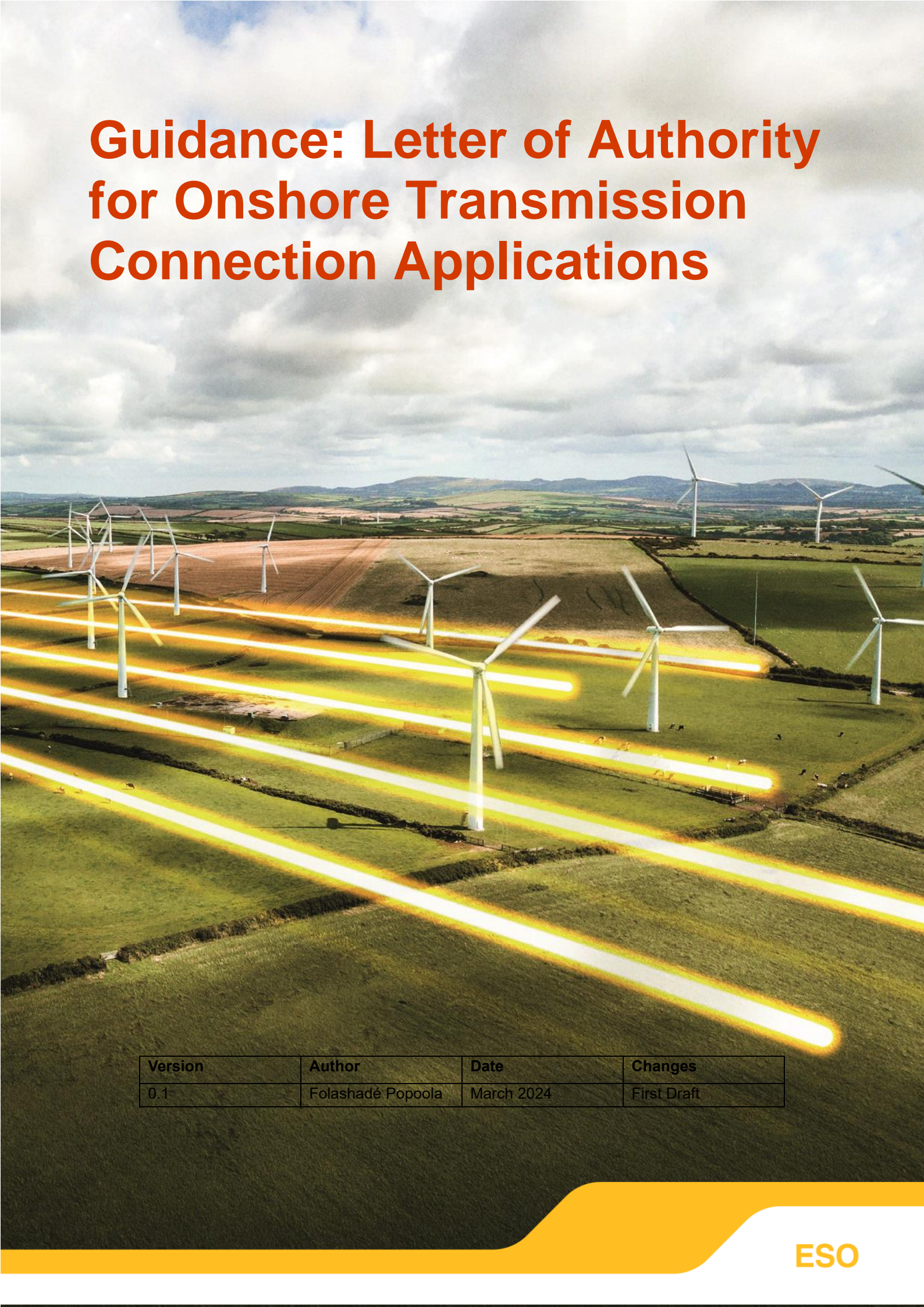


Guidance: Letter of Authority for Onshore Transmission Connection Applications



Version	Author	Date	Changes
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ESO

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2. Introduction

The CUSC change proposal [CMP427](#) – “Update to the Transmission Connection Application Process for Onshore Applicants” – was approved by Ofgem¹ on 15 March 2024. It introduces into the CUSC a requirement for applicants to submit a Letter of Authority (LoA) with any new onshore transmission connection application². The LoA must be submitted to the ESO, in addition to the existing requirements for that connection application to be effective (this is referred to colloquially as ‘clock start’). The existing requirements for a connection application to become effective are noted in Exhibit B³ of the CUSC and includes the accurate completion and submission of the application form, providing the required data specified in the application form and payment of an application fee (and, going forward, the LoA).

The intent of the LoA is that the applicant confirms and demonstrates to the ESO that either:

- The applicant has formally engaged with the landowner(s) in respect of the land rights needed to enable construction of the applicant’s project on their land; or
- The applicant is the landowner of the land to be used for the construction of the project or already has land rights to enable construction of the applicant’s project.

The implementation of the CMP427 code change is effective from 28 March 2024.

3. Purpose of this Guidance

This guidance enables CUSC parties and the ESO to understand how the LoA process (introduced by CMP427) will work operationally, particularly to help in understanding their obligations in submitting a valid LoA, and how the LoA will be assessed by the ESO following submission.

4. Parties to which the LoA Requirement Applies

The requirement to submit an LoA applies to all parties applying for a new onshore transmission connection where the application is submitted to the ESO after 28 March 2024⁴.

For the avoidance of doubt, this requirement does apply to any new connection applications by Distribution Network Operators (DNOs) and Independent Distribution Network Operators (IDNOs) (even where that new connection application is associated with embedded generation). Therefore, the DNO (or IDNO) will need to provide an LoA for their asset(s) that they are planning to connect to the transmission system when they are registering for a new GSP.

It does not apply to new connection applications by offshore generation or interconnectors.

It also does not apply to applications for use of system only (Bilateral Embedded Generation Agreement) or an application for a Bilateral Embedded License exemptible Large power station Agreement (BELLA), as LoA obligations already exist for those types of applications (as part of the DNO application process).

Additionally, the requirement will not apply to applications in flight (whether they have or haven’t “clock started”) at the implementation date (28 March 2024).

It will also not apply to modification applications⁵ from any customer submitted before, or after, 28 March 2024 (although it can be submitted voluntarily – see the next paragraph).

¹ [CMP427 Decision \(nationalgrideso.com\)](#)

² See ‘Parties to which the LoA Requirement Applies’ below for further detail as to whom this obligation does (and does not) apply to.

³ [download \(nationalgrideso.com\)](#)

⁴ This is the implementation date of CMP427.

⁵ However, be aware that the ESO is considering raising a separate (new) CUSC Modification proposal which could, if taken forward (and approved by Ofgem) apply an LoA type requirement for modification applications.

Voluntary LoA Submission

As noted by Ofgem and the UK Government (DESNZ) within their jointly published⁶ [Connections Action Plan](#)⁷, existing Users or Users wishing to submit Modification Applications are encouraged to submit LoAs on a voluntary basis. Such Users who wish to submit an LoA voluntarily should complete the relevant LoA template provided within Section 2, Schedule 2 of the CUSC⁸ and submit this to their Connections Contract Manager via email, following the submission of their Modification Application on the Connections Portal.

5. Obligations for the Applicant

Transmission connection applicants are required to submit an LoA in the form of one of the two templates (A or B) provided for in Section 2, Schedule 2 of the CUSC, as part of their connection application to the ESO. Depending on the land arrangements, the applicant may need to submit more than one LoA for a particular application.

In the case of both Template A and Template B, the relevant template is to be completed and signed by the respective landowner(s) (which in the case of Template B is the applicant) or their representative(s). However, it is the applicant's responsibility to ensure the application requirement is met and that the template is completed accurately and submitted as part of their connection application.

All LoAs must be signed and dated not more than one year **prior** to the date the connection application is submitted to the ESO. This signing can be provided via electronic or wet signature.

Applicants must also ensure that the technology types referenced within the LoA(s) match that which is referenced within their application form.

Failing, by the applicant, to meet these obligations means that the LoA(s) will be rejected and the application will not be 'clock started' by the ESO.

6. How to submit an LoA

The form of the two types of template(s) to be submitted by the applicant are shown in Section 2, Schedule 2 of the CUSC. All the information as set out within the relevant template should be provided, with relevant sections in parenthesis deleted as appropriate.

Applicants that submit LoAs which differ from the templates provided for within the CUSC may be rejected, consequently delaying their application being 'clock started' by the ESO.

As a temporary process before the ESO's Connections Portal upgrade (which is currently due to go live by 5th April 2024) applicants should download and complete the relevant template(s) from the ESO website [here](#) and then upload this as part of their digital Application in the ESO's Connection Portal (within Section B, 05) alongside any additional relevant documentation.

Red Line Boundary

Applicants should note that each LoA template requires the inclusion of an image of a standard red line boundary map. This should be submitted as a PDF document.

The boundary map should identify the relevant land being referred to in each LoA.

This map is not required to cover the project's cable routing, or the land needed for a network substation⁹ but the LoA (or, if more than one is required, the multiple LOAs) should include the area/footprint of the

⁶ [Electricity networks: connections action plan - GOV.UK \(www.gov.uk\)](#)

⁷ The Letter of Authority action is referenced on pages 34-35 of the Connections Action Plan

⁸ [CUSC Code Documents | ESO \(nationalgrideso.com\)](#)

⁹ Except in the case of a DNO or IDNO application.

applicant’s proposed development (e.g., the wind farm site) by reference to the land area / footprint that the individual LoA (or LoAs) covers.

7. Minimum Acreage Requirements

So that the proposed land area (red line boundary) covered in the LoA(s) can be considered sufficient to build the project (to which the application relates), the proposed total acreage provided within the LoA(s) will be assessed as follows.

The ESO has sought the expertise of an independent engineering consultancy to determine the most appropriate minimum acreage per MW for each technology type of project. Their findings have been used to develop the energy density table in Figure 1 below. The technology types listed within the below table reflect those currently listed on the existing connection application form within the ESO’s Connections Portal.

ENERGY LAND DENSITY

Plant Type	Minimum acres per MW registered
Biomass	0.0307
Combined Cycle Gas Turbine (CCGT)	0.0136
Combined Heat and Power (CHP)	0.0220
Coal	0.0629
Demand (includes data centres and traction (such as HS2 and National Rail))	0.0870
Energy Storage	0.0151
Gas Reciprocating	0.0111
Hydro	0.0158
Nuclear	0.0246
Open Cycle Gas Turbine (OCGT)	0.0125
Oil and Advanced Gas Turbine	0.015
Pump Storage	0.0158
PV Array (Photo Voltaic/Solar)	2.0
Reactive Compensation	0.0042
Thermal	0.0229
Waste	0.1528
Wind Onshore	7.6829
Synchronous Comp	0.0031

Figure 1. Energy Land Density Table

Applicants should note that whilst these figures represent the de minimis requirement of the expected acre per MW, these figures will be treated as an indicative guide only. To ensure projects are not disadvantaged by the Energy Density Table, where the red line boundary has an acre per MW which is less than that in the Energy Land Density table, queries will be raised by the ESO with the applicant in an attempt to fully understand the context of why this is relevant for that project. However, in the event that the ESO is not satisfied that the total land acreage provided within the applicant's LoA(s) meets the de minimis level, the LoA requirement will not have been met, and as a result the applicant's connection application will not be 'clock started', by the ESO, and the applicant will be required to resubmit a valid LoA for their connection application to proceed further.

The ESO also acknowledge that emerging technology types which are not represented in the above table may apply for new transmission connections. The consideration of land density will in such cases be treated on a case-by-case basis with applicants¹⁰, pending any update to the above table.

The Energy Land Density table will be reviewed annually by the ESO to take into account any updates or changes to technology types which may, for instance, lead to the increase in MW per acreage values as technology types become more efficient and innovation occurs within the market. The ESO will engage with industry prior to publishing any amendments to the table.

Multiple Technology Types

It is noted that some larger projects such as energy parks may have multiple technology types developed on a single site. In such instances, the applicant will be contacted by the ESO post application to enable the ESO to better understand the technology mix to consider the minimum acreage per MW required.

If the required clarification is not received by the ESO from the applicant, the red line boundary in the LoA(s) will be assessed against the minimum acreage per MW that would be required considering all the technology types listed (i.e. the worst-case scenario).

Example

Applicant 'A' submits a connections application for a combined solar farm and battery storage on a singular site, requesting 30MW for the solar farm and 60MW for battery storage. Worst case scenario would be based on minimum required for the combination of both technology types.

Minimum acreage for 30MW solar farm = 107.451 acres (30MW x 3.5817acres)

Minimum acreage for 60MW battery = 0.906 acres (60MW x 0.0151 acres)

Total minimum acreage required = 108.357 acres (107.451 acres + 0.906 acres)

8. Checking of LoAs

Upon receipt by the ESO of a connections application, for those parties to which the LoA CUSC requirement applies, then the process detailed below shows what will be undertaken, by the ESO, once an LoA is received. This process should be completed within 5 working days from when the application begins the ESO internal processing stage and this step is not anticipated to add any additional delay to the typical time taken, by the ESO, to process applications as this will happen concurrently.

If the LoA does not meet any of the following elements, the application will not be 'clock started', by the ESO, and the applicant would be required to resubmit a valid LoA to the ESO (in order to progress further).

Figure 2 below details the process-flow for this ESO assessment.

¹⁰ And for transparency, the ESO has agreed to make these known via its website, to help guide other applicants with similar technologies.

Letter Confirmation: The content of the completed LoA(s) will be reviewed by the ESO to ensure the information provided by the applicant is sufficient and in the appropriate (letter template) format as set out in Section 2, Schedule 2 of the CUSC. The technology types referenced within the LoA(s) must match that which is referenced within the applicant's application form, failing which the LoA will be rejected, by the ESO, and the application will not be 'clock started' (by the ESO).

Land Registry / Land Register of Scotland: Where the land referenced in the LoA is registered land, the information provided in the LoA will be confirmed, by the ESO, with the Land Registry / Land Register of Scotland. If there are any discrepancies, then the applicant, the landowner, or the landowner's representative may be contacted, by the ESO, for further clarification.

Where the land is indicated as unregistered, checks may be undertaken, by the ESO, to verify this fact, but proof of actual legal ownership is not required. This is a proportionate approach given that the vast majority of land in GB is registered (although much less is registered specifically within Scotland), and it recognises the potential impact that LoA verification may create in respect of an application achieving clock start.

Minimum Acreage: As noted above, checks will be undertaken, by the ESO, to satisfy themselves that the land referred to in the LOA(s) is sufficient in principle to build the applicant's project. 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. The Energy Land Density table above should be used to identify the minimum acreage per MW requirements the ESO will expect for each plant type.

Validity Period: All LoAs must be signed and dated not more than one year **prior** to the date the connection application is submitted to the ESO. The LoA can either be signed and dated via electronic or wet signature. For the avoidance of doubt, this validity period is limited to the point in time of the application submission and will not be considered to imply a guarantee from the landowner beyond this point in time.

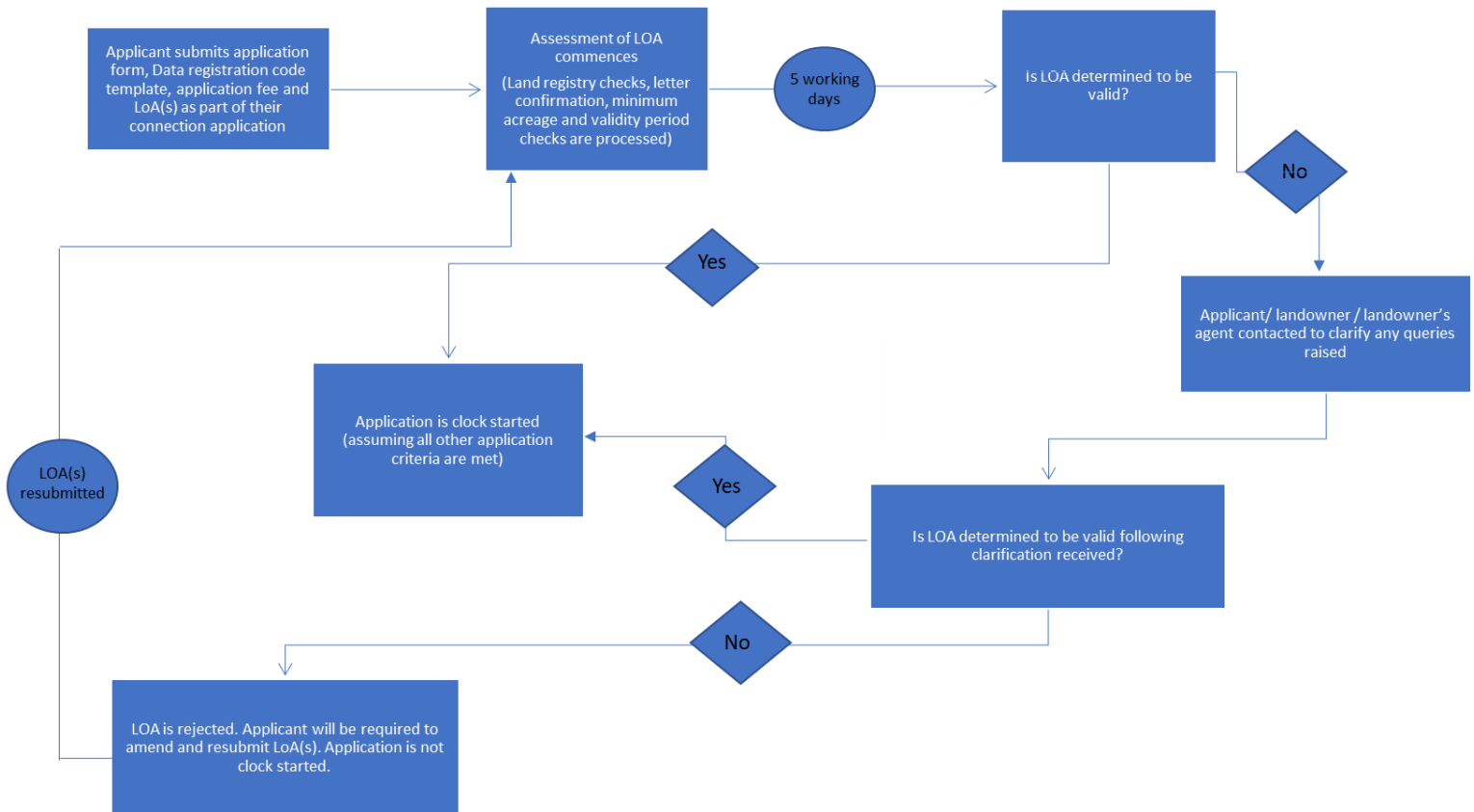


Figure 2: Process flow of the LoA assessment from when an applicant submits an onshore transmission connection application to when the ESO 'clock starts'.

9. Disputes under the Letter of Authority process

If an LoA is not accepted by the ESO and an applicant wishes to make a complaint, there will be initial discussions between the ESO and the applicant to seek to resolve the issue ahead of raising a dispute. If the complaint cannot be resolved, the applicant may wish to raise a formal complaint via official channels by emailing box.ESO.Complaints@nationalgrideso.com

If still unresolved, the next option available to an applicant is the same as the existing rights via the CUSC disputes process at CUSC section 7.

10. Terminology/Acronyms

Acronym / key term	Meaning
Clock Start	<p>The date on which a project’s transmission connection application is:</p> <ol style="list-style-type: none"> 1. deemed technically competent by all relevant Transmission Owners; 2. The application fee invoice is paid to the ESO; 3. The LoA is deemed, by the ESO, to be suitable for the purposes of the application. <p>Clock start signifies the start of the three-month connection offer period as defined in the CUSC.</p>
CMP	CUSC Modification Proposal
CUSC	Connection and Use of System Code
DNO	Distribution Network Operator
IDNO	Independent Distribution Network Operator
ESO	Electricity System Operator
MW	Megawatt