

To: Connections@ofgem.gov.uk

Date: 12th February 2025

Dear Electricity Connections team,

OFGEM Connections End-to-End Review Consultation

Overview

Eclipse Power is pleased to respond to this consultation. A huge amount of progress has been made by the industry over the last year to prepare the ground for the implementation of Connections Reform. We are taking this opportunity to add points that we think would make this work even better. Like other industry members, we are keen to see the connections process speeded up, and if possible simplified.

You will see in our responses that we strongly support initiatives to provide more data of better-quality for connections applications, and believe that this will particularly help even out differences across the DNO areas and help make the Transmission and Distribution connections experience more aligned. The provision of this data for self-service applications will also take some resourcing pressures off the network companies.

As an IDNO, we would also like to observe that whilst we are pushing for changes that will impact us too, we have limited capability to recover additional costs that may arise from these changes. We ask that this is given due consideration by OFGEM in its deliberations.

Responses

1a Do you agree with the issues we have set out under Theme 1 - Visibility and accuracy of connections data and network capacity? Are there any other issues under this theme that we should consider or be aware of?

Agree with all these issues. The availability of transparent, readily available, accurate data will improve the quality of applications, help correct data inaccuracies when they arise, and generally help promote better application behaviour. The biggest single issue is the differences between the DNO companies in how they present data. There have been positive moves towards Open Data Portals but the quality of the data in here varies across the DNOs, with some being excellent and others lacking. The creation of DSO businesses by some DNOs has vastly improved data provision in those organisations. The previous Incentive on Connections Engagement (ICE) encouraged consistent development of pre-application services, but since ICE has ended in ED-2 progress has become more fragmented.

A common issue is that data often isn't updated frequently enough, with some heat map data being over 6 months old. Embedded Capacity Registers are also often inaccurate with missing data, despite this being a licence condition to maintain. We would also like to see full GIS data available of all networks, again this varies across the DNOs with some having excellent tools, some having none and others restricting access to certain customer groups.

There are also availability and granularity issues with data at transmission level; we would like to see full LTDS/Open Data style data at transmission too. The above issues result in higher demand for pre-application services.

We would strongly support moves to amend the Electricity Act to allow full publication of the queues, along with milestone data and relative queue position. This appears to be broadly supported by the developer community and will allow open accountability and accurate assessment against CP30 targets, reducing the workload for networks.

Ideally, we need to move towards a world where the customer is in possession of the same data as the DNO, we support moves towards the CIM for this. This will improve quality of applications and also allow customers to test assumptions against their own risk appetites. Lastly, good data does not replace the requirement for a robust pre-app service to speak to the local planner or engineer. This can help curate a connection and discuss elements such as running conditions which may not be easily presented in data – this often gives investors the confidence they need to apply, especially as barriers to application are being raised. This service is an expectation in exchange for up front application fees.

As with GC139 we feel that consideration should be given to IDNOs in terms of the resource requirements to meet these provisions. While IDNOs do not typically hold any “spare” conventional capacity, we do agree that all network operators should be included. However, a centrally administered system, funded by the networks, would help reduce the resource and regulatory burden on IDNOs, which are often lean and agile organisations.

1b Do you agree with proposal 1a (new regulatory requirement on single digital view tools)? Do you have any views on how this should be implemented?

Agree absolutely. This should be handled by OFGEM instructing NESO to act across T&D networks, rather than Distribution piecemeal by the DNOs operating via the ENA. The need to act is too pressing now. The range and disparity of various network companies’ systems is noted, but agree that a single portal would be the best longer-term solution, with tools and protocols being aligned in advance of that. A single portal doesn’t have to mean a single system in the background for all networks, so in our opinion there is no valid reason for not aiming for this. As mentioned above, a pooled resource for IDNOs would be beneficial.

1c Do you agree with proposal 1b (new regulatory requirement on the creation of guidance / standards for data visualisation tools)? Do you have any views on how this should be implemented?

Yes, this is needed urgently. As above, NESO needs to be empowered by OFGEM to take the lead on this, building upon the ED2 SOO guidelines. Introducing this via the SOO guidance to DNOs would be a good start, but would miss the opportunity to align T&D. Continuing to have data handled by the ENA or other third parties merely adds a further layer of complexity, taking up valuable time, whereas NESO is ideally placed to make this work. Alignment across T&D is crucial.

1d Do you agree with proposal 1c (new regulatory requirement to provide connections data)? Do you have any views on how this should be implemented?

Agree again - the current best-endendeavours, non-regulated basis for gathering, analysing and presenting data needs to evolve into a properly regulated one to uphold quality and compliance properly. Driving this with updated RIGS (aligned for both T&D) seems appropriate. Incentive on Connections Engagement (ICE) supported this in DNOs; since this has changed to a different incentive in ED-2, which on paper seemed stronger, progress has continued but space for customer input and feedback appears to have reduced.

We would go one step further and publish the entire connections queue in entirety as mentioned above. Regulation presently restricts this, but a picture can be built via the ECR, TEC Register, REPD etc and companies are building software tools to visualise this currently – though it will not be totally accurate.

1e What are your views on the completeness and discoverability of connections data that would be useful to you? Are the existing resources clear and transparent?

A single digital view would help to compare and contrast, and reduce effort spent in duplication. Tools are being developed in the market to “scrape” this data and present it.

Not all DNOs have the same data available, and it isn’t always clear what the data means or how to use it; likewise, not all DNOs will publish or refer to the same parameters. Building a picture of capacity requires a top-down approach from transmission to the lower voltages which can involve consulting the LTDS, network mapping, loading data, Appendix G, TEC Register, Transmission Works Report, ECR, REPD etc which is cumbersome.

Information below 33 kV is non-existent, particularly in regions where vectorised mapping is not available. Efforts to improve this could be facilitated via the NUAR initiative. Lower voltage visibility is important for domestic decarbonisation.

1f Is there additional connections data that would be of use, but legal barriers prevent it from being published? If so, do you consider that there are solutions that would enable this data to be made available, for example by aggregating it to appropriate levels / anonymising it etc.

Full publication of the queue due to Electricity Act restrictions on identifiable data. This is urgently needed to encourage open accountability and self-assessment against CP30. With network operators already concerned about the work involved to deliver Conns Reform and CP30 in the timescales, anything to reduce the number of projects going into G2TWQ should be looked at.

This should include POC, capacity, technology type, connection date, relative queue position, any reinforcement works, whether flexible or not, milestone M1, M2, M4 status as minimum.

We would also wish to see more transparency into how curtailment is calculated (such as the Tech Limits rulebook) and the data behind these reports. This again varies across networks.

Historical and planned outage data should be given with all offers with such a restriction. Some DNOs do this as a rule, others do not – this is imperative to help understand the connection characteristics.

We would also like to see more detail on which schemes are triggering which reinforcements (both D and T with TWR codes), ideally with a tipping point, so we can assess potential impacts on attrition. This could also include which Project Progression (or G2) contracts are associated with each distributed offer.

As an IDNO more transparency in EDCM DUoS would be useful. It is not suitable to wait until offer acceptance to then manually request this. This should be available publicly on the website via job ref or site characteristics and location (for new applications). This will help facilitate effective competition as presently an IDNO does not know what revenue can be made on a connection until the customer gets this info from the DNO, which is sometimes delayed.

Finally, full publication of network models and assumptions, with a unified model across D and T, would allow customers to self-serve at the front end and reduce the conservative assumptions often used for transmission impact assessments.

1g Is there anything else regarding Theme 1 – Visibility and accuracy of connections data and network capacity that you consider we have missed?

Put simply, the more data the better – it would be great to have the same view of data as the network operators do. Any commercially confidential information can be anonymised; some DNOs do currently publish contract costs and reinforcement costs against anonymous job references on their registers.

- 2a Do you agree with the issues we have set out under Theme 2 - Improved standards of service across the customer journey (not including “minor connections”)? Are there any other issues under this theme that we should consider or be aware of?**

Yes, happy that this is a comprehensive list. We agree that there is little regulation governing customer service post-offer which needs addressing as this can vary hugely.

- 2b Do you have any views on proposal 2a (general principles-based licence condition and supporting guidance around standards of service throughout the entire customer journey)? Do you have any views on how this could be implemented?**

This approach touches the key points, but leaves much open to interpretation. To police such an approach, it would be necessary firstly to determine whether a regulated party had adopted appropriate measures to meet their obligations, and secondly whether they had carried them out correctly. This approach is therefore less effective than a more prescriptive one.

- 2c Do you have any views on proposal 2b (new prescriptive condition(s) around standards of service)? Do you have any proposals for any specific areas of the connections customer journey that should be subject to such a requirement?**

Whilst being more onerous upon the regulated parties, this approach would take away some of the uncertainties that arise with proposal 2a. There would be merit in adopting 2b, backed up with a set of principles as in 2a. This would be especially beneficial in any situation where keeping multiple networks in accord is really needed (Project Progressions is as noted a good example of this). Adding these requirements to the relevant Codes, would give clarity. Adopting a Methodology-based approach, as in the Connections Reforms for CUSC, could perhaps be the quickest way of doing this. For DNOs this would also need to sit in the Distribution Licence or DCUSA to make it enforceable by customers.

- 2d Do you consider that any of the existing standards of service requirements set out in the regulatory framework for provision of specific products / services should be revised or removed? Do you consider that there is any duplication or overlap of regulatory requirements across the regulatory framework that needs addressed?**

We urgently need codified, time-bound obligations on DNOs to submit Project Progressions (and now Gate 2 information) - akin to the time bounds in a Modification Notice with a BEGA.

This has been a gripe of the industry for some time, with it not being uncommon to wait 12 months for a PP response – anecdotally the worst we have heard of is 29 months post-DNO acceptance. DNOs were slow to resource up to build dedicated transmission teams, meaning that licensed work often took priority meaning that PP submissions were delayed and DNO customers disadvantaged.

Despite repeated calls from industry to codify this, it appears that Gate 2 submissions by DNOs will again be on “best endeavours” much like the previous “reasonably practicable”. Unfortunately, this often fails to deliver the service needed. Provisions in the CUSC, whose utility were debated at the CMP434/35 workgroups, are not directly enforceable by customers to DNOs, so we would like to see directly enforceable clauses in DCUSA and other codes that customers can use to hold the DNOs to account on these submissions. By including this, it will also give network operators the requirement to resource adequately.

We would also like to see a proper power systems approach to assessing transmission impacts. Given the fact that nearly all connections now require a Transmission Impact Assessment, it would make sense for this to be done at the “front end” concurrently with the DNO assessment, perhaps co-ordinated via NESO, to allow the customer to have the full picture within 3 months – should they wish to. The sequential approach may be preferred by some due to cost implications. The same can apply for Third Party Works assessments for transmission connections.

Whilst we welcome CMP446 to raise the TIA threshold, we feel it would make more sense to do away with thresholds and assess impacts using power flow modelling across the boundary via a combined T&D model. This would be far more accurate as presently generation connections at low voltage in demand driven areas are delayed due to transmission works which makes little electrical sense. Technical Limits are a good initiative but again this relies on looking at historical power flows as the ceiling, rather than truly assessing impact through the boundary.

A combined T&D model (CIM) where all impacts can be assessed at once in the round will improve quality of offers, increase timeliness of connections and increase LCT roll-out.

2e Is there anything else regarding Theme 2 – Improved standards of service across the customer journey (not including “minor connections”) that you consider we have missed?

Clear guidance and timescales over information provision, responsiveness, and progression of projects when in the development and delivery phases.

3a Do you agree with the issues we have set out under Theme 3 - Requirement on networks to meet connection dates in connection agreements? Are there any other issues under this theme that we should consider or be aware of?

We agree with the issues identified. Tightening up wording and obligation particularly on the networks' side seems reasonable. Situations arise for networks that will necessitate changes in dates being made, but a big problem now is the need for timely communication, particularly from the DNOs.

We observe that as an IDNO, we may be vulnerable if a customer is connecting with us, and the DNO that we connect to has upstream enabling works that impact this connection. We should not face the penalties being suggested if we have completed our works, but the DNO has not.

DNO or TO delays are frequently a reason for connection delays; most acute in recent years is lead time of key equipment, availability of outages and availability of personnel. Restrictive DNO G81s put pressure on the suppliers in that supply chain who are serving international markets. Lack of commissioning resource is also a common occurrence meaning that customers who are otherwise ready to go cannot connect. This points to wider systemic issues on supply chain and personnel. As an IDNO we have also seen delays (in some cases up to 12 months) for a DNO to accept an IDNO solution due to lack of policies in place at EHV. We have worked with the DNO community, and this has improved significantly but we feel that CiCoP and G88 needs updating for the higher voltages to prevent further delays and to facilitate better competition.

Finally, it is more common than not now for transmission connections to be delayed due to outages not being available from NESO or build works taking longer than expected. DNO contracts are a little different in not having a contractual connection date (if in Part 2 of Appendix G) meaning progress is often bilaterally agreed, but transmission contracts do have contractual dates. As such we feel there needs to be more onus on networks to deliver the dates they have offered by resourcing accordingly. Better consideration should also be given by networks to offer dates that are actually achievable.

Presently all the scrutiny is on developers meeting milestones, but the networks can miss theirs and delay a project 1-2 years without any recompense for the customer whose business case is now severely affected, this can also affect an IDNO whose only revenue is DUoS. We would like to see improved Liquidated Damages provision for customers which is typically set at £0, which should be funded directly by the networks and not be recovered elsewhere. The contractual arrangement is unevenly weighted, and we feel this needs a rebalance.

3b Do you have any views on proposal 3a (strengthened principles-based licence condition around meeting connections dates)? Do you have any views on specific wording that would achieve the intended outcome?

Strengthening the wording would certainly be an improvement, and of the two suggested forms, “*must complete all necessary works and activities by...*” seems better, providing that the “by” date can be adjusted in accordance with principles which are understood by all parties, and as suggested, communicated in a timely and accurate fashion. This proposal would be the least prescriptive of the three, and would need to be backed up by interpretive guidelines.

We would support Appendix J style milestones in all contracts, with real rights of recompense for customers if they are missed by networks. The resolution against missed milestones should apply equally to both parties; presently there is little a customer can do if the network misses their milestones.

3c Do you have any views on proposal 3b (minimum standards / SLAs around meeting connections dates)? Do you have any views on specific standards that could be introduced and how they would work in practice?

By introducing minimum standards, this proposal looks to be more promising. By having a set of presumed standards and timelines, the onus is then on the network company to justify deviations from them, rather than the customer to chase for information about them.

Consequential incentive and penalty mechanisms will require careful handling. NESO, TOs and DNOs have regulatory frameworks for incentive / penalty mechanisms to be built into; IDNOs presumably would be exposed to direct financial penalties (with no obvious mechanism available for incentives), which would seem to be more draconian in impact.

3d Do you have any views on proposal 3c (a financial instrument designed to offer recourse to connecting customers who face detriment due to delays)? Do you have any views on how this should be implemented?

This is the most sophisticated proposal, but as it carries the biggest potential for financial punishment, could trigger unintended consequences counter to the need for faster, more efficient connections. It has the potential to create perverse incentives (by encouraging more conservative initial assessments by networks), and perhaps increase the potential for gaming with connections applications, by encouraging legal claims. Definitions of “poor practice” by the network company and the extent to which factors beyond the reasonable expectation or control of the network company, are grey areas which require identification, interpretation, and judgement.

A mechanism whereby a developer can demonstrate that they have been put at a detriment due to failures in the network delivery programme and reclaim costs and compensation accordingly could be appropriate. Presently the contractual relationship is not evenly weighted.

For these reasons, we do not support proposal 3c.

3e Is there anything else regarding Theme 3 - Requirement on networks to meet connection dates in connection agreements that you consider we have missed?

To treat a connection contract as any other commercial contract, with recompense for the affected party if one side of the contract fails to deliver.

4a Do you agree with the issues we have set out under Theme 4 - Quality of connection offers and associated documentation? Are there any other issues under this theme that we should consider or be aware of?

Agree with the issues identified, and that a timely offer of poorer quality is not helpful. However, raising the quality of offers should not be at the expense of time. Comparison of the efficiency of different networks at getting out good quality, timely offers, should be more visible to the industry.

Presently we feel as if the current offer timescales are appropriate and align with development timelines. Receiving an offer too early can also reduce the time the developer has to do pre-

development work, which could put later milestones at risk. Unfortunately, too many offers come out at the end of the regulatory period and are of poor quality so often require re-negotiation afterwards.

4b Do you have any views on proposal 4a (principles-based licence condition on the completeness / quality of the offer and supporting documentation)? Do you have any views on specific wording that would achieve the intended outcome?

As with Theme 2, a principles-based approach to making connection offers will need clear guidelines for support. However, recognising the need to re-balance time vs quality, this approach will perhaps enable more realistic timescales to be understood, providing a path to a more minimum standards-based approach in the future. If particular DNO areas are facing bigger (volume) challenges than others, perhaps it should be possible for each company to set (and publish widely) the dates they will commit to. As noted in the consultation, a big problem is the lack of communication for some areas, so published dates (and by extension league tables), backed up by clear and timely updates, will enable all parties to see where more assistance might be needed.

4c Do you have any views on proposal 4b (minimum standards / SLAs on the completeness / quality of the offer and supporting documentation)? Do you have any views on specific standards that could be introduced and how they would work in practice?

As alluded to in 4b above, the changes needed must re-balance the time vs. quality for connection offers. However, setting minimum standards will only work if enough is known about how challenging/achievable those minimum standards will be in practice. At the moment, it appears that this may be difficult to assess. For this reason, more desirable though it may be, proposal 4b is probably not the best way forward at this time.

4d What do you consider would constitute a 'high quality offer'?

Offer quality varies hugely across DNOs. Some being excellent and others being scant. Ideally the more information, the better. We would like to see the following included:

- 1) POC detail
- 2) POC Map and cable route plan
- 3) POC SLD
- 4) Full description of contestable and non-contestable works
- 5) Itemised cost breakdown per item with detailed item descriptions
- 6) Assumptions/caveats made during design/quoting
- 7) Reinforcement details, job references, CAF, other affected projects etc
- 8) Known transmission or distribution impacts (as appropriate for D or T)
- 9) Realistic connection date based on programme and above
- 10) Historical and planned outage data for relevant outages
- 11) Curtailment report if ANM with assumptions and LIFO stack detailed
- 12) Queue position and information as necessary
- 13) Key milestones for customer and network operator
- 14) Link to key design standards
- 15) Network charge estimate
- 16) Security of supply info
- 17) Any technical restrictions/characteristics for generators (G99, Grid Code, P28 etc)

Timely provision of network charges is also important to facilitate effective competition with IDNOs. This often takes months to receive and must be requested manually. Ideally this would be sought on the website by using a job reference number.

A functional specification as offered by some DNOs is also very helpful and is a good starting point for an ICP, facilitating competition.

Providing more info will reduce back and forth with network operators, reducing burdens on their time.

4e Is there anything else regarding Theme 4 - Quality of connection offers and associated documentation that you consider we have missed?

Better quality control, as offer quality can vary across engineers in an organisation. Network operators sometimes need to revise their offers later, due to mistakes made during quoting or changes of design standards. This can happen after a developer has already spent considerable money on development to have the goalposts now moved and the financial outlook changed. There is very little the developer can do to claim compensation on the network operator for this. Focus on getting it right the first time.

The contracts are also heavily weighted in the network operators' favour in terms of variations etc. Now we understand that changes can happen post detailed design, for which assumptions/caveats should be laid out, but some changes happen due to network operator error. If this occurs, we feel that there should be allowances made to the developer in terms of programme, cost or compensation.

5a Do you agree with the issues we have set out under Theme 5 - Ambition of connection offers? Are there any other issues under this theme that we should consider or be aware of?

Agree that the key issues have been identified, with the potential for the unintended consequences around networks offering more conservative, later connection dates. The current emphasis on "time being of the essence" is a time-worn legal phrase which nevertheless lacks clarity in the context of connection offers, and does not present a focus on ambition.

5b Do you have any views on proposal 5a (strengthened principles-based licence condition around offering earliest achievable connection dates)? Do you have any views on specific wording that would achieve the intended outcome?

This seems to be a reasonable way forward, as the term "earliest achievable connection date" allows some leeway to the offering network whilst forcing it to ask itself whether it has been ambitious enough – a good progression on from "time being of the essence". The "earliest achievable" test changes the emphasis, and when coupled with the suggested possibility of making subsequent post-offer improvements moves the balance in favour of the customer. We feel that this should be adopted regardless of the strengthening of connection date regulations. It should be provided via a detailed delivery plan provided concurrently with that provided by the customer. This should then become a contractual programme subject to the usual contractual frameworks guarding these sorts of works.

Any change in programme must be robustly justified and all other avenues explored, such as looking at different supply chain partners or contracting in resource, which often is considered.

Flexible connections should be offered if they can provide an earlier connection date.

5c Is there anything else regarding Theme 5 - Ambition of connection offers that you consider we have missed?

To be seen as a contract, rather than a guide, which is enforceable by both parties.

6a Do you agree with the issues we have identified? Are there any other issues under this theme that we should consider? Please provide data and evidence to support your views if possible.

Increasing the minor connections threshold.

6b What are your views on our proposals designed to address these issues? Are there other proposals you consider would achieve the intended outcomes?

Proposal 6a – Delays / Timelines

Yes, to principles-based licence obligations with guidance; possibly for minimum standards / SLAs

Proposal 6b – Inconsistencies

Yes, for obligations on DNOs to align processes, and to meet the tougher standards suggested – IDNOs not mentioned, but presumably would need to comply too.

Proposal 6c – Monitoring

Tentatively agree to monitoring/reporting and to the publishing of this.

Proposal 6d – Enforcement

Financial recourse for customers – not sufficient? Possible extension of GSOPS to minor connection customers.

Proposal 6e - G98 Limit

Yes, to reviewing and possibly increasing the G98 limit.

With the increased barriers to G99 applications, this is welcome. As the deployment of rooftop installations could slow with the increased application requirements.

Proposal 6f – Notifications

Yes, to strengthen notification obligation on LCT installers to DNOs (IDNOs?)

- 6c Do you have views on how poor performance could be addressed under these proposals to ensure the smallest scale customers are protected and LCT roll out is supported?**

No Observations

- 7a Do you agree with the issues we have set out under Theme 7 - Provisions and guidance for determinations? Are there any other issues under this theme that we should consider or be aware of?**

Summary of issues appears reasonable.

- 7b Do you have any views on proposal 7a (Ofgem to review the guidance for connection determinations)?**

Agree with this – periodic review/update is always necessary.

- 7c Is there anything else regarding Theme 7 - Provisions and guidance for determinations?**

No observations.

Kind regards,

Bill Scott

Bill Scott

Senior Regulatory Analyst

Eclipse Power