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Marco D'Alterio Ofgem 10 South Colonnade Canary Wharf London E14 4PU

Dear Mr D'Alterio

## 2022 open letter consultation on the Incentive on Connections Engagement

Roadnight Taylor is pleased to be able to give feedback regarding our connection experience with the six Distribution Network Operators based in England, Scotland and Wales over the 2021-22 regulatory year. We have provided comments on several sections that we believe are the most critical, as opposed to individual feedback for each DNO.

# **Transmission works assessment process**

It is essential that there is a guaranteed standard introduced for transmission works assessment submissions. Currently the guidance states 'as soon as reasonably practicable' which leaves too much room for delay. Best practice in the industry seems to be WPD, who at least do Appendix G updates monthly. We recommend the maximum time between submissions to National Grid to be 3 months.

## Transmission upgrade timescales

Across the country there are now significant time delays for new connections due to the need for transmission upgrade works. Some DNOs are making a concerted effort to analyse their connection queues and either rescind the offers of projects that are not progressing or to move customers into the slow-moving process where other customers are able to connect quicker. This is a useful exercise, but it should be standard practice for DNOs to monitor project progress to ensure timely connections can be made. The ENA milestone process exists for this, but in our opinion this is too heavy handed and does not account for the realities of project development and delivery. There needs to be a pragmatic but consistent approach for evaluating project milestones and progress with allowances made for projects that are genuinely going to be built out and accountability and cancellation for those that are not.

The other essential aspect of alleviating this issue is to work collaboratively. Firstly with National Grid to implement measures such as Regional Development Plans and constraint management, secondly between DNOs. Some DNOs, especially in the Southern region have much more experience managing large connection queues and transmission constraints than others so it is essential this best practice is shared. Infrastructure sites also need to be dealt with in a more cooperative way as opposed to no one taking responsibility for more innovative connection solutions at these sites.



### Securities and Liabilities – process coordination and transparency

There are two ways in which the cancellation charge process could be made more transparent – firstly within the offer, so that there is an indication of the potential financial risk that a generator is signing up for when they accept. Secondly, at the stage at which a project becomes liable for cancellation charges and has to start paying securities. Some of the DNOs have a clear process for this where MM1 statements are sent to customers every 6 months and others have very limited engagement and do not clearly communicate risk or correctly apply the cancellation charge process. Given the amount of reinforcement that needs to be done on the transmission system in the next decade, this is not a sustainable practice and there needs to be consistency between all of the DNOs.

#### Resourcing

All DNOs need significantly more staffing resource, especially as the volume of distribution connections has once again stepped up over the last 12 months. Having an under resourced team creates a self-perpetuating cycle of high staff turnover which results in a lack of consistency and quality of service during the project delivery phase. There needs to be clearly defined roles and responsibilities from acceptance, and outstanding project management skills from those within the DNO who are delivering the project.

#### **Customer service**

This needs to be at the forefront of every aspect of operation, including new connections, not just an afterthought or inconvenience. Some DNOs, WPD in particular are exemplary in their customer service but in others it is severely lacking. This is partly due to lack of resource but also due to company culture. We suggest that there are dedicated team members that ensure customer service standards are being met and that customer needs and complaints are being dealt with quickly and effectively.

#### **Engagement and feedback**

Some DNOs have taken on ICE as an effective and meaningful method of engagement with their customers. SSEN are particularly commendable in this regard as they run regular engagement sessions with stakeholders and make a real effort to reach out and to help where possible. Some of the other DNOs are not proactive at all in their efforts to engage with and understand their stakeholders and give the bare minimum in terms of opportunity for feedback and collaboration. We would always encourage more of this where possible, as the breadth of experience that can be accessed by engaging with outside parties, especially with those with experience of working across all the DNOs can be of great benefit to understanding best practice and effective ways of managing networks.

### Increased data provision for self-serve

Data provision needs to be a key focus for DNOs. This will help in the long run as developers will be able to self-serve instead of taking up the valuable time of system planners and engineers. We have had positive conversations with UKPN in this regard and their data provision has increased significantly this year.

It would also save a great deal of time if parties with the expertise to use it could have access to the same data as ICPs and IDNOs. It is a shame that DNOs make certain data only available to ICPs/IDNOs simply because there is a licence condition to do so. Developers, for example, are often undertaking exactly the same type of work as ICPs and IDNOs (i.e. initial feasibility works prior to application), but currently have less access to systems. We believe this is both arbitrary and anti-competitive.



Given the scale of the development of large demand projects we believe it is now necessary to have an Embedded Capacity Register for demand/import schemes over 1 MW. This could be tied into an Open Networks Project.

#### Live connections contacts and escalation routes

All DNOs should publish up to date and relevant connections contacts on their website. Some do this already, but it should be made clear who is responsible for what area and who reports to who for escalation purposes. SSEN and SPEN have very clear connections contacts guides and should be used as an example of good practice. Staff members involved with connections should also be required to include their telephone contact details in their email signatures, rather than hiding behind a corporate wall.

We would be happy to provide further comment on any of these subjects on request.

Yours sincerely,

Nikki Pillinger

**Grid Connections Specialist** 

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