

Consultation

Connect: self-build and transfer

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This consultation seeks views and input on our proposals to expand the scope of self-build and transfer of transmission level assets. This new scope will mean that demand, generation and storage customers connecting to the transmission system will have the option of building assets from the connection point to the existing transmission system and transferring those assets to the Transmission Owner. The assets must be sole use at the time the Adoption Agreement is entered into.

This document outlines the scope and purpose of the consultation, the consultation questions, and explains how you can get involved. Once the consultation is closed, we will consider all responses.

We want to be transparent in our consultations. We will publish the non-confidential responses we receive alongside a decision on next steps on our website at www.ofgem.gov.uk/consultations. If you want your response, in whole or in part, to be considered confidential, please tell us in your response and explain why. Please clearly mark the parts of your response that you consider to be confidential, and if possible, put the confidential material in separate appendices to your response.

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Executive summary

Generators, storage and demand customers want the option to build more of the assets to connect them to the existing transmission system and transfer these assets to the Transmission Owner. We refer to this arrangement as self-build and transfer. Connecting customers want to do this because greater self-build allows for greater control over delivery, and, in certain cases, this could deliver these assets quicker and cheaper.

We are responding to this market demand by putting forward proposals to change the scope of self-build and transfer. The new scope will allow connecting customers to self-build and transfer all the sole use assets from their site to the existing transmission system. The current scope, which mainly limits self-build and transfer to within 2km of the existing transmission system, has meant this is not an option for the majority of connecting customers. We want to change this and allow more generation, storage and demand customers to self-build and transfer.

Our proposals aim to allow connecting customers to make an informed choice about whether to self-build and transfer. The benefits of self-build are expected to vary by project. In some cases, it will only provide the connecting customer with greater control. In other cases, there could be cost or time savings. Stakeholders have cited cost savings in the region of 20% and time savings of between one to two years if no reinforcement work is needed.

Our proposals also aim to address the concerns which have been raised about expanding the scope of self-build and transfer. We have set out measures to mitigate the risk of inefficient design and build, substandard assets and greater cost to the wider consumer base. We have also considered roles and responsibilities and process.

Given the increase in new demand, generation and storage wanting to connect to the transmission network it is important that we listen and respond to what connecting customers want, so that we can support economic growth in Great Britain. For example, the growth of artificial intelligence is driving significant interest in data centres connecting at transmission level, often co-located with generation and storage, and developers see self-build and transfer as a good option for delivering assets for these projects.

We appreciate the support of NESO, the Connect Task and Finish Group and other industry stakeholders in developing these proposals and welcome your views on them too. Following this consultation, we will decide on what, if any, changes to make. We are working closely with NESO and Transmission Owners to understand how best to implement these changes quickly including, where appropriate, giving existing customers the opportunity to elect to self-build and transfer under the new scope.

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1. Introduction

We want your views on our ideas for how we can best give connecting customers the option of building sole-use assets from the connection point (e.g. the customer's site) to the existing transmission system and then transferring these assets to the Transmission Owner. A Transmission Owner is a company which owns parts of the high voltage electricity network. Sole-use assets which can be self-built and transferred include overhead lines and project substations.

Background

- 1.1 Ofgem, working collaboratively with government and NESO, is progressing a package of demand connections reform in response to the rapid growth in the demand connections queue. On 13 February 2026 we published a [Call for Input](#) setting out our approach to reforming demand connections. This is built around three pillars:
- **Curate** focuses on introducing new or strengthened entry and membership criteria to ensure that viable projects are able to progress as quickly as possible to connection. We published a [consultation](#) on these measures in July 2026.
 - **Plan** led by government, focuses on supporting government-led prioritisation of strategic projects and a strategic approach for data centres. In March 2026, government [consulted on several proposals](#).
 - **Connect** focuses on developing new approaches and connection arrangements to accelerate and increase the number of connections, while maintaining a secure system. We published an [update](#) on this pillar in June 2026.
- 1.2 This consultation sets out proposed measures under the Connect pillar. While delivered as part of demand connections reform, the proposals set out in this consultation aim to support all onshore transmission network customers: demand, generation, and storage.

Purpose of this consultation

- 1.3 We are seeking views on our proposals to allow connecting customers to self-build and transfer more transmission assets. Self-build and transfer is also called “contestable build” and “contestability”.
- 1.4 Alongside this overview of our proposals, we have also published proposed changes to:

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- the standard transmission licence conditions
- the Connections and Use of Systems Code (CUSC)
- the System Operator and Transmission Code (STC)

to enable this new scope of self-build and transfer using powers under the Planning and Infrastructure Act 2025 and we have published:

- draft guidance on Pre-Approval of Solutions by Engineering (PASE)
- draft guidance on the Standard Adoption Agreement

1.5 We are also seeking views on these ancillary documents and there is an overview in the section on [implementation](#).

Planning and Infrastructure Act 2025

1.6 As set out in our June 2026 Connect update, we have worked closely with government, NESO, Transmission Owners, developers and other stakeholders to shape our self-build and transfer proposals. This built on work developed through several code modification proposals.

1.7 During our policy development process, it became clear that to achieve the desired outcomes and mitigate the risks, integrated changes would be required across a range of regulatory documents. Proceeding using powers under the Planning and Infrastructure Act 2025 allows us to take a coordinated approach to reform and present an integrated package of proposals for stakeholder views.

Current scope of self-build and transfer at transmission

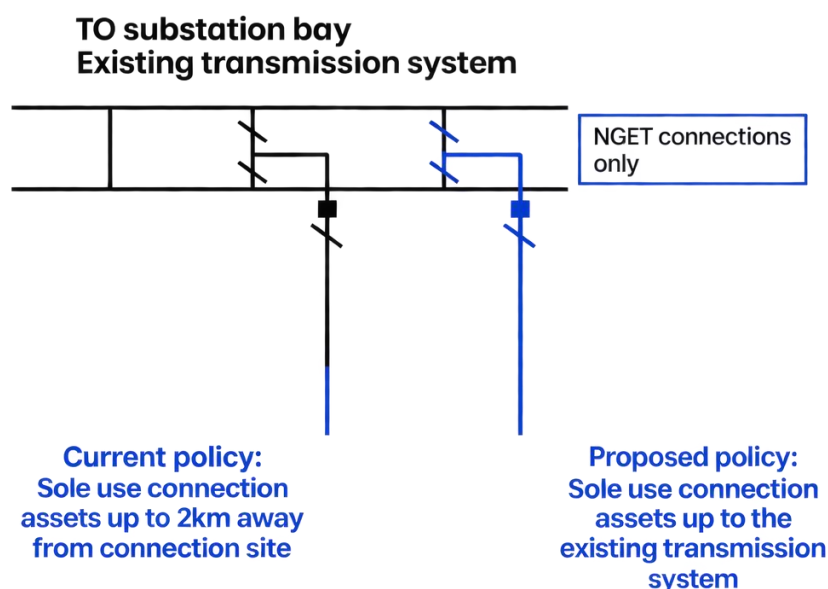
1.8 For transmission assets, self-build and transfer, also referred to as contestability, is only an option in limited circumstances. For example, when the connecting customer's site is within 2km of the existing transmission system and when the assets are not potentially shareable.

New scope of self-build and transfer

1.9 We propose that the scope of self-build and transfer is expanded so that the connecting customer can self-build and transfer all assets from the connection point (e.g. the customer's site) to the existing transmission system that are sole use at the time the Adoption Agreement is entered into. The Adoption Agreement is the agreement between the Transmission Owner and the connecting customer which governs the self-build and transfer.

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Figure 1: diagram illustrating current and new scope of self-build and transfer provided by NESO



Why we want to expand the scope

- 1.10 Generators, storage and demand customers want the option to build more of the assets to connect them to the existing transmission system and transfer these assets to the Transmission Owner. This is because greater self-build allows for greater control over delivery, and, in certain cases, this could deliver these assets quicker and cheaper.
- 1.11 [NESO's Demand Information Request Notice](#), suggests that 36 demand projects currently in the queue are interested in this option. Our stakeholder engagement with generation and storage developers suggests that several of them are also interested in this option. This conclusion is supported by the responses to our Call for Input, where 25 organisations expressed support for greater self-build and transfer, including integrated generation and demand developers. We are responding to this market demand by putting forward proposals to change the scope of self-build and transfer.
- 1.12 Recent [government announcements](#) have highlighted the potential for self-build to accelerate growth by reducing delays and lowering costs. While the benefits of self-build are expected to vary by project, self-build and transfer could result in significant cost and/or time saving in some cases. Stakeholders have cited cost savings in the region of 20% and time savings of between one to two years if no reinforcement work is needed.

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- 1.13 We recognise that for many projects building these assets quicker will not mean an earlier connection date. This is because connection dates are often driven by the time it takes to do the enabling and wider works which are out of scope of self-build and transfer. However, for customers able to have a ramped or phased connection agreement, or for those where no enabling work is needed, this could deliver a significant time saving.

How this proposal fits with other measures which are being taken

- 1.14 Enabling greater self-build and transfer is part of a wider programme of work which aims to provide projects with timely, cost-effective connections for demand, generation and storage. This includes:

- significant network investment being delivered under RIIO-3
- new connections incentive introduced in RIIO-ET3 to encourage Transmission Owners to deliver quicker connections
- developing a Competitively Appointed Transmission Owner regime to relieve the constraints in the network
- measures under the Connect pillar of demand connection reform, including measures to facilitate self-build and ownership of transmission level assets and flexibility measures

- 1.15 It also includes other connections review and reform, such as:

- NESO's grid connections reform which has tightened requirements on demonstrating genuine readiness and need for grid connection, helping to clear speculative projects from the delivery pipeline
- Ofgem's connections end-to-end review of the regulatory framework governing electricity connections in Great Britain which is advancing a package of changes to drive outcomes which are relevant to demand connections reform, including but not limited to: visibility of connections data, standards of service, requirements to meet connection dates, quality of offers and ambition of offers
- Reformed National Pricing, which aims to reduce system costs and improve efficiency, reduce costly network constraints, and strengthen day-to-day system operation

- 1.16 Given the complex nature of demand, generation, and storage projects and how they interact with different parts of the system, no single regulatory intervention will solve every challenge. However, combined delivery of this wider programme of work will help maximise the potential benefits of self-build and transfer.

Consultation Connect: self-build and transfer**Related publications**

- 1.17 We published a [summary of the responses to our Call for Input](#) on demand connections reform. These responses helped inform our early thinking on the new scope of self-build and transfer.
- 1.18 Our [Connect Update](#) set out what we think “good” looks like in relation to self-build and transfer. This was developed in collaboration with the members of the Connect Task and Finish Group and has been used to develop our detailed proposals for the new scope of self-build and transfer.
- 1.19 We also considered the [Connection and Use of System Code modifications](#) and the [System Operator Transmission Owner Code modification](#) proposed by industry to expand the scope of self-build and transfer, including the responses to the consultations on these proposed modifications.

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2. Summary of our proposals

We are proposing to expand the scope of self-build and transfer to cover all the sole use assets from the connection point (e.g. the customer's site) to the existing transmission system. To help deliver the benefits of this new scope and to minimise the risk, we are proposing to introduce some new requirements. These include giving Ofgem a role in approving the design of the assets and the price paid for them in certain circumstances. We are also proposing to require Transmission Owners to publish information so connecting customers can make an informed decision on whether to self-build and transfer.

New scope of self-build and transfer

- 2.1 We propose that the scope of self-build and transfer is expanded so that the connecting customer can self-build and transfer all assets from the connection point to the existing transmission system that are sole use at the time the Adoption Agreement is entered into. The Adoption Agreement is the agreement between the Transmission Owner and the connecting customer, which sets out the relevant terms and conditions for the self-build and transfer.
- 2.2 Sole use in this context includes projects using the commercial set-up often referred to as the "GridCo model", as there is only one bilateral connection agreement with NESO. The "GridCo model" is where one legal entity has the bilateral connection agreement with NESO and each data centre building, generator and storage facility is owned by a separate legal entity. For the purposes of this consultation document, the party which has the bilateral connection agreement with NESO is referred to as the connecting customer.
- 2.3 Out of scope is any Centralised Strategic Network Plan works or other enabling or wider work on the existing transmission network. This is because Centralised Strategic Network Plan works and other reinforcement works have a wider impact on the whole system and are complex and costly to deliver. Connecting customers would need to raise billions of pounds up-front which is unlikely to be feasible or desirable.
- 2.4 Determining where the self-build assets connect to the existing transmission system is also out of scope. However, we do expect Transmission Owners to continue to take a collaborative approach to making this determination so that, as far as possible, this works well for the connecting customer.
- 2.5 These proposals are designed to allow the connecting customer to transfer the assets to the Transmission Owner. As part of the work to develop the independent

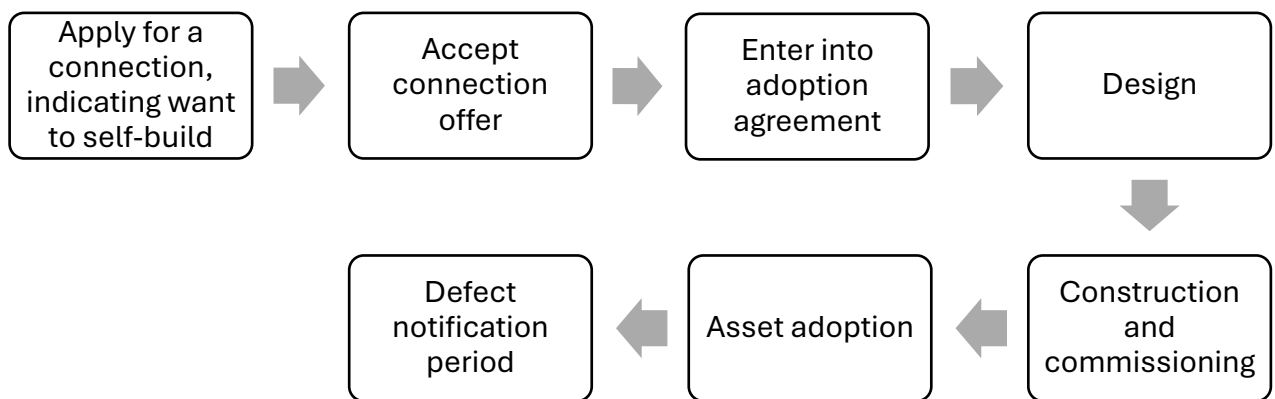
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Transmission Owner regime we will consider how the connecting customer might transfer the assets to an independent Transmission Owner. Similarly, we will work with NESO to explore how self-build and transfer could be incorporated into the Competitively Appointed Transmission Owner regime.

Overview of the process

2.6 The diagram below shows the key stages in the new process for self-build and transfer of high-voltage assets. This high-level diagram aims to help people understand how the parts discussed in the sections below fit together, while the detailed process is set out in the [process section](#), as is the division of roles and responsibilities.

Diagram of the key stages of self-build and transfer



Self-build assets

What “good” looks like:

- Right technology is used in the right place
- The required quality to ensure efficient operation
- Connects safely into the grid
- Ofgem able to provide the appropriate level of scrutiny
- Flexible enough to respond to future needs
- Mitigates the risk of inefficient assets

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How to achieve this

Pre-Approval of Solutions by Engineering (PASE)

- 2.7 Pre-Approval of Solutions by Engineering (PASE) sets out a group of build solutions which we believe best achieves what good looks like in most cases. These are referred to as PASE primary options.
- 2.8 However, we recognise that project specific circumstances might mean that other engineering solutions are more appropriate, so PASE also sets out other options. These are referred to as variant options. Projects might also come up with innovative solutions which are not currently part of PASE.
- 2.9 Where solutions, other than PASE primary options, are proposed by the connecting customer, a greater level of scrutiny is needed to ensure that the solution proposed delivers what good looks like. Therefore, we propose these need to be approved by Ofgem.
- 2.10 PASE would therefore be the engineering approval framework, as it is for regulated assets, with some adaptations to make it suitable for connection assets, or infrastructure assets of value less than £40m. The stages of the review framework align with those for the regulated asset base, and the implementation of the process will consider the potential and likely impact of self-build assets on the wider consumer base.

Transmission Owner's technical standards

- 2.11 In response to our Call for Input, Transmission Owners expressed concerns about greater self-build and transfer having a negative impact on system reliability. We agree that reliability is important and to help deliver this we are proposing that the self-build assets must be built to the Transmission Owner's technical standards. This is also important as the assets will be transferred to the Transmission Owner and they will be responsible for them on an ongoing basis.
- 2.12 Feedback from some developers indicate that they are prepared to build to Transmission Owner's technical standards provided they are aware of what those are early in the process and that these standards are reasonable.
- 2.13 Therefore, we are proposing to require Transmission Owners to publish their technical standards. To ensure these standards are reasonable, we are proposing to introduce a general obligation on Transmission Owners to facilitate competition in connections, similar to one in the distribution licence.
- 2.14 We considered whether it was appropriate to have further measures to address Transmission Owners' concerns such as requiring the use of approved suppliers/subcontractors or having a minimum skills requirement. On balance we

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concluded that this would place undue restrictions on the connecting customer and this concern could instead be addressed by having a robust approval process for design, construction and commissioning as well as by having a defect notification period.

Defect notification period

- 2.15 The defect notification period is the time for which the connecting customer will be responsible for paying to fix any problems with the self-build assets which have arisen because of the actions of the connecting customer or their contractor.
- 2.16 Under current arrangements the length of the defect notification period varies, with developers indicating that between three to five years is a typical length of time. We propose to standardise this period at five years to incentivise the connecting customer to deliver what good looks like for the self-build assets and to protect the wider consumer base from additional costs resulting from the connecting customer's decision to self-build.

Uninsurable defects arising after the 5 year notification period

- 2.17 During policy development and stakeholder engagement we explored the length of time it is reasonable for the connecting customer to be liable for defects in the assets they build. Our understanding is that five years should be sufficient time for Transmission Owners to be able to identify and remedy any defects arising because of the self-build and that they should be able to get insurance to cover the costs of remedying any defects identified after this period.
- 2.18 However, in the unlikely scenario that this is not the case, we are considering whether it is appropriate for the connecting customer to remain liable for some or all of the costs of repairing uninsurable defects arising after the notification period.

Standard Adoption Agreement

- 2.19 Members of the Connect Task and Finish Group stressed the importance of the commercial agreement between the Transmission Owner and the connected customer in delivering what "good" looks like for self-build and transfer, including the importance of consistency and transparency regarding the terms and conditions in this agreement.
- 2.20 Therefore, we are proposing to introduce a new licence obligation to require Transmission Owners to produce a Standard Adoption Agreement, which includes all the standard terms and conditions for self-build and transfer. Ofgem would approve this and once approved, Transmission Owners would publish the Standard Adoption Agreement. This would allow connecting customers to know

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beforehand what the terms and conditions are. The standard agreement would be populated with the project specific information, but the terms and conditions would remain the same.

- Q1. Do you agree that our proposals will achieve what good looks like for self-build assets?
- Q2. If not, what changes should we make?
- Q3. Do you agree that a PASE primary option should not require Ofgem approval?
- Q4. Do you agree that the process set out in the PASE guidance provides an appropriate level of scrutiny? (This process will be used for assets classed as connection assets for charging purposes or for infrastructure assets where the total cost is under £40 million)
- Q5. Do you agree that five years is the right length of time for the defect notification period?
- Q6. How do you think uninsurable defects arising after the defect notification period should be dealt with?

Risk allocation between the connecting customer and the Transmission Owner

What “good” looks like:

Risks allocated to the right party, considering who can put in place the mitigation measures and that other consumers should not be disadvantaged by a project’s decision to self-build and transfer rather than the Transmission Owner doing the works.

Risks borne by the connecting customer

2.21 The following risks are borne by the connecting customer:

- they are not able to obtain the permission and consents needed
- the Transmission Owner does not adopt the assets, noting that they can only refuse adoption in certain circumstances (see section on [process](#) for details)
- the costs of doing the work are higher than the price agreed for the assets so the connecting customer cannot recover this additional cost
- issues arising within the 5-year defect period because of the self-build
- their bilateral connection agreement is terminated so the assets they have designed or started to self-build are no longer needed. In this scenario, the Adoption Agreement will be terminated, and the connecting customer will lose any money they have spent

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- they encounter something unexpected when doing the build which means the design needs to change. In this scenario the connecting customer and the Transmission Owner are expected to work collaboratively to agree the changes required

Risks borne by the Transmission Owner

2.22 The following risks are borne by the Transmission Owner:

- the independent assessor disagrees with the Transmission Owner and finds that the conditions for adoption have been met.
- problems have been identified with the assets after the end of the 5 year defect period
- unforeseen circumstances arising after the Adoption Agreement has been entered into, which means the assets won't be sole use (i.e. a new customer wants to connect nearby).

2.23 The scenario outlined in the third bullet was discussed with stakeholders.

Transmission Owners proposed an intervention right which would allow them to take over the build and compensate the connecting customer. We considered whether it was appropriate to have this and our initial view is that it is not needed. The gated process should reduce the likelihood of this happening and the use of PASE will mean that it is easier for the Transmission Owner to accommodate the new user after the assets have been adopted.

- Q7. Do you agree with the proposed allocation of risk between the connecting customer and the Transmission Owner?
- Q8. If not, what changes should we make to better achieve the outcomes set out in what good looks like?
- Q9. Do you think the Transmission Owner should have the right to intervene after the Adoption Agreement has been entered into when there is another customer who could use the assets?

Cost

What “good” looks like:

At a minimum other consumers should not bear any additional costs because of the project's decision to self-build and transfer the assets rather than the Transmission Owner doing this work.

The wider customer base should benefit from any cost saving achieved for delivering assets which are classed as “infrastructure” assets for charging purposes

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How to achieve this

2.24 Applying section 14 of the [Connection and Use of System Code \(CUSC\)](#) could result in two scenarios for who pays for the assets which are self-built and transferred:

- Scenario one: all the self-built assets are classed as “connection assets” and are paid for by the connecting customer.
- Scenario two: some of the self-built assets are classed as “infrastructure assets” which means the generic costs of these assets are borne through “local charges” by the customers using these local assets, with any shortfall met by the wider customer base.

2.25 As our proposed scope of self-build and transfer is limited to assets which are sole use at the time the Adoption Agreement is entered into, we expect that scenario one is the scenario which will normally apply. In this scenario the connecting customer will have a choice of transferring the assets to the Transmission Owner for free or negotiating a price for those assets as part of the Adoption Agreement. The price the Transmission Owner pays for these assets would then be used as the Gross Asset Value when calculating the connection charge.

2.26 However, given that we are expanding the scope of self-build and transfer beyond 2km, there could be cases where the Transmission Owner applies section 14 of the CUSC and concludes that it is appropriate to class some or all of the assets as “infrastructure” assets for charging purposes because these assets are likely to be used by others in future. In this scenario, the Transmission Owner will pay the connecting customer for the assets which are classed as “infrastructure assets” to ensure that the costs are divided the same way regardless of whether the works are delivered contestably.

2.27 Typically, local charges for the use of such local assets are based on average costs for that type of asset, with costs shared between users based on the capacity of the local asset that they use. Any shortfall in local charges for the costs of these assets is met by the wider customer base. As a result, it is important that we apply the same level of scrutiny to these costs as we do when the Transmission Owner delivers the works. Therefore, we are proposing that if the value of the infrastructure assets is expected to be £40 million or above, then the price the Transmission Owner pays for the assets is the economically efficient cost as determined by Ofgem through the Load-Reopener process. The connecting customer must provide the Transmission Owner with all the information they need for this process.

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- 2.28 Connecting customers can choose to proceed with the construction before knowing the outcome of the Load-Reopener process.
- 2.29 For infrastructure assets under the £40 million threshold, the connecting customer will only be required to either competitively tender or otherwise demonstrate value for money.

Interactions with RIIO-ET 3**Funding routes**

- 2.30 We propose that the Transmission Owner recovers the amount they paid for the self-build asset either through the use-it-or -lose-it (UIOLI) allowances (for assets under £40 million) or through the Load Reopener. We do not expect them to recover this through the connections volume driver. We expect that the price paid to the connecting customer should reflect the competitively tendered costs of the specific assets and directly associated labour costs, not additional costs such as risk allowances and project management fees. To prevent double recovery, the amount they recover from the connecting customer through the connection charge is subsequently deducted.
- 2.31 We propose connecting customers are required through the Adoption Agreement to provide the Transmission Owner with the information they need to do this.

Connections Incentive

- 2.32 The new Connections financial output delivery incentive (ODI-F) in RIIO-ET3 has been introduced to encourage Transmission Owners to connect customers in a timely manner and meet their contractual agreements by rewarding them for on-time delivery and penalising them for late delivery.
- 2.33 It is therefore important to provide clarity as to how this incentive will work when the connecting customer decides to self-build and transfer. We want to provide this clarity to ensure the Transmission Owner does not bear the risk of late delivery by the connecting customer, in line with the established exemption of the Transmission Owner not being penalised where delivery is late due to the customer missing two User Progression Milestones or just one milestone when it is the last.
- 2.34 We propose that the ODI-F only applies to the works that the Transmission Owner is doing for this connection, not the assets which will be self-built and transferred. This means that provided the Transmission Owner has done all the non-contestable works to the schedule set out in the Adoption Agreement then they will be rewarded for timely delivery.

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- Q10. Do you agree that our proposals on cost achieve what good looks like?
- Q11. If not, what changes should we make?
- Q12. Do you agree with our proposal for how the Transmission Owner should recover the amount they pay the connecting customer for the assets?
- Q13. If not, how do you think they should recover these costs? E.g. would a separate funding stream in the licence be more appropriate?
- Q14. Do you agree with our proposed approach to the connection ODI-F?
- Q15. If not, what changes should we make?
- Q16. Do you think our proposals on cost are flexible enough to work with any future changes to the charging regime?
- Q17. If not, what changes should we make to our proposals on cost to make them more future proof?

Detailed process**What “good” looks like:**

Clear, robust, quick process that gives organisations confidence to use the self-build and transfer option:

Roles and responsibilities, including role of developers/third parties (ICPs), Ofgem, NESO and Transmission Owners

Steps in the process, including what assets are contestable, build specifications/standards, the approval process etc

Deadlines for completing each step

How disputes are resolved and measures to reduce likelihood of dispute occurring

2.35 Responses to our Call for Input highlighted the importance of clearly setting out the roles and responsibilities of the respective parties in the self-build and transfer process. The lists below set out the division of the main responsibilities, but it is not an exhaustive list.

Roles and responsibilities**Connecting customer**

2.36 The connecting customer will be responsible for the following:

- the design of the self-build assets
- securing the necessary permission and consents for the self-build assets
- the construction of the self-build assets

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- the commissioning of the self-build assets
- the cost of fixing any defects
- fulfilling any other obligations, they have under the Adoption Agreement

2.37 The connecting customer can use another company (or companies) to deliver the above on their behalf, but they will be the party to the Adoption Agreement and remain ultimately responsible for delivery.

Transmission Owner

2.38 The Transmission Owner will be responsible for the following:

- publishing the information required for the connecting customer to make an informed decision on whether they want to self-build and transfer
- timely response to connecting customers
- asset classification for charging purposes
- determining if the request to self-build is within scope
- high level indicative design and initial cost estimate
- determining where the new assets connect to the existing transmission system
- delivering the non-contestable works
- approving the design of the self-build assets
- determining if the conditions for adopting the assets have been met
- maintaining the assets once they have been adopted
- fulfilling any other obligations they have under the Adoption Agreement
- providing data needed to monitor and evaluate this policy

Independent third party

2.39 A suitably qualified independent third party will be responsible for resolving any disputes between the Transmission Owner and the connecting customer. This includes disputes relating to:

- whether the connecting customer's proposal is within scope of self-build and transfer
- rejection of the initial or detailed design
- decision not to adopt the assets

2.40 We propose that their determination on these matters shall be binding on the Transmission Owner. For example, if they determine the connecting customer has met the requirements in the Adoption Agreement then the Transmission Owner will be required to adopt the assets.

Consultation Connect: self-build and transfer**NESO**

2.41 NESO will be responsible for the following in relation to self-build and transfer:

- including information on self-build and transfer in their guidance for connecting customers
- informing the Transmission Owner that a customer wants to self-build and transfer
- data collection to support Ofgem's monitoring and evaluation of self-build and transfer

Ofgem

2.42 Ofgem will be responsible for the following:

- publishing PASE for self-build and transfer
- approving the initial and detailed design when the connecting customer wants to use an option which is not a PASE primary option
- approving Load Reopeners
- monitoring compliance with the licence conditions
- taking action if the licence conditions are not met
- monitoring and evaluation

Detailed process

2.43 The Standard Adoption Agreement, which would be drafted by Transmission Owners following our decision, would set out the details of the process for the stages after this agreement is entered into. For the stages which take place beforehand, the information would be included in the guidance produced by ourselves, NESO and the Transmission Owners.

Before applying for a connection

2.44 To achieve what good looks like it is important that connecting customers can make an informed choice about whether they want to self-build and transfer. Therefore, we are proposing to require Transmission Owners to publish the following information:

- easy to understand guidance on self-build and transfer explaining the process, the timeframe for when they will complete each step and worked examples of the financial arrangements. This shall align with what good looks like and our decisions following this consultation
- detailed information on what is and is not contestable similar to what networks do at distribution level
- their technical standards and handover requirements

Consultation Connect: self-build and transfer

- the Standard Adoption Agreement, which has been approved by Ofgem

2.45 We would publish the PASE guidance document on Ofgem's website and make sure that the Transmission Owner links to this in their guidance.

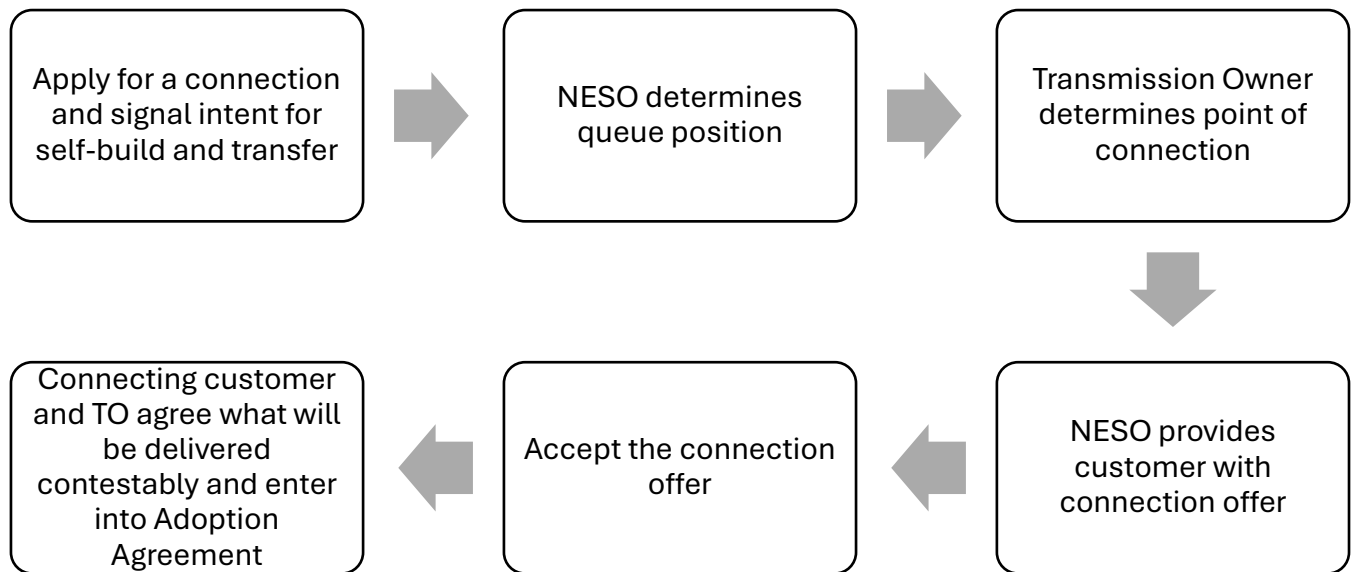
2.46 Similarly, NESO would ensure that their guidance for connecting customers links to all the relevant information for self-build and transfer.

Applying for a self-build and transfer connection

2.47 When the connecting customer applies to NESO for a connection to the transmission system, they will be asked whether they want to self-build and transfer. NESO will pass on this information to the Transmission Owner, who will provide an initial high-level design and estimated cost for the works.

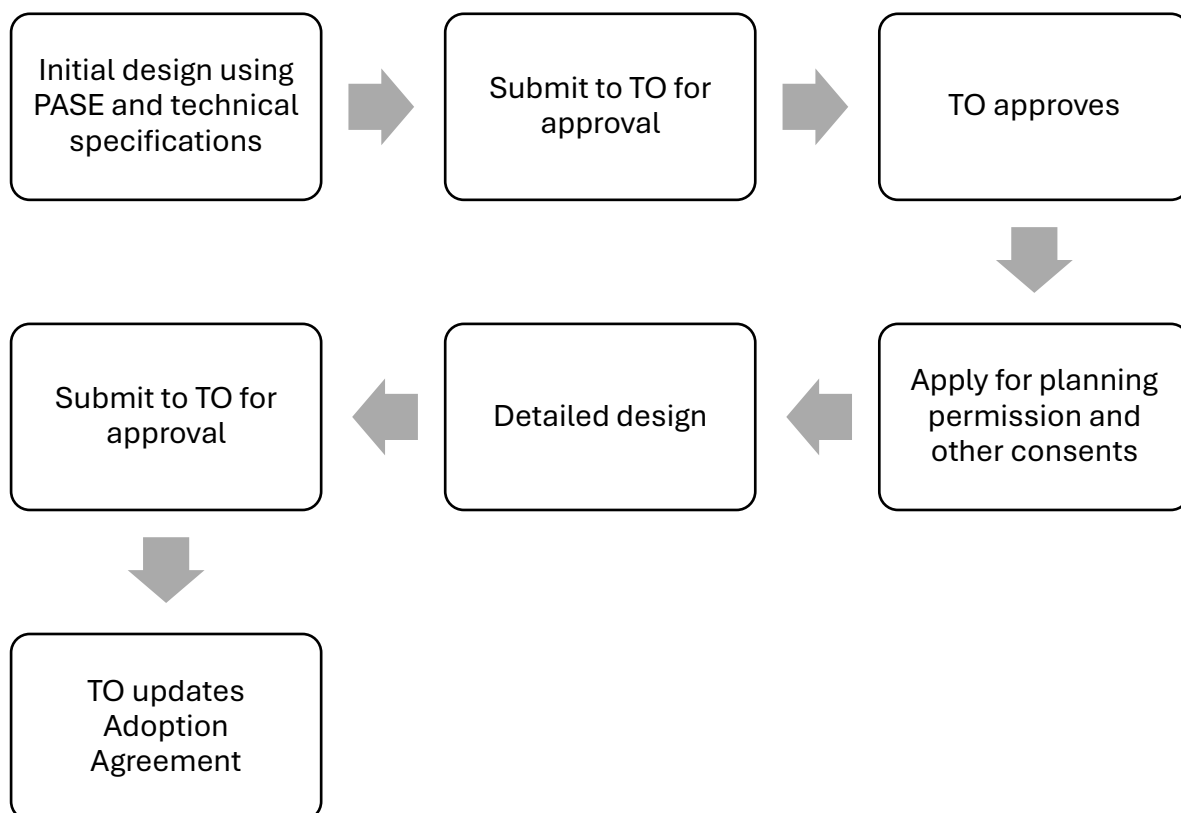
2.48 If the connecting customer then decides to proceed with self-build and transfer, they will work with the Transmission Owner to agree what works will be delivered contestably. The connecting customer and the Transmission Owner will then enter into an Adoption Agreement. The Adoption Agreement is the contractual agreement between the connecting customer and the Transmission Owner for the self-build and transfer.

2.49 When applying for a connection, the connecting customer may also be able to indicate they would be open to having a non-firm connection or phased connection. This would cover any time difference between when the assets between their site and the existing network can be delivered and the time it takes for the Transmission Owner to make any changes required to the existing network. Whether a temporary non-firm connection would be granted depends on the feasibility of delivering this.

Consultation Connect: self-build and transfer**Diagram showing the process of applying for self-build and transfer****Design**

2.50 We propose introducing Pre-Approval of Solutions by Engineering (PASE). Details on PASE and our rationale for introducing this can be found in the section on self-build assets.

2.51 If the connecting customer uses a PASE primary option, then the process would be as follows:

Consultation Connect: self-build and transfer**Diagram showing the process for PASE primary option**

2.52 Once the design work has been done the Adoption Agreement will be updated to include the project specific information.

Additional steps if not a PASE primary option

2.53 If the connecting customer wants to use a design for the self-build assets which is not a PASE primary option, then they would need to submit both the initial and detailed design to Ofgem for approval after it is approved by the Transmission Owner. Ofgem approval for options which are not a PASE primary option would be a mandatory condition in the Adoption Agreement.

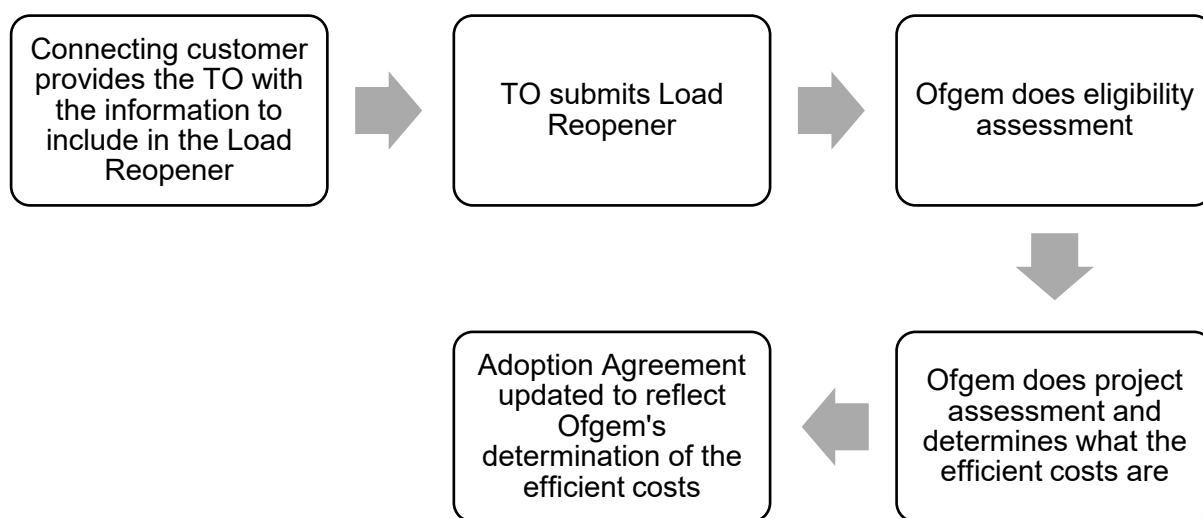
2.54 The PASE guidance document contains further information about the approval process. Key points to note are that if we reject then we will explain the reasons why and the connecting customer will have the opportunity to submit a revised design for approval.

Additional steps if there are assets which are classed as “infrastructure assets” and these have a total value of over £40 million

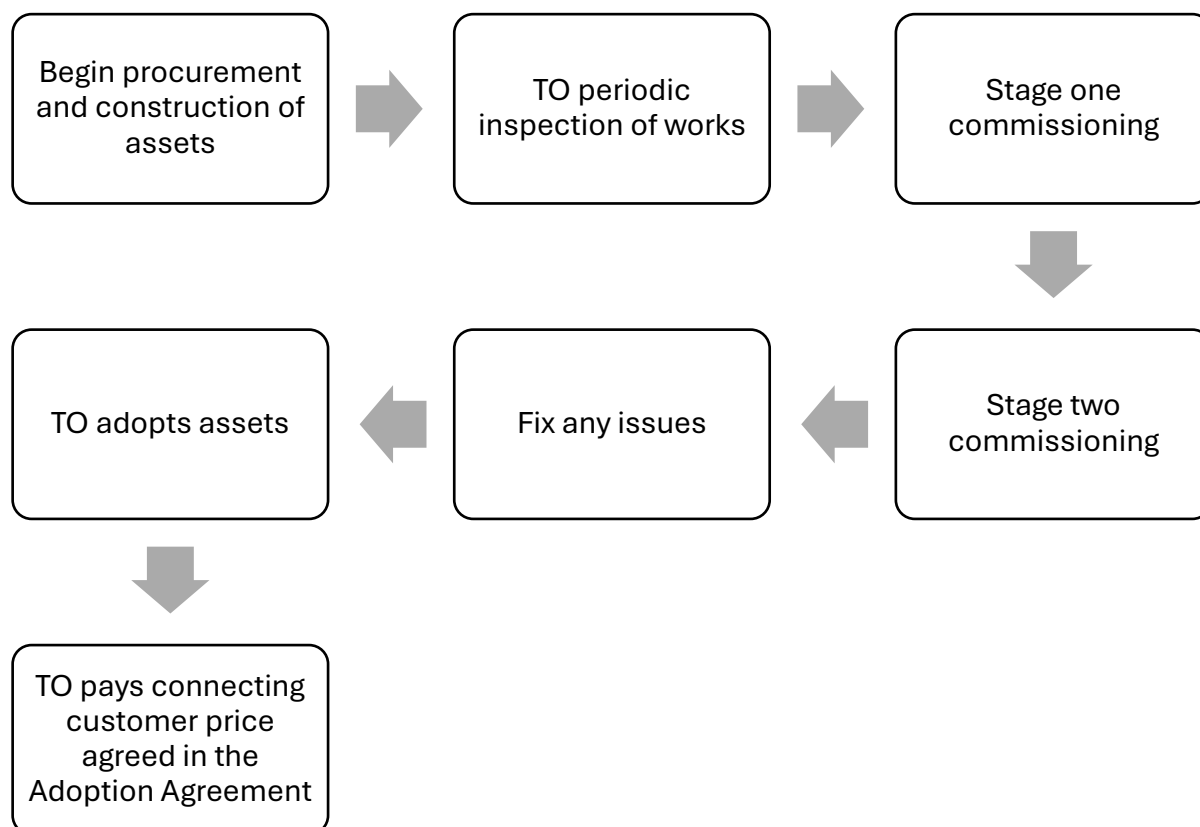
Consultation Connect: self-build and transfer

2.55 We are proposing to have additional steps in the process when the connecting customer is building infrastructure assets with a total value of over £40 million, to provide an appropriate level of regulatory oversight.

Diagram showing the additional steps for infrastructure assets with a total value of over £40 million

**Construction and commissioning**

2.56 This phase of the self-build and transfer process will be governed by the Adoption Agreement, which will include project specific information setting out the details of the assets which will be transferred and the price which will be paid for them on adoption.

Consultation Connect: self-build and transfer**Diagram showing process for the construction phase****After the assets are adopted**

- 2.57 The connecting customer remains responsible for fixing any defects which become apparent after asset adoption for the duration of the defect notification period. They also need to transfer the warranties they have obtained from the equipment suppliers to the Transmission Owner. Further detail on this is found in the draft guidance on the Standard Adoption Agreement. This can be done by either the connecting customer covering the cost of fixing the defect or by them undertaking the repairs themselves.
- 2.58 These requirements help us deliver what good looks like in terms of self-build assets by incentivising the connecting customer to construct the assets to the required standards. It also achieves the objective of protecting the wider consumer base from additional costs which could otherwise arise as a result of the project's decision to self-build and transfer.

Further detail on the Transmission Owner's approval process

- 2.59 We are proposing that the Transmission Owner approves:

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- the connecting customer's initial and detailed design unless they can prove that it does not meet their technical standards
- any changes which are needed to the approved design, for example changes which are needed due to the consenting process or changes which are needed because something unexpected is encountered during construction

2.60 If the Transmission Owner rejects the initial, detailed design or change request, then we propose they must provide the connecting customer with all the information they need to understand what changes they need to make and give them an opportunity to submit a revised design.

2.61 We are also proposing that the Transmission Owner shall adopt the assets unless they can prove that the relevant requirements in the Adoption Agreement have not been met. In which case, they should provide the connecting customer with all the information they need to be able to make the changes required and give them the opportunity to do this before making the final decision on whether or not to adopt the assets.

Dispute process

2.62 While we expect that the connecting customer and the Transmission Owner will work together collaboratively to make self-build and transfer a successful delivery model, they might have different views on the right approach and/or on whether the obligations in the Adoption Agreement have been fulfilled.

2.63 In the first instance we propose that the Transmission Owner and the connecting customer work together to resolve any disputes. If no agreement can be reached and this dispute relates to:

- whether the connecting customer's proposal is within scope of self-build and transfer
- rejection of the initial or detailed design
- decision not to adopt the assets

the matter should be referred to a suitably qualified independent third party for decision.

2.64 Developers have expressed a preference for a pre-approved list of suitable third parties who can resolve these disputes. The decision of that third party is the final decision on that matter.

2.65 For other matters, the standard contractual remedies will apply, and these will be set out in the Standard Adoption Agreement.

2.66 If the connecting customer is concerned that the Transmission Owner is in breach of their licence obligations, then they can refer the matter to Ofgem. In the section

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on [implementation](#), we outline what new licence obligations we are proposing to introduce to support delivery of the new scope of self-build and transfer.

- Q18. Do you agree with our proposals for what the connecting customer should be responsible for?
- Q19. Do you agree with our proposals for what the Transmission Owner should be responsible for?
- Q20. Do you agree with our proposals for what the independent third party should be responsible for?
- Q21. Should we have a list of pre-approved independent third parties? If so, who should be on that list?
- Q22. Do you agree with our proposals for what NESO should be responsible for?
- Q23. Do you agree with our proposals for what Ofgem should be responsible for?
- Q24. If you disagree, what should connecting customers, Transmission Owners, independent third parties, NESO, Ofgem be responsible for?
- Q25. Do you agree that our proposals on process achieve what good looks like?
- Q26. If not, what changes should we make?

Consultation Connect: self-build and transfer

3. Understanding the potential benefits and risks

This section sets out our initial view on the benefits and risks of our proposals for the new scope of self-build and transfer. Based on initial analysis connecting customers have the potential to save between £25 million and £64 million because of self-build and transfer and could get connected between one to two years quicker in some scenarios.

The main risks identified relate to inefficient design and build, substandard assets and greater costs for the wider consumer base. We set out how we propose to mitigate these risks in the section on assets and costs.

Introduction

- 3.1 A challenge identified during the code modification process, and by stakeholders during the subsequent policy development process, is the limitations on appropriate data and assumptions to understand of the potential benefits and risks.
- 3.2 There are several reasons for this, including:
- the commercial sensitivity of the data limiting stakeholders' willingness to share this information publicly
 - the number of project specific variables, including locational factors
 - limited publicly available data on this from other countries
- 3.3 We recognise that the benefits of the new scope of self-build and transfer are likely to be project specific and depend on a variety of factors including the need for wider reinforcement work.
- 3.4 Greater competition, by its nature, will discover the benefits and risks which is why monitoring and evaluation is a very important part of our policy proposals, so that we can review the impact and make changes where needed.

Potential benefits

- 3.5 Considering these challenges, we have developed three scenarios to estimate the benefits that connecting customers could get from self-build and transfer, noting that these are intended to be illustrative of the potential benefits. We have also included a counterfactual scenario of the Transmission Owner doing these works instead.

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- 3.6 We have then used these scenarios to extrapolate out what the wider consumer benefits will be, assuming different percentages of the self-build assets will be classed as infrastructure assets for charging purposes.
- 3.7 We welcome stakeholder views on appropriate assumptions to build our analytical understanding and any relevant data they are able to share. [Appendix 1](#) sets out how confidential, commercially sensitive consultation responses can be shared and how that information will be treated.

Scenarios

Low Impact Scenario

- 3.8 At a project level this scenario represents projects where the connection date is driven by the need to do reinforcement works on the existing transmission network. The connecting customer faces the same supply chain, planning and consenting issues as the Transmission Owner and they are not able to leverage any other advantages to reduce costs.
- 3.9 In terms of wider consumer benefit the uptake of self-build and transfer is low, with only 10 customers choosing this option per year.

Medium Impact Scenario

- 3.10 At a project level this scenario represents projects where the connection date is not always driven by the need to do reinforcement works on the existing transmission network. The connecting customer may be able to leverage advantages in relation to suppliers, planning and consenting etc which allows them to deliver the assets quicker or cheaper.
- 3.11 In terms of wider consumer benefit, up-take of self-build and transfer is medium, with 40 connecting customers choosing this option per year. Assets which are classed as infrastructure assets make up 10% of the total assets which are self-built and transferred.

High Impact Scenario

- 3.12 At a project level this scenario represents projects where no reinforcement to the existing network is needed to connect them. The connecting customer has extensive ability to leverage advantages in relation to suppliers, planning and consenting etc which allows them to deliver the assets quicker and cheaper.
- 3.13 In terms of wider consumer benefit, up-take of self-build and transfer is high, with 100 connecting customers choosing this option per year. Assets which are classed as infrastructure assets make up 20% of the total assets which are self-built and transferred.

Consultation Connect: self-build and transfer**Table setting out the potential benefits for projects**

Scenario	Median total cost of assets self-built and transferred (£m)	Time to connect from point of offer (years)
TO delivers the assets	£255	5
Low Impact	£230	5
Medium Impact	£209	4
High Impact	£191	3

Table setting out the potential benefits to the wider consumer base

Scenario	Annual reduction in socialised costs (£m)
Low Impact	12.5
Medium Impact	184
High Impact	1280

Summary of the potential benefits

- 3.14 Based on the scenarios outlined above connecting customers have the potential to save between £25 million to £64 million as a result of self-build and transfer, assuming that all the self-build assets are classed as connection assets for charging purposes.
- 3.15 Generators, storage and demand also benefit from quicker connection times in the medium and high impact scenarios, with the connection date being between one to two years earlier.
- 3.16 Existing consumers also have the potential to benefit from connecting customers doing self-build and transfer. Based on these assumptions set out in the scenarios, we could see a reduction in the costs which are socialised of between £12.5 million and £1.3 billion a year.

Next steps

- 3.17 For the assessment of the impacts, we intend to further substantiate these findings with more complete data on projects in the queue. We also intend to add to these findings by building out representative archetypes for projects, with disaggregation based on key characteristics such as project size and constraint

Consultation Connect: self-build and transfer

triggers. For each archetype, impacts would be assessed under a counterfactual and three policy scenarios representing low, medium and high impact outcomes as shown above.

Q27. Do you think the high, medium and low scenarios for the potential benefits are realistic?

Q28. If not, what changes should we make to these?

Q29. What evidence can you provide us to help us do the assessment of the impacts?

Q30. Is the proposed archetype approach fit for purpose?

Risks

3.18 The benefits need to be balanced against the risks which could arise by expanding the scope of self-build and transfer. Through our stakeholder engagement we have identified three key risks associated with expanding the scope of self-build and transfer:

- inefficient design and build,
- substandard assets and
- greater costs for the wider consumer base

3.19 Feedback from Transmission Owners stressed the importance of coordinated design and build, with shared assets often being the most efficient solution. Design which does not account for longer term need can drive substantial additional costs, for example a whole new substation might be needed because it is not possible to extend the existing substation. Design can also impact on outages, which affect how easy it will be to do works or connect new customers.

3.20 Transmission Owners have also indicated that costs related to rectification and replacement of assets can be significant. For example, assets might need to be replaced significantly earlier than their expected lifetime or substantial repairs might be needed. They also highlighted the need to consider the long-term maintenance costs as well as the costs of the assets themselves.

3.21 We therefore considered how these risks could be mitigated and included additional measures in our proposals to minimise the likelihood of the new scope of self-build and transfer causing those risks to materialise (see sections on [assets](#) and [costs](#) above).

Next steps

For the full assessment of impacts, we intend to build on our initial assessment of the risks and quantify these where possible. We will then consider these alongside the benefits.

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Q31. Have we identified the key risks?

Q32. If not, what do you think the key risks are?

Q33. Do you agree that our proposals adequately mitigate the key risks?

Q34. If not, what further measures do you think are needed?

Q35. What evidence can you provide us to help us quantify the impact of these risks materialising?

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4. How this supports delivery of our duties

Ofgem is required to act in accordance with its principal objective and other statutory duties when exercising its regulatory functions. This section sets out our assessment of how the proposed changes align with our duties.

- 4.1 Our principal objective and duties are set out in the [Energy Act 2013](#), the [Electricity Act 1989](#) and the [Deregulation Act 2015](#), and include protecting the interests of current and future consumers, promoting competition, supporting the Secretary of State to comply with the Climate Change Act 2008 and promoting economic growth.
- 4.2 Ofgem is required to act in accordance with its principal objective and other statutory duties when exercising its regulatory functions. When assessing the proposals in this consultation, Ofgem has had regard to its principal objective and each of its various statutory duties. This section sets out our assessment of how the proposed changes align to Ofgem's Principal Objective and statutory duties.

Principal objective and statutory duties

- 4.3 In the section on [benefits and risks](#) we have outlined how the new scope of self-build and transfer could promote the interest of future consumers helping to deliver our principal objective. While we recognise that actual benefits achieved will depend on the project in question, having greater choice is in the interest of all future consumers provided the risks are appropriately managed.
- 4.4 [Section 3A of the Electricity Act](#) provides that the Authority will carry out its functions wherever appropriate by promoting competition. The new scope of self-build and transfer will introduce greater competition into connections, as more customers will have the option of using someone other than the Transmission Owner to deliver the assets from the connection point to the existing transmission system.
- 4.5 Section 3A also states consumer interests are their interests as a whole and include, but are not limited to, their interests in the Secretary of State's compliance with the duties under sections 1 and 4(1)(b) of the Climate Change Act 2008 (Net-Zero target for 2050 and five-year carbon budgets). In some cases, the new scope of self-build and transfer might allow demand customers to electrify sooner by bringing forward their connection date or by making it more commercially viable to electrify as connection costs are lower.

Consultation Connect: self-build and transfer**Deregulation Act 2015**

- 4.6 [Section 108 of the Deregulation Act 2015](#) requires Ofgem to have regard to the desirability of promoting economic growth. The impacts on growth are considered throughout this consultation as one of the aims of the new scope of self-build and transfer is to improve connection times and reduce costs which helps to make Great Britain a more attractive place for organisations to locate, which in turn helps promote economic growth.

Strategic Policy Statement

- 4.7 [Section 131 of the Energy Act 2013](#) allows the Government to designate a Strategic Policy Statement setting out the “strategic priorities” (and other main considerations) of the government in formulating its energy policy for Great Britain, and the particular outcomes to be achieved as a result of implementation of that policy (the “policy outcomes”).
- 4.8 Ofgem must have regard to these strategic priorities when carrying out its regulatory functions and further, must carry out those functions in the manner which it considers is best calculated to further the delivery of the policy outcomes (subject to the application of Ofgem’s principal objective).
- 4.9 The Strategic Policy Statement includes (among others) the following policy outcome: “Significant and urgent reform of the electricity connections regime so that new generation and demand projects critical to net zero can connect to electricity networks in a cost-effective and timely manner, and in a way that meets the needs of connection customers and the energy system as a whole.”
- 4.10 Feedback from stakeholder engagement sessions and our Call for Input indicates that our proposals for the new scope of self-build and transfer meet the needs of connection customers, and in some cases will allow projects to connect in a more cost-effective and timely manner.

Q36. Do you agree that the new scope of self-build and transfer will support the delivery of our duties?

Q37. If not, why not?

5. Implementation

To deliver the changes which are needed to enable greater self-build and transfer, we will use the Planning and Infrastructure Act 2025 to make changes to standard conditions in the transmission licence, as well as changes to the relevant codes. We will also produce guidance on PASE and the Standard Adoption Agreement.

Planning and Infrastructure Act 2025

- 5.1 The Planning and Infrastructure Act 2025 confers powers on the Secretary of State and the Gas and Electricity Markets Authority (GEMA) for a time limited period to modify relevant documents (principally regulatory documents such as licences, codes, methodologies and existing connection agreements) for the purposes of improving the process of managing connections to the electricity transmission and distribution systems.
- 5.2 This consultation is published pursuant to the relevant sections prescribing the process by which powers conferred in the Planning and Infrastructure Act may be exercised. We propose to exercise powers conferred via the Planning and Infrastructure Act 2025 to implement the necessary changes to relevant documents.
- 5.3 The Planning and Infrastructure Act mandates that any changes implemented via the Act are made: “only for the purpose of improving the process for managing connections to the transmission system or the distribution system (and such an improvement may include changing the order in which connections are made)”. The Authority believes the proposals in this consultation are within the scope of the Act, as set out throughout this consultation.

Licence & code changes

- 5.4 Alongside this consultation document we have published a set of ancillary documents which set out the proposed legal text changes to the transmission licence and codes. Below is a table which summarises the document and the relevant changes.

Consultation Connect: self-build and transfer**Table 1: Summary table of ancillary documents and the changes we are making**

Ancillary document name	Regulatory document	Summary of changes
Ancillary document 1	Transmission licence	New standard conditions to place the following obligations on Transmission Owners: • to facilitate competition in connections • to create and publish an adoption agreement template • to publish other information needed to support self-build and transfer e.g. technical standards Amendments to existing licence conditions to clarify how these apply in the context of self-build and transfer
Ancillary document 2	Connections and Use of System Code (CUSC)	Changes required to put in place the new process for self-build and transfer so connecting customers can do self-build and transfer under the new scope if they want to
Ancillary document 3	System Operator and Transmission Code (STC)	Changes required to implement the new process for self-build and transfer so that NESO and Transmission Owners can work together effectively
Ancillary document 4	PASE guidance	Draft PASE guidance setting out the approved design solutions for self-build and transfer and providing further details on the approval process
Ancillary document 5	Standard Adoption Agreement guidance	Draft Standard Adoption Agreement guidance to help Transmission Owners draft a template adoption agreement in line with what good looks like

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- 5.5 Some stakeholders have suggested that in addition to the new licence conditions which we have set out in Ancillary document 1, it would be helpful to introduce new minimum service standards that Transmission Owners need to meet in relation to self-build and transfer to ensure that they communicate quickly and effectively with customers wishing to self-build and transfer.
- 5.6 As part of the wider work, we are doing to improve connections, we are currently [consulting on proposed regulatory requirements to improve service standards](#) for connecting customers. This includes transparency and communication, customer protections and timely delivery of connections.

- Q38. Do you agree that the proposed licence changes will give effect to the policy proposals we have outlined in this consultation?
- Q39. If not, what changes do we need to make?
- Q40. Do you agree that the proposed changes to the CUSC will give effect to the policy proposals we have outlined in this consultation?
- Q41. If not, what changes do we need to make?
- Q42. Do you agree that the proposed changes to the STC will give effect to the policy proposals we have outlined in this consultation?
- Q43. If not, what changes do we need to make?
- Q44. From reading the PASE guidance, do you understand how to do self-build and transfer?
- Q45. If not, what changes should we make to the PASE guidance?
- Q46. Would it be helpful to have diagrams to illustrate PASE compliant designs or is the guidance on this already clear?
- Q47. What, if any, changes do you think are needed to the Standard Adoption Agreement guidance to allow Transmission Owners to draft this agreement in accordance with the policy proposals outlined in this consultation?

Consultation Connect: self-build and transfer

6. Consultation questions and next steps

This section lists all the consultation questions and sets out what will happen after the consultation closes.

Full list of consultation questions

- Q1. Do you agree that our proposals will achieve what good looks like for self-build assets?
- Q2. If not, what changes should we make?
- Q3. Do you agree that a PASE primary option should not require Ofgem approval?
- Q4. Do you agree that the process set out in the PASE guidance provides an appropriate level of scrutiny? (this process will be used for assets classed as connection assets for charging purposes or for infrastructure assets where the total cost is under £40 million)
- Q5. Do you agree that five years is the right length of time for the defect notification period?
- Q6. How do you think uninsurable defects arising after the defect notification period should be dealt with?
- Q7. Do you agree with the proposed allocation of risk between the connecting customer and the Transmission Owner?
- Q8. If not, what changes should we make to better achieve the outcomes set out in what good looks like?
- Q9. Do you think the Transmission Owner should have the right to intervene after the Adoption Agreement has been entered into when there is another customer who could use the assets?
- Q10. Do you agree that our proposals on cost achieve what good looks like??
- Q11. If not, what changes should we make?
- Q12. Do you agree with our proposal for how the Transmission Owner should recover the amount they pay the connecting customer for the assets?
- Q13. If not, how do you think they should recover these costs? E.g. would a separate funding stream in the licence be more appropriate?
- Q14. Do you agree with our proposed approach to the ODI-F?
- Q15. If not, what changes should we make?
- Q16. Do you think our proposals on cost are flexible enough to work with any future changes to the charging regime?
- Q17. If not, what changes should we make to our proposals on cost to make them more future proof?
- Q18. Do you agree with our proposals for what the connecting customer should be responsible for?

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- Q19. Do you agree with our proposals for what the Transmission Owner should be responsible for?
- Q20. Do you agree with our proposals for what the independent third party should be responsible for?
- Q21. Should we have a list of pre-approved independent third parties? If so, who should be on that list?
- Q22. Do you agree with our proposals for what NESO should be responsible for?
- Q23. Do you agree with our proposals for what Ofgem should be responsible for?
- Q24. If you disagree, what should connecting customers, Transmission Owners, independent third parties, NESO, Ofgem be responsible for?
- Q25. Do you agree that our proposals on process achieve what good looks like?
- Q26. If not, what changes should we make?
- Q27. Do you think the high, medium and low scenarios for the potential benefits are realistic?
- Q28. If not, what changes should we make to these?
- Q29. What evidence can you provide us to help us do the assessment of the impacts?
- Q30. Is the proposed archetype approach fit for purpose?
- Q31. Have we identified the key risks?
- Q32. If not, what do you think the key risks are?
- Q33. Do you agree that our proposals adequately mitigate the key risks?
- Q34. If not, what further measures do you think are needed?
- Q35. What evidence can you provide us to help us quantify the impact of these risks materialising?
- Q36. Do you agree that the new scope of self-build and transfer will support the delivery of our duties?
- Q37. If not, why not?
- Q38. Do you agree that the proposed licence changes will give effect to the policy proposals we have outlined in this consultation?
- Q39. If not, what changes do we need to make?
- Q40. Do you agree that the proposed changes to the CUSC will give effect to the policy proposals we have outlined in this consultation?
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- Q44. From reading the PASE guidance, do you understand how to do self-build and transfer?
- Q45. If not, what changes should we make to the PASE guidance?
- Q46. Would it be helpful to have diagrams to illustrate PASE compliant designs or is the guidance on this already clear?

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Q47. What, if any, changes do you think are needed to the Standard Adoption Agreement guidance to allow Transmission Owners to draft this agreement in accordance with the policy proposals outlined in this consultation?

Next steps

- 6.1 We will consider and make adjustments as appropriate to our proposals based on stakeholder feedback. We are working closely with NESO and Transmission Owners to understand how best to implement these changes quickly including, where appropriate, giving existing customers the opportunity to elect to self-build and transfer under the new scope.
- 6.2 Subject to the matters raised during this consultation we may undertake further structured or targeted stakeholder engagement and consultation.
- 6.3 Once our decision has been made then the changes will take effect immediately, as no standstill period is required under the Planning and Infrastructure Act 2025.
- 6.4 We recognise that Transmission Owners and NESO also have an important role in implementing the new scope of self-build and transfer. The main tasks the Transmission Owners would need to do are:
 - draft the Standard Adoption Agreement, send this for approval and then publish
 - publish their technical standards
 - update their charging statements and guidance
 - update their processes
- 6.5 NESO will also need to update their guidance and processes.

Consultation stages

Stage 1 Consultation open: 07 October 2026

Stage 2 Consultation closes (awaiting decision) Deadline for responses: 13 November 2026

Stage 3 Responses reviewed and published: January 2027

Stage 4 Consultation outcome (decision or policy statement): Q1 2027

Send us your feedback

We believe that consultation is at the heart of good policy development. We are keen to receive your comments about this consultation. We would also like to get your answers to these questions:

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- Do you have any comments about the quality of this document?
- Do you have any comments about its tone and content?
- Was it easy to read and understand? Or could it have been better written?
- Are its conclusions balanced?
- Did it make reasoned recommendations?
- Do you have any further comments?

Please send your feedback to stakeholders@ofgem.gov.uk.

Consultation Connect: self-build and transfer

Appendix 1. How to respond

How to respond

We want to hear from anyone interested in this consultation. Please send your response to the person or team named on the front page of this document.

We have asked for your feedback in each of the questions throughout. Please respond to each one as fully as you can.

We will publish non-confidential responses on our website.

Your response, data, and confidentiality

You can ask us to keep your response, or parts of your response, confidential. We will respect this, subject to obligations to disclose information. For example, under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations, or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.

If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you do wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we will contact you to discuss which parts of the information in your response should be kept confidential and which can be published. We might ask for reasons why.

If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the United Kingdom's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations, see Appendix 4.

If you wish to respond confidentially, we will keep your response confidential, but we will publish the number, but not the names, of confidential responses we receive. We will not link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

How to track the progress of a consultation

1. Find the web page for the call for input you would like to receive updates on.

Consultation Connect: self-build and transfer

2. Click 'Get emails about this page', enter your email address and click 'Submit'.
3. You will receive an email to notify you when it has changed status.

A consultation has three stages: 'Open', 'Closed (awaiting decision)', and 'Closed (with decision)'.

Consultation Connect: self-build and transfer

Appendix 2. Definitions

To help people understand this consultation document we have defined some of the key words we have used. These definitions are different from the legal definitions which will be in the licence and codes as the aim of providing these definitions is to help people who might not be a technical expert in this area respond to the consultation.

Definitions table

Term	Definition
Adoption agreement template	A standard contract used by all GB Transmission Owner's which sets out relevant terms and conditions for self-build and transfer
Connecting customer	The organisation which holds the transmission connection offer and is party to the bilateral connection agreement
Contestable works	The work is done by the connecting customer (or their contractor) rather than the transmission owner
Defect notification period	The time during which the connecting customer is required to remedy any major issues with the assets which have been self-built and transferred after these have been adopted by the Transmission Owner
National Energy System Operator (NESO)	NESO manage the connection process, as well as other key roles such as system operation and network planning
Non-contestable works	The work that only the transmission owner can do
Self-build and transfer	The connecting customer constructs the assets and the Transmission Owner then owns and maintains these assets

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Term	Definition
Transmission Owner	There are currently three onshore transmission owners (TOs) in Great Britain: • National Grid Electricity Transmission • Scottish Hydro Electric Transmission Ltd and • SP Energy Networks They own the transmission system, which NESO uses to move high voltage electricity.
Warranty	This refers to the warranty provided by the manufacturer of the assets .

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Appendix 3. Privacy policy

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name, address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the controller and contact details of our Data Protection Officer

The Gas and Electricity Markets Authority is the controller, (for ease of reference, “Ofgem”). The Data Protection Officer can be contacted at dpo@ofgem.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

4. With whom we will be sharing your personal data

Information: Include here all organisations outside Ofgem who will be given all or some of the data. There is no need to include organisations that will only receive anonymised data. If different organisations see different sets of data, then make this clear. Be as specific as possible.

5. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for (be as clear as possible but allow room for changes to programmes or policy. It is acceptable to give a relative time e.g. ‘six months after the project is closed’)

6. Your rights

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right to:

- know how we use your personal data
- access your personal data

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- have personal data corrected if it is inaccurate or incomplete
- ask us to delete personal data when we no longer need it
- ask us to restrict how we process your data
- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties
- tell us your preferred frequency, content and format of our communications with you
 - to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/> or telephone 0303 123 1113.

7. Your personal data will not be sent overseas (Note that this cannot be claimed if using Survey Monkey for the consultation as their servers are in the US. In that case use “the Data you provide directly will be stored by Survey Monkey on their servers in the United States. We have taken all necessary precautions to ensure that your rights in terms of data protection will not be compromised by this”.

8. Your personal data will not be used for any automated decision making.

9. Your personal data will be stored in a secure government IT system. (If using a third-party system such as Survey Monkey to gather the data, you will need to state clearly at which point the data will be moved from there to our internal systems.)

10. More information For more information on how Ofgem processes your data, view our [Ofgem privacy policy](#).