

27 July 2017

Ofgem
9 Millbank
London
SW1P 3GE

By email only to: connections@ofgem.gov.uk

Dear James

RE: Incentive on Connections Engagement Consultation 2017/18

BUUK welcomes the opportunity to respond to Ofgem's consultation on the looking back reports 2016/17 and the looking forward reports 2017/18 of each DNO's Incentive on Connections Engagement ("ICE") documents. BUUK is the parent company of electricity distribution licensees, the Electricity Network Company ("ENC") and Independent Power Networks Limited ("IPNL"). Our licensees operate as Independent Distribution Network Operators ("IDNOs"), owning and operating 'last mile' networks which are principally provided to new developments. These networks connect to the distribution systems of DNOs. Additionally, BUUK is the parent of Power on Connections ("POC") which operates as an ICP undertaking work which may be adopted by BUUK's licensees or other distributors. BUUK's businesses operate across all Distribution Services Areas and as a result we engage with all DNOs on their approach to connections policy and in particular the development of Competition in Connections ("CiC"). We have provided answers to the specific questions within the attached template but we set out a broad and general analysis of how each of the DNOs has performed below:

UK Power Networks – We believe that UKPN, over the last year, have been consistently the highest performing DNO. Their approach is impressive as they do not only engage with us but are the quickest to react to issues and consistently strive to provide solutions working together, with us.

Northern Powergrid – NPG are beginning to follow the lead set by UKPN. We note the problem that they had at the time of the previous ICE consultation, which caused a subsequent Ofgem consultation, and consider that since that time they are looking to facilitate their connection customers' requirements progressively.

Western Power Distribution – There have been times in previous years where we have been impressed with the way that WPD have led the DNOs in providing solutions to issues (removal of link box requirements for example). However we do feel that WPD's internal CiCCoP (CiC Code of Practise) processes may be hampering their ability to provide

innovative solutions to issues and although we are working with them, and they engage with us, they are often slow to deliver changes.

Scottish and Southern Electricity Networks – SSEN generally provide a fairly comprehensive engagement strategy but we don't feel that they lead DNOs or break new ground for demand connections customers. They are not, necessarily, lacking in any aspect but rather sit comfortably mid table from our experience.

Electricity North West – Historically ENW have been one of the leading DNOs in our experience in the competition in connections arena. We note that with their aid we now have an acceptable solution for UMS (unmetered supply) customers which does not inhibit competition in connections. However we do feel that ENW have, in the past year, become comfortable and we do not see the level of change in their area as we do in some of the other, better performing, DNOs.

Scottish Power Distribution – We are concerned at the lack of engagement from Scottish Power. We continually attempt to engage with Scottish Power in order to define solutions to issues and improve existing processes. But we feel, at times, that this engagement is not returned and we struggle to work with Scottish Power to improve the experience for connections customers.

One area of activity which we consider is a primary point to focus presently is the provision of emergency response services to IDNOs by DNOs. Although this may not be directly connections activity we note that this activity is considered in the ICE submissions by DNOs and so it should be considered in this response. We have been actively seeking to engage with DNOs on this issue to put in place contractual terms for the provision of emergency response. We believe that there is complete IDNO agreement in the approach we are taking and we are disappointed that, at present, we have only been agree terms with WPD and ENW. We are eager to work closely with DNOs on this issue but are frustrated by the lack of engagement with some DNOs. This is the primary area of wholesale change we are seeking to bring about and believe that DNOs could be doing more to agree the contractual provisions.

Responses to the consultation questions which relate to our requirements as a connection stakeholder can be found in Annex 1 of this letter. Should you wish to discuss any of the points raised in this letter then please do not hesitate to get in contact with me.

Yours sincerely

Mike Harding
Regulation Director

Annex 1 – Open letter consultation on the Incentive of Connections Engagement

- 1.1. We would like to hear the views of interested parties in relation to any of the issues set out in our open consultation letter.
- 1.2. We would especially welcome responses to the specific questions in our consultation, which are replicated below.
- 1.3. If you have any questions on this document please contact:

James Veaney
Head of Connections and Constraint Management
Ofgem, 9 Millbank, London, SW1P 3GE
020 7901 1861
Connections@Ofgem.gov.uk

- 1.4. **Responses should be sent, preferably by e-mail by 27 July 2017 to the address above.**
- 1.5. Unless marked confidential, all responses will be published by placing them in Ofgem's library and on its website www.ofgem.gov.uk. Respondents may request that their response is kept confidential. Ofgem shall respect this request, subject to any obligations to disclose information, for example, under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004.
- 1.6. Respondents who wish to have their responses kept confidential should clearly mark the document/s to that effect and include the reasons for confidentiality. Respondents are asked to put any confidential material in the appendices to their responses.
- 1.7. Next steps: We will consider the responses to this consultation and these will be used alongside other evidence for our assessment of the ICE plans.
- 1.8. Each of the questions asked by this consultation is set out in the template below.
- 1.9. Please ensure that you **indicate the DNO group or specific licence area** to which your experiences relate.
- 1.10. Please ensure that you indicate clearly the type of connection you generally require.
- 1.11. When considering your responses to these questions, please consider your experiences, the actions that the DNO has undertaken or committed to undertake, and the actions that you consider it could reasonably undertake.

Response template – Incentive on Connections Engagement June 2017

Question	Response																																		
About you and your work																																			
1. What is the name of your company?	BUUK Ltd.																																		
2. Which DNO's ICE submission is your response related to (see Annex 2 for DNO map)? Please indicate clearly in your response to the questions below whether your comments refer to the DNO's plans as a whole, or to one of the DNO's licence areas. If you wish to provide a response to the ICE submission of more than one DNO, please use a separate template for each DNO.	NPG (Yorkshire and North) ENWL SPEN (Scotland & MANWEB) WPD (Midlands, South West and Wales) SSEN (North & South) UKPN (EPN, SPN, LPN)																																		
3. What type of connection do you generally require? And for each type of connection, how many connection applications, including total MVA (Mega Volt Ampere) of connections have you made in the past year? Please note that we will assess storage within the relevant metered generation market segment.	<table border="1"> <thead> <tr> <th colspan="2">Type of connection</th><th>Total number of connections</th><th>Total MVA of connections</th></tr> </thead> <tbody> <tr> <td rowspan="4">Metered Demand Connections</td><td>Low Voltage (LV) Work</td><td>Circa 400</td><td>45</td></tr> <tr> <td>High Voltage (HV) Work</td><td>Circa 500</td><td>600</td></tr> <tr> <td>HV and Extra High Voltage (EHV) Work</td><td>Circa 20</td><td>150</td></tr> <tr> <td>EHV work and above</td><td></td><td></td></tr> <tr> <td rowspan="2">Metered Distributed Generation (DG)</td><td>LV work</td><td></td><td></td></tr> <tr> <td>HV and EHV work</td><td></td><td></td></tr> <tr> <td rowspan="3">Unmetered Connections</td><td>Local Authority (LA) work</td><td></td><td></td></tr> <tr> <td>Private finance initiatives (PFI) Work</td><td></td><td></td></tr> <tr> <td>Other work</td><td></td><td></td></tr> </tbody> </table>	Type of connection		Total number of connections	Total MVA of connections	Metered Demand Connections	Low Voltage (LV) Work	Circa 400	45	High Voltage (HV) Work	Circa 500	600	HV and Extra High Voltage (EHV) Work	Circa 20	150	EHV work and above			Metered Distributed Generation (DG)	LV work			HV and EHV work			Unmetered Connections	Local Authority (LA) work			Private finance initiatives (PFI) Work			Other work		
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	Other work																																		
Consultation questions																																			
Section 1: Looking Back report 2016-17																																			

We want your views on how well the DNOs have performed over the last year

1. Are you satisfied that the DNO had a comprehensive and robust strategy for engaging with connections stakeholders? Do you consider that the DNO implemented its strategy? If not, are you satisfied that the DNO has provided a reasonable and well-justified explanation?

NPG (Yorkshire and North): Yes. Monthly workshops are available, the invites to which are consistently sent out each month. Bi-annual stakeholder engagement workshops are also issued consistently. NPG has been overpromising the new GIS system which is now hindering our self-determination PoC activities. NPG has put in place an interim IT solution to enable access to their current GIS but due to BUUK IT policy and cybersecurity the connection requirements are not secure enough to permit us to use this solution. We are working with NPG and they have now provided a better solution that we are trialling at the present time.

ENWL: Yes. Engagement workshops at a high level were attended in which ENWL seemed to have a clear picture of what they needed to do to make CinC CoP activities possible. Along with follow-up workshops specific to self-determination PoC and self-approval, these sessions were well run and ENWL were receptive to offering additional help and assistance.

SPEN (Scotland & MANWEB): Yes. Stakeholder engagement was good with high level workshops attended. SPEN has implemented as per its strategy, albeit it is not completely useable unless the ICP has invested in expensive software in order to undertake HV load flow calculations for all types of HV connection. SPEN's GIS system is very good and easy to navigate.

WPD (Midlands, South West and Wales): We have had a number of meetings with WPD to understand how they intended to roll-out the self-determination PoC and self-approval processes as prescribed within the CiCCoP. WPD have not delivered a usable solution and have failed to deliver on what had been agreed at those meetings and we feel slightly frustrated at the progress in these areas of the CiCCoP initiatives. At present we are working closely with their senior team and fully expect them to improve to level of service we have come to expect from WPD.

SSEN (North & South): Yes. SSEN set out a clear strategy and made available systems and procedures to enable it to happen. Stakeholder workshops have been useful. We have seen significant changes within the organisation and we think they have improved from where they were. There is still work to do but we feel they are on the right track and have the necessary management commitment to achieve the improvements required.

UKPN (EPN, SPN, LPN): Yes, very. UKPN started engagement with respect to managing self-approval activities prior to the CinC CoP being put in place. Consequently, once the CinC CoP was live the process was well advanced. UKPN have maintained quarterly meetings to ensure the business relationship was upheld

	and have been receptive to change/improvements in terms of pushing the boundaries of the CinC CoP. UKPN has set the bar, in particular over the last 18-24 months, for DNO/ICP engagement.
2. Are you satisfied that the DNO had a comprehensive work plan of activities (with associated delivery dates) to meet the requirements of its connections stakeholders? Do you consider that the DNO delivered its work plan? If not, are you satisfied that the DNO has provided a reasonable and well-justified explanation?	<p>NPG (Yorkshire and North): Yes.</p> <p>ENWL: Yes</p> <p>SPEN (Scotland & MANWEB): Yes</p> <p>WPD (Midlands, South West and Wales): In part. WPD were slow to issue supporting documentation to complement the CinC CoP and once in place, the policies have made it very restrictive, thus not enabling much progress. This includes submission of information via online CIRT system only and</p> <p>SSEN (North & South): Yes</p> <p>UKPN (EPN, SPN, LPN): Yes. A good plan and seemed to be executed well. They have linked CiCCoP and ICE and both our customers and we are seeing real benefits in this approach.</p>
3. Do you consider that the DNO's work plan provided relevant outputs (eg key performance indicators, targets etc.)? Are you satisfied that the DNO has delivered these outputs? If not, do you view the reasons provided to be reasonable and well justified?	<p>NPG (Yorkshire and North): Yes</p> <p>ENWL: Yes</p> <p>SP (Scotland & MANWEB): Yes</p> <p>WPD (Midlands, South West and Wales): No. In terms of the CiCCoP work this was not completely covered in the ICE plan. We are now working with WPD on the key areas to improve their offering into the ICP market improvements.</p> <p>SSEN (North & South): Yes</p> <p>UKPN (EPN, SPN, LPN): Yes. Well communicated and well executed.</p>
4. Do you agree that the DNO's strategy, activities and outputs have taken into account ongoing feedback from a broad and inclusive range of connections stakeholders? If not, has the DNO provided reasonable justification?	<p>NPG (Yorkshire and North): They have listened to what has been asked and they are working across all stakeholders. From a CiCCoP point of view this has not always been at the top of their agenda.</p> <p>ENWL: No visibility of this. Only that the CiCCoP must be applied consistently from one ICP to the next.</p> <p>SPEN (Scotland & MANWEB): No visibility of this. Only that the CiCCoP must be applied consistently from one ICP to the next.</p> <p>WPD (Midlands, South West and Wales): CiCCoP has not always been at the top of the agenda and other matters are competing for their time. We have received commitments for competition in connection and we are working with them to improve the level of performance.</p> <p>SSEN (North & South): Yes. SSEN have worked hard over the last year to listen to customer groups and put in place plans for their teams to achieve.</p>

	<p>UKPN (EPN, SPN, LPN): Yes. The quarterly workshops included feedback of our activities and any areas that needed to be improved. At each meeting UKPN were receptive to broadening the scope of the CiCCoP and were committed to implementing the change if possible. This was achieved on a number of occasions whereby self-determined LV metered connections did not meet the requirements of the LV matrix, yet UKPN could see the benefits to all parties, including the customer, to permit deviation.</p>
<p><i>The following two questions refer to the specific areas we discuss in our letter – meeting the needs of all types of connections customers, and connecting when the networks are constrained.</i></p>	
<p>5. Do you consider that the DNO's activities and outputs over the past year were adequate in meeting the needs of all types of connection customers, including the particular needs of newer types of connection customers?</p>	<p>NPG (Yorkshire and North): Yes. Whilst the full GIS system remains unavailable we now have the next version and we are trialling this at the present time. They are also committing to looking at other DNOs to see where they can improve. Internally we have seen a number of positive changes that has improved the overall service to connection customers who have chosen to use a competitor.</p> <p>ENWL: Yes in post parts. We do seem to have an issue with individuals who can put barriers in the way but generally we can get the majority of issues resolved. We believe that there are areas where they do not work as quickly as we would like and getting a resolution takes an amount of time that is not conducive to delivery connections for new customers.</p> <p>SPEN (Scotland & MANWEB): No. We are still seeing an element of having to work to the SPEN way rather than listening to what the customer requires. As an example the requirement to purchase/own HV load analysis software seems unnecessary for simple demand load projects, which is not seen with other DNOs.</p> <p>WPD (Midlands, South West and Wales): No. The requirement to purchase/own HV load analysis software seems unnecessary for simple demand load projects.</p> <p>SSEN (North & South): Yes.</p> <p>UKPN (EPN, SPN, LPN): Yes.</p>
<p>6. Do you consider that the DNO's activities and outputs over the past year were adequate in meeting the needs of customers looking to connect when the networks are constrained?</p>	<p>NPG (Yorkshire and North): Nothing that we are have come across.</p> <p>ENWL: Nothing that we have come across.</p> <p>SPEN (Scotland & MANWEB): Nothing that we have come across.</p> <p>WPD (Midlands, South West and Wales): we have had some issues in this area and we are working with WPD to come up with a better solution.</p> <p>SSEN (North & South): Yes, we have worked with SSEN on a few projects of this nature and this has worked well..</p>

	UKPN (EPN, SPN, LPN): Nothing that we have come across..
<h2>Section 2: Looking Forward plans 2017-18</h2>	
<p><i>We want your views on what the DNOs aim to achieve in the coming year</i></p>	
<p>7. Are you satisfied that the DNO has a comprehensive and robust strategy for engaging with connection stakeholders and facilitating joint discussions where appropriate?</p>	<p>NPG (Yorkshire and North): Yes. NPG has a set workshop plan and have key individuals available for more day-to-day discussions and design workshops.</p> <p>ENWL: Yes. ENWL has been open with workshop invites and conference calls, webinars and stakeholder engagement.</p> <p>SPEN (Scotland & MANWEB): Yes. SPEN has been open with workshop invites. They tend to be seminars rather than workshops where we can change their way of working. This is an area that we believe there are improvements to be made. We believe that SPEN are keen to improve in this area and we will be working with them.</p> <p>WPD (Midlands, South West and Wales): Partly. The subject has to be pushed by us to ensure regular meetings are arranged and previous agenda items/actions are reviewed.</p> <p>SSEN (North & South): Yes. NPG has a set workshop plan and have key individuals available for more day-to-day discussions and design workshops.</p> <p>UKPN (EPN, SPN, LPN): Yes. Quarterly meetings are promoted by UKPN and continue to feature as part of CiCCoP progress. They also offer stakeholder engagements and expert group meetings and conference calls. UKPN have taken this to a far greater level than others and we hold them up as the best in class.</p>
<p>8. Do you agree that the DNO has a comprehensive work plan of activities (with associated delivery dates) that will meet the requirements of its connection stakeholders? If not, has the DNO provided reasonable and well-justified reasons? What other activities should the DNOs do?</p>	<p>NPG (Yorkshire and North): Yes. The plan is very comprehensive but we find the CiCCoP areas are not always dealt with through this process. It would be better if this was part of ICE as it would provide a better focus. We see this with others and it would be good if all DNOs were encouraged to deal with this in a similar manner.</p> <p>ENWL: Yes. Our comments are the same as above.</p> <p>SPEN (Scotland & MANWEB): Yes. Our comments are the same as above.</p> <p>WPD (Midlands, South West and Wales): Yes. WPD do have a connection forum where we can add Competition issues in. This is dominated by other areas – particularly generation – so it is harder to push the requirements for the demand connection market. We have spoken to WPD about this and they are planning to</p>

	<p>make changes to this format so that demand connections get a better voice.</p> <p>SSEN (North & South): Yes. SSE have held specific connections workgroups and we have been pleased with the work they have achieved. There is still a way to go but they are committed to delivering the changes required.</p> <p>UKPN (EPN, SPN, LPN): Yes. We see UKPN as the benchmark for the others and we are pleased with their performance and commitments made to the connections industry..</p>
9. Do you consider that the DNO has set relevant outputs that it will deliver during the regulatory year (eg key performance indicators, targets, etc.)?	<p>NPG (Yorkshire and North): Yes. Although we believe that more could be included in the ICE plan.</p> <p>ENWL: Yes. Although we believe that more could be included in the ICE plan.</p> <p>SPEN (Scotland & MANWEB): Yes. Although we believe that more could be included in the ICE plan.</p> <p>WPD (Midlands, South West and Wales): Yes. Although we believe that more could be included in the ICE plan.</p> <p>SSEN (North & South): Yes. Although we believe that more could be included in the ICE plan.</p> <p>UKPN (EPN, SPN, LPN): Yes. Information shared quarterly within the connections workshops and circulated by email.</p>
10. Would you agree that the DNO's proposed strategy, activities and outputs have been informed and endorsed by a broad and inclusive range of connection stakeholders? If they have not been endorsed, has the DNO provided robust evidence that it has pursued this?	<p>NPG (Yorkshire and North): Yes. Board members attend the Stakeholder engagement meetings and contribute.</p> <p>ENWL: Yes. Although we have not engaged through the ICE process with ENWL we are involved in subset meetings and calls in the connections arena.</p> <p>SPEN (Scotland & MANWEB): No. We cannot find up to date information on their website (2014) and some of the panel members have moved on to other organisations. There does not appear to be any ICPs involved in these panels. The level of commitment does not appear to be as high as other DNOs.</p> <p>WPD (Midlands, South West and Wales): Yes. We see the Board Directors at events and they have given personal assurances that actions will be taken when matters have been raised. There is still work to do but we feel that the WPD team are working to get back to being the benchmark for other DNOs.</p> <p>SSEN (North & South): Yes. SSE have consistently involved their Board members and they have made personal commitments to deliver the actions debated. The focus has been on targeting deliverables that the customer groups have asked for. We are pleased with the progress SSE have made.</p>

	<p>UKPN (EPN, SPN, LPN): Yes. UKPN have put together a comprehensive range of stakeholder engagement groups that are focused on specific areas. They also have the engagement of the Board members who take the commitments away and ensure that they are delivered.</p>
<p><i>The following two questions refer to the specific areas we discuss in our letter – meeting the needs of all types of connections customers, and connecting when the networks are constrained.</i></p>	
<p>11. Do you consider that the DNO's planned activities and outputs will be sufficient to meet the needs of all types of connection customers, including the particular needs of newer types of connection customers? What other activities should the DNO undertake in this area?</p>	<p>NPG (Yorkshire and North): Yes. We would like to see more CiCCoP actions within ICE but we are pleased to see their commitment to this area..</p> <p>ENWL: Yes. Whilst ENWL have historically always been the leading DNO in CiCCoP areas they do not appear to have moved as quickly as others. This means that some of the areas that others are challenging have not been picked up yet. We expect ENWL to look at these areas and work with the customer groups to improve the CiCCoP areas.</p> <p>SPEN (Scotland & MANWEB): Possibly. We still feel that SPEN are doing what they want and what they feel is best rather than flexing to what their customers require. There is still a lot to do in CiCCoP and we hope that these areas are dealt with in a customer biased manner.</p> <p>WPD (Midlands, South West and Wales): Yes. WPD have set up various working groups and stakeholder engagement sessions to pick up areas that customers want work to be undertaken. CiCCoP has not always been top of these agendas but we believe that this is changing to bring it into a sharper focus.</p> <p>SSEN (North & South): Yes. SSEN are engaging with various customer groups and are picking up the areas that are being highlighted by the customer representatives.</p> <p>UKPN (EPN, SPN, LPN): Yes. Very comprehensive and they have gone above and beyond the customer's requirements.</p>
<p>12. Do you consider that the DNO's planned activities and outputs will be sufficient to meet the needs of customers looking to connect when the networks are constrained? What other activities should the DNO undertake in this area?</p>	<p>NPG (Yorkshire and North): We have not experienced any areas where this has been an issue.</p> <p>ENWL: We have not experienced any areas where this has been an issue.</p> <p>SPEN (Scotland & MANWEB): We have not experienced any areas where this has been an issue.</p> <p>WPD (Midlands, South West and Wales): This is an area of concern and we are working with WPD to deliver a solution that works for all customers as well as WPD. There is still a lot to do and we expect this to appear in future ICE plans.</p> <p>SSEN (North & South): We have had a few experiences in this area and have dealt with these in a logical and pragmatic way. This needs to be developed into a</p>

	<p>sustainable solution and we continue to work with SSEN in this area.</p> <p>UKPN (EPN, SPN, LPN): We have had a few experiences in this area. We were pleased to sit down and come up with a solution in all cases. This needs to be refined into a sustainable solution and would expect this to appear in future ICE plans.</p>
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Annex 2 - Map showing DNO licensee areas¹

Electricity Distribution



¹ Image from Electricity Networks Association (ENA) – note the ICE only applies to distribution networks operating in GB