


<b>Contestability Working Group - Conf Call</b>		 UTILITY REGULATOR ELECTRICITY GAS WATER	
<b>Subject: Contestability Working Group</b>		<b>Date: 18/05/21</b>	<b>Time: 12:00</b>
<b>Attendees:</b>	<b>Title</b>	<b>Representing</b>	
Aidan Gunning	AG	EW	
Chris Kingston	CK	EW	
Kenny McPartland	KMP	UR	
Jody O'Boyle	JOB	UR	
Tim Steele	TS	UR	
Sinead Ferris	SF	NIEN	
Nigel Crawford	NC	NIEN	
Carl Hashim	CH	NIEN	
Nigel Watkin	NW	NIEN	
Graham Caldwell	GC	NIEN	
Sarah Friedel	SF	SONI	
Nicola McMahon	NMM	SONI	
Les Thomas	LT	Lloyd's Register	
Colin Towers	CT	Glenelly	
Killian Halpin	KH	RenewableNI	
Mark Proctor	MP	DFI	
<b>Apologies:</b>			
<b>Circulation:</b> External			

<b>Item</b>	<b>Main discussion points</b>
1	<p>Agenda</p> <ol style="list-style-type: none"> <li>1. Introduction of new CWG members</li> <li>2. Recap of work complete since our last CWG meeting</li> <li>3. Discussion of 'Contestability Next Steps' paper and LV final point of connection PDF</li> <li>4. Next Steps</li> </ol> <p>-----</p> <p>JOB (Chair) – Proceeded with round table introductions for new members attending working group.</p> <p>JOB Provided background regarding the re-convened working group following consultation in Feb.</p> <p>Noted that responses received from consultation have been shared with the group and will be posted on the working group website. Provided brief update regarding meeting and progress to date and that today's meeting was to discuss the draft paper following the consultation and to take on any views, points and suggestions regarding the context of the draft paper regarding the next steps for contestability in NI.</p>

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	<p>KMP – Gave introduction and the layout of the draft paper, including the purpose, timelines for introducing contestability in NI along with a review of the consultation responses received.</p> <p>Discussed the forward work plan(FWP) for the introduction of contestability in NI, requested that NIEN take the lead of the FWP, though engagement needed from all parties to identify the scope, risks, owners and timelines associated within the FWP.</p> <p>KPM – Outlined the requirement to identify the scope of contestability in NI for LV final connections at Distribution level, including a full list of activities that fall within LV final connections. Noted that a PDF had been sent out to all, put together by NIEN as a starting point to identify the scope of contestability that identified a list of activities that would be open for contestability. KMP asked NIEN to provide an overview of the PDF.</p> <p>NC – Provided comments that the list of items covers all type of connections in NI by NIE. This list would differ from GB due to the type of connection and cables required dependant on the connection required. Referenced differences between overhead connection v underground connections at that there may be other cable types to take into account for the groundworks involved with underground connections. Commented that the table be considered in the round in referenced to URs paper and that if anyone had any queries have to discuss in advance of next meeting.</p> <p>JOB – Confirmed in between this and next meeting, UR happy to engage and facilitate exchange of queries that may arise.</p> <p>CK – Queried what is the expectation of the list that is to be discussed? Is it what is in scope / out of scope re the list for contestability?</p> <p>KMP – Noted that the list was to define the scope of contestability for LV final connections; the list outlines the different type of connections.</p> <p>CK – Noted that all items on the list were in EW eyes all in scope.</p> <p>JOB – Queried if anybody had any thoughts if anything was missing from the list all suggestions were welcome.</p> <p>NC – Noted there were 36/38 ICPs registered in NI, and that contestability would apply to all, therefore unable to address all potential views as not all present on the call.</p>

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	<p>KMP – Noted that UR had reached out to all ICPs on Lloyds list, and invited to the call. A number of responses received from a few ICPs . Noted that any comments received from ICPs would be discussed at the next follow up meeting and prior to any publication of the paper.</p> <p>KMP – Outlined the risk and owners of contestability in NI raised within the consultation response and invited comments from the group.</p> <p><b>Risk 1 – Ensuring effective competition in relation to scope</b></p> <p>CK – Noted acceptance of ICPs who are authorised via Lloyds to undertake works on NIEN Network and take full responsibility of contestability and will liaise with NIEN. Works not restricted to other ICPs that are authorised to carry out works.</p> <p>LT – Noted the process for works and building up the scope, development of training and access to the networks. Outlined the two stages of partial and full authorisations.</p> <p>JOB – Noted that where the element works are defined as contestable that only part of the works cannot be chosen bit by bit, it would have to be all of the contestable works required for the connection.</p> <p>LT &amp; AG – Agreed all the contestable works for the connection would be included. No cherry picking.</p> <p>KH – Noted where there maybe multiple ICPs and works or either contestable or not, it is important to encourage that ICPs gain the required qualifications to operate all construction works safely.</p> <p>LT – Noted that having a framework in place to reach goal is important and adopt practices within the ICP community.</p> <p><b>Risk 2 – Additional Costs &amp; Risk 3 – NIEN Safety Rules</b></p> <p>AG – Queried the inspections noted by NIEN of additional cost?</p> <p>SF – Noted this was another activity that would have to be carried out by NIEN.</p> <p>NC – Noted that it is important that the DNO know when/who is operating on sections of the network and that NIEN are comfortable with the operation and management when contestable works are being carried out and safely.</p> <p>SF – Noted the learning from GB and other ICPs with GB, how the management &amp; control of works take place within its own process.</p> <p>LT – Noted that NI would differ from GB because NI has only one DNO, where GB has many, therefore safety rules will differ between each ICP and DNO.</p>

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	<p>The process is to be adopted is about construct and ownership inspection. Where the owner would inspect the construction after the process.</p> <p>SF – Referenced the process in GB where it is a phased step process i.e the 1<sup>st</sup> phase would be live LV jointing and then step through each type of connection as the scope of contestability progresses. Outages are more complex. The IT systems and access will be a key driver for the progression of contestability.</p> <p>JOB – Noted that different levels of access to the system would depend on the levels opened up to contestability, either phased or all in one go. Referenced LV substation being an important decision.</p> <p>LT – Noted that it was about becoming confident in the process for ICPs and NIEN in regards to the staged process and bring this process to the UR.</p> <p>AG – Noted that there a far less ICPs in NI than in the GB</p> <p>LT – Noted that NI does have an advantage in defining a scope and the process as there is only one network. Therefore more efficient management of the system, scope, access and authorisation on the system. Key that ICPs work together to drive the contestability market, and avoid any barriers.</p> <p>AG – Referenced that EW is the only ICP in the market, at the moment, therefore the only option available to customers. Noted that Jan 2022 is the proposed date for the final establishment of contestability in NI, in a staggered phase the period of time for the full scope of works will be a long way off.</p> <p>NC – Disagreed with AG comment regarding EW the only ICP and only option in NI.</p> <p>KH – Queried if NIEN could provide clarity on the final costings for ICPs</p> <p>SF – This will be dependent on the level of authorisations detailed within the scope of contestability. The starting point is to agree the scope but the sooner the better it is agreed then we can progress.</p> <p><b>Risk 4 – Access &amp; Liability</b></p> <p>JOB – Noted that this was one for the ICPs to consider regarding the defining of the scope and the timelines. If a staged process or all at once is the best approach.</p> <p>CK – Noted that there are no issues from EW regarding the scope of the contestability at this stage. Will leave it up to UR and NIE as to agree on the</p>

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	<p>process and how it is implemented, either staged or all at once. Either way EW happy to provide further feedback.</p> <p><b>Risk 5 – On Site Dangers</b>  KH – Noted that there is a liability issue for 3<sup>rd</sup> parties especially regarding substation works and control. Process has to set out a clear responsibility on the management of onsite works.</p> <p>SF – Noted that if scope is to include substations there are additional safety considerations to think about, important in the process safety boundaries are crystal clear. Clear process regarding the connections, when and what is contestable and non-contestable, or if all is contestable.</p> <p>KH – Queried the access to substations?</p> <p>SF – Outlined the process, where NIE would adopt once the substation has been energised, before this, the ICPs would be responsible for the access and works.</p> <p><b>Risk 6 – Delegated Working</b>  SF- Queried, What are the ICPs looking for in the scope of contestability? E.G. is it the final connection? Is it final connection and control of the network? SF notes they are 2 very different things and the question here is what is the appetite of ICPs in relation to the control aspect of final connections.</p> <p>KC – Noted that EW would be looking for the same access to NIEN network similar to GB, that includes control, final connection , point of connection. These items may progress as the market matures and becomes more established within NI, though the risks are migrated in GB due to ICPs experience and build-up of a profile via Lloyds register.</p> <p>NC – Noted that if the scope would be extended to include connection points then this would have to be clearly defined in the process.</p> <p>CK – Agreed that important that define the scope to move forward and open a competitive market in NI, similar to GB.</p> <p>SF – Acknowledged that GB is ahead of NI in regards to contestability, though it's important that the understanding of access to systems, scope of works and if the appetite for LV is to include final connection points. The point of connection could raise further challenges elsewhere on the network.</p> <p>SF – Queried if the ICPs could outline how the process works in GB? How does the ICP take control of the network and what is the communication channels with the the DNOs?</p>

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	<p>CK – Will send process across to NIEN.</p> <p>SF- Notes that any sharing is greatly appreciated on the call, we don't want to re-invent the wheel here in NI.</p> <p>LT – Noted, as there are many DNOs in GB, with many ICPs, the ICPs would develop separate processes depending on the DNO they are working with. Therefore, down to the ICP to develop a process that works. This is something would have to be developed in NI regarding the control and operation of contestability within NI.</p> <p><b>Risk 7 – LV Records</b>  LT – Made one observation that LV records should also be considered by the ICPs as they will have to produce records that NIEN are able to manage within their systems.</p> <p><b>Risk 8 – Existing Contestable processes</b>  No Comments – All Agreed</p> <p><b>Risk 9 – Street Works</b>  MP – Queried the risks identified within the paper regarding street works and challenged the current drafting. There is no changes being considered to DFI's frameworks currently.  MP &amp; GC to take offline to discuss further. MP &amp; GC to respond to UR with updated risks after discussion.  NC – Noted further discussions to be had to bottom out any risks identified with Street work.  LT &amp; MP – Discussed the differences between GB &amp; NI regarding Article 11 and section 50 in reference to the Utilities Act 2000</p> <p><b>Other Regulatory/Policy Considerations</b>  LT – Noted that requirement to update the paper in regards to NERS.</p> <p><b>Licence Modifications</b>  No Comments made re licence conditions</p> <p><b>NIEN Statement of Charges</b>  No comments made re NIEN statement of charges</p> <p>JOB – Suggested follow up meeting WC 14<sup>th</sup> June.</p>
2	<p><b>Actions</b></p> <ul style="list-style-type: none"> <li>- UR to upload consultation responses onto the CWG website</li> <li>- UR send out invite for next meeting (aiming for WC 14<sup>th</sup> June)</li> </ul>

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	<ul style="list-style-type: none"> <li data-bbox="379 248 1385 398">- CWG members to respond to UR in relation to any further points in relation to the scope of contestability or to add any additional points in relation to the risks involved. These comments to be provided by close of business Friday 28<sup>th</sup> May</li> <li data-bbox="379 405 1350 477">- Electricity Worx to provide info on how the ICP's take control of the network and what's the communication channels with the DNOs in GB</li> </ul>