

All Distribution Network Operators and interested larger connections stakeholders

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Dear stakeholders,

## Consultation on the Incentive on Connections Engagement (ICE): Looking Back Reports 2017-18 and Looking Forward Reports 2018-19

On 22 June 2018, we<sup>1</sup> sought your views on how well the Distribution Network Operators (DNOs) engage with their larger connections stakeholders and deliver a service that meets the needs of these customers.

We received 58 responses to this consultation from 26 different organisations and are now publishing these responses having redacted all confedential information.

We have received good feedback for all the DNOs on their engagement – with some stakeholders noting that the ICE has encouraged the DNOs to enage in a more meaningfull way.

However, we have also received mixed feedback on specific areas of DNO performance.

We are currently gathering more information in these areas and we will be assessing the DNOs' ICE submissions against the Minimum Criteria<sup>2</sup> for each Relevant Market Segment<sup>3</sup> – applying a pass or fail in each segment.

If we consider that a DNO has failed to meet the Minimum Criteria in a Relevant Market Segment, we will issue a consultation to seek stakeholder and licensees views on whether or not to issue a penalty and both will have 28 calender days to respond.

In the meantime, if you have any queries or comments – please get in touch at <u>connections@ofgem.gov.uk</u>.

Yours faithfully

## Chris Brown Head of EST Strategy and Emerging Issues

<sup>&</sup>lt;sup>1</sup> References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day to day work.

<sup>&</sup>lt;sup>2</sup> The minimum criteria is is confirmed in section 3.4 in the ICE Guidance Document -

https://www.ofgem.gov.uk/ofgem-publications/94371/iceguidancedoc010415-pdf

<sup>&</sup>lt;sup>3</sup> The Relevant Market Segments are defined in table 1 of the ICE Guidance Document -

https://www.ofgem.gov.uk/ofgem-publications/94371/iceguidancedoc010415-pdf