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Our ref

Your ref

Date

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Dear James,

**OFGEM REVIEW OF THE ELECTRICITY CONNECTIONS MARKET: CONSULTATION
ON PROPOSED REMEDIES**

Western Power Distribution (WPD) welcome the approach Ofgem have taken in setting out a remedy to ensure a level playing field that does not require fundamental structural reform or referral to the Competition Markets Authority at this stage. This letter is a follow on from our 18th February letter.

Question 1: Please provide your comments on the proposed structure and content of the CoP licence condition

DNOs are working together via the ENA Licence Drafting Working Group to provide detailed comments on the structure and content of the CoP licence condition, and will respond in due course.

Question 2: Please provide your comments on the minimum requirements we have proposed for inclusion in the CoP

As we stated in our 18th February response, we believe the code of practice addresses the key points which our stakeholders would want to see improvement in.

We do have the following points to raise;

Design Approval

However, we would like to seek clarification on Design Approval. The Ofgem consultation on proposed remedies refers to "approved designers". We believe that limiting this to approved single individual designers creates unnecessary administrative burden and cost on both ICPs and DNOs. The more efficient way forward would be to approve the entire ICP to make designs, not single individuals. This would then leave the responsibility to have properly accredited and trained staff in place to the ICP.

Following on from the above, the suggested minimum requirement in the CoP, for Design Approval states that designs would not require approval by DNOs staff. Whilst we agree with the general principle of limiting the role the DNO has in this area, we believe that as design approvals are such a key part of the process, there should be some auditing of the designs – at least on a sample basis to ensure standards are maintained. WPD for example, has internal processes which require sign off of each design by relevant team manager. This provides some scope for review and this approach would be of benefit to the ICPs. It might be that, due to resource constraints, they could do this auditing on a sample basis rather than all schemes. However, under either option the ICP would need to keep records.

In terms of the on-going governance of the CoP, we strongly agree that the code of practice needs to be a living document and that changes to it can be proposed by a wide range of parties – including actual customers. However, the arrangements put in place should be such that there are not a large number of speculative changes brought forward. To aid efficiency, we suggest that these governance arrangements are covered in the DCode. This code would allow for any party to bring forward changes, which is a necessary requirement.

Question 3: In addition to the minimum requirements, what else should be included in the Code of Practice?

There are no additions at this time. However, WPD does not see the introduction of the code of practice as a constraint on further developments. WPD will continue to engage with its stakeholders and be pro-active in the development and implementation of new ideas in connections. Should any new WPD initiative be considered best practice they could be proposed as changes under governance arrangements.

We believe the code of practice reflects the needs of our stakeholders and indeed are addressing the concerns through our Connections workplan. The structure appears to cover the key aspects to ensure this is a viable working document.

However, there is one area we believe shouldn't be included – unmetered supply inventories. There are currently two changes to industry codes out to working groups and associated consultations, which seek to address this issue. As such to include within the code of practice would not seem appropriate.

We would also like to add that the ICP/IDNO should have a duty to ensure that:

- All cable records relating to the adopted energised network, are provided to the DNO with the minimum of delay;
- Any actions by the ICP/IDNO do not cause the DNO to be in breach of its licence;

We would be happy to discuss any of these issues further and we look forward to seeing the views of other stakeholders in their responses to this consultation.

For any queries or further information please contact Richard Allcock on 01332 827503 or email rallcock@westernpower.co.uk

Yours sincerely



ALISON SLEIGHTHOLM
Regulatory & Government Affairs Manager