

Electricity Connections
Ofgem
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By email:
Attn: connections@ofgem.gov.uk

12 February 2025

Dear Alasdair,

Connections end-to-end review – Consultation

SP Energy Networks (SPEN) represents the distribution licensees of SP Distribution plc (SPD) and SP Manweb plc (SPM) and the transmission licensee, SP Transmission plc (SPT). We own and operate the electricity distribution networks in the Central Belt and South of Scotland (SPD), and Merseyside and North Wales (SPM). We also own and maintain the electricity transmission network in Central and South Scotland (SPT). As an owner of both transmission and distribution network assets, we are subject to the RIIO price control framework and must ensure that we develop an economic, efficient, and coordinated onshore electricity system.

Thank you for the opportunity to respond to the Connections end-to-end review consultation. This letter represents SPEN's response to that consultation. This response provides our views from both a transmission and distribution network operator perspective, with respect to the proposed changes to the regulatory framework around electricity grid connections.

With a current connections contracted background of over 750GW across GB's transmission and distribution networks, and 68GW and 12GW across SPEN's transmission and distribution networks respectively, SPEN is fully supportive of the need for Connections Reform and alignment to Government's recently published Clean Power 2030 Action Plan¹ (CP30), in order to streamline the process and accelerate customer connection dates, where possible, for direct and embedded connections. To support the package of connection reforms being consulted on, we also recognise the need for wider regulatory framework changes.

SPEN's Customer Connections performance in RIIO-2

- The proposals set out in this consultation are not backed up by quantitative evidence pertaining to the scale of the issues identified, whether these issues are systemic or specific to a particular part of the network or operator. It must also be recognised that many of the issues arising in the connections process are a direct result of the unprecedented volume of connection applications which network operators and the NESO have had to accommodate. In SPT's area, for example, the volume of connection offers processed more than trebled in the period 2021 to 2023.

¹ [Clean Power 2030 Action Plan - GOV.UK](#)

- We recognise the challenges and complexities faced by customers in the connections process, and we continue to support efforts to improve consistency and customer experience across the industry. Throughout the RIIO-2 period, SPEN has invested heavily in additional resources, evidencing our commitment to delivering quality service to our connection customers.
- In transmission, we are particularly proud of our customer engagement, at a time when significant pressure has been placed on all connections related teams across SPT, and the ongoing feedback received through our Quality of Connections surveys. This important customer feedback has been captured through our weekly Quality of Connections Survey reporting, as part of the Quality of Connections Incentive. We have had annual scores of 8.3 (2021/2022), 8.23 (2022/2023) and 8.27 (2023/2024) for the Quality of Connections Incentive to date, during the RIIO-T2 period.
- In distribution, there are two main incentives related to connections. The Major Connections Incentive (MCI) and the Broad Measure of Customer service. It is worth noting that the financial element of the MCI only applies to relevant market segments where effective competition has not been demonstrated
 - For the BMCS, in year 1 of ED2, we scored an average of 9.23 for SPD and 9.22 for SPM for the connections element of the incentive.
 - For the Major Connections Incentive, in year 1 of ED2 we scored an average of 8.41 for SPD and 8.43 for SPM (for both competitive and non-competitive market segments).

We have worked hard to achieve these scores in an extremely challenging environment, particularly in major connections where arrangements can be complex and stakeholder expectations can be high. Going forward it will only become more challenging to maintain excellent scores.

Ofgem's Consultation Proposals

We offer comment on each of Ofgem's end-to-end review themes below:

1. Visibility and accuracy of connections data

We welcome the work of this consultation to clarify the data gaps that customers face and agree that more can be done across the industry in relation to data sharing, to better inform customers. We are committed to providing the data that customers need and have proactively been working to deliver transparent and useful information to enhance customer decision making when applying for a connection, and we would be fully supportive of facilitating the ability for customers to self-serve. Over recent years we have increased our data provision to support our customers, including via our Open Data Platform (a one-stop-shop for customer data).

We think any standards or guidance should require a minimum level of consistent and accurate data, rather than limiting Network Owners from developing these tools and pushing the boundaries of what is possible, for our customers. This would allow tools to evolve and go beyond these minimum requirements to meet customers' needs without having to update regulations. Best practice could then be shared with other industry participants to enhance customer experience across industry. Having a fluid approach to eventually delivering a single portal covering all network areas is potentially more effective than enforcing this through regulation.

2. Improved standards of service across the customer journey

SPEN is committed to providing an excellent standard of service to our customers throughout the connections journey, despite the unprecedented volume of connections applications we continue to receive. The large volumes of connection applications and complex network planning requirements mean it is critical that any requirements on standards of service remain fair, reasonable, and proportionate.

As mentioned above, we manage significant volumes of connection applications, for widely varying types of projects and customer requirements. We would urge Ofgem to undertake extensive research across all customer types to ensure the issues important to our customers are clearly understood and not limited to a small subset of customers.

3. Network companies being required to meet connection dates in connection agreements

We do not see the need for the introduction of principle-based licence conditions across connections, as we consider they do not provide the necessary clarity of what is required. However, within the current connections framework, we do propose that extending the obligation to the “*use of reasonable endeavours*” to both transmission and distribution licenses, accompanied with a supporting Connections Guidance document, is a fair and transparent approach to take, benefitting customers and network operators alike.

In relation to the proposal to implement a financial instrument requiring network companies to make recompense where customers suffer detriment due to a delayed connection date, we do not consider this helpful as delays are often a result of actions or omissions of external parties, and outside the control of network companies. Such a tool would be a significant administrative burden on all parties to apportion ‘blame’ and determine appropriate compensation, and the time lost to this administrative effort, and added cost, would be better utilised, focused on ensuring customer projects are connected in a timely fashion.

4. Quality of connection offers and associated documentation

Whilst we recognise the problem of the volume of applications to be processed potentially exacerbating the quality and detail of offers, even in recent months, where application volumes have been significant and the contracted background being several times that required for Net Zero by 2050, we have continued to deliver quality and timely offers to our customers. This, however, has put considerable stress and pressure on all teams involved in developing connection offers. We feel that structured, transparent customer feedback to identify any areas for improvement is key to enhancing the customer journey and building greater trust in the connections process. We therefore support a continuation or expansion of the current Quality of Connections Incentive to that end, within the RII0-T3 framework.

We would also encourage the ongoing work looking at introducing minimum requirements that customers must meet before they can apply for connection as we see differing standards in the quality of connection applications received. These requirements, as included in the Connections Reform strategic alignment element of Gate Two to Whole Queue readiness, should include that the connection is needed for CP30, unless the application is for a connection beyond the scope of the CP30 Action Plan. This would reduce

the volume of connection applications and so allow us to focus on producing higher quality offers for projects deemed required for CP30 ambitions.

5. Ambition of connection offers

SPEN always endeavours to provide customers with the earliest deliverable connection date, taking into account the specifics of each individual connection application and its required enabling works. Therefore, we do not consider the proposal to incentivise network companies to offer more ambitious connections dates to be necessary.

6. Minor connections

Introducing new obligations or minimum standards needs to recognise what is within network operators' control. For example, we cannot control obtaining neighbours consent to complete unlooping and any new obligations would have to include exemptions for DNOs, so they are not penalised for such issues. Given the roles, responsibilities and challenges, a reward only incentive to encourage improved performance could be considered but only applicable to activities within DNOs control.

7. Provisions and guidance for determinations

We are supportive of this proposal, with its intention to clarify where determination is appropriate. It will also be important to provide clearer information on other routes for redress to help customers understand the most appropriate route to take for any issues that require escalation.

We would also like to flag to Ofgem that current connections reforms are changing customer journeys, so any near-term changes to obligations should focus on areas not impacted by these ongoing reforms. Once the reformed processes are in place, Ofgem should assess whether further obligations are necessary based on the outputs of these new connections processes.

We have provided comments where you have sought our opinion on the best option in terms of regulatory changes. However, we would caveat these with our suggestion to assess the operation and outputs of the reformed connections landscape, before addressing perceived regulatory shortcomings. Particularly as the connections reform process is looking at similar areas of ongoing improvement such as the expansion of digital tools, customer service and the quality and details of customer offers.

This response should be read in conjunction with SPEN's response to the RIIO-T3 Connections Incentive element of this consultation, dated 13th January 2025. Thank you for the opportunity to respond to this Consultation. Please do not hesitate to contact me if you require any further information on any of our consultation responses.

Yours sincerely,

Handwritten signature of Lynne Bryceland in black ink.

Lynne Bryceland

Head of Transmission Commercial
SP Energy Networks

Handwritten signature of Wendy Mantle in black ink.

Wendy Mantle

Head of Distribution Commercial
SP Energy Networks

Appendix 1

Connections E2E Review Consultation - Responses

Theme 1 - Visibility and accuracy of connections data and network capacity

Question 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?

We welcome the work of this consultation to clarify the issues that customers face and agree that more can be done across the industry in relation to data sharing, to better inform customers. We are committed to providing the data that customers need and have proactively been working to deliver transparent and useful information to enhance customer decision making when applying for a connection, and we would be fully supportive of facilitating the ability for customers to self-serve.

Over recent years we have increased our data provision to support our customers, including via our Open Data Platform (a one-stop-shop for customer data). In addition to providing customers with pre-application information via Budget Estimates, Feasibility Studies and one-to-one surgeries, we publish:

- Our Embedded Capacity Register (ECR), which feeds through into our heat maps.
- A range of other network information to support customers (Long Term Development Statement, Distribution Future Energy Scenarios, Distribution Network Options Assessment, Network Development Plan, Heatmaps).
- The data our distribution connected customers need, on an individual basis, to undertake assessments of distribution curtailment.
- Launch of SPT's Generation Heat Map in November 2023, which was subsequently expanded in December 2024, to include both generation and demand connections to SPT's network.
- Looking to the future, we believe it will be key to offer our customers greater insight on connections, ahead of applying to our network. We are currently looking at new innovative ways of digitalising our pre-application system and offer enhanced insight into our network.

From both a transmission and distribution perspective, we have worked closely with the NESO in the development of its Connections 360 tool which provides customers with a GB-wide perspective of the network, at both transmission and distribution voltage levels. We will continue to work closely with the NESO on the further refinement and development of this important tool.

We will continue to work with our customers to meet their requirements. For example, from next year we will publish our Long-Term Development Statement (LTDS) in CIM format. This format enables a transparent and detailed view of a DNOs planned network upgrades and expansions, which helps potential new customers and developers make informed decisions about connecting to the distribution network, facilitating efficient planning and investment strategies.

Question 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?

LTDS and Single Digital View (SDV) tools provide a foundation for better connection planning by helping developers to identify the right data points and align with current grid conditions. However, they do not inherently improve the quality of applications because they lack contextual guidance, rely on developer expertise, and focus on data rather than actionable insights. To realise their full potential, such tools must be paired with developer training, tailored application support, and enhanced engagement mechanisms (for example, pre-application meetings (Pre-App's) and webinars) to achieve more informed and appropriate applications.

That said, we are supportive of activities that support a good customer experience - a Single Digital View (SDV), in the longer term, could do this if designed correctly and appropriately funded. This would be a significant project to undertake, so in the short-term, customers may be better served by minimum standards or guidance on the customer experience and outputs the tools must deliver. Allowing network operators to use different tools or interfaces in the short-term leaves open the opportunity for them to compete to provide better tools, so driving improvements to the customer experience. Not having the specific tool defined in regulation enables Network Owners to be more agile and innovative in responding to customer needs.

The requirement to "continuously improve" may be better replaced by clear standards or guidance on the minimum customer experience and outputs the tool must deliver. We need to be careful about the level of data granularity and frequency of updates, as these could lead to considerable complexity and will impact how long the tool will take to develop and its accuracy.

We think the single data view could exclude "connect and notify" customers. These are typically domestic houses installing solar PV, heat pumps, or EV chargers. They usually don't need to access our network data for their connections process, so don't need to be catered for by the visualisation tool. Initiatives like the ENA Connect Direct portal are supporting such customers by enabling LCT installers to submit information to DNOs via standardised digital forms.

In summary, data provision needs to be cost-effective, flexible, efficient, consistent, and represent customer value. At this stage of Connections Reform, we would argue that the cost, data alignment and inflexibility of implementing a SDV would not realise the benefits hoped for when compared with separately operated portals and cross industry agreement on the data to be shared.

Question 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?

We agree that common standards/guidance would be beneficial, for example consistency on what data should be provided, to what granularity, frequency of update etc. This would help deliver a more common experience for customers, and we would be happy to work with NESO, other TOs and Ofgem to decide what data and tools would be within scope.

We think any standards or guidance should require a minimum level of consistent and accurate data, rather than limiting Network Owners from developing these tools and pushing the boundaries of what is possible. This would allow tools to evolve and go beyond these minimum requirements to meet customers' needs, without having to update regulations. Best practice could then be shared with other industry participants to enhance customer experience across industry. Having a fluid approach to eventually delivering a single portal covering all network areas is potentially more effective than enforcing this through regulation.

Perhaps Ofgem could consider developing a non-binding Code of Practice that outlines recommended standards for data provision and tool development. Such a voluntary approach would allow flexibility to innovate whilst also fostering industry-wide consistency.

Question 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?

As SPEN already contributes to the population of the ENA joint transmission and distribution data book, providing useful information at an industry level, we strongly support the proposal that this data should be requested on a more formal basis.

In having a set of Regulatory Instructions and Guidance (RIGs) established for the completion of the Databook, SPEN could confidently invest in additional resource and system enhancements to support with the efficiency and accuracy of the monthly submission. Since its inception, the Databook has undergone a series of changes and disaggregation of metrics resulting in additional work which SPEN's systems and processes were not set up to report on. This has resulted in additional administrative and resource burdens that could have been avoided if the required data was formally defined. Appropriate governance around future changes would be subsequently required.

To facilitate this, Ofgem should, after further consultation, introduce a regulatory, rules-based requirement for TOs and DNOs to provide specific data to NESO to collate the appropriate data books. Ofgem should:

- Define the types of data to be included.
- Specify the level of detail required, ensuring it's actionable for Developers, and
- Mandate an update frequency.

It may also be useful if industry could provide visibility of the 'live' volume of:

- Applications pre-clock start.
- Applications post clock start but pre offer, and
- Offers issued and capable of acceptance.

This would give customers visibility of the size of the queue and highlight the absence of certainty in the network planning background.

Question 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?

There is already data in the public realm from which customers can glean important information pertaining to their proposed connection application. We recognise that more consistent and accurate data would serve SPEN well as customers would be able to submit more robust and feasible applications, based on evidence. SPEN is committed to providing the data our customers need to understand connection opportunities. As mentioned above, SPT launched its new Transmission Generation Heat Map in November 2023, which was subsequently expanded in December 2024, to include both generation and demand connections to SPT's network. For SPD and SPM, individual heatmaps for Distributed Generation have also been available for some time providing greater transparency in terms of network capacity and availability.

Question 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.

Any developments need to be aware of the general principle that the more granular the data we publish, then the greater the likelihood that we reveal individual customer data and behaviour. For example, sharing half hourly data at a primary substation may reveal how a factory operates, or the commercial regime of a storage site. At LV networks, we risk sharing domestic customer data.

The requirement to follow Data Best Practice guidance needs to be recognised, and weighed up, against protecting commercially and personally sensitive data.

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

Ofgem should consider the long-term maintenance costs of tools and ensure proportional regulatory support. Whilst the consultation acknowledges the importance of improving data accessibility and developing tools, it does not fully account for the current rapid evolution of the sector.

Theme 2 - Improved standards of service across the customer journey (not including “minor connections”)

Question 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?

Between 2021 and 2023, SPT saw the number of connection applications for processing more than treble, which has put incredibly challenging pressure on all teams involved in the connections process. These volumes, combined with the extent of the contracted background against which they require to be assessed, noting this to be several times what is required to meet Net Zero by 2050, have also led to some of the customer experience issues raised within this consultation. The successful delivery of connections to our larger customers, at both Transmission and Distribution, is a fundamental element of the current price controls and will continue to grow in scale and importance.

SPEN is committed to providing an excellent standard of service to our customers throughout the connections journey, despite the unprecedented volume of connection applications we continue to receive, and the complexity of the network designs we are having to deliver. For example, SPT is particularly proud of our customer engagement and the ongoing feedback received through our Quality of Connections surveys. We are strongly of the view that obtaining frequent customer feedback on TO performance throughout the duration of the customer's connection journey is very important and we work hard to engage closely with our connecting customers to ensure we identify and address customer issues at the earliest opportunity. We have therefore established and co-ordinated a cross TO workgroup to discuss the strength and value of the Quality of Connections incentive and areas for improvement/refinement, with a view to further improving that important customer engagement. We recognise that there must be a balance between timeliness of delivery and quality of service, and we implement lessons learned from feedback from our customers on a regular basis. We have invested in a new Customer Relationship Manager (CRM) system to better capture customer engagement and provide improved analytics to evaluate quality of our communications with our customers.

It is welcomed that Ofgem recognises that large volumes of connection applications, the scale of the contracted background against which new applications are assessed, and complex network planning requirements, mean it is critical that any requirements on standards of service remain fair, reasonable, and proportionate.

For Distribution, as reported in our Major Connections Annual report, we issued over 8,500 connection offers to customers over the period. Providing stakeholders, who have very different requirements with the required accurate, comprehensive and yet simple information to suit their needs is a resource intensive and challenging process. Stakeholder frustrations can run high, and our staff have to manage a growing number of these complex relationships. We believe it is important that the regulatory framework should recognise these challenges and the level of effort that is required to reach an outcome that is satisfactory to our customers.

Given the challenges, and to reflect the level of investment required to be delivered, we feel that DNO effort should be able to benefit from reward and not just face the risk of penalty. We would urge Ofgem to consider making the current Major Connections Incentive (MCI) incentive a symmetrical penalty/reward incentive. The Broad Measure of Customer Service (BMCS) which also captures customer feedback and reports on customer satisfaction in relation to connections is a good example of an incentive driving excellent customer service and should be maintained.

Notwithstanding the above, we believe that the main way in which services to major connections customers can be improved is by ensuring that our network has sufficient capacity within an acceptable timeline. We believe Ofgem's supportive policy stance on anticipatory investment is helpful to this, but the detail of the future ED3 framework needs to develop in such a way that this investment (supported by DNO shareholders) can materialise.

As mentioned above, we manage significant volumes of connection applications from customers and would urge Ofgem to undertake extensive research to ensure the issues important to our customers are clearly understood and not limited to a small subset.

With regards to the themes raised, we would highlight the following:

- Inconsistency of standards of service: in Distribution guaranteed standards of service apply covering the connection offers, customers liaison post acceptance, agreeing when work commences and target connection dates which currently exist for both demand and generation connections, and can result in payments to customers where the standards fall short. As highlighted above, the service and timing of services provided varies between customers and in particular the level of development of their project and their own timescales for connection.
- New timeliness suggestions: A number of pre-application services tailored to the needs of customers are already provided and whilst timescales could be set, these would have to consider the wide range of size and scale of projects that apply, and depending on the programme, work and/or consents required, a discussion just after acceptance may have little value.
- Transmission and Distribution interface: The proposed Connections Reforms are looking to address a number of the issues highlighted and, if approved, will provide clarity on the approach to batching applications for Transmission Impact Assessments (TIA) submissions and the associated timescales. With regards to TIA thresholds, these have been reviewed across all three TO areas and are being progressed via a further urgent CUSC modification (CMP446) in England and Wales.

Question 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?

We have considerable concerns with principles-based licence conditions as the general nature of such obligations mean that they are very subjective. There is a significant risk that over reliance on general principles could lead to ambiguity and add additional burden to both network operators and Ofgem alike, to prove the principle has been met or not. Any customer could allege that a network has not met its licence obligations if they felt that had not received the customer service they wanted, irrespective of how reasonable their expectations were. Such an approach is likely to lead to more customer escalations and Determinations to Ofgem.

We continue to hold the view that the Quality of Connections Incentive, and its associated weekly surveying of customers at key connection milestones, continues to be the most responsive and accurate tool for identifying customer issues at the earliest opportunity, and for meeting their expectations accordingly. For this reason, SPEN is supportive of the retention and refinement of the Quality of Connections incentive in RIIO-T3. Indeed, TOs and NESO have already begun discussions to identify suitable incentives to augment the current Moments that Matter (MtM) and Quality of Connections (QoC) frameworks to deliver greater customer satisfaction throughout the process. For example, TOs currently offer different pre-application meetings at limited cost to customers. Potentially, higher incentives to deliver quality pre-app information could standardise the quality of information imparted to customers at this key stage in the process, and in turn, improve the quality of applications received to the benefit of all parties.

Question 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?

SPEN welcomes the recognition that today's connections landscape differs enormously from when many of the current regulatory requirements were introduced. However, there are a number of existing good practices that continue to drive improvements and meet customer requirements, and any new obligations should firstly recognise these.

Given the significant volume of applications that currently progress well through the various stages of the connections journey, we would again urge Ofgem to consider wider stakeholder feedback before considering any new proposals. And, given the varying types of connection applications, from simple, low cost, to complex high-cost projects, a more tailored approach may be appropriate.

SPEN believes that prescriptive timeframes could potentially stifle innovation and impinge on the quality of service given to customers. Hitting prescribed deadlines can ensure specific processes are followed but does not necessarily guarantee the output is in the best interests of customers, the connection or the network. An example of this is the current RIIO-T2 Timely Connections Incentive, where the focus is on TOs processing large volumes of customer offers, reflective of market demand, to challenging licensed timescales, as opposed to delivering quicker customer connections.

Rather than adopting a principles-based approach, instead we believe that the creation of an Ofgem issued best practice Connections Guidance document for the reformed Connections process would be helpful. This would strive towards a consistent customer experience for customers navigating their way through the distribution or transmission network. It would allow customers to have consistent expectations of the various steps involved, as well as the customer engagement they can expect, regardless of which iDNO, DNO or TO is processing their connection offer.

Within Distribution significant competition is well-established in many segments of connections. Consideration of how any new obligations should apply to competitors is also important. Failure to do so risks distorting the market.

Question 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 are supportive of Ofgem's proposal to remove the Timely Connections Incentive from the RIIO-T3 framework. As acknowledged above, this incentive focused on TOs processing large volumes of customer offers, reflective of market demand, to unrealistic licensed timescales, which put enormous resource pressures and stress on all teams involved in processing, designing and delivering customer connections.

As set out in response to 2b (above), we continue to see strong merit in the review and retention of the Quality of Connections Incentive during the RIIO-T3 period. We view the collation of customer feedback as being a key requirement of all parties as we move towards a reformed connections model. This incentive ensures that the customer remains considered at all stages of their connections journey and support is offered consistently through each stage. Given this current period of connections reform, and the uncertainty around it, now

more than ever, we need to signal to industry we are listening and bringing their views into consideration. This is something we, as SPT, have aimed to demonstrate to our customers through the feedback and outputs of the current Quality of Connections incentive.

At Distribution, there appears some overlap between existing standards contained within SLC12 and SLC15/15A. SLC 12, requiring all connection offers to be issued within 65 days, with no opportunity to pause, does not necessarily drive the right behaviours for those larger, more complex projects. However, SLC 15 and 15A recognise the various levels of complexity that exist for different types of projects and can apply agreed, as well as prescribed, dates to set the timescales that result in payments to connections customers if they are not met. We would be supportive of an amendment that allows extra time to be agreed for conducting additional work to provide an improved offer.

Question 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?

Given the NESO’s pivotal role in the development and delivery of directly connected and embedded customer connection offers, a review of the engagement channels across network operators who are working on customer connection offers would be helpful.

By way of example, the NESO needs to coordinate with the DNO when transmission connections are being made that impact the distribution network. For example, new transmission connections at GSPs can affect the fault level on the distribution network. Where this is not identified early in the process, it can lead to complexity and delays in the connections process. This becomes more critical when establishing queue positions for impacted customers.

In addition to this, we believe improvements in communication with customers should be delivered by the NESO to ensure consistency in experience when dealing with all parties in the connections journey. An example of this would be an increase of support given to customers, prior to paying their application fee. We believe that the introduction of clear process maps and how to complete the form for customers could alleviate this and minimise the amount of confusion for developers. As well as increased checks of documentation, by the NESO, prior to submission to the relevant network operator. Ultimately, meaning developers’ applications will be deemed competent in a quicker fashion. NESO have a significant role to play in keeping developers informed of connections progress, and any future connections and regulatory reform needs to ensure it is cognisant of that.

Theme 3 - Requirement on networks to meet connection dates in connection agreements

Question 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?

There are many factors that influence the successful delivery of the offer date for connections projects, some of which are not within the TO/DNO's control. These include:

- The time taken to consent the necessary infrastructure, and issues around system access restrictions.
- Customer driven delays: Submission of planning application, securing land rights, delay with payments, customer readiness for delivery of own installation, and submission of technical data.
- Manufacturers: Lead time for items of plant (some of these can span 18-24 months) and supply chain availability.
- Transmission Impact Assessment: Interdependency on transmission works.
- Generation availability and other unforeseen events can also delay/postpone system outages. As recently as early January, a planned Longannet – Easterhouse (ZC(S)/ZD) outage was recalled to facilitate additional generation dispatch in Scotland and improve system margin.
- Other third parties: Granting of planning, granting of legal rights.

We do not believe that a more prescriptive regulatory framework is required to ensure network companies meet agreed customer connection dates. There are already sufficient commercial and regulatory pressures on network companies to deliver against agreed timescales, to meet a customer's connection date. We do not feel that a case has been made for increased regulatory scrutiny when TOs have a licence obligation to "*use all reasonable endeavours*" to complete the enabling and wider works required, and DNOs have similar obligations to deliver works by the agreed dates. These licence obligations are sufficient to ensure customer connection dates are met, and where there are delays to a project's connection date, as per current practice, network operators will take whatever action they can to mitigate the extent of any delays. Communications with the developer should be regular, clear and timely, as is established practice.

Question 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?

As per the above response, we consider that the current licence obligations on transmission operators to "*use all reasonable endeavours*" provides the appropriate framework to ensure network operators do what they can to meet a customer's connection date. Network operators already have other incentives on them to drive connections forward with minimum delay and it is not in the interest of network operators to cause unnecessary delays. We anticipate that Ofgem will require additional resources to identify and apportion causation to any delays to customers projects, if your proposals progress as drafted, and Ofgem should be mindful of resource implications when considering the next steps.

We have concerns about the proposals for principle based licenced conditions, as they do not provide the necessary clarity of what is required from network operators. Customers could challenge any date provided by a network operator and given that there are a number of issues that impact the connection date that are outside of network companies control, this could create significant, and costly, issues.

With regards to the proposal for a principle-based licence condition, we would note that:

- There could be scope to align the wording in the licenses of transmission and distribution licensees. The proposal to "*take all reasonable steps*" is similar to the current TO obligation to "*use all reasonable endeavours*" and is considered to be sufficient incentivisation.

- It is not appropriate to move to an obligation such as the one proposed in this consultation “*must complete all necessary work by*”. As noted above, there are many measures, outside of the network operators’ control, which impact on the completion of a connection energisation date.
- We agree that any mechanism needs to differentiate between delays due to matters within and those outside the network companies’ control (e.g. planning permission for overhead lines, delayed payments from customers, delays receiving the customer technical data network operators need to do detailed connection design).
- Keeping connection customers well informed of progress and potential delays is a key element of the connections process, regardless of which of the three proposals are introduced. We would expect this to include the timely provision of a Project Manager to a customer’s project, once the customer offer is accepted.

Of the three proposals, we think extending the obligation to “*use of reasonable endeavours*” to both transmission and distributions licenses, accompanied with supporting Ofgem issued guidance is a fair and transparent approach to take. It would send a strong signal to network companies and to customers as to the level of engagement that they can expect from the network operator. The guidance would also be able to reflect that there are many different types of connections and customer requirements (which would make it a challenge to introduce more prescriptive service level agreements (SLAs)).

Question 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?

SPEN works hard to deliver a strong customer experience. We would not want to move to a framework of minimum standards as we consider this to be a step back from current practice and standards. Depending on the final proposed standards, we fear that minimum standards may not provide the drive to achieve connections in a timely manner. Achieving the minimum standards could be a retrograde step from the current licence obligations where parties are obligated to achieve timely connections (albeit worded differently in the NESO, TO and DNO licences).

Again, the introduction of a Connections guidance document could be a helpful step which would explain to customers the level and type of engagement that they can expect from the connection network operator, as their connection journey progresses. SPEN would be happy to work collaboratively with other TOs and NESO to develop such guidance.

Question 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?

We would strongly challenge the proposal to implement a financial instrument requiring network companies to make recompense where customers suffer detriment due to a delayed connection date. As we have outlined above, delays are often a result of actions or omissions of external parties, and outside the control of network companies. Where there is unavoidable delay to a customer’s connection, we engage with them in a timely manner and at the earliest opportunity, to ensure they are informed of any potential risks or delays to their connection date.

Such a tool would be a significant administrative burden on all parties (including Ofgem) to apportion 'blame' and determine appropriate compensation. It could also lead to unhelpful practices with parties actively frustrating existing processes to secure compensation. It would also be very difficult to assess the level of financial detriment claimed by customers as it would involve speculation about the potential lost revenue stream which could not be accurately forecast. The time lost to this administrative effort, and added cost, would be better utilised ensuring other projects are connected in a timely fashion. It is also worth noting that TOs are already subject to the Accelerated Strategic Transmission Investment (ASTI) mechanism, involving both penalty and reward mechanisms. Some of the identified ASTI projects facilitate customer connections so there is a risk that with some connections related infrastructure, TOs could potentially be subject to a double penalty.

In a regulated environment, there is always likely to be some mismatch between network operators bound by strict regulatory obligations and developers with the opportunity to move more flexibly to align projects with market and commercial conditions. This structural imbalance, at least in part, reflects a need to prioritise wider goals such as delivery of the CP30 Action Plan and infrastructure resilience. We would note that incentives or penalties here risk a short-term focus which is at odds with the wider goals of CP30 and Net Zero. It could also, inadvertently, create unhealthy competition between what should be collaborative parties looking to connect a project.

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

Any consideration of strengthening requirements on network companies to meet agreed connection dates should also link to, and be informed by:

- Any new obligation on network companies to produce more ambitious connection timescales within offers (Theme 5). Any contraction of timescales would inevitably lead to more pressures on companies to meet the more challenging deadlines, adding unfair burden on those companies.
- The broader ED3 context. The RII0-ED3 framework consultation identifies that the volume of reinforcements will have to significantly increase, and that this may create a delivery challenge (both due to supply chain and delivery resource shortages). If the penalty on connection delays is too strong, this would risk creating an incentive on network companies to move resource away from delivering wider societal demand reinforcements (e.g. those needed to accommodate domestic LCT growth) to instead deliver individual generator/storage connections. This could have three adverse impacts.
 - i. It could delay the LCT uptake needed for Net Zero.
 - ii. It could result in the network becoming overloaded, which has reliability, safety, and cost impacts.
 - iii. Wider reinforcements are often carefully coordinated as part of a larger programme of works, so there could be knock-on disruption to these too.

In summary, the balance must be right - we need to focus on the timely delivery of both individual customers connections and wider strategic network reinforcements. If the penalties on one are too severe, then we risk removing the flexibility needed to deliver both efficiently.

Theme 4 - Quality of connection offers and associated documentation

Question 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?

We are not entirely convinced by the scale of the issue Ofgem has identified under Theme 4. In our experience, customer complaints regarding the quality of connection offers have been minimal. It remains in the best interests of all parties to ensure offers are of the highest possible quality (based on the information available at the time) to avoid future inefficiencies.

We do however recognise the problem of the volume of applications to be processed, combined with the scale of the contracted background against which they are assessed. This can potentially exacerbate the quality and detail of offers, but even in recent months, where application volumes have been significant, we continue to deliver high quality and timely offers, albeit this has put considerable stress and pressure on all teams involved in developing connection offers.

Finally, whilst we are confident in the quality of our offers, we acknowledge the importance of structured, transparent customer feedback to identify any areas for improvement. We consider the surveying through the existing Quality of Connections Incentive as a very important tool in being able to capture where customers have any issues with the connection offer they receive. In general, customer concerns tend to be around the offered connection date, as opposed to the detail and quality of the connection offer itself. However, customers are always keen for further direct engagement with the network operators to consider the details of the offer. Unfortunately, given the current volumes of connections applications being processed and the evolving planning background which can change during the offer development period, it is not always possible to have direct conversations with customers as their offer is being developed. A collaborative approach to refining these processes can further enhance the customer journey and build greater trust in the connections process.

We are aware from customer feedback that there tends to be varying levels of detail and quality across the connection offers that they receive from other network operators. As part of the preparation for connections reform, we do consider there is the opportunity to better align TOCO templates for directly connected and embedded projects, to ensure consistency across all transmission offers that a customer may hold. This issue has been noted in the longer-term NESO's Connections Reform proposals and is an activity which we would welcome and support.

Question 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?

We are opposed to principle-based licence conditions due to the ambiguity and risk they present by not being clear on what is required. We do not consider that such obligations would drive improvements but instead would create additional uncertainties.

We consider that moving forwards, alignment of connection templates supported by an underpinning Connections guidance document (which SPEN would be happy to support the

development of) could transparently set out what is expected within a connections offer. This guidance document could better accommodate and explain the many different types of connection and connecting customer requirements, compared to a minimum standard requirement.

Any changes to the framework should consider the unique challenges faced by network operators, such as the complexity of large-scale projects (often supporting more than one technology type) and coordination across Transmission and Distribution interfaces.

Question 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?

We do not consider a minimum standards approach is suitable, given the magnitude of different connection designs and offers, particularly across transmission networks. As mentioned above, we consider that an Ofgem issued Connections Guidance document could be helpful for network operators and customers alike, in setting out what can be expected within a connection offer. This approach would better accommodate the many different types of connection and connecting customer requirements, compared to trying to accommodate such complexity within a minimum standard.

Should it be decided that SLAs is an appropriate approach, SLA's should focus on milestones which are within the control of the network operator, with clear delineation of responsibility to ensure developer readiness or associated transmission/distribution network delays do not unfairly impact metrics.

Current obligations should be considered, and, for example, for DNOs, SCL12 could be reviewed with a view to introducing managed exemptions to allow complex offers to be delivered that meet customer requirements in relation to design, cost and delivery.

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

We think that this question would be best answered by customers as it is about the information they need to develop a site. However, we would consider that any offer should at least include:

- Connection location.
- Connection date.
- Whether the required capacity will be fully available at the connection date, or whether it ramps up over time, i.e. a staged offer approach (as network constraints get resolved).
- The level of distribution network access rights the connection will deliver, and whether the site must be connected to a connection management tool (e.g. intertrip, Active Network Management (ANM), limiting device etc).
- Operating conditions (e.g. power factor range, voltage control etc).
- Connection cost (split into contestable, non-contestable and one-off if relevant) and payment milestones. Please note that Connection costs must not reveal commercially sensitive/confidential information.

- Key dependencies that may affect timescales/cost.
- Transmission/Distribution dependencies where relevant.
- Project milestones.
- Contact details of who to contact to discuss the offer.
- Where known, a clear articulation of any risks to the project (e.g. curtailment, transmission reinforcements).

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

The consultation correctly identifies that high volumes of applications can result in a reduction in quality (particularly when assessing against a contracted background several times greater than that required to meet Net Zero by 2050). Given the clear target of CP30, and that many projects currently in the 750GW GB wide connections queue are not required to achieve that, we support the ongoing work looking at introducing minimum requirements that customers must meet before they can apply for connection, as we see differing standards in the quality of connection applications received. These requirements should include, where appropriate, that the connection is needed for CP30 and future targets aligned with SSEP. This would reduce the volume of unnecessary connection applications and so allow us to focus on producing higher quality offers for projects deemed required for CP30 ambitions.

It would also be reasonable for Ofgem to ensure that the quality of the NESO Bilateral Connection Agreements (BCA) are fit for purpose and have been through a suitable governance process, to align with full details of the TOCO, before being issued to customers.

Theme 5 – Ambition of connection offers

Question 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?

SPEN always endeavours to provide customers with the earliest deliverable connection date, which we consider possible, taking into account the specifics of each individual connection application and its required enabling works. Therefore, we do not consider this proposal to be necessary.

As well as linking to Theme 3 (see our response above), the proposal to suitably incentivise network companies to offer ambitious but achievable connections dates would also need to link to the wider RIIO-T3 and RIIO-ED3 context of reinforcement delivery.

Given supply chain and delivery resource capacity, we could only contractually commit to being more ambitious with connection dates if the volume of connection offers we issue is lower (as, under our licence obligations, every offer we issue must be deliverable). This is again exacerbated by the current size of the contracted background against which new applications would need to be assessed against.

Therefore, in SPEN's view, the focus should be on ensuring the successful alignment of CP30 and connections reform to deliver a realistic and streamlined contracted connections queue

across SPEN's network area, rather than trying to introduce new measures in this area. However, the recent CP30 'grandfathering' arrangements mean that with a CP30 requirement of 3.9GW of Battery Energy Storage Systems (BESS) in SPT's area, SPT will be providing Gate 2 connection offers to at least 6.9GW of consented BESS, which is almost double SPT's CP30 BESS requirement. We expect the volume of consented BESS in SPT's area to grow even further ahead of the opening of the Gate 2 evidence window, scheduled for Q2 2025.

We think that providing the customer with an "earliest achievable connection date" would potentially set unrealistic expectations given that no leeway would be given for unexpected delays. It would be more helpful to the customers to provide a realistic connection date that they could rely on, rather than an arbitrary date that they could reasonably expect to move.

Question 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?

Whilst we understand the concern around giving customers the earliest achievable connection dates, we think setting principle-based licence conditions around this aim would not deliver on the objective. Based on our experience, we expect customers would prefer to receive a connection offer with the earliest *deliverable* connections timescale, even if this is at a later date, as opposed to an "earliest achievable connection date". Delays and offer amendments cause distress and annoyance to customers which could be limited if an "earliest deliverable connection date" is offered, as per current practice.

To help customers understand how the "earliest deliverable connections date" has been determined, network operators should offer customers a clear, comprehensive explanation of the factors influencing the connection date, including dependencies, risks and contingencies. It may be helpful to consider something along the lines of a high-level critical path analysis (something that SPEN already presents in the programme at the connection offer stage).

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

We are always happy to discuss connection arrangements with lower network access rights (which is often referred to as "non-firm") but we consider that this should be at the customer's request as it is their choice and has implications for the future availability of the connection, once energised.

Theme 6 – Minor connections

Question 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.

When considering the issues identified, the role of the DNO needs to be recognised. Whilst we support the installation with several key processes (e.g. unlooping, load checks) we do not complete the installation. In addition, within our own processes there are a number of challenges that are outside of our control that can introduce delays, such as requiring access

to neighbouring properties, obtaining wayleaves and permits to undertake street works. In addition, customers programmes, and readiness, can also impact the time to connect and there is currently not a mechanism to reflect that.

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

We recognise Ofgem's desire to improve the focus on performance in these areas as they are key to the net zero transition. The Time to Connect incentive has delivered improvements for small domestic scale customers and is a good example of an incentive rather than an obligation approach. However, whether or not this incentive is feasible to apply to the installation of LCTs requires further thought and we urge caution for a number of reasons.

- Target setting for the other areas: The rate of increase in volumes experienced in these areas will make it challenging to both set and achieve targets in this area. Volumes must be factored into target setting, and historic performance cannot be used to set future targets. Since 2023 our volume of LCT applications has doubled and this rate of growth is only moving in one direction. Ofgem should take the time to gather data and understand future trajectories to establish realistic targets and phase these in over time and certainly without any penalty risk until confidence in the mechanism can be established.
- Unlooping: We agree that unlooping will be an important activity during ED3, and it is right for customers to expect a high level of service. However, we do not believe that expanding the scope of the Time to Connect (TTC) mechanism would be the best way to do this and thought should be given to developing an incentive which would capture both proactive and reactive unlooping activities to avoid the unintended consequences of prioritising reactive jobs over proactive. Any incentive in this area should also reflect the circumstances under which unlooping takes place. For example, trying to get neighbours to agree to unlooping can be challenging particularly if they are not the customers requiring the upgrade work. This can mean excavating their driveway to install a new service. This disruption is often undesirable and consequently takes a lengthy timescale to agree solutions.

Question 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?

Introducing new obligations or minimum standards needs to recognise what is within and outside the DNOs control, e.g. obtaining neighbours consent to complete unlooping and should include exemptions for DNOs so they are not penalised for such issues. Given the roles, responsibilities and challenges, a reward only incentive to encourage improved performance could be considered but recognising activities within DNOs control, however caution is urged in relation to target setting as detailed above.

We agree that the non-Notification of Assets presents an issue for DNO's and we support further guidance to be developed to ensure that industry processes are clearly defined and published so that relevant stakeholders understand the complexities of the process and where responsibilities lie (e.g. Solar PV Installer is responsible for notifying DNO within a specified timescale of the installation which triggers the next step for the customer). Often

the end customer is not aware of these complexities which can not only cause delays in connections and but also create customer frustration.

Theme 7 - Provisions and guidance for determinations

Question 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?

We generally agree with the issues set out, noting that determinations are incredibly resource intensive for all parties involved. Determinations should only ever be accommodated as a last resort once all other options for resolution and escalation between the parties involved, have been exhausted. We have witnessed exceptionally long resolution timelines, of years rather than months, to disputes in the past, resulting in considerable detriment to all parties involved, which includes revisions to connection dates, delays to development works and delays to developers being able to accessing market revenues. As such, we would support the proposal to review and update guidance for connection related determinations to ensure swift and amicable resolutions are achieved.

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

We are supportive of this proposal, with its intention to clarify where determination is appropriate and what redress may be available through this route to avoid unnecessary administration, and also to provide clearer information on other routes for redress to help customers understand the most appropriate route.

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

As mentioned above, we believe the guidance needs to be clear on the escalation route that needs to be followed to resolve outstanding issues with any transmission or distribution offers, before a developer can present a case for determination to Ofgem.

In relation to transmission offers, the NESO has procedures in place, working with the relevant TO and developer, to manage any escalating connection issues which should be referenced in Ofgem's updated guidance document on the determination of disputes.

We are also concerned that the potential increase in disputes, as a result of projects not meeting Gate 2 readiness under the Connections Reform proposals, will have an impact on the existing dispute resolution process. To mitigate any potential impact, we are looking for reassurance that Ofgem has considered what the determination process will be and that a framework for this is in place before the Gate 2 evidence window opens (should the current Connections Reform proposals be approved by Ofgem).