

Graeme Barton  
Sent email:  
graeme.barton@ofgem.gov.uk

23 February 2021

Dear Graeme,

I am pleased to enclose a response from Scottish and Southern Electricity Networks Transmission (SSEN T) to Ofgem's proposed draft of the RIIO-2 NIA Governance Document ('the Governance Document').

We believe further clarification is required within the Governance Document. The issues noted under the headings below are concerned with Ofgem making available a more developed understanding of the project assessment criteria and having a suitable expectation of the role of Transmission Operators (TOs) in assisting consumers in vulnerable situations.

#### Assistance to consumers in vulnerable situations

Following a review of this and earlier versions of the Governance Document, we continue to request that there is a more developed reference to TOs and the indirect relationship they have with consumers in vulnerable situations.

Earlier versions of the Governance Document noted this, and we would continue to suggest this is represented with the wording in section 3.37 (Assessing the impact of innovation upon consumers in vulnerable situations). This will better represent the potential for a TO to provide the sort of benefit that the requirement expects.

*The project offers benefits to vulnerable consumers (e.g. financial, environmental or societal), directly or indirectly, depending on the network licensee influence on vulnerable consumers.*

#### Project requirements

We currently think there is greater scope for Ofgem to clarify the terms of the overall Eligibility and Process Requirements. Specifically relating to 3.5, we would request clarity on what Ofgem will assess as satisfactory in obtaining each of the six standards. The absence of a clearly defined concept of what is satisfactory could bring a risk of inconsistency in these assessments. We believe this would also help Ofgem in having more certainty of receiving details/evidence from TOs that properly assists with making their decision.

#### The boundaries of Ofgem's Assessment Criteria

The current reading of the assessment criteria would likely lead to most Transmission innovation projects being presented under the Facilitating the Energy System Transition (EST) criteria. While there are benefits to having some flexibility in the TO deciding the category, some further clarity to help with ensuring that projects are presented correctly would be helpful. We also expect this would benefit Ofgem and help them understand the evidence provided to them when making their assessment.

Please do not hesitate to contact me should you wish to discuss the content of this response in more detail.

Yours sincerely

Josh Henderson  
Senior Regulation Analyst

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