SCOTTISHPOWER RENEWABLES

Julian Leslie
Head of Networks
National Grid ESO
Warwick Technology Park,
Faraday House, Gallows Hill,
Warwick CV34 6DA

4th August 2023

Dear Julian,

RE: Consultation on GB Connections Reform

Thank you for the opportunity to respond to NGESO's consultation on GB Connection Reform. This response is submitted on behalf of ScottishPower Renewables (SPR).

SPR is a leading developer of renewable energy generation, with over 3.1 GW of operational wind capacity across over 40 sites using onshore wind, offshore wind, solar and battery technologies. SPR has ambitious growth plans to expand its existing onshore wind portfolio and to invest in new large scale solar deployment and innovative grid storage systems including batteries. Building on our 714 MW East Anglia ONE offshore wind project we have ambitious offshore wind development plans with work underway on taking forward offshore wind projects comprising an East Anglia Hub, as well as seabed rights to develop three new offshore windfarms off the coast of Scotland with a total capacity of 7GW secured as part of The Crown Estate Scotland's ScotWind Leasing round.

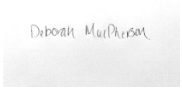
We are fully supportive of the UK' ambitious, but deliverable onshore and offshore wind generation targets for 2030 and 2050 demonstrating the key role wind generation has in delivering upon the Government decarbonisation ambitions. There is recognition across industry of the problems being faced by developers with an unacceptably large grid connection queue and overly delayed connection dates. Together, this generates unnecessary costs and creates challenges for developers, adding investment risk to renewable generation projects and threatens the achievement of Britain's decarbonisation targets.

Following the recently published 'Powering Up Britain Energy Security Plan' which set out the need for a reduction on grid connection timescales to be a high priority for the Government, Ofgem, the Electricity System Operator (ESO) (and in due course the Future System Operator, the FSO), and network companies working together, along with Ofgem's recent Open Letter on Future Reform to the Electricity Connections Process, we welcome the publication of the NGESO Consultation on GB Connections Reform.

Our responses to the consultation questions are in Annex 1 to this letter.

If you have any questions regarding this response, please don't hesitate to contact me or my colleague Deborah MacPherson (deborah.macpherson@scottishpower.com).

Yours sincerely,



Deborah MacPherson
UK Grid Connections & Policy Manager (Onshore & Offshore)

Annex 1

NGESO Consultation on GB Connections Reform

Chapter 3 – Foundational Design Options

Q1 - 1. Do you generally agree with our overall initial positions on each of the foundational design options and key variations? Are there any foundational design options or key variations that we should have also considered?

We agree with the foundational design options and key variations that have been considered. We would however comment on each as follows:

Variation 1 – Application to the Transmission Owner (TO) rather than ESO

Setting aside queue and connection timescales issues, the current process and interfaces are hugely inefficient. Whilst the volume of connection applications/live agreements being managed by both the ESO and TOs may be a factor along with lack of resources, the tri-party interface which developers must navigate often leads to significant delays in response times to questions, errors in contractual documentation being addressed and conflicting positions between the ESO and TOs when challenged. Therefore, we do believe there is merit in further consideration to the application/contractual interface and delivering greater coordination between parties, this extends to the transmission/distribution interface.

Variation 2 – ESO Responsibility for the Connections Design

Whilst we agree this is a valid consideration as part of the Connections Reform process, we do not believe the ESO has the capability or expertise to undertake this role. We therefore support the position that the ESO maintain their current role in this area.

Variation 3 – Scope of Customer Delivered Works

We have no further comment on this variation

Variation 4 – Application Windows

We agree there are benefits to operating under an application window where there is a clear commitment and obligation on the ESO to ensure that the Construction Planning Assumptions are fully up to date. Whilst such an approach should provide greater certainty around the basis of an offer, this does impact greatly on the flexibility for submission of applications and timescale to receive an offer.

We believe further consideration will be necessary as to how such an approach will work with regards to offshore projects. Whilst the proposal offers more structure and control compared to what the current experience has been under the HND, the process suggests that future leasing rounds will be similar to the current Celtic Sea approach where the lease areas are already well defined by the Crown Estate. The same approach however could not be applied to Round4 for example: where the location of final sites was widely open.

We would welcome further clarity as to how the priority order is determined to those developers that are successful in leasing rounds. For example, who is given the earliest date to connect? If this is determined by a coordinated design, then this will have an impact on the leasing auction and the value of the lease areas with earlier connection dates. Our experience of the current HND process has been shown to be completely indifferent to market competition and fairness to developers.

Variation 5 – Separation of Connection and Capacity

Whilst it is reasonable that the separation of connection and capacity has been considered as part of the consultation, we believe that capacity auctions would introduce a level of complexity that could result in more costs falling to the consumer and lead to more uncertainty for the development and investment of new projects. We also agree that such an approach would be inefficient and difficult to implement.

Q2. Do you agree with our initial view that the current issues with the connections process could potentially be addressed on an enduring basis through other, less radical, and lower risk means than the introduction of capacity auctions?

We agree with the initial view that the current issues with the connections process could potentially be addressed on an enduring basis through other, less radical, and lower risk means. Our views on capacity auctions are noted in our response to Q1.

Q3. Do you agree with our initial view that the reformed connections process should facilitate and enable efficient connection under either a market-based (i.e., locational signals) or 'centralised' deployment approach (or an approach somewhere between the two), but not mandate which approach to follow?

Yes, we support the position that the process should remain flexible to market-based and centralised approaches. We believe there is merit in the consideration of both options as a combination. This would allow for the ESO to consider which assets are critical for system security with the remainder for the market. We also believe the connections process should work alongside the Centralised Strategic Network Plan (CSNP) process to inform and develop a holistic and strategic network plan.

At the outset it is important to recognise the relationship between centralised strategic network planning (if undertaken), the connections process and development consenting. Whilst the first two of these are undertaken by National Grid ESO and Transmission Operators, ultimately any connection requiring new infrastructure, needs to be efficiently consented and therefore acceptable in planning and environmental terms to regulators, stakeholders and communities. Any new process should therefore improve alignment between network planning and consenting including the facilitation of anticipatory network investment sufficiently in advance.

We support the intention to adopt a more strategic approach to connections and, where appropriate, to undertake centralised strategic network planning prior to the detailed connections process. We therefore agree that centralised strategic network planning should be supported by a new connections process. We recognise that a market-based approach also needs to be retained within any new connection process to ensure cost effectiveness and market competition.

We are also mindful that, in line with the establishment of the FSO, the new connections process will aim to deliver more co-ordinated grid solutions, inevitably requiring strategic-scale infrastructure concentrated in specific locations to facilitate connections. Given the scale of co-ordinated infrastructure solutions it is important that both centralised strategic network planning (including the ongoing HND Follow-Up Exercise) and any new connection process provide robust and transparent feasibility assessments of identified options, with clear audit trails of decision making that can be scrutinised by stakeholders and affected communities.

Chapter 4 – Pre-Application Stage

Q4. Do you agree with our initial recommendation that TMA A to TMA C should all be progressed, irrespective of the preferred TMO?

Yes we agree that TMA A to TMA C should all be progressed. Access to self-service tools, greater availability of information will allow for more efficient pre-application meetings, and in some cases may remove the need for them altogether.

With respect to TMA C – Optioneering Route: we are supportive of its retention on a voluntary basis.

Developers may already have a preference or indeed need for specific connection arrangements prior to submitting a connection application in an annual window, e.g. to co-ordinate co-located generation assets or to efficiently extend an existing site. We therefore consider that developers, i.e. customers, should also be encouraged to voluntarily submit additional information regarding any feasibility studies or relevant analysis (e.g. locational, commercial) that they may have undertaken to help pre-identify potential connection arrangements. Any such information provided should be taken account of within the subsequent 'batched assessment' phase of TMO4 to identify co-ordinated network connection solutions. To support the efficient consideration of any developer-supplied information and ensure this adds value to the process without generating additional burdens on parties, a standard template and guidance setting out what information would be helpful to inform the batched assessment phase and selection of connection arrangements should be prepared.

Q5. Do you agree with our initial recommendation on the introduction of a nominal Pre-Application Stage fee, discounted from the application fee for customers which go on to submit an application within a reasonable time period?

Yes, we agree with this proposal. This is reflective of concerns raised by industry following the introduction of the 2-stage offer process; whereby to continue to apply the same level of application fee was not a reasonable expectation of customers, given they will not receive a fully detailed and developed offer for some time after the initial application. It may also serve to reduce the number of speculative applications.

Q6. Do you agree with the importance of the TMA A 'Key Data'? Please provide suggestions for any other key data that you suggest we consider publishing at Pre-Application Stage.

Yes, we agree with the importance of the TMA A 'Key Data'. The importance of the key data outlined cannot be underestimated. This information is key to the development of projects and where the correct level of information is made available, will aid in the reduction of applications and to ensure new/modified applications are done so on a more fully developed basis. We do however believe there is more to be considered in relation to the key data. For example:

Transparent Publication of GB Queue

We would like to see NGESO re-commit to the development and publication (in conjunction with the DNO's) of a full GB transmission and distribution Queue and how the queue data links back to works' queues on a local and wider basis. This was initially a commitment as part of the Energy Networks Association Open Networks Workstream which was not fulfilled by NGESO.

Connection Charge Cost Estimator Tool

We believe a further add on for longer term development is a 'connection cost estimator tool'. This is a key part of the early discussions with the TO's as part of any pre-application discussions. Our experience however is that access to the TOs for such discussions, is becoming increasingly

challenging due to the volume of applications and limitation of TO resources. Such a tool would again aid the development exercise ahead of any decision to apply.

Historical Asset Data (re: flexible connections)

With the drive to consider connections on a more flexible basis, the availability of historical TO asset data is crucial to any developer's assessment of the impact of connecting on this basis. Whilst this has been made available on occasions, there is no standard or consistent policy which applies to the provision of such data. Going forward we would encourage this is standardised and accessible.

Chapter 5 – Key Target Model Add-Ons

Q7. Do you agree with our initial recommendation with regard to TMA D (requirements to apply)?

Yes, we agree with the initial recommendations with regards to TMA D and that a Letter of Authority is a sensible requirement to apply. This delivers a consistent entry requirement across both transmission and distribution and takes account of the Queue Management proposals currently with Ofgem for decision. Whilst we welcome the ambitions of the new connections process, it is not unreasonable to expect that this will be a labour-intensive task to deliver. It is therefore crucial that the appropriate incentives on the ESO are clearly defined along with reasonable timescales.

Q8. Do you agree with our initial recommendation with regard to TMA E (determination of enabling works), including that it is right to wait until the impact of the 5-Point Plan is known before forming a view on whether further changes to TMA E are required?

We agree with the initial recommendations. However, the proposals do have the potential to introduce additional, complex processes. It is therefore important that these do not introduce delays, inefficiencies or resource inadequately. As noted in our response to Q3 above, we believe there must be strong links established between the CSNP and the connections process. This will be key to the deliverability of investment ahead of need and to aid the overall acceleration of the grid development process.

Q9. Do you agree with our initial recommendation with regard to TMA F (criteria for accelerating 'priority' projects)?

Whilst we agree with the initial recommendation that 'priority' projects should get accelerated within the connections process under the criteria of TMA F1 – TMA F3, this should be on the basis this is done under a clearly defined criteria which has been developed on a transparent basis with stakeholder engagement. In particular, we agree that "Official designation by Government" should form one of the prioritisation criteria, with "Government" covering legislation, plans and policies of both the UK and devolved administrations. The criteria should also be expanded to acknowledge that, where official designations are tied to time-limited targets or delivery requirements, prioritisation should make best endeavours to deliver the requisite connection within the required timeframe.

We believe consideration should be given as to how such an approach will interact with the CSNP and planning regime. We do not consider TMA 4 to be appropriate for further development.

Q10. Do you agree with our initial recommendation with regard to TMA G (queue management)?

We believe queue management to be an essential tool in the fair and transparent allocation of capacity across the network. It is disappointing however that, despite the significant focus on queue issues, Ofgem have had to delay their decision on CMP376. Until the Ofgem decision is published, it is difficult to comment on any future or alternative variances on queue management. We would however comment that RQM+ does offer a sensible option with regard to TMA G but does require further detail and engagement with stakeholders.

Chapter 6 – Target Model Options

Q11. Do you agree these four TMOs present a reasonable range of options to consider for a reformed connections process?
Yes, we believe the four TMOs presented to be a reasonable range of options for consideration for a reformed connections process.

Q12. Do you think any of the four TMOs could be materially improved e.g. by adding, removing or changing a specific aspect of the TMO? If so, what and why?

We do not believe that any of the TMO proposed models fully addresses the applicant's need for early certainty on when their connection will be delivered and the costs of providing this. There is also a possibility that an annual application window will introduce risks to project development timescales and the timing of key investment decisions.

Under all models, developers remain exposed to the risk of TO delays or where changes are necessary to the design to allow TO's to meet their statutory obligations. We do however we recognise that a coordinated network design approach should help alleviate this risk. To aid this, and as a minimum, we believe it is key that NGESO moves quickly to follow the recommendations of the Energy Data Taskforce and provide much greater information transparency relating to connections to all users. This will better allow applicants to assess and manage their project risk.

Q13. Are there any important TMOs we have missed?
No

Q14. Do you think 'Submit Consent' is too early for Gate 2 in TMO2 to TMO4? If so, what milestone should be used instead and why?
We agree that 'Submit Consent' (expected 9 months post initial application) is a suitable milestone for Gate 2. By the point of submitting consenting applications the design (e.g. including proposed capacity) should be relatively mature and that, at that point, the developer should have made a level of commitment to delivering the project. Non-statutory and statutory pre-application consultation with local communities and stakeholders are also likely to have taken place.

We believe there will be a need to guard against many speculative and basic outline (or 'In Principle') planning applications for immature projects being submitted simply to satisfy Gate 2. Many of these projects will either have no real prospect of the applications being granted or will require substantive variation post consent, which may alter any required enabling or reinforcement works identified at Gate 1. We suggest that Gate 2 should be strengthened to require evidence of application validation by the relevant planning authority or consenting body. This would be a proportionate way of indicating the competency of submitted consenting applications and project deliverability for the purposes of confirming the queue position.

For the avoidance of doubt, consent approval should not be used as a milestone for Gate 2 as its achievement is not solely within the control of developers (i.e. customers) and some consenting routes (e.g. Section 36 of the Electricity Act 1989) do not presently have fixed application determination timescales.

Chapter 7 – Recommended TMO

Q15. Do you agree that TMO4 should be the preferred TMO?
Whilst we agree that TMO4 offers the most benefit, we believe that this approach could risk the development of smaller projects and that annual windows may inhibit the development process. We would therefore welcome some further information on each stage of the process.

Given the focus on developers to demonstrate progress of their projects (especially if and when CMP376 is approved and implemented) we believe there also needs to be clear and defined incentives on the TOs to deliver.

Adequate resourcing by both the ESO and TOs will be essential. ESO/TOs already struggle with the ability to engage with the Developers for pre application discussions in a timely manner with long wait times being faced before a meeting can be accommodated. This situation has the potential to worsen under the revised approach if not addressed. That said, the availability of Key Data as set out under TMA A should assist greatly in aiding the reduction of the need for pre-application discussions.

We would like to understand if the ESO has considered the risk of the application window becoming a potential bottleneck with huge efforts being required to be made across the ESO and TOs inside a short window? Also, how will the ESO ensure that developers do not face delays if the application window is overwhelmed with applications? Developers need certainty of timescales and our current experience with the HND Process has demonstrated that developers are very much at the mercy of a process they have no control over having faced delay after delay.

We would expect any new processes to be clearly defined with associated timescales for delivery by the ESO and TOs to be codified. DNOs are already held to Guaranteed Standards of Performance for the provision of Connection Offers, therefore we would welcome the consideration of a similar licence condition being extended to Transmission Connections, provided TOs are allowed commensurate funding to meet these new regulatory requirements.

Q16. Do you agree with our design criteria assessment of the four TMOs? If not, what would you change any why?
In general, we agree with the criteria set out to assess the four TMOs. We do however believe there is value in an additional criterion which measures success against the delivery of a net-zero energy system.

17. What are your views on the stated benefits and key challenges in relation to TMO4?
We agree that, of the identified Target Model Options, TM04 dovetails most closely with centralised strategic network planning.

The relationship between centralised strategic network planning and the subsequent connections process must be clearly understood and transparently communicated to all relevant stakeholders, including local communities who will ultimately host the transmission infrastructure identified through these processes. We consider that, at the front end of the whole process, centralised strategic network planning should address transmission requirements well in advance:

- Associated with generation sites (technology specific) identified by public bodies (e.g. Crown Estate / Crown Estate Scotland), rather than those selected by private developers;
- For other large generators where connections require significant network planning and/or enabling works beyond the generation site locality; and,
- Where co-ordinated grid solutions are most cost effective and can be contracted and delivered in a timely manner.

Any new connections process must facilitate more timely contract awards and subsequent delivery (including consenting) for projects subject to centralised strategic network planning than is currently the case. Importantly, a new connection process should align with centralised network planning rather than duplicating it (intentionally or otherwise); for example application windows should not be restricted to pre-determined capacity limits but they should accommodate and prioritise all projects which receive spatially-discrete centralised strategic network planning recommendations prior to the window deadline.

It is important that, acting together, centralised strategic network planning (including the ongoing HND Follow-Up Exercise) and subsequent connection processes, incorporate robust and transparent strategic-level environmental assessments and generate a clear audit trail of decision making. Where relevant, this should include formal strategic environmental assessments (SEA) in accordance with applicable legislative requirements.

National Grid ESO should confirm whether a formalised annual 'batched assessment' of connection applications resulting in co-ordinated network solutions falls within the scope of being a plan or programme and therefore triggers statutory SEA and Habitats Regulations (i.e. HRA) requirements. In any case, centralised strategic network planning and subsequent connection processes should include: i) transparent identification and assessment of all reasonable alternative connection options, ii) meaningful developer and stakeholder engagement throughout, iii) robust consideration of cumulative impacts (including with other confirmed or potential connections) and iv) clear demonstration that all network planning and connection recommendations are likely to be acceptable in planning, environmental and amenity terms. Without these, affected stakeholders and communities may struggle to understand the specific need for and system-wide importance of infrastructure works with potential adverse environmental and amenity impacts, leading to potential loss of community support during the consenting process and associated delays or challenges prior to construction.

The 'batched assessment' phase of the proposed new connections process (i.e. when network solutions are developed) should therefore build directly upon aspects of centralised strategic network planning, including:

- Filling any assessment or audit trail gaps not sufficiently covered by centralised network planning (e.g. the HND did not include a robust strategic environmental assessment of its infrastructure recommendations); and,
- Drawing upon the relevant Transmission Operator's knowledge and stakeholder relations and any information provided by the developer (e.g. feasibility analysis, optioneering studies, etc.) to confirm that proposed connections are indeed likely to be acceptable in planning, environmental and amenity terms.

This is essential as, from the point that any required enabling and wider reinforcement works are confirmed through a connection offer, the developer (i.e. customer) will be reliant upon the successful and timely consenting and delivery of such works without any real ability to influence them or any recourse should the relevant TO experience delays or consenting challenges.

Q18. Do you think that there is a better TMO than TMO4? Whether that be TMO1 to TMO3, as presented, a materially different option, or a refined version of one of the four TMOs we have presented?

We believe TMO4 should be the preferred TMO. We believe that having application windows will also help with grid planning. Support for TMO4 is dependent on the importance of coordinated network design at the beginning of the project. To effectively address current connection issues, investing in network capacity at a quick pace and large scale is crucial. We suggest that TMO4 will improve investment opportunities by providing more feasible Connection Offers for both networks and project developers.

Chapter 8 – Key Customer and Technology Type Adjustments

Q19. Do you agree with our views on DNO Demand in respect of the TMOs
Whilst we have no comments on DNO Demand in respect of the TNOs, we believe that the final solution should be capable of being applied consistently and fairly to all parties.

Q20. Do you have any views on the appropriate mechanism to incentivise accurate forecasting of requirements and avoid more RDC than is necessary being requested by DNOs?
We believe the appropriate mechanism to incentivise accurate forecasting of requirements should be developed as part of the ENA's Strategic Connections Group. This obligation should however apply to the ESO in terms of their commitment to providing accurate information where required to the DNOs.

Q21. Do you agree with our views on the process under which DNOs apply to the ESO on behalf of relevant small and medium EG that impact on or use the transmission system, including that (under TMO4): i) DNOs should be able to request RDC via application windows to allow them to continue to make offers to EG between application windows; and ii) resulting offers should be for firm access until relevant EG has reached Gate 2 (at which point they can request advancement and an earlier non-firm connection date)?
We agree that the DNOs should continue to act on behalf of their customers with respect to the consideration of the impact on the transmission system under a defined process. The current arrangements, whether it be via the CUSC defined SoW Process or the in-flight CUSC Modification CMP298, are hugely inefficient and result in significant delays for developers receiving clarity on timescales, works and costs of any transmission impact. The intended benefits of the CMP298 process have not been demonstrated in our experience, with DNOs operating different approaches. We would therefore expect a consistent and transparent approach to be adhered to by all DNOs.

Q22. Do you agree that directly connected demand should be included within TMO4 and that the benefits and challenges are broadly similar as for directly connected generation?
We have no comments

Q23. Do you agree that TMO1 to TMO3 would require a separate offshore process, and that this would result in material disbenefits?
We agree that TMO1 to TMO3 would require a separate offshore process.

Q24. Do you agree that TMO4 is the most aligned to the direction of travel for offshore projects? If not, why?
Yes, we agree that, of the identified Target Model Options, TM04 dovetails most closely with centralised strategic network planning and supports the implementation of the Offshore Transmission Network Review (OTNR). Allocation of queue position for offshore however, requires further clarity. The TMO4 approach would suggest that future leasing rounds will be similar to the current Celtic Sea approach where the lease areas are well defined by Crown Estate. This approach however, would not work for R4, for example, where the location of the final sites was widely open. TMO4 should consider features such as only one project being able to receive a connection offer for a specific seabed leasing area, and CfDs being included as a part of the leasing process.

It is important that potential impacts (including cumulative) on communities hosting such infrastructure are considered from the outset when planning connections for renewable energy generation and that both centralised strategic network planning and the connections process is fully transparent.

We would take this opportunity to note that whilst the Holistic Network Design (HND) included some consideration of environmental and community impacts when comparing options, it unfortunately lacked a full strategic environmental assessment (SEA) and therefore did not clearly: i) apply the mitigation hierarchy, ii) document a full assessment of reasonable alternatives or iii) confirm the acceptability of likely impacts (including cumulative impacts) from recommended grid infrastructure in planning, environmental and amenity terms.

These weaknesses now place the onus upon individual developers and Transmission Operators to demonstrate to communities and stakeholders through consenting processes, the need for system-wide importance of and acceptability of infrastructure recommended by National Grid ESO through centralised strategic network planning. To minimise this consenting risk in future, a new Detailed Network Design or connection process aligned with centralised strategic network planning should aim to utilise the batched assessment phase of the TMO4 process to provide a robust and transparent assessment including consideration of; i) all reasonable alternative connection options, ii) robust consideration of cumulative impacts and iii) clear demonstration that options (thus any subsequent connection recommendations) are likely to be acceptable in planning, environmental and amenity terms.

An integrated network design is essential to deliver a single and co-ordinated connection process for both onshore and offshore. We believe there is merit in the process for offshore that allows of the required TEC to be reserved for the entire leasing round, allowing for early planning of grid and the early commencement of onshore works.

Q25. Other than the Letter of Authority differences are there any other TMAs which have specific offshore considerations?

It is important that any recommendations from the OTNR will work alongside any enduring connections process such that offshore projects are not disadvantaged in any way. Any proposal that looks to allocate grid connections as part of seabed leasing must ensure that the allocation provides the required certainty for developers to bid in a CfD round.

Q26. Do you agree with our views on network competition in the context of connections reform, including that TMO4 is the option which is most aligned with network competition as it includes the most design time at an early stage in the end-to-end process?

We agree with the views that TMO4 is most aligned with network competition. We do however believe that the introduction of a competition model brings with it the risk of delay from running of a competitive tender and introduces barriers to large scale procurement. We therefore believe further consideration should be given to these impacts by both ESO and Ofgem.

Chapter 9 – Supplementary Target Model Add-Ons

Q27. Do you agree with our initial recommendation related to each of the TMAs within this chapter? If so, why? If not, what would you change and why?

TMA	TMA Title	SPR Response
H	Structure and value of application fee	It is difficult to comment here in absence of more information
I	Criteria for ESO to reject an application	In absence of a clearly defined criteria it is difficult to comment. At present, the current process for reviewing applications is often flawed with TOs/ESO taking too long to review and, in cases, failing to declare applications competent in a timely manner. Any ability for the ESO to reject applications should be done so on a fair and transparent basis.
J	Optionality provided in an Offer	We agree that a degree of optionality should be available, but not to the detriment of the overall process and ability to deliver offers. Where provision of such a service introduces complexities then it would not be appropriate to be available.
K	Capacity products in an Offer	We support the proposal which will better define products on offer. This will assist customers at the pre-application stage and in any discussions with the TOs. However, this must be done in accordance with due and proper process. The concept of TEC Trading has been discussed many times previously with no progress due to the view that this will ultimately contribute to further queue problems. We would however welcome further information as to how the ESO would envisage such a product working. Or indeed if consideration has been given to trading of TEC between projects within the same customer portfolio if a defined criteria is met.
L	Requirements to accept an Offer	We agree with the ESO view of the potential for unintended consequences under a new gated approach to connection offers and the requirement to review the user commitment arrangements.
M	Timeframe for updating contracts	We acknowledge the recommendation for the status quo to be maintained with respect to updating contracts as required, however much improvement in this area is required from both the TOs and ESO regardless of the outcome of the Connections Reform Review. Our experience has resulted in often lengthy delays for minor updates that are required for projects. This level of performance is unacceptable. Going forward, we would like to see defined timescales in place for contract updates which both the ESO and TOs will be obliged to comply with.

N	Criteria for ESO to reject a modification	As noted above in our response to TMA I, in absence of a clearly defined criteria it is difficult to comment. There is already guidance in place with the DNOs to agree it makes sense for a similar guidance to be developed for transmission connections. We would however expect this to be developed with full and transparent stakeholder engagement.
O	Secondary processes	This is not a new option under the process. It is however done so in a non-consistent manner between the ESO and TOS. We therefore welcome clarification on this and having an agreed criteria of changes under this TMA.
P	Dual track process	We agree there is benefit in further consideration to this TMA P. However, implementation of such an approach would be subject to full and transparent engagement with stakeholders to determine the criteria for such projects to be considered under a Dual Track Process.
Q	Financial Compensation	Whilst we are minded to agree with the recommendation set out by NGESO, cost and delay impact are the key risks to projects. We believe that connection offers as a minimum should include a greater level of cost breakdown and transparency, aligning with the approach adopted by DNOs.
R	Management of underused capacity	We do not agree with the proposals under TMA R.
S	Fast-Track Dispute process	We support this TMA S

Chapter 10 – Detailed Design, Implementation and Transitional Arrangements

Q28. Do you agree with our current views in respect of the implementation period?
We agree with the current views in respect of the implementation period. However, the scale of potential reform that will be required or the associated challenging timescales should not be underestimated. Where there is support from industry for the reform proposals, it will require clear commitment from Ofgem and Government to lead on ensuring the necessary reform is delivered in a timely manner and that investment risk is not hindered in any way. Ofgem has struggled to support many code changes/workstreams in recent years due to lack of resources. We have already seen CMP376 delayed for this reason. To deliver on the ambitions of the reform, it is key that Ofgem are adequately resourced to deliver the necessary reform decisions in a timely manner.

Q29. Do you agree with our current views in respect of transitional arrangements? What are your views on how and when we should transition to TMO4?
We recognise and welcome the commitment by NGESO to consider what transitional measures may improve the queue and connection process arrangements.

Q30. What further action could Government and/or Ofgem take to support connections reform and reduce connection timescales, including in areas outside of connections process reform?
We believe there are other areas which require Government and/or Ofgem support and/or action to facilitate connection reform and improve connection timescales.

Other areas we believe merit further consideration include:

- Reform of planning and consents, including the resourcing of Environmental Bodies
- Investment ahead of Need to TOs/DNOs, including the streamlining of regulatory processes for ESO and TOs/DNOs. Network companies need clear commitment from the regulator that investment will not be disallowed.
- Review of Ofgem remit and resourcing. The scale of reform will require adequate resourcing by Ofgem to ensure the timely delivery of decisions.
- Enduring ASTI Framework to facilitate faster delivery of transmission investment
- HND Framework, with lessons learned from the HND and HNDFU exercise which has resulted in uncertainty and lengthy delays to ScotWind Developers, as of today – no updated offers have been received.