

Internal Only

Following receipt of the consultation document dated 21 August 2017 on penalties for the DNO's under ICE please see below our further comment's.

Our initial thoughts when seeing the National Media news and subsequent document from Ofgem was surprise that UKPN had been fined as much as they were, compared to the other DNO we commented on, and all other DNO's in general. Our overarching thought was that UKPN had tried their hardest to meet customers expectation and their engagement programme has been first class, even if they had not addressed all the issues they set out. It was a comprehensive programme and I understand the difficulties very large companies have in taking the whole organisation with them on a transformation journey. I have no doubt about the commitment that the senior team have at UKPN to improve customer service and I can say that UKPN have probably improved the most out of all the DNO's we deal with. Indeed they are exceeding a lot of the IDNO's ICP in setting up standards of service goals.

I was also surprised to see how few comments have been received from customers on the ICE consultation and it seemed that a huge weight of penalties have been imposed on the basis of a few respondents. Indeed I know that both the DNO's we responded about encouraged as many people to provide feedback as possible, which seems to have backfired on them. They would have been better off not encouraging respondents if that was the basis of the penalties.

Now to the detail. Because we engage with many utilities across a wide range of sectors we are limited in time to answer everything in the precise detail that Ofgem asked. For this consultation it was easier to respond for all three UKPN areas as one rather than splitting them out. Unfortunately this seems to have a detrimental effect in that it penalises UKPN across the board rather than in an area. To be fair to UKPN we wish to clarify some of our answers below.

- a) With regard to 1.16 "a single point of contact" we have reviewed the areas where a single point of contact has not been provided and it affects the LPN area only. We could also say that in the latter part of ICE programme the number of projects where a single point of contact was not provided had been reduced to an acceptable level in the LPN area as well.
- b) With regard to 2/3/4.16 and our comment on diversions, in particular the 65 day comment, I believe this was more of a problem in the SSEN area and was not linked specifically to all UKPN areas. Whilst it had been an issue it was more noticeable in the EPN area rather than across the whole UKPN area. It was not intended to imply that it took 65 days to get a diversion quote, but was used to imply that they had longer to respond to a diversion quote than a Section 16 quote. This does lead back to some of my further comments in the consultation that I believe there is more work for the Regulator to do in bringing in GSOP's for diversions and disconnections rather than the DNO's to do things they are not obliged to.

In addition to Annex 5 of the consultation (UKPN) please see our further comments to your questions below.

- 1) No comment
- 2) No comment
- 3) No comment
- 4) We trailed a disconnection pilot job with a third party and are still reviewing results so it's on its way
- 5) They did fulfil their obligation in allowing the 3rd party to trail the disconnection work
- 6) No comment
- 7) We believe UKPN implemented a comprehensive stakeholder engagement process and surprised to see that one market segment i.e LA's say they have not.

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- 8) No comment
- 9) I cannot see why they would not engage with LA's based on our experience of the stakeholder engagement programme. Always two sides to every story.
- 10) No comment
- 11) No comment
- 12) No comment
- 13) No comment
- 14) No comment
- 15) See comments in item a) above
- 16) Yes, quotes times have come down considerably
- 17) They are doing their best to move this commitment forward
- 18) Yes in the few cases they may have failed.
- 19) No comment

I trust this helps in formulating your final decisions in the consultation of penalties process.