



March 26<sup>th</sup> 2014

James Veaney  
Head of Distribution Policy Ofgem,  
9 Millbank,  
London,  
SW1P 3GE

**By email**

Dear James,

I am writing on behalf of the Metered Connection Customer Group (MCCG) to set out our group's response to the Scottish and Southern competition notice for the SEPD and SHEPD distribution services areas consultation published by Ofgem dated 11<sup>th</sup> February 2014.

MCCG has worked with Ofgem and the Distributors for some considerable time and represents the interest of customers and ICPs in developing Competition in Connections. We are not representative of any Company or individual and present a collective view.

Having considered the details of the SSE competition notice and your subsequent consultation we confirm the MCCG is unwilling to support SSE's submission in any of the demand and generation market segments at this time. We have not offered a view on the other market segments as our members tend not to work in these market segments. We are however pleased to report a significant improvement in SSEs approach to competition. We believe that SSE themselves recognise that they have a way to go before the catch up on the best performing DNOs in this area, and are committed to getting there which is obviously a positive development, albeit it long overdue. A number of our members recently attended the first SSE competition workshop and we were encouraged by SSEs presentations and the attitude displayed by their senior management. We can also report that these improvements are starting to filter down into the SSE organisation as we have more positive reports back from our members' recent experiences operating in the SSE distribution service areas. Most of the problems now encountered are down to a lack of available SSE resources or a lack of appreciation by SSE staff of the requirements for competition in connections scheme. We have found that once escalated these issues are being resolved. This is an area we would expect that SSE will need to address before we could consider that their market is capable of being fully opening to competition.

We would urge SSE to press on with this work without any further undue delay to help ensure that MCCG members can benefit from the same level of access to the information and services as SSE's own in house connections business. It should be remembered that

unlike most other DNOs, SSE themselves have a large out of area multi-utility connections business so are very well placed to know what should be best in class not only across the electricity connections market but also the gas connections market. We would have therefore expected SSE to be leading the way in developing competition within its own distribution services area. We look forward to working with SSE to ensure this happens quickly. We have listed below some of the areas MCCG members believe that SSE need to be working on.

ICPs should be given easy access to all of the required SSE assets records, circuit capacity headroom's and committed load to enable ICPs to contest to final connection and the identification of the points of connection and associated reinforcement (if required) to the existing SSE distribution networks. Such a development would also bring about the added benefit of addressing the concerns raised by SSE and other DNOs to both DECC and OFGEM that they waste lots of time and resources providing quotations for works that never go ahead. If ICP's, IDNOs and other accredited customer representatives could access this data, then the market would resolve this problem which would be a far better outcome for all customers rather than re-introducing Assessment and Design fees to cover the costs of inefficient connections requests processes.

SSE should be working with ICPs to ensure that ICPs staffs can be assessed by SSE as being competent to carry out Connection and Operational Activities on the SSE distribution systems. As part of this process we would expect SSE to take account of the experience gained by ICP operative already carried out Self Connect activities for other DNOs and recognize these authorisation levels to avoid multiple trade testing and assessments as many contractors operate across another of network operators.

These processes need to be embedded into business as usual by the updating of SSE connections charging statements to show that such activities are fully contestable in future, yet recognizing that not all ICPs will move at the same pace. SSE will therefore need to continue to provide these services to those ICPs who are not yet in a position to take this next step.

Should you have any queries please don't hesitate to contact me

Yours sincerely,



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