

Public

# Gate 2 Criteria Methodology

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# How to read this document

Welcome to our **Gate 2 Criteria Methodology** document. This document sets out the Gate 2 criteria for both new applications and existing applications and the evidence requirements and assessment of this criteria.

This document will be reviewed and updated in line with the relevant NESO licence conditions.

# 01. Introduction

This section introduces the purpose of the Gate 2 Criteria Methodology

# 1.1 Purpose

The purpose of Gate 2 is to allocate confirmed connection dates, connection points and queue position to projects that are viable and progressing and that are aligned with strategic energy plans.

This Gate 2 Criteria Methodology sets out the Gate 2 Criteria, which is in two parts:

- The Gate 2 "Readiness Criteria" - the evidence a User will be required to provide to meet the "Gate 2 Readiness Criteria" and how this evidence is submitted and verified; and
- The Gate 2 "Strategic Alignment Criteria" - a User will need to meet one of these criteria; however, this is not evidenced by the User, and this is identified and confirmed to the User by NESO.

A User must meet both the Gate 2 Readiness Criteria and the Gate 2 Strategic Alignment Criteria to become a Gate 2 project.

# 02. Scope

This section sets out the scope of the Gate 2 Criteria Methodology.

# 2.1 What is in scope of the Gate 2 Criteria Methodology and how does it fit in with Code, Licence and Guidance?

## Methodology

- **Gate 2 Readiness Criteria**
  - Land related or Planning related
- **Gate 2 Strategic Alignment Criteria**
  - Be aligned with the pathways within the Government’s Clean Power 2030 Action Plan (CP30 Plan); or
  - Be a designated project under the Project Designation Methodology; or
  - Be a transmission connected demand project not in the scope of the pathways within the CP30 Plan.
- **Evidence requirements (including Readiness Declaration templates) and evidence assessment process.**

## Code

- Explicit requirement to provide Original Red Line Boundary at submission of Gate 2 Application (unless Gate 2 Criteria Methodology states otherwise) [CUSC Section 17.7] and what it must contain at a high level [CUSC Section 17.7] with further detail provided in Gate 2 Criteria Methodology
- Changes to Queue Management Milestones M1 and M3 [CUSC Section 16.3]
- New Queue Management exception [CUSC Section 16.5]
- Red line boundary compliance rule [CUSC Section 16.4.9] and impact of being outside compliance [CUSC Schedule 2, Exhibits 3 and 3A]
- Requirement to carry out 100% duplication checks and use reasonable endeavours to check 100% of Gate 2 Readiness Criteria evidence provided [CUSC Section 17.10]

## Gate 2

## Licence

- Requirement to have a Gate 2 Criteria Methodology, consult on it, keep “live” and be approved by Ofgem

## Guidance

- **Queue Management** – additional explanation on the new Queue Management exception set out in Code and how ongoing land and planning compliance works in practice
- **Letter of Authority** – inclusion of equivalent land density test for Offshore and Energy Density values (and/or equivalents) for Offshore projects (including Interconnectors and or Offshore Hybrid Assets (OHAs) onshore convertor stations)

## 2.2 Who does the Gate 2 Criteria Methodology apply to?

- Transmission connected (Generation\* and Demand)
- Interconnectors and Offshore Hybrid Assets
- Large Embedded Generation (apply to NESO)\*\* and \*\*\*
- Small and Medium Embedded Generation (via DNO/Transmission Connected iDNOs, who apply on their behalf to NESO)\*\*. This includes:
  - Relevant Embedded Small Power Stations;
  - Relevant Embedded Medium Power Stations;
  - Embedded Small Power Stations with a Bilateral Embedded Generation Agreement; and
  - Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.

*\*For the avoidance of doubt this includes storage.*

*\*\* Embedded Generators will have to meet DNO/Transmission Connected iDNO requirements in addition to the Gate 2 criteria outlined in this methodology.*

*\*\*\* Large Embedded Generators will need to have agreement from their DNO/Transmission Connected iDNO to request acceleration to the NESO (this only applies for existing contracted parties under CMP435).*



## 2.3 Differences for existing contracted parties under CMP435 and the enduring process under CMP434

The Gate 2 Criteria Methodology applies to both existing contracted parties under CMP435\* (in accordance with Section 18 of CUSC) and the enduring process under CMP434 (in accordance with Section 17 of CUSC).

The process is largely the same but the differences between CMP434 and CMP435, which are set out in detail within the Gate 2 Criteria Methodology, are as follows:

Section of Methodology	Differences between CMP434 and CMP435
Chapter 4.9 (Gate 2 Readiness Criteria – Land)	Under CMP435 there is no minimum length for the land Option required if the Option is entered into by the User before the Authority Decision Date
Chapter 9.2 (Templates)	Under CMP435 only: <ul style="list-style-type: none"> <li>User can request advancement of their contracted connection date; and/or</li> <li>User can request a reduction in their TEC or Developer Capacity noting that the User is liable for a Cancellation Charge if this reduction results in abortive works</li> </ul>

**\*We note that some existing contracted parties under CMP435, could be close to energisation but their project will not be energised prior to the deadline for demonstrating the Gate 2 Readiness Criteria – these projects will also need to follow the process set out in this Gate 2 Criteria Methodology**

# 03. Gate 2 Criteria Summary

This section sets a summary of the Gate 2 Criteria

# 3.1 Summary of Gate 2 Criteria

**Project must meet the Gate 2 Readiness Criteria (See Sections 4 and 5 for more detail)**

## LAND (See Section 4)

- Meet Minimum acreage requirements (or Offshore equivalent as set out in Section 4.4); and
- Provision of Original Red Line Boundary for site on which project is located; and
- Secured Land Rights

or

## PLANNING (See Section 5)

- Submission of (and validation of) application for planning consent for projects following the Development Consent Order (DCO) process
- If following the Planning route, the meeting Minimum acreage and provision of Original Red Line Boundary for site on which project is located requirements must be provided as part of evidence of meeting Queue Management Milestone M2

**And Project must meet one of the Gate 2 Strategic Alignment Criteria (See Section 6 for more detail)**

- Be aligned with the pathways within the Government's Clean Power 2030 Action Plan (CP30 Plan); or
- Be a designated project under the Project Designation Methodology; or
- Be a transmission connected demand project not in the scope of the pathways within the CP30 Plan.

**There will also be ongoing compliance requirements (See Section 7 for more detail)**

Once a project has met the Gate 2 Criteria and the User has signed the Gate 2 Offer, there will be ongoing compliance requirements regarding the land and planning. These obligations are set out in CUSC Section 16 and expanded on further in the Queue Management Guidance. However, Embedded Power Stations' Queue Management Milestones and ongoing land compliance requirements will continue to be managed by DNOs or Transmission Connected iDNOs.

If following the Planning route to meeting the Gate 2 readiness criteria, the ongoing land compliance requirements will apply from when the User has met Queue Management Milestone M2.

# 04. Gate 2 Readiness Criteria – Land

This section sets out the Gate 2  
Readiness Criteria if seeking to  
meet Gate 2 Readiness Criteria

via evidence of secured land  
rights

# 4.1 Gate 2 Readiness Criteria – Secured Land Rights

**User has secured the rights to lease or own the land (or already leases or owns the land) for the site on which their project is planned to be located.**

**Meet Minimum acreage requirements** – this relates to 100% of the land which is required for their project to meet the Gate 2 criteria. This 100% requirement will be calculated using the Energy Density Table as defined under CMP427 and contained in the **NESO guidance document** unless set out otherwise in Section 4.4 of this Gate 2 Criteria Methodology.

**Provision of Original Red Line Boundary** – As set out in CUSC Section [X], the User would also need to provide the Original Red Line boundary for their project site showing the land they have secured.

Note that this does not have to correspond to the red line boundary set out in any Letter of Authority previously submitted since the implementation of CMP427.

## Secured Land Rights

Either:

**Option**– any Option agreement must be exercisable for a period of at least 3 years from the date of agreement (unless NESO discretion applied via this Gate 2 Criteria Methodology). There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the Completion Date.

The lease or purchase agreement, which accompanies the Option Agreement must reflect the typical minimum operational timelines for that type of project and this will be a minimum 20 years from the date of exercise of the Option unless the User can demonstrate, to the reasonable satisfaction of NESO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects;

**Evidence of existing ownership** (via provision of the title deeds) at the time of submission of the Gate 2 evidence ; or

**Existing land lease** with a remaining term of minimum of 20 years from the submission of the Gate 2 evidence unless the User can demonstrate, to the reasonable satisfaction of NESO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects;.

## 4.2 Gate 2 Readiness Criteria – Meet Minimum acreage requirements

**Relates to 100% of the land which is required for their project to meet the Gate 2 criteria. This 100% requirement will be calculated using the Energy Density Table as defined under CMP427 and contained in the [NESO guidance document](#) unless set out otherwise in Section 4.4 of this Gate 2 Criteria Methodology.**

**Where more than one technology (e.g. a co-located generator), the User will need to meet the total minimum acreage requirements for each of the technologies.**

As part of the development of CMP427, the NESO 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. Users 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 and emerging technology types that are not represented in this table will be treated on a case-by-case basis with Users.

The Energy Land Density table will be reviewed annually by the NESO 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 NESO will engage with industry prior to publishing any amendments to the table.

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 User will be contacted by the NESO post application to enable the NESO to better understand the technology mix to consider the minimum acreage per MW required. If the required clarification is not received by the NESO from the User, the red line boundary will be assessed against the minimum acreage per MW that would be required considering all the technology types listed.

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 NESO with the User in an attempt to fully understand the context of why this is relevant for that project. However, in the event that the NESO is not satisfied that the total land acreage provided meets the de minimis level, the minimum acreage requirement will not have been met.

# 4.3 Gate 2 Readiness Criteria – Meet Minimum acreage requirements calculation (except Offshore)

Relates to 100% of the land which is required for their project to meet the Gate 2 Readiness criteria. This 100% requirement will be calculated using the Energy Density Table as defined under CMP427 and contained in the [NESO guidance document](#). Note that the Energy Density Table will be reviewed annually. Where more than one technology (e.g. a co-located generator), the User will need to meet the minimum acreage requirements for each of the technologies.

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

Example 1: 100MW Wind Onshore  
 $100\text{MW} \times \text{Minimum acres per MW registered (7.6829)} = 768.29 \text{ total acreage required}$

Example 2: 100MW PV Array and 100MW Wind Onshore  
 Wind Offshore =  $100\text{MW} \times \text{Minimum acres per MW registered (7.6829)} = 768.29 \text{ acres required}$   
 PV Array =  $100\text{MW} \times \text{Minimum acres per MW registered (2)} = 200 \text{ acres required}$   
 Total acreage required = 968.29 acres

Emerging technology types that are not represented in this table will be treated on a case-by-case basis with Users.  
 The calculation for Offshore is set out in section 4.4 of this Gate 2 Criteria Methodology

Energy Density values (and/or equivalents) for Offshore projects (including Interconnectors and or Offshore Hybrid Assets (OHAs) onshore convertor stations) will be included in the [NESO guidance document](#).

## 4.4 Gate 2 Readiness Criteria – Meet Minimum energy density requirements calculation (Offshore process variation)

**Relates to 100% of the land which is required for their project to meet the Gate 2 criteria. This 100% requirement will be calculated using the Energy Density Table as defined under CMP427 and contained in the [NESO guidance document](#) unless set out otherwise in Section 4.4 of this Gate 2 Criteria Methodology.**

This section applies in the case of a project securing an award for lease from The Crown Estate (TCE) and or Crown Estate Scotland (CES) in relation to energy generating projects in GB waters, such as wind, wave and tidal, and not including interconnectors or OHAs. Interconnectors or OHAs will need to meet the requirements as set out in sections 4.2 and 4.3 of this Gate 2 Criteria Methodology.

- If the capacity that the User has requested in their Gate 2 Application equates to what has been awarded by TCE or CES, this will be sufficient in lieu of reference to the energy density table.
- In the event this is not the case, the Offshore specific energy density table to be set out in the [NESO guidance document](#) will be used to determine Gate 2 Criteria readiness re: land area requirement.



# 4.5 Gate 2 Readiness Criteria – Provision of Original Red Line Boundary

**As set out in CUSC Section 17, the User would also need to provide the Original Red Line Boundary for their project site showing the land they have secured. Note that this does not have to correspond to the red line boundary set out in any Letter of Authority previously submitted since the implementation of CMP427.**

- **Show the Original Red Line Boundary of the site on which the project is located**
  - This does not need to show the project's cable route, or the land needed for a network substation or land used for non-energy purposes (e.g. agricultural such as grazing sheep at a wind farm or solar installation or leisure usage such as mountain-bike tracks at a wind farm)
  - For co-located sites this can be either:
    - A separate Original Red Line Boundary for each technology; or
    - The same Original Red Line Boundary for each technology (if e.g. this is a Solar and Wind Site and it is not yet decided where exactly the wind turbines would be located within that Original Red Line Boundary) but clearly show the Installed capacity expressed in whole MW or to one decimal place for each technology.
- **State the location**
  - Site address including postcode (if available); and
  - Grid Coordinates (Longitude and Latitude in WGS84 format to 3 decimal places of Northerly, Easterly, Southerly and Westerly extreme coordinates of project site)
- **State the Installed Capacity** (expressed in whole MW or to one decimal place) for each technology
  - Definition in CUSC Section 11; and
  - As per CUSC Section 17.7, the sum of the Installed Capacity provided within a Gate 2 Application and the capacity of any existing User's Equipment or Developer's Equipment at the same site (if any), must be equal to or greater than the total Transmission Entry Capacity or Developer Capacity or directly connected Demand MWs.
- **State the minimum land acreage for each technology**

Ongoing compliance requirements regarding the Original Red Line Boundary are set out in CUSC Section 16 and expanded on further in the Queue Management Guidance. Note that Embedded Power Stations' ongoing land compliance requirements will continue to be managed by DNOs or Transmission Connected iDNOs.

# 4.6 Gate 2 Readiness Criteria – Secured Land Rights: Overview

## User must provide evidence of secured land rights under one of the following methods:

**Option Agreement** – An option agreement is where the User, enters into an agreement with a landowner for the right to buy or lease their land. The developer then has the User (within a period defined in the agreement) to purchase or lease the land. The User has the option to purchase or lease the land but is not under an obligation to do so. The User will usually pay a sum of money to the landowner for the right to exercise the option, known as an option fee. The User will usually be required to serve the landowner with an ‘Option Notice’ and pay a deposit at the point they wish to exercise the option.

Although, the length of Option agreements can vary, the Option agreement must be exercisable for a period of at least 3 years from the date of agreement (unless NESO discretion applied via section 4.9 of this Gate 2 Criteria Methodology).

There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the Completion Date.

The lease or purchase agreement, which accompanies the Option Agreement must reflect the typical minimum operational timelines for that type of project and this will be a minimum 20 years from the date of exercise of the option unless the User can demonstrate, to the reasonable satisfaction of NESO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects; or

**Evidence of existing ownership** (via provision of the title deeds) at the time of submission of the Gate 2 evidence; or

**Existing land lease** with a remaining term of minimum of 20 years from the submission of the Gate 2 evidence unless the User can demonstrate, to the reasonable satisfaction of NESO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects.

## **4.7 Gate 2 Readiness Criteria – Secured Land Rights: Commercial Sensitivities**

**We note that land status information would need to be heavily caveated such that the User can withhold any information it deems commercially sensitive.**

**Therefore, redacted land agreements are allowed to be provided and we will ensure these are stored in a secure location with no ability for information to be accessible by anyone unless they have the authority to do so and must not be public.**

**However, we will need to be satisfied that the land agreements provided meet the Gate 2 Readiness Criteria for Land (which in the case of the Option Agreement could be via one of the listed exceptions, set out in section 4.9 or section 4.10 of this Gate 2 Criteria Methodology).**

# 4.8 Gate 2 Readiness Criteria – Secured Land Rights: Option Agreement

**Option Agreement – must be exercisable for a period of at least 3 years from the date of agreement (unless NESO discretion applied via the Gate 2 Criteria Methodology).**

**There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the Completion Date.**

## **What do we mean by a 3 year minimum option length?**

- The evidence provided must be exercisable for a period of at least 3 years from the date of agreement but this does not mean it will need to have 3 years remaining from the date the User submits the Land Option as part of their Gate 2 Application. However, it will need to show that the option length is for a minimum of 3 years. Note that the Option must continue to have at least a 3-year minimum period unless meets one of the exceptions in section 4.9 of this Gate 2 Criteria Methodology.
- Noting that options are structured differently and we do not wish to unnecessarily restrict a commercial negotiation, how the 3 year minimum option length is structured is in the User's control but it needs to ensure e.g. that the landlord has no unilateral termination provision (except in the event of default by the tenant). The detailed checks to be undertaken are set out in Section 8 of this Gate 2 Criteria Methodology.
- A User having an exclusivity agreement is not sufficient evidence of such land rights and this limb has been removed from the acceptable evidence for meeting Queue Management Milestone M3 as part of the changes under CMP434.
- Additionally, Heads of Terms,, which is a preliminary agreement that outlines the key terms and conditions and timescales for the User to secure an Option from the landowner to purchase or lease the land for the purposes of the proposed connection, is not sufficient evidence of such land rights.

# 4.9 Gate 2 Readiness Criteria – Secured Land Rights: Option Agreement Exceptions to Minimum Length period

**Option Agreement – must be exercisable for a period of at least 3 years from the date of agreement (unless NESO discretion applied via the Gate 2 Criteria Methodology).**

**There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the Completion Date.**

## **Option must continue to have at least a 3-year minimum period unless:**

- Connection Date < 3 years away (in which case the Option agreement should cover the period until the Completion Date unless the project meets any of the below exceptions)
- Evidence from the User that having to have and/or maintain a 3 year validity detrimentally impacts development of the project. We will consider on a case by case basis but only exception we currently envisage is a test and demonstration project which would be around for a period < 3 years.
- Under CMP435 any Option agreement for existing connection agreements that were in scope for CMP435 only needs to meet the minimum option length requirements from the Authority's Decision Date, so any Option agreements (for existing connection agreements) already signed before this date will not need a minimum option length. Additionally, projects that have met Queue Management Milestone M1 (including Distribution Queue Management Milestone M1) and/or progressed beyond Queue Management Milestone M1 (i.e. to Queue Management Milestone M2, M4, M5, M6, M7 or M8) will also not need to meet the minimum option length requirements. However, the Option agreement itself will still need to be provided even if the project has met Queue Management Milestone M1 and/or progressed beyond Queue Management Milestone M1 (i.e. to Queue Management Milestone M2, M4, M5, M6, M7 or M8).

## 4.10 Gate 2 Readiness Criteria – Secured Land Rights: Option Agreement Other Exceptions (Probate)

**Option Agreement – must be exercisable for a period of at least 3 years from the date of agreement (unless NESO discretion applied via the Gate 2 Criteria Methodology).**

**There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the Completion Date.**

Although, in most circumstances, we believe that the User should have secured land rights over all of their proposed project site before they make a Gate 2 Application, there is a circumstance where a User may be unable to complete the land option due to the ownership of a parcel of land being in probate following a death. Whilst we don't think this is an appropriate exception where the only land the User needs for project is in Probate as not appropriate to provide a Gate 2 Offer to a User who hasn't secured any land rights, we consider this an allowable exception where the User has already secured land options over multiple parcels of land but can't secure the land option for the parcel of land in probate. .

However, this is an allowable exception only under the following circumstances:

- At Gate 2 Application, the User must meet all the requirements under "Gate 2 Readiness Criteria – Land" for the land not in Probate. Note that the Installed Capacity provided should also include the land under probate.
- At Gate 2 Application, the User must indicate on the Original Red Line Boundary (or provide a separate draft Original Red Line Boundary) the red line boundary for the land in Probate and also confirm the minimum acreage for this land. Ongoing Red Line Boundary Compliance will be based on this.
- At Gate 2 Application, evidence that there have been negotiations (e.g. heads of terms agreed) or negotiations attempted prior to this land being in Probate
- Upon submission of Queue Management Milestone M1, the User must also meet the requirements under "Gate 2 Readiness Criteria" for the land that was in probate including confirming the Original Red Line Boundary..

## 4.11 Gate 2 Readiness Criteria – Secured Land Rights: Option Agreement (Lease or Purchase Agreement)

**The lease or purchase agreement, which accompanies the Option Agreement must reflect the typical minimum operational timelines for that type of project and this will be a minimum 20 years from the date of exercise of the option unless the User can demonstrate, to the reasonable satisfaction of NESO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects.**

We did consider if such lease or purchase agreement must have a term of minimum 20 years from the date of connection. However, the contracted Completion Date will not necessarily be known at the time that the User is negotiating the Option Agreement with the landowner and therefore the minimum 20 years will apply from the date of exercise of the option.

If the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects, then Users should explain this on their Readiness Declaration letter and NESO will consider.

## 4.12 Gate 2 Readiness Criteria – Secured Land Rights: Existing Ownership

**Evidence of existing ownership (via provision of the title deeds) at the time of submission of the Gate 2 evidence**

Where the User already owns the land of which the project is to be located, the User must provide the title deeds as evidence of existing ownership.



## 4.13 Gate 2 Readiness Criteria – Secured Land Rights: Existing Land Lease

**Evidence of existing land lease with a remaining term of minimum of 20 years from the submission of the Gate 2 evidence unless the User can demonstrate, to the reasonable satisfaction of NESO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects.**

We did consider if the remaining term should be from the date of connection. However, the contracted Completion Date will not necessarily be known at this time and therefore the minimum 20 years will be calculated from the date of submission of the Gate 2 evidence.

If the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects, then Users should explain this on their Readiness Declaration letter and NESO will consider.

## 4.14 Gate 2 Readiness Criteria – Secured Land Rights (Differences of approach)

In terms of securing land, as above, there are proposed to be minor differences of approach for Non-GB Projects, Offshore Hybrid Assets and Interconnectors to reflect the practicalities of how they would meet the Gate 2 Readiness Criteria for Land. These are shown in the table below:

<b>All Technologies (Except <u>Non-GB, OHAs and Interconnectors</u>)</b>	<b><u>Non-GB, OHAs and Interconnectors</u></b>
Secured the rights to lease or own the land/seabed (or already leases or owns the land/seabed) of the site on which the project is planned to be located as set out In <b><u>NESO guidance document</u></b>	Secured the rights to lease or own the land (or already leases or owns the land) for the Onshore Converter Substation

# 05. Gate 2 Readiness Criteria – Planning

This section sets out the Gate 2 Readiness Criteria if seeking to meet Gate 2 Readiness Criteria via evidence of submission and validation of the application for planning

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# 5.1 Gate 2 Readiness Criteria – Planning

**Submission of (and validation of) application for planning consent for projects following the Development Consent Order (DCO) process**

**Projects that go down the Development Consent Order (DCO) planning route are intended to have an alternative option for Gate 2 evidence within the Gate 2 Criteria Methodology i.e. submission of (and validation of) the application for (DCO) planning consent. This mitigates the risk for Users who seek land rights later in their development process (e.g. they need to go through the DCO process to obtain land rights through the use of compulsory purchase order powers) so that they have an alternative (but more onerous) route to meeting Gate 2.**

The evidence required is as per Queue Management M1 and is set out in CUSC Section 16 and the Queue Management Guidance but in summary would be:

- Planning reference number (that is provided to User once they have submitted their DCO application and it has been validated by the relevant Statutory Authority).

This route is limited to DCO projects as it is only for DCOs where the planning process and land rights are more coupled.

NESO's assumption is that Small and Medium Embedded Generation\* would not seek to meet the Gate 2 Readiness Criteria via submitting a DCO. However, in the unlikely event that Small and Medium Embedded Generation\* follow this route, they would need to provide the evidence as set out above to the DNO/Transmission Connected iDNO.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

## 5.2 Gate 2 Readiness Criteria – Planning

**Projects that go down the Development Consent Order (DCO) planning route are intended to have an alternative option for Gate 2 evidence within the Gate 2 Criteria Methodology i.e. submission of (and validation of) the application for DCO planning consent. This mitigates the risk for developers who seek land rights later in their development process (e.g. they need to go through the DCO process to obtain land rights through the use of compulsory purchase order powers) so that they have an alternative (but more onerous) route to meeting Gate 2.**

Queue Management Milestone M1 (as referred in section 7.1 of this Gate 2 Criteria Methodology) would not be applicable. However, Users would still need to maintain compliance with Queue Management Milestones – this includes provision of Queue Management Milestone M3 (Secure Land Rights) which is the land route to meeting the Gate 2 Readiness Criteria.

- The Original Red Line Boundary and evidence of minimum acreage requirements (as set out in section 4 of this Gate 2 Criteria Methodology) must be provided as part of evidence of meeting Queue Management Milestone M2. The ongoing land compliance requirements against the Original Red Line Boundary (as referred in section 7.1 of this Gate 2 Criteria Methodology) will therefore apply from when the User has met Queue Management Milestone M2.
- NESO's assumption is that Small and Medium Embedded Generation\* would not seek to meet the Gate 2 Readiness Criteria via submitting a DCO. However, in the unlikely event that Small and Medium Embedded Generation\* follow this route, they would need to provide the evidence as set out above to the DNO/Transmission Connected IDNO.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

# 06. Gate 2 Strategic Alignment Criteria

This section references the Gate 2 Strategic Alignment Criteria, one of which the User must meet

# 6.1 Gate 2 Criteria – Strategic Alignment Criteria

In addition to meeting the Gate 2 Readiness Criteria (as set out in Section 4 and 5 of this this Gate 2 Criteria Methodology), Users will need to meet one of the following Gate 2 Strategic Alignment Criteria; however, this is not required to be evidenced by the User but is identified and confirmed to the User by NESO (see Section 8 of this Gate 2 Criteria Methodology for more details).

- Be aligned with the pathways within the Government’s Clean Power 2030 Action Plan (CP30 Plan); or
- Be a designated project under the Project Designation Methodology; or
- Be a transmission connected demand project not in the scope of the pathways within the CP30 Plan.

## 6.2 Gate 2 Criteria – Strategic Alignment Criteria

Strategic Alignment Criteria	More Detail
Be aligned with the pathways within the Government's Clean Power 2030 Action Plan (CP30 Plan).	Set out in Connections Network Design Methodology
Be a designated project under the Project Designation Methodology.	Set out in the Project Designation Methodology
Be a transmission connected demand project not in the scope of the pathways within the CP30 Plan.	Set out in Connections Network Design Methodology

NESO will confirm to the User if they meet one of these criteria by the end of the Gated Application Window after which detailed checks will be carried out on that User's Gate 2 Readiness Criteria Evidence. This is explained further in Section 8 of this Gate 2 Criteria Methodology.



# 07. Gate 2 Criteria – Ongoing Compliance

This section summarises the ongoing compliance requirements in respect of land and planning

# 7.1 Gate 2 Criteria – Ongoing Compliance

**Once a project has met the Gate 2 Criteria and the User signed the Gate 2 Connection Offer, there will be ongoing compliance requirements regarding the land and planning. These obligations are set out in CUSC Section 16 and expanded on further in the Queue Management Guidance.**

**If following the Planning route to meeting Gate 2, the ongoing land compliance requirements will apply from when the User has met Queue Management Milestone M2 and as the Planning route to meeting Gate 2 is meeting Queue Management Milestone M1, the ongoing compliance referenced below associated with Queue Management Milestone M1 is not applicable.**

## Land

Whatever Installed Capacity in MW (expressed in whole MW or to one decimal place) is built within the original red line boundary, only 50% of that number can then be located outside of the Original Red Line Boundary. Where this calculation results in a number that is less than the total Installed Capacity, the total Installed Capacity will be reduced accordingly (and this may result in a Transmission Entry Capacity reduction).

## Planning

- Requirement to submit the application for planning consent (unless already met at the time of the Gate 2 Application) at the earliest of:
  - i) the Queue Management Milestone M1 (“M1”) calculated back from the contracted completion date (as per current CMP376 methodology); or
  - ii) M1 calculated forwards from the Gate 2 offer date (based on an agreed standard time period calculated from the date of the Gate 2 offer for each planning type) to move from Queue Management Milestone M3 (“M3”) to M1.

The requirements to meet Queue Management Milestones will continue to apply.

Note that Embedded Power Stations’ Queue Management Milestones and ongoing land compliance requirements will continue to be managed by DNOs or Transmission Connected iDNOs.

# 08. Gate 2 Criteria Evidence Assessment

This section sets out the Gate 2 Criteria Evidence assessment process including what is being

checked and by whom. This

includes the assessment process

for the Gate 2 Readiness Criteria

and Gate 2 Strategic Alignment

Criteria

# 8.1 Summary of Gate 2 Criteria Evidence Assessment – Summary of Evidence Requirements

## User (Transmission Connected and Large Embedded Generation) to NESO

Evidence Requirement	Section in Gate 2 Criteria Methodology
Readiness Declaration Letter	Section 9.1 (for CMP434); Section 9.2 (for CMP435)
Original Red Line Boundary if seeking to meet Gate 2 Readiness criteria through land (including location, Installed Capacity expressed in whole MW or to one decimal place for each technology and land acreage for each technology).  <ul style="list-style-type: none"> <li>Note if meeting Gate 2 criteria through planning (DCO), the above will be provided at Queue Management Milestone M2</li> </ul>	Section 4.5
Evidence of Secured Land Rights (can be redacted to address commercial concerns) as per Section 4.6 of this Gate 2 Criteria Methodology; or Submission of Application for DCO via confirmation of planning reference number as per Section 5	Section 4.6 (Land); Section 5 (Planning)

+ Gate 2 Application or Modification Application or EA Request (under CMP435 if not seeking Advancement of Connection Date)

# 8.2 Summary of Gate 2 Criteria Evidence Assessment – Summary of Evidence Requirements

**User (Small and Medium Embedded Generation\*) to DNO/Transmission Connected IDNO**

<b>Evidence Requirement</b>	<b>Section in Gate 2 Criteria Methodology</b>
Readiness Declaration Letter	Section 9.1 (for CMP434); Section 9.2 (for CMP435)
Original Red Line Boundary (including location, Installed Capacity expressed in whole MW or to one decimal place for each technology and land acreage for each technology).	Section 4.5
Evidence of Secured Land Rights (can be redacted to address commercial concerns) as per Section 4.6 of this Gate 2 Criteria Methodology	Section 4.6 (Land)

+ Application or Modification Application to DNO/Transmission Connected IDNO

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

# 8.3 Summary of Gate 2 Criteria Evidence Assessment – Summary of Evidence Requirements

## DNO/ Transmission Connected IDNO (on behalf of Small and Medium Embedded Generation\*) to NESO

Evidence Requirement	Section in Gate 2 Criteria Methodology
Readiness Declaration Letter(s) that were provided to DNO/Transmission Connected IDNO for Small and Medium Embedded Generation*	Section 9.1 (for CMP434); Section 9.2 (for CMP435)
Original Red Line Boundaries (including location, Installed Capacity expressed in whole MW or to one decimal place for each technology and land acreage for each technology) that were provided to DNO/Transmission Connected IDNO for Small and Medium Embedded Generation*	Section 4.5

+ Transmission Evaluation Application

+ If a Small and Medium Embedded Generation\* is seeking advancement on the Readiness Declaration Letter they provide to DNO/ Transmission Connected IDNO, the DNO/ Transmission Connected IDNO will confirm to the NESO whether any such request for acceleration is agreed and can be accommodated by the DNO/ Transmission Connected IDNO

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

# 8.4 Gate 2 Criteria Evidence Assessment – Level of checking

## Checking of Gate 2 evidence undertaken prior to Gate 2 Offer

### **NESO for transmission connected and Large Embedded Generation**

As set out in CUSC Section 17.10, Reasonable endeavours obligation to check 100% of Gate 2 Readiness Criteria evidence provided and obligation to publish after the end of the Gated Design Process the percentage of detailed checks undertaken as a percentage of the total of Gate 2 Applications within the Gated Design Process that NESO, DNOs and IDNOs have carried out.

Conduct 100% of duplication checks (Original Red Line Boundaries for Gate 2 applications including those for Small and Medium Embedded Generation\* and those that have already met the Gate 2 Criteria)

### **DNO/Transmission Connected IDNO for Small and Medium Embedded Generation\***

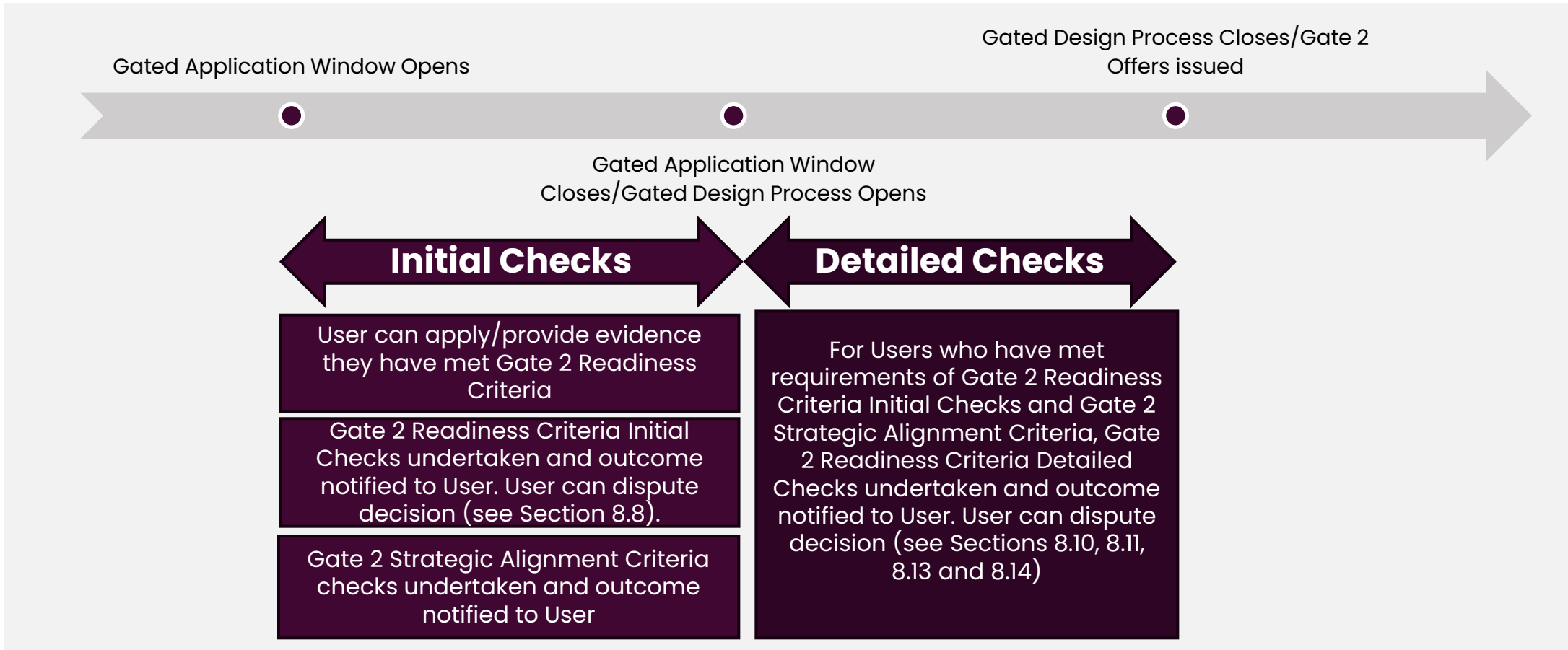
As set out in CUSC Section 17.10, Reasonable endeavours obligation to check 100% of Gate 2 Readiness Criteria evidence provided and obligation to inform NESO after the end of the Gated Design Process the percentage of detailed checks undertaken as a percentage of the total of Gate 2 Applications within the Gated Design Process for their licensed area.

Provide copies of Readiness Declaration letters to NESO for Small and Medium Embedded Generation\* that believe they have met the Gate 2 Criteria but it will still be the DNO/Transmission Connected IDNO that assess these

Provide Original Red Line Boundaries to NESO for Small and Medium Embedded Generation\* that believe they have met Gate 2 Criteria (NESO will carry out duplication checks against these Original Red Line Boundaries)

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

# 8.5 Gate 2 Criteria Evidence Assessment – Timing of Checks





# 8.6 Gate 2 Criteria Evidence Assessment – Initial Checks (Gate 2 Readiness Criteria)

## Initial checks – Gate 2 Readiness Criteria

These will be carried out in the Gated Application Window and specifically from the User submitting their Gate 2 Application to the end of the Gated Application Window. These checks will be carried out by NESO apart from in respect of Small and Medium Embedded Generation\*, which are undertaken by their DNO/Transmission Connected iDNO.

We would encourage Users to submit their Gate 2 Application as early as possible in the Gated Application Window as otherwise there is a risk for Users that they may not pass the Gate 2 Readiness Criteria initial checks and then not have time to rectify before the close of the Gated Application Window.

Below is a list of the Gate 2 Criteria Readiness initial checks:

Evidence provided by User	Check
Readiness Declaration Letter	All mandatory fields completed
Received the Gate 2 Readiness Criteria Evidence – land or planning?	Check document can be opened and it looks like a land / planning document
Received Original Red Line Boundary (if meeting Gate 2 Readiness Criteria through secured land rights)?	Check it can be opened and it looks like a red line boundary
Application or Modification Application	Competence (Technical competence and Application Fee paid) as defined in CUSC X

\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.

# 8.7 Gate 2 Criteria Evidence Assessment – Initial Checks (Gate 2 Strategic Alignment Criteria)

## Initial checks – Gate 2 Strategic Alignment Criteria

As well as the Gate 2 Readiness Criteria initial checks, the NESO and DNO/Transmission Connected iDNO (in respect of Small and Medium Embedded Generation\*) will also carry out Gate 2 Strategic Alignment Criteria checks in the Gated Application Window and specifically from the User submitting their Gate 2 Application to the end of the Gated Application Window.

Below is a list of the Gate 2 Strategic Alignment Criteria checks :

Strategic Alignment Criteria	Carried out by NESO	Carried out by DNO/Transmission Connected iDNO
Be aligned with the pathways within the Government's Clean Power 2030 Action Plan (CP30 Plan).	Yes as set out in the Connections Network Design Methodology	Yes in respect of Small and Medium Embedded Generation* but ahead of DNO/Transmission Connected iDNO submitting a Gate 2 Application to the NESO
Be a designated project under the Project Designation Methodology.	Yes as set out in the Project Designation Methodology	n/a although if a DNO/Transmission Connected iDNO identifies a Small or Medium Embedded Generation* project, which they believe should be designated, they can notify NESO and submit relevant information.
Be a transmission connected demand project not in the scope of the pathways within the CP30 Plan.	Yes as set out in the Connections Network Design Methodology	n/a

\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.

# 8.8 Gate 2 Criteria Evidence Assessment – Initial Checks (Outcome)

## Initial checks – Gate 2 Readiness Criteria and Gate 2 Strategic Alignment Criteria

Apart from Small and Medium Embedded Generation\*, NESO will notify the User if they have met the Gate 2 Readiness Criteria initial checks and Gate 2 Strategic Alignment Criteria.

This notification would be at the end of the Gated Application Window but where Users have submitted their Gate 2 Application early in the Gated Application Window, we will be able to confirm if the User has met the Gate 2 Readiness Criteria initial checks and provide Users with an opportunity to resolve before the Gated Application Window closes.

The DNO/Transmission Connected iDNO will do likewise in respect of the Small and Medium Embedded Generation\* that have applied to them in the Gated Application Window.

All Users who have met the requirements of the Gate 2 Readiness Criteria initial checks and the Gate 2 Strategic Alignment Criteria will be taken forward into the Gated Design Process. They will be assumed (due to their Readiness Declaration) to have met the Gate 2 Readiness Criteria unless they subsequently do not meet the Gate 2 Readiness Criteria detailed checks, which will be undertaken up until the end of the Gated Design Process although we aspire to do these as early as possible within the Gated Design Process.

All Users who don't meet the Gate 2 Readiness Criteria initial checks by the end of the Gated Application Window can dispute that decision\* but won't be included in the Gated Design Process.

*\*User can dispute the NESO's decision in accordance with CUSC 7.4. Note that for Small and Medium Embedded Generation\*, it would be the DNO/Transmission Connected iDNO that make the decision on whether the User meets the Gate 2 Readiness Criteria so these Users would raise their dispute to the DNO/Transmission Connected iDNO.*

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

# 8.9 Gate 2 Criteria Evidence Assessment – Detailed Checks (Gate 2 Readiness Criteria)

## Detailed checks – Gate 2 Readiness Criteria

All Users who have met the requirements of the Gate 2 Readiness Criteria initial checks and the Gate 2 Strategic Alignment Criteria will be taken forward into the Gated Design Process. They will be assumed (due to their Readiness Declaration) to have met the Gate 2 Readiness Criteria unless they subsequently do not meet the Gate 2 Readiness Criteria detailed checks, which will be undertaken up until the end of the Gated Design Process although we aspire to do these as early as possible within the Gated Design Process.

Below is a list of the Gate 2 Criteria Readiness Detailed checks and who is responsible for checking:

Check	Who
<b>Verification of Director(s) that signed the Readiness Declaration Letter</b>	NESO apart from in respect of Small and Medium Embedded Generation*, which are undertaken by their DNO/Transmission Connected iDNO.
<b>Overlapping Original Red Line Boundaries (“Duplication” check)</b>	NESO (including from in respect of Small and Medium Embedded Generation*)
<b>Secured Land Rights Evidence meets minimum parameters</b>	NESO apart from in respect of Small and Medium Embedded Generation*, which are undertaken by their DNO/Transmission Connected iDNO
<b>Evidence of submission and validation of application for planning consent (DCO)</b>	NESO. Assumption is that Small and Medium Embedded Generation* would not seek to meet the Gate 2 Readiness Criteria via submitting a DCO. However, in the unlikely event that Small and Medium Embedded Generation* follow this route, the DNO/Transmission Connected iDNO would undertake this check.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

## 8.10 Gate 2 Criteria Evidence Assessment – Detailed Checks (Verification of Director(s) that signed the Readiness Declaration Letter)

- Verify that the Director, for Limited and plc companies is on Companies House.
- If a company is not listed on Companies House, will utilise publicly available information to verify authorised individuals. However, we recommend that a Covering Letter is provided if clarification is required regarding an organisation.
- If the Director is not authorised, then the User does not meet Gate 2 Readiness Criteria and they will not receive a Gate 2 Offer (however, they are not precluded from applying into the next Gated Application Window)
- User can dispute the NESO's decision in accordance with CUSC 7.4. Note that for Small and Medium Relevant Embedded Generation, it would be the DNO/Transmission Connected iDNO that make the decision on whether the User meets the Gate 2 Readiness Criteria so these Users would raise their dispute to the DNO/Transmission Connected iDNO.

# 8.11 Gate 2 Criteria Evidence Assessment – Detailed Checks (Overlapping Original Red Line Boundaries (“Duplication” check))

Original Red Line Boundaries provided and any overlapping boundaries identified

- NESO contact all the Users where boundaries overlap and seek clarity from the Users. As there is opportunity to explain overlaps on the Readiness Declaration templates, which we encourage Users to do, we will first check the Readiness Declaration templates for any explanation of overlaps before reaching out to the parties involved. If no explanation on Readiness Declaration templates or not clear, then we will contact all the Users where boundaries overlap.
- NESO will confirm if any overlaps which interact with Small and Medium Embedded Generation’s\* Original Red Line Boundaries and, in these scenarios, will seek support from DNOs/Transmission Connected iDNOs to help resolve.
- It is possible that the overlap is acceptable and explainable and section 8.12 identifies examples where any overlaps could be acceptable.

# 8.12 Gate 2 Criteria Evidence Assessment – Detailed Checks (Overlapping Original Red Line Boundaries (“Duplication” check) -Acceptable Overlaps)

- The following is a non-exhaustive list of what we consider could be an acceptable overlap based on industry feedback received during the development of CMP434 and CMP435. We would expect that if Users are aware of such overlaps that they would make this clear on the Readiness Declaration Letter they submit.
  - For co-located generation where the Original Red Line Boundary is covering more than 1 technology e.g. a solar farm established within the footprint of a larger transmission connected onshore windfarm.
  - Shared access routes.
  - For Offshore
    - Offshore projects may have secured Converter Station Site land for their radial connection that will ultimately form part of an accompanying Offshore Hybrid Assets solution
    - Known overlaps between Offshore wind generation and CO2 storage sites, which share the same location spatially in 2D but have a 3D element due to the depth of CO2 storage beneath the surface.

## 8.13 Gate 2 Criteria Evidence Assessment – Detailed Checks (Secured Land Rights Evidence meets minimum parameters) (1/2)

- The documentation relates to the project site that the Gate 2 Application is for:
  - Location is as per notified as part of Gate 2 Application i.e. the site name and the Original Red Line Boundary in the documentation matches the Original Red Line Boundary provided (which will show location) as part of Gate 2 Application
- The land documentation is signed by both the User (subject to exceptions below) and the landowner (or their agent)
- The User is the party who has entered into the secured land rights noting it is common that the Grid connection is held in one company (the Grid Company) and the land rights are held in another company (the Project Company and there are Joint Ventures). Users should explain on Self Declaration Letter where the User is not the party who has entered into the secured land rights .
- The landowner (or their agent) who has signed the land documentation is duly authorised to do so
- The minimum parameters set out in Gate 2 Readiness Criteria (Section 4 of this Methodology) have been met subject to any exceptions



## 8.13 Gate 2 Criteria Evidence Assessment – Detailed Checks (Secured Land Rights Evidence meets minimum parameters) (2/2)

- Check termination provisions in options and leases, to ensure that the landlord has no unilateral termination provision (except in the event of default by the tenant) and that e.g. the Option is exercisable by the User and the User has exclusivity over this Option
- Party who has been informed that they have not met Gate 2 criteria can raise a dispute under CUSC 7.4. Note that for Small and Medium Embedded Generation\*, it would be the DNO/Transmission Connected iDNO that make the decision on whether the User meets the Gate 2 Readiness Criteria so these Users would raise their dispute to the DNO/Transmission Connected iDNO.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

**We may also utilise public sources of data (if available) to verify e.g. all land or Property rights must be registered with the HM Land Registry so we could use ideally publicly available data from the HM Land Registry (but we understand there is a delay to allow for HM Land Registry administration). We will also explore Artificial Intelligence tools e.g. <https://www.avail.ai/> <https://orbitalwitness.com/> to enable checks on 100% of the land options evidence.**

# 8.14 Gate 2 Criteria Evidence Assessment - Detailed Checks (Evidence of submission and validation of application for planning consent (DCO))

Using the Planning reference number (that is provided to the User once they have submitted their DCO application and it has been validated by the relevant Statutory Authority), verify that the location, technology and capacity align with Gate 2 Application.

If NESO decide that the User does not meet this Gate 2 Readiness Criteria, the User can dispute the NESO's decision in accordance with CUSC 7.4.

# 8.15 Gate 2 Criteria Evidence Assessment – Detailed Checks (Outcome)

## Detailed checks – Gate 2 Readiness Criteria

Apart from Small and Medium Embedded Generation\*, NESO will notify the User if they have met the Gate 2 Readiness Criteria detailed checks.

This notification would be by the end of the Gated Design Process but we will aspire to completing the Gate 2 Readiness Criteria detailed checks as early as possible within the Gated Design Process.

The DNO/Transmission Connected iDNO will do likewise in respect of the Small and Medium Embedded Generation\* that have applied to them in the Gated Application Window (although it will be the NESO who will notify the DNO/Transmission Connected iDNO on outcome of Overlapping Original Red Line Boundaries (“Duplication” check) and then the DNO/Transmission Connected iDNO will need to inform the Small and Medium Embedded Generation\* project.

All Users who don't meet the Gate 2 Readiness Criteria detailed checks can dispute that decision but won't receive a Gate 2 Offer as part of this Gated Design Process.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

# 09. Readiness Declaration Templates

The information in the Readiness Declaration templates that Users will submit to demonstrate Gate 2

Readiness Criteria

# 9.1 Readiness Declaration Letter – CMP434

- A Readiness Declaration Letter, which must be signed by a Director of the User applying and this letter must show the following:
  - The date the project achieved the Gate 2 readiness criteria (i.e. the date they actually secured the requisite land rights / planning reference number provided once application for planning consent has been submitted and validated by the Planning Authority).
  - The red line boundary (including site address/co-ordinates) for the project site upon which the project will be located and confirmed to meet or exceed the minimum land density requirements (as per the NESO's Energy Land Density Table introduced by CMP427).  
**\*Not applicable if seeking to meet Gate 2 readiness criteria via the submission and validation of the application for planning consent**
  - The land status information; i.e. whether all or some of land is already owned or leased (for the operational life of the project), or whether an option agreement is in place in respect for a lease or purchase of the land.
  - If not already owned/leased, the parameters of length of option agreement in respect of lease or purchase. **\*Not applicable if seeking to meet Gate 2 readiness criteria via the submission and validation of the application for planning consent**
  - (If applicable) the parameters of the length of the lease (and that this or any extension will cover the operational life of the project).  
**\*Not applicable if seeking to meet Gate 2 readiness criteria via the submission and validation of the application for planning consent**
  - Statement that to the Director's best knowledge, the developer is not applying for both transmission and distribution with the same land.
  - Explain any known overlaps (if you wish to)
  - Intended planning regime to be followed
  - Current Project Status (include drop down menu and free text to explain if you wish to expand)

**If seeking to achieve Gate 2 by submitting the application for planning then some of these fields will be n/a as indicated above in red text**

# 9.2 Readiness Declaration Letter – CMP435 (1/2)

- A Readiness Declaration Letter, which must be signed by a Director of the User applying and this letter must show the following:
  - The date the project achieved the Gate 2 readiness criteria (i.e. the date they actually secured the requisite land rights / planning reference number provided once application for planning consent has been submitted and validated by the Planning Authority).
  - Do you wish to advance current contracted connection date and if so to which connection date? *(note we will not provide you with a connection date that is earlier than what you request )*
    - In the event that this year cannot be achieved, would you consider further advancement under temporary restrictions on availability (i.e. a temporary non-firm connection)
    - Would you still wish to consider advancement of your current contracted connection date if your current contracted connection point is moved ?
  - Do you wish to reduce current [Transmission Entry Capacity/Developer Capacity] and if so to what number *(note that you are liable for a Cancellation Charge)?*
  - Do you wish to amend your connection point location and if so where is your preferred location? *(note that it may not be possible to provide you with your preferred location)*

# 9.2 Readiness Declaration Letter – CMP435 (2/2)

- The red line boundary (including site address/co-ordinates) for the project site upon which the project will be located and confirmed to meet or exceed the minimum land density requirements (as per the NESO's Energy Land Density Table introduced by CMP427). **\*Not applicable if seeking to meet Gate 2 readiness criteria via the submission and validation of the application for planning consent**
- The land status information; i.e. whether all or some of land is already owned or leased (for the operational life of the project), or whether an option agreement is in place in respect for a lease or purchase of the land.
- If not already owned/leased, the parameters of length of option agreement in respect of lease or purchase. **\*Not applicable if seeking to meet Gate 2 readiness criteria via the submission and validation of the application for planning consent**
- (If applicable) the parameters of the length of the lease (and that this or any extension will cover the operational life of the project). **\*Not applicable if seeking to meet Gate 2 readiness criteria via the submission and validation of the application for planning consent**
- Statement that to the Director's best knowledge, the User is not applying for both transmission and distribution with the same land.
- Explain any known overlaps (if you wish to)
- Intended planning regime to be followed
- Current Project Status (include drop down menu and free text to explain if you wish to expand)
- Please indicate if previously provided evidence of meeting Queue Management Milestones and if so when?

**If seeking to achieve Gate 2 by submitting the application for planning then some of these fields will be n/a as indicated above in red text**

# 9.3 Readiness Declaration Letter Templates

## next steps

The content of the Readiness Declaration Templates for CMP434 and CMP435 were discussed with the CMP434 and CMP435 Workgroups and consulted on via the CMP434 and CMP435 Workgroup Consultation. Feedback received has been factored into the Readiness Declaration Templates for CMP434 and CMP435 (set out in Sections 9.1 and 9.2 respectively). NESO are seeking any final comments on these as part of the Gate 2 Criteria Methodology consultation.

We note that there may be geographical and onshore/offshore variations in terms of legal wording so after factoring in feedback from the Gate 2 Criteria Methodology consultation we will create Readiness Declaration Templates for CMP434 and CMP435 that cover:

- England and Wales Onshore;
- England and Wales Offshore;
- Scotland Onshore; and
- Scotland Offshore.

These Readiness Declaration Templates will be included in the Appendix of the final published Methodology.



# 10. Appendix

The Readiness Declaration templates that Users will submit to demonstrate Gate 2 Readiness Criteria – *to be included in the final published Methodology.*

Public

# 11. Consultation Questions

# 11.1 Consultation Guidance



*We would like to hear your views.*

We would welcome your views on each of these questions.

The **Overview Document** contains a summary of all the questions relating to Connections Reform and the three methodology documents.

**Please provide your feedback by completing this [Connections Reform Consultation Response Form](#) or by completing this [Connections Reform: Consultation Response Proforma](#) and sending an electronic copy to [box.connectionsreform@nationalenergyso.com](mailto:box.connectionsreform@nationalenergyso.com) by 5pm on the closing date of 2nd December 2024.**

We will publish all consultation responses unless they are marked confidential. If you do not wish your response to be published, please clearly mark it as confidential. Please note even confidential responses will be shared with Ofgem. By responding you agree to our sharing your response with Ofgem.

To support you in your response and to answer any questions, we will be holding at least one webinar in November, which we encourage you to attend.

## 11.2 Consultation Questions

13. Do you agree with the following elements of this Gate 2 Criteria Methodology?

- Chapter 4: Gate 2 Readiness Criteria – Land
- Chapter 5: Gate 2 Readiness Criteria – Planning
- Chapter 8: Gate 2 Criteria Evidence assessment
- Chapter 9: Self-Declaration Templates

14. Do you agree that the alternative route of meeting the Gate 2 Readiness Criteria should be only limited to projects that seek planning consent through the Development Consent Order route?