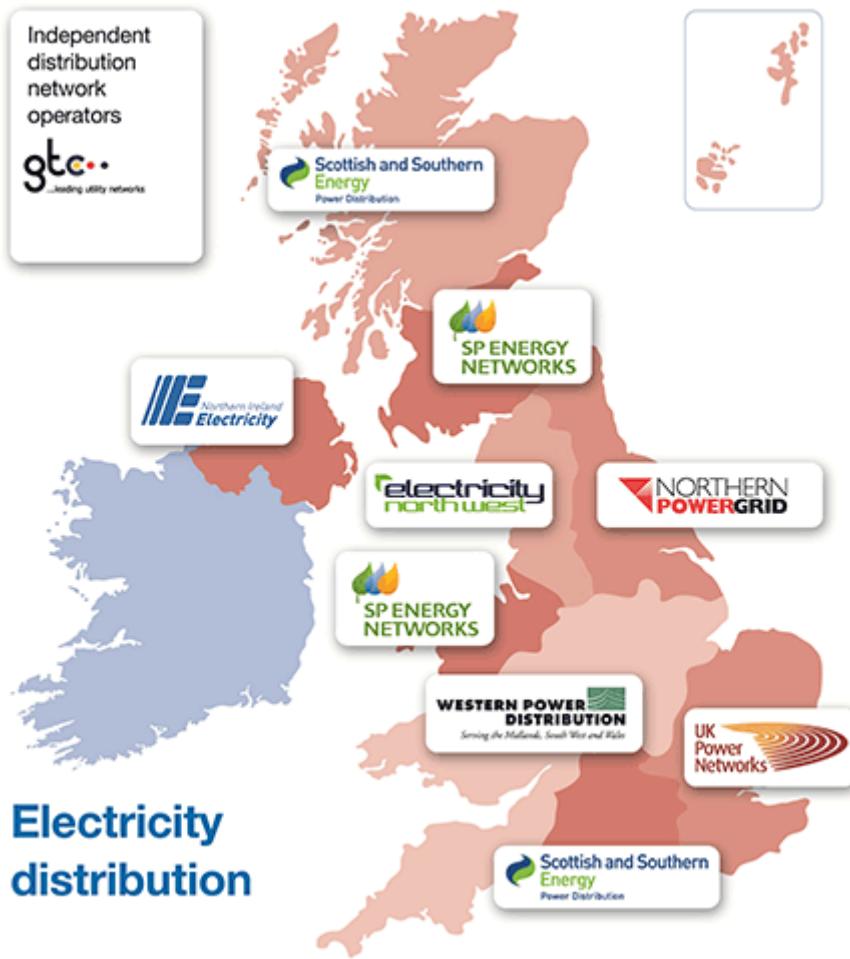
<b>Consultation questions</b>	
<b>Section 1: Looking Back report 2015-16</b>	
<b>We want your views on how well the DNOs have performed over the last year</b>	
1. Are you satisfied that the licensee had a comprehensive and robust strategy for engaging with connections stakeholders? Do you consider that the licensee implemented its strategy? If not, are you satisfied that the licensee has provided reasonable and well justified reasons?	Yes, SSEPD had a well-developed engagement strategy.
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.
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?	<p>SSEPD have completed most of the activities on their plan this year and generally have been very good to work with this year.</p> <p>We did have some concerns initially with what appeared to be a step change in the level of auditing that was being undertaken on our sites.</p> <p>We also continue to be concerned that the frequency of audits being carried out on Competitors sites when compared to the SSEPD own equivalent projects is not the same. From what we have seen this year, Competitor sites are audited more than SSEPD, when measured on a per project basis.</p> <p>A few other issues are as follows:</p> <ul style="list-style-type: none"> <li>• Whilst network diagrams are accessible, many are unsuitable for network analysis. Recent examples have been highlighted to SSE</li> </ul>

	<ul style="list-style-type: none"> <li>• Level and User friendliness of information on website is still far behind the best in class</li> <li>• Granularity of data on LV networks is not available upfront</li> </ul> <p>On a more positive note, whilst there is scope for improvement, these issues are not holding back any Self Service works with the exception of LV self-determination.</p>
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>SSEPD like many of the DNOs have been aware of the challenges POC 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. We believe SSEPD 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 is important to POC that constructs most of its assets for adoption by IDNOs.</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. Some independent validation of the implementation of the strategy would be welcome in future.
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	<p>SSEPD plan of activities going forward is ok, although some of the other DNOs have been a bit more ambitious.</p> <p>We really want to see more focus on embedding Self Service.</p>

<p>stakeholders? If not, has the licensee provided reasonable and well-justified reasons? What other activities should the DNOs do?</p>	<p>We believe that SSEPD must do more to promote Self Service to Competitors, through supporting them through the journey to becoming self-sufficient. This will give Competitors the confidence to take these new opportunities on without having to worry about un-due increased liability.</p> <p>SSEPD should learn the lessons from the approach National Grid Transco took, after they had been found wanting in the way they treated competitors, by removing themselves from the Competitors critical paths.</p> <p>As mentioned above we would like to see a commitment included for SSEPD to implement the IDNO UMS initiative developed by ENW and the CNA that will allow PLA customers to add their IDNO inventory to SSEPD UMS MPANs.</p> <p>On a positive note, we were really pleased with the excellent progress last year in Self Connect on both the SSEPD LV and HV networks. We 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 SSEPD DSRs to switch on the SSEPD network. In this instance the ICP SAP would need to be authorised for HV switching only under the SSEPD DSRs for the purpose of reconfiguring the network prior to and following setting the ICP's jointers to work.</p>
<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.)?</p>	<p>Yes, we think so.</p>
<p>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>	<p>Yes we do, however we reiterate that there must be a focus on making the Self Service initiatives business as usual.</p> <p>We are encouraged by a statement made by SSEPD recently and a stakeholder workshop that they will look at the work produced by ENW and the C NA on UMS connections to IDNO networks issues referred to above. We would have hoped to have seen this reference in the going forward plan and would urge SSEPD to ensure that this is actioned without further delay.</p>
<p><b>We also want your views on how DNO plans will address issues for new connections in constrained areas</b></p> <p>9. Where flexible connection offers are available, do you consider that the DNO's work plan for 2016-17 sufficiently</p>	<p>This is less of an issue for demand customers and more applicable to the DG market.</p>

<p>addressed 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?</p>	
<p>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?</p>	
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<p>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?</p>	
<p>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?</p>	
<p>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?</p>	

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



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