

**SP ENERGY NETWORKS
QUOTATION ACCURACY SCHEME
FOR SMALL SCALE CONNECTIONS**

**HOW TO CHALLENGE THE ACCURACY
OF A CONNECTION CHARGE**

**Approved by the Gas & Electricity Markets Authority
in accordance with Distribution Licence Standard Condition 15A**

OCTOBER 2010

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SP ENERGY NETWORKS QUOTATION ACCURACY SCHEME

1.0 Introduction

- 1.1 SP Energy Networks ('SPEN') is the ScottishPower organisation that is responsible for operating and developing two licensed electricity distribution networks in Central and Southern Scotland (SP Distribution) and Merseyside and North Wales (SP Manweb). In what follows, 'SPEN' refers to SP Distribution or SP Manweb as appropriate. SPEN is required to charge for connections in accordance with its published "Statement of Methodology and Charges for Connection to SP Energy Network's Electricity Distribution System". This document has been approved by the energy regulator, Ofgem. Section 7 of this statement which is known as the "Connection Charging Statement" gives indicative cost ranges for the different types of work involved in a connection.
- 1.2 SPEN publishes the Connection Charging Statement on our website (www.scottishpower.com, follow links to Energy Networks). This enables customers to make a reasonable estimate of how much we should charge for their connection. We can only charge amounts outside the indicative cost range if we explain why.
- 1.3 SPEN's Quotation Accuracy Scheme (known as the "QAS") explains the steps a Customer can take to check the charges given in a quotation for a small scale electricity connection and challenge the amount of the quotation for the following reasons:
- (a) a charge outside SPEN's published range with no reasonable explanation given or
 - (b) not enough information given in the quotation to compare the quoted charges with the published range of charges.
- 1.4 A "Quotation" means a "Connection Offer" provided in accordance with Section 16 of the 1989 Electricity Act. You may only enter the QAS if our Connection Charge relates to a formal Connection Offer. It does not apply where we have made a Budget Estimate.

2.0 Step 1 - Who is Eligible to enter the QAS

- 2.1 The QAS Scheme applies to Quotations provided by SPEN for small scale connections including service alterations. See Section 7 below for the treatment of other types of connection.
- 2.2 To enter the QAS you must have requested a connection either to:
- a "**single LV service demand connection**" which means an LV demand connection to single Premises, involving a single-phase connection and no significant work other than the provision of a Service Line and SPEN's fuses; or
 - a "**small project demand connection**" which means a connection (other than of a load that could reasonably be expected to cause disruption to

other customers) via low-voltage circuits fused at 100 amperes or less per phase with whole-current metering, and where the highest voltage of the assets involved in providing such connection, and any associated works, is low voltage, to;

- (a) a development scheme requiring more than one but fewer than five single-phase connections at domestic Premises and involving only the provision of a Service Line and SPEN's fuses; or
- (b) a development scheme requiring fewer than five single-phase connections at domestic Premises and involving an extension of the existing low voltage network; or
- (c) a single Premises requiring a two-phase or three-phase connection and involving only the provision of a service line and SPEN's fuses.

3.0 Step 2 - How to check the accuracy of your Connection Charge

- 3.1 When you receive your Quotation the Connection Charge should be clearly stated. A breakdown of the Connection Charge will be provided with a description of the work required to provide your connection(s).
- 3.2 To see our published indicative costs for connection, you should refer to Section 7 of the Methodology document – i.e. the “Connection Charging Statement”. This enables you to make a reasonable estimate of how much we should charge you for your connection. This is linked from our website (spenergynetworks.com, follow links to Network Connections and Quotation Accuracy Scheme). Our indicative construction costs, including for service alterations, are also available on our website in the Quotations Accuracy Scheme area.
- 3.3 For most connections covered by the Scheme only table F (Construction Costs) will apply. In some cases your Connection Charge may also contain some of the cost elements indicated in tables C to J of Section 7 of our charging statement.
- 3.4 By comparing the work descriptions given in your Quotation with the relevant tables in the Statement you should be able to check whether the Connection Charge is within the cost range shown in the Statement.
- 3.5 If the Connection Charge is outside of the indicative cost ranges given in the relevant tables within the Statement there may be a good reason for this. For example, abnormal site conditions such as excavation and reinstatement of cobble paving may affect the cost of connection. When this occurs we will provide a satisfactory explanation within the Quotation as to the reason for the difference..
- 3.6 **You may challenge the Connection Charge using the QAS if the Connection Charge is outside of the cost ranges given in the relevant tables within the Statement and we have not provided a**

satisfactory explanation with the Connection Offer as to the reason for the discrepancy

- 3.7 **You may also challenge a Connection Charge if lack of information means that you are unable to make a comparison. However, if you are finding it difficult to understand the breakdown, please do not hesitate to first get in touch with our contact named in the Quotation letter.**
- 3.8 Some tolerances for any errors in assessing quantities are allowed. A variance in the total assessed costs within 5% or £150 (whichever is the greater) of the total Connection Charge will be allowed under the QAS. This allows for the effect of for example, small lengths of cable if our view and your view on the required length differ. Please also note that quotation errors arising from inaccuracies in the information provided to us by you or your agent are also excluded from the QAS.
- 3.9 If the Connection Charge is within the cost ranges given in the relevant tables in the Statement, or we have provided a reasonable explanation as to why not, you are not able to challenge the Connection Charge through the QAS.
- 3.10 Please note that the QAS is not intended to be a mechanism for you to challenge the absolute cost set out in the Connection Charge. To challenge the absolute cost, or the accuracy of a Quotation for a scheme that falls outside the categories set out in section 2.2 above, you should follow the disputes process outlined in paragraphs 1.31 to 1.33 of our Statement.

4. Step 3 - Timescales for challenging the Connection Charge

- 4.1. You can challenge a Connection Charge, using the QAS, within 60 calendar days of the date of the Quotation, or where you have already accepted the Quotation, within 10 calendar days of your acceptance, whichever is the earlier.
- 4.2. You can accept a quotation even if you wish to make a challenge. You must make the challenge within 10 calendar days.

5. Step 4 - How to challenge a Connection Charge under the QAS

- 5.1. If you have assessed our Quotation and found our Connection Charge to be inaccurate, or you believe we have not provided enough information to allow you to assess the accuracy of the Connection Charge, you may challenge the Quotation using the procedure below.
- 5.2. You must provide a written statement to explain why you believe the Connection Charge to be inaccurate. We call this the "QAS Challenge". You can provide your own written statement but to help us to investigate your challenge efficiently and without delay please complete our standard QAS Challenge Form.

5.3. A copy of the QAS Challenge Form is attached under section 11.0 of this document. You can also download a copy from our website; www.spenergynetworks.com (go to the 'Network Connections' area and follow the to Quotation Accuracy Scheme).

5.4. Please send your QAS Challenge to the appropriate address given below.

***(Southern and Central Scotland- SP
Distribution)***

SP Energy Networks
Customer Connections
55 Fullarton Drive,
Cambuslang,
Glasgow,
G32 8FA

Telephone: 0141 614 9997
Fax: 0141 614 0145

***(Merseyside and North Wales – SP
Manweb)***

SP Energy Networks
Customer Connections
PO Box 290
Lister Drive
Liverpool
L13 7HJ

Telephone: 0151 221 2110
Fax: 0151 221 2494

5.5. We will acknowledge receipt of your QAS Challenge, recording the date of receipt, the date of intended response and provide you with a unique reference number.

5.6. If you think the Connection Charge is outside of the range published in our Statement you should provide an estimate of the excess charge.

5.7. If the information you submit is incomplete or otherwise prevents us from making a proper investigation and reviewing the Connection Charge your submission will be invalid and we will contact you to request further information before proceeding.

5.8. You may still challenge the Connection Charge even after you have accepted the Connection Offer, as long as you challenge it within the timescales given in Step 3.

6.0 Step 5 - Our Assessment and Results

- 6.1 Upon receipt of the QAS challenge we shall review the Connection Charge and assess whether;
- i) we have provided enough information to allow you to make an assessment of the accuracy of the Connection Charge, and
 - ii) the Connection Charge falls within the ranges identified in the relevant tables within the Statement (unless we have provided an explanation as to the reason for the difference).
- 6.2 Following our assessment we will write to you and inform you whether we believe the original Connection Charge to be accurate or not.
- 6.3 If we have failed in either, or both of the conditions outlined at 6.1 above, we will:
- i) provide a revised Quotation;
 - ii) make a fixed penalty payment,
 - iii) make a partial refund of the Connection Charge (where the Connection Charge has already been paid).
- 6.4 The accuracy assessment will work both ways. For example, if you ask us to re-assess the Connection Charge and we find that we have made an omission, the re-issued Quotation could be higher than the original Connection Charge.
- 6.5 Where the Quotation relates to a **single LV service demand connection**, SPEN will pay you **£250**.
- 6.6 Where the Quotation relates to a **small project demand connection**, SPEN will pay you **£500**.
- 6.7 We will normally make the payment within 10 working days of our assessment finding that our Quotation was inaccurate or incomplete.
- 6.8 We will normally make a penalty payment and, where appropriate, any partial refund of the Connection Charge already paid, by cheque made payable to the person to whom the Quotation was made.

7.0 Non-eligible Connections

- 7.1 If your Connection is for a large number of domestic connections, larger LV connections or involves work at HV or EHV it will not be eligible under the QAS. However, the Quotation will still contain a breakdown of the Connection Charge which will allow you to make a cost comparison against our Statement to establish its accuracy.
- 7.2 If you believe that the Connection Charge is inaccurate, or missing information, you can still ask us to review it, although not via the QAS. In the first instance you should contact the person responsible for sending you the Connection Offer to discuss your concerns.
- 7.3 Hopefully we will be able to resolve the matter amicably but if you are not satisfied with our response you may follow the disputes process outlined in paragraphs 1.31 to 1.33 of our Connection Charging Methodology Statement.

8.0 QAS Review

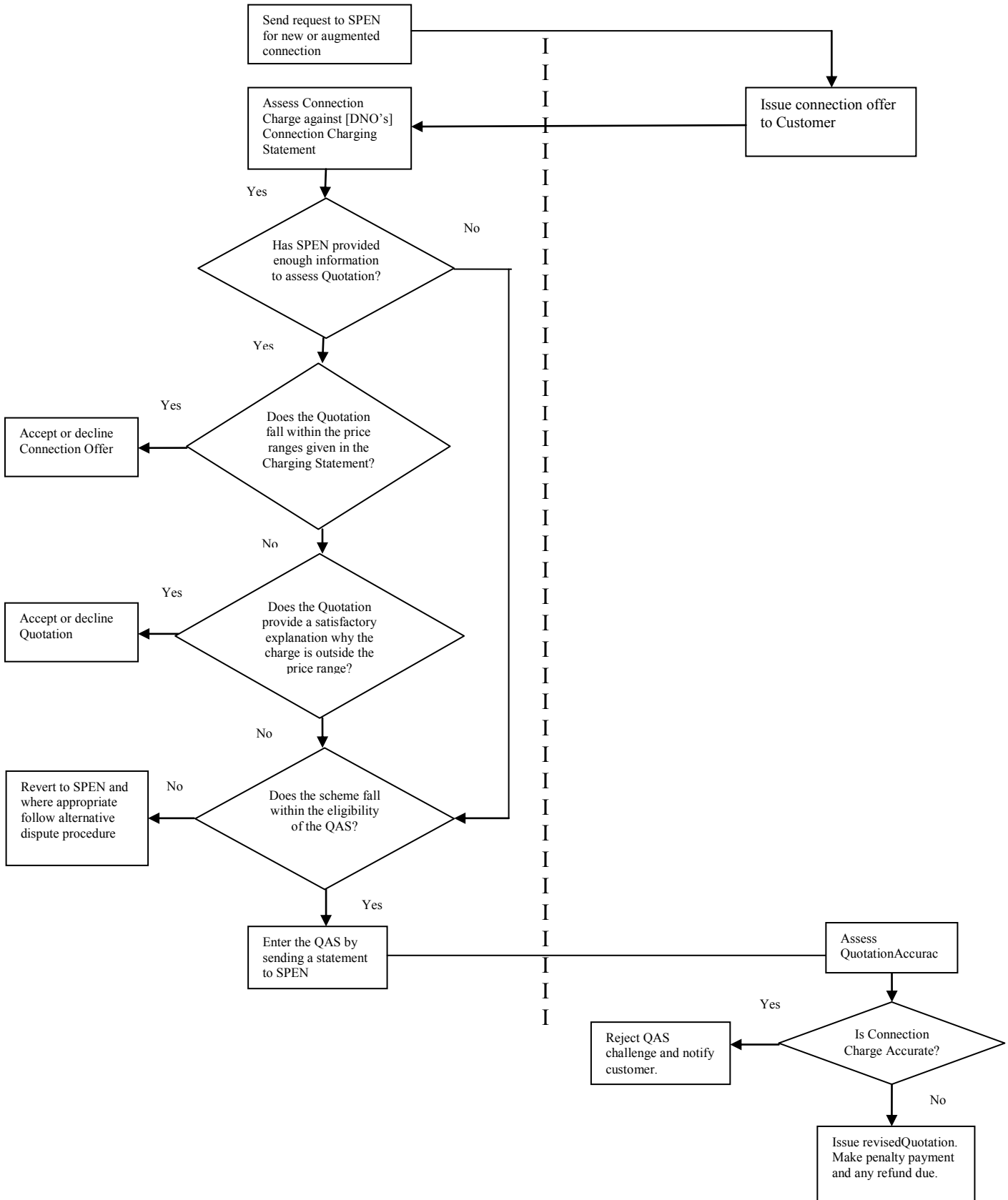
- 8.1 SPEN is required, in accordance with Standard Licence Condition 15A, from time to time submit to the Authority for its approval a QAS. Where we wish to make an amendment to the QAS we will submit an application to modify the QAS to the Authority.
- 8.2 If the Authority does not veto our modification application we will publish the amended QAS on our website.
- 8.3 Please note that when making a comparison between the Connection Charge break down and the Statement, the Statement that was current at the date the Connection Offer was issued will be deemed to be the correct Statement for comparison purposes.

9.0 QAS challenge process

QUOTATION ACCURACY SCHEME
(FOR SINGLE PHASE LV SERVICE AND SMALL LV PROJECT CONNECTIONS)*¹

CUSTOMER

SPEN



¹ Please see definitions on page 3 above.

10.0 – QAS Challenge Form

Quotation Accuracy Scheme Form

If you wish to challenge our quote accuracy, please tell us.

Quotation Accuracy Scheme Form - SP Energy Networks		
Your details		
Date		
Title		
First Name		
Surname		
House number/ name		
Street/Road Name		
Town/City		
Postcode		
Contact phone		
E-mail address		
Job/enquiry reference		
I am challenging the quote because ... (please tick the appropriate box on the right)	The quote is outside the range indicated in the relevant tables published on our website.	
	The detail provided in the quote to describe the works or the cost of the works is insufficient and/or inaccurate.	
Comments	Please provide an explanation in the space below of why you believe our quote is inaccurate, for us to consider your challenge. Please use a separate sheet if necessary.	

Please send the completed form to the appropriate address given in paragraph 5.4 above.

11.0 – Glossary of Terms

Certain words in this document are capitalised, e.g. Customer. These words have a specific meaning which is either defined within the document or set out in the Glossary of Terms. The words “you”, “your” and “yourself” refer to the Customer, the person requesting a connection, his company or agent and “we”, “us”, “our” and “ourselves” refer to SPEN. Where there is a conflict in definition between this document and the Act or any relevant Statutory Instrument, the definition in the Act or relevant Statutory Instrument will take precedence.

Act	means the Electricity Act 1989 (as amended)
Budget Estimate	means a statement in writing, which may be provided without carrying out a site visit or system studies, of the amount that we reasonably estimate it would require you to pay in respect of a connection if you were to require us to offer terms for making such a connection under section 16A(1) of the Act.
Connection Charge	means the payment to be made by you to us for the provision of the connection.
Quotation	Means the connection offer that we make to you to carry out the connection works to our Distribution System which will, if accepted by you, create a legally binding contract between you and us.
Customer	the owner or occupier of the land requesting the connection, or any agent acting on that person’s behalf.
Distribution System	the system (as defined in our distribution licence) consisting (wholly or mainly) of electric lines owned or operated by us and used for the distribution of electricity.
HV	more than 1kV but not more than 22kV
LV	not more than 1kV
Premises	means any land, building or structure
Service Line	means a low-voltage electric line or any part of that line that will, at the time it is provided, be used only for supplying single Premises, excluding any part of the line that, at the time it is provided, is intended by SPEN to be used to enable it to provide a connection to other Premises in respect of which SPEN has received, or would reasonably expect within the following 12 months to receive, a notice under section 16A(1) of the Act.