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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](mailto: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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Date of submission: **6 January 2025**

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

Yes / No **No**

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

N/A
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## 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.

Yes/ No Click or tap here to enter text.

N/A

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

Please provide the reasons for your answer.

Yes/ No Click or tap here to enter text.

N/A

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.

Yes/ No Click or tap here to enter text.

N/A

#### 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.

Yes/ No Click or tap here to enter text.

N/A



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5. Do you agree that no changes are required to the existing definitions in condition A1, asset 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.

Yes/ No Click or tap here to enter text.

N/A

### **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.

Yes/ No Click or tap here to enter text.

N/A

### **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.

Yes/ No Click or tap here to enter text.

N/A

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/ No Click or tap here to enter text.

N/A

## **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.



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

N/A

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

N/A

### **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/ No **Yes**

We agree, provided there is a mechanism ensuring the NESO considers stakeholder views, inputs and concerns when reviewing any methodology.

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.

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

N/A

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.

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

N/A

### **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.

Yes/ No **Yes**

We agree, provided there is a mechanism ensuring the NESO considers stakeholder views, inputs and concerns when reviewing any methodology.

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.

Yes/ No Click or tap here to enter text.

N/A

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.

Yes/ No Click or tap here to enter text.

N/A

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.

Yes/ No Click or tap here to enter text.

N/A

#### 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/ No **Yes**

We agree, provided there is a mechanism ensuring the NESO considers stakeholder views, inputs and concerns when reviewing any methodology.

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It is crucial that the criteria for prioritisation are transparent and that the decision-making process is well-documented and consistently applied to mitigate the risk of disputes.

Need for project designation at a DNO level should also be considered further. As we have said in response to the NESO's Connections Reform consultation:

*"We believe that there are some important changes to be made in relation to the Project Designation Methodology. DNOs should be able to set a Project Designation (PD) status in line with their trusted role to administer CNDM. The PD Methodology states that the ability to propose a designation to NESO can be done by a DNO. The DNOs need to be able to designate projects, along with their stated and trusted role to apply the Gate 2 criteria, CP30 criteria, and reorder the queue. The DNO is the body that has the information about the benefits a project would have on their network, and ultimately the consumer, and therefore it is only appropriate for this to be defined by the DNO".*

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.

Yes/ No **Yes**

We agree that the NESO should only be able to designate projects after a period of consultation and would suggest that this is extended to DNOs too. This ensures that stakeholders have the opportunity to provide input and that the decision-making process is transparent and inclusive.

For existing offers, this approach helps manage expectations by ensuring that all parties are aware of, and can contribute to, the prioritisation process.

Please see also response to question above.

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.

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

N/A

**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.

Yes/ No **Yes with caveats**

We agree with the proposal to introduce a requirement for an application window for NESO-led work.

However, we would not support this being expended for DNO-led connections. Once a year minimum requirement would not be sufficient.

At the same time, the majority of volumes of DNO-led connections do not have a transmission impact and therefore do not need to be limited to an application window. Timescales for project development are also typically much shorter.

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.

Yes/ No **Yes with caveats**

We agree with the proposed option, that 6 months to provide an offer once an application-window closes is generally adequate.

However, we have concerns about the potential for delays if the process is not managed effectively. Timely processing of applications and provision of offers of sufficient quality is essential to avoid delays in project development.

The proposed option regarding timing for the NESO to make offers is appropriate, but flexibility should be maintained to accommodate exceptional circumstances that may require adjustments to the timeline and where the Authority consents to such flexibility.

Regular monitoring and review of the process will help ensure that it remains efficient and effective.

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.

Yes/ No **Yes with caveats**

We agree with the proposed approach of specifying which type of applications get which type of offers.

At the same time, it is essential that the criteria for different types of offers are clear and transparent and consider the differences between directly connected and embedded connections to avoid misunderstandings and disputes.

Continuous review and stakeholder feedback should be encouraged to ensure that any issues emerging for different types of applications and offers are appropriately addressed.

In considering this, we would add that there is a need to review the DNO embedded project process. Processes should be reviewed with the aim of aligning outcomes for all application types, whilst recognising the differences in connection pathways between directly connected and embedded connections.

24. Do you agree that the proposed legal text in condition E14, as set out in Annex A, meets the policy intent above?

Please provide the reason for your answer.

Yes/ No Click or tap here to enter text.

N/A

## **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.

Yes/ No Click or tap here to enter text.

N/A

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.



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Yes/ No Click or tap here to enter text.

N/A

## 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.

Yes/ No Click or tap here to enter text.

N/A

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.

Yes/ No Click or tap here to enter text.

N/A

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.

Yes/ No Click or tap here to enter text.

N/A

### 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.

Yes/ No Click or tap here to enter text.

N/A

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

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

Yes/ No Click or tap here to enter text.

N/A

**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**

32. 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.

Yes/ No Click or tap here to enter text.

N/A

33. 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.

Yes/ No Click or tap here to enter text.

N/A

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

34. 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.

Yes/ No Click or tap here to enter text.

N/A

35. 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.

Yes/ No Click or tap here to enter text.

N/A

**Condition D16: Requirements of a connect and manage connection**

36. 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.

Yes/ No Click or tap here to enter text.

N/A

37. 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.

Yes/ No Click or tap here to enter text.

N/A

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

38. 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.

Yes/ No Click or tap here to enter text.

N/A

39. 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/ No Click or tap here to enter text.

N/A

**Section E: Offshore Transmission Owner Standard Conditions**

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

40. 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.

Yes/ No Click or tap here to enter text.

N/A

41. 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.

Yes/ No Click or tap here to enter text.

N/A

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

42. 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.

Yes/ No Click or tap here to enter text.

N/A

43. 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.

Yes/ No Click or tap here to enter text.

N/A

## **Distribution Standard Licence Conditions – Policy Intent**

### **Chapter 1: Interpretation and application**

#### **Condition 1: Definitions for the standard conditions**

44. 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.

Yes/No **Yes**

Modification is required to Condition 1 of the licence, to add new definitions, under both Scenario 1 and Scenario 2.

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As the reforms to the connections process evolve, it is important that the definitions remain relevant and accurately reflect the current regulatory and operational environment. RegularMod review and updates to the definitions help ensure clarity and consistency, which in turn reduces the risk of misunderstandings and the potential for disputes.

The changes required include those that Ofgem has flagged, but further defined terms may also be needed. This is to ensure, amongst other things, consistency across the regulatory framework at both transmission and distribution.

In coordination with other DNOs, we are currently working through drafting proposals on the changes required within the licence, to be sent to Ofgem post submission of consultation responses.

## Chapter 2: General obligations and arrangements

### Condition 4: No abuse of the licensee’s special position

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

Please provide the reasons for your answer.

Yes/No **Yes**

Modification is required to Condition 4, under both Scenario 1 and Scenario 2.

We recognise Ofgem’s view that CMP 376 is *“likely to improve market access... and thereby increase competition”*. However, the key difference between the CMP 376 and CP2030 proposals is that the latter involves different treatment of applicants based on factors such as technology, capacity, and location.

Ofgem agrees that modification is needed in the event of Scenario 2 being approved. In the event of Scenario 1 being approved, we still consider that Condition 4 requires modification. Under Scenario 1, DNOs will have a role to play in the application of the Strategic Alignment Criteria via recommendations to the NESO; both in terms of the existing and future connections queues.

It is therefore imperative that an explicit carve out is added in the licence, such that compliance with these new processes does not constitute a breach of these obligations. Any modifications should be carefully considered and subject to stakeholder consultation to ensure they are effective and practical.

In coordination with other DNOs, we are currently working through drafting proposals on the changes required within the licence, to be sent to Ofgem post submission of consultation responses.

## Chapter 4: Arrangements for the provision of services

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

46. 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.

Yes/ No **Yes**

We agree with the policy intent to modify Conditions 12.1 and 12.2 under both Scenario 1 and Scenario 2.

Specifically, Condition 12.1 requires modification to reflect the fact that DNOs will not be required to enter into a connection agreement with a requesting user that does not meet the Readiness and Strategic Alignment Criteria.

Condition 12.4, on the other hand, requires modification so it is explicit that applying the Readiness and Strategic Criteria in a way that does not provide a firm connection date (and may not) would not be in breach of SLC 12.4.

In coordination with other DNOs, we are currently working through drafting proposals on the changes required within the licence, to be sent to Ofgem post submission of consultation responses.

### **Condition 19. Prohibition of discrimination under Chapters 4 and 5**

47. 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.

Yes/ No **No**

We disagree with Ofgem's view that no changes are required to Condition 19 under Scenario 1 or Scenario 2.

Ofgem has not explained in the consultation document why it does not think that prioritising some projects over others is not discriminatory.

Although, Ofgem's previously stated position on discrimination is recognised, that it must be "undue" to infringe competition law principles, and that different treatment may not amount to discrimination if it can be objectively justified.

However, our view is that the justification for different treatment based on the Strategic Alignment Criteria is difficult to establish in the absence of amendment to Condition 19.

The obligation to not discriminate is addressed elsewhere in the consultation in relation to SLC B3 of ESO Licence. There Ofgem states that because SLC B3 does not include the word "unduly" to qualify the reference to discrimination, Ofgem proposes to add further clarification to that condition. We note that the proposal is not to insert the word "unduly" into SLC B3, but to provide greater clarity.

Accordingly, we consider that it is imperative that clarity is provided in the DNO licence, such that compliances with the new processes does not constitute a breach of these obligations. These changes should follow the same principle as the changes for TOs and NESO licences.

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

Please provide the reasons for your answer.

Condition 19 should be amended to explicitly state that compliance with the reformed processes does not constitute a breach of this obligation.

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This would provide clarity and legal certainty for DNOs when prioritising projects that align with strategic energy plans. Moreover, this amendment helps mitigate the risk of legal challenges in the future by ensuring that prioritisation of projects is clearly justified and aligned with regulatory requirements.

In coordination with other DNOs, we are currently working through drafting proposals on the changes required within the licence, to be sent to Ofgem post submission of consultation responses.

## Chapter 5: Industry codes and agreements

### Condition 20. Compliance with Core Industry Documents

49. 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.

Yes/ No **Yes with caveats**

We consider that there may need to be an obligation for DNOs to comply with strategic decisions that result from the CP2030 Action Plan and SSEP policies.

As we have said in response to the NESO's Connections Reform consultation:

*"The DNO license, codes, and the legislation should be updated to empower the DNOs to conduct their role in CP30, as detailed in the CNDM. Swift progress must be made to update the regulatory and statutory framework that will support the DNOs to allocate, optimise, and maximise the capacity on their network with the appropriate level of protection. This is the intent behind the CNDM, but without the appropriate framework changes, the DNOs are unable to conduct that important role in CP30.*

*The ENA and DNOs are currently examining the specific framework changes needed, and once this position is finalised, the CNDM will need further updating to ensure consistency throughout. We must ensure we do not move forward ahead of the regulatory and statutory changes which would be needed to achieve this autonomy. If the framework changes are not made in time for reform, then the process for implementation, detailed in the CNDM, will need to be reviewed".*

However, an obligation to comply with the CP2030 Action Plan and the SSEP policies would not be appropriate due to their non-specific, and general, nature. The uncertainty that could result from a compliance perspective means that any obligation concerning the effect of the CP2030 Action Plan and SSEP policies must be carefully drafted and considered.

Ofgem has not specified the form of "designation" it is considering. Further detail of what is proposed is therefore required.

In coordination with other DNOs, we are currently working through drafting proposals on the changes required within the licence, to be sent to Ofgem post submission of consultation responses.

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

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

Yes/ No **No**

Condition 20 of the licence contains mandatory obligations (i.e., "*The licensee must be a party to and comply with...*"). This is appropriate as drafted because it refers to compliance with industry codes, which are technical documents.

However, as Ofgem acknowledges, the CP2030 Action Plan and SSEP are both policies. Bearing in mind also that we are yet to see the detail of the SSEP, it would not be appropriate in our view for there to be a mandatory obligation to comply with relatively general documents, which lack the specificity needed to ensure compliance from the point of inclusion in Condition 20.

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

51. 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.

Yes/ No **Yes with caveats**

While in principle we agree that there should be an explicit licence condition setting out DNOs' requirement to perform "Gate 2" checks, we consider that the proposed licence amendment should be complemented, as elaborated below.

As stated in our response to Question 49, it is crucial that the wider regulatory framework, including the DNO license, codes, and legislation, should be updated to empower DNOs to conduct their role in CP30, as detailed in the CNDM.

We support the introduction of the basic obligation to apply the Gate 2 criteria for small / medium embedded generation under both Scenario 1 and Scenario 2.

Further, in the proposed new licence condition 12A.1 wording there should also be accompanying obligations to comply with NESO decisions as regards the Transmission Evaluation Application and NESO decisions as regards Gate 2 projects for large embedded generators.

In coordination with other DNOs, we are currently working through drafting proposals on the changes required within the licence, to be sent to Ofgem post submission of consultation responses.

52. 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.

Yes/ No **Yes**

We agree with the proposal to define a new Condition 12A.2 requirement to perform "Gate 2" checks in a timely manner.

We welcome the acknowledgment that the obligation on DNOs to perform "Gate 2" checks in a timely manner should be subject to Users providing all the relevant supporting information.

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The wording should also be complemented to recognise that the information submitted by Users should be complete, should not contain errors, and comply with the requirements set out in the applicable connections methodologies. This will ensure a fair balance of obligations between DNOs and Users.

We remain open-minded to how this is achieved, whether that it through a principles-based or prescriptive approach. However, care must be taken to ensure clarity and avoid duplication between the licence and the CUSC.

## New Conditions

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

53. 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 **Yes with caveats**

We agree with the proposal in principle.

*As we have said in our response to the CMP 434 proposals, while "DNOs will use reasonable endeavours to make sure that, where possible, a Modification Application is submitted in the next window, there will be a number of situations and scenarios where this will not be possible; for instance, if a Modification Notice is received towards the end of a window".*

For that reason, as part of the CMP434 Code Administrator Consultation, we asked that the NESO clarifies at what point in this process the DNO is expected to submit the Modification Application.

We are particularly concerned about the BEGA applications as the NESO will need to submit a modification notice to the DNO and the DNO will need to apply in the next gated window (as per the current legal text wording). If there is not enough time between the notice being received and the end of the next gated window this will not be possible.

In coordination with other DNOs, we are currently working through drafting proposals on the changes required within the licence, to be sent to Ofgem post submission of consultation responses.

## Proposed Electricity Transmission Special Licence Conditions

54. 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.

N/A

## Proposed Electricity Distribution Special 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.

Question 55 refers to the Electricity Interconnector Standard Licence Conditions but we believe that this was an erroneous reference and that the question intended to refer to the Electricity Distribution Special Licence Conditions, which is the focus of Chapter 7 of the consultation document.

Noting this, we do not think any changes to the Electricity Distribution Special Licence Conditions are required.

## Proposed Electricity Interconnector Standard Licence Conditions

56. 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

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

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

N/A

## 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?

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Do you have any comments about its tone and content?



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

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Were its conclusions balanced?

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Did it make reasoned recommendations for improvement?

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Any further comments?

We support the strategic direction of the TMO4+ proposals and believe that, with further engagement, suggested amendments and clarifications, the reforms can be successfully implemented.

Please see further our cover letter to this consultation response, dated 6 January 2025.

We look forward to continued engagement with Ofgem and other stakeholders to refine and implement these important reforms.