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Dear Sai Wing,

**Response to statutory consultations relating to the determination of the civils related works reopener.**

This response is provided on behalf of National Grid Electricity Transmission (NGET) in our role as Transmission Owner in England and Wales. As the party delivering the interventions proposed in the Civils Related Works (CRW) reopener submission, we welcome the opportunity to respond to this consultation.

In relation to the statutory consultation on the proposal to modify the Special Conditions of our Licence, which widens the scope of the interventions which can be included in the reopener, we are supportive of these changes. It was our understanding that the submission would allow scope for replacement of assets where appropriate and as such, we support the need to update the Special Condition to reflect this. We also proposed that a number of interventions included would best be funded via a "Use It Or Lose It" allowance and also support this aspect of the licence change.

However, we would like to request some flexibility in relation to the allowance proposed under Special Condition 3.32.8, to help us to take a more efficient approach and reduce overall costs in this area. While we do not agree with the principles which underpin your proposed decision, we are looking for practical ways to deliver the most efficient outcomes for consumers within the funding determined.

For interventions included in the reopener, condition information has been consistently assessed and scored to ensure interventions are appropriately prioritised. This applies to the 20 sites where Site Condition Monitoring (SCM) was completed prior to submission and also to Plant Status entries which have been individually surveyed. The determination means we are now funded for a number of lower priority interventions identified as part of SCM whilst in contrast, we are not funded for a number of interventions with worse condition scores where interventions have been identified as part of the Plant Status process.

Additionally, for Plant Status interventions, we are not funded for some interventions with a condition score of 60 which are on the same site as funded interventions with a condition score of 80. This is further compounded as some sites with interventions included in the Plant Status listing are also one of the 20 SCM sites and to avoid duplication we excluded these interventions from the SCM listing.

The allowance proposed is split across submission categories (Plant Status, SCM and urgent interventions). Considering the now constrained funding in this area, greater flexibility with the use of funding would enable more effective prioritisation for efficient delivery. This is because the combination of proposed decisions would make it more difficult for us to deliver economic packages of work and may result in repeat visits to a site, at additional cost to consumers. Our request is aimed at helping us

to reduce the potential for such costs. We would, therefore, be grateful if the Plant Status and SCM funding pots could be merged into one to allow us to better manage delivery of the works and realise cost efficiencies for consumers where possible.

Once a final decision is made, we will review our approach to this area of work given the constrained funding that is being proposed and would be happy to share this approach with you.

Please contact Sophie Knee-Higgins, Regulatory Development Manager, with any initial queries in relation to this letter. Email [sophie.knee-higgins@nationalgrid.com](mailto:sophie.knee-higgins@nationalgrid.com) and telephone 07890 044533.

**Confidentiality**

I confirm that this response can be published on Ofgem's website.

Yours sincerely,

[By email]

**Sara Habib**

Head of Future Price Controls