

Rachel Clark
Switching Programme
Ofgem
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29 September 2017

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

Dear Rachel

Re: UK Link and the proposed Central Switching Service

Thank you for the opportunity to comment on the above consultation. This letter should be treated 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.

In respect of the questions you raised:

Question 1: Do you agree with the benefits outlined in 3.7 a-c below. If so, how significant do you consider these benefits could be for the purposes of implementing more reliable, faster switching?

One of the potential benefits, as a network operator, is the reduced delivery risk to the programme. Potentially, using UK Link's system would mean that only the electricity registration data from MPRS would need detailed design before being migrated to the new CSS. The same could be said of migrating gas registration data to the electricity system. Secondly, the proposal to use existing infrastructure could lead to lower costs both in terms of capital investment and service management costs for the industry. Finally, in terms of the scale of the benefits listed, we believe that suppliers will be better placed to comment on this factor.

Question 2: Are there other benefits that we have not identified?

Additional benefits could accrue from seeking to identify lessons learned from other recent IT dependant programmes such as Project Nexus and SMIP. Applying such learnings could help contribute towards maximising benefits for all customers.

Question 3: Do you see any particular risks or disadvantages? If so, please outline them.

We have not identified any particular risks or disadvantages.



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Question 4: Under the current Xoserve CDSP governance do you believe there are any substantive obstacles to Xoserve's ability to participate in a competition? If so how could these obstacles be overcome?

We are not close enough to Xoserve's CDSP governance to comment, in detail, on this question. However, at a high level the proposed changes appear to be a workable solution but must ensure that any governance put in place ensures that appropriate ring fencing is set up such that key industry functions are protected in terms of financial and operational resilience. Changes to obligations on network operators in the last few years are a useful reference point here.

Furthermore, any voting rights DNOs and GDNs have under the current structure should be maintained in scope and weighting under any new set up.

Finally, given the criticality of MPANs across a range of RIIO-ED1 metrics caution must be exercised should UK Link be the chosen system – this is particularly important given Xoserve's comments on cleansing and validation of data (see p7 of their response to this consultation).

We remain fully supportive of Ofgem's principle to deliver a Central Switching Service that will build on customer confidence, facilitate competition and deliver 'better' outcomes for all customers. We support Ofgem in achieving this whilst looking at all options to ensure costs are kept as low as possible.

If you have any queries please do not hesitate to contact us.

Yours sincerely



James Hope
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