SSEN Distribution Response to RIIO ED2 - Draft Determination

Core Methodology, 5. Meet the needs of consumers and network users

Question ID	Core-Q29.
Question	Do you agree with our proposed target and thresholds for the dead band, maximum reward and penalty?
Associated Evidence	
Title	**Link to Evidence**
Annex 16: IT EJPs Annex	n/a
UK Customer Satisfaction Index	UK Customer Satisfaction Index (UKCSI) ⋆ Institute of Customer Service
Response	

SSEN agrees with the purpose of this incentive which is to encourage DNOs to improve the quality of customer service and reward exceptional performance. SSEN broadly agrees with the proposed incentive framework, subject to the details below.

Targets

SSEN agrees with Ofgem's proposed targets for RIIO-ED2. However, we note that, in other industries, high customer service scores have flatlined in most cases (with some exceptions where a significant step change is seen, but this is following significant investment) of. We ask Ofgem to be mindful of this. The July 2022 UK Customer Satisfaction Index (UKCSI) is 78.4 (out of 100), up 1 percentage point compared to a year ago but the same level as in January 2022.

Deadband

We have no further comment on Ofgem's proposal to introduce a deadband, whereby DNOs would be neither penalised nor rewarded for scores that fall between 8.6 and 9.2. We note that care must be taken in setting deadbands to ensure that performance improvements are not disincentivised by the lack of available rewards.

Financial incentive

We agree with Ofgem's proposed financial incentive. However, we would urge Ofgem to consider our concerns set out above regarding target setting, which will impact on the financial incentive.

Implementation

We agree with Ofgem's proposals not to include additional survey channels for RIIO-ED2. We agree with this proposal following the 12-month trial conducted by all DNOs and limited appetite from customers to change or add new channel routes.

Ofgem also needs to consider the ongoing challenges regarding the cost-of-living crisis and continued rising energy bills, which will inevitably increase customer expectations of any key player in the energy sector, including DNOs.

Ofgem must also be mindful that potential cuts elsewhere in the business plan will have a knock-on effect on customer service. Within this context, Ofgem must reconsider the scale of cuts associated with our digitalisation programme in particular. This puts at risk our Tailored Insights and Customer Omni Channel projects (please refer to Annex 16 for further detail). Without both deployments, our ability to meet the ambition we have embedded within our plans will be impacted.

Question ID	Core-Q30.
Question	Do you agree with our proposed approach to working with DNOs to implement Strom Arwen actions related to customer satisfaction?
Response	

We agree with Ofgem's approach to working with DNOs to implement Storm Arwen actions relating to customer satisfaction.

We do not have any concerns regarding reporting additional metrics for communication channels as we already internally measure and monitor such channels. We have concerns about introducing new measurements and metrics that have not been customer/stakeholder tested or accounted for in our business plan. In the same way, we would have concerns if new tasks or outputs were to be introduced that have not been tested or accounted for in our business plans.
We also agree with the principle of incorporating these into the incentive. However, it is difficult to understand our position under the proposed new targets without knowledge of how these new metrics will work.

Any increase in activity (for example an increase in outbound calls) that has not been costed or considered as part of our ED2 Business Plan will not form part of our current recruitment mobilisation strategy and will require additional funding, which could be via the Storm Arwen re-opener. As matter of principle Ofgem should not create new duties or requirements without properly funding them.

The Storm Arwen re-opener should trigger in the last week of April 2023 to ensure review recommendations can be implemented as soon as possible, allowing consumers to get the benefit of these works during the first winter storm season of RIIO-ED2. We would also urge Ofgem to ensure that the scope of the Arwen reopener and the associated license drafting is sufficiently broad enough to ensure any relevant issues can be effectively addressed. See our response to Core-Q3 of the Overview Document for our detailed view on the Storm Arwen reopener.

Question ID	Core-Q31.
Question	Do you agree with our proposed target and maximum penalty score?
Associated Evidence	
Title	**Link to Evidence**
UK Customer Satisfaction Index	UK Customer Satisfaction Index (UKCSI) ⋆ Institute of Customer Service
Response	

We do not agree with the proposed targets and maximum penalty score. We have several concerns with Ofgem's proposal for the complaints metric, as outlined below.

Target

Ofgem's proposed target represents a significant step change from RIIO-ED1. While we note Ofgem's view that some DNOs have scored near that target in the year 2020/21, this is not likely to be reflective of DNO performance throughout RIIO-ED1.

More specifically, while DNOs have performed typically under 2.8, this has taken nearly seven years to achieve and the average trend for 2021/22 is a metric score of around 3. This is due to the increased volume of complaints associated with the named storms, that put significant pressure on the DNOs and increased operational costs significantly.

Further, there is a risk of significantly increased headcount costs to meet the complaints target if DNOs are to go through similar weather scenarios. Ofgem should consider separating business as usual performance and storm performance so that there is a clear line dividing them or there are exceptions for exceptional events.

In addition, Ofgem should change the definition of a complaint that states "any form of dissatisfaction" as this is:

a) extremely broad; and
b) does not cover every aspect under the Ombudsman terms of reference, which can cause confusion.

Most customers who contact our call centres during storm events due to being off supply are dissatisfied from day 1, due to being off supply, rather than being off supply for a period of time. Under the current definition, such interactions must be treated as complaints, causing significantly increased volumes during these events.

Looking at July 2022 Institute of Customer Service results, the trend for improved complaint handling, alongside more customers experiencing a problem with an organisation, has continued. 17.3% of customers noted experiencing a problem with an organisation, the highest level ever recorded in the UKCSI. The trend in complaints volumes has increased year on year, however the RIGs definition of a complaint as "any form of dissatisfaction" has not changed to align with consumer behaviour and expectation changes and is too broad.

Financial Incentive

We can understand the reasons behind retaining the same scale of financial incentive in RIIO-ED2, despite our concerns around the targets as outlined above.

Question ID	Core-Q32.
Question	Do you agree with our proposal to remove the activities proposed from DNOs' baseline allowances?
Response	

We do not agree with Ofgem's Draft Determination position to remove the activities proposed from DNOs' baseline allowances. This approach compromises the outputs and deliverability of our plan. Our plan was co-created with our stakeholders and was designed to drive positive value for our customers in vulnerable situations, by both building on actions taken in RIIO-ED1 and introducing new offerings in RIIO-ED2. We challenged ourselves to respond to customers' needs and put forward initiatives to address those real needs across 2023-28, with an ambition to reach up to 1.3 million customers across our programme of activities.

We do not agree that the removal of baseline allowances for all three types of activities identified by Ofgem is appropriate:

- We cannot comment on the removal of the repair and replacement of gas boilers as this was not something we had proposed in our plan.
- We do not agree with the removal of the installation of energy efficiency measures. Since our plan was submitted, the case for this has become even stronger in the current energy crisis. Ofgem's approach means that we would need to reduce our customer household energy efficiency support reach by 5000 households.
- We do not agree with the removal of employee energy efficiency training. We have proposed to up-skill 30 employees to gain a City and Guilds energy efficiency qualification, that will be delivered by National Energy Action. These 30 employees will then become ambassadors throughout our organisation and provide wider internal training accordingly. We consider the external training and initial accreditations would deliver significant value for consumers and should be funded as part of our strategy, as we do not currently have these skills internally to adopt from day one. With the average consumer bill set to raise to £4000 or more creating capacity to address energy efficiency should be a priority.
- We do not agree with the removal of our educational outputs that proactively educate school children on energy usage, LCT and energy efficiency measures. These are our future bill payers, and early intervention and education is required to support future customers and adults with difficulties to better understand the benefits of LCT, energy efficiency measures and usage. The removal of both outputs would see 41,400 less customers supported.
- We do not agree with the removal of the enablement and tech fund as detailed below.

Impact of removals

These proposed removals would reduce the overall reach we proposed under our Tier 1 commitment from 200,000 customers down to 147,635. We would no longer be able to meet our original target if the funding for these schemes above is removed.

Energy Enablement Fund

With regards to our proposal for an energy efficiency enablement fund, Ofgem has stipulated that it cannot see any evidence of ED1 delivery. However, we currently operate two Enabling Funds: one in SHEPD, which commenced in 2016 and is delivered through Warmworks; and another in SEPD which commenced in 2021 and is delivered by Centre for Sustainable Energy. We have annually committed to a total spending of £50k (£20k in SHEPD and £30k in SEPD). We planned for this to continue in ED2.

The purpose of these funds is to enable access to onward grants that are available but that the customer is unable to access as they are not able to undertake the preparatory work and cannot fund a third party to do the work for them. For example, a customer may qualify for a grant that would enable loft insulation to be fitted, however, their loft is required to be cleared in advance. The grant does not cover the cost of clearing the loft, the customer is physically unable to do so themselves and they do not have the financial means to pay for a third party to undertake the work. Under normal circumstances this would result in the customer being unable to secure the grant and proceed with the installation of the energy efficiency measure. Through the Enabling Funds we offer, we can pay for this preparatory work and unlock access to the onward grant. Our fund is complementary to other funding streams and seeks to reduce the barriers to uptake, in terms of additional physical works that might otherwise prevent a customer from undertaking this beneficial work. This is acknowledged by customers and our fuel poverty partners as creating value.

Since its launch in 2016, Warmworks has supported over 220 customers. In 2021-22 the SROI for this work was calculated at £8.23 per £1 spent. Similarly, the CSE enabling fund has supported over 45 customers since its launch in 2021. The SROI for this work in 2021-22 was calculated at £6.40 per £1 spent.

These activities would have provided an additional opportunity for us to maximise the existing touchpoints we have with our customers and were proposed in direct response to feedback from our stakeholders and customers. It would not be in the interests of our customers to withdraw these activities.

Stakeholders' feedback from our engagements since June:

Stakeholders from fuel poverty organisations have welcomed the changes we have implemented in our Business Plan to provide an enhanced offering in our Vulnerability Strategy to mitigate the changes in circumstances for many of our customers in vulnerable situations. These stakeholders have also highlighted concerns in the removal of funding for energy efficiency measures and training that would help deliver permanent reductions to consumers’ consumption and energy bills.

Question ID	Core-Q33.
Question	Do you agree with our proposals for the Consumer Vulnerability ODI-F?

Response

Financial incentive framework

While we are supportive of a financial incentive to drive improvements for customers in vulnerable situations, this incentive requires considerable further work before it is fit for purpose. Although the concept has value, the metrics and what they measure are not sufficiently well developed and will not drive the best outcomes for customers. Given this we cannot agree nor disagree with it at this stage, until our concerns have been addressed.

We also note that the incentive is fully mechanistic and quantitatively assessed. Whilst this is easier to measure, there is a risk with their being no qualitative assessment built in. Our original bespoke ODI-F proposal built this into a suitable metric and captured both elements, thereby retaining the value that a qualitative assessment brings but ensures this is counter-balanced by objective measures. Please see also our response to Core-Q36.

Incentive value

We are in broad agreement that the incentive value remains +/- 0.2% RORE in monetary terms. Please see our response to FQ42 for our comments on the proposal to use % RORE rather than % baseline revenue in calculating the incentives.

Frequency of assessment

We accept the frequency of assessment but have concerns about the defined process. In particular, it is still unclear if the Year 2 position is an average of the Year 1 and Year 2 performance, and Year 5 is an average of Years 3,4 and 5 combined. The variation between metrics and measurement is still unclear.

Customer satisfaction for customers who receive vulnerability support services (fuel poverty and low carbon transition support)

We have significant concerns around the inclusion of fuel poverty and LCT CSAT measures within the incentive at present as the calibration is not fully understood. These aspects should be removed from the metric, or turned off, until such times as an appropriate baseline can be accurately measured and a genuine target for improvement can be set. We strongly advocate this as a position, as an appropriate baseline cannot yet be set, given that it has not been measured to date, and it is therefore not known how much improvement is required to increase CSAT to these new levels.

We are currently unable to quantify the upside or downside risks for around 30% of this incentive. This also ignores the ongoing methodology discussions and calibration that is being developed between

DNOs and Ofgem around how each of the components is measured. These new requirements and additional baseline and stretch targets were introduced very late in the process and policy appears to still be developing in this area. We continue to be happy to engage with the process, but there are risks both in the setting of these targets and in the retro fitting of existing broader activities into the new metrics.

Common independent assurance (IA) provider

The introduction of an IA in this area will increase confidence and there is a broad acceptance that we should all be using the same measurement. We have and continue to use best practice and follow Ofgem's request for additional data and clarity. However, we have serious concerns that Ofgem has introduced metrics that are not fit for purpose and may not deliver the value they were set out to do. Our proposal is that CSAT is not turned on initially and a target is not set for Year 2 until such times as confidence is restored. We recommend that FP and LCT baseline targets are agreed with Ofgem, such that the activities are accepted. Subsequently, the CSAT measures may be turned on for financial incentive by Year 5, or simply remain report only during RIIO-ED2.

Minimum requirement for reward

We can see the value in introducing the minimum requirement threshold. The role of an IA in undertaking this assessment appears sensible, but there is a lack of understanding (partly due to this also being introduced late in the process) of whether a DNO would have the opportunity to update their approach post IA assessment. We recognise this is still under discussion, but at present we cannot provide a view on whether there are process concerns around this. We will continue to engage with Ofgem on this.

Question ID	Core-Q34.
Question	Do you agree with the performance metrics we are proposing to include in the incentive and the approach to setting targets and associated dead bands, performance caps and penalty collars? If not, please explain why and give details of your preferred alternative.

Response

See also our response to Core-Q33.

PSR Reach Metric

We accept the performance metrics for PSR Data Cleansing and Reach.

Value of support services delivered metrics

We accept that fuel poverty should be measured by NPV and we accept the dead band proposals, however, further work is still required.

Customer satisfaction for customers who receive vulnerability support services (fuel poverty and low carbon transition support)

We do not accept the LCT CSAT proposal as we are not offering a domestic level LCT service, but community led initiatives, and therefore to date have been unable to provide Ofgem with a CSAT and NPV baseline or stretch target for LCT. The business plan guidance does not stipulate that LCT services must be offered at a direct domestic household level, which led us to co-creating a different community initiative. We would welcome future dialogue with Ofgem to address our concerns.

Further broader considerations

At this this time we are concerned that new metrics and targets have been proposed around Fuel Poverty and Low Carbon Technology installations CSAT scores that we do not measure currently, therefore it is not currently possible to understand how far performance needs to increase in ED2. We do not agree with Ofgem's methodology approach in terms of using PSR CSAT data to create Fuel Poverty CSAT targets as the two are not comparable. Ofgem’s approach is therefore not appropriate, and we suggest that until a fair baseline has been established that target should not be set. In this instance we suggest that Ofgem conducts testing with our partners, using DNO customer referral data from the past three months, to identify a baseline that is reflective of the current economic challenges.

We have significant concerns around the Fuel Poverty CSAT targets. As part of our response preparation, we have undertaken a survey via Explain to ascertain where current performance is likely to sit for this measure. Explain contacted over 400 customers who have been through our fuel poverty referral services within the last six months. Due to the current cost of living challenges and increased energy prices, including another predicted increase in October, we are concerned that referral services now being offered will not provide sufficient support for customers to fully alleviate their concerns. This could cause frustration for customers if they feel these services will provide a lesser benefit than before. We used the same questions that Ofgem are proposing in RIIO-ED2.

Key highlights:

- Out of 400 customers we tried to engage with (three attempts), only 76 people answered or wished to complete the survey.
- Overall benefit of service (which relates to referral partner benefits offered and materalised benefits) scored 6.94. This is concerning for us as we have no control over the services offered.
- If these scores materialised under the current RIIO-ED2 proposals, SSEN would be in penalty.
- Killer question scores are lower than if aggerated scores.

These survey results give us real concern that the Draft Determination targets are not reflective of our current performance levels, are not supported by robust data and evidence, and are unachievable. The targets have been set based on flawed assumptions as Ofgem does not have robust evidence to justify this approach.

We have raised concerns with Ofgem about the increased Service Level Agreements that referral partners are facing due to the volumes, and we are concerned that timescales could increase as we start to approach and navigate through winter. Winter predictions are showing that a third of households will be classified as fuel poor across England by October.

We also have concerns around how representative the CSAT scores will be if the respondent numbers are low. If there is a low uptake in responding, there is the potential that a small minority of responders could influence the scores upwards or downwards.

	Home Energy Scotland	**YES Energy Solutions**	**Overall, combined score**
Q1 Have you received service from SSEN?	100% Yes (base 27)	100% Yes (base 49)	100% (base 76)
Q2 How easy was initial contact?	**8.16** (base 25)	**8.75** (base 48)	**8.55** (base 73)
Q3 How beneficial was service?	**6.31** (base 26)	**7.31** (base 45)	**6.94** (base 71)
Q4 Energy Saving	**No – 59%** Unsure – 22% Too Early to tell – 11% Yes – 7% (base 27)	**No – 61%** Yes – 27% Too early to tell – 10% Unsure – 2% (base 49)	**No - 61%** Yes – 20% Too early to tell – 11% Unsure – 9% (base 76)
Q5 Overall Score KQ	**7.54** (base 26)	**8.32** (base 47)	**8.04** (base 73)

Question ID	Core-Q35.
Question	Do you agree with our proposal for the Annual Vulnerability Report ODI-R?

Response

SSEN supports the annual reporting process. However, we would welcome clarification from Ofgem on how this will then feed into the Year 2 and Year 5 assessment.

We would also welcome a qualitative and quantitative measure of assessment, so that the assessment process is rounded. With just a metrics-based assessment, we are concerned that we will be unable to demonstrate the benefits delivered through other community initiatives, deliverables and interactions that have taken place. We are also unable to showcase innovation and continued collaboration and engagement with Customers, Stakeholders and Partners.

Question ID	Core-Q36.
Question	Do you agree with the proposed content of the annual report? If not, please explain why and give details of your preferred alternative.

Response

We agree with the proposed content for the annual report on vulnerability. The inclusion of both qualitative and quantitative measures of assessment results in an assessment process that is rounded, as noted in response to the previous question.

The inclusion of quantitative metrics introduces an element of objectivity, however, is complemented by qualitative information, which is critical to ensuring context is well understood. We therefore suggest that Ofgem considers including a qualitative target of around 10% within the ODI, and reduces the 40% weighting that is currently allocated to PSR reach to provide a fair balance to 30%. Any reporting framework must be proportionate and focused on providing key stakeholders with the information they need.

We welcome the opportunity to submit our winter preparedness plans which will set out how we intend to support customers in vulnerable situations through a loss of supply, however we flag the timing concerns given submission is likely to be in July and winter preparedness to start around September. We would welcome clarity on this.

Question ID	Core-Q37.
Question	Do you agree with setting the maximum reward and penalty limit at +/- 50% of the target?
Response	
We do not agree with Ofgem's proposals to set the maximum reward and penalty limit at +/-50% of the target. Instead, we would support a continuation of the previous position with an incentive set at +/-30% of the target. We note Ofgem's concerns that continuing with a 30% limit from the target may mean that some DNOs could achieve the maximum reward from the outset in some categories, and with no extra effort. However, we consider that Ofgem's proposal fails to consider the extent of the challenge that net zero will bring in terms of significant increases in the number of connections coming forward. This uncertainty is further exacerbated by Ofgem's proposals around Access SCR, which have yet to be implemented and could result in significant and unpredictable behavioral shifts. Finally, Ofgem's proposal to remove all strategic investment from our plan combined with significant cuts in IT will hamper our ability to deliver significant improvements in service for connecting customers.	

Question ID	Core-Q38.
Question	Do you agree with setting a deadband of +/-20% of the target?
Response	
We agree with the proposed dead band of +/-20% of the target and consider that this provides appropriate protection for DNOs under a new penalty regime, as wider industry issues could negatively impact on scores. We note that care must be taken in setting deadbands that performance improvements are not disincentivised by the lack of available rewards.	

Question ID	Core-Q39.
Question	Do you agree with our proposed design of the Major Connections incentive?

Response

Whilst we agree that the use of customer satisfaction surveys is likely to be the most appropriate way to measure service levels in this area, we have concerns about the incentive design for the Major Connections Strategy Delivery Incentive as a whole.

There have been several significant changes to the incentive design throughout the business plan development and submission stages, including through the SSMC, SSMD, Ofgem's Decision on Competition Review and Draft Determination. All these documents contain very different approaches to the design of the incentive and the inclusion of different market segments within targets, penalties, and even potential rewards.

When Ofgem began designing a replacement incentive for Incentive of Customer Engagement (ICE), there was a significant emphasis placed on the baseline expectations set out in the SSMC, and further in the SSMD as a measure of the level of service that our customers expect throughout the price control. It appears that the baseline expectation exercise has provided little value in terms of the incentive design for major connections.

Major Connections Customer Satisfaction Survey

Our biggest concern in the design of the incentive is the inclusion of surveys for non-contestable connections services provided to third parties in those market segments that have passed the competition test.

Competitor third parties (ICPs and IDNOs) are likely to represent a significant proportion of respondents and we are concerned that Ofgem's proposals to survey these parties in competitive areas of the market could distort competition and, ultimately, not be in the interest of existing and future consumers. While we agree that these parties deserve an equally high level of service, this is already provided for under the implementation of the Competition in Connections Code of Practice that DNOs are required to comply with under SLC52. Our view is that market segments that have passed the competition test should either be excluded from this incentive altogether or included in the survey on a reputational only basis.

We support the introduction of an appeals mechanism to help ensure DNOs are not unfairly penalised or penalised for factors outside of their control. We would welcome further discussion with Ofgem on how the mechanism would work to ensure that it would provide appropriate protection for DNOs without significant additional regulatory burden.

As noted above, Ofgem must also be mindful of interactions with the wider context, including the significant cuts proposed by Ofgem in its Draft Determination in relation to strategic investment and enabling digital investments.

Question ID	Core-Q40.
Question	Do you agree with our proposed approach to target setting and applying the penalty?

Response

We do not agree with Ofgem's proposals for target setting and applying the penalty for the major connections incentive. As Ofgem acknowledges, this is a new incentive and actual performance is still uncertain.

We note Ofgem is proposing to set rising targets from ED2 Year 1 in recognition of this being a new incentive and therefore there being no available historical data to accurately base targets on. However, this does not go far enough, and we do not agree that using the DNO end of period targets set out in Final Business Plans to calculate Year 1 targets is appropriate. We therefore suggest that Ofgem commences this incentive from ED2 Year 2, and uses the formal data gathered in Year 1 to set targets for the remainder of the price control.

We do not support the principle of a cliff edge penalty approach. A ramping up of penalty in line with performance is more appropriate and would incentivise DNOs to continually improve, so long as fair targets are set based on historical performance.

The cliff edge penalty introduces a significant new penalty risk for DNOs. This would amount to significant new risk and would add pressure on the risk premium on the cost of capital.
We note that in combination with the new proposed penalty under Time to Connect, this tips the balance of the overall suite of connections incentives unfairly towards a penalty. We believe that a potential reward in this area would re-balance the suite of connections-related incentives to ensure that there is an appropriate reward available to DNOs who are driving improvements for customers.

Question ID	Core-Q41.
Question	Do you agree with our proposal to require reputational reporting of timeliness metrics for all RMS?

Response

We agree with the principle of reputational reporting for major connections. However, the reporting of timeliness metrics is unlikely to provide meaningful information for our stakeholders, for the reasons detailed below.

Time to Quote

For major connections, feedback from our customers suggests that (i) the overall quality of the quotation; and (ii) ensuring that the quotation meets the customer requirements, are of more importance than the time taken to provide a quotation (particularly as this is already time bound under the GSOPs). We are therefore unclear that provision of time to quote information will be helpful.

Time to Connect

There are many different factors that can affect the time taken to connect a major connections customer. These include the extent of detailed design, the need to secure land rights and wayleaves and, in some instances, reinforcement work on the transmission system. This can make a true and fair comparison of performance difficult and complex.

'Site ready' as an approach to measure TTC related performance has some complexities and issues that may reduce any meaningful performance measures. Within each of the Major Connections market segments there are a wide-ranging scope of works possible that would be measured and compared on a like for like basis where we do not consider this to be appropriate. For example, a large housing development with a 5-10 year build profile would be directly compared against a commercial charge-point installation with a build plan of 1 year.

We currently do not record 'site ready' within our work scheduling areas of our system so this would require changes to processes for delivery teams and changes to IT systems that are not currently included in any funding requests.

We would request that we continue to engage with Ofgem to discuss the appropriateness of this measure and any suitable alternatives through upcoming working groups.

Question ID	Core-Q42.
Question	Do you agree with our proposal to launch a wider review of the Connections GSoP (that is, beyond updating the payment amounts for inflation and incorporating standards for DG customers)?

Response
We do not support Ofgem’s proposal to launch a wider review of the Connections GSoPs at this stage. Since the implementation of these standards, they have protected our customers and improved our service requirements. We are unclear of the driver for a wider review of the GSoPs and do not understand this to be a priority area for our stakeholders. This is a time of significant change and uncertainty for connections, with the challenge that net zero will bring in terms of significant increases in the number of connections coming forward. This uncertainty is further exacerbated by Ofgem’s proposals around Access SCR, which have yet to be implemented and could result in significant and unpredictable behavioral shifts. It is important that these changes are allowed time to fully bed in at industry level prior to any review of performance standards. This will ensure that the effects of the changes are known, and that the relevant data is available to inform such a review. It should also be noted that if we are required to adhere to revised standards of a performance as a result of any such review, appropriate funding must be provided to allow us to implement the necessary changes.

Question ID	Core-Q43.
Question	Do you have any views on what else could be done to help speed up connections to the distribution network and or develop a standard for the overall (ie, end to end) time to connect?
Response	

As per our response to the reputational metric use, there are many different factors that can affect the time taken to connect a major connections customer. These include detailed design stage, securing land rights and wayleaves and, in some instances, reinforcement works on the transmission system.

As the industry moves towards a net-zero network, there is a greater need for Whole System approaches. These approaches could alleviate the waiting times for connections as DNOs engage more holistically with Local Authorities, National Grid, consumers and commercial industries.

Working together will allow us to better forecast upcoming changes to demand or generation on our networks and facilitate more accurate ahead-of-need strategic investment. We will look to improve wayleaves and consenting processes, to alleviate network constraints and initiate digital enhancements that provide better foresight for our customers and stakeholders.

Strategic investment is needed both at transmission and distribution level to ensure that capacity is available to customers in the timescales that they require. Significant cuts proposed by Ofgem in its Draft Determination in relation to strategic investment and enabling digital investments restrict our ability to do this.