

# Connections

## Frequently Asked Questions

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All information in this document is correct as of **28 June 2024** and may be subject to future updates or changes. This guide aims to provide customers and stakeholders with responses to frequently asked questions. Should you require additional information, please submit an enquiry through the **[Connections Portal](#)**.

## Connections Action Plan (CAP) and Connections Process Advisory Group (CPAG)

- Will policy papers / recommended actions on CAP be published? (Updated May 2024)

In practice, all agreed recommendations are communicated in some way to customers, e.g. Our TMO4+ publication a couple of weeks ago can be found [here](#), or our reform code mods, which are on our website.

- Will CPAG papers be made public? (Updated May 2024)

Papers are not published, however CPAG members are encouraged to share them with their networks before meetings to gather industry views for the discussion. We do publish the minutes of CPAG meetings and the CPAG terms of reference on our website accessible [here](#).

## Letter of Authority (LoA)

- What is the new Letter of Authority Requirement? (Updated May 2024)

The Letter of Authority (LoA) provides us with confirmation that the project developer has either formally engaged in discussions with the landowner(s) in respect to the land rights needed to enable the construction of the project on the land, or to demonstrate land ownership. From March 28, 2024, all new onshore transmission connection applications are required to submit an LoA, alongside existing application criteria, in order to be considered valid and complete ([CUSC modification CMP427](#)). Failure to provide a valid LoA will result in an application being rejected.

- If Gate 2 requires land rights, won't the LOA become redundant? (Updated May 2024)

The Gate 2 requirements / criteria is currently under development as part of the Reforms Connections modification. Regardless of the outcome of the Reform Modification the LOA will still be required at application stage to get a gate 1 offer.

### What is the validity period for LoAs? (Updated May 2024)

We will only accept LoAs that have been signed by the landowner not more than one year from the connection application submission date. The LoA can be signed and dated either via wet or electronic signature.

- How do applicants complete the LoA process for larger projects that require multiple landowners? (Updated May 2024)

Where multiple landowners are involved, the applicant must ensure that the required number of LoAs are submitted to meet the minimum acreage per MW requirements.

Customers should reference the Energy Land Density table which can be found within the LoA Guidance document on the ESO website [here](#), to identify the minimum acreage per MW requirements we will expect for each plant type.

- How can customers determine the minimum acreage requirements for their project? (Updated May 2024)

Customers should reference the Energy Land Density table which can be found within the LoA Guidance document on the ESO website [here](#), to identify the minimum acreage per MW requirements we will expect for each plant type.

- Will the ESO seek to strengthen this LoA requirement in the future? (Updated June 2024)

Yes, we proposed a number of elements within CUSC modification CMP434 which seek to further strengthen the LoA requirement. This includes expanding the LoA requirement to include offshore projects. We are also proposing to conduct duplication checks on red line boundaries within the queue, and managing amendments to red line boundaries as part of the Gate 2 criteria.

You can find more information on the LoA process, including guidance documents, more FAQs and a recording of our LoA Teach-in webinar [here](#), under the 'essential resources' tab.

## Queue Management (QM)

- **What happens after the 27 May 2024 deadline for QM? (Updated May 2024)**

27 May 2024 is the deadline for the Queue Management Notice. Those Customers that had submitted a Mod app would need to have Clock-started by 27 June 2024 and for those who did not respond, we will be issuing an ATV.

For more information on the queue management process please refer to our Queue Management Guidance document [here](#), webinars [here](#) and QM FAQ document [here](#).

- **How do you make customers aware of queue changes via the queue management? e.g. capacity made available earlier for new applications? (Updated May 2024)**

One of the CAP Actions is about capacity reallocation. It is being worked through with CPAG and CDB currently as per the agreed governance process and we will keep customers updated on this in our future Connections Forums. You can register for these [here](#).

- **For existing projects who do not wish to modify the connection date, will the milestones be based on the CMP376 implementation date or the date the ATV is issued? (Updated May 2024)**

The User Progression Milestones will be based on the date the Agreement to Vary is issued working backwards from the connection date.

- **For an ATV how are QM Milestones included? (Updated May 2024)**

Queue Management milestones will be applied in the form of an Appendix Q

- **What happens to Construction Milestones if the TO Connection Works are delayed resulting in a delayed Connection Date? (Updated May 2024)**

The User would apply for an exception and if accepted the Milestone duration will be amended and if the impact of connection date then discussions will be had with RTL, User and ESO to align all Milestones to the new completion date. The exception below is in the [guidance document](#):

*"Any delay in the achievement of a milestone by the User which is caused by a Relevant Transmission Licensee or The Company".*

- **Will queue management milestones be applicable to all direct connections across all TOs including Scottish TOs? (Updated May 2024)**

Yes, QM milestones are applicable across the whole of Great Britain.

- **Does the queue management process apply for all projects i.e. those connected via distribution and transmission or just those connected via transmission? (Updated May 2024)**

Transmission Queue Management doesn't apply to BEGA / BELLA or anyone with a Connection Agreement with a DNO. DNOs have their own Queue Management Milestones.

- **What are the assumptions on timelines for Queue Management milestones in Step 2 offers based on the timing between NG informing where a substation will be located, and when planning needs to be submitted? (Updated May 2024)**

The milestones were developed and supported by a working group with industry. Following the approval of CMP 376 we sent a notice to all customers with an active agreement with ourselves and to give them two

options to either have queue management milestones applied to their current connection date or to submit a modification application before 27 of May this year to have queue management milestones applied to a new connection date. If you're planning on submitting a modification application, then please do so before 27 of May. In regard to two step offers, all two-step offers will contain Queue Management Milestones.

- **How will queue management work for existing connections that have QM milestones but haven't yet reached Gate 2 due to a connection date in the 2030s? (Updated June 2024)**

Under TMO4+ proposals queue management milestones wouldn't be applied until a project meets Gate 2.

- **Queue milestones need to be amended to take into account the uncertainty over new GSP locations for TNO projects. We can't progress planning without these (Updated June 2024)**

Queue management milestones will be reflected or amended on the outcome of TMO4+

## **Transmission Works Review (TWR)**

- **Can you provide an update on the TWR? (Updated May 2024)**

The TWR is underway for all three regions, and we look forward to being able to contact customers that participated in the Expression of Interest last year and are continuing to demonstrate that they are meeting their contracted milestones in Appendix J of their Construction Agreement.

- **When will you get in touch with customers? (Updated May 2024)**

We expect to be in contact with successful customers in the summer and with a view to updating relevant Agreements by Autumn 2024.

## **Transitional Offers**

- **What is a Transitional Offer and how is this different from a Step 1 Offer? (Updated June 2024)**

Transitional Offers cover the process between now and the start of the new reformed process (subject to Ofgem approval). Transitional Offers will be very similar to a Gate 1 Offer where an indicative date and location will be provided. If the Connections reform process is approved there will not be any updates required to Transitional Offers as they will become gate 1 offers, the only change will be if the project meets Gate 2 and therefore is then issued a gate 2 offer.

- **Can you provide a timeline for Transitional Offer? (Updated June 2024)**

We are actively looking at transitional arrangements to ensure an efficient transition between now and Connections Reform go live (subject to introduction of associated code modifications and Ofgem Approval). We are currently seeking a Derogation/Letter of Comfort from Ofgem in relation to a number of Code and Licence obligations which the ESO and TO's will need relief from, if approved then we will be able to communicate timescales in relation to transitional offers and will support customers through this process.

- **Should I be contracted arrangement by TMO4+ or is it worth waiting until TMO4+ begins? (Updated June 2024)**

When a customer should apply is entirely up to the customer, we cannot advise on this.

- **Are Mod Apps from a DNO also subject to Transitional Offers? (Updated June 2024)**

They will be subject to transitional arrangements however the dates for these are yet to be agreed and will occur nearer to the start of the reformed process. To start with only new applications will be subject to transitional arrangements.

## Request For Information (RFI)

- **What is the RFI? (Updated June 2024)**

As we seek to deliver the TMO4+ reformed connections process via code modifications CMP434 & CM095: implementing connections reform and CMP435 & CM096: application of Gate 2 criteria to existing contracted background, we're looking to establish whether developers hold secured land rights for the proposed location of each contracted connection. We are actively looking at transitional arrangements to ensure an efficient transition between now and Connections Reform implementation (subject to introduction of associated code modifications). Under the proposed code modifications, retaining existing connection dates or being in a position to accelerate that date will be dependent on meeting specified criteria such as having secured land rights. Therefore, we are using the RFI to understand where parties are in the process and using the data as part of an impact assessment on the proposed Gate 2 criteria set out in CMP434 and CMP435.

- **When will the RFI close and what are you doing with the data? (Updated June 2024)**

The closing date for the RFI is 28 June 2024. The data will be used to support the impact assessment for the TMO4+ connections reform model. Under the proposed code modifications, retaining existing connection dates or being in a position to accelerate that date will be dependent on meeting specified criteria such as having secured land rights; so having an early understanding of projects in that position will enable us to understand the impact of the proposals and whether projects can or cannot be accelerated under a reformed queue.

## Accelerated Storage

- **What is the Accelerated Storage policy? (Updated May 2024)**

We have developed a policy that will enable some storage projects to connect earlier than their contracted connection date would have been if all the enabling works stipulated under the Connect and Manage criteria had been delivered.

The principles of the 'Variation to Connection Designs' of the Security and Quality of Supply Standard (SQSS) are being applied to offer an earlier connection to storage projects on the basis that, should they be contributing to the constraints, they would need to adjust their output at times when the network is constrained even under intact system conditions.

It should be noted that restrictions will only be uncompensated, where the works to resolve the restrictions would be considered enabling works for the project. These restrictions will be a list of circuits stated in the customer's connection agreement.

Current version of the policy is [here](#) but new version to be uploaded by July 2024.

- **Why are you rolling out this policy? (Updated May 2024)**

Energy Storage Systems (ESS) are a relatively new technology that are applying to connect in large numbers to GB transmission and distribution networks. They have the potential to play an important role in the transition to a net zero system by providing the operational flexibility required to maximise electricity supply from renewable energy sources whilst also supporting the operability needs of the system.

Engagement with selected BESS developers suggests that the adopted assessment approach does not necessarily align with how the storage assets are intended to be operated and that, generally, these assets will behave in a way that will not be detrimental to the system and can even support system operation. For example, BESS are more likely to be importing during conditions when the electricity price is low (during off-peak rather than peak demand and when the output from renewables is high) and are more likely to be exporting at times when the electricity price is high (during peak demands and/or when the output of renewable plants is low).

Whilst it is acknowledged that there is a risk that under some circumstances, the operation of storage systems can potentially exacerbate network constraints, there are measures that can be implemented to ensure that such risk is managed, which has resulted in the Accelerated Storage policy.

- **Who is eligible? (Updated May 2024)**

All energy storage projects connecting to the transmission network will be eligible to request this type of connection.

Embedded energy storage projects including large power stations connecting to the distribution networks will have the opportunity for an accelerated connection through the GSP technical limits initiative being undertaken by the DNOs. There is ongoing work with ENA to define Primacy Rules which could impact how BEGAs subject to technical limits will operate.

Large embedded generators connecting through a dedicated SGT will not benefit from GSP technical limits, and will be eligible for acceleration under this policy as they are very similar to directly connected generators. An embedded Storage User is considered to be connected through a dedicated SGT when the power import/export of the User can only flow through the dedicated SGT and there are no other Users that contribute to the flows on the dedicated SGT.

Where storage projects are co-located with other technologies at a hybrid site, only the storage component will have the opportunity to opt for an accelerated restricted connection arrangement and have their connection date brought forward on this basis. It should be noted that all types of energy storage connections such as pumped hydro will be eligible for an accelerated restricted connection under this policy and not only BESS.

- **How will these restrictions apply? (Updated May 2024)**

Energy storage projects to be restricted based on forecast system impact rather than being automatically restricted on the basis of asset outages. This restriction will be directional i.e., only the export capability of the storage project will be restricted at times of export constraints and only the import capability of the storage project will be restricted during import constraints

In practice, this non-firm arrangement (via their BCA) will give us the right to restrict these parties up to gate closure, however we want to create a new process that will indicate to storage by 1330 day ahead if we think there will be a restriction.

- **What information will be provided to customers to understand the nature of their restrictions? (Updated May 2024)**

We have created a network data guide to help identify the data needed to understand the nature of the restriction(s). The majority of the data is from public network data sources (ETYS, FES and TEC register), but in addition we will also supply site specific data (asset outages and queue position). Using these different data sources, the customer can create a GB system model and hence quantify the potential curtailment of a non-firm connection.

- **How is this policy implemented? (Updated May 2024)**

The ESO and Transmission Owners have prioritised implementing this policy to those parties who have submitted an Expression of Interest (EOI).

Scottish Power Transmission have concluded the study of the EOIs within their region and will discuss results at the Connections Forum on 13 May 2024. For EOIs in SSEN-T region, we are in the process of reaching out to all EOI parties to confirm the outcome of their submissions and explaining next steps for those projects that are to be progressed further.

In England & Wales, the plan is to review the remaining England & Wales transmission-connected EOI submissions (along with an aim to consider certain large embedded customers who have submitted an EOI) as part of a tranche 2 alongside the Transmission Works Review. This means work on tranche 2 is planned to align with TWR timescales.

Large Embedded: There are two initiatives that large embedded can be accelerated through (Accelerating Storage or Technical Limits). These two initiatives interact, and we are working with the DNOs to understand what the best initiative is to accelerate these customers as it might not be the same for each customer.

- **Can everyone else (apart from projects who responded to EOI) benefit from Accelerating Storage? (Updated May 2024)**

We intend to roll out this initiative to all England & Wales projects which consist of energy storage. We are still working out when parties could submit such interest because of our resource focusing on other initiatives at present. We will look to update you via the Connections forum and our newsletters.

## Technical Limits

- **What is the latest update on technical limits? (Updated May 2024)**

Setting technical limits (Import / Export limit) at GSPs where customers are currently held off by transmission reinforcement works.

Providing customers on the distribution network with an interim non-firm connection arrangement, which is curtailable and uncompensated. Enabling more agile and shovel ready customers to connect earlier, thereby releasing capacity that is not currently being utilised.

We are working closely with the ENA to publish a paper that explains technical limits in more detail. We are aiming to publish this by the end of May 2024.

- **What are the benefits of technical limits, and will Two Step offers benefit from this? (Updated June 2024)**

(England & Wales) Phase 1: 72 GSPs benefitting up to 30GW, 750 customers.

(England & Wales) Phase 2: Up to 80 GSPs, Benefiting up to 36GW, 890 customers. (In progress)

(Scotland) Phase 1: 45 GSPs, benefitting up to 268 MW, 215 customers. (In progress)

Yes, Two Step offers will benefit, this will be communicated through the DNO.

- **What are the next steps for Technical Limits? (Updated May 2024)**

England & Wales phase 1A & 1B have been completed and DNOs have been sending out offers. Each DNOs will complete their own EOI programme to identify specific projects to accelerate.

E&W phase 2 has started this month and will complete in August.

Scotland Technical Limits programme has now started and DNOs will start their EOI programmes in the coming months.

## Two Step Offers

- **Why has my connection application date been delayed? (Updated May 2024)**

In 2023, there was an unprecedented increase in connections applications resulting in approximately 500 contracts impacted by the Two Step offer process, which is over double the original estimate. This volume, alongside the scale of the network reinforcements work required, has reached a level significantly above and beyond the requirements suggested in the Leading the Way to Net Zero FES scenario. The transmission connected queue has grown by 25GW a month for last 6 months and by 200GW over last year to nearly 500GW in total. This is nearly 9 times the existing transmission peak demand of 58.5GW.

- **How are you improving the current situation? (Updated June 2024)**

As of November 2023, we have powers to actively manage the queue and ensure that customers are actively progressing. With the introduction of CMP 376 (Queue Management), we can now insert Queue Management milestones into certain customers agreements. This means where projects are stalled, we can terminate agreements that are not progressing against their appendix Q Milestones.

Notice was sent to all customers with a live Construction Agreement in November 2023, with the option to have Queue Management Milestones applied to their existing Connection Date or to submit a Modification Application to have the Milestones applied to a new Connection Date. Queue Management will take time to have a significant impact on the pipeline. Therefore, further measures will be required to tackle the current oversubscribed pipeline. This action was included within DESNZ / Ofgem's Connections Action Plan, with the Connections Delivery Board scheduled to assess further options in Q1 2024. Furthermore, we consulted on how the Connections process can be reformed on an enduring basis with Final recommendations published in December. It is important that Government, Ofgem and industry work together to assess and implement



actions as soon as possible. We are currently taking forward a series of code modifications to implement the reformed connections process in 2025.

- **What is the CSNP? (Updated May 2024)**

The release of the [Connections Action Plan \(CAP\)](#) and the [Transmission Acceleration Action Plan \(TAAP\)](#) at the end of 2023 marked a new Government position on the way the connections landscape is managed, and how key new transmission infrastructure needs to be delivered to enable net zero.

This stance was further recommended and explored within the TAAP- and one of the key areas identified was the formation of a new plan for strategic network delivery. It recommended the development of a Strategic Spatial Energy plan (SSEP), which would span across government departments and industries to transition to net zero and boost the UK economy. The report also recommended the development of a Centralised Strategic Network Plan (CSNP) based on and in conjunction with the SSEP. This CSNP will form the high-level plan for both on and offshore electricity transmission networks in the future, helping to drive strategic investment ahead of customer need in our high voltage infrastructure.

- **Why is there a 'transitional' CSNP (tCSNP) (Updated May 2024)**

The extensive work necessary to complete an initial SSEP and then the following CSNP was recognised, and a transitional approach was therefore adopted. Our [Transitional Centralised Strategic Network Plan \(tCSNP\)](#), has been published, you can find more information [here](#). This will consider Networks Option Assessment methodologies and relevant technological appendices according to the current contracted background.

- **Why will the tCSNP influence Two Step offers? (Updated May 2024)**

As the tCSNP provides a new holistic approach to network investment, any works in the Second Step offers will be examined in the light of this tCSNP to ensure the works detailed are in line with the move towards strategic network investment and the measures outlined in the connections action plan. This will ensure customers have the most relevant assessment of the works needed for their connection. By aligning with the tCSNP (Transitional Centralised Strategic Network Plan), we expect to improve the range of customer dates overall.

- **Why have so many new substations been triggered and when will design plans be confirmed? (Updated May 2024)**

The volume and location of new substations are determined by several factors. Firstly, the requirements of projects which are contracted to connect to the network, such as a connection for a certain capacity in a particular region. From there, the availability of current substation assets is assessed, and a new site is offered if needed- for example where a current substation is at capacity. The current magnitude of customers applying to connect to the network drives a requirement for a considerable number of new substations. Many of these new projects are not expected to connect, meaning there can be great uncertainty around substation build requirements. This can mean proposed new substations may not be built and may change location or size depending on the current and future need.

Therefore, until full project certainty is achieved, and siting studies completed, the exact details of each new substation cannot be shared. Once these details are confirmed, the key stakeholders are notified, and plans are then shared according to public planning processes in each region. ESO is working with NGET and the industry to reform network planning processes to better understand wider asset requirements for new connections and increased demand.

- **How were offers considered under Two Step? (Updated May 2024)**

To consider Second Step offers in the context of other applications, a batching method was undertaken that considered the applications in eight previously defined regions. This meant that each application was placed into a batch and assigned a region (based on the offered Point of Connection), which considered offers according to its clock start date. Each batch was processed according to NGET system studies and the

Construction Planning Assumptions that the ESO provided at the beginning of this process.

- **Why do some years have a high proportion of connection dates? (Updated May 2024)**

When issuing recent offers and determining timelines, consideration has been given to a variety of factors. Firstly, the increase in projects applying to connect has driven significant enabling works to ensure these connections can be delivered effectively. The necessary works identified are essential to ensure the continued safe and efficient operation of the transmission system. Therefore, connection dates in those areas will all follow those network reinforcements.

Secondly, with Ofgem's approval of Queue Management and other efforts to reduce connection timelines, as well as the high volume of connection applications, we expect some attrition in project numbers as the connection dates draw closer. This may equally allow for changes in other project timelines. Reallocation of capacity will be assessed when these initiatives have taken effect, and current dates could shift. Therefore, certain years have been given to allow the flexibility needed as the pipeline changes, and enabling works shift, as future reforms take effect.

## **Connections Reform: Application Submission**

- **Why is the application submission only once a year and not once a quarter? (Updated May 2024)**

We have looked at different ways of running Gate 1 application windows more frequently; however it would not be possible to develop an efficient coordinated network design quickly enough. An inefficient coordinated network design would result in sub optimal outcomes (eg increased network costs and higher environmental / community impact) and less efficient outputs, eg later connection dates.

- **Will there be an application freeze before application windows? (Updated May 2024)**

There are no current plans for an application freeze.

- **How do interconnectors link to the new application process? (Updated June 2024)**

Interconnectors are included in TM04+ process. Please refer to [CMP434 Implementing Connections Reform](#) for recent updates on Interconnectors.

## **Connections Reform: Gate 1**

- **What is the difference between Gate 1 and Gate 2? (Updated June 2024)**

Gate 1 is where a project submits its connection application. In order to be processed and receive a connection offer at Gate 1, an application must be competent, have an appropriate Letter of Authority from the relevant landowner and pay the appropriate fee. There would be an annual application window to reach Gate 1 and Gate 1 would provide an indicative connection date and location. Gate 1 would also give the right to the capacity and technology applied for (subject to the applicant meeting the Gate 2 criteria). Gate 2 would be used to determine project specific queue position, confirm connection date and location, and include the requirement to provide User Commitment from point of acceptance of their Gate 2 Offer and comply with the Queue Management Milestones.

- **Why have a Gate 1 and how long can a project remain there? (Updated June 2024)**

Gate 1 sends an important signal to us and the TO on what type of capacity is trying to connect and important upfront information on what is required to connect. This helps make Gate 2 effective by ensuring that network can be designed efficiently ahead of Gate 2. If there were no Gate 1, then there would be a risk that network would be delivered significantly later than desired by the project developer, given that network typically takes

longer to consent and build than the project it is connecting. We are discussing the potential for a time limit for how long a project can remain in Gate 1 as part of industry workgroups during the code modification process.

- **Why does it take a year to develop an indicative offer? (Updated June 2024)**

Under our proposed timelines, it will be a maximum of 9 months from submitting an application to the ESO issuing a Gate 1 connections offer. The introduction of the coordinated network design process adds a little time, but we consider that the benefits of this coordinated process (earlier connection dates, reduced network costs, lower environmental/community impact of network) outweigh the additional time to provide an offer. Indicative timings for Gate 1 and Gate 2 processes are included for reference in Appendix 2 of CUSC Modification (CMP434) and these will be tested during the Workgroup phase.

- **If Gate 1 helps trigger TO works then should they not also trigger securities? If they don't then what's the point of Gate 1? (Updated June 2024)**

Gate 1 provides a view of pipeline and enables a coordinated network design. Current thinking is that we would not seek securities from developers given how indicative the connection date and works would be at Gate 1. Securities to developers from ESO will be triggered at Gate 2. The lack of security should not prevent us and TOs from making a start at planning and designing the network.

- **Is there any advantage to a developer going through Gate 1 and not just holding off until land has been secured and go straight to Gate 2? (Updated June 2024)**

Yes – going through Gate 1 sends an important signal to us and the TO on what type of capacity is trying to connect and important upfront information on what is required to connect. This helps make Gate 2 effective by ensuring that network can be designed efficiently ahead of Gate 2. If there were no Gate 1, then there would be a risk that network would be delivered significantly later than desired by the project developer, given that network typically takes longer to consent and build than the project it is connecting.

- **Will the Gate 1 indicative offer provide a best-case scenario for a connection date? (Updated June 2024)**

No. The Gate 1 date will be an indicative connection date. The confirmed connection date at Gate 2 could be earlier or later. It is not possible to provide a best-case date at Gate 1 as the date will depend on how quickly a project reaches Gate 2 at its desired connection location compared to other projects.

- **If there are no milestones for Gate 1 will this just become a space for 'zombie projects'? (Updated June 2024)**

We are proposing a longstop date at Gate 1 to avoid this situation. The duration of this longstop date is being discussed as part of industry workgroups during the code modification process and further details will be available in the code modification consultation.

## **Connections Reform: Gate 2**

- **Where can I find information on Gate 2 criteria? (Updated June 2024)**

Our proposed Gate 2 Criteria are set out in our CMP434 CUSC Modification. This will be assessed by industry workgroups: <https://www.nationalgrideso.com/document/316816/download>

- **Will priority be given to contracted offers that have not met the Gate 2 criteria, but have been contracting for a longer-term connection date compared to new applications? (Updated June 2024)**

Queue position will typically be determined by when a developer meets the Gate 2 criteria and in which Gate 2 batch they are assessed; however there may be some exceptions as will be set out within the Gate 2 criteria.

- **What is the analysis on the technology which would connect with Gate 2 whole queue approach? (Updated June 2024)**

The mix of projects and technologies that meet the Gate 2 criteria will be influenced by a number of factors such as the size of the market / market appetite, and how quickly / easily a project can secure land options or otherwise meet the Gate 2 criteria. We will monitor this technology mix and how it changes over time in order to determine whether further action is necessary or appropriate to influence the make up of the future queue (for example we will consider future links between Strategic Spatial Energy Plans and the connections process).

- **If someone ahead of me rejects their Gate 2 offer, how would this affect my Gate 2 offer if issued around the same time? (Updated June 2024)**

This is something we are currently discussing and is being worked on in the industry code working group.

- **Could Gate 2 criteria change over time? (Updated June 2024)**

Yes it is possible. However, it depends on whether the criteria provide (or continue to provide) the right balance between project viability and project deliverability. It will also depend on longer term reform programmes such as Strategic Spatial Energy Planning and Net Zero Market Reform and the extent to which they have an impact on the connections process. We will consider timescales for review of the Gate 2 criteria and any other part of the reformed process in due course.

- **Is there scope for Gate 2 criteria to look different for Transmission and Distribution? (Updated June 2024)**

We are currently proposing the same Gate 2 criteria for Transmission and relevant Distribution connected projects (ie distribution connected projects that require access to the transmission system). However, we are verifying this as part of the code modification process to ensure there is no undue discrimination between Transmission and Distribution connected projects.

- **Will we still be able to fix our securities once we get to Gate 2? (Updated June 2024)**

Yes. We are not currently seeking to change the current User Commitment/Final Sums provisions once projects have reached Gate 2.

- **When will Gate 2 offers be issued? (Updated June 2024)**

It is our current intention to group projects together for Gate 2 assessment at regular intervals (with frequency to be confirmed) throughout the year, with one of those each year being aligned with the relevant Gate 2 design stage of the annual application window i.e. for projects which applied within an application window already having met Gate 2.

- **Will there be a requirement to show continual compliance with Gate 2? (Updated June 2024)**

Yes. This will be via continued requirement to have secured land for the project Site with restrictions on how much the red line boundary for the project Site can change and via Queue Management Milestones where ongoing compliance is, under CUSC, required against the pre-consent Milestones (M1, M2 and M3). Gate 2 is strongly linked to Queue Management Milestones M1 and M3.

- **Acquiring land rights or submission of planning does not provide project certainty. Should TMO4+ be based on projects achieving consent? (Updated May 2024)**

We have set out that our current view is that a Gate 2 Criteria of project achieving planning consent, or a Gate 2 Criteria of a project having to submit an application for planning consent, is too late in the project development cycle as the absence of a confirmed connection date and location until Gate 2 would not provide project developers with sufficient information / certainty on where to locate their project at the point of submission of their planning consent. Our proposed Gate 2 Criteria are set out in our [CMP434 CUSC Modification](#). The Gate 2 criteria will be considered further by the code modification workgroups

- **Is there going to be any project prioritisation or scoring to determine allocation speed or outcome? (Updated June 2024)**

Queue position will typically be determined by when a developer meets the Gate 2 criteria and in which Gate 2 batch they are assessed; however there may be some exceptions as will be set out within the Gate 2 criteria.

- **How can an application realistically start planning its application without knowing either its connection date or location – especially for a new substation? (Updated June 2024)**

Developers will have a period of time after meeting Gate 2 and determining their connection location / date to submit their planning consent application.

As part of the code modification process, we are considering the challenges that an indicative connection date and location provides developers and how we can give developers confidence to proceed towards Gate 2. Part of the solution will be providing developers with the ability to self-serve up to date information on the connection queue and planned works at different locations.

- **Will there be any consideration given to technology types who have met Gate 2 when assessing projects for acceleration? (Updated June 2024)**

No, although the Gate 2 criteria could differ for some technologies if there are fair and objective reasons for this in order to treat projects equitably. We have identified these variations in our CMP434 Code Modification proposal.

- **Why is forward-calculated planning application date for queue management milestones being considered? (Updated June 2024)**

We are considering a forward-calculated planning application date for queue management milestones from Gate 2 in order to provide an appropriate incentive for projects to continue to progress onwards towards connection after Gate 2. This is being discussed further as part of the code workgroup process.

- **Will there be a restriction on the distance for changing the point of connection between Gate 1 and Gate 2? (Updated June 2024)**

Gate 2 will confirm the connection point as well as the connection date. This could be different to the indicative position confirmed at Gate 1.

- **If a project is offered an accelerated connection date post Gate 2, will they be required to accept an earlier date, or can they still keep a later date? (Updated June 2024)**

For new applications at Gate 1, projects would receive an indicative date. Once a project meets the Gate 2 criteria, it will receive a confirmed connection date and it can decide to accept, reject or dispute this, as with any Offer received today.

For projects in the current queue that have a confirmed connection date, and that demonstrate that they have met Gate 2, they will have the opportunity to seek an accelerated connection date when TMO4+ goes live. They would not be required to accept any earlier date.

- **How do I raise dispute at Gate 1/ 2, or appeal a decision if not happy? (Updated June 2024)**

For both gate 1 and 2, we are proposing a fast track dispute process, which allows us to investigate and resolve disputes on criteria not met/not met within the window time frame. This does not supersede any dispute process set within the CUSC or anywhere else and customers do not have to use this. It is simply an informal process where low level disputes can be dealt with quickly and fairly, without the additional time and resource of a representative with authority being required to deal with these.

- **Are QM milestones now obsolete/superseded by TMO4+? (Updated June 2024)**

No, QM Milestones will still apply from Gate 2. They will be disapplied for pre-Gate 2 projects as those projects would only have an indicative connection date.

## **Connections Reform: Fees / charges / securities**

- **Will there be two different fees to pay? (Updated June 2024)**

This is being discussed in the industry code workgroups, but we currently consider that there would be cost reflective application fees at Gate 1 and Gate 2. We are considering whether further financial instruments would be necessary or appropriate at Gate 2 or beyond.

- **If there is a capacity holding charge / security, will there be a charging code modification proposed and would this cost be non-refundable? (Updated June 2024)**

Additional financial instruments at Gate 1 and/or Gate 2 are no longer being considered as part of CMP434 and CMP435 and we are keeping the need for a separate code modification under review in relation to additional financial instruments.

## **Connections Reform: Existing Queue**

- **Will contracted connection dates be altered to indicative connection dates to align to Gate 1 when the new process is implemented? (Updated June 2024)**

Yes, if a project has not met the Gate 2 criteria (subject to the relevant code modifications being approved on time).

- **If TMO4+ is applied retrospectively, what stands valid in current connection agreements? (Updated June 2024)**

We are proposing under the code modification process that there is a grace period for projects with connection contracts to show they have met Gate 2. If they have met Gate 2, they can retain their existing queue position or seek to accelerate if they wish to do. Projects in the current queue that have not met Gate 2 during the grace period would not retain their queue position and connection dates and locations would be indicative.

- **When is the proposed grace period for existing projects? (Updated June 2024)**

The length of the grace period will be considered as part of the code modification process. The length of the grace period will depend on both when Ofgem makes its decision and the nature of any final approved code modifications. If for example the Gate 2 criteria are significantly different from those proposed by ESO then a longer grace period may be warranted to allow developers sufficient time to mobilise.

## General Offshore

- Is the TEC the maximum export at the offshore substation (connection site) or the onshore substation (transmission interface point) (Updated June 2024)

TEC (Transmission Entry Capacity) and CEC (Connection Entry Capacity) is the value at the Grid Entry Point which in offshore case is in the interface between Generator and OFTO (Offshore Transmission Owner) so it is at offshore. We assume negligible loss along the offshore circuit for the Transmission Owner (TO) to do their studies.

- When they have demand and generation in the same agreement, in case the demand has an earlier completion date compared to generation, are they allowed to energise the generation plant for tests before generation completion date? (Updated June 2024)

We have a back feed date if being requested to be included in the connection agreement to allow generation to energise for testing before completion date.

## Embedded (distribution-connected) projects

- What is Distribution Forecasted Transmission Capacity (DFTC)? (Updated June 2024)

Distribution Forecasted Transmission Capacity (DFTC) will be provided as part of a submission of data which includes a forward-looking view of forecasted connections (DFTC), as well as a view of contracted generation and accepted but not connected generation. The DFTC is increasing the visibility to the ESO and TO of new Relevant Embedded Small and Medium projects, including forecast information at a GSP and technology type level.

DNO's will provide their submission to the ESO within the Gate 1 Application window. For the ESO and TO's, receiving this information in the same timeframe as Transmission application, allows for a more coordinated network design and helps inform from Gate 1, plans for building future network capacity.

We are currently working with the ENA DFTC subgroup to develop the DFTC template and submission approach.

For further details see our [CMP434 CUSC Modification](#).

- Who can utilise DFTC and what is the process? (Updated June 2024)

DNOs would forecast connections for New Relevant Embedded Small Power Stations and New Relevant Embedded Medium Power Stations. This means that the following thresholds apply across GB: Small: (i) NGET - less than 50MW (ii) SPT - less than 30MW (iii) SHETL - less than 10MW and Medium: NGET's 50MW or more but less than 100MW.

For clarity, embedded Large Power Stations are not part of the DFTC submission process and these projects must apply directly to the ESO via the Transmission application process (at Gate 1 and Gate 2).

The process for the DFTC submission: the submission including the DFTC forecast is sent to us in the Gate 1 window timeframe. DFTC will be studied by the TOs and an indicative connection date will be calculated. This will be provided to DNOs who will offer it to small and medium distributors who approach them for a connection.

- What is the latest update on DFTC proposals? (Updated June 2024)

The ESO have been outlining their solution on DFTC in the current CMP434 working groups. Industry will get the chance to comment on their solution as part of the workgroup consultation process.

Information on CMP434 can be found [here](#).

- **How do IDNOs fit into this process? (Updated June 2024)**

For IDNO's that connect into Distribution, their DFTC submission will be through their DNO.

Where an IDNO is looking to connect directly into Transmission, they can provide a DFTC submission to the ESO at the point their GSP is planned in.

- **How will DFTC submissions be accurate? (Updated June 2024)**

DNOs should use best endeavours to provide a reasonable DFTC figure to the ESO.

As the DFTC is a forecast, DNOs could still make connection offers if more applications are received than was included in their forecast.

- **What do DNOs get back at Gate 1? (Updated May 2024)**

DNOs would receive back indicative location and indicative date information at Gate 1.

The DNO would be able to provide this indicative information when it issues the Distribution connection offer to customers. This is an improvement to the current situation where no information on the transmission impact is formally communicated to the customer when the Distribution connection offer is made.

- **What contracts do DNOs get back at Gate 1? (Updated June 2024)**

As the DFTC is a provision of information to the ESO and TO's, DNO's will be provided back with an indicative date for their DFTC.

As the DFTC is a forecast, this doesn't need to be reflected in a DNO's contract with the ESO. The ESO will publish a response to the DNO's DFTC on their website, which the DNO's will be directed to.

- **What securities and liabilities apply at Gate 1? (Updated May 2024)**

User Commitment methodology would only be applicable from Gate 2 onwards.

- **If the application window is annual, will this be one date for all applications or will GSP's have different annual application dates? (Updated June 2024)**

The DNO's will provide their DFTC submission within the annual Gate 1 Application Window. Our current thinking is that there will be a DFTC submission received per DNO rather than individual submissions at a GSP level.

Relevant Embedded Small Power Stations and Relevant Embedded Medium Power Stations can continue to apply to their DNO at any point in time, as they do now, outside the Gate 1 Application Window.

- **Can the GSP be changed by the time Gate 2 is reached? (Updated May 2024)**

When a DNO customer meets the Gate 2 criteria for Gate 2<sup>1</sup> the DNO would submit the equivalent of a Gate 2 Application via the existing Project Progression process.

DNOs would be able to batch applications together for New Relevant Embedded Small and Medium Power Station projects that have met the Gate 2 criteria and submit these to us in the next available Gate 2 Application Window.

DNOs would assess projects against the Gate 2 criteria on behalf of the ESO.

- **When will the first window open for Gate 2 applications? (Updated June 2024)**

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<sup>1</sup>This will be confirmed as part of CUSC mod CMP434



The dates for the first window for Gate 2 applications for contracted projects are subject to the Code Modification process and will be informed by CUSC modifications CMP 435.

For new applicants from Go Live the Gate 2 Application Window will be confirmed under CMP434.

- **What will I get back at Gate 2? (Updated June 2024)**

DNOs would receive back a firm transmission connection date, firm connection point, costs and a queue position. This would feed into an updated Offer between ESO and the DNO and User Commitment would apply once the contract is signed.

The DNO would need to vary the Distribution offer that the customer received at Gate 1 following the outcome of Gate 2 i.e. a variation to the BCA for the relevant GSP.

- **What happens if an embedded project doesn't meet Gate 2 criteria? (Updated May 2024)**

Until such time as a project meets the Gate 2 criteria it would have a indicative connection date and location. When the project meets Gate 2 criteria, it can be put into the next available Gate 2 application window and receive a confirmed connection date and location.

- **How does this process affect BEGA projects looking to connect? (Updated June 2024)**

We propose that BEGA projects will follow the same Gate 1 and Gate 2 arrangements as directly transmission connected projects as well as the DNO submitting a Gate 2 Application via the existing Project Progression process.

- **DNO applications require land rights and a red line boundary, so by default have they already met the requirements for Gate 2? (Updated May 2024)**

DNO land rights only relate to a Letter of Authority for application and for the land rights queue management milestone includes the option of an exclusivity agreement. Our proposed Gate 2 criteria in TMO4+ represents a higher bar / later stage of development than these requirements.

- **Will this process make SoW/PP process redundant? (Updated May 2024)**

There will be a review/amendment of Statement of Works, Confirmation of Project Progression and Transmission Impact Assessment processes.

- **What is ESO doing to standardise the response and engagement from DNOs to customers at the Gate 2 stage for embedded projects? (Updated May 2024)**

Within the code change process we expect there to be obligations/timescales on DNOs in respect of the submission of Gate 2 applications for EG. We are aware that Ofgem are also considering and will be consulting on relevant obligations and incentives on network companies.

## **Connections Reform: Other questions**

- **What licence changes associated with our Connections Reform Modifications would be needed? (Updated June 2024)**

Our initial view is that licence changes will be required in order to align with the new connection application and offer timescales. We have identified the areas of licence that we believe need to be amended and shared these with Ofgem ahead of them running the required statutory consultation process for licence changes.

- Will there be additional focus on TO's milestones too, to ensure this process runs smoothly? (Updated June 2024)

TMO4 + is only part of the solution for delivering better connections outcomes for customers and consumers. The Connections Action Plan sets out a number of other actions for improving these outcomes, including obligations and incentives on network companies, contestability and revised network modelling assumptions. Government's Transmission Acceleration Action Plan also sets out a number of initiatives to deliver transmission network more quickly (eg in relation to supply chain and planning consents)..

- How would ESO deal with a situation where a project is ready to connect, but the connection capacity is not available, or the costs are very high? (Updated June 2024)

Connection capacity, dates and costs are determined by the amount and nature of transmission reinforcement (enabling works) required as a result of the connection. Significantly reducing the size of the connections queue, as well as other initiatives being taken forward (such as revised network modelling assumptions) should increase capacity that is available and significantly reduce the amount of transmission reinforcement required, therefore reducing connection dates. However, dates and costs will still continue to be strongly influenced by where a project seeks to connect and the nature and size of other projects connecting into that location.

- How does the reform tie in with the SSEP to come? Or how do you ensure a systems perspective is applied to the selection of applications to connect? (Updated June 2024)

We considered links to SSEP in the development of TMO4+ and as part of connections delivery board discussions. The conclusion is that it is currently too early to tie TMO4+ to SSEP. However, we are working with Ofgem and government to fully consider interactions between the connections process and longer-term strategic programmes such as SSEP and Net Zero Market Reform to ensure the connections reformed process is appropriately aligned with wider Net Zero objectives.

- How will this new process prevent the queue getting this big again? (Updated June 2024)

We consider that the combination of meeting the Gate 2 criteria in order to secure queue position, combined with queue management milestones, to ensure that projects continue to progress beyond Gate 2, will ensure that the queue does not return to its current size. Our Future Energy Scenarios estimate that GB requires no more than 350GW of total connected capacity (transmission and distribution) so market forces are also likely to play a role in reducing the queue.

- How will connections reform interact with government technology deployment targets, i.e. amount of GW of wind/solar/storage deployed by 2035/2040? (Updated June 2024)

We are engaging with Government and Ofgem to explore if and how the connections process should interact with government targets and reform programmes, e.g. Strategic Spatial Energy Planning and Net Zero Market Reform. We expect to engage more with industry on this area from late 2024.