

# Mitigating Utility Risk – Avoiding Project Delays

For anyone involved in planning a new development or managing site works, then the term utility risk is a familiar one. But what does this mean in practice, and how can these risks be effectively managed?

This is the second in a series of articles looking at this subject where we share examples of how Premier Energy have provided practical utility risk mitigation.

## **What is Utility Risk?**

Firstly, let's remind you of our definition of a utility risk. A utility risk can materialise in one of four ways.

1. Unidentified costs due to ineffective Due Diligence during a land transaction.
2. **Project delays** when moving existing utility equipment.
3. Injury to staff or members of the public from utility strikes.
4. A project becoming unviable due to the cost or timescale associated with new utility connections.

This article focusses on the second of these, project delays when moving utility equipment.

## **Avoiding Project Delays: Case Study**

A land promoter had entered into a brownfield land sale in a London Borough and had committed to provide vacant possession of the site. The sales contract had an ownership transfer date which included penalties for failing to handover the site on time. It also included a requirement to ensure there were no enduring rights across the site for any existing utility company equipment.

The land promoter was aware that the site had previously been served by utility connections which supplied a now demolished large commercial premise. They assumed the utility connections had been removed.

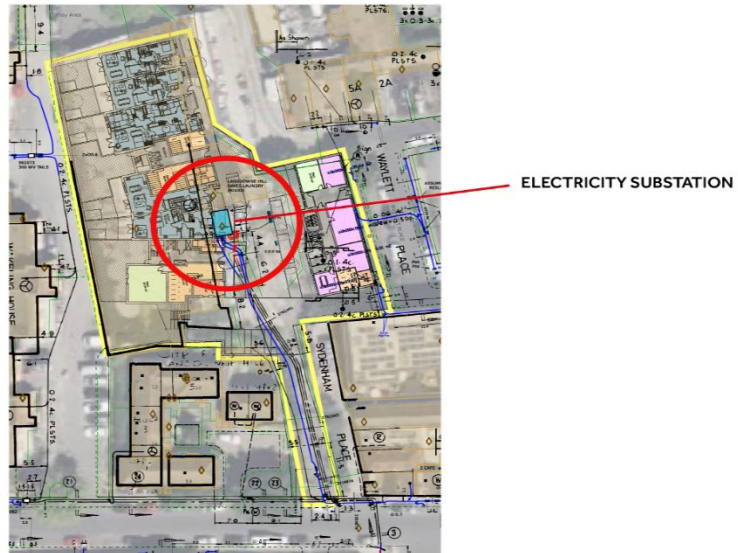
We were appointed to check that the site was clear of any utility equipment. Undertaking a Premier Utility Search immediately identified that there was an electricity substation sited close to the footprint of the old commercial building. The Client had assumed this to be 'disconnected' when the services to the commercial premise were removed prior to demolition.

Using our utility expertise we analysed the records and immediately identified that the substation not only served the previously demolished commercial building, but also homes and businesses adjacent to the site. This meant that simply removing the substation was not an option. This presented two immediate problems with respect to the land deal.

1. Work to move the substation involved a timescale which meant the contract sale date could not be met.
2. The utility company required an alternate on-site location for the substation to maintain service.

Our approach was to find a solution that met the needs of all parties that allowed the land deal to reach a successful conclusion.

*Electricity Substation in development footprint*



We were able to develop a strategy that included moving the substation to a position that did not impact on the new commercial development, but also included provision to connect the new commercial units. This not only mitigated the cost of moving the substation for the vendor, but also reduced the new connection costs for the purchaser. All parties were happy to conclude the deal on this basis recognising the value of our proposed strategy.

This is a good example of effective utility risk mitigation utilising our utility expertise to avoid delays by developing an approach that works for all parties. Our advice in these situations is.

1. Always engage with a utilities expert at the early stage of a project.
2. Always source up-to-date utility records when you commence a project.
3. Don't make assumptions that utility services have disconnected, always seek confirmation from the equipment owners.

**How can Premier Energy help?**

As the leading independent [utility consultancy](#) we are well placed to help you mitigate the risk on your projects. In our 2025 Client survey 100% of Clients confirmed they would recommend us to their colleagues and contacts.

You can contact us at [enquiries@premierenergy.co.uk](mailto:enquiries@premierenergy.co.uk) or by calling 01403 740240 to discuss our approach to avoiding project delays and how we can help you on your scheme.