

Dear Net Zero Strategy (Decarbonisation) Team (DNOLCTPolicy@ofgem.gov.uk),

Consultation Response - DNOs' future role in supporting the rollout of low carbon technologies

Thank you for the opportunity to respond to this consultation. We do so in the capacity of a partner business that DNOs will rely on to deliver the net zero transformation.

YES Energy Solutions (YES) is a community interest company dedicated to alleviating fuel poverty and reducing CO2 emissions. We have managed a range of energy efficiency programmes for energy suppliers (via the Energy Company Obligation) and local authorities (via contracted works such as the LAD, SHDF, HUG and now WHLG) and offer a holistic advice service for energy consumers across Great Britain. As part of the latter, we have worked with nine of the ten DNO and GDNs, delivering fuel poverty support services and net zero readiness assessments (advice regarding low carbon technologies, as part of the 'no one left behind' agenda). In financial year 2025/26 we supported over 23,000 customers in vulnerable situations on behalf of the energy network operators.

1. Should DNOs play a role in co-ordinating and supporting a cost-effective energy transition?

Yes. From direct delivery experience, distribution networks are currently a significant point of friction in adoption of low carbon technologies. Delays, uncertainty and limited transparency around connection costs, capacity constraints and upgrade timelines frequently disrupt heat pump and EV charger installations. These issues slow delivery and increase costs to households, jeopardising a move by the householder to adopting a greener energy technology.

DNOs also oversee key constraints such as inadequate fuse capacity and looped service cables, which are only identified part way through installation. This results in aborted installations, delays and unexpected costs, such as the need for relocating meter equipment, bringing the properties' electrical wiring up to modern building regulations, and those costs associated with having to stand down or reorganise the supply chain.

These impacts fall disproportionately on low-income households and those living in older or hard to treat homes. Given the established economic and structural barriers these households already face, it is appropriate for DNOs to have a more active role in supporting these groups. Targeted interventions and initiative-taking coordination could help overcome inequities and accelerate the transition.

The regulatory structure should be created in such a way there is a blending of the housing demographics supported: such as rural and urban; terraced and detached; etc., potentially with mandated targets to be achieved annually before there is any incentive applied— cap and collar approach.

A further expectation will be sharing of learnings quarterly across the DNO and iDNO bodies, learning lessons, addressing issues and improving base BAU as quickly as possible, minimising the inconvenience, disruption, cost and delay to householders who would normally have to wait for the end of a RIIO-ED period before lessons were shared.

Delays and aborted installations also represent poor value for money for consumers and funders, creating avoidable abortive costs and increasing the risk of underspend in publicly funded schemes. Improved coordination at distribution level would reduce this risk and support more efficient use of available funding.

2. Do you agree with the overall rationale and scope of “Enhanced Co-ordination”?

Yes. Fragmented responsibilities between national, regional and local actors currently slow the rollout of low-carbon heat and energy-efficiency upgrades. Enhanced coordination addresses core challenges such as weak planning alignment, poor sequencing of works and inconsistent customers support

Stronger coordination would improve outcomes by aligning network reinforcement with retrofit delivery and by reducing delays in distribution-level connections and upgrades. This level of system planning is essential if decarbonisation is to be achieved at scale and least cost (to current and future generations).

3. Views on Collaboration Plans and enhanced Community Collaboration Plans

Current Collaboration Plans have value but are not yet addressing systemic barriers or providing the level of visibility stakeholders require. It is felt local authorities, installers, and community organisations often struggle to coordinate retrofit activity because of inadequate communication from network stakeholders.

Enhanced Community Collaboration Plans could improve alignment between DNOs, local authorities, housing providers, and delivery partners. Monitoring should focus on:

- Timeliness and transparency of network information
- Meaningful engagement with vulnerable and hard-to-treat households
- Measuring progress in sectors historically overlooked (e.g., social housing, PRS)

This would help address the persistent inefficiencies in connection planning and delivery.

Greater consistency of approach across DNOs would also be beneficial. Differences in processes, data formats and response times between regions create unnecessary complexity for installers, local authorities and consumers operating across multiple areas.

4. Usefulness of current DNO-published data

While DNOs publish increasingly large datasets, this information is not always accessible or actionable for household-level decision-making. Households and installers often only discover critical infrastructure limitations—such as fuse size or looped service cables—once installations are already underway, indicating gaps in both data visibility and relevance.

A more uniform and user-focused presentation of network data would significantly reduce failed installations rework and delays.

5. Strengthening the System Visualisation Interface (SVI) and additional datasets

Strengthening the SVI would be beneficial. Delays, uncertainty, and lack of transparency around connection upgrades are major barriers to LCT uptake. Improved visibility of network constraints and readiness would increase efficiency for installers and local authorities.

Additional non-network datasets that would be valuable include:

- Property-level electrical readiness indicators including fuse size and service configuration
- Local housing stock and vulnerability insights to support prioritisation of low income and hard-to-treat households

6. Views on DNOs working with Local Authorities and others

Stronger collaboration is essential, particularly given the “fragmented responsibilities” identified in the heat-decarbonisation system. Local authorities, social landlords, retrofit coordinators, and consumer-advice providers all stand to benefit.

Key elements should include:

- Joint planning to align network upgrades with area-based retrofit programmes, including the identification of other solutions – such as heat networks.
- Clear routes of engagement for social housing and PRS providers
- Support for targeted engagement of vulnerable households

This would enable more coherent place-based delivery. Consideration should also be given to the skills and capacity required to support enhanced coordination and community engagement functions, which differ materially from traditional network operations.

7. How could iDNOs support these proposals? What about private wire and license-exempt networks?

iDNOs can support by:

- Providing network data relevant to LCT adoption
- Aligning their upgrade and reinforcement programmes with DNO plans
- Engaging with vulnerable households living on iDNO-served developments

Private wire and license-exempt networks should also be considered where they manage significant local demand growth, particularly in high-density housing developments. Failure to include these networks risks creating blind spots in planning and delivery across demand and distributed generation.

Overall, improved coordination at distribution level represents a low-regret intervention that could materially accelerate delivery, reduce costs, and improve equity outcomes without requiring fundamental changes to existing delivery models.

8. Integration with NESO’s RESP processes

Enhanced coordination should complement NESO’s Regional Energy System Planner (RESP) role, rather than duplicate it. More granular local insights from DNOs on household constraints, readiness and delivery barriers would strengthen local planning.

Given the currently delays and capacity constraints at distribution level, stronger alignment between DNO coordination and REPS processes would materially improve system efficiency.

9. Would an Expanded Role for DNOs add value? Can this help low-income households?

Yes. Experience clearly indicates DNOs are currently an unintentional bottleneck for LCT rollout. A more proactive role allowing anticipatory upgrades, such as fuse upgrades and unlooping, would remove well evidenced frustrations and barriers.

Low-income households face compounded barriers to participation in the energy transition. Evidence indicates targeted interventions, when delivered well and in collaboration, address readiness issues more effectively than untargeted support. An Expanded enabling Role for DNOs could therefore materially improve equity outcomes.

Any expanded role for DNOs should focus on **enabling and preparing the system for delivery**, rather than acting as the primary delivery body for household-level interventions. This would avoid conflicts of interest and ensure existing delivery expertise within the supply chain is fully utilised.

10. Views on a network + wider system benefits approach

A network and wider system benefits approach is appropriate. Delays and lack of coordination on the distribution system are major constraints on decarbonisation. Improved household-level readiness, better data, and enhanced coordination offer tangible system-wide efficiency benefits.

Targeted support for households facing the greatest barriers also delivers wider societal benefits and supports fairness in the transition, as well as 'no one left behind'. This reinforces the need for a broad approach and not just addressing the 'low hanging fruit' properties.

Repeated delays, aborted works and unclear responsibilities also undermine consumer confidence in the low-carbon transition more broadly. Improving coordination and readiness at the distribution level would help ensure households experience the transition as something done *with* them, rather than *to* them.

11. Views on archetypes and key components

a) Technologies and measures

Heat pumps and other low-carbon heating options face planning, cost, and network-readiness barriers. To include them effectively:

- Property readiness must be assessed early (fuse size, service cable capacity).
- Hard-to-treat stock and social/PRS sectors require tailored measures.

b) Identifying suitable properties / consumer engagement

DNOs hold the most complete data on electrical readiness and constraints, but other stakeholders (local authorities, housing associations, trusted advisors) may be better placed to engage directly with vulnerable consumers. Collaboration is essential.

c) Funding approaches

Funding must avoid incentivising "low-hanging fruit," which leaves behind the hardest-to-treat households. Evidence shows traditional schemes do exactly this. Targeted funds for readiness upgrades would address equity gaps.

d) Installation responsibility

Direct installation by DNOs presents risks including reduced competition, conflicts of interest and skill gaps. Partnership models aligning DNO activity with experienced delivery organisations would mitigate these risks.

e) Ownership/control of assets

Network benefits can be achieved without DNO ownership, provided responsibilities, data sharing and standards are clearly defined.

Risks include data fragmentation and unclear upgrade responsibilities, especially on iDNO or private wire networks.

12. Should pilots be pursued?

Yes. Pilots would provide valuable evidence on:

- Cost-effectiveness
- Consumer response
- Impact on vulnerable groups
- Coordination challenges

Pilots should deliberately include a range of tenures and property archetypes, particularly social housing and PRS.

13. How could iDNOs support these proposals?

iDNOs can support through:

- Transparent data sharing
- Coordinated planning alongside DNOs and NESO
- Engaging in areas where they provide local network infrastructure and specifically the boundaries with other DNOs..

System wide effectiveness is improved with the addition of iDNOs due to their growing scale and complexity.