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Dear Neill,

- **Consultation on Data Assurance Guidance for Electricity Distribution Licensees**
- **Statutory Consultation on Data Assurance Guidance and proposed licence changes for Electricity and Gas Transmission Licences and for Gas Distribution Licensees**

Thank you for the opportunity to comment on the above consultations, dated 17 December 2014, pertaining to our Distribution and Transmission businesses, jointly as Scottish and Southern Energy Power Distribution (SSEPD). The responses in this letter reflect the concerns of SSEPD as a whole unless indicated otherwise. SSEPD have also contributed to and support the separate ENA consultation response from the wider DNO and TO population.

These consultations are the culmination of over two years' hard work throughout the Data Assurance trial period, in which SSEPD has supported the principles and objectives of Ofgem's Data Assurance programme, and consequently fully participated in shaping the look, feel and direction of the Data Assurance Guidance (DAG) and associated documentation. It is therefore disappointing to be at this stage of proceedings and still be feeding in proposals for clarification and amendment in a number of significant areas which we expected to have been previously addressed. For the DAG to be fully effective it is crucial that Ofgem address the points raised in the ENA response and have these reflected in the DAG prior to the 1 April go live date.

The points that SEPD would like to raise are as follows:

### **1. Consistency of application**

It is Ofgem's intent to have a consistent framework across all sectors. However, there are inconsistencies in the treatment of the submissions in the electricity submission lists – Appendices 1a (ET) and 1d (ED). For example, a precedent has been set by Ofgem for ED regarding the treatment of the RRP tables being rolled-up into six workbooks. For ET a Revenue workbook has been created, yet remaining RRP tables in ET have been listed individually. This significantly alters the obligation for Transmission licensees, creating an imbalance and contradicts paragraph 2.31 in the guidance document, which states:

“For large data submissions, it may be appropriate to undertake Risk Assessments at the level of individual tables....Licensees should *use their own judgement* to determine whether it is appropriate to Risk assess at table level or at submission level”

### **2. Comparative Efficiency**

The Impact scores used in the DAG risk assessment include assessment of the potential for data issues to distort future comparative efficiency analysis. It is not always clear to SSEPD how data will be used by Ofgem in future assessment processes. To assist in selecting the appropriate option in the 'Comparative Efficiency' column (Table 2.1, column d), SSEPD require Ofgem to advise as to which submissions will be used in its future comparative efficiency analysis. The current risk is that SSEPD interprets differently from Ofgem and as a result provides unexpected impact results.

### **3. Quality of DAG appendices**

- a. The RRP tables included in the Transmission appendix are not aligned to the new RIIO-T1 Regulatory Instructions and Guidance (RIGs) document. This means SHE Transmission are required to risk-assess against a superseded list of tables and conduct assurance and report thereon the new list. SHE Transmission would like to see the Transmission tables rolled up into workbooks and aligned to the six categories detailed in the new RIIO-T1 RIGs document (Finance, Totex, Opex, Capex, Network Data and Outputs).
- b. There are submissions on the Transmission list that are not on the Distribution list, namely: Section 42, Electricity Act in respect of Directors Remuneration; and SpC 2E for Business Separation Compliance. SSEPD believe there should be consistent treatment of submissions across our licences and suggest a corresponding entry be placed on the Distribution submission list.
- c. The submission lists – Appendices 1a (ET) and 1d (ED) contain incorrect submission dates and must be updated to align to the correct ones.

- d. A full list of irregular submissions needs to be included in the submission lists to provide clearer direction, aid consistent completion of the NetDAR, and prevent submissions being inadvertently omitted from the report.

**Response to Transmission licence modification SLC B23**

SHE Transmission is satisfied with the proposed modifications to the B23 licence condition. However, where differences exist between the Transmission and Distribution licences in this context, these should be addressed and the licences brought into alignment.

Yours sincerely,

Andrew Wright

**Networks Regulation**