

**To:** Electricity North West Limited (ENWL)  
Northern Powergrid (Northeast) plc (NPgN)  
Northern Powergrid (Yorkshire) plc (NPgY)  
London Power Networks plc (LPN)  
South Eastern Power Networks plc (SPN)  
Eastern Power Networks plc (EPN)  
SP Distribution plc (SPD)  
SP Manweb plc (SPMW)  
Scottish Hydro Electric Power Distribution plc (SSEH)  
Southern Electric Power Distribution plc (SSES)  
National Grid Electricity Distribution (West Midlands) plc (WMID)  
National Grid Electricity Distribution (East Midlands) plc (EMID)  
National Grid Electricity Distribution (South Wales) plc (SWALES)  
National Grid Electricity Distribution (South West) plc (SWEST)

Email: [Connections@ofgem.gov.uk](mailto:Connections@ofgem.gov.uk)

Date: 30 May 2023

Dear Company Secretaries,

**Direction under Part C of Charge Restriction Condition (CRC) 2E (Incentive on Connections Engagement) of the Electricity Distribution Licence to modify the Incentive on Connections Engagement Guidance document**

Each of the companies to whom this document is addressed is the holder of an electricity distribution licence (the 'licence') granted or treated as granted under section 6(1)(c) of the Electricity Act 1989 (the 'Act').

In accordance with Part C of Charge Restriction Condition (CRC) 2E (Incentive on Connections Engagement) the Authority gave notice<sup>1</sup> on 4 April 2023 (the 'Notice') that it proposed to modify the Incentive on Connections Engagement Guidance Document (the 'ICE Guidance Document'). The Notice gave the reasons for the proposed modifications and required any representations to be made on or before 2 May 2023.

Prior to the close of the consultation period in respect of the Notice, the Authority received one response. The response has been placed on the Ofgem website.

The Authority has carefully considered all representations received. The response to the representations is attached at Annex 1 to this modification.

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<sup>1</sup> [Notice under Part C of Charge Restriction Condition \(CRC\) 2E \(Incentive on Connections Engagement\) to modify the Incentive on Connections Engagement Guidance Document | Ofgem](#)

## **Decision**

In accordance with the powers under Part C of CRC 2E, the Authority hereby directs the modifications to the ICE Guidance Document as contained in Annex 2. This decision will take effect on and from 1 April 2023.

This Direction issued by the Authority under paragraph 2E.16 of CRC 2E constitutes notice pursuant to section 49 of the Electricity Act 1989.

**Amy Freund**  
**Head of Electricity Connections**  
**Energy Systems Management and Security**

**Duly authorised on behalf of the**  
**Gas and Electricity Markets Authority**

**30 May 2023**

## **Annex 1 – Responses to the representations received**

There was one joint response received regarding the consultation, showing support for the clarity that the modification brings to all the DNOs and all other stakeholders regarding the 31 May 2023 submission. We are therefore modifying the Incentive on Connections Engagement Guidance document as proposed in our notice of 4 April.

## **Annex 2 – The proposed Modified RIIO-ED1 ICE Guidance.**