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10th February 2025

Dear Alasdair,

Connections end-to-end review of the regulatory framework

1. We welcome the opportunity to respond to Ofgem's consultation on Connections end-to-end review of the regulatory framework. This response is on behalf of Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD), known collectively as SSEN Distribution. Please see our response below, **set out in themes**, with further detail included at **Appendix 1** which addresses the specific questions raised by Ofgem in its consultation.
2. We support Ofgem's overall goal for the end-to-end connections review. We agree with the themes identified and with some of the proposals to help deliver the improvements. We agree that consistency is needed across network companies on data sharing to help customers understand and identify capacity on the network. A review of the current requirements is needed to ensure they are fit for purpose, and this should help create the right balance between a high-quality offer and network companies delivering within a reasonable timescale.
3. However, we consider that proposals in other areas need more thought and clarity. For example, putting incentives on network companies to deliver on agreed dates is not appropriate as there are factors outside our control, including customer preferences, which can affect delivery dates. Introducing principles-based licence conditions in this area will create more ambiguity on what is deemed appropriate across all parties involved. This could lead to numerous disputes being taken to Ofgem and requests for enforcement action to set the standard. We are better setting standards now than through an enforcement process. This comes down to **risk allocation** and, in both cases, in order to take these risks Distribution Network Operators (DNOs) would need a very significant risk premium. Customers would be better served with the risks being managed elsewhere.
4. Additionally, we consider that competition has been successful in driving up standards and reducing the need for regulation, particularly around contestable services. However, the proposals seem to go back towards greater regulation across the board. **The proposal of regulation vs competition needs to be coherently**

reassessed if Ofgem are to progress with some of its proposals. Effective competition takes place in a number of the market segments, and creating standardisation across network companies may have an impact to how we compete in the market.

5. Further discussion is needed with Ofgem and/or working groups on this to help deliver improvements in the connections journey that are feasible for network companies to deliver, and which also provide good service for our customers. To deliver improvements, we need to be clear on the problem statement to ensure we are delivering what is required. Any changes required will come at a cost, therefore funding routes will need to be thought out through working groups and any subsequent consultations.
6. Finally, while we recognise that Ofgem have stated Spring 2025 as a date when it intends to set out firmer proposals, it is unclear **when** Ofgem will look to implement any of these proposals. For context we need to be able to make investment decisions **now** so that delivery within RIIO-ED2 (if applicable) and the start of RIIO-ED3 is physically possible, including:
 - investing to grow the skills and contracting capacity to deliver projects on site, given increase in demand for these skills nationally and globally due to wider electrification for decarbonisation;
 - investing in procuring land and acquiring planning permission, processes that are effectively open ended and can easily take well over a year; and
 - investing in procuring long-lead plant and equipment in a competitive global environment (some of which now has lead-in times of over 100 weeks).

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

7. We recognise the issues raised by Ofgem within this theme, particularly regarding consistency on the approach to sharing data to allow customers to make informed decisions when applying for a connection. Ofgem's proposal on creating guidance would be a practical solution and ensure a minimum standard. Having a set of agreed principles across all network operators setting terminology/requirements would help drive consistency across data sharing platforms, enabling customers to know what to expect and to find the detail they are seeking. However, it is important to fully understand the needs of customers to ensure the required information is available on a consistent basis and presented in a way that supports informed customer decisions. Ofgem should consider how this will work in practice so that it achieves the overarching goal without incurring disproportionate effort from network companies which would incur additional cost, for example, creating new data tools which may not be required. Ofgem should build on work DNOs are already doing where this has been well received by customers, and ensure this guidance delivers a minimum standard of service across network companies, with scope for companies to take additional steps if it is in their customers' interests.
8. Ofgem's proposal on a single use tool to improve access for connection customers to all available data and identify where capacity is available may not be the most appropriate way forward. This could be a challenge to align across Distribution and Transmission given the complexities and differences between the two sectors, such as different modelling assumptions that feed into capacity figures. These could include different scenario choices or implementations of the Future Energy Scenarios (FES)/Distribution Future Energy Scenarios (DFES). Similarly, while DNOs may capture the same information, how we process and store the data may be

different. Creating a new tool will require additional resource, and we need to be confident that it is viable and provides real, additional value to customers. We would support sharing of data through suitable Application Programming Interfaces (APIs) to help improve in this area, but a single use tool in the short and medium would not be feasible due to reasons noted above.

9. While we support Ofgem in its intention to make connections data and network capacity more visible and accurate, we need to be mindful of restrictions on sharing of data under the GDPR, section 105 Utilities Act 2000, DIN 6 of the Distribution Code and the need for caution publication of data concerning Critical National Infrastructure.

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

10. We support Ofgem in its objective under this theme to make sure that the standard of service requirements are driving the right behaviours. There are already standards in place which DNOs follow, specifically the Connections Standards of Performance. Under this, DNOs are expected to meet deadlines throughout the customer journey, if we fail to meet any deadline subject to an exemption, we are required to make a payment to the customer. If Ofgem are looking to improve this then we believe there are points which need to be taken into account:
 - Larger connections can be highly complex – with a substantial level of interactions with third parties which can be outside of a DNO’s ability to control (planning permission authorities, landowners, local authorities, telecommunications providers, environmental organisations, customer’s ICPs, etc.). These should not be underestimated and make it challenging to impose fixed timescales for delivery on these jobs.
 - With Connections Reform and CP2030, we need to ensure that there are requirements on both DNOs and customers. DNOs should be able to terminate connection contracts where customers do not progress as agreed within their Connection Offer. If the requirements are not explicitly clear for both parties, then we could be open to challenge.
11. On this basis, principles-based licence conditions in this area would not be appropriate as they are too vague and open to interpretation. If Ofgem are looking to improve standards of service, then requirements for both DNOs and customers must be explicit to avoid debate and challenge on what is deemed acceptable. Having guidance in place would also help create consistency across network companies, enabling customers to have clearer expectations. We have strong concerns that principles-based licence conditions will lead to different interpretation across customers and DNOs, and lead to numerous escalations to Ofgem to determine the actual standard. It is better and more efficient for all parties to simply set that standard upfront.
12. We can see benefits in standardising more areas of the connection process for customers to ensure a similar experience across DNOs. However, if this is the approach taken, then it needs to be clear that this will erode the scope to allow DNOs to ‘compete’ around incentivised performance. There is a trade-off which could be more clearly articulated.

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

13. Setting connection dates which are definite can be a challenge (particularly for larger connections) due to factors which are outside of network companies' control – such as the third-party interfaces described above. While we endeavour to give a best time estimate for a connection, it could be subject to change should any unforeseen issues arise. Creating a financial instrument for customers to pursue recourse from the network company should we fail to meet an agreed date is therefore not appropriate. Instead, we believe that the focus should be on clear milestones in the delivery journey, such as: early visibility of an outline delivery programme which can be shaped with the customer; and frequent and quality communication with customers to allow for discussion on project progress, including any issues that may arise is what our customers say they value. That is firmly within DNOs' control, and standards or financial rewards/penalties should be focussed on these types of activities, potentially with timeframes.
14. It is also worth noting that Access SCR gives a strong incentive for DNOs to meet the proposed delivery dates. If we don't, we pay for customers to be curtailed but this would only apply to customers on curtailable agreements. However, in some scenarios the agreed end date can be modified if we give reasonable notice. These scenarios could be severe weather, land rights consent etc.

Theme 4 - Quality of connection offers and associated documentation

15. The right balance needs to be created between creating a high-quality offer and doing so within a reasonable timescale. Putting a timescale on issuing a complex offer may reduce the quality and completeness as the time may not be sufficient for the detailed analysis and design work needed for the offer. A high-quality offer can be subjective, therefore creating consistency across offers is important in setting clear expectations for customers. Principles-based licence conditions would open this up to interpretation, therefore guidance on what should be included would assist in standardisation of offers. Our customers are aware that for major works (which could take three to four years), the offer is the first stage of a process that will be refined as the project progresses and the customer pays for more detailed feasibility studies.

Theme 5 - Ambition of connection offers

16. There is an assumption that any proposed dates for connection offers may be conservative in nature to account for unexpected circumstances. However, we always make best endeavours to offer connection dates within a reasonable timeframe and to meet these dates. Creating ambitious connection dates would not be the solution if they are unachievable in the majority of circumstances, and our experience is that customers would prefer a realistic date that will be met. Having said that, an agreed date that has no flexibility would be unreasonable to network companies. Delays out with our control mean our offers have to allow for unanticipated change and come with an expectation on the customer to be ready to meet these dates. For example, for larger connections, the project is effectively a partnership with the customer where both sides may experience unforeseen issues. Therefore, what is important is communication and flexibility.
17. If Ofgem drives DNOs to meet connection dates given at offer, it will remove flexibility and drive DNOs to blindly meet these dates regardless of whether the customer is ready. This is not good customer service, or efficient delivery of network. The Major Connections Incentive introduced in RIIO-ED2 has helped to drive customer service and connection delivery without focus being on the connection date. It was introduced largely

due to the acceptance that what customers are looking for is clear communication and working in partnership as the inevitable challenges emerge on both customer and DNO side of the project rather than focusing on hard KPIs.

18. Themes 3 and 5 do not support each other. If DNOs are required to stick rigidly to dates in offers without any flexibility, offers may become less ambitious.

Theme 6 - Minor Connections

19. We agree with the majority of issues identified surrounding LCTs, for example the lack of notification from connecting customers and installers, lack of network capacity, and lack of consistency across DNOs. However, there are challenges that DNOs can face when it comes to the completion of connections work such as gaining access to neighbouring properties. While we agree that the approach to enforcement and processes in place should be in line with other minor connection standards, we believe that formalising a process of reporting and handling of these projects initially would allow further clarity on the scale of differences being seen across the DNOs. This would allow us to understand what obligations should be put in place to help create consistency and drive improvements in this area.

Theme 7 - Provisions and guidance for determinations

20. We agree with the issues highlighted by Ofgem when it comes to the provision and guidance for determinations. A clearer timetable for the process would be appreciated, clearly setting expectations for companies and customers should they arise – to avoid the process becoming overly extended and unmanageable.
21. In addition to this, we would also suggest that roles and responsibilities of Ofgem versus the Ombudsmen is set out, allowing customers to make informed decisions of who they should engage with, if the need arises.

Finally, it is important that the above is properly resourced. Some of the above may be deliverable with current systems or through minor additions to existing projects in flight, but much of this will be significant new work that will need to be funded. Similarly, any new systems will take time to implement and may be dependent of current work being completed. Any timetable for implementation should be agreed and funded, not imposed. Similarly, Ofgem should recognise that different DNOs will be in different places.

If you have any questions on our response, please contact Louise.Muirhead@sse.com

Yours sincerely,



Patrick Erwin
Commercial Director
SSEN Distribution

Appendix 1

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?

DNOs already have in place a number of data sharing practices, through obligations, which allow for our customers to have visibility of connections data and network capacity. For example, we have an obligation under the Smart Optimisation Output¹, which is split into two parts. Part 1 shows how we are collaborating with stakeholders through a more transparent and user-centric approach to sharing data and how we will work in partnership with stakeholders to support the development of local and regional net zero strategies. Part 2 is a System Visualisation Interface which is a combination of digital network tools on our website and our open data portal.

However, we recognise the issues raised under this theme, having received similar feedback from our customers, specifically on data not being presented in a consistent format across Distribution Network Operators (DNOs) and Transmission Operators (TOs). For this to happen, DNOs' and TOs' approach to publishing forecasts will need to be aligned to ensure any connections and network visibility tools are consistent and/or transparent enough to avoid confusion of the capacity available. Better insight from stakeholders, including our customers and suppliers, setting out their needs could help to identify the potential options for a visualisation tool.

Our view is that lack of data is not the problem, rather that we need a solution to how we go about sharing this information in the most suitable format to meets our customers' needs. Currently, following our DSO Autumn series² where we sought detailed feedback from customers, we are focussing on 'Easier information to support decision making with a three-stage plan':

1. Guiding customers through our data - Making it simpler to navigate through the data we publish and how to interpret our data
2. Better insight to consider options - Developing the data sets or analysis to help customers better understand the connection options/products
3. Earlier insight to support your decisions - Combining new insights and better guidance to allow customers to make faster decisions

At this time, we are at stage one, holding training through our Network Insight series introducing Strategic Development Plans, how to use heatmaps, and related data surges.

¹ [ssen-dso-collaboration-plan-may-2024.pdf](#)

² The Autumn Series and the forthcoming spring series are targeted engagement events by our DSO team to ensure our activities and action plan are meeting our stakeholders' needs.

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?

As suggested in our response to question 1a, fully understanding the needs and wants of our stakeholders is key to ensuring we present the required information correctly. Ofgem should consider how this will work in practice so that it achieves the overarching goal without incurring disproportionate effort and cost from network companies. The ENA's existing portal³ may already provide the majority of the information that a single digital tool would provide, so it is important to consider whether the extra effort of combining this information into a single tool is worth it. It will also be important for Ofgem to ensure there is clarity around how this data is provided on a consistent basis, so it is comparable and reliable across all network companies.

Additionally, we are mindful that consideration needs to be given to rules on GDPR, section 105 of the Utilities Act 2000, DIN 6 of the Distribution Code all of which impose strict restrictions on the disclosure of information and the need to ensure caution around publication of data concerning Critical National Infrastructure. The current industry legislation does not reflect the Data Best Practice Guidance, and we have strongly requested changes to the underlying legislation for some years to avoid industry participants facing the risk of criminal sanctions for sharing information. These changes need to be considered ahead of any obligation to share or provide information which may contradict existing legislative requirements. Increased data sharing obligations should be supported by the necessary legislative change.

If Ofgem were to introduce a single use tool, it should be noted that information we have is likely to be in a different format to the one of Ofgem's choosing – and this is also likely to be the case for other network companies. It can be manipulated, but this comes with a time and cost implication which Ofgem needs to factor into any requirement to provide this information, including any funding arrangements for this.

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?

This approach would be more pragmatic than creating a new single use tool. Agreement of common principles, which set any requirements/terminology would help to drive consistency across data sharing platforms. Allowing customers to know what to expect and find the detail they are looking for.

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?

We agree with the principle of having a regulatory requirement to share data and we have worked on a number of initiatives to share data in this way, for example by sharing our network maps with the Greater London Authority to make it easier for customers to understand where our assets are located. However, there are some practical issues with providing connections data in this way. The information we have is constantly changing, and therefore

³ [ENA Connect Direct](#) which is aimed at LCT installers

ensuring it is up to date is difficult. We can give our reasonable endeavours to share up to date information (which may or may not be Quality Assured depending on the data being shared), but it would be unreasonable to hold us to standards beyond that.

In practical terms, we have a dedicated asset inspection programme that runs on an eight-year cycle, which means that information about some of our assets can be up to seven years out of date. Therefore, we recommend any information provided through this format is accompanied by a disclaimer that recognises this information has been provided on a best endeavours basis.

Although it would add to an already complicated set of reporting requirements, we would support guidance along the lines of (or included within) the Regulatory Instructions and Guidance (RIGs). This has the benefit of driving consistency and clarity of information provided across the industry, on an agreed timescale.

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?

Further insight into the data that customers require would be useful to understand how to proceed with data we may already have available and are currently sharing.

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.

While we appreciate there are likely to be many different types of connections data that might be of interest to customers, we believe this needs to be considered alongside the time and cost of producing it. Putting attention into provide this information will divert effort from DNOs focusing on other activities which may be more productive. Ofgem also need to consider the features of information in different locations – for example, in remote areas of Scotland it may be difficult to truly anonymise data where it will be clear who the major customers are at a particular GSP, increasing privacy risks.

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

We recognise the importance of this to our customers and stakeholders and, as noted in our response to question 1a, we have our 'Easier information to support decision making with a three-stage plan' in place to ensure our data is available and transparent to our customers.

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?

The Guaranteed Standards of Performance (GSOPs) for Connections are in place for DNOs which set the standards of service for the customer journey. These include milestones throughout the journey, including offering a quote and engaging with the customer following acceptance of a quote within a prescribed period. As well as this, we must agree with the customer dates for progressing and completing connection projects. Should we miss any of the times set out within these standards, payments are made to the customer proportionate to the voltage level. There may be exemptions that can apply in some scenarios. Therefore, if Ofgem were looking to change the current process to make any improvements, Ofgem should consider the complexity of many of these larger connections and the level of interactions with third parties which can be outside of a DNO's ability to control. These should not be underestimated and considered in parallel with any standards of service that might be put in place for DNOs to focus on. Such third parties affecting the timetable of a connection can include planning permission authorities, landowners, environmental organisations, location authorities (e.g. for works in roads), telecommunications providers, customers and their ICPs, suppliers affected by global supply chain constraints, etc. Third parties have their own timetables, requirements, and processes which DNOs have to comply with, but over which we have no control. Putting in place standards which do not recognise that these are interfaces which DNOs cannot control, may not lead to service improvements overall.

We recognise that there may be ways of bringing some of these interfaces or dependencies forward within the process. For example, carrying out detailed design work very soon after the quote is accepted would allow earlier interfaces with third parties. However, customers have historically been reluctant to incur costs far in advance of their ultimate connection date (which may be dependent on future transmission reinforcements some years away). This is made even more likely as we transition to the new Gated process developed in Connections Reform, with customers unsure of the impacts of new processes and whether their projects will meet strategic alignment with CP2030.

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 would not support principles-based licence conditions in this area, as we consider that they would be open to interpretation. Each customer is going to be different, and therefore what is considered 'acceptable' standards of service for one customer could be something else for another. Similarly, this view could differ between network companies and from Ofgem's view, which could create future challenges. We strongly believe that if principles-based licence conditions are introduced around standards of connection service, it will simply lead to disagreement between networks and customers on what the standard is, and pressure on Ofgem to open enforcement investigations to determine the standard on a case-by-case basis. This would not be efficient for any party. However, we would welcome clear rules-based principles that drive consistent and good levels of service to

customers. Customers will also benefit from this, as expectations on both networks and customers will be transparent, reducing debate and challenge on what is deemed acceptable.

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?

This is more appropriate and manageable compared with a principles-based approach. If our requirements are clear and specific, we can be certain of the steps we need to take to meet these. Whereas, if principles-based and open standards are in place, it is more difficult to determine how best to meet these. Whilst Major Connections are complex, prescriptive conditions should be able to be created to allow consistency. Exploration of these through working groups would be welcomed, such as looking at times from request to pre-application discussions. It will also allow for opportunity for each party to evidence that they have done what they were required to do - i.e. rooting out the main causes of any issues that may arise.

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?

Under SLC12 we are required to offer a quote within 65 days, this will apply to larger connections too. There may be more complex designs required prior to issuing a quote which the 65 days will not allow for. This means that the quote the customer receives could be subject to change once full analysis has been carried out. Therefore, we would propose that timeframes should be reconsidered dependent on the type of connections work being carried out.

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?

We support Ofgem’s intention to improve the overall standards of service across customers’ journeys and we agree that there should be an expectation on network companies on delivering this, whether through agreed milestones or another appropriate method. However, as part of this process we would expect customers to meet their requirements as set out in any connection offer agreements (CA). With Connections Reform and CP2030, we need to ensure that there are requirements on the DNO to terminate connection contracts where customers do not progress as expected within their CA. This will make it explicitly clear for both DNOs and customers. If this is not in place, we could be open to costly and time-consuming challenges, diverting resources from other more productive work. Further, our investment programmes are often a mix of customer driven works and strategic works which we are triggering. Where customers don’t progress with connection, it slows the entire investment programme down, including strategic works due the dependencies across various projects.

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?

While we do not disagree with the problem statement set out in this theme, there are issues that arise which can impact upon the agreed delivery date which are out of the DNO's control. We always endeavour to provide a realistic estimate for connection dates and effectively manage works applicable to us, including engaging with third parties in order to progress connections in a timely manner. However, for DNOs to be penalised on not meeting agreed dates (set years in advance) when delays may sit with third parties and outside our control would be disproportionate. Some of these delays could be getting consent for land access, restrictions from Local Authorities, increased lead times for plant and materials due to a constrained market, unforeseeable ground conditions, etc. The connection date set out in the connection offer should not be seen as a definite date but rather an estimated date, subject to these third-party actions on which the connection is dependent.

In addition to this, we would reiterate Ofgem's point within the consultation *"At present, almost two-thirds of those seeking connection to the distribution network are dependent on, or awaiting assessment for, transmission reinforcement."*, which again highlights elements outside the DNO's control.

We recognise that the position of the electricity networks and the delays in connection are hugely frustrating to customers who would prefer to connect in very short periods which, at present, are unattainable. However, through Connections reform we hope that this can be improved, ultimately improving the customers' journey and hopefully allowing for clearer expectations on Connections dates. We would point to our response as part of the TMO4+ consultation, which sets out our view on potential changes to legislation and licence conditions to help facilitate this.

We consider a DNO's role is to seek to manage and influence other parties to help advance the connection and provide clear communication with the customer on how it is doing this along with timely updates. This allows the customer to understand the issues, what is being done and manage their side of the project accordingly. It is these types of behaviours which the Major Connections Incentive is designed to encourage, following extensive policy development in RIIO-ED2 into these issues.

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?

Principles-based licence conditions will be open to interpretation, which leaves network companies open to challenge. As per our response to theme 2, we would not support principles-based licence conditions, as we consider them to be vague and open to interpretation. Clear standards as to frequency of meetings, information to



be shared, early identification of changes, etc. would be more effective than unmeasurable aspirations which principles-based licence conditions would create.

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?

As noted previously, DNOs are already subject to minimum standards and SLAs around meeting connection dates, when agreed with the customer. These are directed by the Connections GSoP⁴. These standards cover the same areas for all connection customers: demand and generation. This means that all distribution customers connecting to our networks are offered financial compensation where we do not meet the Connection standards.

While we understand why Ofgem are making the proposals, the process for larger connections is not straightforward. Larger schemes that require significant survey and detailed design works may, and usually do, uncover or encounter issues out with the control of the DNO at quotation stage which impact the timescales offered in the original offer. This is also further impacted by our obligation under the licence, specifically SLC12. We are required to provide a connection offer within 65 working days. This period does not allow for the detailed designs to be completed before the initial offer is made. That only happens once the customer is far enough advanced and certain to commit to a detailed feasibility study.

When setting any requirements, Ofgem need to take into account all the complexities of major connections and allow for the fact that the customer acknowledges that 'agreed dates' made at quotation will flex as the project evolves (on the customer side as well as the network side). It may be more appropriate for Ofgem to consider clear, measurable (rules based) standards to improve project progression. For example, six-monthly meetings with customers whilst in the period of waiting for transmission reinforcements, and/or other ongoing requirements. These should be milestones to be met with defined topics to be covered as a minimum and information to be shared.

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 do not consider a financial instrument to be a realistic solution for complex construction projects. As per our response to questions 3a and 3c, this is a complex area and full consideration should be given to scenarios that may cause DNOs to 'miss' connection dates, specifically those outside of our control. We would also highlight that if Ofgem are to introduce new requirements on DNOs, they are not a duplication of those already in place, such as the GSOPs and SLC12. SLC12 in itself is a duplication of the GSOPs.

⁴ For clarity, this is the date agreed with the customer post offer acceptance.

As with 3c, it may be more appropriate for Ofgem to consider clear, measurable (rules based) standards to improve project progression – such as frequency of meetings with customers to give informed updates.

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?

We have no additional points to add to theme 3.

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 agree with the issues Ofgem has set out in its consultation and its view on creating the right balance between customers receiving a high-quality offer and within a reasonable timeframe. The current timescales, as set out in the licence to provide an offer in 65 working days, may not be appropriate for all types of connections. While it may be suitable for some connections projects, projects which are more complex in nature may need surveys, ground investigations, consenting studies, as well as route design and plant and material analysis. Such detailed design could take months due to required site visits, checking land rights and access, and can often be delayed due to customers holding off paying for this detailed work due to uncertainty on the project. This can have a substantial cost attached to it. Therefore, by restricting the timeframe to 65 working days in scenarios like this may mean that the quality of the offer is reduced, as DNOs will not want to be in breach of its licence.

With the length of the Transmission queue, alongside volume of applications received has reduced the status of the connections offer. Many customers have chosen to pay the relatively small amount for application and quote acceptance fees to ensure a place in the queue to see what happens. Consequently, the connection offer has become a low regret way to get into the queue.

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?

As previously set out in our response, we would not support a principles-based licence condition. Specifically, to this theme, principles-based wording are unlikely to add clarity to the already complex position (in particular for larger, more complex projects). Stakeholder agreement on what should be included in all DNO connection offers would be useful which may assist standardisation across GB. This will remove any ambiguity and DNOs will be consistent in its approach, creating clearer expectations for customers.

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?

Introducing minimum standards/SLAs on DNOs for its offer letter and communication at certain points throughout the journey to customers would be reasonable. However, as with our response to question 4a creating the balance between quality and timeliness is key. Setting minimum standards on **completeness** of an offer may not be appropriate. There is always the uncertainty and possibility of changing costs. Again, the prescribed period within the licence could impact our ability to accurately forecast costs as the 65-day period is not sufficient to go through detailed feasibility study with delivery partners. Or other factors which are unforeseen or out of our control, such as land access, supply chain challenges and delays in connecting to Transmission, are all examples which could impact timings of connections and ultimately increasing of costs.

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

What constitutes a high-quality offer can be subjective to different customers and also vary across market segments.

We endeavour to provide a quality offer based on the information we receive from the customer and within the current timeframe. However, given uncertainty around circumstances which might be out with our control, there may be updates to the offer which the customer will not deem as a high-quality offer. It might be that an agreed upon application across DNOs is needed. So that detail sufficient enough is provided to create the quality offer **but** expectations should be clearly communicated to the customer on the proposed changes, including the potential cost change following further review.

Our feedback from customers indicates that most are aware the offer will always be a starting point on larger projects. What they value is frequent and early engagement on the progress of a project and advance notice of issues/changes so that they can be consulted on how we best proceed with them. We consider that the regulatory regime is best to focus on those behaviours for larger jobs.

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

We have no additional points to add to theme 4.

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?

We recognise Ofgem's concern regarding the potential for network companies to offer conservative connection dates should Ofgem's proposals under theme 3 be implemented. i.e. incentives on network companies to meet agreed connection dates with the customers. We always make best endeavours to provide realistic connections dates to customers and to meet those connection dates we have agreed with customers. In our experience, the main concern for customers is to have limited change, and so advising overly ambitious dates could make issues worse for customers rather than improving the position. As previously noted, dates can be subject to change, for reasons which are out of our control. Any proposed dates do need to be realistic in nature to allow for unexpected circumstances which arise in more cases than not to be accounted for. Having an agreed date that has no flexibility would be unreasonable to network companies, that is, if network companies were to be penalised should they fail to meet the date.

Further we note that any proposals to hold DNOs to dates made in connection offers (as per some of the proposals in Theme 3) will drive a far more conservative approach than today.

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?

As with all other responses regarding principles-based licence conditions, we do not think it appropriate for these to be used. It creates more ambiguity and is therefore open to interpretation and potential challenge. DNOs already manage the queue on a strict first come, first serve basis. This means that we already offer customers the earliest available connection date, based on their place in the queue. The issue is that in some cases, the customers are not happy with the connection dates being provided. The introduction of a principles-based licence condition won't solve issues around constraints on the time to reinforce. At best, it would simply lead to customers challenging that a date wasn't the earliest available and DNOs having to take Ofgem through in depth technical analysis of the network to show why that date is valid. We are concerned that won't help any party and lead to resources being diverted from connecting customers.

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

We have no additional points to add to theme 5.

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.

We agree that some of the issues identified are present including delays to connections, and DNOs not being notified when an installer has made an LCT connection. For 'Avoidable delays to connections', we experience several situations where the looped customers (who are not making the application to connect LCTs) refuse access to their property to either disconnect the existing looped supply or to connect a new unlooped supply. Although on occasion these can be mitigated through negotiations and conversations, there are occasions where access is completely refused and load limiting devices are required not only on an interim basis but possibly on an enduring basis.

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?

Proposal 6a – Delays / Timelines – we propose as a minimum to set principles-based licence obligations for DNOs and/or guidance to define clear objectives and expectations for timelines and delays, AND / OR, set Service Level Agreements (SLAs) and/or minimum standards that DNOs are obliged to meet for minor connection requests, including but not limited to increased transparency, standardising of approaches to the highest standard achievable and defining criteria for auto-approvals.

As noted previously, principles-based licence obligations tend to be vague and ambiguous, and therefore we do not believe that it would fully address Ofgem's aim. In terms of SLAs and/or minimum standards, they would need to consider the complexities to accessing third-party properties as set out in response to question 6a, as an example. We would welcome the opportunity to discuss with Ofgem how this could work in practice and to fully understand if Ofgem has any specifics in mind to allow us to provide a full comment.

Proposal 6b - Inconsistencies – we propose as a minimum to set obligations on DNOs to determine how best to align their processes to ensure high standards are set and consistent across the processes discussed in this theme, and where appropriate, meet the SLAs/minimum standards.

We agree that aligned processes across DNOs will ensure that customers are treated fairly and consistently. If Ofgem were to introduce an obligation in this area we would suggest that it should reflect factors that are outside our control and that DNOs not be adversely impacted by the introduction of a potential penalty. If an incentive is to be introduced, it should be reward only, removing risks on DNOs being treated unfairly.

Proposal 6c – Monitoring – we propose to consider a) monitoring SLAs and/or minimum standards with compulsory reporting from the DNOs, and/or) publishing the resulting data as aligned to SLAs and/or minimum standards if set.

If SLAs and/or minimum standards are set, we would expect Ofgem to monitor and possibly publish these in line with other existing requirements. However as in response to proposal 6b, our preference would be the introduction of Guaranteed Standards.

Proposal 6d - Enforcement– we propose to consider whether the current arrangements for financial recourse are sufficient for minor connection customers, and if not, whether there is a need for a consumer body, or an improvement of what already exists for connection customers, to ensure minor connections are facilitated to a high standard and in a timely manner. This includes consideration of whether expanding / extending the GSOPs for minor connection customers would deliver better outcomes.

It is likely, given the similarities to other minor connections works, that the works associated with connecting LCTs at a domestic level should follow similar standards. However, as set out previously we must consider the increased risk on timescales regarding access and works to 3rd party properties which wouldn't typically be prevalent in standard new minor connection applications.

Proposal 6e - G98 Limit - We propose to set an obligation on DNOs to review their policy towards the G98 limit, including increasing the current limit unless there is a justification of why uplift is not in the consumer interest, or could have unintended consequences for the network. This would allow more connections to proceed as 'Connect and Notify'.

We do not object to the proposal, but this will need consideration as to whether an increase to G98 levels or a review of the G99 fast track process is the most suitable. G99 fast track has allowed a greater number of customers to connect larger than G98 sized equipment in place without the need for DNO intervention or review. Consideration must be given to potential safety impacts.

Proposal 6f - Notifications - We propose to investigate how to strengthen the notification obligation on LCT installers, ie where they must notify the DNOs of all new LCT connections

We agree that this proposal is necessary to ensure that DNOs can plan appropriately for future requirements and for safety during outages etc.

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?

As noted in our response to question 6b, a reward only incentive may be effective in facilitating improvements in this area. However, monitoring of the data used to set any baseline which DNOs are compared against is needed. Currently there is no review of this data to allow for the implementation of an obligation or incentive.

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 agree with the issues Ofgem has set out in the consultation regarding the determination process. The threat of seeking a determination from Ofgem can often be used when customers may not agree with a decision we have made – one which is entirely within the rules and regulations. Ofgem understandably ask DNOs to do everything in its power to resolve issues before they become formal determination requests. However, on occasions this is not possible as customers have a different interpretation of the rules which we could not be seen to endorse or support due to the precedent it would set.

Additionally, we view the current process to be uncontrolled. There are not strict limits on submission lengths, volumes of evidence provided, or timing – meaning such proceedings can become lengthy and onerous. Therefore, improved directions and rules for the process and what is in scope for determinations would be welcome. This would give clarity to network companies and customers.

Lastly, responding to legal processes has an impact on resources, internally and externally. This resource could be better used elsewhere to help drive improvements and value to our customers where it is most needed.

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

We would welcome a review of the guidance to give clarity and control.

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

A clear timetable for the process would be welcome, setting expectations for companies and customers should they arise. Should Ofgem intend to progress with a review, we would suggest that it sets out clearly what it would determine on, including the detail which customers would be expected to provide. This will allow customers to make informed decisions on whether to request a determination or not, ultimately saving all parties using resources unnecessarily. Lastly, we believe there should be a managed limit to any submissions and disclosure, proportionate to the request, on the information which should be provided to Ofgem. The process currently envisages that only detail relevant to the request should be submitted but this is not always controlled in practice. This creates additional use of resource, reviewing material which is ultimately irrelevant and not used to inform any decisions.