



TO: OFGEM Technical Advisory Team,

Sent via email to: RegFinance@ofgem.gov.uk.

15 January 2026

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Dear Technical Advisory Team,

Energy Networks Ring-fence Review

I write on behalf of ES Pipelines Ltd, (IGT) and ESP Electricity Ltd (IDNO) which form part of ESP Utilities Group Ltd (ESP).

ESP recognises the importance of ensuring that robust measures are in place to ensure the financial security of utility operators and was pleased to engage with Ofgem in early 2025 on the ring-fencing arrangements in place for IGTs and IDNOs. We welcome the opportunity to respond to this consultation, and I can confirm that our response is not confidential to Ofgem and may be published.

ESP recognises that the landscape of the energy sector has changed significantly since the last review of these conditions and we support the aim to standardise arrangements across fuels and Licence types, where the licensed entities have similar characteristics. However, there are, for good reason, differences in ring fence arrangements in relation to IGTs and IDNOs, compared to the GDN and DNO, and it is important that any amendments to Licence drafting do not inadvertently introduce ambiguities.

In particular we would like to draw attention to the requirements for RIIO Networks to appoint a Sufficiently Independent Director (SID) which does not apply to IGTs/IDNOs. The proposed drafting in this consultation introduces a requirement that two directors, one of which must be a SID, sign the Board Resolution approving Certificates under the Availability of Resources Licence condition. This is not applicable to IGT/IDNO Licence holders, and we consider clarity on this point in the Licence drafting would be a helpful addition.

Please do not hesitate to contact me if you would like to discuss this response.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'V Spiers'.

Vicki Spiers
Regulations Director
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