

## Minutes of UR Contestability Working Group (CWG) - Meeting 5

Location	Date
UR Offices, Belfast	12 <sup>th</sup> May 2015

### Attendance:

Tanya Hedley (TH) - UR	Gorman Hagan (GH)
Jody O'Boyle (JO'B) – UR	Mervyn Adams (MA)
Ronan McKeown (RMK) – UR	Bob Weaver (BW)
Nigel Crawford (NC) – NIE	Iain Wright (IW)
Malcolm Robinson (MR) -NIE	Billy Graham (BG)
Eimear Watson (EW) – SONI	

### Apologies:

Andrew Prinsloo	Stuart Hall
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### Copies:

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	<i>Responsibility - Action Items</i>
<b>1. Previous Minutes</b>	
The Minutes from Meeting 4 were approved as being accurate and passed to be published.	Noted
<b>2. Introductions</b>	
TH chaired the meeting and with no one new in attendance, introductions were unnecessary.	Noted
<b>3. Matters Arising from Previous Actions</b>	
Meeting 3 AP2 – Ongoing  Meeting 4 AP 1 - Circulate an example of adoption Certificates or Agreements – Outstanding AP 2 - Circulate note to include potential W/L process – Complete AP 3 - Circulate WPD W/L process policy paper – Complete AP 4 - Circulate the Second Comer paper to the working group - Complete	Noted
<b>4. Review of Next Steps Paper</b>	
Connection Type IW asked for clarification on what was meant by contestability being consistent across all connection types. RMK advised the same process would be applied to all connection types. All agreed the same process will apply to all connection types.  BW proposed he forward GSOP standards to the group  Action 1 – BW to forward GSOP standards to working group  Scope of Contestability IW asked for further detail on metering and protection being non- contestable items and if any elements associated with protection was contestable e.g. VT's and CT's already installed in new switchboards. RMK said this level of detail would have to be teased out in making the model practical.  Regarding 4.2.5 in the Next Steps paper where it states a developer will be	BW

	Responsibility - Action Items
<p>responsible for all or none of the contestable activities from the point of connection, BG asked RMK if in the Call for Evidence or the Consultation, had any small scale developers requested the facility to design and build O/H line and RMK replied no. There were points made by UR and NIE that this was the same model as is used across the UK with the POC being defined as where the new connection connects to the existing network. The reasoning for 4.2.5 was also to avoid confusion and potential safety issues around NIE and ICP site boundaries on each job. BG was not content the reasons provided were sufficient for taking the position detailed in the 4.2.5 and that should that position remain, Contestability would not function for small scale generation connections.</p> <p>A discussion was then held around the definition of the POC as this could determine what was contestable and what wasn't. NIE's position was in keeping with the rest of the UK in that the POC would be where the new connection connects to the existing network (distribution or transmission). TH suggested this may not be detailed enough leaving particular connection types up for debate, the example given of a new TX on an existing pole, the TX is new but the pole is existing, where is the point of connection in this instance. BW suggested NIE and UR work together to provide a number of worked examples. This lead onto a discussion on wind farm cluster connections and how contestability would apply there. IW noted the lack of discussion in the "Next Steps" paper around the construction of shared network assets in the context of Northern Ireland's cluster connection policy and cost rebating from subsequent connectees. A "second comer" paper was circulated subsequent to an earlier meeting and the issue was raised - although by no means resolved at the last meeting. A worked example around a cluster substation will also be provided by UR and NIE.</p> <p>Following on from BG's point that 11kV overhead (O/H) line is not something small scale developers are interested in, BW commented by saying in GB ICP's don't have the capability to construct 11kV O/H line although it is part of the contested works in the new connection being provided. BW said its not economically via for ICP's to have full time O/H lines staff and in practice they request the DNO to carry out the 11kV O/H line construction as a service to them however this was not to suggest the DNO would be the only option to provide this service. The potential for NIE to also offer this service outside of the existing regulatory framework will be discussed by NIE and the UR.</p> <p>Action 2 – Provide worked examples on different connection types and what activities for each connection are contestable and which are not.</p> <p>Action 3 – Explore the possibility of NIE providing a service (outside of the existing regulatory framework) where requested by the ICP to construct contested distribution O/H lines.</p> <p>Operations and Maintenance</p> <p>All were in agreement with method of calculating O&amp;M costs as detailed in 5.2.1 BG asked if an 11kV underground cable was accepted as a method of connection. NC agreed as long as the design was approved by NIE due to restrictions on HV U/G cable length connected O/H networks protected by rural protection schemes. GH raised a query on the practicalities of NIE/SONI installing the protection and comms on plant and equipment procured and installed by an ICP e.g. NIE and ICP simultaneously working on the same site. The discussion concluded arrangements for this and other practicalities are issues that will need to be worked through before the introduction of Contestability. EW questioned whether it was right to base the O&amp;M costs on the non-contested quote rather than what was actually delivered contestably. IW suggested the use of standard costs e.g. a cost per length of OHL/UGC.</p>	<p>Noted</p> <p>UR</p> <p>UR</p>

	<b>Responsibility - Action Items</b>
<p><b>Accreditation</b> IW raised a query on what guarantee ICP accreditation gives. UR and NIE both stated their views that it is their preference for setting a framework for having only accredited contractors carrying out works to construct assets that would eventually be adopted. GH put forward his opinion that making accreditation compulsory was creating a regulatory barrier to competition due to costs involved. BG said there are different levels of accreditation and used an example of a an ICP creating an LV network around a new housing development which would require a cheaper level of accreditation than one building new 110kV assets, and therefore realistically would not be a hurdle.</p> <p>IW raised the alternative option of Achilles. This provides a register of contractors who are experienced/competent to carry out particular types of work. This is a useful arrangement for developers who want to run their own project rather than just substitute an ICP design-and-build for an NIE design-and-build</p> <p>GH asked why the responses provided in the Next Steps paper were very GB focused with little indication of how contestability works in Ireland. IW did not believe that how contestability works in Ireland as detailed in the SSE response was reflected in the Next Steps paper.</p> <p>EW confirmed that the SONI response was neutral in terms of accreditation and that the answer may not be the same for all types of connections.</p> <p>A question was asked regarding Article 40 Consent and NC clarified that it was required for O/H but not U/G cables, also that anyone could apply for consent.</p> <p><b>Documentation</b> EW said that the reference to Functional Specifications needs to be better defined as it could be interpreted in different ways. NC sought clarification that individual responses to the Next Steps paper will be submitted in due course.</p> <p><b>Timelines</b> EW gave a report on SONI's work on their proposed Timeline. NC then gave a brief overview on the work carried out by NIE in their preparation of a Timeline but as yet is unable to provide an accurate date of completion.</p> <p>Action 4 – Forward proposed timelines to UR for publication as Annex 1 and 2 of Next Steps Paper.</p>	NIE/SONI
<b>5. AOB</b>	
TH said that it is UR's view that introduction of Contestability was not considered as part of the current price control for either NIE or SONI and that specific funding for the project will need to be considered by UR to deliver the Contestable model in Northern Ireland.	
<b>6. Date of Next Meeting</b>	
Action 5 - RMK will forward provisional dates for the next meeting	RMK
<b>7. Post Meeting Comments from Andrew Prinsloo</b>	
	Noted

	<b><i>Responsibility - Action Items</i></b>
<p>AP made comment on IW's point raised under the Scope of Contestability around protection being non-contestable. AP confirmed that in GB elements of the protection eg VT's, CT's are deemed to being contestable items.</p> <p>AP made comments on the discussion on the definition of the point of connection. He responded to TH's example of a new transformer on an existing pole causing room for interpretation as to the POC could be. He stated the designation is quite clear, and the example quoted is a moot point, as you do not install a new transformer on an existing pole. The POC is determined by the DNO, whether it be contestable or non contestable. As a ICP in waiting in NI we would almost certainly be undertaking 11kV overhead line works as a major part of our workload.</p> <p>AP commented on BW's point that in GB ICP's do not have the capability to construct 11kV overhead line and in practice they request the DNO to carry out the 11kV overhead construction. AP stated As an ICP in waiting we would certainly be carrying out overhead line 11kV and other work. We would not be requesting NIE to do these works, and due to the nature of the Networks in NI this would make up a large part of the workload.</p> <p>In response to Action Point 3 AP stated Contestability is not a buffet, the work is contestable or non contestable, and I do not agree with this approach. If an ICP is unable to carry out the overhead line work, the client should not be appointing them.</p>	

### **Actions Summary From Meeting 3 on 12<sup>th</sup> February 2015**

<b>Action Number</b>	<b>Section</b>	<b>Action</b>	<b>Responsible</b>	<b>Required By</b>
1	Matters Arising	Lloyds Accreditation contact details to be provided to UR	AP	Complete
2	Next Steps	Forward GB DNO connections process map to NIE	AP	ASAP
3	Next Steps	Circulate links to GB DNO published engineering specification	JO'B	Complete

### **Actions Summary From Meeting 4 on 5<sup>th</sup> March 2015**

<b>Action Number</b>	<b>Section</b>	<b>Action</b>	<b>Responsible</b>	<b>Required By</b>
1	WF Discussion	Circulate an example of adoption Certificates or Agreements	AP/IW	ASAP
2	WF Discussion	Circulate note to include potential W/L process	IW	Complete
2	WF Discussion	Circulate WPD W/L process policy paper	BW	Complete
4	General Discussion	Circulate the Second Comer paper to the working group	BW	Complete

### **Actions Summary From Meeting 5 on 12<sup>th</sup> May 2015**

<b>Action Number</b>	<b>Section</b>	<b>Action</b>	<b>Responsible</b>	<b>Required By</b>
1	Next Steps Review	Forward GSOP standards to working group	BW	ASAP
2	Next Steps Review	Provide worked examples on different connection types and what activities for each connection are contestable	NIE/UR	ASAP
3	Next Steps Review	Explore the possibility of NIE providing a service where requested by the ICP to construct contested distribution O/H lines	NIE/UR	ASAP
4	Next Steps Review	Forward proposed timelines to UR for publication as Annex 1 and 2 of Next Steps Paper.	NIE/SONI	22 <sup>nd</sup> May
5	Date of Next Meeting	Forward proposed dates to group	RMK	ASAP