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Dear Grant

RIIO-ED1 Stakeholder Engagement and Consumer Vulnerability Incentive Guidance – informal consultation

Thank you for the opportunity to comment on the above informal consultation. This response should be regarded as a consolidated response on behalf of UK Power Networks' three distribution licence holding companies: Eastern Power Networks plc, London Power Networks plc and South Eastern Power Networks plc. For convenience, the three licensees are collectively referred to as "UK Power Networks" throughout. Please note that our response is not confidential and can be published via the Ofgem website.

We have set out our detailed feedback in the appendix to this letter. Although there appear to be a significant number of points, they are in fact relatively minor and their resolution will go a long way to ensuring a clear and concise document for all stakeholders.

If you have any questions about our response, please do not hesitate to contact Paul Measday in the first instance.

Yours sincerely



James Hope
Head of Regulation and Regulatory Finance UK Power Networks

Copy Paul Measday, Regulatory Returns & Compliance Manager, UK Power Networks

Appendix

1. The addition of the word “in” before “planning” in the final line would make the sentence clearer for the reader without changing the meaning.
2. The heading to paragraphs 1.5 and 1.6 (currently “Compliance”) no longer accurately describe the contents of these paragraphs. The removal of this heading resulting in these paragraphs sitting under the “Purpose of this Guidance” section seems an appropriate solution.
3. The diagram in paragraph 3.1 would benefit from a reference in Part 3 to the appointment of consultants and the conducting of a site visit.
4. The diagram in paragraph 3.1 has a superfluous “the” in the Part 3 line.
5. Paragraph 3.3 is missing a space before “Each”.
6. It is unclear what “all of the supporting evidence” in paragraph 4.4 is referring to – does it mean the three parts of the submission?
7. In the second line of paragraph 4.6, “they are” should be changed to “the company is” to make it clear who is eligible for a reward.
8. The reference in paragraph 4.8 to advance notification of the date and agenda for the Panel Session should cross refer to the newly added paragraphs 5.8/5.9 where the process for timescale setting is laid out.
9. We are pleased to see the detail in paragraph 4.13 surrounding the feedback DNOs will be given following the Panel Session. We feel this would be further enhanced through the specific inclusion of the reference to DNOs being given panel scores for each of the Panel Assessment Criteria. This will help DNOs explicitly understand where their strengths and weaknesses are to help drive customer service improvements.
10. Paragraph 4.18 would benefit from clarification to the effect that the Consultants will assess Part 3 (only) but will also get Parts 1 & 2 for their information and to provide context.
11. In respect of paragraph 4.19, clarity is required in the wording such that it is clear that the Consultants will be the same across all the network companies, as will the staff the Consultants use for the site visits. This will help ensure consistency in the scoring.
12. Paragraph 4.20 would benefit from a small number of changes to improve its readability and accuracy:
 - a. The end of the second sentence (currently “...initial assessment of each network company”) should read “initial assessment of each network company’s submission”.
 - b. In the following sentence it is not the “...company’s performance” but the “...company’s submission” which is subject to the initial assessment.
 - c. The final words of the closing sentence (those after “...new information”) should be deleted. Their inclusion means that the company’s answers to questions from the Consultants cannot form part of the Consultant’s assessment which negates the reason for asking the questions.
 - d. The paragraph is quite long and would benefit from breaking down into two or three separate paragraphs.
13. The reference at the end of paragraph 4.23 to a “third party” should be amended to “Consultant” for consistency with the rest of the document.
14. The “and” after “DECC” in paragraph 5.2 needs to be an “or” to prevent this paragraph only applying where the driver has come from **all** the listed parties.
15. With the need for printed copies to be submitted by a different date to the electronic ones, the reference to “date” in paragraph 5.6 should be made plural.
16. The timescales to provide a redacted version of any documents for publishing should be laid out in paragraph 5.7.
17. There is a contradiction between paragraph 4.20 (where the DNOs and Consultants agree a date for the site visit) and paragraph 5.8 where the date of the site visits appear to be set

- by the Consultants and Ofgem. We believe that amending paragraph 5.8 to specify a date range in which the site visits need to be conducted is the appropriate correction.
18. There is a superfluous “the” in the final line of paragraph 5.8 (before “their”).
 19. Paragraph 5.9 should also cover the publishing of the name of the Panel chair.
 20. The opening sentence to paragraph 6.2 should cross refer to the paragraphs where the assessment process is set out
 21. The three formulas in paragraph 6.2 need clarity to explain that the Overall Panel Score calculations are done for each licensee in a group.
 22. The cross references to CRC2C in the SEt and MSER definitions are inconsistent – we believe the former is better although would benefit from the condition title being in brackets.
 23. Paragraph 6.3 is superfluous as the calculations ensure this.
 24. The following definitions need amending:
 - a. The reference to Chapter in the definitions of Part 1, Part 2 and Part 3 needs to be plural.
 - b. The definition of Panel states that the Panel Chair assesses the submissions. Clarity should be added that although the Panel Chair may assess the submission, as per paragraph 4.14 they do not score it, it is only the Panel Members that do this.
 - c. The definition of Panel Session should include the DNOs presentation/Q&A slots.
 - d. It is unclear whether the definitions for SECV Incentive and SECV Incentive Guidance are required. If they are to be kept, the latter should refer to the guidance being the document the reader is reading.