

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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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?	P N Daly Ltd												
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.	ENWL												
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>Metered Demand Connections</td> <td>Low Voltage (LV) Work High Voltage (HV) Work HV and Extra High Voltage (EHV) Work EHV work and above</td> <td>254 21 160 46</td> </tr> <tr> <td>Metered Distributed Generation (DG)</td> <td>LV work HV and EHV work</td> <td></td> </tr> <tr> <td>Unmetered Connections</td> <td>Local Authority (LA) work Private finance initiatives (PFI) Work Other work</td> <td>10 50</td> </tr> </tbody> </table>	Type of connection	Total number of connections	Total MVA of connections	Metered Demand Connections	Low Voltage (LV) Work High Voltage (HV) Work HV and Extra High Voltage (EHV) Work EHV work and above	254 21 160 46	Metered Distributed Generation (DG)	LV work HV and EHV work		Unmetered Connections	Local Authority (LA) work Private finance initiatives (PFI) Work Other work	10 50
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Consultation questions													

Section 1: Looking Back report 2015-16

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

<p>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?</p>	<p>Yes there was clear strategy for engagement. Yes the strategy was implemented. Last question is not applicable.</p>
<p>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>	<p>From ENWL ICE Update and overview;</p> <p>Further refine contestable processes-Output consult stakeholders twice a year.- Output has been achieved but as for SP much effort has been focussed by ENWL on changes which the ENA & MCCG (whose membership comprises GTC, Connect and Power On) have introduced via the CIC COP which provide no benefit to ICP.s or the end customer and are not the result of engagement with customers or ICP.s.</p> <p>The main items which ENWL have focussed on that are ex ENA CIC COP and are not a result of stakeholder engagement are self determination POC and self approval of contestable design and complete authorisation courses to work on network.</p> <p>These are changes to processes which ICP.s do not want or require for anything other than minor streetlighting works. The proposed changes serve to increase risk and timescale to the ICP and at the end of the day provide no benefit to the end customer. If an ICP were to adopt these process changes they would be made reliant upon the accuracy and quality of ENWL sub station load (MDI) information, the quality of which is variable at best.</p> <p>The processes, information and IT systems are, in the case of ENWL and all other DNO.s inadequate for this activity to become fully contestable. As previously stated there is little customer driven demand for the activity to be contestable that we can see (in housing, I&C and generation). What would benefit the ICP or our customers is immediate access for all competing tenderers to any POC. established by a DNO whether as part of Condition 16 offer or CIC offer. For this reason convertible quotes promote CIC far more</p>

effectively than this ill formed and thought out proposition which potentially provides for street lighting projects and little else. Having said all of which ENWL have delivered a system for self determination which we tried on 5 occasions (Metro Link Streetlighting) 4 of which were successful and one not due to data validity issues-we have reverted to POC determination by ENWL.

On the plus side some stakeholder feedback has resulted in the improvements such as permitting some contestable disconnections (but only where new connections are to be done)under CIC, the opportunity to submit standard designs and have them registered as approved by ENWL and the possibility of undertaking part funded reinforcement. While these processes are not perfect and we have, for example, not done disconnections as clients cannot accept process duration, they are important first steps towards achieving goals legitimately set as targets by stakeholders.

Further refine contestable processes- Output consult with other DNO.s- Cannot comment as ENWL have as per their update document not started this process

Provide efficient, consistent service- Output review of services provided_ Action ongoing no detail of review or resulting proposed actions seen therefore cannot comment

Improved clarity on energisation- Output guidance to be published on ENWL website- Status complete- Beneficial, yes to end customers more than ICP.s.

Improved data records- Items such as self determination of POC.s and self approval of design increase the level of risk taken on board by an ICP, that level of risk is further increased if DNO data is unreliable- ENWL has undertaken to review this area and has so far not published it's findings- We are aware of the quality of data and data access available from ENWL and will not be carrying out self determination or self approval fro reasons previously referred to

Improved visibility of wayleaves and estates process- Output guidance documents + access to estates and wayleaves personnel- Documents more relevant to end customers, however access to personnel for progress update is much improved.

	<p>Improved information on how to access training- Output publish better information- Observation standard of information currently provided on ENWL website seems perfectly clear and fit for purpose</p> <p>Update adoption agreements- Output publish updated adoption agreements- Observation output is ongoing and it is unclear what if any benefit 'updating' will give. These agreements have been redrafted previously and approved by legal to use as separate landowner and ICP documents but never came into common usage. It would be referable if ENWL would go down the framework adoption route as per SPEN.</p> <p>Provide formal engagement opportunities- 2 surgeries and 2 workshops per year- output achieved and exceeded</p> <p>Improved variety of information provision- Output increased use of various media channels – Not started but question relevance of, or wisdom of creating multiple channels if current channels cannot be kept up to date.</p> <p>Ensure training reflects market need/improve timescales for training and authorisation/promote industry consistency in training- Output review of modules and courses- Ongoing cannot comment</p> <p>Online application- Not started cannot comment</p> <p>Outperform time to quote and time to connect- The outputs which are in progress are not particularly demanding and represent only marginal gains over SLC15. ENWL frequently exceed these targets already so I do not understand why there is such a lack of ambition</p>
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>Our comments above note that many of the 'improvements' are not always customer driven (ICP or End Customer)</p> <p>In terms of measuring progress no reporting has been seen representing measurement of progress towards each individual target.</p> <p>In respect of whether the DNO has achieved its goals we have commented in the previous section.</p> <p>In respect of those items which ENWL have not achieved we have not been provided with the reasons that they have not been achieved and therefore</p>

	<p>cannot comment.</p> <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>
	<p>As previously described the ENA CIC COP has focussed DNO attention away from what stakeholders actually want (level playing field with Licence Condition 16 businesses) and instead cause them to follow an Agenda which is the result of consultation between the ENA and GTC/MCCG/Power On/Connect.</p> <p>The preceding misdirection of effort by ENWL is a result of the failure of Ofgem to manage this process of engagement, which it had done actively and well from 2005 to 2015. Instead Ofgem has taken a laissez faire approach to DNO engagement with ICP.s and end customers on CIC which is an error of judgement which needs to be corrected by Ofgem</p> <p>Where ENWL are moving in the right direction responding to customer feedback,it is without the degree of ambition or determination that has characterised it as a leading company in CIC in the past.</p>

Section 2: Looking Forward plans 2016-17

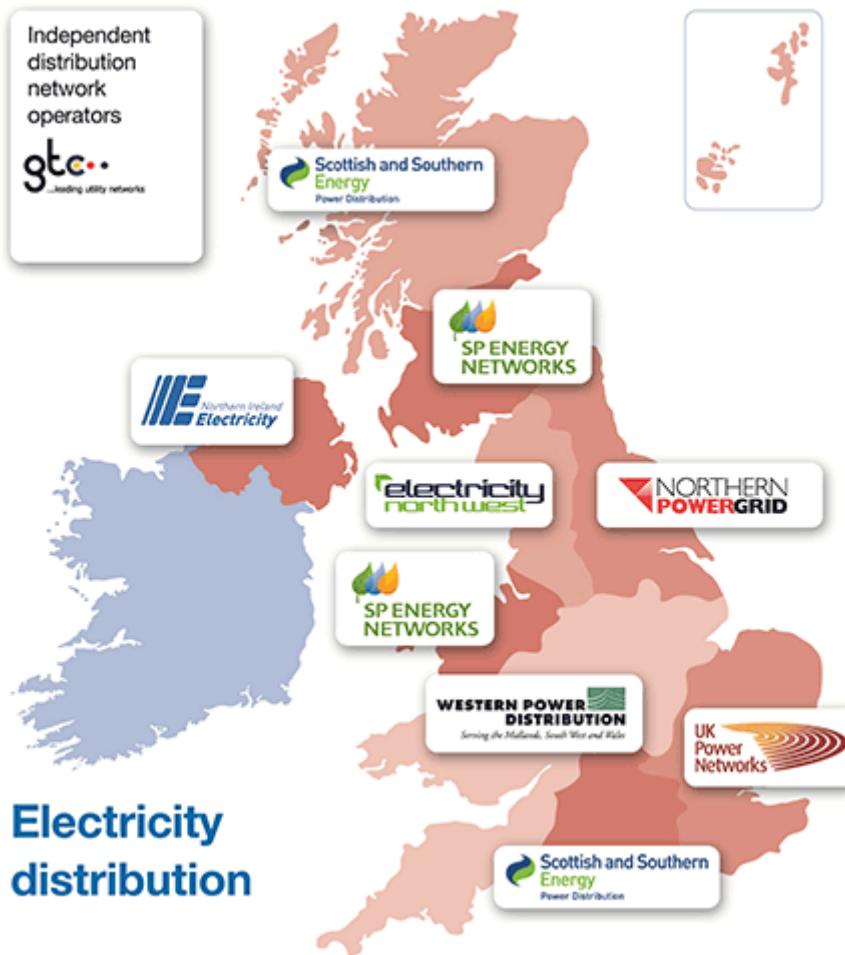
We want your views on what the DNOs aim to achieve in the coming year

<p>5. Are you satisfied that the licensee has a comprehensive and robust strategy for engaging with connection stakeholders and facilitating joint discussions where appropriate?</p>	<p>ENWL have a strategy and the plan for engagement which will facilitate joint discussions.</p>
<p>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>	<p>A work plan is evident which provides detailed delivery dates</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>These clear but in some cases lack ambition and relevance</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?	No, see response to question 4
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?	Work plan makes no reference of flexible connection offers
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?	No the work plan does not currently provide sufficient detail in this regard
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?	Answer as for 10
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?	Yes
13. Do you consider that the DNOs' plans	Yes

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?	Measure extent of data access ICP v License Condition 16 company and quality of data in MDI records

Annex 2 - Map showing DNO licensee areas¹



¹ Image from Electricity Networks Association (ENA)