

28/02/2025

Response to Ofgem End-to-End Connections Review

1.0

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?

Yes, Innova agrees with the issues identified. The lack of transparency regarding queue position and specific network reinforcements makes it difficult for developers to make informed decisions.

While existing resources such as the Embedded Capacity Registers (ECR), Long Term Development Statements (LTDS), and Transmission Entry Capacity (TEC) are useful, they are often outdated, inconsistent, and inaccurate. This leads to inefficiencies, increased uncertainty for developers, and delays in investment decisions. Addressing these issues should be a priority.

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?

While Innova strongly support the principle of data transparency as essential to improving the connections process. We do not believe that a single digital view is necessary. Instead, the priority should be ensuring that networks provide accurate, standardised, and interoperable data that can be easily integrated into external tools and platforms developed by other companies.

The development of services based on network data should be industry-led rather than imposed through regulation. If there is demand for a consolidated digital view, industry stakeholders will naturally create solutions that align with evolving needs. Regulating a specific tool or platform could limit flexibility and stifle innovation, whereas an open, well-structured data ecosystem would allow multiple competing services to emerge and adapt.

Mandating a single tool could limit flexibility and innovation. Instead, a regulatory framework aligned with the Energy Data Taskforce (EDTF) principles should be established to ensure data is discoverable, searchable, and standardised while allowing industry participants to develop tools based on industry demand for those services.

Proposed Regulatory Approach

Rather than creating a single mandated digital tool, Innova would propose that regulation should focus on:

- **Mandating adherence to EDTF recommendations** to ensure all networks provide transparent, high-quality, and interoperable data.
- **Standardising data formats and APIs** across all network operators to allow industry participants to develop and refine their own digital tools.

- **Ensuring real-time updates and completeness** of network data, so connecting customers can access the most up-to-date information.
- **Encouraging industry innovation** by allowing competition in digital service provision rather than enforcing a single solution.

By following this approach, the industry can develop the most effective tools organically, driven by user needs rather than regulatory prescription. This will lead to greater innovation, flexibility, and efficiency in managing the connections process, ultimately benefiting all stakeholders.

This approach fosters competition in digital services, ensures real-time updates, and ultimately provides more efficient solutions tailored to user needs

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?

Yes, Innova agrees. Standardised guidance for data visualisation tools would help improve the accessibility and usability of connections data. Clear standards will ensure consistency across networks, reducing confusion and improving decision-making for developers. The UKPN open data portal or the NESO Connections portal are good examples of data tools that are providing a positive impact for customers.

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?

Yes, it has been helpful to have monthly connection data from late 2023.

A key improvement would be to make the data open source so companies can manipulate it in ways they find useful. For example, it is very difficult to understand how multi-technology (co-located) sites are accounted for in the data and this would be easier to see in the raw data. Different companies would be able to draw different conclusions from the data and make their own assumptions on how to manipulate the data rather than accepting the assumptions made by the ENA and the Networks. This approach would also reduce the burden on ENA and Networks as they would not need to deal with requests from industry to change how they manipulate or present the data.

UK Power Networks (UKPN) Distribution System Operator (DSO) team has created a Curtailment Self-Assessment tool. As part of this tool, UKPN put a lot of resources into data quality checks and data cleansing, DNOs will need to commit additional resources to manage data well and ensure it is of high quality if they are required to publish it. Although there are some issues to resolve, the UKPN curtailment self-assessment tool is an excellent example of what all DNOs should be striving to achieve, it provides a lot of detailed information using high-quality data and is interactive allowing customers to change and manipulate the data for their own purposes.

Innova has spoken to NESO about publishing the list of relevant projects that are included in Appendix G of Bilateral Connection Agreements (BCAs) between NESO and DNOs. Innova believes this is a legal requirement as stated in clause 6.35 of the CUSC, NESO has responded by saying they do not have sufficient resources to collate this data.

6.35 Embedded Generator MW Register

6.35.1 The Company shall establish and maintain the **Embedded Generator MW Register** published on **The Company Website** recording the details set out in 6.34.2.

6.35.2 The Embedded Generator MW Register shall set out:

- the name of **Embedded Generator's** who have a **BELLA** or who are a **Relevant Embedded Medium Power Station** or a **Relevant Embedded Small Power Station**,
- the site of connection to the **Distribution System** and the relevant **Grid Supply Point**,
- the proposed year of connection to the **Distribution System** and
- the maximum output of the **Embedded Generator's** in MW's as set out in the **BELLA** or provided by the **Authorised Electricity Operator** to whose **Distribution System** that **Embedded Generator** is to connect.

6.35.3 The Company shall record the details of any new **BELLA's** or any changes to existing **BELLA's** on the **Embedded Generator MW Register** within **5 Business Days** of such agreements being entered into by The Company.

The existing data resources could provide further information in a clearer format to provide better visibility of the following data:

- Date of countersigned BCA (i.e. relative queue position)
- A register of accepted Demand connections,
- An improved Transmission Works Report (TWR) to show reinforcement works required for each scheme and the anticipated date for the reinforcement works,
- Project stage should be improved to make it clearer where these projects are, including if committed works will be delayed.
- Provide sufficient information to understand other customers Point of Connection (POC)
- Connection date and who has set the connection date e.g. NESO, DNO or User.

Construction Planning Assumptions (CPAs) used to create Transmission Offers and other modelling assumptions used by Networks when assessing the impact of a connection.

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?

See response to Question 1d. A single portal or webpage to access energy network data is helpful and Innova would encourage this to continue where possible.

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.

Last In First Out stack position of individual projects should be publicly available. Distribution Networks believe this is commercially sensitive information, even though many developers would like to be able to access this data. This data would help the industry assess the curtailment risk of Distribution connected projects.

Both Distribution Operators and Transmission Operators are not required to publish final demand connection data. This makes it very difficult for developers to model the estimated curtailment their project may experience. When completing curtailment modelling developers need to add the power flows of any future projects to assess the impact on the network constraints. In particular energy storage projects need to understand the demand on the system as they will also be importing power at certain times, to do this they need to add the expected future demand profiles of other customers onto historical network demand information.

Information on Network constraints and operation philosophy of Active Network Management systems is limited. Many networks do not provide the MW value of network constraints (except UKPN). It is unclear how Networks operate Active Network Management schemes, for example, do they have cyclical or sustained ratings, does the system operate on a pre-fault or post-fault basis, is there a margin of safety applied to ratings etc.

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

No.

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?

Networks may meet the deadline to issue offers but the offers are often riddled with mistakes and there is no timeline to resolve these. This often means customers are forced to accept offers which have clear errors in them, to secure their queue position, and then try to resolve the issues in the post-acceptance phase. Connections are then deprioritised after acceptance because the networks are no longer required to meet minimum service levels, and the majority of their resources are focused on meeting the 3-month time limit for new offers coming in.

Innova believes the NESO connections portal has improved the level of customer service and allowed Innova to keep track of the outstanding queries on transmission connection agreements. But many queries can be left open for several months and this has a detrimental impact on us as a customer. The use of a portal has made it significantly easier to see how long queries are staying open for and therefore allows customers to have the information to justify escalation of an issue to senior management within NESO.

Innova believes all Network Operators should be required to build and manage an online connections portal (i.e. a Customer Relationship Management (CRM) tool) to improve customer service levels. Relying on emails is overwhelming for both customers and network operators and leads to information being lost and actions being delayed.

Innova agrees that there is a tension between timeliness of delivery and quality. It is worth noting that quality is much harder to assess and is often quite subjective, whereas timeliness is easy to understand and regulate.

There is a real issue when working with Distribution Networks to de-risk projects. There are significant risks throughout the lifecycle of a project which require the Distribution Network to complete some work, for example protection scheme designs, telecommunications surveys, overhead line surveys, ground surveys etc. Surveys and design work can materially impact the commercial viability of a project and yet Distribution Networks are only keen to start this work once a project moves into the delivery phase. Innova believe Distribution Networks should be required to start this work earlier, at least after planning has been approved and before a project developer has signed a contract with an ICP. Often surveys unearth major issues that increase connection costs and create delays, it would be better if Distribution Networks were able to unearth these issues at an earlier stage in the project lifecycle. Developers must be

willing to put up sufficient money to ensure the Distribution Network has the funds to complete the work.

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?

Innova believes the current licences and energy codes are focused on inputs to the connections process rather than the goal of connections. Innova believes a general principles-based licence condition could focus on the overall outcome the industry would like to achieve, which is that projects that are ready to connect are connected in a timely manner and that customers are given accurate information to base commercial decisions on.

The risk of principle-based licence conditions is that the measurement of success becomes subjective and difficult to enforce. Therefore, it is important that Ofgem have a clear measure of success e.g. 90% of projects delivered with the connection date requested, (customer-led requests to change connection dates would not count as undelivered).

Recommendations for principle-based licence conditions:

- A connection agreement or offer will be right the first time, every time. Quality Assurance is an important process.
- Network data should be accurate and updated regularly to ensure it is useful for the industry.
- Efficient processes create better customer service and reduce costs.

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?

Although Innova supports a principles-based licence condition there are several processes that we think would benefit from a specific condition to guarantee minimum service levels.

Distribution owners should be required to treat third-party work requests from NESO and customers in the same way that connection offers. In Innova's view, the third-party works process between Distribution Owners, NESO, and the Transmission Owners is equivalent to the Transmission Impact Assessment process and therefore it should have equivalent minimum service levels i.e. 3 months to provide an offer from the application clock start date. There is an existing CUSC modification (CMP328) to introduce this, but it has been unsuccessfully progressed due to the need to prioritise urgent and other essential CUSC modifications.

Distribution networks should be required to submit applications for Evaluation for Transmission Impact Assessment (formerly Statement of Works process) within a set

period. Innova would recommend that an application for Transmission Impact should be submitted within 3 months of a customer accepting a distribution connection application. Innova appreciate that the Distribution Networks are reliant on other licensees to clock start applications and this should be considered when formalising regulatory requirements for Distribution networks. One way this could be achieved is to have minimum service levels for licensees to answer queries from other licensees, rather than a maximum time to clock start a connection application.

Innova supports Ofgem's proposal to define minimum standards for network companies to set up kick-off meetings and assign a project team, but Innova believes this would be more efficient if the requirement is linked to a specific milestone trigger rather than a set timeframe. For example, a kick-off meeting to agree on a programme of works and delivery plan may only be required once a customer has planned for a project or has contracted an ICP. Requiring network operators to set up a meeting within a given timeframe be seen as time-wasting as the customer may not be ready for a kick-off meeting and both the network operator and customer end up wasting time and resources having unnecessary meetings and exchanging information which it is known will change.

Innova would support keeping a minimum service level in place for issuing connection offers and believes 3 months is appropriate. Innova appreciate the quality of applications from customers can be low and the volume of applications is difficult for the distribution owners to manage. Therefore, in return for the minimum service level, Innova support the new entry requirements for submitting a connection application including Heads of Terms or options signed with a landowner, a detailed project plan, and additional design information.

Other areas that would benefit from a Minimum Service Level Agreement, period would be the time from when a competent request has been submitted, where networks would specify the information required for an application to be competent:

- Allocation of project team (1 month)
- Communications surveys (3 months)
- Harmonics surveys/other electrical studies (3 months)
- Tower surveys and designs (although often dependent on external contractors)
- Production of requested data for calculating curtailment (1 month)
- Novation agreements or other basic legal agreements. (1 month)
- Distribution Network program provided to the customer (2 months)
- Time taken for legal agreements (leases, wayleaves etc.) (challenging to put a time limit on but often a blocker)
- MPAN production (2 months)
- Connection Agreement issuing (Distribution Network) (1 month)

NGED have started to implement a Request for Information (RFI) spreadsheet, where if a customer has questions you can put them onto the RFI spreadsheet and send them over to NGED's project manager. Innova have experienced improved resolution times and improved customer service since RFI spreadsheets have been implemented. Other

Distribution Networks may want to consider a new process to manage queries, ideally through a portal rather than email.

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?

None.

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?

For larger connections across distribution and transmission, Ofgem should be trying to create competition for services provided by regulated networks, including in connections. In the extreme, the connections business could be separate from regulated networks, with networks only providing open data and network access. The introduction of ICPs has shown that generally companies will innovate to improve the service the Network Owners previously provided and require the Networks to improve or lose the business.

Innova believes networks should provide sufficient network data, including open-source Common Information Models (CIMs), which allow other companies to complete the required network studies to provide connection offers and curtailment assessments. Networks have historically contracted out non-contestable work and issuing of connection offers to consultants and other third parties. It would be more efficient if these third-party companies were able to deal directly with customers. Innova acknowledges that services like these may still need to be regulated and proposes companies require accreditation similar to that needed by ICPs. The networks would still have an important role in approving connection solutions, approving designs that impact the network and approving the installation of network assets.

Innova recommends that Distribution Networks enhance transparency and accessibility by providing organisational charts. This will enable customers to identify the appropriate escalation point within the organisation more easily. Additionally, Innova propose that all email signatures include mandatory phone numbers to ensure direct and efficient communication.

When a member of the project team moves to a different team or leaves the organisation, it is essential that a structured handover process is in place. This should include proactively informing customers of the new point of contact to prevent any disruption in communication and project continuity.

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?

Yes, Innova agrees with the issues set out by Ofgem. The GB market is one of the few without risk-sharing provisions relating to network investment and connection delays. Ofgem must focus on proportioning the risk of delays and project failure between Networks and Customers fairly and transparently. Currently, networks have very limited commercial risk within the connection offers issued by them. The balance of risk must be carefully considered as the more commercial risk networks are exposed to the less likely they will be to offer ambitious connection dates and realistic terms and conditions.

Delays to connections are often caused by interfaces with third parties such as Network Rail, Openreach, and other telecommunications providers. While it is understood that Distribution Networks cannot always control these interactions, they should make every reasonable effort to mitigate third-party delays. This includes proactively requesting services in a timely manner and maintaining clear communication with all relevant stakeholders. However, Innova acknowledges that Distribution Networks should not be held financially liable for delays caused by third parties beyond their control.

Distribution networks should establish their own set of delivery milestones, similar to the Appendix J milestones used in transmission construction agreements, to provide confidence to all parties that the connection date is still achievable as early as possible. National Energy System Operator (NESO) projects have defined construction timeframes, and a similar framework should be applied to Distribution Networks. Distribution Networks should be held accountable for delays within their control and subject to financial penalties where their actions result in missed customer connection dates.

Innova agrees that communication from network operators around connection dates and other changes to connection agreements is extremely important and the communication is often very poor. Innova would support licence conditions that require network operators to improve how they communicate and believe network operators should be encouraged to automate communications through notifications when information is changed in systems internal to network operators. For example, if all network operators implement a CRM tool, this tool could link to internal systems and provide real-time information to customers. This would have the added benefit of customers being able to check the information the networks have is correct and up to date. It is unreasonable to expect the people working in network operators to successfully remember to

communicate every change on every project via email, email traffic is already significant and trying to encourage further communication via email is not a sustainable solution.

Connections should be thought of as stages, with defined triggers to move through each stage and defined milestones that should be completed in each stage. For example, Stage 1 might be called 'pre-planning' and Distribution Networks may be required to complete a protection and telecoms survey to confirm the non-contestable costs quoted in the offer.

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?

Innova proposes that the distribution networks are required to have construction agreements with customers, similar to transmission networks. The distribution construction agreement should be a legal contract which provides clear delivery milestones for each party and the consequence of those milestones not being met. It is important that any changes to the construction agreement can be classified as either a request by the networks, a request by the customer, or a mutually agreed change. Change requests by a network may require compensation to a customer and vice versa, whereas a mutually agreed change would not require compensation. Innova would expect the financial compensation for both networks and customers to increase the closer the project got to the energisation date and would ideally reflect the cost of delay or the sunk costs of the project if the project is terminated. The compensation should be agreed in advance and should be based on agreed assumptions such as an energy price of £X / Kwh and an agreed generation profile.

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

Often connection dates given in distribution connection offers are entirely unrealistic. Most offers will state 2 years for EHV connections at Distribution level, when in reality it takes more like 3-5 years for 33 kV connections or 5-7 years for 132 kV connections to go all the way through the development, design, procurement and then construction phases. There needs to be realistic conversations between the developers and the Networks regarding what is achievable at each stage and what dependencies there are for each 'stage' to be triggered.

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?

NESO, Transmission Networks, and Distribution Networks need to be liable for liquidated damages if they do not meet connection dates as set out in the contract. As part of the connections process, the Developer is liable for a delay charge if they delay the

connection date and a cancellation charge if they cancel the project. If Networks require a delay charge to be paid, then they should have an equivalent delay charge when they need to delay a connection date due to a factor within their control.

Project Developers have liquidated damages arrangements with private contractors such as Engineering Procurement Contractors (EPC) and Independent Connections Provider (ICP). Construction contracts such as these provide clear scenarios where one party will compensate another party for delays to project milestones or increases in project costs.

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?

No.

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?

Yes, Innova agrees with the issues raised. There is a broader concern regarding Distribution Networks and NESO re-evaluating customer offers when other projects drop out. Currently, this rarely happens except in exceptional circumstances, even though it could help optimise capacity allocation. This issue extends across the industry, as key factors like P18 regulations, fault levels, and reinforcement requirements driven by thermal constraints are rarely reassessed to determine whether they are still necessary. Networks should regularly reviewing connection offers and connection agreements to ensure they are still accurate.

Non-Contestable Cost Updates

Distribution Networks should be required to update non-contestable costs within connection offers at least once per year to ensure developers have accurate and up-to-date cost information.

Communication and Unanswered Queries

Developers often experience long delays in receiving responses to queries, requiring constant follow-ups to get answers.

For distribution connections, all communication is handled via email, making it difficult to track progress. Given the large number of projects connection engineers manage, this approach is inefficient and prone to missing information and requests. A more structured, transparent Customer Relationship Management (CRM) system, such as the NESO online portal, would significantly improve tracking and response times for Distribution Networks.

SPEN's online portal (RADAR) to manage project information and milestones is very outdated. SPENs own connection engineers find it difficult to use and often ask for information to be sent by email as well as uploaded to RADAR. RADAR has created extra work to try to update the ICP design as their processes were inefficient (we had to raise tickets, call and email to update the information on the portal). It is important lessons are learnt from existing tools to ensure any CRM tool is user-friendly for both customers and Network employees, it is based on modern software languages and is easy to update and change as needs change.

Securities and Liabilities from TOs and NESO

The management of securities and liabilities by Transmission Owners (TOs) and NESO is currently done via spreadsheets, which are vulnerable to accidental or intentional edits. Given that some liabilities run into the £100 million range, relying on manual spreadsheet calculations presents a major risk.

The CUSC clearly defines the User Commitment and Final Sums calculations, meaning the MM statements and S-Curves should be straightforward to manage and verify. This process could be automated to reduce human error, with manual inputs only required for key variables such as LARF, SIF, Asset Capability, and TEC.

However, the CUSC lacks clarity in defining LARF and SIF, leading to inconsistent interpretations by NESO, TOs, and customers. This ambiguity creates uncertainty and inconsistency in financial calculations, which should be addressed through clearer regulatory guidance.

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?

Innova would strongly support the principle of 'get it right the first time'.

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?

Innova believes there should be minimum standards for Distribution and Transmission offers. There is a considerable list of items that will need to be included here so this may require further consultation or an ideas session with stakeholders. Some ideas of what should be included are:

- Reinforcement dependencies
- ECCR calculations
- Historical outage data for specific assets which if out of service would reduce the connections available for import or export.
- Active Network Management Constraints, including Technical Limits values
- Active Network Management Operational assumptions and philosophy
- Back-up LVAC connection (if required by Distribution Network policy)
- Project milestones for Networks, Customers, and third-parties
- Network data such as minimum and maximum fault level
- Construction Planning Assumptions and other network modelling assumptions.

Innova believes Distribution Networks should clearly communicate realistic project milestone dates. Many Distribution connection offers have ambiguous project milestone dates, based on ENA guidelines, which make it difficult for the customer to understand the dates they should be meeting. It would be helpful if the early milestone dates (M1-M3) and connection date were clearly communicated in the offers. Innova appreciates late milestones (M5-M7) dates are likely to change in line with funding commitments and the Networks or ICP programme of works.

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

It is important to note the quality of service and quality of offers can vary vastly between different Distribution Networks and even within Distribution Networks depending on region.

A high-quality offer details not only the technical specifications of the connection but also outlines clearly what is uncertain or may change. Any wider dependencies need to be clearly illustrated. For example, connection C is dependent on connections A and B also funding reinforcement. Or connection A is dependent on Distribution reinforcement A and B being completed

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

No.

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?

Innova agrees with the issues Ofgem have set out. We think Networks are already good at offering alternative connection types such as non-firm and flexible connections, to meet a customer's requested connection date. Although we would welcome a licence condition to clarify this expectation, we do not believe this is currently an issue. Customers can opt-in to request a flexible or non-firm connection at the point of application.

Innova would like customers to be able to request non-firm or alternative connections and also request some specific reinforcements be completed to reduce the estimated curtailment or unavailability of the site to an acceptable level.

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?

Innova agrees with Ofgem's proposal to require Networks to offer the earliest achievable connection date based on the information available. If this is stated within the licence conditions, then customers will be able to raise a complaint to network directors or through an industry dispute process if the Distribution Network is clearly not offering the earliest connection date available. The potential for disputes causing reputational damage to the Network should be sufficient incentive to provide ambitious connection dates.

Innova believes the strengthening of the requirement to connect customers at the earliest date and provide a timely update to offers where earlier dates become available, should be implemented irrespective of changes to the regulations around networks meeting connection dates.

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

Directly connected demand should be allowed to own HV (< 132kV) assets at transmission. Innova believe other people in the industry including Networks would support such a change in ownership rules.

This licence restriction requires Transmission Networks to unnecessarily build the 400/132kV infrastructure at the local substation, putting pressure on the scarce land available at substations. This means the Transmission Network could have a connection freely available with a bay available, but simply the requirement for the extra space for

the 400kV/132kV infrastructure means not only does the customer connection date move back by years, but the Point of Connection (POC) could move miles away from the land the customer secured. The requirement to build new a 132kV substation will be subject to a Network led land optioneering and siting strategy process which will consider other customer and the Network needs, even though the customer would be happy to pay for the 400kV/132kV assets as part of their connection costs. Even if Transmission Owners do have space available for a non-embedded demand customer, it means more space in space constrained substations is taken up by infrastructure that's only there because of this rule and this then blocks or significantly delays other projects needed for net zero or economic growth.

We understand SSEN transmission have changed their policy which means they will build and own 400kV connection assets for large demand users (data centres and electrolyzers) on land owned by the projects, as long as the 400kV assets are classified as connection (sole use) assets.

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.

Yes, Innova agrees with the issues Ofgem have outlined.

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?

ENA should take a proactive role to standardise the Networks approach to minor connections and where possible ensure all Distribution Networks have the same rules.

Innova agrees Ofgem should increase the threshold required for a G99 application from the existing low threshold of 3.68kW.

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 rollout is supported?

Innova would support financial recourse where customers have not received a minimum service level. Innova believes this has driven improved customer service in other industries, such as rail. Ofgem should create standard rules to calculate the financial recourse a customer is entitled to and it should be on the onus of the customer to apply for the financial recourse.

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?

Yes, Innova agrees with the issues set out under this theme.

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

No.

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

The ability for companies to take a determination to Ofgem is an important tool to ensure licensees are meeting their obligations, as set out within licenses. The clearer regulation is the less likely it will come to Ofgem for determination and therefore the determination route also provides an incentive for Ofgem to create clear regulation and to clarify where determinations highlight an ambiguity.

Innova believes the Ofgem determination process is not well understood by the industry and is therefore underutilised. The Connections end-to-end review may highlight the benefit of using the determination process, which may increase the demand on Ofgem resources irrespective of any changes to the determination process.

If Ofgem have any questions on the content of this consultation response please contact Joe Colebrook, Head of Grid Connections, at joe@innova.co.uk.

References

https://www.ofgem.gov.uk/sites/default/files/2024-11/Connections_End_to_End_Review_consultation.pdf