

The Authority's final decision and analysis on the application for certification as unbundled by DBA OFTO Project Limited

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This document explains the Authority's ¹final decision on compliance by DBA OFTO Project Limited (the **Applicant**) with the requirements of the Electricity Act 1989 (the **Electricity Act**) for transmission system operators (**TSOs**) to unbundle from generation, production and supply.

1. Certification Decision

- 1.1. The Authority concludes that the Applicant complies with the requirements of the ownership unbundling model as set out in Great Britain (**GB**) legislation and should therefore be certified as ownership unbundled.

2. Legislation

- 2.1. The ownership unbundling requirements are set out in sections 10A to 10O of the Electricity Act 1989.
- 2.2. Section 10F of the Electricity Act states that “*the ownership unbundling requirement is met by an applicant for certification if in relation to each of the five tests ... – (a) the Authority thinks that it is passed, or (b) it is treated as passed by virtue of subsection (7), (9) or (9A)*”.
- 2.3. In accordance with subsection 10F(9A), where one or more of the tests is not passed, we may decide to treat such tests as passed if the Authority is satisfied that there is no risk of discrimination and it would be appropriate and in line with our principal objective and general duties to do so.²

¹ The Gas and Electricity Markets Authority (the **Authority**). In this document, the terms “**Authority**”, “**Ofgem**”, “**we**”, “**our**” and “**us**” are used interchangeably.

² Link to Ofgem's guidance: [Certification arrangements in Great Britain following amendments to the ownership unbundling provisions of the Gas Act 1986 and the Electricity Act 1989: End of the transition period | Ofgem](#)

3. The Applicant

3.1. The Applicant is expected to become the licensed offshore transmission owner (**OFTO**) for the Dogger Bank A offshore transmission system.

3.2. A consortium of Equitix Investment Management Limited (**'EIML'**), Kyuden International Corporation (**'KIC'**) and Kyuden T&D Global CO, INC (**'KTG'**) was announced as the preferred bidder for the Dogger Bank A (**'DBA'**) Wind Farm project on 20 March 2024.³

4. Summary of Ofgem analysis

4.1. *First Test: The applicant (a) does not control a relevant producer or supplier; (b) does not have a majority shareholding in a relevant producer or supplier; and (c) will not, on or after the relevant date, exercise shareholder rights in relation to a relevant producer or supplier.*

4.2. The Applicant has confirmed that it does not hold shares in, nor control, any other company. The Applicant has also provided a legally binding undertaking on 12/08/2026 that, for the duration of its electricity transmission licence, it will not exercise, or cause to be exercised on its behalf, any shareholder rights in relation to a Relevant Producer or Supplier (**'RPoS'**) that it may acquire. The Authority is therefore satisfied that the Applicant meets the requirements of the first test.

4.3. *Second Test: Where the applicant is a company, partnership or other business, none of its senior officers has been, or may be, appointed by a person who (a) controls an electricity undertaking which is a relevant producer or supplier; or (b) has a majority shareholding in an electricity undertaking which is a relevant producer or supplier.*

4.4. The appointment and removal of directors is governed by the shareholders' agreement. Under those arrangements, each founder shareholder— Equitix Fund VII Master Holdco Ltd (**'Master Holdco'**), KIC and KTG (collectively referred to as **'Kyuden'**)—is entitled to appoint, maintain, remove and replace directors in proportion to its shareholding, provided it holds the minimum shareholding.

4.5. The Authority has therefore considered whether Master Holdco, KIC or KTG, in their capacity as the persons appointing the Applicant's senior officers, exercises control over or holds a majority shareholding in a RPoS for the purposes of sections 10F(4) and 10O of the Electricity Act 1989.

³ Link to the DBA Preferred Bidder notification: [Offshore Transmission - notice under regulation 21\(1\) – Dogger Bank A project | Ofgem](#)

- 4.6. The Authority notes that entities within the wider Equitix and Kyuden structures hold interests in several electricity generation undertakings. However, the Authority does not identify Master Holdco, in its own right, as holding a majority shareholding in, or exercising control over, any RPoS.
- 4.7. Similarly, whilst KIC holds a number of minority and joint interests in electricity generation undertakings outside of GB and the European Economic Area (**'EEA'**), the Authority considers that those interests do not confer control for the purposes of the Electricity Act or the EU Merger Regulation (**'EUMR'**) which refers to the ability to exercise decisive influence over an undertaking.⁴
- 4.8. The Authority therefore considers that the Applicant meets the requirements of the second test.
- 4.9. *Third Test: Where the applicant is a company, partnership or other business, none of its senior officers is also a senior officer of an electricity undertaking which is a relevant producer or supplier.*
- 4.10. The information provided by the Applicant confirms that none of its directors is also a senior officer of an electricity undertaking which is a RPoS. The Applicant therefore meets the requirement of the third test.
- 4.11. *Fourth Test: The applicant is not controlled by a person who controls a relevant producer or supplier.*
- 4.12. The Applicant is ultimately controlled by Reade Griffith and by Kyushu Electric Power Company, Incorporated (**'KEPC'**). The Applicant has provided a comprehensive description of the corporate structures of its controllers.
- 4.13. KEPC ultimately controls the Applicant and holds interests in electricity generation undertakings which constitute RPoS. However, based on the information provided by the Applicant, the Authority does not consider that those interests confer control over any RPoS for the purposes of the Electricity Act.
- 4.14. Reade Griffith also ultimately controls the Applicant and ultimately controls certain Equitix-managed entities that exercise control, including through majority shareholdings and governance rights capable of conferring negative control over a number of RPoS. Accordingly, the fourth test is not satisfied.
- 4.15. Section 10F(9A) of the Electricity Act 1989 provides that the Authority may, in certain circumstances, use its discretion to treat one or more of the certification tests as passed. The Authority has therefore considered whether the relationships between the Applicant and the RPoS give rise to a risk that the Applicant could

⁴ Link to EUMR definition of control: [Regulation - 139/2004 - EN - European Union Merger Regulation - EUR-Lex](#)

discriminate in favour of those undertakings. Further information on the factors we consider particularly relevant in assessing the risk of discrimination and our ability to exercise discretion are detailed in our Open Letter of March 2021.⁵

4.16. Having regard to the evidence provided by the Applicant, including the scale and nature of those generation interests, the lack of physical or operational connection with the Applicant's offshore transmission assets, and the regulatory obligations imposed on the Applicant, the Authority is satisfied that the Applicant does not have a relationship with any RPoS that might lead it to discriminate.

4.17. The Authority therefore considers it appropriate to use its discretion to treat the fourth test as passed in accordance with section 10F(9A) of the Electricity Act.

4.18. *Fifth Test: The applicant is not controlled by a person who has a majority shareholding in a relevant producer or supplier.*

4.19. The Applicant is ultimately controlled by Reade Griffith and by KEPC. The Applicant has provided a comprehensive description of the corporate structures of its controllers.

4.20. The Authority notes that the interests held by KEPC via KIC do not include any majority shareholdings in a RPoS within GB, the EEA and overseas.

4.21. However, the Authority notes that certain electricity generation interests held within the wider Equitix corporate structure are held through majority shareholdings. As Reade Griffith ultimately controls the Equitix entities through which those majority shareholdings are held, the Authority considers that the Applicant is controlled by a person who holds majority shareholdings in a RPoS. Accordingly, the fifth test is not satisfied.

4.22. Section 10F(9A) of the Electricity Act 1989 provides that the Authority may, in certain circumstances, treat one or more of the certification tests as passed. The Authority has therefore considered whether the relationships between the Applicant and the RPoS give rise to a risk that the Applicant could discriminate in favour of any RPoS.

4.23. The Authority has considered the evidence provided by the Applicant, including the scale and nature of those generation interests, the lack of physical or operational connection with the Applicant's offshore transmission assets, and the regulatory obligations imposed on the Applicant. The Authority is satisfied that the Applicant does not have a relationship with any RPoS that might lead it to discriminate in favour of those undertakings.

⁵ [Certification arrangements in Great Britain following amendments to the ownership unbundling provisions of the Gas Act 1986 and the Electricity Act 1989: End of the transition period | Ofgem](#)

4.24. The Authority therefore considers it appropriate to discretionarily treat the fifth test as passed in accordance with section 10F(9A) of the Electricity Act.

5. Controller from a third country

5.1. Both ultimate controllers of the Applicant are from a country outside the United Kingdom. KEPC is incorporated and registered in Japan. Reade Griffith exercises ultimate control through Pace Cayman Holdco Limited, an intermediate company within the Equitix Group, which is incorporated and registered in the Cayman Islands.

5.2. On 2 April 2026 the Authority notified the Department for Energy Security and Net Zero (**‘DESNZ’**), which carries out the Secretary of State’s obligations under sections 10C(2) and (3) of the Electricity Act. On 8 May 2026 DESNZ confirmed that it did not consider that the Applicant would put at risk the security of electricity supplies in the United Kingdom.

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