



2015-2023

# RIIO-ED1 BUSINESS PLAN

## SA-02 Supplementary Annex - Incentives

June 2013 (updated April 2014)

# SA-02 Incentives

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# 1 Introduction

- 1.1 This document is a supplementary annex to the Western Power Distribution (WPD) Business Plan for the eight year period from 1st April 2015 to 31st March 2023.
- 1.2 It describes the incentives specified by Ofgem and adopted or modified by WPD that are necessary to create an environment that will drive the delivery of long term outputs through investment and application of efficient business processes.
- 1.3 It describes the incentives that should apply to all four WPD distribution licences of West Midlands, East Midlands, South Wales and South West.
- 1.4 The eight year period aligns with the next regulatory price control review period, known as RIIO-ED1; the first for electricity distribution to be determined using Ofgem’s Revenue = Incentives, Innovation and Outputs framework. The Business Plan, supplementary annexes, detailed cost tables and financial models form the submission under RIIO-ED1 to the regulator Ofgem (Office for Gas and Electricity Markets), who will use the information to determine allowed revenues.

## Structure of this document

- 1.5 We appreciate that the readers of the WPD Business Plan suite of documents will range from regulatory experts and well informed stakeholders through to new customers who may have had little previous knowledge of WPD.
- 1.6 This document is aimed at readers who require a more detailed understanding of the incentives that will be in operation during RIIO-ED1. A less detailed description of the incentives can be found in the main Business Plan Overview document.
- 1.7 This document is subdivided into the following sections:

Chapter	Title	Content
2	<b>Overview of Incentives</b>	A brief description of what incentives are and why Ofgem uses them.
3	<b>Safety Incentives</b>	The incentives that drive compliance with health and safety law.
4	<b>Reliability Incentives</b>	The incentives that drive improvements to network reliability.
5	<b>Environmental Incentives</b>	The incentives that will lead to the reduction in losses and a lower carbon footprint.
6	<b>Connections Incentives</b>	The incentives that drive an improvement to the service for customers connecting to the network.
7	<b>Customer Satisfaction Incentives</b>	The incentives that lead to improvements in customer satisfaction.
8	<b>Social Obligation Incentives</b>	The mechanisms that will be used to reward improvements in the services provided for vulnerable customers.
9	<b>Innovation Incentives</b>	The additional allowances that are available through a competitive process to fund projects that lead new solutions to manage the transition to a low carbon economy.
10	<b>Efficiency Incentives</b>	The mechanisms that drive DNOs to be more efficient
11 Appendix A1	<b>GSOP payments</b>	A description of the performance GSOPs with a comparison of proposed payment levels from Ofgem and WPD
12 Appendix A2	<b>Connection GSOP payments</b>	A description of the connections GSOPs with a comparison of proposed payment levels from Ofgem and WPD

## 2 Overview of incentives

- 2.1** The RIIO-ED1 incentive mechanisms are designed to encourage DNOs to deliver a range of outputs and do so efficiently. This means that many of the regulatory incentives are closely related to the outputs Ofgem will monitor.
- 2.2** The mechanisms used can be financial or reputational.
- 2.3** Financial incentives provide rewards for outperformance or apply penalties where service fails to meet targets or standards. The RIIO handbook states that for a financial incentive to apply there needs to be:
- clarity on the output being incentivised;
  - confidence in the data being used to assess the output;
  - evidence that the output is important to customers;
  - confidence that the output is not covered by other incentives or other obligations.
- 2.4** Reputational incentives compare performance against peers usually illustrating relative positions in league tables. These encourage improvement through the reputational advantage of being recognised as a leading performer. They provide benchmarking information which assists DNOs in questioning how they might identify actions to improve performance.
- 2.5** There are other obligations that incentivise behaviour and these generally relate to compliance with the law, licences and industry codes. This document does not describe these obligations unless Ofgem has specifically indicated that delivery of outputs will be linked to them.
- 2.6** WPD accepts the range of incentives proposed by Ofgem and does not propose any additions or removals. WPD will seek to maximise rewards and avoid penalties across all the incentive mechanisms.
- 2.7** WPD accepts the rates and levels of the incentives proposed by Ofgem with the only exception being the penalty payment rates associated with Guaranteed Standards of Performance where WPD will double the value of Ofgem's proposed payment values to customers.
- 2.8** Ofgem uses a number of different ways of describing the value of incentives and these include:
- Return on Regulatory Equity (RORE) specified in basis points with reference to the notional proportion of the RAV that is financed by equity. The actual financial values are determined once allowances are set;
  - percent of annual base revenue. The actual financial values are determined once allowances are set;
  - cash value for payments to customers.

## 3 Safety incentives

- 3.1 There are no financial incentives for safety.
- 3.2 Health and safety law defines the obligations and the Health and Safety Executive (HSE) enforce regulations. Failure to comply can result in the HSE serving improvement notices, prohibition notices or prosecutions. These can result in reputational damage, fines or in some cases imprisonment.
- 3.3 Levels of safety performance within WPD are very high. We will continue to strive to improve our levels of safety for members of the public, contractors and our staff.

## 4 Reliability incentives

### *Interruptions Incentive Scheme (IIS)*

- 4.1 The IIS provides rewards for outperformance (and applies penalties for underperformance) against targets for the average number of interruptions and the average duration of those interruptions.
- 4.2 It considers both unplanned power cuts and planned outages, but the target setting mechanisms are different.
- 4.3 Targets for unplanned interruptions are derived from industry benchmarks and have improvement factors applied so that they get tougher over time.
- 4.4 Planned targets are derived from past performance so that where DNOs make improvements to working practices these are 'locked in' to future targets and where work volumes drive an increase in interruptions the targets are relaxed so that DNOs are not adversely penalised for doing more work.
- 4.5 Performance is measured through well-defined guidelines that have been refined since the introduction of IIS in 2002/3. Reporting is externally audited annually to ensure that the details of interruptions are being accurately recorded and reported.
- 4.6 The value of the incentive mechanism is shown in the table below.

Value of incentive for IIS		
Incentive Mechanism	Maximum Reward	Maximum Penalty
Interruptions incentive scheme overall exposure	+250 RORE basis points	-250 RORE basis points

## ***Reliability Guaranteed Standards of Performance (GSOPs)***

- 4.7** The Electricity (Standards of Performance) Regulations 2010 define the guaranteed standards, covering a range of different network reliability circumstances, where customers are entitled to payments where DNOs fail to meet the standards.
- 4.8** These are established measures of performance that will be continued into RIIO-ED1, but Ofgem have proposed the following changes:
- The standard for restoration of supplies under normal weather conditions will be reduced from 18 to 12 hours;
  - Payments for failures will be increased to reflect inflation forecasts.
- 4.9** They are intended to be minimum standards and therefore failures should be avoided.
- 4.10** The proposed change to the standard for restoration of supplies in normal weather is being introduced to drive DNOs to reduce the duration of power cuts.
- 4.11** Whilst failures lead to a financial cost, there is also a strong reputational incentive to minimise the number of failures. WPD accepts Ofgem's proposed changes to this incentive scheme.
- 4.12** We will voluntarily double the value of payments for failures against guaranteed standards. Whilst we do not anticipate that the provision of these enhanced compensation levels will have a significant financial impact on WPD, we feel there is a need to ensure customers feel adequately recompensed should our service standards fail to meet minimum expectations.
- 4.13** The individual standards and payment values proposed by Ofgem and WPD are shown in appendix A1.

## 5 Environmental incentives

### *Losses discretionary reward*

- 5.1 Previous price controls have included a financial incentive for losses, but difficulties with measuring losses have led Ofgem to propose a change to the incentive arrangements.
- 5.2 For RIIO-ED1 loss reduction will be driven by a mechanism that consists of four elements:
- licence obligations;
  - loss reduction expenditure in business plans;
  - annual reporting obligations;
  - a discretionary reward.
- 5.3 The discretionary reward will provide financial payments for DNOs that undertake additional losses reduction actions over and above those set out in business plans. WPD agrees with Ofgem's proposed changes to this incentive scheme.
- 5.4 The value of the incentive mechanism is shown in the table below.

Value of incentive for losses discretionary reward		
Incentive Mechanism	Maximum Reward	Maximum Penalty
Losses discretionary reward – year 2 of RIIO-ED1	£8m	n/a
Losses discretionary reward – year 4 of RIIO-ED1	£10m	n/a
Losses discretionary reward – year 6 of RIIO-ED1	£12m	n/a

### *Business Carbon Footprint*

- 5.5 The business carbon footprint incentive was introduced in DPCR5 and is a reputational scheme where DNO performance is published in league tables.
- 5.6 In RIIO-ED1, the league tables will be supplemented by descriptions of the positive actions being taken by DNOs to reduce emissions.
- 5.7 These details will be published in Ofgem's Electricity Distribution Annual Report.

## 6 Connections incentives

- 6.1 There are a number of existing and new incentives such as 'Time to Connect' and the 'Incentive on Connections Engagement' aimed at improving the service provided for customers connecting to DNO networks.

### *Connection Guaranteed Standards of Performance (Connections GSOPs)*

- 6.2 The final proposals for DPCR5 introduced new standards to establish minimum levels of service and to set out the level of compensation to customers where these standards are not met.
- 6.3 There are thirty guaranteed standards of performance covering all the aspects of connection provision including:
- providing budget estimates;
  - providing quotations for connections;
  - contacting customers to schedule work;
  - commencing works on site;
  - completing work on site;
  - completing energisation;
  - repairing faults on unmetered connections;
  - providing quotations for unmetered supplies;
  - quotation accuracy;
  - failure to make a payment for failure against one of the standards.
- 6.4 Each failure of a standard results in a payment to the customer with the majority of connections standards having a per day cumulative penalty.
- 6.5 Ofgem are not proposing any changes to the Connection GSOPs.
- 6.6 The individual standards and payment values proposed by Ofgem and WPD are shown in appendix A2.

### *Customer satisfaction survey*

- 6.7 Ofgem's Broad Measure of Customer Satisfaction (BMCS) monitoring contains an element that rewards or penalises DNOs for the levels of customer satisfaction. Customers that have requested a connection are surveyed and their answers provide a score. The overall average score is then compared against a target.
- 6.8 Ofgem propose to increase the value of this incentive and to have it only apply to minor connections (since they will introduce the Incentive on Connections Engagement for major connection customers). WPD accepts Ofgem's proposed changes to this incentive scheme.
- 6.9 The value of the incentive mechanism is shown below (note that this is an integral part of the BMCS).

<b>Value of incentive for connection customer satisfaction survey</b>		
<b>Incentive Mechanism</b>	<b>Maximum Reward</b>	<b>Maximum Penalty</b>
Connection customer satisfaction survey	+0.5% of base revenue	-0.5% of base revenue

## Time to Connect Incentive

- 6.10 The 'overall time to connect' is a combination of the time to provide a quotation and, once the offer is accepted, the time taken to complete the necessary connection works.
- 6.11 Ofgem will be introducing a new incentive mechanism in RIIO-ED1 that rewards DNOs for outperforming time to connect targets.
- 6.12 It is aimed at encouraging DNOs to develop ways to speed up the various elements of providing a connection, including providing greater assistance in the early stages so that enquiries are dealt with quickly.
- 6.13 This will only apply to minor connections i.e. single and small developments up to four connections. WPD accepts Ofgem's proposed new incentive scheme.
- 6.14 The value of the incentive mechanism is shown in the table below.

Value of incentive for time to connect		
Incentive Mechanism	Maximum Reward	Maximum Penalty
Time to connect incentive	+0.4% of base revenue	n/a

## Incentive on Connections Engagement (ICE)

- 6.15 ICE is a new incentive being proposed for RIIO-ED1 which will penalise DNOs that do not engage adequately with larger connection customers i.e. those requiring more than four connections. It is being implemented to focus DNOs on understanding and meeting the needs of major connection customers.
- 6.16 DNOs will be required to identify, engage with and respond to the needs of connection customers. The activities undertaken will be reported to Ofgem every two years and separate submissions will be required for each market segment. A penalty will be applied where the actions carried out fail to meet minimum requirements.
- 6.17 The ICE incentive will not apply to those larger connection market segments that have passed the competition test. WPD accepts Ofgem's proposed new incentive scheme.
- 6.18 The total value of the incentive mechanism across all of the larger connection market segments is shown in the table below.

Value of incentive for ICE		
Incentive Mechanism	Maximum Reward	Maximum Penalty
Incentive on connection engagement	n/a	-0.9% of base revenue

## 7 Customer satisfaction incentives

### *Broad Measure of Customer Satisfaction (BMCS)*

- 7.1 The BMCS was introduced in DPCR5 to ensure that DNOs are focused on providing good service to customers.
- 7.2 The BMCS is an incentive mechanism that provides rewards or penalties in three areas of customer service: customer satisfaction, complaints and stakeholder engagement.
- 7.3 Customer satisfaction is assessed through a survey and deals separately with three types of interaction:
- customers requesting a connection (minor connections only);
  - customers experiencing a supply interruption;
  - customers making a general enquiry.
- 7.4 The complaints part of the BMCS results in penalties where DNOs do not meet the specified target performance. The measure is subdivided into four components with greater weighting applied to repeat complaints and complaints that take longer than 31 days to resolve.
- 7.5 The final part of the BMCS considers stakeholder engagement with rewards available for DNOs that engage well and use the information obtained to improve the service provided to customers. This incentive has been strengthened to encourage DNOs to focus more on issues relating to vulnerable customers. WPD accepts Ofgem’s proposed changes to this incentive scheme.
- 7.6 The values of the different elements of the incentive mechanism are shown in the table below.

<b>Value of incentive for Broad Measure of Customer Satisfaction</b>		
<b>Incentive Mechanism</b>	<b>Maximum Reward</b>	<b>Maximum Penalty</b>
Customer satisfaction survey – connections	+0.5% of base revenue	-0.5% of base revenue
Customer satisfaction survey – interruptions	+0.3% of base revenue	-0.3% of base revenue
Customer satisfaction survey – general enquiries	+0.2% of base revenue	-0.2% of base revenue
Complaints metric	n/a	-0.5% of base revenue
Stakeholder engagement incentive	+0.5% of base revenue	n/a
<b>Total</b>	<b>+1.5% of base revenue</b>	<b>-1.5% of base revenue</b>

## 8 Social obligations incentives

### *Stakeholder engagement for vulnerable customers*

- 8.1 DNOs have an important role in helping vulnerable customers.
- 8.2 To encourage DNOs to make changes for vulnerable customers Ofgem proposes to enhance the reward available for the stakeholder engagement part of the BMCS. The increased value of the incentive will specifically be used to assess and reward the steps being taken to improve the quality of data DNOs hold about vulnerable customers and the enhanced services that are provided.
- 8.3 The methodology to assess DNOs' performance is not yet established but Ofgem have stated that the mechanism will include assessment of:
- how DNOs use data about vulnerable customers;
  - the development of additional services;
  - targeting of support;
  - working in partnership with other organisations.
- 8.4 WPD accepts Ofgem's proposed changes to this incentive scheme.
- 8.5 The value of the incentive mechanism is shown below. Note that this is part of the BMCS.

<b>Value of incentive for stakeholder engagement for vulnerable customers</b>		
<b>Incentive Mechanism</b>	<b>Maximum Reward</b>	<b>Maximum Penalty</b>
Stakeholder engagement for vulnerable customers	+0.5% of base revenue	n/a

## 9 Innovation incentives

- 9.1 There are a number of different mechanisms that will be in place to drive DNOs to deliver innovation. Business plans are required to specify an Innovation Strategy. There will be an annual allowance for small scale projects and a competition for larger projects.

### *Network Innovation Competition*

- 9.2 In DPCR5 Ofgem introduced the Low Carbon Networks Fund (LCNF) to encourage DNOs to take a more proactive approach to innovation, knowledge sharing, anticipating the low carbon future and collaborative working with third parties. The concepts were extended into the first RIIO price control for electricity transmission (RIIO-T1) where the Network Innovation Competition (NIC) is equivalent to Tier 2 funding under the LCNF. During RIIO-ED1 the LCNF will be replaced by the NIC.
- 9.3 The NIC will provide funding for large scale projects, but both DNOs and transmission companies will bid for the funding through an annual competition. Bids will be judged on the environmental and low carbon benefits they provide.
- 9.4 Ofgem has stated that the annual funding available under the Transmission settlement will be £30m per annum and for years one and two of RIIO-ED1 a further £60m will be available. In 2016 Ofgem will review the NIC and determine the level of funding that will be available for the remainder of the RIIO-ED1 period.
- 9.5 WPD accepts Ofgem’s proposed changes to innovation incentives.
- 9.6 The value of the incentive mechanism is shown below.

Value of incentive for Network Innovation Competition								
	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23
Declared for RIIO-T1	£30m	£30m	£30m	£30m	£30m	£30m		
Declared for RIIO-ED1	£60m	£60m	tba	tba	tba	tba	tba	tba
<b>Current total</b>	<b>£90m</b>	<b>£90m</b>	<b>£30m</b>	<b>£30m</b>	<b>£30m</b>	<b>£30m</b>		

# 10 Efficiency incentives

## *Efficiency incentive rate*

- 10.1** The RIIO framework is designed to ensure that DNOs face a strong financial incentive to deliver outputs at an efficient cost.
- 10.2** The price control review process provides allowances for DNOs that are derived from benchmarking and set at efficient levels. Efficient DNOs will deliver their outputs without incurring additional costs.
- 10.3** The efficiency incentive rate is used to drive DNOs to seek out further efficiencies and to avoid overspending.
- 10.4** It works by sharing savings and additional costs between DNOs and customer. Where a DNO finds additional savings, it gets to keep a proportion of the savings and customers benefit by having the rest returned through lower DUOS charges. Where a DNO incurs additional expenditure, this is not fully funded by customers; DNOs have to pay a proportion of the costs. The proportions used for both savings and overspending are the same. So where a DNO has an efficiency incentive rate of 70%, it will keep 70% of savings and fund 70% of any overspend.
- 10.5** Ofgem will assign one efficiency incentive rate for a DNO group. This means that for WPD the efficiency incentive rate will be derived by comparing the costs for all four licence areas against Ofgem's view of costs at the time of setting the price control.
- 10.6** To prevent DNOs from under-delivering outputs and falsely appearing efficient, Ofgem has introduced retrospective adjustments and penalties for outputs that are not delivered. This will drive DNOs to carry out the specified work programmes and will allow the efficiency mechanism to adjust for the cost of delivering the work. WPD accepts Ofgem's proposed incentive scheme.

## *Information Quality Incentive (IQI)*

- 10.7** The IQI is designed to incentivise DNOs to provide accurate cost forecasts that reflect efficient expenditure in price control cost forecasts.
- 10.8** It operates around a matrix that compares DNOs submissions to Ofgem's views of costs. It determines DNO allowances and sets the efficiency incentive rate. DNOs are awarded a higher efficiency incentive rate and additional revenue when forecasts align more closely with Ofgem's views. Where DNOs' forecast costs appear to be inefficient, the efficiency incentive rate is set lower and allowances are reduced so that DNOs earn lower returns.
- 10.9** The mechanism discourages DNOs from providing costs that are lower than they actually incur. Such submissions would make company costs appear to be more efficient than they are. This would result in allowances in line with the request and would attract a higher efficiency incentive rate. This would penalise companies that provided falsely low forecast because funding would be limited and the higher efficiency rate would make them pay for a greater proportion of any overspending.
- 10.10** The IQI also discourages DNOs from overstating financial requirements. This results in Ofgem reducing allowances in line with their benchmarking and attracts a lower efficiency rate. Companies have less to spend and have to return a greater proportion of any savings. WPD accepts Ofgem's proposed incentive scheme.

## 11 Appendix A1 – GSOP Payments

Reporting code	Service	Ofgem proposed RIIO-ED1 Guaranteed standards payments	WPD proposed RIIO-ED1 Guaranteed standards payments
EGS1	Responding to failure of distributor's fuse (Regulation 12)	£30 for domestic and non-domestic customers	£60 for domestic and non-domestic customers
EGS2	Supply restoration - normal conditions (Regulation 5)	£75 for domestic customers, £150 for non-domestic customers, £35 for each further 12 hours	£150 for domestic customers, £300 for non-domestic customers, £70 for each further 12 hours
EGS2A	Supply restoration: multiple interruptions (Regulation 11)	£75 for domestic and non-domestic customers	£150 for domestic and non-domestic customers
EGS2B	Supply restoration - normal conditions (5,000 or more premises interrupted) (Regulation 6)	£75 for domestic customers, £150 for non-domestic customers, £35 for each further 12 hours up to a cap of £300 per customer	£150 for domestic customers, £300 for non-domestic customers, £70 for each further 12 hours up to a cap of £600 per customer
EGS2C	Supply restoration – rota disconnections (Regulation 8)	£75 for domestic customers, £150 for non-domestic customers	£150 for domestic customers, £300 for non-domestic customers
EGS4	Notice of planned interruption to supply (Regulation 14)	£30 for domestic customers, £60 for non-domestic customers	£60 for domestic customers, £120 for non-domestic customers
EGS5	Investigation of voltage complaints (Regulation 15)	£30 for domestic and non-domestic customers	£60 for domestic and non-domestic customers
EGS8	Making and keeping appointments (Regulation 19)	£30 for domestic and non-domestic customers	£60 for domestic and non-domestic customers
EGS9	Payments owed under the standards (Regulation 21)	£30 for domestic and non-domestic customers	£60 for domestic and non-domestic customers
EGS11 (EGS11A, EGS11B and EGS11C)	Supply restoration: severe weather conditions (Regulation 7)	£35 for domestic and non-domestic customers, plus £35 for each further 12 hours up to a cap of £300 per customer	£75 for domestic and non-domestic customers, plus £70 for each further 12 hours up to a cap of £600 per customer

## 12 Appendix A2 – Connection GSOP Payments

Reporting code	Service	Ofgem proposed RIIO-ED1 Guaranteed standards payments	WPD proposed RIIO-ED1 Guaranteed standards payments
1A	Provision of budget estimate <1MVA	£65 - One off payment	£130 – One off payment
1B	Provision of budget estimate >1MVA	£65 - One off payment	£130 – One off payment
2A	Provision of a quotation for a single LV single phase service connection	£15 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched	£30 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched
2B	Provision of a quotation for small LV projects: <ul style="list-style-type: none"> <li>• 2-4 LV single phase domestic services or</li> <li>• for connections to 1-4 LV single phase domestic premises involving an extension to the LV network or</li> <li>• a single two or three phase whole current metered connection (not requiring an extension to LV network)</li> </ul>	£15 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched	£30 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched
3A	Provision of any other LV demand quotation	£65 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched	£130 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched
3B	Provision of an HV demand quotation	£135 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched	£270 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched
3C	Provision of a EHV demand quotation	£200 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched	£400 for each working day after the end of the prescribed period up to and including the day on which the quotation is dispatched

Reporting code	Service	Ofgem proposed RIIO-ED1 Guaranteed standards payments	WPD proposed RIIO-ED1 Guaranteed standards payments
4A	Contact customer (post acceptance) about scheduling <5 LV service connections covered by 2A & 2B	£15 for each working day after the end of the prescribed period up to and including the day on which contact occurs	£30 for each working day after the end of the prescribed period up to and including the day on which contact occurs
4B	Contact customer (post acceptance) about scheduling other LV demand connections	£65 for each working day after the end of the prescribed period up to and including the day on which contact occurs	£130 for each working day after the end of the prescribed period up to and including the day on which contact occurs
4C	Contact customer (post acceptance) about scheduling HV demand connections	£135 for each working day after the end of the prescribed period up to and including the day on which contact occurs	£270 for each working day after the end of the prescribed period up to and including the day on which contact occurs
4D	Contact customer (post acceptance) about scheduling EHV demand connections	£200 for each working day after the end of the prescribed period up to and including the day on which contact occurs	£400 for each working day after the end of the prescribed period up to and including the day on which contact occurs
5	Commence LV, HV & EHV demand works on customer's site	£25 for each working day after the agreed date up to and including the day on which the works are commenced	£50 for each working day after the agreed date up to and including the day on which the works are commenced
6A	Complete service connection works	£35 for each working day after the agreed date up to and including the day on which the works are completed	£70 for each working day after the agreed date up to and including the day on which the works are completed
6B	Complete LV works (including phased works)	£135 for each working day after the agreed date up to and including the day on which the works are completed	£270 for each working day after the agreed date up to and including the day on which the works are completed
6C	Complete HV works (including phased works)	£200 for each working day after the agreed date up to and including the day on which the works are completed	£400 for each working day after the agreed date up to and including the day on which the works are completed
6D	Complete EHV works (including phased works)	£270 for each working day after the agreed date up to and including the day on which the works are completed	£540 for each working day after the agreed date up to and including the day on which the works are completed

Reporting code	Service	Ofgem proposed RIIO-ED1 Guaranteed standards payments	WPD proposed RIIO-ED1 Guaranteed standards payments
7A	Complete LV energisation works (including phased works)	£135 for each working day after the agreed date up to and including the day on which energisation occurs	£270 for each working day after the agreed date up to and including the day on which energisation occurs
7B	Complete HV energisation works (including phased works)	£200 for each working day after the agreed date up to and including the day on which energisation occurs	£400 for each working day after the agreed date up to and including the day on which energisation occurs
7C	Complete EHV energisation works (including phased works)	£270 for each working day after the agreed date up to and including the day on which energisation occurs	£540 for each working day after the agreed date up to and including the day on which energisation occurs
8A	Emergency Fault Repair response	£65 one off payment	£130 one off payment
8B	High Priority Fault Repair – Traffic Light Controlled	£15 for each working day after the end of the prescribed period up to and including the day on which the fault rectification works are completed	£30 for each working day after the end of the prescribed period up to and including the day on which the fault rectification works are completed
8C	High Priority Fault Repair – non Traffic Light Controlled	£15 for each working day after the end of the prescribed period up to and including the day on which the fault rectification works are completed	£30 for each working day after the end of the prescribed period up to and including the day on which the fault rectification works are completed
8D	Multiple unit fault repair	£15 for each working day after the end of the prescribed period up to and including the day on which the fault rectification works are completed	£30 for each working day after the end of the prescribed period up to and including the day on which the fault rectification works are completed
8E	Single unit fault repair	£15 for each working day after the end of the prescribed period up to and including the day on which the fault rectification works are completed	£30 for each working day after the end of the prescribed period up to and including the day on which the fault rectification works are completed

Reporting code	Service	Ofgem proposed RIIO-ED1 Guaranteed standards payments	WPD proposed RIIO-ED1 Guaranteed standards payments
9	Provision of a quotation – New Works order (1-100 units)	£15 for each working day after the end of the prescribed period up to and including the day the quotation is dispatched	£30 for each working day after the end of the prescribed period up to and including the day the quotation is dispatched
10A	New works order - completion of works on a new site	£15 for each working day after the end of the prescribed period up to and including the day the works are completed	£30 for each working day after the end of the prescribed period up to and including the day the works are completed
10B	New works order - completion of works on adopted highways	£15 for each day after the end of the prescribed period up to and including the day on which the works are completed	£30 for each day after the end of the prescribed period up to and including the day on which the works are completed
11A	Quotation accuracy review scheme challenge single LV single phase service connection (aligns to 2A)	£335 - one off payment	£670 – one off payment
11B	Quotation accuracy review scheme challenge for small LV projects (aligns to 2B)	£670 – one off payment	£1340 – one off payment
12	Where a Distributor fails to make a payment under the regulations	£65 – one off payment	£130 – one off payment