

To:
Connections Reform Consultation Team
Ofgem
10 South Colonnade
Canary Wharf
London
E14 4PU

Subject: Response to Connections Reform - Policy Consultation on Required Licence Changes

Dear Sir/Madam,

We are pleased to submit our response to the Connections Reform - Policy Consultation on Required Licence Changes. We welcome the opportunity to provide our feedback on the proposed changes to the Electricity System Operator, Transmission, and Distribution licences as part of the ongoing connections reform process.

Our response has been prepared following extensive consultation with our members and stakeholders. We support the overall intent of the proposed reforms, which aim to enhance the efficiency and strategic alignment of the connections process. However, we have identified several specific risks and issues associated with the proposals and have offered suggested solutions to address these concerns.

Key points from our response include:

1. **Legal and Compliance Risks:** We highlight the need for amendments to the Electricity Act to provide a clear legal basis for the new processes and to mitigate the risk of judicial reviews.
2. **Non-Discrimination and Fair Treatment:** We emphasise the importance of ensuring that the new Connections Process does not lead to claims of unfair treatment or discrimination.
3. **Governance and Stakeholder Engagement:** We stress the need for a robust governance framework that includes mechanisms for addressing stakeholder concerns and ensuring the consistent application of the methodologies.
4. **Impact on Existing Connection Offers:** We recommend clear regulatory support for varying existing connection offers to avoid breach of contract claims.
5. **Clarity and Transparency:** We call for clear and detailed provisions to ensure that all stakeholders understand the criteria and processes involved.

We believe that with the suggested amendments and clarifications we have included in our response, the reforms can be successfully implemented, helping to mitigate legal risks, ensure compliance with existing legislation, and maintain a fair and non-discriminatory connections process. As part of our solution development in support of this consultation, DNOs are currently working through draft proposals on the changes required within the Distribution Licence, which will be sent to you post consultation response deadline.

We look forward to continued engagement with Ofgem and other stakeholders to refine and implement these important reforms. Thank you for considering our response.

Yours faithfully,

Kyle Smith
Head of Connections
Energy Networks Association