



Independent Networks
Association

TO: Ofgem RegFinance Team,

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

14 January 2026

Dear Ofgem RegFinance Team,

INA response to Ofgem consultation on Energy networks Ring-fencing Review

I write on behalf of the Independent Networks Association (INA), a trade body which represents the interests of independent networks across the gas, electricity and water sectors. Thank you for the opportunity to comment on this consultation.

The INA engaged closely with Ofgem on the topic of Ring-fencing following the call for input in Q3 2024. We welcomed the Conclusion document published in April 2025 which identified that a further review would be carried out, applying “to all RIIO network companies” and specifically “exclud[ing] Independent Distribution Network Operators (IDNOs) and Independent Gas Transporters (IGTs) from the scope of the review”.

Given that intent we would be grateful for clarification from Ofgem that IDNOs and IGTs are not captured in the intended Licence changes proposed in this Consultation and set out below areas where the proposed changes may inadvertently capture IDNO Licence holders.

- The requirement to appoint a Sufficiently Independent Director (SID) does not apply to IDNO; it is contained in SLC43A, which sits in Section B of the licence and does not pertain to IDNOs.
Annex 1.2 proposes the introduction of SIDs in section A as part of Licence Condition 30 - we consider this would be better situated in section B of the Licence to remove any ambiguity regarding its applicability to IDNOs.
- Annex 1.2 also proposes the introduction of a stress test in paragraph 30.2. Similarly, we believe that this should not be included in part of the licence pertaining to IDNOs without an express exclusion for these Licence holders.

Please do not hesitate to contact me should you have any questions or concerns regarding this response.

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Yours sincerely,

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