

Reference

Ofgem Access and Forward-looking Charges Significant Code Review: Consultation on Minded to Positions and response to June 2021 Consultation Feedback

Date

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Patrick Cassels

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Dear Patrick

**Ofgem Access and Forward-looking Charges Significant Code Review:
Consultation on Minded to Positions and Response to Feedback**

I am writing on behalf of Cadent in response to Ofgem's feedback on responses to its June 2021 consultation on minded to positions from its Access and Forward-looking Charges Review, published on 24 January 2022.

We are responding to Ofgem's feedback as there continues to be insufficient recognition and consideration of the whole-system impacts of proposals across electricity and gas. Having raised a number of points in this regard in our own original response we were disappointed that they have not been taken account of in the updated minded to position.

We continue to broadly support the proposals as we recognise that they facilitate greater electrification, which is a key component of reaching Net Zero. However, the reforms could also potentially have wider reaching detrimental implications for gas consumer affordability and optionality for the adoption of low carbon solutions in the future (particularly in domestic heat). We believe therefore that Ofgem should give greater consideration in further developing and implementing its proposals by considering these impacts. Key to doing this will be ensuring reinforcements supported to expand electricity networks are only low-regret and that consistent changes to the connection boundary are also considered within gas so that increases in biomethane production are also stimulated.

As this review process enters its final stages, we urge Ofgem to fully consider the issues we originally raised, and provide a formal update at the next opportunity. In considering the issues further we would be more than happy to discuss any of the points we have raised in further detail.

Yours sincerely

Sam Hinds

Head of Regulatory Economics
By email

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