

Louise Deighan
Ofgem
3rd Floor
Cornerstone
107 West Regent Street
Glasgow
G2 2BA

18 March 2016

Dear Louise,

Re: Notice under Part C of Standard Licence Condition 46 (Regulatory Instructions and Guidance) of the Electricity Distribution Licence of proposed modifications to the Regulatory Instructions and Guidance

On behalf of Electricity North West Limited, thank you for the opportunity to respond to this consultation. Having reviewed the proposed modifications of the RIGs and Reporting Pack Templates, there are a number of points that we would like to draw your attention to. These are set out below.

RIG Annex	Reference	Comment
A	Smart Meter Interventions – Category A Intervention, Smart Meter Interventions – Category B Intervention, Smart Meter Interventions – Category C Intervention	<p>All of these definitions have been added in and duplicate the list of codes for each category. As these may be subject to change, we suggest that we signpost to the MOCOPA Guidance for Service Termination Issue Reporting document for the codes, or we may need to revise this document in the future if the reporting code change.</p> <p>The second suggestion is to change the title from 'Intervention' to 'Situation' ie Category A Situation as this aligns with the DCUSA definition and it is only on Intervention when work is carried out. It is a Situation when it is reported.</p>
A	Streetworks definitions	<p>Streetworks definitions need adding to the Glossary for the new rows added on the tables i.e. "Tab M9a - Traditional Street Works (ex ante), additional rows added (24-26) for Suspensions and closures." Also need noting in Annex B for table 'M9a Traditional Streetworks' in section 6.78.</p> <p>We also suggest that the definition of streetworks administration should include any additional IT costs which are solely</p>

		<p>required to support streetworks activities. At present these would fall under general IT&T and we suggest this fails to appropriately recognise the costs associated with streetworks activities.</p>
B	SI1 – Performance summary table	<p>We suggest that table SI1 should include an additional row to separate out the exceptional events in the year. This would allow stakeholders to understand the baseline performance and the issues out of the control of the networks.</p> <p>We also note that CIs and CMLs are also required on the ‘M14 – Drivers’ table (a year in arrears to agree to numbers confirmed by Ofgem)– however it doesn’t state whether these also include or exclude exceptional events?</p>
B	Cost and Volumes new tables	<p>Paragraph 4.263 contain phrase ‘Meter Operator Hotline’ which is not defined in Annex A – we suggest that the capitals are removed.</p> <p>Text from paragraph 4.272 is replicated below – suggested amendments shown in blue and deleted text.</p> <p>4.272. Given the possible delay between defect rectification and meter installation, it will be necessary to reconcile activity across reporting years as a defect report may have been resolved in the previous regulatory year to the subsequent Smart Meter installation–, and this information would not necessarily be available at the relevant regulatory reporting date. When the licensee reports an initial figure for each year, it should also review the prior year to identify any additional Smart Meter Interventions which took place in that year (‘Smart Meter Interventions’ is defined in CRC3E). Any additional Smart Meter Interventions not originally reported against the prior year should be reported as a restatement against that prior year (ie Smart Meter Interventions – prior year restatement). The total number of Smart Meter</p> <p>Interventions reported in any given regulatory year, including the initial figure plus any subsequent prior year restatement, must accord with the definition given in CRC3E. Where one or</p>

more activities took place in a regulatory year in respect of a given Smart Meter Installation, these constitute only one Smart Meter Intervention.

If work is carried out in subsequent regulatory years as part of the same Smart Meter installation, this is not counted, as the intervention will have been recorded in a previous year. Defects from reporting year -1 should be compared against the data used for reporting the previous year. Any defects now identified as associated with Smart Meter installation should be reported as an adjustment in both the Smart Meter and ONIs tables.

We also note the inconsistency in the headings 'Process A' and 'Process B (applies only to category B defect notifications)'. This should be amended ie 'Category A process' and 'Category B process'.

We suggest the following amendments

Text from new paragraph are replicated below – the suggested amendments are shown below. We believe that this improves the clarity of the reporting requirement.

~~4.273. Where a Meter Operator notifies a DNO of a category B defect via Asset Condition Report (D0135 dataflow), it is mandatory for them to confirm whether the defect driver is in relation to a smart/non smart meter visit. Where the defect notification is in response to a smart meter visit then the Meter Operator must identify this via the following means:~~

~~Item Reference J2062 (Indicator for when a site visit is to install a Smart Meter) F Not a visit to install a SMETS Meter T Visit to install a SMETS Meter (exchange from Non-SMETS meter).~~

4.274. Where a DNO has received positive indication that the defect is Smart Meter installation driven, then this is sufficient to allow subsequent ~~rectification works~~ activities to count as a 'Smart Meter Intervention' in the year that the ~~rectification works~~ activities are undertaken, rather than in the year the Smart Meter is installed, where the two

		<p>are different. Extra care will be required to avoid double counting.</p> <p>4.275. Note, for the avoidance of doubt and based on the licence definitions of a sSmart mMeter intervention, if you do one or more activities in a regulatory year as part of the same sSmart mMeter installation, this counts as one intervention in the year.</p> <p>If work is carried out in subsequent regulatory years as part of the same Smart mMeter installation, this is not counted, as the intervention will have been recorded in a previous year.</p> <p>4.276. Proactive Interventions: Proactive Interventions are instances where the DNOs become aware of defects that would prevent the installation of a Smart Meter (for example, where the DNO receives one category B notification from a supplier, but can identify other properties on the same street that will have the same issue). DNOs should undertake the work and record the multiple interventions if it is the efficient way of managing the network. DNOs will need to maintain records of these instances and be able to provide details of the work completed and justification for inclusion as a proactive intervention.</p> <p>[we suggest that proactive interventions should be defined in the Glossary]</p> <p>4.277. Proactive interventions would need to be one or more of the activities listed in Appendix 2 of CRC 3E defined in CRC 3E-19 to qualify. Extra care will be required to avoid double counting if a subsequent defect is reported via a supplier mechanism. One or more activities at the same sSmart mMeter installation should be counted as one sSmart mMeter intervention.</p> <p>4.278. Following the end of the Smart Meter Roll Out, a defect with DNO equipment identified at the time of installing or attempting to install a sSmart mMeter should be reported under ONIs.</p>
B	Streetworks cost reporting	We note the new requirements to report numbers of suspensions and road closures. As this was not a requirement for DPCR5, we did not collect this data

		and are therefore unable to break this down retrospectively.
G	CR5 Metered Connections	<p>We suggest that the proposed change no. 3 is superfluous. CR4 is a calculated table based on CR5. DCPR4 projects are excluded from the scope of this table (see extracts below). Their reason for change is that DPCR4 is to be reported but that is an error. We propose that you delete these rows or if you want to retain them, that they are greyed out.</p> <p>CR5 – Metered connections completed including DG</p> <p>2.46. This worksheet is for reporting metered Connection Projects, including DG, which have been financially closed within the Regulatory Year. This excludes ICP part funded connections which should be reported under worksheet CR10. From this, the level of over or under recovery of direct costs for metered connections is calculated.</p> <p>2.47. All connection projects meeting the definition of Connection Project in the glossary should be included in this worksheet. Each column is described, in turn, below.</p> <p>Connection Project</p> <p>Where a quotation was offered to the connecting party after the required systems and processes were in place to provide the level of project specific detail required for a RIIO-ED1 project.</p>
G	SLC12 and 15	<p>We believe that the calculation of the percentage performance in the SLC12 & 15 tables is wrong. The calculation takes no account of exemptions; in the GSoP tables these are included in the dominator ie essentially as a pass. The same treatment should be there for SLC15</p>

If we can be of any further assistance, please do not hesitate to contact me.

Yours sincerely

Jen Carter
Regulation Manager