

**1. SCOPE**

This document details SP Energy Networks (SPEN) inspection and escalation regime for contestable works constructed by Independent Connection Providers (ICPs) that will be adopted by SPEN.


**2. ISSUE RECORD**

This is a Controlled document. The current version is held on the EN Document Library.

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**3. ISSUE AUTHORITY**

Author	Owner	Issue Authority
David Roberts Compliance Manager	Bev Hudson Process and Compliance Manager	Andrew Churchman DGM – North Wales   Date: 6/8/2024

**4. REVIEW**

This is a Controlled document and shall be reviewed as dictated by business / legislative change but at a period of no greater than 3 years from the last issue date.

**5. DISTRIBUTION**

This document is not part of a Manual maintained by Document Control and does not have a maintained distribution list but is published on the SP Energy Networks website.

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## 7. DEFINITIONS AND ABBREVIATIONS

### 7.1 Definitions

The following definitions shall apply throughout this document:

Adoption Agreement	The Agreement entitled Adoption Agreement incorporating the General Conditions.
Adoption	Transfer of title, ownership, operation, and maintenance responsibilities as defined in the adoption agreement.
Authorised Person	A competent person who has been nominated by an appropriate officer of SPEN to carry out duties specified in writing.
Approved	Policy and design parameters contained within this document or the written approval of SP Distribution plc / SP Manweb plc.
Commissioning Requirements	Tests that are described within this document which have to be passed prior to issue of a Make Live Certificate or a Completion Certificate.
Completion Certificate	The certificate described within this document which shall be passed prior to or following Making Live.
Extension of Contestable Works (EOCW)	Activities that form part of any trial when non-contestable activities are being progressed to contestable activities.
ICP	Independent Connection Provider, a Company assessed and accredited through NERS to design and build electrical distribution networks.
Item of Concern (IOC)	An element of the works that does not come up to regulatory, ENA or SPEN standards, then an IOC will be raised.
NERS	National Electricity Registration Scheme a scheme run by Lloyds Accreditation on behalf of UK DNOs to assess service providers who request and hold accreditation for contestable works associated with the design and installation of electrical connections.
New Entrant	ICPs with no experience within the SPM/SPD area and/or less than twelve months experience within another DNO area.
Random Sampling	The selection of various activities to be audited on a daily basis.
SPEN	SP Energy Networks, operator of network assets on behalf of the SP Distribution plc and SP Manweb plc.
Safety Rules	The Safety Rules for working on the Distributor's System.
Service	For the purpose of this document, is defined as a cable providing supply to an individual property.
Statutory Consents	All consents, licences, permissions, and approval of any kind required under any statute or subordinate legislation, including planning permission, building regulation approval and Street Works Licence.
Street Works Licence	The Live Working Area is located in (a) England or Wales; a licence under Section 50 of the NRSWA, and (b) Scotland; a permission under Section 109 of the NRSWA.

Working Day	Any day other than Saturday, Sunday, Christmas Day, New Year's Day, Good Friday, or a day which is a bank holiday; within the meaning of the Banking and Financial Dealings Act 1971.
Week	The period of seven days commencing on a Monday and ending on a Sunday.

## 7.2 Abbreviations

The following abbreviations shall apply throughout this document:

CDM	The Construction (Design and Management) Regulations 2015
DNO	Distribution Network Operator
ICP	Independent Connection Provider
WWN	Lloyds Register Whereabouts Notification
NERS	National Electricity Registration Scheme
NRSAWA	The New Roads and Street Works Act, 1991
RAAdAR	Register of Adopted Assets Requests system used for the Registration of Connection Enquiries and Management Process for Contestable Connection Projects
SPEN	SP Energy Networks

## 8. RELATED DOCUMENTS

This document is one of a suite of specifications relating to this subject area and should be read in conjunction with:

### Electricity Association Documents:

Engineering Recommendation G81 – Framework for design and planning, materials specification and installation and record for Greenfield low voltage housing estate installations and associated new, HV / LV distribution substations.

- Part 1: Design and Planning
- Part 2: Materials Specification
- Part 3: Installation and Records
- Part 4: (Design & Planning) – Framework for design and planning of industrial and commercial underground connected loads up to and including 11kV
- Part 5: Framework for material specifications for industrial and commercial underground connected loads up to and including 11kV
- Part 6: Framework for installation and Records of industrial and commercial underground connected loads up to and including 11kV
- Part 7: Framework for contestable diversionary and reinforcement underground and overhead works not exceeding 33kV and HV/LV distribution substations
- Competition in Connections Code of Practice

### Lloyds Accreditation

- NERS Requirements Document
- NERS scope guidance

**SPEN Technical Framework Documents:**

- Framework for Design and Planning of LV Housing Developments, including U/G Networks and Associated HV/LV S/S (ESDD-02-012)
- Materials Specification Framework for Greenfield Low Voltage Housing Estate Underground Network Installations and Associated, New, HV/LV Distribution Substations (Ref. EPS-03-027)
- Materials Specification Framework for Industrial and Commercial Underground Connected Loads Up to and Including 11kV (Ref. EPS-03-031)
- Installation and Record Framework for Low Voltage Housing Developments, Underground Networks and Associated New HV/LV Distribution Substations (Ref. EPS-02-005).
- Installation and Record Framework for Industrial and Commercial Underground Connected Loads Up To and Including 11kV (EPS-02-006)
- New Connections Independent Connection Provider (ICP) Approval Policy (ASSET-01-015)
- Recording of Electrical Assets by Contractors (BUPR-22-015)
- Requirements for Third Party LV Cable Jointing Systems (CAB-04-008)
- Approved Equipment Register (Situated on Company website)
- Handling and Installation of Cables up to and including 33kV (CAB-15-003)
- Low Voltage Earthing Policy and Application Guide (EART-01-002)

**9. GENERAL**

The data and guidance contained within this document remains the property of SPEN and may not be used for purposes other than that for which it has been supplied. It may not be reproduced either wholly or in part, in any way whatsoever.

This document applies to new installations and is not to be applied retrospectively.

SPEN reserves the right to change the data contained within this document without notification. SPEN accepts no responsibility for any inaccuracies in, or omissions from the document.

**10. INSPECTION SCHEMES**

SPEN will inspect and monitor ICP construction activity to ensure that connection assets and records offered for adoption have been constructed in accordance with good industry practice and SPEN requirements. ICP activity will be inspected and monitored on a risk based random sampling approach. For example:

- New entrants will be inspected until satisfactory performance is met, when the frequency of inspection will be lowered. This is detailed in Section 10.3.
- Existing ICPs will be monitored on a random sampling basis and performance will be reviewed against the criteria detailed in Section 10.3. A decision to change inspection levels and associated charges is ultimately at the discretion of SPEN.
- The inspection levels determine the Non-Contestable charges for inspection and monitoring.

The actual volumes of inspection activity will be determined based on:

- Performance, as judged by significance of inspection findings and quality of work.
- Knowledge of any ICP organisational changes i.e., new staff or subcontractors.
- Changes in type of work i.e., an ICP moves from underground services to internal mains installation.

All ICPs requesting to be part of an EOCW trial will be reviewed on an individual basis, irrelevant of Inspection and Monitoring level.

## 10.1 Inspection Scope

It is important to note that when undertaking inspections on ICP sites, where assets are to be adopted by SPEN, the ICP working on site are not under the control of SPEN. Hence, it is the duty of the ICP to ensure that their own internal management processes deliver suitable audits to assess CDM / safety compliance and have processes and procedures to ensure assets are constructed in accordance with SPEN's requirements and good industry practice.

In relation to adopted asset and network installations, SPEN inspections shall focus on:

- Networks are being constructed in accordance with the agreed designs
- Networks are constructed to SPEN installation (statutory & build quality) standards
- Compliance with SP Safety Rules (Green Book) and associated documentation
- Compliance with Lloyds Register (NERS)
- Asset data (as-builds / commissioning results / plant data) have been or are being submitted within specified timescales and to acceptable standards
- Good Industry Practice

## 10.2 Inspection Areas

SPEN representatives are not required to attend site at the immediate point when work is underway, however will operate on a risk based random sampling approach. A summary of the major areas of focus are detailed below:

### Physical Site Audits:

#### Random sampling of:

- Mains / Service cable installation
- Mains / Service jointing
- Mains / Service terminations
- Internal Mains / Services
- Compliance with the SPEN operating regime (where applicable)
- Civil works
- Transformer and switchgear
- Commissioning results

#### 100% Inspection of:

- HV pre-commissioning tests
- Statutory Consents – confirmation that all related statutory consents are secured for the scheme
- As-built records – confirmation that all plans, as-built records match the agreed design and sent to SP Energy Networks within prescribed timescales, via RAdAR

### 10.3 Inspection Schemes, Levels and Performance

SPEN operate two schemes:

- Scheme 1 – SPEN inspection
  - Levels 1-3 – planned inspections, costs applicable
- Scheme 2 – Self-Inspect
  - Level 4 – minimal inspections, minimal cost
  - Level 5 – no inspections, no cost

The inspection scheme and level determine the associated Non-Contestable charges.

#### 10.3.1 Scheme 1 – SPEN Inspection

A random sampling approach based on activity risk is adopted within SPEN. All work selected from the daily whereabouts will be inspected in the following order:

1. Level 1 / New Entrants / any future EOCW activities
2. Level 2
3. Level 3

##### Level 1

An ICP can be moved to Level 2, when they have completed 36 weeks meeting satisfactory performance as detailed below.

Timescales start after the first daily whereabouts and site visit undertaken.

Where an ICP is on Level 1 and fails to meet the satisfactory performance criteria as set out below an improvement notice may be issued and or a review meeting held with our Delivery Manager to investigate and seek clarity as to the circumstances why the ICP is not achieving satisfactory performance. This may result in 100% audits being completed after works carried out by the ICP.

##### Level 2

An ICP can be moved to Level 3, when they have completed a further 36 weeks meeting satisfactory performance as detailed below.

##### Level 3

This level could be attained after 36 weeks of satisfactory performance as detailed below.

When the ICP has completed a further 36 weeks meeting satisfactory performance as detailed below an ICP has the option to move onto the self-assessment scheme.

As a guide, the categories below should be viewed as a scoring mechanism as a measure to move between levels:

Scheme 1 – Satisfactory performance: (within a 36-week window)

- Less than 7 Items of Concern (IOC)
- Less than 20% of all audits with an IOC identified
- Zero safety critical failures

Scheme 1 – Unsatisfactory performance:

- If an ICP fails to meet the criteria set above.

### 10.3.2 Scheme 2 – Self Inspect

After a satisfactory performance in Scheme 1, an ICP has the option to move onto the ‘Self Inspect’ scheme where an ICP can construct a network with minimum or no inspection and monitoring from SPEN.

Level 4 – An ICP can be moved to Level 5, when they have completed a further 90 working days’ work meeting satisfactory performance as detailed below.

Level 5 – This is the stage with no planned inspection and monitoring and no associated charges. This stage could be attained after 120 days of satisfactory performance at Scheme 2 Level 4.

Scheme 2 – Satisfactory performance:

- Completion of a 6-month period with all works recorded and accounted for as per scheme guidelines, Section 10.7.

Scheme 2 – Unsatisfactory performance:

- If an ICP fails to meet the criteria set above.

Where an ICP fails to meet the criteria at Scheme 2, Level 4, they will move over to Scheme 1 Level 3 and charged accordingly.

SPEN reserve the right to inspect all works on all sites, irrespective of scheme or inspection level. This will not affect the associated Inspection and Monitoring charges identified within the Connection Charging Statement.

A decision to move inspection levels to either more or less frequent inspections is ultimately at the discretion of SPEN, after discussion at local level with the ICP. However, as a guide:

- The inspection level for all ICPs will be reviewed periodically
- Any change in the level will be confirmed to the ICP in writing
- Persistent failures or Safety Critical failures will result in an immediate review of the ICP inspection level

Any ICP that is inactive for over a one-year period shall automatically have their inspection level lowered to the next level.

ICPs who work across both SPEN licenced areas have separate reviews to their levels, e.g., they can be level 2 in SPD and level 1 in SPM.

## 10.4 Item of Concern (IOC)

### 10.4.1 Definition of an Item of Concern

Detailed below is a list of IOCs, however it is not exhaustive:

- Failure to comply with good safety/working practice
- Working practices that could have the potential to compromise the integrity of the SPEN network
- Controls are insufficient to mitigate possible risk to the electricity network and/or impact on users of existing network
- Failure to document work that has been carried out
- Inadequate storage or control of materials
- Work being carried out which does not comply with SPEN’s specifications, or if unable to meet those requirements failure to seek approval before proceeding with those works
- Failure to keep SPEN informed about works programme within timescales, i.e., RADAR



- Incomplete documentation/authorisation on site
- Contestable works performed which are outside the ICP's registered scope
- Non-compliant use of persons on contestable work
- Action not taken to satisfactorily close previously identified IOC
- Failure to provide As-laid drawings within required timescales
- Failure to confirm Statutory Consents before energisation

#### 10.4.2 Item of Concern failures

Thereafter the following process will follow:

If an IOC occurs during an inspection, the inspector shall highlight to the ICP that a failure has been identified. This is to give the ICP opportunity to rectify immediately. If the failure is resolved on site, then the inspector shall record on RAdAR as 'resolved on site', with no further action.

If the failure cannot be rectified on site, then the inspector shall record it as an IOC within RAdAR. The ICP shall then inform SPEN of the date they intend to rectify the IOC, this can be done by inputting a new date within whereabouts, stating an 'IOC resolve'. Confirmation of this can also be done by contacting the inspector direct.

All inspections shall be recorded and collated centrally within RAdAR. All findings will be uploaded to RAdAR following the site audit and if any failures are identified an automated e-mail will be issued to the ICP.

Any failures regarding As Laid drawings and statutory consents, then an ad-hoc failure will be raised within RAdAR for recording purposes, under category 11.

### 10.5 Safety Critical Failure and Safety Prohibition Notice

#### 10.5.1 Definition of a Safety Critical Notice (SPN)

Detailed below in an example of a Safety Critical Notice:

- Any situation which creates a danger to persons. e.g., Energisation of cables which are not terminated.

There is the potential that in an extreme case the following activities would occur:

- ICP working under SPEN Safety Rules:
  - The immediate suspension of, and possible removal of the individuals SPEN authorisation
- ICP working under own Safety Rules
  - SPEN to issue
    - immediate notification to ICP
    - notification to Lloyds Register within 24 hours
  - ICP to issue
    - report to Lloyds Register within 5 days of incident
  - Lloyds Register will
    - investigate incident
    - report findings to ICP and SPEN
  - SPEN will complete a full review of the ICP's Inspection Level

### 10.5.2 Safety Critical Failures

Should a safety critical failure be discovered, the works will be immediately suspended on site.

If there is work required to make the installation secure and only if it is safe to do so, this will be carried out by the ICP under supervision by a competent person and a SPEN representative.

Thereafter the following process will follow:

- SPEN will issue a Safety Prohibition Notice and report to Lloyds Register
- ICP provides plan for remedial works and if required any process improvements
- When rectified the ICP must confirm to SPEN via email notification and an update in RAdAR within 12 hours (next day)
- Report on findings issued to SPEN from ICP
- The findings from any investigation should be reported to Lloyds Register

ICP acknowledgement – The acknowledgement must provide:

- Contact name of person responsible for resolution completion
- Telephone number
- Site address / Project Reference Number
- Confirmation that correction is underway to resolve the failure within 24 hours following contact

A re-audit charge will be applied only on the second audit failure of the same event. This charge will be consistent with Connection Charging Statement.

## 10.6 Inspection Recording

### 10.6.1 Scheme 1 – SPEN Inspection

All records will be kept within RAdAR. With the ability to report on all inspections and findings.

### 10.6.2 Scheme 2 – Self Inspection

The ICP must show that they have appropriate processes and systems in place to sufficiently document and support all works carried out. This will include a documented self-audit/inspection regime.

All evidence must be stored in a secure environment and backed up electronically. It must be clear, time and date stamped and of a quality to remove any ambiguity for future reference or to demonstrate compliance with SPEN documentation.

Should a defect be realised at a later date, the lack of evidence will not absolve the ICP from responsibility to rectify the defect.

Should trial holing or excavations be required to confirm that the installation is to the correct standard, this will be at the ICP's cost.

## 10.7 Programme Notification

It is essential that the Daily / Lloyds Register Whereabouts Notification requirements be adhered to as closely as possible.

Alterations to programme will be accepted given one working days' notice; however, the ICP must ensure that such alterations do not become the norm. If any changes occur on the day the ICP should record the changes by contacting the site auditors direct.

SPEN must be informed of any 'out of hours' working. Out of hours working is defined as – any work outside the defined working day as noted in section 7.1.

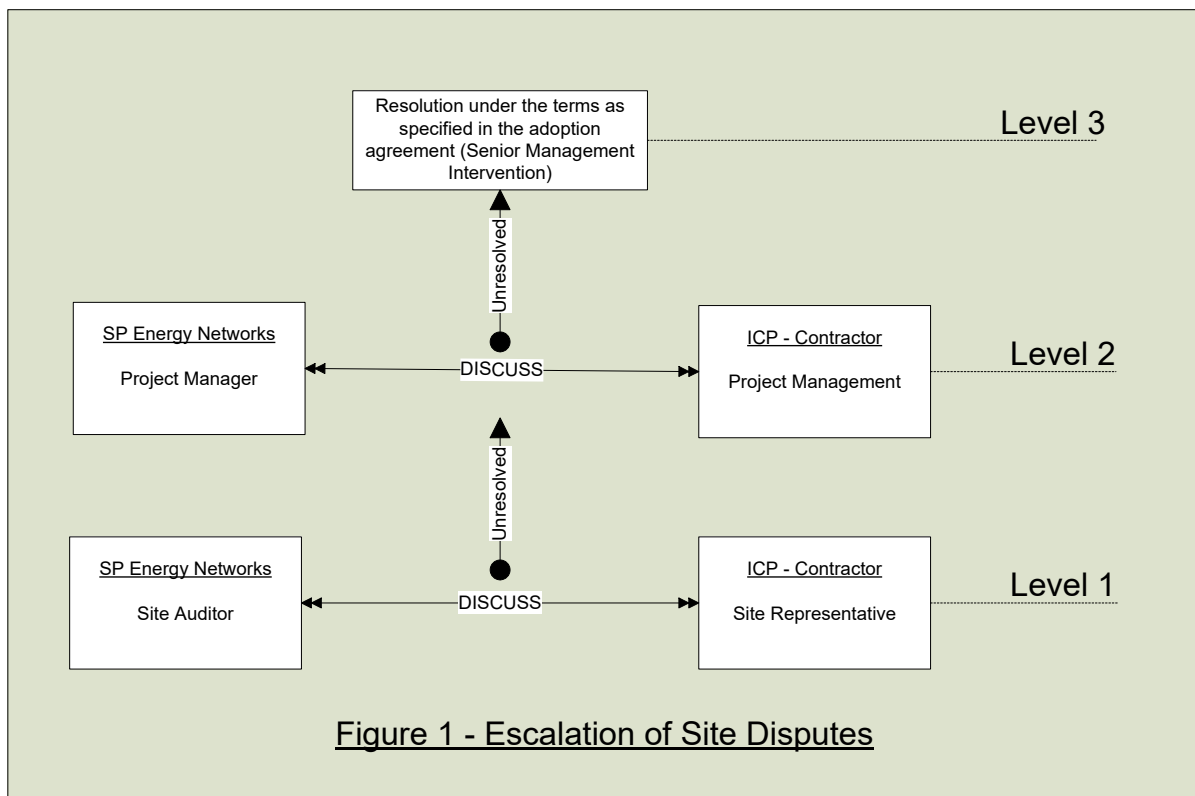
Charges will be made for aborted audits if an ICP fails to inform SPEN of cancellation of work and a site visit is made by SPEN.

Failure to inform SPEN of any works to be carried out may result in the immediate review of the ICP inspection level.

**11. DISPUTE RESOLUTION PROCEDURE**

SPEN will always endeavour to resolve problems on site; however, significant issues and frequently occurring problems will be escalated by SPEN management with the relevant ICP.

The detailed escalation procedure is indicated in Figure 1. All correspondence relating to disputes will be confirmed in writing (e-mail is acceptable) and every effort will be made to address such disputes as quickly as possible. The Roles of Site Representatives and Project Manager shall be declared by the relevant ICP.



**Figure 1 - Escalation of Site Disputes**

Figure 1 – Escalation of site disputes