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Connections Reform - Policy Consultation on Required Licence Changes Response Form

We are consulting on conditions in the Electricity System Operator, Transmission and Distribution licences in relation to the ongoing connections reform process, which aims to enable quicker connection for ready-to-connect projects that align with strategic energy system plans and provide a more coordinated and efficient network design for connections.

We would like views from stakeholders with an interest in the electricity connections process and the ongoing reforms. We particularly welcome responses from connection customers, developers and network companies. We also welcome responses from other stakeholders including members of the public.

Your feedback is important to this process. Please take this opportunity to provide any feedback that you may have. To aid your response, each question is linked back to the relevant document for ease of reference.

We encourage you to read the Connections Reform - Policy Consultation on Required Licence Changes and the subsidiary documents:

- **Annex A:** Proposed NESO Licence Modifications; and
- **Annex B:** Proposed Transmission Standard Licence Modifications before responding to the consultation questions.

This document outlines the questions for this consultation and once the consultation is closed, we will consider all responses.

Please provide your feedback using this response form and sending a copy to connections@ofgem.gov.uk by 5pm on 6th January 2025.

We encourage early submission ahead of the deadline where possible to aid the processing of responses.

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Data and confidentiality

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06/01/2025

Do you want your response treated as confidential? Please choose the option that is relevant to you.

No

Please tell us if parts of your responses or your whole response contains confidential information and explain why below.

N/A

Consultation questions

Proposed Electricity System Operator Licence Conditions

General approach to changes to the Electricity System Operator licence

1. Do you agree that licence changes are necessary to adequately facilitate the policy intent of the reformed Connection Process, if it is approved?

Please provide the reasons for your answer.

We believe that, in the main, the proposed licence changes are necessary to effectively facilitate the intent of the new connections process and supporting methodologies in a transparent manner for industry stakeholders.

2. Do you agree with the approach summarised in paragraphs 3.2 to 3.8?

Please provide the reasons for your answer.

We are generally supportive of the intent of the licence changes and the approach summarised in paragraphs 3.2 to 3.8.

3. Do you agree that we have considered all relevant areas of the licence which might need modifications, and that we have proposed changes in relation to all relevant matters? If there are areas we need to consider further, please specify. Also, please specify any matters that we have addressed but which you do not think should be relevant.

Please provide the reasons for your answer.

We believe that Ofgem have considered all relevant areas of the licence that would require modifications to help facilitate effective implementation of the new connections process and supporting methodologies. We do not consider there to be any additional sections which need to be considered for modification.

In principle, we are comfortable with the changes proposed however note that the timing of the publication of the final NESO methodology proposals have meant that we have had limited time to review in light of drafting this response.

Section A: Definitions and Interpretation

Condition A1:

4. Do you agree that the new definitions as set out in paragraphs 3.12 to 3.19 and draft legal text in condition A1, as set out in Annex A, are necessary to and adequately facilitate the policy intent of the reformed Connection Process?

Please provide the reasons for your answer and any alternative suggestions if you disagree.

In principle, these definitions are appropriate.

We are wary that there may be some unforeseen consequences of not making clear that these new definitions are related to 'Reformed' connections arrangements, noting the scope of application in paragraph 2.3 is not exhaustive of all routes for connection. We understand for example via NESO's STC code modification proposal CM095 that there is some selective retention of baseline process in specific circumstances in future for example.

Whilst we don't believe the defined term themselves need to refer to Reform, it might be wise to refer in some instances in the wording of the definition to 'Reform' as the specific driver or context for the definition coming into existence.

5. Do you agree that no changes are required to the existing definitions in condition A1, as set out in Annex A, and that the proposed new changes are enough?

Please provide the reasons for your answer and identify any changes you consider to be needed.

As flagged in Q4, we believe that relying on new definitions is the most appropriate way to incorporate the direction of Reform in the proposed licence drafting. This ensures new obligations needed to deliver the Reformed connections process are distinct and identifiable from other licence conditions.

Condition B3: Conduct of ISOP Business

6. Do you agree this clarification in paragraph 3.21 and proposed text in condition B3, as set out in Annex A, is required?

Please provide the reasons for your answer.

It would seem appropriate that "unfair" is at least explained (perhaps in guidance?) in the context of this Project Designation condition.

There is some level of subjectivity about this word too, and it may be difficult to explain to developers of comparable projects where one obtains 'Designation' status and the other does not how such treatment does not lead to 'unfair' outcomes.

It would therefore seem sensible that the word 'unduly' actually is included to make that distinction. Or in other words, that the consequence of Designation for a developer project is primarily to satisfy the NESO's identified system operability/stability need, rather than to directly or indirectly provide certain developers a commercial advantage which stems from Designation in accordance with NESO facilitating the project through the new TMO4+ arrangements.

Condition C11: Requirements of a Connect and Manage Connection

7. Do you agree with the policy intent behind the changes we are proposing that these types of "full" offers will only be made to the "non-gated" applications or "Gate 2" applications?

Please provide the reasons for your answer.

It is appropriate that only Gate 2 projects or those with appropriate exceptions under the NESO's proposals receive a full Connect & Manage offer.

8. Do you agree that proposed text in condition C11, as set out in Annex A, gives appropriate effect to the policy intent?

Please provide the reasons for your answer.

Yes, albeit indirectly via reference to a further licence condition.

Section E: Industry Codes and charging

Condition E2: Connection and Use of System Code (CUSC)

9. Do you agree with the policy intent behind the changes we are proposing in paragraphs 3.28 and 3.29?

Please provide the reasons for your answer.

We agree; more precise guidance may however be required to cater for Gate 1 reserved projects - which are neither Gate 2 nor exceptions to the gated process. We note that the licence drafting isn't as prescriptive as this, but it's important for the licensees and Users to understand the scope at least.

10. Do you agree that proposed text in condition E2, as set out in Annex A, gives appropriate effect to the policy intent? Do you think any further changes would be appropriate?

Please provide the reasons for your answer.

Yes, but note the need for supporting clarity as flagged in Q9 above.

Condition E12 (New): Connection Criteria Methodology

11. Do you agree with the proposal for the licensee to create and maintain the Connections Criteria Methodology as in paragraphs 3.30 and 3.34?

Please provide the reasons for your answer.

Yes. We feel this is an important component of the Reformed connection arrangements. The intent of this new condition provides not only a transparent process to reassure industry, whilst empowering the NESO (in collaboration with industry partners) to keep these important arrangements under regular review and to evolve them swiftly, where necessary, to ensure the connections process continues to facilitate positive outcomes for all industry stakeholders, not least end consumers.

12. Do you agree with the objectives and scope of the Connection Criteria Methodology as in paragraphs 3.32 and 3.33, respectively?

Please provide the reasons for your answer.

Whilst the proposed conditions apply the necessary strategic energy policy lens to the Reformed connections arrangements, as well as reflect the direction of travel of the NESO's TMO4+ proposals, we believe it would be prudent to additionally reference the needs of end consumers (not least in terms of cost) as well as the need to ensure effective competition is facilitated.

Additionally, we believe the NESO should have more explicit obligations in E12.9 to coordinate/collaborate/consult directly with the other Transmission licensees in discharging their obligations to administer and maintain the Connection Criteria Methodology. This methodology directly influences the volume of User applications which will require TO construction agreements and associated study and works.

Consequently, we feel it is appropriate for the TOs to be consulted on any potential adjustment to this methodology in advance. This can be dealt with via adjustments to the STC if more efficient, but we believe this consideration could be applied in the NESO licence in relation to all three Connection Methodologies (not least CNDM, which we discuss later in our response).

13. Do you agree that the new condition E12, as set out in Annex A, provides the right level of governance and industry engagement to ensure that the Connections Criteria Methodology is developed and modified in a robust manner?

Please provide the reasons for your answer.

In general, yes, but see above regarding additional clarity for consultation with the Onshore TOs which we believe to be missing.

Condition E13 (New): Connection Network Design Methodology

14. Do you agree with the objectives of the Connections Network Design Methodology as in paragraph 3.38?

Please provide the reasons for your answer.

As per our response to Q12, whilst the proposed conditions apply the necessary strategic energy policy lens to the Reformed connections arrangements, as well as reflect the direction of travel of the NESO's TMO4+ proposals, we believe it would be prudent to additionally reference the needs of end consumers. This could be inferred via E13.3 III but might benefit from being set out more explicitly.

15. Do you agree with the scope of the Connections Network Design Methodology as set out in paragraph 3.35 and 3.37 is aligned with the TMO4+ connection reform process?

Please provide the reasons for your answer.

No

The influence of CNDM on the Transmission Owners and the significant involvement we have to deliver its associated objectives and outcomes is too understated in our view in 3.35 and 3.37 and the associated conditions in E13. Whilst we are clear the NESO will facilitate and administer the methodology, the need to consult and coordinate with the TOs periodically needs to be made clearer.

Finally, CNDM has much greater scope than simply identifying the date and location for Gate 1 and 2 offers and the bullets outlined in 3.35. It informs the processes we will undertake to verify that the requirements needed to connect an applicant can be delivered in the most expeditious, economic and efficient manner possible. Again, we believe this breadth of CNDM could be more adequately captured in 3.35 and 3.37 and considered within E13.

16. We have kept the licence change broad for 'preparing offers' as in paragraph 3.37. Should we be more specific with the scope to include further description in the licence that it will determine the queue order, study applications and assess the infrastructure required to enable/prepare offers to enter into a "Gate 2" agreement?

Please provide the reasons for your answer.

We believe the licence drafting is appropriate, and that further detail being elaborated on in the methodology itself is sufficient.

17. Do you agree that the proposed addition of conditions E13 , as per Annex A, and in this section provides the right level of governance and industry engagement to ensure that the Connections Network Design Methodology is developed and modified in a robust manner?

Please provide the reasons for your answer.

As per our response to Q15, we believe the level of required consultation/coordination with the Onshore TOs to maintain and apply CNDM is understated here. More explicit obligations on the NESO to coordinate with us on this would be appropriate in our view.

Condition E14 (New): Project Designation Methodology

18. Do you believe the NESO should be able to designate projects for prioritisation in the circumstances as specified in paragraph 3.42?

Please provide the reasons for your answer.

Yes, we think these circumstances are appropriate. We have previously flagged in the NESO's methodology consultations that inclusion of wider regulatory drivers, including regional development and socio-economic impact, might be appropriate inclusions. This may be something for the Department and Ofgem to consider as the Reformed connection arrangements establish themselves.

19. Do you agree that the NESO should only be able to designate projects after a period of consultation as in paragraph 3.43, for existing agreements also in the first application window?

If not, please explain your reasoning, along with alternative suggestions if appropriate.

Whilst we support a transparent and consultative approach for facilitating the Project Designation process, we are wary there is a risk that potentially over-specifying this requirement. In doing so, it could stifle the NESO's ability to make necessary decisions swiftly to achieve the outcomes specified in 3.42/E14 – not least in relation to Gate 2 to Whole Queue.

It is important that the extent of information needed to be shared by NESO with industry stakeholders to facilitate such consultations be made clear in advance. Seeking wider views from stakeholders via consultation on Designation without the necessary supporting data, which may be confidential or inaccessible for wider engagement, seems an inefficient exercise?

The intention of the Designation process is that it should be used in exceptional circumstances. Consequently, when it is relied upon by NESO, we would expect efficiency to be a core requirement of following this route.

Whilst applying the month-long consultation proactively encourages the NESO to utilise this Designation right considerably, there may be a balance to be struck to achieve more timely outcomes. This could include, for example, a 'consultation by exception' in the form of an appeal process (under pre-specified grounds) following NESO publicly applying to Ofgem to authorise a project for Designation.

20. Do you agree that the proposed additions of conditions E14, as set out in Annex A, provide the right level of governance and industry engagement to ensure that the Project Designation Methodology is developed and modified in a robust manner?

Please provide the reasons for your answer.

As with our other responses above, we believe the level of required consultation/coordination with the Onshore TOs to administer/maintain and apply the Designation methodology is understated here. More explicit obligations on the NESO to do this might be appropriate.

Condition E15: Requirement to offer terms

21. Do you agree with the requirements that an application window as in paragraph 3.56 is practical and sufficient? Please provide the reason for your answer. What is the right maximum and/or minimum period prescribed in the licence for how long the application window should be open? Is the minimum requirement of at least once every year sufficient?

Please provide the reasons for your answer.

In general, the requirements are practical and sufficient. We do believe that the three months' notice period prior to convening an application window as specified

in E15.9 should also consider relevant network owners too (rather than just Users).

Whilst this level of coordination can be facilitated through changes to the codes, we believe that as Ofgem are specifying this requirement via the licence between NESO and Users, that it is appropriate to provide consistent treatment between NESO and impacted Network Owners too.

22. Do you agree that 6 months as mentioned in paragraph 3.59 to provide an offer once the application window closes is adequate? Do you agree with our proposed option regarding timing for the NESO to make offers, or do you prefer any of the alternative options set out in paragraph 3.60? Are there any other options we should be considering? Please provide the reasons for your answer and suggest alternative.

We agree this is a suitable starting point for go-live, noting the high volume of workload expected to implement TMO4+, not least for Gate 2 to Whole Queue. Over time we would expect this could be reviewed and aligned to evolving best practice.

23. Do you agree with our proposed approach of specifying which type of applications get which type of offers as in paragraphs 3.52 to 3.55? Does this cover all type of applications?

Please provide the reason for your answer and mention if any type of applications is not captured in here.

We agree with the proposed approach but are wary that there could be potential confusion or overlap between the conditions of E15.2 through to E15.7. The distinctions between them may require additional supporting guidance, not least in relation to newly created E15.3, 15.6 and 15.7 conditions. Otherwise, there may be opportunity to merge or consolidate these provisions into one or two instances?

24. Do you agree that the proposed legal text in condition E15*, as set out in Annex A, meets the policy intent above?

Please provide the reason for your answer.

Yes the proposed legal text, subject to some clarification or guidance, meets the policy intent.

Proposed Electricity Transmission Standard Licence Conditions

General approach to modification of the Electricity Transmission Standard Licence Conditions

25. Do you agree with our approach mentioned in paragraphs 4.1 to 4.3?

Please provide the reasons for your answer.

We are generally supportive of the intent of the majority of proposed licence changes and the approach summarised in paragraphs 4.1 to 4.3, however specifically note the requirement for Transmission Owners to make "Gate 1 TOCOs" in the wider consultation.

"There is discrepancy between the proposed licence changes and the TMO4+ code modification proposals under STC terms, where it is proposed that Transmission Owners would not be involved in the "Gate 1" process, except for their indirect involvement where the NESO plans reservation for specific projects, as this can help in better planning of the network."

It is our view that Transmission Owners should not be involved in the creation and issuing of Gate 1 offers (unless for reservation) and we provide further reasoning for this and a proposed solution for addressing this discrepancy within our response to Q30 and Q32.

26. Do you agree that we have considered all the areas of the licence which might need modifications?

Please provide the reasons for your answer and specify if you think we have missed some areas.

We believe that Ofgem have considered all relevant areas of the licence that would require modifications to help facilitate effective implementation of the new connections process and supporting methodologies. We do not consider there to be any additional sections which need to be considered for modification.

In principle, we are comfortable with the changes proposed however note that the timing of the publication of the final NESO methodology proposals have meant that we have had limited time to review in light of drafting this response.

Section D: Transmission Owner Standard Conditions

Condition D1: Interpretation of Section D

27. Do you think any other modifications to definitions are required for the transmission licence in addition to the ones proposed for the System Operator Licence in paragraphs 3.12 to 3.19, in the consultation document?

Please provide a reason for your answer.



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We do not believe further modifications to definitions are required for the transmission licence in addition to those proposed.

28. Do you agree that the proposed text in SLC D1, as set out in Annex B, meets the policy intent?

Please provide a reason for your answer.

We believe the new definitions proposed in SLC D1 meet the policy intent.

29. Would you suggest any changes to the new and existing definitions in SLC D1 that are pertinent to Connections Reform?

Please provide a reason for your answer.

In general, we have no suggested changes. On a more minor point, a review is perhaps needed regarding defined terms in the main document and SLC D1 in relation to capitalised (or not) words.

**Condition D4A: Obligations in relation to offers for connection etc.
(Transmission Owners)**

30. Do you agree with the policy intent and the rationale described in the paragraphs 4.6 to 4.10, in respect of the changes to SLC D4A.1, in the consultation document?

Please provide a reason for your answer.

4.7 "If TMO4+ is approved, the obligations of Transmission Licensees will vary according to the nature of the offer that is made to the applicant by the ISOP. Existing transmission licence conditions, which only specify one type of offer, will therefore need to be modified to reflect a reformed Connections Process that will, if approved, accommodate two different types of offers, and to delineate the licensee's different obligations in respect of each one."

Whilst we agree that licence changes need to be made to recognise the two different types of offers to be made to customers, it is important to note that a Transmission Owner's role will vary depending on the type of offer. See our response to Q32 below.

4.9 "The licensee's obligations in respect of applications that are not deemed by the ISOP to have met the Connections Criteria are explained in the new paragraph D4A.2 (see below)."

As above, we do not believe the obligations on Transmission Owners as set out in paragraph D4A.2 are reflective of the intent of the CUSC workgroup modifications. See our response to Q32 below.

31. Do you agree with the proposed changes to the text of SLC D4A.1, as set out in Annex B?

If you disagree or partially agree, please provide a reason for your answer.



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Yes, we agree the drafting reflects the policy intent.

D4A.2- New proposed Paragraph 2 – requirements to offer terms requirements to offer to enter into agreement with the ISOP and provisions for that offer

- Do you agree with the policy intent and the rationale for the proposed changes described in the paragraphs 4.11 to 4.13, in respect of the changes to SLC D4A.2, in the consultation document?

Please provide a reason for your answer.

Within 4.12, Ofgem state, "There is discrepancy between the proposed licence changes and the TMO4+ code modification proposals under STC terms, where it is proposed that Transmission Owners would not be involved in the "Gate 1" process, except for their indirect involvement where the NESO plans reservation for specific projects as this can help in better planning of the network."

In the CMP434 CUSC and CM095 STC modification workgroups for TMO4+, the purpose of NESO's standard (i.e. non-reservation) Gate 1 offers was to be an indicative offer, setting out initial details of a customer's potential connection to allow them to take reasonable steps in developing a firm Gate 2 offer, assuming they could demonstrate the defined connection criteria.

Given the requirement to also align to strategic network planning via Clean Power 2030 and future SSEP, it is likely that many customers who receive a Gate 1 indicative offer will not proceed to obtain a firm connection offer post Gate 2. For this reason, an overarching view of Gate 1 connection offers is unlikely to aid better planning of the network, over and above the planned data sharing that will occur between NESO and the TOs which will allow for network planning to occur.

Our view, as per our position in the CMP434 and CM095 workgroups is that Gate 1 offers should be a 'light touch' indication of when and where a customer could connect assuming they meet connection criteria. Therefore, we consider it inefficient/unnecessary for Transmission Owners to be directly involved in the creation of standard Gate 1 offers (e.g. via the creation of a TOCO).

This creates an additional step in the process between TOs and NESO and therefore adds complexity and time to a process which the purpose of reform aims to simplify for customers.

Further detail in relation to the issues that we foresee with the requirement to provide Gate 1 TOCOs include:

- Amendments to the proposed CM095 legal drafting, as well as the associated STCPs, or the drafting of a bespoke clause to allow the TOs to terminate (if applicable) a Gate 1 TOCO.
- Amendments to the proposed CM095 legal drafting, as well as the associated STCPs, or consent(s)/direction(s) from Ofgem to provide a TOCO with only an indicative date and location, and therefore omitting information required by the STC and the transmission licence to be in a TOCO.
- An unnecessary administrative burden for the TOs to monitor the status of Gate 1 TOCAs (depending on their treatment via the Gated Process), including applying terminations or amendments as required by NESO.

Alternatives to achieve Ofgem's aim in para 4.12

The information required by NESO could be obtained from transmission licensees through other means and governed by STC. A potential option could be for TOs to provide NESO with a regularly updated long term network development plan, driven by the initial CP2030 plan, moving into the longer term through the SSEP, detailing potential future substations and upgrades required. This could be used to inform potential connection points for customers and would remove the need (and any purported benefit) for Onshore TOs to provide a Gate 1 TOCO to NESO.

The current 'Transitional Offer' process provides a potential model to follow for Gate 1 offers. NGET currently furnishes NESO with a list of indicative connection nodes and an overall connection date based on capacity requirements and upgrades per region. These two elements constitute the total input of the Transmission Owner into the current offer provision.

A similar format could be adopted at Gate 1, with the TOs providing a list of indicative connection nodes and dates for each region to the NESO - and the NESO issuing the subsequent Gate 1 offer to the customer. In the longer term, this process could be updated by indicative dates and locations based on the network development plan and informed by the confirmed capacity outcomes of the Gate 2 to whole queue exercise, CP2030 and in future, the SSEP.

An alternative could be to mimic the requirements of the new SLC D18 of NGET's transmission licence but amend it along the lines of "The TO shall provide the ISOP with the information it needs to be able to provide a Gate 1 Offer". NESO and the TOs then have the flexibility to create an appropriate information sharing process for this information (indicative date and location).

Essentially, we believe that Ofgem's concerns - ensuring adequate network planning - could be achieved using alternative methods to the TOs being required to send out Gate 1 TOCOs that only contain two pieces of information, and information that is only indicative and therefore subject to change. This would offer a more efficient customer service via NESO too.

32. Do you agree that the proposed changes to the text of the new paragraph 2 of SLC D4A, as set out in Annex B, effectively facilitate the policy intent?

Please provide a reason for your answer.

NGET agrees that the drafting reflects the policy intent in paragraphs 4.11 to 4.13 but, as mentioned in the response to question 32, does not agree with the policy intent and requirement for NGET to make a "Gate 1 Offer".

D4A.2, D4A.3, D4A.4, D4A.5- Proposed paragraphs 3, 4, 5 and 6 (formerly paragraphs 2, 3, 4 and 5)

33. Do you agree with the policy intent described in paragraph 4.17, in respect of the changes suggested in paragraphs 2, 3, 4 and 5, now amended to become paragraph 3, 4, 5 and 6, of SLC D4A, in the consultation document?

Please provide a reason for your answer.

We agree with the intent to amend the paragraph numbering in respect to D4A, however do note our concern with the drafting of D4A paragraph 2 as per our response to question 32, NGET does not agree with the policy intent and requirement for NGET to make a "Gate 1 Offer".

34. Do you agree that the proposed changes to the text of the amended paragraph 3, 4, 5 and 6 of SLC D4A, as set out in Annex B, effectively facilitate the policy intent?

Please provide a reason for your answer.

Subject to above comments about NGET's disagreement with the policy intent regarding TOs being required to send "Gate 1 Offers" to NESO.

Condition D16: Requirements of a connect and manage connection

35. Do you agree with the policy intent and the rationale in respect of the proposed changes to SLC D16 as described in paragraphs 4.19 to 4.23, in the consultation document?

Please provide a reason for your answer.

In response to paragraph 4.21, we query the drafting of D16.3 in relation to aligning the timescales so that the Onshore TO is required to complete the enabling works according to a timeline that is consistent with the requirements of the "Connections Process".

The "Connections Process" is defined as the application and offer process, which we understand this relates to the process – and timeframes – for the connections applications and offers. We therefore understand there will not be any timeframes in the "Connections Process" that are relevant to the completion of Enabling Works for a C&M connection and therefore this link is not needed.

In relation to our obligation regarding the "Connections Process", this would be to make an offer in response to a NESO application in a set period. This would be included in the System Operator Transmission Owner Code (**STC**) and SLC D4A (which links to the STC).

36. Do you agree that the proposed changes to the text of SLC D16, as set out in Annex B, effectively facilitate the policy intent?

Please provide a reason for your answer.

We suggest that, for the reasons detail in its response to question 36, in SLC D16.3 the wording is amended as follows (strikethrough and blue text):



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“3. The licensee shall, when notified by the ISOP under paragraph 1, use all reasonable endeavours to complete the enabling works identified as required on the licensee’s transmission system in relation to a connect and manage application in a timescale which allows for connect and manage connection consistent with the ~~timelines required by the Connections Process~~ **connect and manage applicant’s reasonable expectations as to connection date, as notified to the licensee by the ISOP.** For the purpose of this condition, the enabling works, assessed by the licensee and identified as required, must be consistent with the Connections Network Design Methodology, as agreed by ISOP and the licensee; and

~~(b) the connect and manage applicant’s reasonable expectations as to connection date, as notified to the licensee by the ISOP.”~~

New Condition D18: Requirements to comply with connection network design methodology for Use of System and connection (Transmission Owners)

37. Do you agree with the policy intent behind the proposed new licence condition as explained in paragraphs 4.24 to 4.26, in respect to the proposed SLC D18, in the consultation document?

Please provide a reason for your answer.

Somewhat

As per our responses to Q15 and Q17, we agree with the policy intent behind the proposed licence condition on the basis the interaction with the associated NESO licence conditions is made more explicit.

38. Do you agree that the proposed text gives appropriate effect to the specific policy intent, as detailed in Annex B?

Please provide a reason for your answer.

Yes.

Section E: Offshore Transmission Owner Standard Conditions

Condition E17: Obligations in relation to offers for connection etc. (Offshore Transmission Owners)

39. Do you agree with the policy intent and rationale in respect of the changes proposed to SLC E17, in paragraphs 4.28 to 4.34, in the consultation document?

Please provide a reason for your answer.

N/a

40. Do you agree that the proposed changes to the text in SLC E17, as set out in Annex B, effectively facilitate the policy intent?

Please provide a reason for your answer.

N/a

New Condition E25: Requirements to comply with connection network design methodology for Use of System and connection (Offshore Transmission Owners)

41. Do you agree with the policy intent behind the proposed new licence condition as explained in paragraph 4.35, in respect of the SLC E25, in the consultation document?

Please provide a reason for your answer.

N/a

42. Do you agree that the proposed text of the new condition, as detailed in Annex B, gives effect to the policy intent?

Please provide a reason for your answer.

N/a

Distribution Standard Licence Conditions – Policy Intent

Chapter 1: Interpretation and application

Condition 1: Definitions for the standard conditions

43. Do you agree that changes are likely be required to some of the definitions within licence condition 1?

Please provide the reasons for your answer.

N/a

Chapter 2: General obligations and arrangements

Condition 4: No abuse of the licensee's special position

44. Do you consider any modifications to licence condition 4 are required?

Please provide the reasons for your answer.

N/a

Chapter 4: Arrangements for the provision of services

Condition 12: Requirement to offer terms for Use of System and connection

45. Do you agree with the policy intent to modify licence conditions 12.1 and 12.4 under both scenarios?

Please provide the reasons for your answer.

N/a

Condition 19. Prohibition of discrimination under Chapters 4 and 5

46. Do you agree with our view that no changes to licence condition 19 are necessary under any of the two scenarios?

If no or you partially agree, please provide the reasons for your answer.

N/a

47. If you disagree, what kind of change to the licence condition 19 do you believe is necessary?

N/a

Chapter 5: Industry codes and agreements

Condition 20. Compliance with Core Industry Documents

48. Do you see any risk related to introducing an obligation for DCUSA licensees to comply with the Clean Power 2030 Action Plan and SSEP?

Please provide the reasons for your answer.

N/a

49. Do you agree with the changes suggested to licence condition 20?

If no or you partially agree, please provide the reasons for your answer.

N/a

Condition 12A. Requirement to progress User applications into the Gated Window process

50. Do you agree with the proposal to define a new licence condition 12A.1 – requirement to perform “Gate 2” checks in line with the NESO methodology?

Please provide the reasons for your answer.

N/a

51. Do you agree with the proposal to define a new licence condition 12A.2 – requirement to perform “Gate 2” checks in a timely manner? If so, do you consider the approach to the condition should be principles-based or prescriptive?

Please provide any information / evidence you can to support your response.

N/a

New Conditions

New Conditions 12A.3 and 12A.4 - Submission of projects for transmission assessment

52. Do you agree with the proposal to define new licence conditions 12A.3 and 12A.4 - this would introduce a requirement to submit projects for transmission assessment within a timely manner?

Please provide any information / evidence you can to support your response.

Yes/ No [Click or tap here to enter text.](#)

N/a

Proposed Electricity Transmission Special Licence Conditions

53. Do you think any Electricity Transmission Special Licence Conditions changes are required?

If you think that changes are required, please provide the reasons for your answer.

Under Special Condition 4.5, the TOs have an obligation to report to Ofgem the outputs of customer satisfaction surveys undertaken by developers at specific stages through the developers' connection journey, as part of the RIIO-T2 guidelines. These journey stages include the pre-application stage and the offer stage. Whilst we are committed to maintaining levels of customer service, we are conscious that TMO4+ might negatively impact customer satisfaction, particularly during the early implementation phase.

We particularly note the move to Gate 1 offers (which is more complex in relation to the proposed drafting of SLC D18 as flagged above), the stronger strategic consideration of the new Connection Criteria and how that is applied to individual projects via Gate 2 to Whole Queue. Dissatisfaction with the process itself (rather than with TO's customer service levels) could therefore negatively impact our scores and therefore penalties and incentives via the Quality of Connections (QOC) incentive.

We request that Ofgem works with us to consider how scores received for TMO4+ offers are used in the overall incentive calculation, due to the QOC mechanism having been put in place prior to TMO4+. We would expect further evolution of this to be possible via our interactions on the development of the T3 RIIO Price Control.

Proposed Electricity Distribution Special Licence Conditions

54. Do you think any Electricity Interconnector Standard Licence Conditions changes are required?

If you think that changes are required, please provide the reasons for your answer.

N/a

Proposed Electricity Interconnector Standard Licence Conditions

55. Do you think any Electricity Interconnector Standard Licence Conditions changes are required?

If you think that changes are required, please provide the reasons for your answer.

N/a

Proposed Electricity Generation Standard Licence Conditions

56. Do you think any Electricity Generation Standard Licence Conditions changes are required?



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If you think that changes are required, please provide the reasons for your answer.

N/a



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General feedback

We believe that consultation is at the heart of good policy development. We welcome any comments about how we've run this consultation. We'd also like to get your answers to these questions:

Do you have any comments about the overall process of this consultation?
We appreciate that Reform moves at quite a pace, but given the complexity of these proposals and the extent of the questions in this proforma, as well as the overlap at the start of the consultation period with other Reform-linked consultations and then subsequently the festive period, we believe that a few more days could have been allowed for industry to submit responses.

Do you have any comments about its tone and content?

Was it easy to read and understand? Or could it have been better written?

Were its conclusions balanced?

Did it make reasoned recommendations for improvement?

Any further comments?

[Write your response here]