



SECG business plan assessment

Annex 1
Draft determination



About the Utility Regulator

The Utility Regulator is the independent non-ministerial government department responsible for regulating Northern Ireland's electricity, gas, water and sewerage industries, to promote the short and long-term interests of consumers.

We are not a policy-making department of government, but we make sure that the energy and water utility industries in Northern Ireland are regulated and developed within ministerial policy as set out in our statutory duties.

We are governed by a Board of Directors and are accountable to the Northern Ireland Assembly through financial and annual reporting obligations.

We are based at Queens House in the centre of Belfast. The Chief Executive leads a management team of directors representing each of the key functional areas in the organisation: Corporate Affairs, Markets and Networks. The staff team includes economists, engineers, accountants, utility specialists, legal advisors and administration professionals.



Our mission

To protect the short- and long-term interests of consumers of electricity, gas and water.



Our vision

To ensure value and sustainability in energy and water.



Our values

- Be a best practice regulator: transparent, consistent, proportionate, accountable and targeted.
- Be professional – listening, explaining and acting with integrity.
- Be a collaborative, co-operative and learning team.
- Be motivated and empowered to make a difference.



Abstract

Annex 1 sets out a summary of feedback from stakeholder SECG feedback on SONI's business plan, and how and where we have taken account of this in our draft determination.

Audience

This document will be of interest to SONI, its customers, consumers and other stakeholders, including SECG.

Consumer impact

SONI's TSO costs of running its business which we price control are typically around 2% of the NI consumers electricity bill. How it chooses to deploy the costs of running its business and performs its role has a larger impact on outcomes such decarbonisation, grid security and wider system costs (for example, system service, wholesale and transmission investment costs which make up part of the electricity bill for NI consumers); given the influence it has across the system. We incentivise SONI through the price control to deliver high quality service to contribute to these good outcomes.



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1. Overview of our approach, SECG assessment and our overall response

1.1 We set up Stakeholder Expert Challenge Group (SECG) during our approach phase to help:

- Facilitate effective regulatory policy (approach phase)
- Deliver high quality and well justified SONI business plan (business plan development phase)
- Support our assessment of the business plan (business plan assessment phase)

1.2 This annex sets out SECG views relating to the last bullet: supporting our assessment of the business plan. Our approach during this phase supported this objective through the following steps:

- SONI submitted its business plan to us on 31 October 2019.
- We held a meeting in early December 2019 for SECG to ask any initial questions on business plan information which SONI had circulated to the group; and to gain views as to what areas of the business plan the group would like to challenge.
- We asked SECG to provide written responses to our test question pro-forma on its view of business plan quality and challenges by Mid-January 2020 based on the business plan information that we had received and SONI was prepared to share. We wanted the group to work of the same information as we had seen so that we could take account of its views in a consistent manner.
- We held a meeting with SECG members in early February 2020 to understand the groups written responses and allow SONI an opportunity to respond.
- We sought further clarification from written respondents by email to ensure we understood and could account for SECG views.

1.3 We thank SECG for inputting into the process. This has been valuable and we have welcomed the group's generosity in providing their time and views on a voluntary basis. We have taken account of SECG's oral and written feedback. Individuals written input is set out in the table below.

1.4 While the group was not asked to seek consensus nor was it likely to be able to, reliably, given information limitations, we can make the following observations which



came across strongly from our review of the groups input and this phase of the process:

- SONI's approach to stakeholder engagement was a focal point of comment in SECG member responses. Some group members noted positive elements of SONI engagement, but this was outweighed by feedback suggesting that there is significant room for development in SONI's stakeholder engagement approach to take advantage of opportunities from the energy transition.
- SONI's plan may lack innovation and ambition in some key energy transition planning areas. The group picked up on the fact that some key areas to help understand value for money are under-developed (benefits and performance as part of proposed service initiatives). SECG also commented that much of the service enhancement proposition and approach to running its business (e.g. in areas like resilience, governance, workforce planning and innovation) may not be sufficiently supportive and reflective of the opportunities which SONI can influence during the forward look of this price control.
- There is some visibility of cost in the plan which is welcome, but some questioned the level of cost (against an unspecified value in terms of benefits), and sought clarity on the reasons for historic under-spends. SECG feedback suggested internal cost of running the business should be reasonable, and that SONI should spend so as to deliver good whole system outcomes (for example, lower electricity bill costs which SONI can influence). Feedback suggested that SONI will need to be responsive to change given the uncertainty and opportunity which an energy transition brings.
- SONI's plan is not demonstrably customer and partnership focused. For example, much of the service proposition risks being inward looking. The plan very often lacks a critical perspective; does not look to best practice elsewhere; often lacks tangible customer and consumer, and partnership building focus.
- The groups input has been limited by the amount of business plan information shared by SONI.

1.5 We agree with these points. We have also attempted to recognise them through our approach to intervention and actions. We are making a number of key proposals which help support SONI in addressing these:

- We propose to adapt the way SONI is remunerated for its costs to incentivise whole system outcomes (such as reduced electricity bill costs, decarbonisation and grid security). We are adapting SONI's incentives that currently focus on internal cost reduction, so that SONI has the right incentives to invest further in whole system outcomes. We think this strikes the right balance in allowing SONI to be ambitious in meeting good whole



system outcomes during the energy transition, whilst taking account of concerns around efficiency of the costs of running its business.

- We set out proposals for more outcomes focused approach to incentivising performance as part of our evaluative performance framework. We think an evaluative approach, rather than a mechanistic ex-ante approach proposed by SONI, will better incentive outcomes and deal with uncertainty from an energy transition. We are proposing a financial reward (and penalty) to incentivise good outcomes.
 - We are strongly in favour of providing further capex and opex allowances during the forward look, particularly for initiatives that can deliver innovative, ambitious and positive whole system benefits for consumers.
 - We have also set out upfront service expectations as informed by SECG, as part of our evaluative performance framework. These help provide a clearer focus of the type of behaviour and activity that SONI could be demonstrating during the forward look, with reference to energy transition themes. Many of these have been informed by SECG thinking. By definition, these can be adapted over time to dovetail with the energy transition. We think that by helping to reflect aligned customer and consumer priorities, these expectations will help act as an appropriate steer for SONI. In light of stakeholder feedback, we ask that SONI develops digitalisation, stakeholder and whole system strategies. The upfront service expectations are draft and we encourage SECG views on these. These are set out in Annex 4, Evaluative performance framework.
 - We are disappointed that SONI could not share more information with group and we note delays in providing information it did submit. We expect better visibility of information in the future. We think that this will be necessary to support decision making and build trust as part of the evaluative performance incentive framework. We are also proposing a licence condition to promote better cost transparency. We also expect SONI's evaluative performance framework plan to be sufficiently clear and detailed. We have also set out service expectations as part of our evaluative performance framework proposals relating to regulatory and stakeholder engagement (as part of SONI's expert voice role).
- 1.6 SECG written feedback is set out in the annex below, which also references how and where we have taken account of feedback in our draft determination. Our summarised view of the business plan, interventions and actions is set out in the Annex 2, Business plan assessment, interventions, and actions, and at a more summarised level within section 4 of the main draft determination document.
- 1.7 More detailed technical material is set out in other draft determination annexes: for ease of reference, we reference these annexes below where relevant to a specific stakeholder points.



2. Annex: SECG views and mapping of our response

Test area	SECG view on business plan quality (clarified by UR where necessary)	Where we set out our response
<p>Delivering value for money</p>	<p>DVM1 Paul McGuckin and William Steele noted that some service and cost information is provided, but it is difficult to assess value as benefits not quantified.</p>	<p>We agree with stakeholder concerns that it is difficult to assess value as benefits are not quantified. We think this is a major shortcoming of the plan. While we note that it can be challenging to quantify benefits we feel that is important for SONI to attempt to do so where possible. We note that other TSOs (e.g. National Grid) have done so within their latest RII02 submissions.</p> <p>We agree that SONI could be doing more to demonstrate how it is going to take a whole system perspective by working with NIE Networks e.g. what its appropriate roles and responsibilities should be with respect to working with NIE Networks as a DSO and other roles. Given the gap in service suggested by SECG, we asked consultants GHD (see annex on whole system planning) to provide some further examples of what other TSOs are doing to take a whole system perspective, in order to stimulate further debate. As set part of our service expectations, we think SONI should be clarifying its roles and responsibilities with NIE Networks. We have set an action on SONI to develop a whole system strategy. This again is an area which would benefit from stakeholder input.</p>
	<p>DVM2 William Steele considered that the business plan is well aligned with SONI strategic objectives and has clear linkages to the requirements placed on SONI by the UR. SONI has identified stakeholders and identified what is important to them.</p> <p>Ronan McKeown noted that more could be done to consider how SONI would work with NIE Networks as a partner (particularly within its DSO role)</p>	
	<p>DVM3 Ronan McKeown noted that tariff impact was not evidenced for stakeholders other than domestic consumers and</p> <p>Paul McGuckin could not identify how this test question had been demonstrated based on the information provided.</p>	



<p>Delivering service and outcomes</p>	<p>DS01 Stacy Feldmann said the service descriptions are clear and accessible and Appendix I set out challenges and services excellently, but was concerned there is nothing new and things are lumped into cramped service outcomes and nothing on innovation in delivery</p> <p>Paul McGuckin said the service descriptions are accessible (and noted that there is some available supporting information i.e. need, options etc, and some of the benefits are possibly credible e.g. smarter management)</p> <p>Ronan McKeown was concerned that some of SONI's reference to its role and service were inconsistent with reference to telecoms and network development.</p>	<p>We note that stakeholder comments were generally positive on the level of service description and clarity and accessibility. We have taken account of these views in our business plan assessment scoring.</p> <p>We note Ronan McKeown's comments on telecoms. Our response above on roles and responsibilities is relevant here. We have considered responsibility for this role in Annex 6, Cost allowances.</p> <p>We have taken account of stakeholder comments on lack of newness, innovation and lack of 3rd party involvement as part of our business plan assessment and our evaluative performance framework proposals (Annex 4). We note stakeholder comments on the data initiative and also SONI's comments at our February 2020 meeting to consider how its use of data can be made more open and customer focused: this is a positive development. We require SONI to develop a digitalisation strategy (our draft requirements of what should be included within this our set out in service expectations section of Annex 4)</p>
	<p>DS02 Ronan McKeown was concerned about how certain service activity relates to SONI's licence (e.g. network development) and grid security metrics.</p> <p>Stacy Feldmann (noted that redaction was problematic in providing a full assessment) but felt the:</p> <ul style="list-style-type: none"> • Appendix H rebranding is out of step with energy transformation; • Appendix I set out risks and challenges well but doesn't deal with uncertainty; • Appendix G outcomes 1-4 are clearly defined, but there is nothing provided on innovation or low carbon network development, and questioned newness of some initiatives (secondary trading) 	<p>We note stakeholder comments on outcomes. We thought there was some useful information provided by SONI but have refined this to make it clearer.</p> <p>We note stakeholder concerns about performance accountability. We are of the view that an evaluative performance framework, with regulatory service expectations that have been informed by stakeholders, will offer better accountability than a mechanistic, targets based framework for a company with SONI's type of service, during an uncertain</p>



	<p>Felicity Jones was concerned that the data strategy is not customer focused (lack of 3rd party involvement), and that non-wires options had been considered, and around the approach to innovation.</p> <p>Upon clarification on innovation comments, Felicity advocated that SONI could be considering practical projects more so than desk-based reviews/planning; a stronger role for collaboration (engaging third parties, co-creating programmes of work, and potentially allowing them to lead); getting familiar with working with new actors. Felicity provided a non-exhaustive list of examples of the types of actors: Chargepoint Operators, Gas Distribution companies, second generation aggregators, blockchain asset registry providers, energy tech players, novel energy suppliers, heat-as-a-service providers. Felicity advocated transferring lessons learned into business-as-usual and the need to learn about and solve bespoke local issues, because not everything crosses over well to NI.</p> <p>Felicity also advocated the need for SONI to be investing in commercial and market engagement resource and expertise and not just traditional control centre and system service tools and associated resource as proposed within the business plan. Felicity also noted that some of the proposed tools within the 'Control Centre Tools' and 'Renewables strategy' service initiatives may be necessary, but considered that some could also be delivered by a competitive market, and that some (e.g. the new TSO- DSO interface) may be higher priority at this time than other tools proposed. Felicity also noted that SONI's approach to the design of tools could be more technology neutral than is suggested within in the business plan.</p> <p>William Steele noted that the benefits in chapter 8 are not clear (but noted information not provided from appendices could be helpful to make a judgment)</p>	<p>energy transition.</p> <p>Stakeholders have made comments on stakeholder approach (for example, SONI business plan appendix H). It is clear from the comments and the sessions we had with SECG that this is an area SONI needs to focus and improve on. We are of the view that SONI's proposed approach requires fundamental change. As a result we have asked it to develop a stakeholder strategy which better reflects its envisaged role during the energy transition. Stakeholder involvement should be a key input into this strategy.</p> <p>Stakeholders noted that SONI could build on its approach to innovation. Some also noted that we could be more supportive of innovation. Our service expectations and performance incentives framework (financial incentives, service expectations, and cost allowances for innovative deliverables) and approach to cost remuneration are aimed at supporting ambition for SONI to deliver innovation and whole system outcomes. We also commit to providing capital and operational expenditure for strategic innovative, value for money initiatives during the price control period and our proposed framework is flexible to deal with these requests. But we welcome if there is anything else which we should be reasonably doing in this area for this price control.</p> <p>Another generally strong and clear response from SECG relates to the fact that performance commitments and levels are underdeveloped. We received a submission in February 2020 from SONI.</p>
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	<p>DS03 Paul McGuckin noted that it the performance commitments and service levels are unclear</p> <p>Stacy Feldmann noted that performance commitments and existing service levels are underdeveloped</p> <p>William Steele noted that there was little measure of timing, or prioritisation (questioning the need for branding and education spend as SONI could work with NIE Networks)</p> <p>Ronan McKeown would like to see more co-ordination with NIEN as a DSO in terms of the network investment plans and how they link to the work carried out by the outage planners.</p>	<p>We have issues with aspects of this and consider that this is an area which would benefit from further stakeholder input over time.</p>
<p>DS04 Stacy Feldmann noted that main body chapter 8 and chapter 11 (on benefits sharing framework) are weak in demonstrating accountability. Whilst Chapter 8 mentioned internal interrogation and KPMG external support—this is in preparation for the business plan—not an internalized mode of accountability. Metrics mentioned in relevant appendices are notable, but there is no demonstrated accountability process.</p> <p>Paul McGuckin noted that the 'holistic incentive design package' set out in figure 11.4 could give the requisite confidence but whether it does will be dependent on the exact parameters/targets that are included in the final package.</p>		
<p>DS05 No comments</p>		
<p>DS06</p>		



	<p>Ronan McKeown was concerned that SONI needs to work with NIEN as a DSO</p>	
<p>Securing cost efficiency and managing uncertainty</p>	<p>CEMU 1 Paul McGuckin said that the relevant appendix has not been provided but suggest detailed derivation of the WACC should be independently assessed. Whilst these elements have been considered in detail by the CMA, there seems to be some overlap/duplication between the premium for asymmetric risk and both the return on PCG and the WACC, and whilst revenue collection activities are a significant and valuable function which should be appropriately remunerated, some further explanation of the risks to SONI would be useful.</p> <p>William Steele noted that information was unavailable.</p> <p>Stacy Feldmann considered that overall this was well considered and expressed assessment of the remuneration structure, with encouraging approaches to risk and the new benefit sharing framework.</p>	<p>We deal with the comments on risk and return (e.g. remuneration) in aligning risk and return test area as part of our business plan assessment annex and our technical appendix on aligning risk and return</p> <p>We consider that the cost request represents a significant increase. We agree with comments that the increase in cost could be better justified and evidenced. Our analysis and interventions on cost allowances appendix 6 set out our detailed proposals for this area.</p> <p>We note comments which suggest some of the initiatives may be potentially be worthwhile and challenging (for example, certain aspects of the control centre tools and renewable strategy). However, we also note comments that these initiatives may not be appropriately customer focused at this point or fully fleshed out. We also consider that much of the overall business plan request is largely in line with existing obligation and does not take account of some of the key themes of the energy transition. Many initiatives did not seem to suggest material consumer benefits.</p>
	<p>CEMU2</p> <p>A number of SECG members were concerned that sufficient appendix information was not forthcoming.</p>	<p>We recognise that a member of SECG was concerned about the potential drawbacks and risks from using uncertainty mechanisms (in response to SONI's business plan proposals). We are conscious of potential drawbacks and risks from uncertainty mechanisms in terms of potential additional complexity, additional regulatory uncertainty, risks of double counting, and incentives. We sought to</p>
	<p>CEMU3</p> <p>Felicity Jones queried whether SONI had considered an innovation budget for the forward look.</p> <p>William Steele considered the initiatives to be wide-ranging and challenging but questioned whether prioritisation based on value to the consumer had been demonstrated</p> <p>Paul McGuckin did not think enough information on costs and quantified outcomes is available to answer</p>	



	<p>Ronan McKeown noted that the SONI Business Plan appears to be increasing its portion of the domestic consumer's bill by 26% relative to its current Price Control. It is not fully apparent what is driving this increase</p>	<p>mitigate these risks through the design of our uncertainty mechanism arrangements. More detail of our uncertainty mechanism proposals is set out in our Annex 5 and a summary is the main document. We welcome views on this.</p>
	<p>CEMU4 Stacy Feldmann was concerned that some SONI initiatives do not demonstrate innovation through greater cost efficiency.</p> <p>Paul McGuckin noted that if interpretation of this question refers to 'efficiency' in terms of SONI's impact on costs in the market as a whole, the initiatives described in section 9.3.1 are all innovations to SONI's core role of system operation with significant cost benefits (e.g. cost savings, and other benefits, of increasing the level of SNSP whilst keeping the lights on) that should comfortably outweigh the costs in table 8.4. Explicitly demonstrating this point would make a more compelling case. The tangible benefits of the 'innovation for efficiency' in section 9.3.2 are less apparent and would benefit from being expanded upon.</p>	
	<p>CEMU5 Stacy Feldmann noted that risk is understood, but the concept of balance is not and the justification and drawbacks of uncertainty mechanisms have not been adequately demonstrated</p>	
<p>Aligning risk and return</p>	<p>ARR1 No comment</p>	<p>Our response is set out in aligning risk and return test area as part of our business plan assessment annex and our Annex 7, on aligning risk and return.</p>
	<p>ARR2 No comment</p>	
	<p>ARR3</p>	



	No comment	
	<p>ARR4</p> <p>Ronan McKeown could not comment as information not provided</p>	
	<p>ARR5</p> <p>No comment</p>	
	<p>ARR6</p> <p>No comment</p>	
	<p>Felicity Jones was concerned that the proposed engagement approach (particularly Appendix H) was substantially short of excellent:</p> <ul style="list-style-type: none"> • gives the impression of engagement being ‘one way’ and not ‘two way’; • TV and radio ads offer questionable value for money; • about whether SONI are dedicating sufficient resource to data availability and visualisation; • that Tech disrupters, aggregators, innovative energy suppliers, EV chargepoint operators etc are conspicuous by their absence <p>Stacy Feldmann was concerned that this was substantially short of excellent: and raised the following:</p> <ul style="list-style-type: none"> • Appendix C does not demonstrate lessons learnt in stakeholder engagement for all stakeholders • There is inadequate analysis to demonstrate the right 	<p>While we note and have taken account of positive comments made by SECG members, we recognise that the thrust of the commentary suggests that stakeholder engagement is a key area for SONI to build on. We have set out service expectations for SONI, many of which emphasise the need for SONI to take a whole system coordination and collaboration role. As part of this we ask SONI to set develop a stakeholder strategy to meet these expectations and the themes of the energy transition.</p>



Engaging customers, consumers and other stakeholders

stakeholders are being identified in the first case .

- no detail of how specific stakeholders may be targeted differently, based on the activity. There is a reliance on traditional methods of passive engagement
- SONI has not demonstrated the full value chain for the types of engagement which could be deployed
- no clear and convincing evidence of the use of feedback loops or lessons learnt for continuous improvement
- Appendix I demonstrates some good structure insofar as engagement initiatives for network investment
- no clarity on how stakeholder engagement works when things go wrong
- Since the engagement is passive it is not clear how it was gathered and therefore, if it has been clearly incorporated into the business plan proposals
- Exception is Appendix I which demonstrates one possible way that stakeholder engagement can lead to business improvement.

William Steele considered that Feedback themes, especially from the SECG are described in detail in Chapter 6.

Ronan McKeown considered that the webinars were a good way to use communicate with a disparate group such as the SECG. RMK also found them informative.

Stacy Feldmann was concerned that this is substantially short of excellent:

- Since the engagement is passive it is not clear how it was gathered and therefore, if it has been clearly incorporated into the business plan proposals



	<p>Ronan McKeown considered that Table 6.2 shows that SONI has used the SECG process positively and referenced the concerns/challenges of the group in their Business Plan</p> <p>Felicity Jones was concerned that:</p> <ul style="list-style-type: none"> Limited evidence of ongoing continual feedback/engagement culture (from review of Chp 11 noting relevant appendices A and N have not been provided) <p>Stacy Feldmann considered the response was weak on the basis of Chp 11 noting relevant appendices A and N have not been provided, which may provide more significant detail.</p>	
	<p>ERG1 Stacy Feldmann considered chapter 13 a good overview of the approach to risk and preparedness and metrics for delivery are clearly outlined in appendix F and G</p> <p>Felicity Jones cited SSEN's digitalisation strategy as good practice and considered that</p> <ul style="list-style-type: none"> the SONI People Plan appears to underplay the importance of culture (particularly how taking a whole system perspective affects governance and resilience); There is no reference to diversity in the Business Plan (and the implications for organisational resilience are unclear) SONI's plan for securing scarce digital and economic talent is unclear. Appendix H places an emphasis on system planning – but what about responding 	<p>We do not agree with the comments that the approach to risk is clearly outlined. Section 13 provides some detail but blends consideration of risks in SONI structures and in Eirgrid PLC structures in a way which is confusing – e.g. who is the directorate to which operational; risks are reported for review and assessment and where is the 'risk committee' located and what is its remit for SONI risks.</p> <p>In terms of being agile and flexible the SSEN digital strategy (Dec. 2019) sets out how SSEN proposes to evolve its ways of working to be responsive to its customers and more and contrasts two distinct organizational structures top down hierarchical and an agile organization. We would like to see SONI consider how it could similarly evolve its ways of working to deliver on the commitments made in its BP, drawing on examples of current thinking in GB</p>



<p>Ensuring resilience and governance</p>	<ul style="list-style-type: none"> governance arrangements be amended to provide additional comfort that any conflict of interest between more copper and non-wires alternatives is being addressed 	<p>utility companies. We also agree that SONI should be considering how it can update its methodology for assessing and communicating system needs to be responsive to customer needs and uncertainty. We understand that other TSO are adapting their techniques for system assessment to cope better with uncertainty (for example, using option value) and collaborating with stakeholders as part of this.</p> <p>Many of our upfront service expectations imply culture and workforce planning change. For example, we have asked SONI to develop a number of strategies: whole system, digitalisation and stakeholder strategy. We would expect SONI to take account of the implications for things like resourcing, governance, diversity and organisational resilience as part of these. We have set out requirements for SONI to take account of governance and workforce planning as part of its digitalisation strategy.</p>
	<p>ERG2 Stacy Feldmann said that SONI has a good understanding of its risks—and under Chapter 13 demonstrates how it manages risk and monitors risk.</p> <p>Ronan McKeown noted that appendices are not available so could not respond.</p> <p>Felicity Jones suggested that the risk analysis suggests complacency in some areas: relatively low expertise in essential topics such as: new technologies, new commercial arrangements, new business models, data & SONI may not be keeping up with the rapid pace of change.</p>	
	<p>ERG3 Stacy Feldmann considered that risk has been well documented. Risk tracking is in place. Demonstrable mitigations are weak. Overall BAU.</p>	
<p>Accounting for past delivery</p>	<p>APD1 Felicity Jones said that through 2019 FlexTech has been under-resourced and is considered insufficiently ambitious.</p> <p>Ronan McKeown could not comment without the appendices</p>	<p>We have concerns that SONI’s response to accounting for past delivery lacks a critical perspective to inform future performance. We note the evidence provided by SECG substantiates this view to some extent. We have set out service expectations which encourage SONI to be more ambitious a number of areas, including system services and control centre tools. We welcome stakeholder views on these.</p>
	<p>APD2 No comment</p>	



	<p>APD3</p> <p>No comment</p>	<p>We have also largely allowed SONI's request for operational expenditure allowance to develop its Renewable strategy and Control centre tools business plan initiatives (as well as supporting development and implementation). However, we felt some of capital expenditure requests in these areas were not justified in terms of being scoped at this point or fully taking on board customer expectations, and SONI had not justified why other parties may not be able to carry out certain activity. In deploying its opex request, we expect that SONI should ensure it has the right types and balance of workforce skill-set and resource to meet our service expectations and the reasonable needs of customers, as it fleshes out these initiatives and as it seeks to enhance its service provision more generally.</p>
<p>Securing confidence and assurance</p>	<p>SCA1</p> <p>No comment</p>	<p>We welcome a view from SONI on these comments and its response.</p>
	<p>SCA2</p> <p>No comment</p>	
	<p>SCA3</p> <p>No comment</p>	
	<p>SCA4</p> <p>Felicity Jones was concerned that the:</p> <ul style="list-style-type: none"> • The Board appears to have a bias towards 'traditional' backgrounds (and so may not be sufficiently responsive to energy transition) • Environmental commitments risk being framed as 'eco-spindoctor' moreso than genuine action (clarification on 	



	<p>whether the Policy & Sustainability team sits under PR or is actually embedded into organizational thinking and that systemic change across its organization may be required to fully account for sustainability)</p>	
	<p>SCA5 No comment</p>	
	<p>SCA6 No comment</p>	