

To: Net Zero North Sea Storage Limited Liverpool Bay CCS Limited Any other interested parties

Energy Act 2023

Section 13(2)

Notice of statutory consultation on our proposal to modify the Special Conditions of the carbon dioxide transport and storage licences held by Net Zero North Sea Storage Limited and Liverpool Bay CCS Limited

- The Gas and Electricity Markets Authority (the 'Authority')¹ proposes to modify the special conditions of the carbon dioxide transport and storage licences granted under section 7(1) (as modified by section 16 and Schedule 1) of the Energy Act 2023 (the 'Licences') held by Net Zero North Sea Storage Limited and Liverpool Bay CCS Limited (each herein referred to as a 'Licensee') by:
 - Modifying existing Special Condition J5: Ongoing Devex Re-opener; and
 - Inserting new Special Condition J15: Early Development Activities Use-it-orlose-it Allowance.
- 2. We are consulting on the proposed modifications to the Licences set out in this document. We welcome views from those with an interest in carbon capture & storage, in particular the two Licensees. We also welcome views from transport and storage network users (including potential future users), other stakeholders, and the public.

Proposed modification to existing Special Condition J5: Ongoing Devex Reopener

- 3. Special Condition J5 sets out the process by which Ofgem (the '**Regulator**') and a Licensee can manage the progress and spend on development projects. Where a Licensee has been granted an allowance for development expenditure (devex), it is sometimes appropriate to manage both project and cost uncertainty by introducing re-openers (Ongoing Devex Re-openers) at milestones within the project. Defined sets of development activities take place between these milestones, and these are referred to as tranches. Progression to each subsequent tranche can then be managed with Ofgem approval via the re-opener.
- 4. This allows us to ensure the project, and continued spend, is aligned with our duties. Our principal duties under the Energy Act 2023 s1(1) being to:
 - (a) protect the interests of current and future transport and storage network users;

¹ The terms "the Authority", "we", and "us" are used interchangeably in this document

- (b) protect the interests of any consumers whose interests... ...the economic regulator... ...considers may be impacted by the exercise of their... ...functions under this Part;
- (c) promote the efficient and economic development and operation of transport and storage networks, having regard to the need for licence holders to be able to finance their licensable activities.
- 5. Ongoing Devex Re-openers under Special Condition J5 may also be subject to Secretary of State consent (known as the Variation process), prior to Ofgem determination.
- 6. The current drafting of Special Condition J5 requires completion of a tranche of development activities before a Licensee can submit a re-opener application for the next tranche. This can create a stop-start nature to development projects as, once a tranche of activities is complete, the licensee will not have certainty on their allowance for the next tranche until they receive an Ofgem determination. This could take a number of months in order to scrutinise complex submissions and assess costs.
- 7. This stop-start nature can create inefficiencies in both schedule and cost, potentially resulting in worse outcomes for transport and storage network users, and is not consistent with promoting the efficient and economic development of the networks. We are therefore proposing the modifications to the Licence set out in Appendix 1 to reduce, where possible, the time required between the end of a tranche of development activities and the commencement of the following one.
- 8. The effect of the proposed modifications (see Appendix 1) will be to permit a Licensee to make a reopener application prior to the completion of a tranche of development activities in circumstances where the Regulator has agreed to it doing so and for the Regulator to determine the impact (if any) of that application in accordance with Special Conditions J5.6 to J5.10. Where an early application is made, the proposed modifications also require the relevant Licensee to provide additional supporting information. The proposed modifications also clarify that any final determination from the Regulator can still only be made upon completion of the previous tranche.
- 9. We believe the effect of this will be to create less downtime and mitigate the potential inefficiencies created by the current drafting, creating better outcomes for users of the networks, and promote more effective and efficient development of the networks.

Proposed new Special Condition J15: Early Development Activities Use-it-orlose-it Allowance

- 10. The Licence makes no provision for early development activities ahead of formal reopener submissions for network expansion, enhancement or supervening events outside of the Licensee's control such as a Force Majeure Event. We believe that through allowing the licensee to have access to early, targeted spend, it will have the effect of driving better outcomes for users, and allows for more efficient and economic development of the networks. This will be through:
 - Higher quality re-opener submissions. Early development spend will allow more refined, well thought out, submissions to be made to us with a higher degree of cost maturity. This will then reduce contingency estimates and expedite the approval process.

- More informed User selection. As user selection is currently Government led, early development spend will allow the network to consider the impact of different scenarios and offer opportunities for network optimisation where possible. This could ultimately provide important information to support better decision making in the user selection process.
- 11. To address this funding gap, we are proposing to modify the Licences to insert a new Special Condition J15: Early Development Activities Use-it-or-lose-it Allowance (see proposed drafting as per Appendix 2). This proposed modification would introduce a use-it-or-lose-it style allowance for early development work. This type of allowance intends to reduce the time and administrative burden on both the Licensee and Regulator, whilst ensuring any spend used for activities that fall outside of the permitted activities will be treated as Excluded Project Spend and will not be recoverable under the Licence.
- 12. The proposed use-it-or-lose-it allowance is based upon the established RIIO-2 Net Zero and Re-opener Development Fund use-it-or-lose-it allowance (<u>NZARD UIOLI</u>) but is limited to early development works and does not cover any capital project spend.
- 13. Whilst this is a new allowance, we believe that the effect of this will be to bring forward spend that would have otherwise formed part of a devex allowance under an alternative Licence mechanism such as a Change in Scope. Whilst there is an inherent risk of spend on projects that ultimately do not progress to a full re-opener submission, we believe that this will not represent a significant portion of the Early Development Activities (EDA) Use-it-or-lose-it Allowance (UIOLIA) due to the restrictions we have placed on the scope of the work and link to the DESNZ user selection processes.
- 14. Given the stage of network development, we have proposed setting a cap on spend per project at £2 million and on cumulative spend per price control period at £5 million. If this proposed modification is finalised, we will keep the cap under review and adjust if required (by direction, following a period in which representations can be made). Licensees are encouraged to manage their spend profile throughout the price control period to maximise the benefit of this allowance.
- 15. As the User selection process is currently Government led, spend on potential new users will only be permitted if they are part of a DESNZ selection process as defined in the CCS Network Code.

Questions

- 1. Do you agree with the proposed modifications to J5?
- 2. Do you agree with the proposed introduction of a use-it-or-lose-it allowance for Early Development Activities?
- 3. Do you agree with the proposed drafting of new Special Condition J15: Early Development Activities Use-it-or-lose-it Allowance?
- 4. For the Early Development Activities Use-it-or-lose-it Allowance, do you agree with the proposed cap of £2 million per project, up to a total of £5 million per price control?

Responding to this consultation

Any representations with respect to the proposed modifications to the Licences must be made on or before 13th August 2025 to: Joe Bragg, Office of Gas and Electricity Markets, 10 South Colonnade, Canary Wharf, London, E14 4PU or by email to ccus@ofgem.gov.uk.

We normally publish all responses on our website. If you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can easily be placed on our website.

If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the UK's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations, see Appendix 3.

If you wish to respond confidentially, we'll keep your response itself confidential, but we will publish the number (but not the names) of confidential responses we receive. We won't link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

If we decide to make the proposed modifications, they will take effect not less than 56 days after the decision is published.

Gordon Hutcheson

Duly authorised on behalf of the

Gas and Electricity Markets Authority

11/07/2025

Appendix 1 Proposed amendments to Special Condition J5

Special Condition J5: Ongoing Devex Re-opener

Introduction

5.1 The purpose of this special condition is to:

- (a) establish the re-opener that may be triggered by the Licensee in relation to the Ongoing Devex Stage Check Activities; and
- (b) set out the process that needs to be followed by the Licensee and the Regulator once such re-opener is triggered.

Structure

- 5.2 This special condition is structured as follows:
 - (a) Part A sets out the provisions that apply in relation to an Ongoing Devex Re-opener; and
 - (b) Part B refers to the provisions that apply where an Ongoing Devex Reopener relates to a Variation.

Part A: Ongoing Devex Stage Check Activities

- 5.3 Where (as applicable):
 - (a) at Licence Award, the SoS considers that not all of the relevant Development Activities are sufficiently certain (either in terms of cost or scope) to set a full and final Ongoing Devex Allowance in respect of all of the Development Activities related to an entire Development Project; or
 - (b) at the date such Development Activities are included in the APDP further to a determination under Special Condition J2.9 (*Supervening Event Reopeners, Insured Risk Events and Relief Events*), the Regulator considers that not all of the relevant Development Activities are sufficiently certain (either in terms of cost or scope) to set a full and final Ongoing Devex Allowance in respect of all the Development Activities related to an entire Development Project,

then:

- (i) this Special Condition J5 shall apply;
- the Development Activities relating to the relevant Development Project shall be referred to as "Ongoing Devex Stage Check Activities";

- (iii) such Development Activities shall be divided into tranches of
 Ongoing Devex Stage Check Activities (each a "Tranche of Stage
 Check Activities"); and
- (iv) such Tranches of Stage Check Activities shall be set out in section 5 of the APDP.
- 5.4 Prior to completion of any Tranche of Stage Check Activities, the Licensee may submit to the Regulator a draft application for a re-opener under this Special Condition J5 in respect of such Tranche of Stage Check Activities, which draft application will include the particulars referred to in Special Condition J5.6 (a "Draft Ongoing Devex Re-opener Application"), and following receipt of a Draft Ongoing Devex Re-opener Application:
 - (a) the Regulator will be entitled to request any Supporting Information that it considers appropriate in respect of such Draft Ongoing Devex Re-opener Application, which Supporting Information the Licensee shall promptly provide; and
 - (b) the Regulator will review and consider the relevant Draft Ongoing Devex Re-opener Application and may provide comments to the Licensee in respect of the same,

provided that any comments or other response made by the Regulator in respect of a Draft Ongoing Devex Re-opener Application shall not be construed as binding as to the Regulator's determination(s) in respect of any application for a re-opener submitted under J5.5(a).

- 5.5 Promptly following completion of each Tranche of Stage Check Activities, or at an earlier date as agreed by the Regulator:
 - (a) the Licensee must submit an application for a re-opener (an "Ongoing Devex Re-opener"); and
 - (b) the Regulator will determine the impact (if any) of an application for an Ongoing Devex Re-opener,

in accordance with Special Conditions J5.6 to J5.10.

- 5.6 The Licensee's application for an Ongoing Devex Re-opener under Special Condition J5.5(a) must give particulars of:
 - (a) the Ongoing Devex Stage Check Activities that have been completed by the Licensee;
 - (b) if relevant, the Ongoing Devex Stage Check Activities that are yet to be completed by the Licensee in respect to the relevant Tranche of Stage Check Activities, including anticipated date of completion;

- (c) the Actual Ongoing Devex Costs incurred by the Licensee in completing the relevant Ongoing Devex Stage Check Activities and, if there are Ongoing Devex Stage Check Activities that are yet to be completed by the Licensee in respect to the relevant Tranche of Stage Check Activities, forecasts of the Actual Ongoing Devex Costs that the Licensee envisages will be incurred in completing those Ongoing Devex Stage Check Activities;
- (d) whether any changes should be made to the subsequent Tranche(s) of Stage Check Activities, including whether any additional Development Activities should be included in such Tranche(s) of Stage Check Activities; and
- (e) whether the Licensee considers that following the completion of the relevant Ongoing Devex Stage Check Activities to the current stage:
 - settlement can now be reached in respect of SRAV Capex or Ongoing Capex for the expansion or enhancement of the Approved T&S Network, such that a Change in Scope shall apply; or
 - the Licensee proposes the cancellation of the remaining Development Activities (including the cancellation of any next Tranche of Stage Check Activities) associated with the Development Project, such that a Change in Scope shall apply.
- 5.7 Where the Licensee has proposed that it should proceed to undertake the next Tranche of Stage Check Activities (and that Special Condition J5.6(e)(ii) does not apply), the Licensee must
 - (a) provide a forecast of the Actual Ongoing Devex Costs that the Licensee envisages will be incurred in undertaking any next Tranche(s) of Stage Check Activities (including any additional Development Activities proposed to be included in such Tranche(s) of Stage Check Activities under Special Condition J5.6(d)); and
 - (b) where forecasts of Actual Ongoing Devex Costs in respect to Ongoing Devex Stage Check Activities were provided in accordance with Special Condition J5.6(c), the Actual Ongoing Devex Costs incurred by the Licensee in completing those Ongoing Devex Stage Check Activities.
- 5.8 Where the Regulator considers that the analysis or information received under Special Conditions J5.6 and J5.7 is insufficient to enable the Regulator to assess the Licensee's proposals then the Regulator can make a may request for any Supporting Information that it considers appropriate and the Licensee must provide such information to the Regulator within ten Business Days of the request, or within such extended time as agreed by the Regulator.

- 5.9 Where the Licensee has notified the Regulator that it has completed a Tranche of Stage Check Activities and proposed that it should proceed to undertake the next Tranche of Stage Check Activities (and that Special Condition J5.6(e)(ii) does not apply), the Regulator will:
 - (a) determine any positive or negative adjustments (and/or the grant of any new Ongoing Devex Allowance(s)) to be made in respect of:
 - any existing Ongoing Devex Allowance in respect of the Ongoing Devex Stage Check Activities in the next Tranche of Stage Check Activities; and
 - (ii) where relevant, any other Ongoing Devex Stage Check Activities relating to the relevant Development Project,

and (where relevant) the Regulator will make amendments to update any relevant Project-Specific Documents to reflect any such adjustments;

- (b) determine and make any amendments to the Approved Project Development Plan that are required to reflect the Ongoing Devex Stage Check Activities that remain to be undertaken by the Licensee, including any changes (or additions) that may be required to the Ongoing Devex Stage Check Activities which form part of the relevant Tranche of Stage Check Activities or any subsequent Tranche(s) of Stage Check Activities; and
- (c) determine any additional stage checks to apply to the relevant Ongoing Devex Stage Check Activities to be undertaken by the Licensee (including any creation of any new Tranche of Stage Check Activities and/or reallocation of Ongoing Devex Stage Check Activities between Tranches of Stage Check Activities) and make any associated amendments to the Approved Project Development Plan to reflect any such additional stage checks.
- 5.10 Where the Licensee has proposed pursuant to Special Condition J5.6(e) that a Change in Scope shall apply, then the Licensee must comply with the provisions of Part A of Special Condition J2 (*Supervening Event Re-openers, Insured Risk Events and Relief Events*).
- 5.11 Where following completion of a Tranche of Stage Check Activities the Licensee's application for an Ongoing Devex Re-opener under Special Condition J5.5(a) the Licensee makes the proposal set out in Special Condition J5.6(e)(ii), the Licensee must notify the Regulator under Special Condition J2 (Part A) of a Change in Scope under limb (c) of the definition of Change in Scope to cancel such Development Activities and associated Development Project.

Part B: Variation

5.12 Where an Ongoing Devex Re-opener in respect of a completed Tranche of Stage Check Activities relates to a Variation, Special Conditions J7.1 (*Variation Re-openers*) to J7.6 shall apply.

Appendix 2 Early Development Activities Use-it-or-lose-it Allowance

Special Condition E1: Definitions

"Actual EDA UIOLIA Costs" means the actual costs incurred by the Licensee in respect of Permitted EDA UIOLIA Activities excluding any Excluded Project Spend;

"Early Development Activities" means either:

- (a) activities that:
 - (i) support a Selection Process; and
 - (ii) relate to potential future Development Projects; or
- (b) activities that are required to prepare a QCiL Submission or FME Submission,

and, in each case, neither the relevant activities nor the Resultant Project to which the activities relate are (at the time that the Early Development Activities are undertaken):

- (A) the subject of any allowance under this licence;
- (B) part of the Approved T&S Network; or
- (C) included in the APDP;

"Early Development Activities Use-it-or-lose it Allowance" or **"EDA UIOLIA"** means the allowance for Permitted EDA UIOLIA Activities set out in the Financial Settlement Document for a Regulatory Period and which may be recovered under Special Condition J15;

"EDA UIOLIA Adjustment" has the meaning given in Special Condition J15.133;

"EDA UIOLIA Project Limit" means the maximum amount of Actual EDA UIOLIA Costs which may be recovered by the Licensee under the EDA UIOLIA for Early Development Activities related or connected to the same Resultant Project, as set out in the Financial Settlement Document;

"EDA UIOLIA Regulatory Period Limit" means in respect of a Regulatory Period, the maximum aggregate amount of Actual EDA UIOLIA Costs which may be recovered by the Licensee under the EDA UIOLIA in that Regulatory Period, as set out in the Financial Settlement Document;

"Permitted EDA UIOLIA Activities" has the meaning given in Special Condition J15.5;

"Resultant Project" means either:

- (a) a Development Project or other set of activities that would become (if approved by the Regulator) or becomes (by way of re-opener under this licence) part of the Approved T&S Network, included in the APDP and the subject of any allowance (including for Actual Ongoing Devex Costs); or
- (b) a set of activities that would become (if approved by the Regulator) or becomes (by way of re-opener pursuant to Part B or Part C of Special Condition J2) part of the Approved T&S Network, included in the APDP and the subject of any allowance;

"Selection Process" has the meaning given to it in the CCS Network Code;

Special Condition J15: Early Development Activities Use-it-or-lose-it Allowance

Introduction

- 15.1 The purpose of this Special Condition is to set out the terms that apply to and the activities for which the Licensee may use the EDA UIOLIA.
- 15.2 The EDA UIOLIA is an uncertainty mechanism available to allow the Licensee to undertake Early Development Activities. Early Development Activities are not included within the scope of any existing allowance although the resultant Development Project or other activities may, subsequent to any Early Development Activities being carried out, be taken forward through re-openers under the licence.
- 15.3 An EDA UIOLIA is available to be spent over a specified Regulatory Period. The Licensee can manage the profile of its spending in accordance with Special Condition J15.10, and is not otherwise required to use the EDA UIOLIA in any specific profile over any Charging Year(s) of the Regulatory Period.

Allowable Expenditure

- 15.4 Where the Licensee considers it appropriate to undertake Early Development Activities:
 - (a) prior to submitting a formal request for a re-opener relating to a proposed new expansion or enhancement of the Approved T&S Network for:
 - i. any potential new User(s) (including any Prospective Users) that is part of a Selection Process; or
 - ii. an increase in the Maximum Flow Rates and/or in the Overall Store Capacity; or
 - iii. an addition of a new Storage Site; or
 - (b) that are required in response to a Qualifying Change in Law or FME,

then (provided limbs (A)-(C) of the definition of Early Development Activities are met) the Licensee may undertake the Permitted EDA UIOLIA Activities.

- 15.5 Subject to Special Conditions J15.6, J15.107 and J15.10, the EDA UIOLIA may only be used for the following types of Early Development Activities:
 - (a) early desk-based research and design, comparison of different options and development of project plans;
 - (b) providing technical advice to the relevant authority on new User selection or expansion projects;
 - (c) feasibility studies;
 - (d) cost estimation;
 - (e) flow assurance studies;
 - (f) concept definition and pre-FEED work, which may include a risk assessment and establishing a needs case;
 - (g) early works required to outline requirements and costs for obtaining planning consent;
 - (h) associated customer and stakeholder engagement; and/or
 - (i) the preparation of a re-opener submission,

(the "Permitted EDA UIOLIA Activities").

- 15.6 The Licensee is not required to obtain approval from the Regulator prior to incurring any costs in respect of the Permitted EDA UIOLIA Activities or the recovery of such costs under the EDA UIOLIA in accordance with this Special Condition. However, if any expenditure does not meet the requirements set out in this Special Condition, such expenditure will be treated as Excluded Project Spend.
- 15.7 Where the Licensee seeks to recover any costs (or claim that any costs accrue to the RAV or SRAV under this Special Condition J15) and such recovery is determined by the Regulator not to fall within the scope of this Special Condition J15, the Licensee shall be barred from subsequently seeking to recover the same costs under any other condition of the licence, including under any re-opener or adjustment process. Similarly, where the Licensee attributes or seeks to recover (or claim that any costs accrue to the RAV or SRAV) any cost under any alternative condition under this licence (including via a re-opener or any other form of allowance) and such recovery is not accepted by the Regulator, the Licensee shall be barred from subsequently seeking to recover those same costs under this Special Condition J15. For the purposes of this condition, a Licensee will be considered to have sought recovery under a particular condition where it has included or referenced the relevant cost in any formal submission to the Regulator, even if that cost is subsequently disallowed or rejected in whole or in part.

- 15.8 The use of the EDA UIOLIA does not affect the exercise of the Regulator's discretion when considering re-opener requests which will be subject to the relevant licence process.
- 15.9 For clarity, Special Conditions J7.1 to J7.6 (Variation Re-openers) shall not apply to any use of the EDA UIOLIA by the Licensee under this Special Condition.

Calculation of Actual EDA UIOLIA Costs

- 15.10 The Licensee's Actual EDA UIOLIA Costs shall accrue to the SRAV or RAV (as applicable) in \pounds real (Base Year) prices, provided that if the Actual EDA UIOLIA Costs exceed:
 - (a) the EDA UIOLIA Project Limit; or
 - (b) the EDA UIOLIA Regulatory Period Limit,

then only the Actual EDA UIOLIA Costs up to (but not exceeding) the relevant limit shall accrue to the SRAV or RAV (as applicable). Both the EDA UIOLIA Project Limit and the EDA UIOLIA Regulatory Period Limit may apply concurrently in any given Regulatory Period.

- 15.11 No cost sharing will apply to any under or overspend against both the EDA UIOLIA Project Limit and the EDA UIOLIA Regulatory Period Limit.
- 15.12 Subject to Special Condition J15.10, relevant amounts of Actual EDA UIOLIA Costs will accrue to the SRAV or RAV as additions at the end of the Operational Charging Year/SRAV Calculation Period in which they are incurred. This shall apply notwithstanding that there is no applicable revenue building block for Actual UIOLIA Costs in Special Conditions F4.9, G7.9 and H3.8.

Amendment

- 15.13 The Regulator may by direction, adjust the value of the EDA UIOLIA where it considers that an adjustment is appropriate ("EDA UIOLIA Adjustment"). Where it does so, the Regulator shall determine any adjustments to any associated amendments to Project-Specific Documents to reflect the direction.
- 15.14 Before issuing a direction under Special Condition J15.13, the Regulator will publish on the Regulator's Website:
 - (a) the text of the proposed direction (and associated determination);
 - (b) the date on which the Regulator intends the direction to come into effect;
 - (c) the reasons for the proposed direction; and
 - (d) a period during which representations may be made on the proposed direction, which will be not less than 28 days.

- 15.15 The direction (and associated determination) may set out:
 - (a) the value of the EDA UIOLIA Adjustment;
 - (b) any modifications to the criteria for allowable expenditure; and
 - (c) the Charging Years to which the EDA UIOLIA Adjustment relates within the remaining Regulatory Period.
- 15.16 Any expenditure prior to the date on which the direction comes into effect will not be impacted by the EDA UIOLIA Adjustment.

Provision of information

- 15.17 No later than 15 Business Days following each End of Quarter Date, the Licensee must provide to the Regulator details of:
 - (a) the Actual EDA UIOLIA Costs incurred by the Licensee against each Resultant Project;
 - (b) any Excluded Project Spend incurred by the Licensee;
 - (c) the Licensee's forecasted Actual EDA UIOLIA Costs to be incurred in the current SRAV or RAV Calculation Period (as applicable);
 - (d) any updates to any values provided by the Licensee in accordance with Special Condition E2.2(e) (*Interpretation*); and
 - (e) any other information required relating to the EDA UIOLIA pursuant to the RIGs or any Regulator guidance.

Draft FSD Amendment – Add the following section:

Early Development Activities Use-it-or-lose-it Allowance

Item reference	Item	Details
Special Condition J15	Early Development Activities Use-it-or-lose- it Allowance or EDA UIOLIA	£5 million in Base Year prices per Regulatory Period (being the "EDA UIOLIA Regulatory Period Limit") with a respective limit of £2 million contributing to any potential Development Project (being the "EDA UIOLIA Project Limit")

Appendix 3 Privacy notice on consultations

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the controller and contact details of our Data Protection Officer.

The Gas and Electricity Markets Authority is the controller, (for ease of reference, "Ofgem"). The Data Protection Officer can be contacted at <u>dpo@ofgem.gov.uk</u>

2. Why we are collecting your personal data.

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data.

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

4. With whom we will be sharing your personal data.

We do not intend to share your personal data outside of Ofgem.

5. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for 12 months following publication of the final decision on the modifications, including subsequent legal proceedings regarding a decision related to this consultation.

6. Your rights.

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right to:

• know how we use your personal data

- access your personal data
- have personal data corrected if it is inaccurate or incomplete
- ask us to delete personal data when we no longer need it
- ask us to restrict how we process your data
- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties
- tell us your preferred frequency, content and format of our communications with you
- to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <u>https://ico.org.uk/</u>, or telephone 0303 123 1113.

7. Your personal data will not be sent overseas.

8. Your personal data will not be used for any automated decision making.

9. Your personal data will be stored in a secure government IT system.

10. More information.

For more information on how Ofgem processes your data, click on the link to our "Ofgem privacy promise".