

Kelsey Sheldrick
Electricity Distribution Policy Team
10 South Colonnade
Canary Wharf
London
E14 4PU
(by email: ReopenerConsultations@ofgem.gov.uk)

19 June 2026

Dear Kelsey,

RIIO-ED2 Re-opener 2025: Electricity System Restoration – NGED Consultation Response on Ofgem’s Draft Determination of SP Energy Networks (SPEN) submission

NGED welcomes the opportunity to respond to Ofgem’s consultation on SPEN’s Electricity System Restoration (ESR) Re-opener application. We provide responses to the specific consultation questions in Annex 1.

The strengthened Electricity System Restoration Standard (ESRS) - requiring restoration of 60% of regional demand within 24 hours and 100% of national demand within five days - represents a material step change in DNO obligations that necessitates additional, targeted investment beyond baseline ED2 allowances.

NGED is supportive of both SPEN’s submission and Ofgem’s proposed determination, and agrees that the proposal structure (asset resilience, Distribution Restoration Zones, and operational resource) is proportionate, appropriately justified and assessed.

We note one area for further consideration: NGED supports extending telecommunications resilience from the current 72-hour coded requirement to 120 hours to align with the full five-day ESRS restoration window, given the increasing reliance on SCADA and remote operation during restoration events. Please see our response to Q1.

If you have any queries on this response, please contact me at dbroderick@nationalgrid.co.uk.

Yours sincerely,



Dawn Broderick
RIIO-ED2 Regulation Manager
National Grid Electricity Distribution

Enclosed: Annex 1 – NGED response to the Consultation Questions

Annex 1 – NGED response to the Consultation Questions

Q1. Do you agree with our assessment of the needs case for SPEN's ESR project?

NGED supports Ofgem's assessment that a clear needs case exists for SPEN's ESR re-opener and agrees the identified categories—asset resilience, DRZ establishment and staff resources—are appropriate to meet the revised ESRS obligations. Establishing Distribution Restoration Zones (DRZs) is a significant change for DNOs and requires new operational capability, dedicated resourcing and on-shift staff, together with specialised equipment such as DRZ controllers to enable safe real-time balancing and island operation.

NGED understands the rationale for SPEN's proposal to increase substation communications (telecommunications) resilience to 5 days (up to 120 hours), so that the sites relied upon within the wider 5-day restoration strategy have independent communications resilience for the full restoration period required under the ESRS. Successful restoration has a heavy reliance on SCADA and remote operation, so providing communications resilience consistent with the ESRS end-state is an appropriate enhancement to support delivery through to 100% restoration. While NGED acknowledges that the current coded requirement is 72 hours, NGED considers the 120-hour proposal to be a rational approach, noting that Ofgem has partially agreed with this needs case but has excluded certain sites already meeting the 72-hour coded telecommunications resilience requirement from the scope of the re-opener.

Q2. Do you agree with our assessment of the optioneering analysis for SPEN's ESR project?

NGED supports Ofgem's assessment that SPEN's optioneering is comprehensive and its preferred options are appropriately justified and agrees that the options, scope, risks, costs and benefits of SPEN's choices are optimal from a consumer perspective.

NGED considers the proposed solutions for asset resilience, the DRZ delivery model and associated staff resourcing to be proportionate and reasonable, and supports Ofgem's approach to accept these options subject to delivery safeguards. NGED notes this view is without prejudice to its previously stated point on telecommunications resilience.

Q3. Do you agree with our cost assessment for SPEN's ESR project?

NGED supports Ofgem's qualitative assessment approach to the cost assessment and considers the categories used (asset resilience, DRZ establishment and operation, and staff resources) to be appropriate and the resulting high-level allowances proportionate.

However, Ofgem's consultation shows the costs at a programme/initiative level while the detailed cost build-ups sit in SPEN's separate Engineering Justification Papers (EJPs) submitted with the re-opener. As NGED has not had sight of those EJPs, we are unable to independently rationalise or offer opinion of the line-by-line cost components that underpin SPEN's totals.