

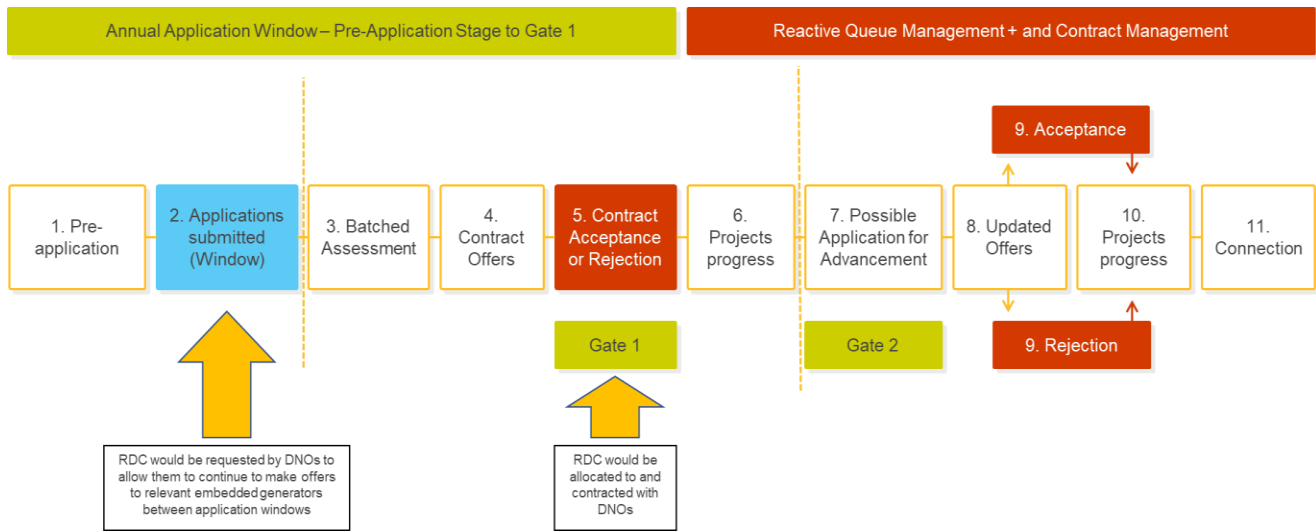
Annex 2 – Target Model Option (TMO) 4 Process Overview

ESO

Figure 1 is a high-level process flow showing the journey from the Pre-Application Stage through to Connection under the proposed reformed connections process (TMO4).

Figure 1 shows the period where Reactive Queue Management+ (RQM+) would be in place to terminate any projects which are not progressing, so their capacity can be reallocated to others. It also shows where the concept of Reserved Developer Capacity (RDC) would fit into the process for relevant embedded generation.

Figure 1 - High-level process flow showing the journey from the Pre-Application Stage through to Connection under the proposed reformed connections process (TMO4)



Application windows would run sequentially and they are currently proposed to occur annually, although the frequency and duration of application windows is to be reviewed in Phase 3.

The objectives of the Pre-Application Stage are to better inform parties of when and where they are able to connect, manage expectations of all parties about network constraints and potential timeframes for connection and enable access to information and engagement in a timely manner to support investment decisions.

The early batched assessment of connection applications would allow efficient inclusion of anticipatory investment in network design. This anticipatory investment need not be limited to traditional network build solutions – efficient anticipatory investment could also include more innovative, technological or other non-build solutions to address network constraints.

The purpose of Gate 2 is to allocate earlier connection dates to projects that are progressing and that are most likely to be able to have flexibility in their delivery programme to take advantage of that earlier date. At Gate 2 there would be potential for connection date advancement relative to other projects in the application window due to the approach to batched assessment at the prior process stage leading up to Gate 1. There would also be the potential to advance connection dates via RQM+ i.e. by reallocating capacity from any relevant terminated projects.