

Ofgem
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LONDON
E14 4PU

3 December 2018

By email only to: victoria.low@ofgem.gov.uk

Dear Vicky

Consultation on changes to the Stakeholder Engagement and Consumer Vulnerability Incentive Guidance

Thank you for the opportunity to respond to the above consultation. This response is 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.

We are pleased with the overall direction of the changes as they bring more clarity to how the Panel score is arrived at and are grateful for the consideration you have given to the points we have raised with you to date. In the Appendix to this letter we have set out a number of suggestions to further refine and improve the guidance which we hope you find useful.

If you have any queries on the attached please do not hesitate to contact Paul Measday in the first instance.

Yours sincerely



James Hope
Head of Regulation and Regulatory Finance
UK Power Networks

Copy: Julie Minns, Head of Customer Engagement, UK Power Networks
Paul Measday, Regulatory Returns & Compliance Manager, UK Power Networks

Appendix

1. For clarity we propose that the main criteria (against which the panel assesses the submissions) are numbered 1-5 (4.9 and 4.11) and the part 3 sub-criteria be numbered a-e. This will ensure all criteria are clearly labelled as the sub-criteria are not currently numbered.
2. Paragraph 1.4 should be amended to make it clear that it is only DNOs and not IDNOs that this incentive applies to.
3. Paragraph 2.4 uses the term “envisage” in respect of Ofgem’s expectations of what DNOs will include in the submission. The guidance should be amended to make it clear what the requirements are on DNOs and avoid any ambiguity.
4. We note that in paragraph 3.1 we now have two very similar terms which share the same root wording. Part 2 has “Panel Assessment Criteria” and Part 3 has “Panel Assessment Criteria addressing Consumer Vulnerability”. To avoid the potential for confusion whereby the reader is unclear if “addressing Consumer Vulnerability” has been left off the term in error, we propose that the term used in Part 3 is amended to “Consumer Vulnerability Panel Assessment Criteria” to clearly differentiate the terms and aid the reader.
5. Paragraph 3.5 relating to Part 2 states that Part 2 should include “the following information” but paragraph 3.7 relating to Part 3 states that Part 3 should “include evidence”. Information and evidence have different meanings and we recommend that the terminology for the requirements in Parts 2 and 3 is made consistent.
6. We believe that paragraph 4.7 should explicitly state that the Part 1 will not be taken into account by the Panel in the scoring of the submission – as currently worded this is ambiguous.
7. The reference to 10 days in paragraph 4.8 should refer to working days.
8. Paragraph 4.8 should make it clear that both the supplementary questions and the Q&A in the Panel meeting will be in relation to Parts 2 & 3 of the Submission, and Part 1 will be excluded from questions as it is not included in the scoring.
9. We are pleased to see the requirement for the Panel Report to be published, however we propose two changes which will help maximise the benefit of this change for all parties:
 - a. The proposed publication date for the Panel Report is 30 November, four months after the date of the Panel meeting. Mindful that it is also only four month from the end of the following regulatory year this is too late to give DNOs an opportunity to react to feedback and implement it for the following submission. We propose a publication date of 30 September.
 - b. As previously discussed with you, we believe that scores against the Panel Assessment Criteria should be published in two forms – the scores initially given by the Panel prior to the Panel meeting and the final score arrived at in the Panel meeting. This would both increase transparency and provide greater clarity to networks as to the areas of improvement required to help better serve customers.
10. The numbered bullets in the first column of the table in paragraph 5.1 are no longer required as there is only one item per row.
11. The final sentence of paragraph 5.2 should cross refer to paragraph 4.12 where the details of the Panel Report are explained.
12. We are unclear why the deadline for the submission (set out in paragraph 5.5) is the final Friday in April. All other regulatory submissions have a fixed submission date (e.g. 30 April) and we propose this minor amendment is made to achieve this alignment.
13. We note that in the Glossary the terms “Consumer Vulnerability Criteria” and “Consumer Vulnerability Sub-Criteria” are defined but are not used in the rest of the document.
14. Paragraph 5.8 refers to the date by when the date of the Panel Session will be confirmed, We would also welcome the addition here of a date before which the Panel Session would actually take place, i.e. a backstop of 15 July for the session to be held.