



Response to the Ofgem Connections end-to-end review consultation

KEY POINTS

- Networks are **connecting customers at a greater pace than ever before, and there is a lot more to be done.**
- We welcome continued policy and regulatory action to address the barriers to timely and efficient connections with a focus on ensuring that solutions match current and future circumstances.
- **Ofgem needs to review arrangements for minor connections and extend this existing effective incentives-based regulatory framework to major connections.** Ofgem should consider how customers could be better served by focusing on outcome-based incentives.
- Great Britain (including the Northern Powergrid region) has dealt with unprecedented demand for large storage and generation connections over the past three years. This has accentuated issues in the connections market that are being addressed through collective networks action to accelerate connections, wider connections reform and Clean Power 2030:
 - Costs and timescales have increased because of lack of available capacity on the transmission system.
 - We recognise opportunities to enhance DNO customer service and support Ofgem in exploring effective mechanisms to drive continuous improvements in the services we provide.
- Despite the present issues, DNOs have maintained generally good customer service in connections when compared to other industries, as evidenced by customer surveys.
- Ofgem should draw on the evidence from small connections where the regulatory framework has led to beneficial outcomes.
 - Incentivising better customer service with (relatively minor) financial rewards and penalties, coupled with reputational incentives from ranking tables, is likely to drive the outcomes Ofgem is looking for more widely in major connections, without creating unintended consequences or unnecessarily increasing the cost of capital.
- When trying to determine the nature of the problem and the right solutions, Ofgem should:
 - Distinguish between a) dissatisfaction relating to lack of capacity including i) timescales for releasing it on the transmission network, and ii) customers paying the costs of this additional capacity; and b) objective shortfalls in the provision of connection services.
 - Be careful about being too reliant on anecdotal evidence from customers that have an obvious vested interest in a specific outcome: being able to connect immediately, at as little cost to themselves as possible, and with risks being loaded onto the wider system.
 - Determine those performance shortfalls where the DNO is the best party to be on risk for the outcomes.
 - Lastly, work out how best to incentivise improvement in performance for those activities.
- A number of the solutions Ofgem is considering would have poor outcomes for consumers in the long run. For example, principles-based licence obligations introduce regulatory risk and have poor incentive properties due to unclear expectations of good performance.
- Finally, there is a blind spot in Ofgem's current thinking – competition in connections. DNOs operate in a competitive environment to offer most new connections. Ofgem should rely on competition and the power of customer choice – as it has in the past – and regulations should be proportionate to the degree of competition to drive improvements in customer outcomes.

Contents

1. Executive summary.....	3
2. Detailed responses to the questions	6
Theme 1 - Visibility and accuracy of connections data and network capacity	6
Theme 2 – Improved standards of service across the customer journey (not including “minor connections”)	10
Theme 3 – Requirement on networks to meet connection dates in connection agreements.....	13
Theme 4 – Quality of connection offers and associated documentation.....	17
Theme 5 – Ambition of connection offers	19
Theme 6 – Minor connections	19
Theme 7 – Provisions and guidance for determinations	23

1. Executive summary

1. Ofgem's review of end-to-end connections needs to be more evidence led. Currently it is framed more with anecdotal stakeholder views from those with vested interest. In our response, we provide some of this evidence as well as our views of what is required to continue to drive high standards in customer service for connections across all networks (including competitive connections).
2. Ofgem's task is, first, to distinguish between:
 - a. what is dissatisfaction by customers that is driven by lack of network available capacity including the timescales for releasing capacity on the transmission network, and customers having to pay the associated costs with creating more of it; and
 - b. objective shortfalls in the provision of connection services.
3. Ofgem should then determine those performance shortfalls where the DNO is the best party to be on risk for the outcomes. Finally, Ofgem must work out how best to incentivise an improvement in performance for those activities.

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

4. There are many improvements to visibility and accuracy of connections and network capacity data being delivered, what we need to understand going forward is what remaining gaps there are to fill. For example, in the past year we have developed heat maps that help identify suitable locations sites for new large users of electricity. We are currently building on this work to forecast future capacity headroom, as well as current. More broadly, industry programmes, such as Connections Reform and Clean Power 2030, are bringing forward new user needs, and therefore require new solutions.
5. We agree with the principle of 'presumed open data' and all DNOs comply with Ofgem's Best Data Practice. DNOs are obligated to share data with Ofgem and customers. Currently, DNOs are voluntarily going beyond the baseline requirements by presenting major connection pipeline data to enable customers to understand connection queue order and providing customers with the tools to self-serve. Following connections reform, we expect there will be an opportunity to recast some of this information at both distribution and transmission levels to guide future connection applications to the optimum locations on the network.
6. We do not agree with additional licence obligations on DNOs to provide a 'single digital view tool' without clear evidence that this would provide substantial benefits for connections customers. While a single view is the correct direction of travel in the long term, such a tool would come at a significant cost, so there must be robust cost benefit analysis that shows clear customer benefit. The focus should instead be on ensuring innovation and interoperability of data as this is a lower risk and potentially faster route to deliver benefits for customers.

Theme 2 – Improved standards of service across the customer journey (not including "minor connections")

7. We do not believe that the issues presented are an accurate reflection of the current standards of service in major connections, nor is the competitive nature of new connections adequately considered by Ofgem.
8. All connections customers are covered by the Connections Guaranteed Standards of Practice (GSoPs) and licence obligations. Additionally, incentives present in the ED2 period continue to

drive service improvements. Satisfaction scores are generally positive for major connections customers.

9. We do not think Ofgem's proposals for additional licence obligations or proliferation of new prescriptive standards on timescales would be appropriate. Ofgem should instead focus on financial incentives. The current set of incentives on major connections should be expanded to utilise metrics from minor connections such as time to quote (TTQ) and time to connect (TTC) to incentivise improved performance by DNOs. Incentivising better customer service with (relatively minor) financial rewards and penalties, coupled with reputational incentives from ranking tables, is likely to drive the outcomes Ofgem is looking for more widely in major connections, without creating unintended consequences or unnecessarily increasing the cost of capital.
10. We are supportive of standardised timescales on the submission of information and project progressions to NESO. This needs to complement the connections reform and application windows for transmission access being introduced for generation projects that through code modifications are already going in this direction.

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

11. We recognise the importance of providing high-quality timely information for customers in parallel with working effectively to deliver timely and efficient connections. However we do not agree with Ofgem's characterisation of the existing standards and compensation for non-demand electricity distribution connections.
12. Customers already receive recourse payment if guaranteed standard deadlines are exceeded and additional powers for customers to seek financial recourse against DNOs would create a host of unintended consequences.
13. Instead of additional minimum standards and principles-based licence obligations which are likely to impose additional costs on customers, Ofgem should consider the role that effective regulatory incentives can play for larger connections to the electricity distribution system.

Theme 4 – Quality of connection offers and associated documentation

14. We agree there is a trade-off between timeliness of offer provision and the quality of information in the offer. It is important to get the balance right.
15. However DNOs are currently incentivised to provide quality connection offers through incentive mechanisms (i.e. Major Connections Incentive) and significant competition in connections at distribution.
16. Ofgem should use the current incentive mechanisms in place. The Major Connections Incentive could be extended to all relevant market segments, ensuring all major customers and not just those in non-contestable services or where Ofgem has not agreed that effective competition has developed yet.
17. Standardised industry documentation could be worthwhile, however Ofgem should avoid trying to define requirements for a 'high-quality offer' through principles-based obligations.

Theme 5 – Ambition of connection offers

18. We agree in principle with the concern that networks would rationally build in more contingency if regulations on cost and timelines were more stringent.
19. It is unclear how practical and implementable any changes could be made to ensure 'ambitious but achievable' connection dates are regulated.
20. Ofgem should instead focus on a framework that rewards overall good service and delivery for customers.

Theme 6 – Minor connections

21. The regulatory framework for minor connections needs refreshing with an emphasis on extending existing mechanisms where appropriate.
22. We are supportive of opportunities to improve the customer experience and should be looking at best in class (across industries) to continually drive improved performance outcomes for customers. We agree that minor connections are very different from major connections and should be treated differently in the regulatory framework. Changes could be made in minor connections to ensure connections are not a barrier to the uptake in low carbon technologies required to hit GB decarbonisation targets.
23. Ofgem should develop minimum standards and guidance collaboratively with energy networks to ensure well-evidenced gaps in the current regulatory mechanisms in minor connections are covered. This may also include enhancing the current TTC incentive on Low Carbon Technologies (LCT) installations / reactive work by DNOs.
24. We are supportive in principle to reducing the barriers for small generation installations (SGIs) to connect to distribution networks. Rather than opening up G98, the focus should be instead on reviewing how we implement and can improve how we implement G99 fast track. This review should seek to: (a) reduce the timescales; (b) increase the SGI thresholds; and (c) increase the threshold when a G100 device is required. This would continue to enable DNOs to monitor and manage the associated network risks whilst providing the most timely and effective means of reducing barriers for connection of SGIs.

Theme 7 – Provisions and guidance for determinations

25. We agree that Ofgem should review its guidance for connection determinations given it was last updated in 2017.
26. In our limited experience with the determination process over the past eight years, we believe the process could be made more efficient and less onerous.

RIIO T3 – Electricity Transmission Network Incentivisation

27. These are detailed recommendations for the transmission sector T3 price control and our views have been fed back as part of the response to these questions by the ENA. However in summary, we consider that there is a need for careful consideration with transmission parties as there is no obvious solution in what is presented today.

2. Detailed responses to the questions

28. The rest of this consultation response sets out Northern Powergrid (Northeast) plc and Northern Powergrid (Yorkshire) plc's responses to Ofgem's detailed questions.

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

Q1a. 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?

29. We agree with the principles of 'presumed open' data and the Data Best Practice (DBP) Guidance. All useful data must be made available transparently to connecting customers and other interested parties to inform customer's connection applications where it can be reasonably done so.
30. However a lot of work is being done to ensure this occurs already, with many recent changes currently being implemented. DNOs already face a host of obligations and are mandated by licence conditions to frequently share and update data to assist connecting customers with pre-applications, allowing them to self-serve.
31. Over recent years, DNOs have significantly enhanced the quantity of open data, shared freely with customers and continue to develop improvements. This data provides valuable insights for connections customers.
32. Data is becoming more accessible, transparent and interoperable. DNOs are complying with licence condition 9.13 to create a System Visualisation Interface (SVI) in accordance with Ofgem's Smart Optimisation Output Guidance. This includes heat maps and the ability to access data via common API as core requirements.
33. Our Open Data Portal assists customers in their pre-application process, by providing access to over 50 datasets and information about our equipment, its usage, planned connections, and available capacity. Specific connection open data sets include:
 - a. Connection activity in the Long Term Development Statements (LTDS) report.
 - b. The Embedded Connection Register (ECR) which is published in a common format as required by the Distribution Connection and Use of System Agreement (DCUSA).¹
34. There is already a degree of consistency between DNOs data offering for connections customers.
 - a. In accordance with the LTDS licence condition, we along with all DNOs are actively developing Common Information Models (CIM). This initiative standardises and streamlines data integration across our EHV network models. This will enhance consistency, interoperability and accuracy of our data which will provide customers with the ability to undertake their own detailed analysis of potential connections.
 - b. We use the same vendor for asset visualisation and mapping functionality of our open data portal as several other DNOs.

¹ The ECR contains information on all generation, storage and flexible demand assets which are already connected, or accepted to connect to the Northern Powergrid network. Within this dataset, users can find the point of connection, voltage, capacity, connection status, generation type, flexibility information and dates for acceptances and connections.

35. DNOs already provide a description of the parts of the system most suitable for new connections through a network capacity headroom report. This report follows a common format for all DNOs and is part of the Network Development Plan mandated in compliance with SLC 25B.
36. DNOs are also publishing more operational data. By publishing power flow data, customers can examine network availability in terms of different times of day and year to understand when new connections may be constrained. This data can be used by customers to assess the potential effectiveness of Active Network Management (ANM) schemes and the risk of curtailment when evaluating the economic viability of projects.
37. We offer connecting customers information on alternative flexible connection options, to work within existing network capacity prior to required reinforcement work. These options allow customers to connect ahead of network reinforcement, potentially reducing costs where reinforcement charges apply, and increases the timeliness of connections.
38. We agree that technical support is important for customers to enable a more seamless application process. We established a regional insights team to support key regional decarbonisation organisations such as EV charge point operators and housing associations through our connections processes.
39. Our customers can use our innovative web-based self-serve tool AutoDesign to identify the most viable and cost-effective locations to connect to our low voltage (LV) network. LV network capacity is summarised in terms of red/amber/green grading and customers automatically receive a budget quotation for a new connection such as a new build or the addition of a heat pump at an existing property connected to our network.
40. Aligned with Northern Powergrid's commitment to customer service, we aim to meet our customers' capacity requirements and timing needs. We maximise the use of available capacity by employing smart control approaches that are acceptable to our customers, avoiding delays to their connections. Customers' ability to self-serve can provide a useful initial indication of connection options, but our engineers' expert knowledge of our network may identify other possibilities.
41. Capacity constraints and connections queues in the transmission network are impacting the entire grid. This creates challenges for connections customers in distribution who interface with the transmission network.
42. Appendix G information gives stakeholders visibility of our contracted position with the National Energy System Operator (NESO) for relevant embedded generation connected and committed to connect to our network. Sharing this data helps our customers navigate the transmission interface challenges. This data includes connected and to-be connected capacity, and the latest connection dates based upon current reinforcement works required at each Grid Supply Point (GSP) where an Appendix G is in place. Visibility of the status at each GSP allows customers to make an informed assessment of where they choose to apply to connect.
43. Publication of transmission data is essential to give distribution connectees a full picture. While DNOs publish detailed connections data, equivalent data is not published for the transmission system. This apparent asymmetry is unhelpful due to the dependency of some customers wanting to connect to the distribution system on the available transmission network capacity and pipeline of transmission connections. There is a need to seek more alignment on the types and format of information to enable the connections queue to be understood better by customers. Connections reform is opening up this route to enable this enhanced visibility.

Q1b. 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?

44. We are opposed to additional regulatory requirements to provide a single digital view tool without sufficient evidence that the benefits to customers would outweigh the costs.
45. While we agree a single digital view tool should be the direction of travel in the long term, imposing it at this stage would be detrimental to moving at pace and to innovation in the types of data tools currently being produced for customers, based on local needs.
46. Ofgem should instead focus on ensuring network companies align on general principles to ensure interoperability and convergence.
47. Northern Powergrid, along with other DNOs, is already extending the range of data it shares and tools it provides through the SOO System Visualisation Interface. As Ofgem notes in paragraph 2.18, SOO requires DNOs to produce a collaboration plan that sets out their approach to data sharing and establish an interface (SVI) that provides access for interested parties to a range of data tools and report.
48. Any additional requirements on connections data should be included in the SOO Guidance, which sets out the minimum dataset for the SVI. This would ensure there is minimal additional regulatory obligations which may otherwise be duplicative and increase the regulatory complexity for DNOs.
49. Regulation and/or guidance that ensures more consistency of published comprehensive connections data across transmission and distribution would be beneficial as the current gap and lack of transparency does not provide our customers with confidence of the 'whole queue'. Connections reform is the vehicle for this enhanced transparency.

Q1c. 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

50. We recognise the benefits of a common set of standards for connections data and connections tools, which should be collaboratively developed and agreed upon by network companies and stakeholders.
51. Any new guidance or standards should be reasonable and deliverable, and necessary funding be provided to be complied with.

Q1d. Do you agree with proposal 1c (new regulatory requirement to provide connections data)? Do you have any views on how this should be implemented?

52. It is not clear that additional regulatory requirements to provide connections data is needed.
 - a. DNOs face existing obligations to provide Ofgem with information when requested.
 - b. DNOs go above and beyond this obligation to provide Ofgem with useful data on connections and capture additional information. For example, since 2023 networks have shared connections data with Ofgem through a monthly Connections Databook.
53. Our customers are familiar with our Open Data Portal. They can access many data sets beyond connections data to gain a comprehensive view of our network and associated options by combining information from different data sets.
54. However we do support fully standardised data formats and guidance for compatibility across distribution and transmission.

55. We agree that any mandatory requirements for routine data production for connections should be implemented through current mechanisms (i.e RIGs) rather than further proliferation of rules and rulebooks.

Q1e. 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?

56. We are focused on consistently upgrading, refining, and improving our open data service offerings. This is based on regular open data stakeholder engagements, where customers and stakeholders vocalise their needs and provide recommendations.
57. Delivery of connections is done primarily through our website, however we also run events to inform customers of our open data services.
58. As Ofgem notes in paragraph 2.29 of the consultation document, the ENA hosts links to all networks' connections data, resources and tools for customers.

Q1f. 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.

59. We have limited experience of legal barriers preventing the publishing of additional connections data. However the provision of any data must comply with the Data Protection Act and Section 105 of the Utilities Act.
60. In addition, cyber security risks are assessed as part of the data publishing process.
61. The primary barriers to publishing data that we are aware of stems from the need to protect security of critical national infrastructure assets and systems data that may identify individual customers. Some examples include:
- a. Detailed power flow data on circuits which could risk identifying the activities of certain customers (e.g. individual customer commercially sensitive information).
 - b. Detailed data on our underground cables, which could indicate 'pinch points' and create a safety risk.
 - c. Detailed data on cable terminations risks identifying points of connections to individual customers.
 - d. Detailed data on land and underground assets risks indicating locations of sensitive buildings which could create a security risk (i.e. substations which serve hospitals, government offices and/or police stations/prisons).
62. Generally, we have overcome these data sensitivity risks to enable data being made available whilst remaining useful and legally compliant by:
- a. Publishing aggregated data which can't be linked to individual customers; and
 - b. Removing assets entirely from public data sets which are considered too sensitive to publish.
63. However additional detailed asset data which may still be of value for certain customers could be considered on a 'case-by-case' basis. For example, we are currently exploring a standardised shared data licence across the sector through the ENA. This would allow data to be shared with certain restrictions and protect against commercial, privacy, and security risk.

Q1g. Is there anything else regarding Theme 1 – Visibility and accuracy of connections data and network capacity that you consider we have missed?

64. We have nothing else to add on Theme 1.

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

Q2a. 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?

- 65. We don’t believe the issues presented are an accurate reflection of the current standards of service in connections, nor is the competitive nature of new connections considered by Ofgem.
- 66. All connections customers are protected from poor quality of service by the Connections Guaranteed Standards of Practice (GSoPs). We believe these standards are doing a good job in setting minimum standards and incentivising companies to meet them.
- 67. Major connections customers are also covered by the current suite of incentives and performance metrics which indicate relatively good standards and performance.
 - a. Our latest Major Connections Annual Report shows good Major Connections Customers Satisfaction. Our overall satisfaction for major connections customers is 79.2% which covers pre-application, quotations, and delivery and we beat our MCCSS incentive targets for 2023/24.²
 - b. Time to connect (TTC) and time to quote (TTQ) measures for major connections will provide a good metric of current performance and allow for monitoring of improvement in the future.
 - c. Overall customer service is incentivised through the BMCSS complaints metric which applies to all customers in connections.
- 68. Most new connections are provided in competitive markets. Customers in major connections can choose between alternative connections providers. The rationale for regulating monopolies does not apply and regulation should remain proportionate to the competitiveness of the market.
- 69. To further measure customer satisfaction and track improvements, we are introducing customer satisfaction surveys for IDNO and ICP customers for 2024/25. This is recognising that we still perform essential work for these parties and we wish to understand how we are doing and where there is room for improvement.

Inconsistency of standards of service along the customer journey

- 70. There are consistent and comprehensive standards of service across the customer journey for DNOs. However there is significantly less clarity and regulation around the transmission / distribution (T/D) interface.
- 71. We disagree that “there are limited standards defined/required elsewhere along the customer journey” outside the offer-provision stage.³ There are currently clear expectations, as set out in the post-acceptance scheduling and completion of works elements of the standards.
- 72. Standards provide for timescales for final energisation and/or completion of electrical works.

² Northern Powergrid [Major Connections Annual report 2023/24](#).

³ Ofgem, November 2024, Connections end-to-end review – consultation, page 26, second bullet point.

73. All DNOs follow the same charging methodology. Connections methodologies and charging are also consistent across our two licence areas.

Suggestions for new timeliness requirements along the customer journey

74. Suggestions and wording of additional timeframes for milestones such as prescribing a project manager and designer within a specific time frame risk being overly prescriptive and delve into micro-management. This has the potential to harm connections customers given the heterogeneity of their needs. Applying standard timelines could therefore lead to a perverse incentive to apply a standard connection pathway to all customers and discourage the DNO from ensuring each customer receives the service they value.
75. Pre-application requests are varied and come in all shapes and forms, there would need to be clear definition of these before any timeliness requirements are added.
76. Post-acceptance scheduling standards help cover for customer standards in these areas. For example, they already provide for first kick-off meeting after offer acceptance.

Transmission / distribution (T/D) interface

77. Ofgem is right to highlight issues around the T/D interface. There has been much increased interaction between the transmission and distribution system in recent years.
78. Many of the delays and issues faced by major connection customers in distribution seeking to connect generation and storage are due to T/D problems, with over 80% of GSPs across GB subject to transmission constraints.⁴
79. Expectations should be set on all parties in the T/D interface.
80. We would like to highlight the current work and connections reforms currently taking place in the T/D interface that Ofgem should consider in any changes or reviews.
- a. Consideration of a new approach to application windows in CMP 434 (future applications) and CMP 435 (existing queue).
 - b. Connection and Use of System Code (CUSC) changes in CMP 434.
 - c. Transmission impact assessment threshold proposed changes in CMP446.

Q2b. 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?

81. We are opposed to additional principles-based licence conditions as they would introduce additional uncertainty and be difficult to demonstrate compliance with.
82. Wording such as to provide quality information in a “timely manner” (paragraph 2.54) is sufficiently vague and subjective as to not clarify expectations or provide consistency for customers.
83. Ofgem should consider that incorporating additional subjective licence conditions could further worsen the problems identified in Theme 7 in which some parties could seek to use the threat of determination as leverage.
84. Changes in DNO obligations and licence that have material cost consequences should be included in the ED3 licence drafting process rather than an interim approach. The governance structure would ensure appropriate consideration can be given to translating the policy into the licence.

⁴ DESNZ and OFGEM, November 2023, Connections Action Plan, Page 51.

Q2c. 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?

85. In general, we oppose overly prescriptive 'one-size-fits-all' standards of service on commercial relationships, particularly where DNOs are currently incentivised and where customers are covered by existing standards.
86. Some of the proposed prescriptive conditions risk micromanaging a very customer-specific service and may undermine existing customer-focused behaviour by DNOs (for example tailored pre-application services).
87. As we stated in our response to the TM04+ licence consultation, we agree with timeframes within which DNOs should submit information as required to the NESO after receipt of evidence from connecting customer. We do not have objections to a standard within which DNOs should submit Project Progressions to NESO. However the prescribed period should be reasonable in the context of the work and volumes involved.
88. Clearer obligations for TOs and DNOs to actively coordinate to resolve circumstances where new Transmission connections impact on DNO could supplement current obligations under SLC7A to coordinate and cooperate with respect to the whole system.
89. Instead of prescriptive standards or new obligations, Ofgem should focus on incentivising better customer service with low-powered financial rewards and penalties, coupled with reputational incentives from ranking tables.
 - a. The experience in minor connections have shown how relatively low-powered incentives can drive significant improvements.
 - b. As there will be significant uncertainty in the calibration of targets, low-powered incentives can improve data accuracy, and incentives can be strengthened over time if necessary.
90. Any changes should be included in the RIIO-ED3 price control setting process rather than an interim approach.

Q2d. 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?

91. There has been a proliferation of separate and duplicative regulations and licence conditions on connections over the past 20 years. Ofgem should review overlaps in existing connections standards and licence conditions. For example, Ofgem should review overlaps and inconsistencies between SLC12, Connections GSoPs, and the DG Standards Direction.
 - a. SLC12 sets out a 'hard' requirement to issue all connection offers within 65 working days and predates the introduction of additional connections guaranteed standards and regulations contained in SLC15 and SLC15A.
 - b. SLC15 and SLC15A set out the existing standards on prescribed or agreed dates to set timescales for DNOs across different project types. These result in payments to connections customers if they are not met, and DNOs are obligated to meet them 90% of the time on average every quarter.

- c. The 65 working day obligation in SLC12 is therefore inconsistent with the regulations (or the DG Standards Direction) because the regulations (and the DG Standards Direction) provide for certain exemptions to be applied to failures in the appropriate circumstances, whereas the SLC12 obligation does not do so.
92. DG standards should be reviewed following NESO connection queue reforms because the quotation standards are triggered by receipt by the DNO of a notice under the Electricity Act.
93. As mentioned in our ED3 Framework response, we think the current incentive mechanisms of the MCI should be worked on and extended to all connections customers (in all relevant market segments) rather than only connections customers in certain market segments where effective competition hasn't been demonstrated.

Q2e. 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?

94. Ofgem should consider the role of competition in connections as a force driving improvements in customer service and overall performance.
95. DNOs face substantial competition for connections services by alternative providers: Independent Connection Providers (ICPs) and Independent Distribution Network Operators (IDNOs), particularly for domestic customers at higher voltages.
- a. In 2020 there were 299 ICPs offering connections services.⁵
 - b. Over 70% of new homes were connected to the electricity network by alternative providers (i.e. independent networks).⁶
96. ICPs are not licensed by Ofgem and therefore additional regulations on DNOs would not be consistently applied across all providers of connections services.
97. DNOs are obligated to encourage competition in connections (CiC) and customers in major connections can – and do – choose between alternative providers in connections. This choice serves to protect customers and encourage improvements in customer service without the need for additional regulation which could increase costs and distortions in the market.
98. Regulation should therefore be appropriate for the extent of competition in the market. Ofgem should consider how some of their proposals could be disproportionate, increase costs on DNOs, and distort competition in connections.

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

Q3a. 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?

99. We recognise the importance of providing high-quality timely information for customers in parallel with working effectively to deliver timely and efficient connections.
100. However we do not agree with Ofgem's characterisation of the existing standards and compensation for non-demand electricity distribution connections.

⁵ Tony Hockley, PhD, October 2020, Building Back Faster: Utility connection competition and UK policy priorities for the 2020s, page 13.

⁶ Independent Networks Association (INA) webpage accessed on 6th February 2025. <https://ina.org.uk/the-role-of-independent-utility-networks/>.

101. The consultation recognises that there are guaranteed standards, with payments to connectees for any failures, in place for demand connections. However it states no such standards are in place for non-demand i.e. generation connections;

*In all cases (other than for demand connections at distribution where GSoPs apply), failure to comply with these requirements represents a breach of the licence, however **no recourse is available through the regulatory framework to the connecting customer in each case** (as there is for distribution demand connections through the GSoPs).⁷ (emphasis added)*

102. This is not the case - in practice, the guaranteed standards are applied both to demand and distributed generation and result in compensation if these standards are not met. This can be verified in the notice of rights we provide to our metered connection customers, which:

- a. States in the introduction that it “sets out the guaranteed standards for metered demand **and generation** connection services provided by your electricity distribution company” (emphasis added); and
- b. Refers in certain tables of compensation simply to “connections involving HV works” and “connections involving EHV works”, without distinguishing whether the connection is demand or generation; while other tables provide generation specific timescales after which a payment under the standards is made.⁸

103. The financial redress provided has been calibrated in a way that recognises the higher potential for impact of delays to larger projects, with compensation values for EHV projects (including generation) that are substantially higher than for low voltage projects. At the same time, the fixed values strike a balance that avoids imposing substantial commercial risk on DNOs that they cannot compensate for through charging higher margins on all projects (as would occur in an unregulated market where parties bear consequential risks).

Q3b. 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?

104. Ofgem should not introduce additional principles-based licence conditions.

105. Such conditions create regulatory uncertainty through their failure to define clear and specific requirements. This uncertainty translates to additional regulatory risk being imposed on the regulated parties; and these increased regulatory costs will ultimately be borne by energy consumers, either through:

- a. A higher cost of capital; or
- b. Through unnecessarily higher costs an efficient company would need to meet in order to discharge the uncertain requirements, which would need to be funded.

106. The potential for such conditions to impose additional costs on customers is substantial, and they should be avoided wherever alternative and better tailored approaches are available. In this case alternatives are available which are more proportionate, including:

⁷ Ofgem, November 2024, Connections end-to-end review – consultation, page 35, paragraph 2.77.

⁸ Northern Powergrid, April 2024, Metered Connections Guaranteed Standards of Service for Electricity Distribution Companies in England, Wales & Scotland.

<https://www.northernpowergrid.com/sites/default/files/assets/Metered%20Connections%20Guaranteed%20Standards%20of%20Performance%20Notice%20of%20Rights%20-%20April%202024.pdf>

- a. The GSoPs which are in place for demand and generation connections (as highlighted in our response to Q3a above); and
- b. The existing suite of regulatory incentives – which could be extended to apply to any areas which are not already covered (as highlighted in our response to Q3e below).

107. In any changes that Ofgem does make (whether for distribution or transmission), it is essential that it continues to recognise, as it has done to date, the many factors that can affect connection dates that are outside of a licensee's reasonable control. This does not necessarily mean that they are entirely outside of the licensee's control. There are many instances, such as negotiations with landowners to obtain land rights, where faster outcomes could potentially be secured – but these would come at a substantial additional cost. Incurring these costs, which would ultimately need to be paid for by connectees, is unlikely to be in the interests for the average customer as a service standard for us to reach.
108. Therefore any principles-based or fixed requirements should be against a reasonable endeavours standard of effort; and should also not apply to those factors which are entirely outside of the licensee's control.
109. In cases where incurring additional cost could accelerate the timescales for a specific connection, this should be left as a decision for the DNO to take on a case-by-case basis (in consultation with the customer). The responsiveness of DNOs to specific customer requirements and queries, and provision of information in general, can be quantitatively measured for electricity distribution, through a customer satisfaction survey – as we go on to discuss further in our response to Q3e below.

Q3c. 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?

110. As set out in response to Q3a above, a set of connection guaranteed standards already exists in electricity distribution, which are applied to generation as well as demand connections; there is also already a set tariff of financial redress for failure to meet these standards.
111. The milestones that are implicit in the standards include dates for:
- a. Provision of budget estimates;
 - b. Provision of quotations;
 - c. Making contact to schedule work;
 - d. Commencing work;
 - e. Completing work; and
 - f. Energising the connection.
112. The standards also cover the accuracy of quotation prices; while further scope for redress is available to certain customers through the ombudsman scheme. Lastly, customers always have a backstop right to refer the connection to determination with Ofgem, for substantive issues relating to the offer itself.
113. These standards provide what is necessary, at least for electricity distribution. Northern Powergrid is not aware of any need for changes in this area.
114. Additional milestones such as requirements to offer project meetings on specific timescales would not be well tailored to most connectees and would add to overall business overhead costs

(which would, ultimately, be reflected in prices). Similarly, more granular technology specific milestones would go against a principle of non-discrimination.

115. We do not think that the suggestions Ofgem makes in this area in the Consultation are the right approach. Instead, in electricity distribution Ofgem should further develop its customer satisfaction and time to quote & connect incentives to incentivise companies to provide good and speedy service to all customers, tailored to their requirements, and with comparative competition at price control reviews used to drive improvement and innovation going forwards. We expand on this point in our response to Q3e below.
116. As is the case for principles-based requirements, any changes that Ofgem does make to set minimum standards or timescales (whether for distribution or transmission) must recognise the many factors that can affect connection dates that are outside of a licensee's reasonable control, as Ofgem has done to date. Such factors must be flexibly accommodated within the minimum standard. Moreover, any minimum standards should be set as a reasonable backstop, rather than at a timescale within this, which would impose substantial additional costs into the system of connections provision that would ultimately fall on connectees.

Q3d. 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?

117. As set out in response to question 3b and 3c above, electricity distribution customers already receive a recourse payment if DNOs exceed guaranteed standard deadlines, regardless of whether they are demand or generation customers.
118. Certain customers also have recourse to the Energy Ombudsman, which could propose additional redress in respect of unresolved complaints.
119. Additional financial recourse for connecting customers would increase downside risks for networks and will necessarily increase costs for all customers. This would not be proportionate. A better response would be to further develop the existing regulatory incentives for major connections as part of the ED3 price control review (see Q3e below).

Q3e. Is there anything else regarding Theme 3 - Requirement on networks to meet connection dates in connection agreements that you consider we have missed?

120. As an alternative to the proposals set out in the Consultation, Ofgem should consider the role that effective regulatory incentives can play for larger connections to the electricity distribution system.
121. This approach is supported by the stakeholder feedback that Ofgem cites at paragraph 2.69, which includes the comment that "Ofgem should consider introducing incentives ... in order to mitigate delays." Moreover, electricity distribution offers the ideal opportunity for comparative competition, where information from comparator companies (operating in different parts of the country) is used to set a benchmark.
122. This approach was already partly implemented by Ofgem at ED2, through:
- a. The major connections survey penalty-only financial incentive for connections market segments not previously deemed competitive; and
 - b. The reputational incentives for time to quote and time to connect for major connections, as part of the Major Connections Annual Report.
123. If Ofgem considers that stronger intervention is necessary in this area, it should now consider whether to:

- a. Provide a symmetrical financial incentive for the major connections satisfaction survey, so there is a strong ongoing incentive for DNOs to improve their offering,
- b. Standardising application, so incentives apply to market segments that Ofgem considers most need it (based on their characteristics), rather than those a DNO happens not to have passed a competition test in.
- c. Introducing financial incentives for major connections time to connect.

124. Any necessary changes should be made as part of the ED3 price review.

Theme 4 – Quality of connection offers and associated documentation

Q4a. 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?

125. We agree there is a trade-off between quality of offer and timeliness of provision and the importance of ensuring the regulatory framework supports the correct balance. However we disagree that DNOs are not incentivised to provide quality connection offers by current incentive mechanisms and competition in connections at distribution.
126. The Major Connections Incentive (MCI) currently captures customer satisfaction around connection offers and these surveys indicate customer satisfaction is higher than measured across other UK industries. The use of customer survey captures the inherently subjective nature of quality offer preferences, rather than imposing restrictive standards which are likely to result in inefficient outcomes (i.e. costly distortions towards either timeliness or quality, or specific measured benchmarks).
127. The MCI could be extended to all relevant market segments, ensuring all major customers and not just those in non-contestable services or where Ofgem has not agreed that effective competition has developed yet.
128. The current customer complaints metric incorporates all connections customers and incentivises DNOs to respond to complaints efficiently and effectively.
129. Our thoughts on other aspects of the issues mentioned are below:

Over-focus on timeliness of quote / offer creation

130. Ofgem is correct to highlight the trade-off between the timeliness of offer provision and the detail, and quality of information in the offer.
131. Re-evaluation of whether current trade-off is working for customers and broader objectives in connections is welcome given comprehensive standards and obligations on the timeliness of offer provision, and increasing volumes of connections submissions.

Provision of quality information

132. As mentioned above, the provision of high-quality connection offers is already incentivised through the MCI. This captures overall major connections performance of DNOs including the subjective perceived quality of connection offer and supplementary information by customers.
133. DNOs are already obliged by SLC12 to include the relevant charges, detailed terms, and dates for work required for connection in the offer as well as to 'make detailed provision in relation to' (for example):
- a. Works required to connect, extend, or reinforce and the consents needed associated with the connection;

- b. Installation of any switchgear or other apparatus required for interruption of supply;
- c. Installation of meters or data processing equipment where required.⁹

Q4b. 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?

134. We are opposed to additional principles-based licence conditions, it is unclear how a quality offer would be defined in a principles-based condition without imparting a high degree of ambiguity and uncertainty and is unlikely to clarify expectation for customers and DNOs.

135. The Major Connections Satisfaction Survey (MCSS) asks about satisfaction with quotes and shows good results across DNOs, with results exceeding Ofgem targets.

Q4c. 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?

136. As in Q4b, customer satisfaction through the MCSS indicates that the current approach is not broken.

137. Use of the current MCI survey mechanism and financial incentive is a better approach to incentivise DNOs to optimally improve their offer quality.

138. The subjective nature of offer 'quality' as well as for major connection projects in general means that standards on the specific quality of an offer and supporting documentation is difficult. However, we are open to working with other networks and stakeholders to align on best practice and would support working towards industry standard documentation.

139. Any changes to licence conditions would have to be done within the context of timeframes currently constraining DNO offer provision.

Q4d. What do you consider would constitute a 'high quality offer'?

140. As noted above, major connections customers' needs vary widely. What constitutes a 'high quality offer' is very customer specific and therefore difficult to be defined.

141. Potential customers and stakeholders should provide useful responses to this question. However, Ofgem should note the subjective nature of each customer's needs, and the costs and trade-offs associated (which not all customers will desire to pay for).

Q4e. Is there anything else regarding Theme 4 - Quality of connection offers and associated documentation that you consider we have missed?

142. Ofgem should consider how any changes made can be operationalised within the current set of regulations on DNOs. For example, SLC 12 places a 65 working day deadline on the timeliness for provision of a connection offer for customers, without scope to 'hit pause' with customer agreement. This has led to instances where customer requests (for example to prioritise a subset of their most important connection applications in a different order from which they were submitted) are unable to be satisfied in order to meet this deadline.

⁹ SLC 12.3 and SLC 12.4

Theme 5 – Ambition of connection offers

Q5a. 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?

- 143. In principle, we agree with the problem statement that network companies would rationally build in more contingency in the cost of a project if regulations on cost and timelines were more directly stringent.
- 144. However, it is unclear how practical and implementable any changes could be made to ensure the regulatory regime would reward “ambitious but achievable” connection dates. The accuracy on any assessment would be low given the subjectivity of both terms.
- 145. Ofgem should instead focus on a framework that rewards overall good service and delivery for customers.
- 146. We are now only just over 18 months into the current regulatory framework (RIIO-ED2) which includes incentive mechanisms to address this problem (MCCSS, DSO incentive scheme) and therefore do not consider any further requirements are necessary at present.

Q5b. 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?

- 147. There are substantial unintended consequences of introducing principles-based licence conditions as we have outlined throughout this response.
- 148. We worry that terminology such as “earliest achievable” as proposed by Ofgem in paragraph 2.107 would open DNOs to threats of legal action and generate substantial uncertainty. Many factors would need to be adjudicated to understand the earliest available date at the time and be construed to mean that DNOs need to exert unreasonable amounts of resources, at the expense of other customers.
- 149. The aim should be for DNOs to experiment with processes that are most efficient and effective for connections services and to satisfy customers. There likely won’t be a one-size-fits-all method, nor would we expect one to be found ex-ante.

Q5c. Is there anything else regarding Theme 5 - Ambition of connection offers that you consider we have missed?

- 150. We have nothing else to add on Theme 5.

Theme 6 – Minor connections

Q6a. 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.

- 151. We agree that there are opportunities to improve minor connections customers’ journeys.
- 152. Minor connections are very different from major connections and should be treated differently in the regulatory framework.
- 153. DNOs face a mass scale challenge of demand for minor connections by less-expert customers. It is important that performance in minor connections does not act as a barrier to decarbonisation and LCT uptake. We are therefore open to change to continue evolving and improving.
- 154. We agree on the themes identified and the opportunities available to enhance services, in particular around fuse upgrades.

155. However, Ofgem should consider that customer satisfaction in minor connections is high when compared to other industries, and improving.
- Overall connections satisfaction (as used in the BMCS) has averaged between 88% – 91% across all DNOs in the past 12 months, while no DNO has reported overall connections below 77% since 2020.
 - This is excellent compared to many other customer-facing companies. For example, while not directly comparable, the UK Customer Satisfaction Index which shows an overall customer satisfaction across all industries of 76.1 for January for 2025.¹⁰
 - Figure 2 illustrates the overall trend in improving customer satisfaction for connections over the past 10 years, owing in part to the incentive mechanisms in place (e.g. BMCS).
156. Minor Connections customers are already protected by the Connections GSoPs which covers i) quotation provision, ii) response to design submissions and providing technical information necessary corresponding to point of connection, and iii) completing Final Works and Phased Energisations for Non-Contestable Connection Services. We believe the timelines for these represent reasonable and ambitious protections for customers.
157. As mentioned by Ofgem in the consultation document, DNOs are often required to carry out processes to help installation of LCTs (e.g. load checks, unlooping, fuse upgrades) although have no direct role in the installation itself. Challenges exist for DNOs to complete these works, which can cause delays. For example, trouble accessing third-party properties, and obtaining street work permits to complete works.
158. Greater knowledge and transparency for customers is important, we would direct Ofgem to the network-wide ENA response which highlights collaborative solutions networks are implementing on Fuse Upgrades and Connect Direct.
159. Ofgem should review and evaluate the current scope of regulations and incentive mechanisms on minor connections and LCT installations before pursuing additional regulations. For example, inconsistency between the RIGs and different company interpretations on TTC coverage should be clarified.

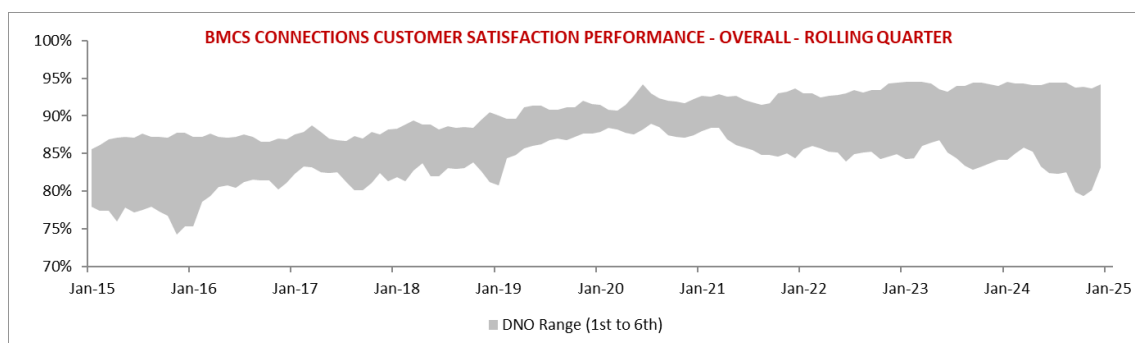


Figure 2: DNO customer satisfaction in connections has been increasing over the past 10 years.¹¹

¹⁰ <https://www.instituteofcustomerservice.com/research-insight/ukcsi/>

¹¹ Data is based on a rolling three-month average of the overall satisfaction scores for connections customers as part of the BMCS from January 2015 – December 2024.

Q6b. What are your views on our proposals designed to address these issues? Are there other proposals you consider would achieve the intended outcomes?

160. Ofgem should learn from the success of the TTC incentive and BMCS which have shown how a focus on incentivisation can drive improvements in results.
161. Appropriate and fit for purpose new standards and incentives could drive alignment in expectations, transparency, and standardisation to the benefit of minor connection customers.
162. In contrast, vague and principle-based obligations impose uncertainty and additional costs on DNO's and are unlikely to meet Ofgem's objectives.
163. Ofgem should develop minimum standards and guidance that is developed collaboratively with energy networks and stakeholders to ensure well-evidenced gaps in the current regulatory mechanisms in minor connections are covered.
164. Customers should be central to this development to ensure a simple process which is easily accessible and works in an area in which they may have limited experience in. Expectations of customers in all sectors should be looked at more broadly, with the aim of offering best in class service to lead the drive for decarbonisation (i.e. ease of doing business, choice in how to do so especially where services are not auto-approved).
165. We address additional details of each proposal below:

Proposal 6a – Delays / Timelines

166. Additional guidance and/or minimum standards for minor connection requests would be more appropriate than principles-based obligations to drive improvements in transparency and satisfaction for customers.
167. We are supportive of utilising automatic approvals wherever possible and practicable but regulating this into DNO licences would not be an appropriate allocation of risk.

Proposal 6b – Inconsistencies

168. Standards should drive the outputs required to meet consistently high standards but without being overly burdensome that it removes the focus on the customer experience.
169. Ofgem could incentivise DNOs to work together to develop consistent processes for customers.
170. While standardisation can benefit customers in minor connections who are less-expert than in major connections, Ofgem should weigh up the impacts it can have on limiting innovation and 'freezing' current practices into the future.

Proposal 6c – Monitoring

171. In general, we are in support of common minimum standards that are practicable and driven by clear and evidence-based consumer needs. Minor connection customers will value standardised, simplified and low-cost services more than major connection customers.
172. Ofgem is also considering proposing publishing the resulting data. We would like to ensure that obligations on DNOs to measure and report data meets the following tests:
- a. Does not create excessive and unnecessary costs (e.g. from data gathering, analysis, formalisation).
 - b. Is useful for customers and/or stakeholders in driving progress in the connections.
 - c. The data is accurately measured and reported in a consistent way across DNOs.

Proposal 6d - Enforcement

173. As mentioned in question 6a, we are currently bound by the guaranteed minimal service levels in our licence and are financially liable if we fail to uphold these.
174. The creation of a new consumer body to police DNOs would create additional unnecessary costs for customers, Ofgem should utilise existing regulatory frameworks and rulebooks wherever possible (i.e. through an appropriate and evidence-based extension of current GSoPs in the current licence).

Proposal 6e - G98/Export Limit

175. As a principle, we support reducing the barriers for whole current metered customers to connect small generation installations (SGIs) such as solar photovoltaic (PV) panels. We support reviewing the industry-wide approach to connecting SGIs, however as set-out below, we think it would be more appropriate to review G99 and its application, rather than G98.
176. To comply with the ESQCR¹², customers must either install an SGI rated at 16 amps or less, else for SGIs with a higher capacity, agree the requirements with the DNO. G98 is applicable in the first scenario and all DNOs apply G98 consistently. DNOs cannot unilaterally agree a new G98 limit as this would first require the ESQCR to be modified, which would need to be initiated by government.
177. For customers seeking to install SGIs above the 16 amp G98 limit, G99 is applicable. In 2018 a G99 'fast-track' process was implemented to speed up customer connection applications. This process was reviewed and improved in 2022, and it is likely that DNOs apply G99 consistently. There would be merit in DNOs reviewing the arrangements introduced in 2022 to determine further improvements and ensure consistent implementation. The benefit of reviewing G99 is that ESQCR would not require modification, therefore enabling the implementation to be faster whilst providing a similar outcome for customers. This would also ensure that DNOs retain a level of control over the connection of SGIs that may have a detrimental impact on the network.
178. A level of control similar to that currently afforded by G99 needs to be retained. G99 enables DNOs to undertake an impact assessment prior to the connection of larger SGIs (i.e. above 16 amps) and then take measures to minimise network risk. The primary concern of connecting more and larger SGIs to low voltage networks pertains to over-voltage (i.e. high voltage). Most GB low voltage networks operate towards the top of the permitted ESQCR limits and the headroom for SGI connections decreases over time as more SGIs connect, unless the network is reinforced. Going forwards, it is important that DNOs are aware of larger SGI connections before they occur so that they have the opportunity to identify and manage the risks of over-voltage.
179. A key barrier for DNOs to effectively manage the over-voltage concern is the limited ESQCR voltage range of 230V +10%/-6%. Widening this range to 230V +/-10% would provide an additional 4% legroom that could be utilised by lowering the network voltage, thus reducing the over-voltage risks and reducing barriers for connection of SGIs.
180. Ofgem refers to the inconsistent use of load limiting, or 'G100' devices. These devices are not required for G98 connections but are required for G99 SGI-2 and SGI-3 applications. The implementation of 'Access SCR' has diluted the incentive for the application of G100 devices given that reinforcement costs are socialised, however customers often utilise G100 devices to 'get connected' more easily. Once connected, the customer may limit export for the lifetime of the SGI. Should a customer not wish to use a G100 device, a standard (i.e. non-'fast-track') G99 application is required. The existing G99 arrangements potentially risk limiting the customer and whole-system benefit from larger SGIs, and as such, we would support a review of G99.

¹² Electricity Safety, Quality and Continuity Regulations

181. The industry review of G99 should seek to: (a) reduce the timescales; (b) increase the SGI thresholds; and (c) increase the threshold when a G100 device is required. This would continue to enable DNOs to monitor and manage the associated network risks whilst providing the most timely and effective means of reducing barriers for connection of SGIs.

Proposal 6f - LCT Notifications

182. We support strengthening the notification obligation on LCT installers, with clearer guidelines on expectation. Notification rates won't improve significantly without heavier incentives to provide information, and it is not clear how effective enforcement will be.
183. There are strong wider system benefits to enforce and further incentivise notification of connections. Visibility of LCT connections help DNOs plan and reinforce the network for net zero, and feed into business planning and anticipatory investment.
184. However Ofgem should consider what incentives could be provided to elicit information and how the message reaches installers of different shapes and sizes on expectation.

Q6c. 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?

185. We favour additional standards, although we should make sure these benefit customers. There are already significant standards on connections, which dictate DNO behaviour and processes. This can inadvertently reduce common sense and create an element of bureaucracy which harms customers.
186. Minimum service levels are preferable to principle-based conditions which can inadvertently lead to different levels of service and understanding across DNOs. However, DNOs should not be penalised for factors that are outside their reasonable control. For example, DNOs should be allowed exemption and to hit 'pause on the clock' for customer-side delays or delay on work due to lack of access to third party's property.
187. Ofgem should review the current scope of the TTC incentive for minor connections and inconsistent applications of customer coverage across networks. We believe this is due to contradictions between current guidance in the RIGs and regulatory/legal obligations.

Theme 7 – Provisions and guidance for determinations

Q7a. 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?

188. We agree with the issues identified.
189. Customers do threaten to seek determination.
190. However Northern Powergrid has only experienced limited determinations in the past eight years and our experience suggests the current determination process is not efficient and is resource-heavy for DNOs.
- a. It took Ofgem almost three years to reach a final decision in our most recent case.
 - b. During this time the case passed through numerous 'owners' at Ofgem which further impacted on the quality and timeliness of the process.
 - c. We had to dedicate a significant amount of management time to responding to Ofgem requests.

Q7b. Do you have any views on proposal 7a (Ofgem to review the guidance for connection determinations)?

191. While there is nothing substantially wrong with Ofgem's guidance on the determination process, we agree that Ofgem should review the guidance given that the current version dates back to 2017.

Q7c. Question 7c. Is there anything else regarding Theme 7 - Provisions and guidance for determinations?

192. We have nothing else to add on Theme 7.