

Distribution & Residual Charging Team

Ofgem
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Canary Wharf
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E14 4PU

SSE Energy Solutions

No. 1 Forbury Place
43 Forbury Road
Reading
RG1 3JH

20th August 2026

Dear Sir / Madam

Ofgem's Notice Period Options for Electricity Network Charges for the start of ED3

I am responding on behalf of SSE Business Energy, a non-domestic supplier of electricity and gas, which is part of SSE Energy Solutions.

We support Ofgem's views on the notice period options for network charges for the start of ED3, being Option 3 for year 1 and a notice period of 14 months for year 2.

We are able to answer Ofgem's questions within the consultation as follows:

Q1. Are there any other notice periods options that may be appropriate for Year 1 of ED3?

We do not believe that there are any other options as the four options identified are directly linked to the four ED3-related publication stages. Any other option would not be linked to these.

Q2. Under Option 1, is a letter of comfort required to address the risk of over-and under-recovery – as we did for ED2?

As a supplier, we do not have a view on whether a letter of comfort is required by the DNOs.

Q3. How long do DNOs need to prepare and publish charges after receiving the final inputs relevant for a given option (for example, Final Determinations for Option 4)? Does it vary for different options?

This is a question to be answered by the DNOs.

Q4. How long do LDNOs need to prepare and publish charges after DNO charge publication where a notice period derogation is in place?

This is a question to be answered by the LDNOs.

Q5. Do you agree with our initial assessment of the options for Year 1? Please provide evidence to support your views, including benefits and risks with each option. In particular, please provide evidence of the degree to which risk premia could change under Options 2, 3 and 4 as compared with the baseline of Option 1. (2.15 and 3.5 onwards)

We agree with your initial assessment of the options for year 1 and concur with your view that Option 3 is the best option. This option represents a pragmatic and balanced approach for the specific issue of the

first year of a new price control, balancing maximising the notice period while reducing year-on-year variability, as it uses the draft determinations as the source for the price setting. It will reduce the risk of higher costs for customers in the first year of ED3 and reduce the potential for year-on-year variability in charges.

Q6. Do you agree with our initial assessment of the options for Year 2? Please provide evidence to support your views, including benefits and risks with each option. (2.20 and 3.29 onwards)

We agree with your initial assessment of the options for year 2 and concur with your view that a 14-month notice period is the better option, as a delay of only one month to publication of the second year of charges to allow more accurate information to set tariffs will be beneficial.

Q7. What was the impact of the year-on-year variability in charges at the start of ED2 on contractual arrangements, budgeting and any other relevant elements of your business/experience? Please include reference to the impact this had on your customers. Did the longer notice period compensate for this variability?

We are unable to answer this question.

Yours sincerely

Mark Jones
Regulation Manager
SSE Energy Solutions