GRID USERS COALITION

Grid Access for Growth

Five challenges facing the businesses that depend on the grid, and what is still needed to fix them

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GRID USERS COALITION

A CROSS-SECTOR COALITION OF

techUK · Real Estate:UK · MAKE uk · RenewableUK · datacentre dca alliance · Solar Energy UK

CHARGEUK · LOGISTICS UK · Energy UK · octopus energy · RHA · Yottar

SUMMARY

Growth runs through the grid, and access to it must keep pace

The Government wants growth in every region, new homes, a competitive economy and lower energy costs, and the Prime Minister has set a goal of bringing UK energy costs into line with our European neighbours within ten years. Every one of those ambitions runs through the electricity grid. Factories, logistics depots, ports, new housing, charging networks, data centres and clean power projects all need a connection that is timely, affordable and predictable. Too often they cannot get one.

When a connection is too slow or too costly, the investment does not wait. It shrinks, moves abroad or is lost, along with the jobs and tax revenue that would have come with it. And because network costs are paid by every household and business, a grid that works badly pushes up the cost of living as well as the cost of doing business.

The prize is large. Connections reform alone could unlock around £40 billion of private investment a year, and more than £35 billion of industrial, gigafactory and data centre investment already depends on timely connections.

There is good work under way, and the Coalition welcomes it: queue reform, new service standards, proposals for better connections data, new rights for businesses to build their own connections, and Great British Grid.

But it is too slow, and critical gaps remain. Getting access to the data needed to assess grid capacity is taking years, because the work is under-resourced. Major decisions on queue fees and milestones are being taken without a reconciled picture of the queue. The new service standards will not fully apply until 2028. Users still have no point at which the cost of a connection is fixed. And no one in Government is accountable for grid access from end to end.

This paper sets out five challenges and what is still needed to close them. The test is simple: do the businesses that depend on the grid get connected faster, at a cost they can plan for?

WHAT WE'RE SEEING AS GRID USERS

82.8%

of logistics businesses do not have the grid capacity to cover their future needs

LOGISTICS UK SURVEY

5–10 yrs

connection delays now facing many data centre projects

DATA CENTRE ALLIANCE

1 in 3

industrial businesses say grid connection problems are delaying new projects

SURVEY OF 200 INDUSTRIAL DECISION-MAKERS, 2026

300–400%

rise in connection costs that members report between an early offer and final signing

COALITION MEMBERS

THE COALITION

Twelve organisations. Tens of thousands of businesses.

The Grid Users Coalition speaks for the organisations that have to connect to the grid in order to grow: manufacturers, hauliers and logistics operators, property developers, charging networks, digital infrastructure and clean power. It works by consensus, and exists to put the needs of non-domestic grid users in front of decision makers.

techUK

1,200+

technology companies, including 90% of the UK data centre sector

MAKE uk

20,000

manufacturers of every size, in a sector with 2.6 million jobs and £220 billion of output

LOGISTICS UK

22,000

members, in a sector that employs 8% of the UK workforce and adds £175 billion a year

RHA

250,000

lorries run by its 8,500 members: half the UK fleet. 85% of members are small and medium-sized firms

Real Estate:UK

£950bn

commercial property market, represented by 500+ investors, developers and operators

datacentre dca alliance

5,000+

digital infrastructure professionals across 200 member organisations

CHARGEUK

£6bn

of planned investment in public charging by 2030, from an industry employing 12,000+ people

RenewableUK

500

companies across wind, tidal, storage and flexibility. Offshore wind alone plans £100 billion of UK investment in five years

Solar Energy UK

450+

solar and storage businesses, in a sector with 22 GW installed across two million sites

Energy UK

80%

of UK power generation delivered by its 100+ members, who also supply 28 million homes

octopus energy

8 million

UK households supplied: the country's largest energy supplier

Yottar

£4.7bn

a year: Yottar's estimate of what poor grid visibility costs the UK

AT A GLANCE

Five challenges: what is under way, and what is still needed

CHALLENGE	ALREADY UNDER WAY	STILL NEEDED
1 Costs Grid costs are high and rising, and users cannot predict them	Transforming the Connections Experience: clearer cost information in offers. Self-build rights, new transmission owners and Great British Grid.	**A point at which connection costs are fixed. Transparency on what the network costs to build. Commitments that are proportionate and reciprocal.**
2 Visibility Users cannot see where the grid has capacity before they commit	Open data portals and digital network models. Transforming Connections Data: a monthly demand register and a works report.	**The data and models for third parties to model capacity accurately. The whole queue from formal application onwards, down to 1 MVA. Data extended to lower voltages. Workable licences and managed access.**
3 Timelines Connections take too long, and an accepted offer is not a delivery date	NESO queue reform. ENA entry requirements. Demand Connections Reform (Curate and Connect). Compensation for delay and minimum standards for every customer.	**Queue discipline settled, proportionate and applied fairly. Self-build rights developed at pace and made to work. Standardised voluntary flexible connections that increase speed to power and can be tailored. Networks held to milestones.**
4 Policy approach Policy development and reform is fragmented, overwhelming to engage with, and too quick to centralise	The Connections Action Plan, Ofgem's Transforming Connections programmes and Demand Connections Reform. Planning and Infrastructure Act powers. Great British Grid. The Strategic Spatial Energy Plan and Regional Energy Strategic Plans, in development.	**Open, market-led solutions tested before new central bodies or roles. Guidance, not mandates, on where to build. A clear role for Great British Grid, defined with strong engagement from sector participants.**
5 Service Service is fragmented: every network does it differently	Transforming the Connections Experience: minimum standards in licences, a named point of contact, performance reporting and a clearer disputes process.	**Prompt, consistent roll-out of the new service standards across every network. Independent measurement of network performance. A competitive market for digital grid solutions. Innovation funding open directly to innovators.**

CHALLENGE ONE

01 Costs

THE CHALLENGE

Grid costs are high and rising, and users cannot predict them.

Grid users pay in two ways: a one-off charge to connect, covering new equipment and a share of any upgrades the connection triggers, and ongoing network charges in every energy bill.

- **Network charges are high and rising** as a very large investment programme is paid for, yet users are rarely shown what that investment means for their charges, connection costs or waiting times.
- **Connection costs are volatile.** Members report rises of up to 300 to 400 per cent between an early offer and final signing, often with little explanation and no practical way to challenge the change.
- **New financial commitments** are being asked of users to hold a place in the queue. Those costs build every year, including when the delay is the network's.

Why this matters for growth. A board cannot approve a factory, depot or development when its largest infrastructure cost may triple after the site has been chosen. Unmanaged grid costs also work directly against the goal of bringing energy costs down.

ON THE GROUND · LOGISTICS

£1.5 million to connect one depot

More than one in ten logistics businesses have been quoted over £1.5 million to connect a single site. One operator with 11 connected sites now pays £1.5 million a year in standing charges before using a single unit of electricity.

Source: Logistics UK, Road Freight Decarbonisation survey

ALREADY UNDER WAY

Ofgem's Transforming the Connections Experience decision (September 2026) requires clearer cost information in offers and a transparent process for changes. Delivery is being opened up through Demand Connections Reform (self-build rights and an independent transmission owner licence, for consultation this autumn), a draft licence for competitively appointed transmission owners, and Great British Grid.

STILL NEEDED

1.1 Give users cost certainty. Better breakdowns help, but they do not stop costs moving. Users need earlier and more reliable cost ranges, a defined point at which costs are fixed or capped, and accountability where costs change after an investment decision.

1.2 Show what the network costs to build. Price control plans and major transmission decisions should set out what infrastructure actually costs and what that means for connection costs, dates and charges, so that value for money can be tested.

1.3 Make competition in delivery work for users. A customer must be protected by the same technical and service standards whoever builds or owns the connection. New routes should be opened where there is a clear benefit and no added risk of delay.

1.4 Keep commitments proportionate and reciprocal. Where users must post security to hold a place in the queue, it should be proportionate to the project, and networks should be accountable when their own delay adds to the user's cost. Ofgem's proposed commitment fee for data centres, of £237,500 to £712,500 per MW, shows the scale now being asked of customers, with no matching accountability when a network misses a connection date.

Who needs to act: Ofgem on cost certainty, transparency and standards. Government to set the direction. Networks to deliver.

CHALLENGE TWO

02 Visibility

THE CHALLENGE

Users cannot see where the grid has capacity before they commit.

What visibility means. A business should be able to find out, before it applies, how much capacity is available at a site, what a connection is likely to cost and how long it will take. The aim should be that third parties can model grid capacity accurately, with networks providing the underlying data and network models that make this possible.

Today's tools do not do this. Network heat maps are too coarse, and too often out of date, to support an investment decision. So businesses choose a site and apply simply to find out. That sends projects to the wrong places, fills the queue with speculative and duplicate applications, and leads networks to build more than they need.

Progress is too slow. Ofgem's Connections End to End Review has moved data forward, but at the current rate it will be many years before enough is available to assess capacity accurately. Security concerns have held back open publication, while work on managed access to sensitive data has not had the support it needs.

£4.7bn

a year: the estimated cost to the UK of poor grid visibility

Source: Yottar analysis (upper estimate)

ON THE GROUND · EV CHARGING

Approved, then told the cable was dead

Shortly before switch-on, a charging operator learned its approved connection was to a dead cable. Cost: £60,000, three months, and £12,000 in rent.

Source: ChargeUK member

ALREADY UNDER WAY

Networks publish open data portals and, under Ofgem's Long Term Development Statement reforms, digital models of their higher-voltage networks. Through its Transforming Connections Data programme, Ofgem decided in September 2026 to require a monthly demand register and a distribution works report, and proposed improvements to four existing registers.

STILL NEEDED

2.1 More data, more quickly. Networks should provide the complete, standardised, machine-readable data and network models that third parties need to model capacity accurately, to deadlines measured in months. Data provision should be a core, properly resourced function, with quality, including the accuracy of the queue itself, measured independently.

2.2 Show the whole queue. The queue registers should include every project of 1 MVA and above from the point of formal application: applied but not yet offered, offered but not yet accepted, and contracted. The benefit to every grid user of seeing the real queue outweighs the other commercial considerations raised. Without it, users will keep applying just to find out, adding to the queue for everyone.

2.3 Extend visibility to lower voltages. Most businesses connect below the level today's network data covers. They need to see the local network they will connect to.

2.4 Workable licences and managed access. Data should be available on licences that let innovators build solutions for asset developers. Where security is a consideration, there should be a secure, managed access route overseen by a panel with equal representation of grid users and innovators, so that triage properly weighs the economic benefit of data access.

Who needs to act: Ofgem to set requirements and settle disputed cases. Ofgem and NESO to evidence the queue. Networks to deliver.

CHALLENGE THREE

03 Timelines

THE CHALLENGE

Connections take too long, and an accepted offer is not a delivery date.

Timelines are long as well as uncertain. Many projects wait years for a connection date. Even after an offer is accepted, that date depends on a long chain of design, consents, land rights, equipment, outages, construction and commissioning, and users often learn of slippage late.

Much of this can be shortened: by keeping stalled projects from holding places in the queue, by letting customers deliver more themselves, by offering useful power earlier through flexible arrangements, and by managing delivery actively once a place has been allocated.

Why this matters for growth. Time to power now helps decide where manufacturers, logistics operators and digital infrastructure investors locate. Every avoidable year between application and switch-on defers jobs, output and tax revenue.

5–10 yrs

Connection delays now facing many data centre projects, holding back the AI capability, jobs and productivity they enable.

Source: Data Centre Alliance

ON THE GROUND · REAL ESTATE

Offers into the 2030s

Real estate investors report lengthy connection delays, with some projects in highly constrained areas receiving connection offers well into the 2030s, undermining the Government's housing and growth targets.

Source: Real Estate UK

ALREADY UNDER WAY

NESO's connections reform removed more than 300 GW of projects. The ENA's entry requirements (June 2026) make larger demand applicants show land rights and a project plan. Under Demand Connections Reform, Ofgem has proposed milestones and a commitment fee for data centres and is developing self-build rights and flexible connection agreements. Its Connections Experience decision strengthens compensation for delay and sets minimum standards for every customer.

STILL NEEDED

3.1 Settle queue discipline quickly, and apply it fairly. Milestones and commitments have so far been proposed for data centres only. They should be decided promptly, kept proportionate, and extended to other large projects that hold capacity without progressing, so that places go to projects ready to build. Smaller users should not face new financial burdens, and networks should apply the same rules to every customer.

3.2 Make self-build rights work, at pace. The consultation is welcome. Ofgem should develop the rights quickly and with users across industries, so they deliver real savings without unintended effects on supply chains or system design, at distribution as well as transmission. Design approval, inspection and adoption should run to fixed timescales, so there is no second queue.

3.3 Standardise voluntary flexible connections. Flexible, phased and interim connections can increase speed to power, but are offered inconsistently and on unclear terms. Networks should make them available on standard terms that users can tailor, setting out how often and how much a user may be curtailed, how that may change, and when full capacity will follow.

3.4 Hold networks to milestones, and bring dates forward. Networks should be held to delivery milestones as customers are, buy critical equipment ahead of need, and use spare bays, outage windows and released capacity to move connection dates earlier.

Who needs to act: Ofgem to set and enforce. Networks and NESO to deliver.

CHALLENGE FOUR

04

Policy approach

THE CHALLENGE

Policy development and reform is fragmented, overwhelming to engage with, and too quick to centralise.

Grid users want ambitious reform. What they face is a large number of consultations and processes running at once across Government, Ofgem, NESO and the networks. Ofgem alone has published around 147 consultations or requests for input a year over the last five years, almost three a week. For most organisations it is overwhelming, and their evidence goes unheard.

There is also a tendency to meet each new problem with a new central process, body or plan. Strategic plans are valuable when they guide network investment. They will not work if they try to dictate where businesses build. A manufacturer, a haulier and a data centre each weigh land, labour, customers, transport and power differently, and only they can make that trade-off.

Why this matters for growth. There is a risk in trying to solve with regulation and central planning what could be solved with good data and businesses coordinating for themselves. Given clear information, the market will find the right sites faster, and at lower cost, than a plan can.

70%

of lorry operators have no plans to introduce zero emission vehicles, with lack of depot and public charging a major barrier

RHA, Future of Fleets (2025)

£100bn

of offshore wind investment planned over five years needs timely, accurate and fair connection offers

RenewableUK

ALREADY UNDER WAY

Reform is under way on several fronts: NESO's queue reform; Ofgem's Transforming Connections Experience and Data programmes, and Demand Connections Reform; new powers in the Planning and Infrastructure Act to change industry rules faster; and NESO's Strategic Spatial Energy Plan and Regional Energy Strategic Plans, in development.

STILL NEEDED

4.1 Test open solutions first. Before giving a new role to a central body or incumbent, ask whether open data, competition, flexibility or third-party delivery could do the job.

4.2 Guide where to build. Do not mandate it. Strategic and regional energy plans should steer network investment ahead of need and show users where capacity will be. They should not decide where a business may connect, as different businesses need to optimise across a range of factors, of which power is only one.

4.3 Define Great British Grid's role with the businesses it serves. Government should set out what Great British Grid will do alongside Great British Energy and the National Wealth Fund, and how it will crowd private investment in rather than out, shaped through early and strong engagement with grid users and the wider sector.

4.4 One accountable lead and a joined-up plan. A named lead in Government should be accountable for grid access across DESNZ, HM Treasury and the Department for Business and Trade, working with Ofgem, NESO and Great British Grid, and should publish a single forward plan that combines and sequences consultations so that users can keep up.

Who needs to act: Government to apply the test, define Great British Grid's role and appoint the lead. Ofgem, NESO and Great British Grid to follow the plan.

CHALLENGE FIVE

05 Service

THE CHALLENGE

Service is fragmented: every network does it differently.

Connections in Great Britain are delivered by six distribution network groups and three transmission owners, each with its own processes. A business working across the country has to learn a different approach in each area: different information requirements, technical assumptions, response times, explanations of cost, portals and routes for raising a problem. Each network can improve its own process and users will still face a fragmented system.

The burden falls hardest on smaller businesses, which cannot afford specialists to navigate it. 85% of the Road Haulage Association's 8,500 members are small and medium-sized firms.

Good service comes from competition. Network companies are regional monopolies, so a user cannot take their business elsewhere. Standards set a floor. What lifts service above it is choice: other providers who can deliver a connection, independent services that help users through the process, and new ideas from outside the networks.

ON THE GROUND · EV CHARGING

Offer withdrawn without warning

A network terminated a charge point operator's connection offer without notice because the quote had aged. The operator lost three months and had to buy a replacement substation for around £85,000.

Source: ChargeUK member

ALREADY UNDER WAY

This is where most has changed. Ofgem's Transforming the Connections Experience decision (September 2026) introduces licence conditions setting minimum standards at each stage of the connection journey, a named point of contact, public reporting of network performance and a more consistent disputes process, from 2027 and April 2028. Its Strategic Innovation Fund has £500 million for 2026 to 2031, for projects led by network companies.

STILL NEEDED

5.1 Deliver the new baseline promptly and consistently. Users should see the benefit well before 2028, and in the same way from every network.

5.2 Measure network performance independently. Every network runs its own customer surveys. Users who work across several networks cannot respond to them all, and the questions are rarely framed to invite critical feedback. One central, independent measure would make performance comparable.

5.3 Give users a choice of services. Open data, signposting and the removal of process barriers would let independent providers offer feasibility, application and project-tracking support, so users are not wholly dependent on network-run portals.

5.4 Open innovation to competition. Funding for network innovation is largely routed through the network companies, so ideas from outside depend on an incumbent choosing to sponsor them. Innovators should be able to apply directly where a project benefits grid users.

Who needs to act: Ofgem to implement, monitor and open up innovation funding. Networks to deliver.

VOICES

The same message from every part of the economy

> **Our members employ 8% of the UK's workforce and contribute £175 billion in GVA every year and despite expressing support for decarbonisation of their operations, many are finding insufficient grid access and charging capacity hindering their ability to switch away from conventional fuels.**

LOGISTICS UK — **Ben Fletcher**
Chief Executive, Logistics UK

> **Commercial vehicle operators are actively putting in place plans to decarbonise their fleets. However, grid constraints and long waiting times for a connection, which can be at least 10 years, act as substantial barriers to electrify lorries and coaches.**

RHA — **Richard Smith**
Managing Director, RHA

> **The offshore wind sector alone is set to invest £100 billion in UK projects over the next five years, but developers need timely, accurate and fair connection offers to progress their projects with confidence.**

RenewableUK — **Tara Singh**
Chief Executive, RenewableUK

> **Reliable and timely access to electricity has become the single greatest constraint on the delivery of new digital infrastructure.**

dca — **Data Centre Alliance**

> **Real Estate:UK members routinely cite grid-related challenges as one of the biggest barriers to growth.**

Real Estate:UK — **Real Estate UK**

> **At present, grid connections constitute one of the most significant barriers to further investment and faster deployment.**

CHARGEUK — **ChargeUK**

NEXT STEPS

Working with Government

The reforms now in train are welcome and necessary. Cost certainty, visibility, accountable delivery, clear leadership and a consistent service are what will turn them into a system that works for the users on whom growth depends.

The five challenges are connected, and addressing them together would materially improve the conditions for investment in every part of the UK. Most of what we ask for needs no new public money: it needs decisions, data, common standards and clear accountability.

Grid access cuts across energy, industry, housing, transport and the public finances. We would welcome the opportunity to work with ministers and officials across the Department for Energy Security and Net Zero, HM Treasury and the Department for Business and Trade, and with Ofgem, NESO and Great British Grid, and to provide consolidated, cross-sector evidence from our members as reform proceeds. We would also welcome early engagement with Great British Grid as its role is defined.

To discuss the Coalition's work, contact Pete Clutton-Brock, Yottar, at pete@yottar.tech

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