

Consultation on penalties for the distribution network operators under the Incentive on Connections Engagement

CONSULTATION QUESTIONS

1. Do you consider that UKPN delivered any actions in response to the issues highlighted above? Do you have any additional evidence to support your view?

N/A

2. Where relevant, do you consider that UKPN provided reasonable and justified reasons why the commitment was not included in the work plan?

N/A

3. Do you consider that market segments mentioned above were the relevant ones affected? Were other market segments also affected?

N/A

4. Do you consider that UKPN delivered any of these commitments? Do you have any additional evidence to support your view?

There is no evidence to suggest why Initiative 9.16 has not been completed however the 'Looking Back Looking Forward' report suggests that the initiative is 'Complete and performance tracking against target'.

Initiative 10.16 is referenced to in the UKPN report as: "We have assessed the safety, regulatory and accreditation implications of shrouding for nonconnections activity as requested by customers and ICPs. We are currently finalising arrangements to enable this activity to be included as an extension to the scope of the pilot. This means that the pilot will need to be extended for a further six months to review the inclusion of this new scope." This suggests that the original work has been completed and the pilot is now being extended to the further benefit of customers. This is an entirely reasonable motive for the delay in completing the project.

The last mention of Initiative 38.16 progress was in the previous LBLF May 2016 report: "Highway Services customers have asked us to develop and commit to a set of voluntary standards for the provision of quotations that exceed the current guaranteed standards of performance (GSoP)." Progress on this will need to be confirmed by UKPN.

5. What specific actions did you expect UKPN to complete in order to deliver the commitment(s) that you feel they did not fulfil? Which of these actions do you believe was not complete?

6. Do you consider that market segments mentioned above were the relevant ones affected? Were other market segments also affected?

Agree with market segments affected.

7. Do you consider that UKPN implemented a comprehensive and robust engagement strategy for engaging with its local authority stakeholders?

N/A

8. What specific actions did you expect UKPN to complete in order to deliver a robust and comprehensive engagement strategy for engaging with local authorities? Which of these actions do you believe was not completed?

N/A

9. If applicable, do you consider that UKPN provided reasonable and justified reasons why it did not deliver a robust and comprehensive engagement strategy for engaging with local authorities?

N/A

10. Do you consider that market segments mentioned above were the relevant ones affected? Were other market segments also affected?

N/A

11. Do you consider that UKPN delivered its commitment? Do you have any additional evidence to support your view?

UKPN has not yet delivered this commitment, however the ramifications of this are relatively inconsequential in terms of competition.

12. What specific actions did you expect UKPN to complete in order to complete this commitment? Which of these actions do you believe was not complete?

Contract negotiations not complete.

13. If applicable, do you consider that UKPN provided reasonable and justified reasons why the commitment was not completed?

The last stated reason that the commitment had not been completed was “Contract negotiations are ongoing between the parties. Negotiations to be concluded in the first quarter of 2017.”

It is reasonable that this has not been completed, especially given the complications that will inevitably arise with the transition to UKPN operating as a DSO, as opposed to a DNO. Given the nature of the contract in terms of potential health and safety ramifications were it to be non-functional it is more important to get it done right, rather than quickly. As UKPN previously stated, it was an ambitious target and one that should have potentially been set further in the future.

14. Do you consider that market segments mentioned above were the relevant ones affected? Were other market segments also affected?

Agree with market segments affected.

15. Do you consider that UKPN delivered a single point of contact for connection customers? Do you have any additional evidence to support your view?

In our last application with UKPN, Stockers Farm, we were allocated a single point of contact for the whole process. This was however only for one service. In general UKPN have been very helpful and engaging whenever we have considered a project which falls within their patch. They have let us know in a timely manner whether there is spare capacity in the area.

16. Do you consider that UKPN’s commitment to reduce the time to provide a quote has been delivered?

The application for Stockers farm went in on the 14th December and was acknowledged on the 16th. The final offer came through on the 30th January, which was three weeks earlier than stated given the Christmas break. The quote was easy to understand and contained all the relevant technical and logistical information.

17. What specific actions did you expect UKPN to take to ensure this commitment was delivered?

N/A

18. If applicable, do you consider that UKPN provided reasonable and justified reasons why the commitment was not delivered?

Based on the LBLF report UKPN believes that the commitment has been fulfilled.

19. Do you consider that market segments mentioned above were the relevant ones affected? Were other market segments also affected?

Agree with market segments affected.

Additional notes

BSR has found UKPN to be cooperative and engaging in its approach to connections enquiries and applications. We have recently attended a consultation event on the transition to DSO that UKPN is currently embarking upon. We are also attending a joint constraints workshop in October with SSE and UKPN.