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Connections Reform

Consultation Response Proforma

Your feedback is important to this process. Please take this opportunity to provide any feedback that you may have. To aid your response, each question is linked back to the relevant document for ease of reference.

Please provide your feedback using this Proforma and sending an electronic copy to box.connectionsreform@nationalenergyiso.com by **5pm** on the closing date of **2nd December 2024**.

We encourage early submission ahead of the deadline where possible to aid the processing of responses.

Respondent Details	
Name	Janine Michael, Chief Executive
Organisation	Centre for Sustainable Energy (CSE)
Email Address	janine.michael@cse.org.uk
Phone Number	01179341400
Which category best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector <input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input checked="" type="checkbox"/> Other (National energy charity)
Is this response confidential?	<input type="checkbox"/> Yes – I do not wish for this response to be shared publicly; however I understand it will be shared with Ofgem <input checked="" type="checkbox"/> No – I am happy for my response to be available publicly

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Section 1 – Policy

You can find the relevant information in the **Great Britain’s Connections Reform: Overview Document**

1. Do you agree with our intention to align the connections process to Government’s Clean Power 2030 Action Plan?

You can find the relevant information in **Section 2 – Context**

Yes. We fully support alignment of the connections process with the Government’s Clean Power 2030 Action Plan and, following this consultation, would encourage reforms to be introduced as soon as possible to provide clarity and stability moving forward. We need to prioritise connections of renewable energy generators and demand projects that enable clean power and net zero.

2. Do you agree with our proposal for overall design 2 (that the reformed connections queue should be limited to and prioritised to only include ready projects that align with Government’s Clean Power 2030 Action Plan, NESO Designated Projects, and directly connected demand projects outside the scope of Government Clean Power 2030 Action Plan)?

You can find the relevant information in **Section 5 – Our overall preferred connections reform design**

In principle we agree that ‘ready’ projects that align with the 2030 Clean Power Action Plan and NESO designated projects, should be prioritised.

However, we are concerned that the local and community benefits afforded from Community Energy projects and Local Authority led schemes is not sufficiently recognised in the proposed reformed connections process (e.g. social value in the form of local support, jobs and retained local income). This seems contrary to the Government’s ambition and commitment to support the development of locally developed and owned schemes through its £1b Local Power Plan.

Plus, due to community ownership models often being more complex to finance, Community Energy projects and Local Authority led schemes can take longer to bring to a stage of development to be considered ‘ready’ to connect so risk being crowded out of the queue by commercial schemes.

We would therefore urge NESO to consider how the connection criteria could be adapted to ensure Community Energy schemes and Local Authority led projects delivering social and community benefit would ‘win on points’ over a simple commercial project seeking to access the same grid connection capacity.

Recognising that most community energy schemes would likely connect at distribution level, nevertheless, we would also urge inclusion of strategic community energy projects as NESO Designated Projects to allow inclusion of larger scale local and community generators.

We would also expect NESO to lead in recommending that DNOs apply similar beneficial connection criteria for Community Energy and Local Authority led schemes and include Community Energy projects as Designated Projects for distribution level connection.

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3. Do you think all 'ready' projects should be included in the reformed connections queue (overall design 3)? If so, how would you propose that we mitigate risks to consumers or developers of material misalignment to the SSEP?

You can find the relevant information in **Section 6 – Assessment of alternative design for connections reform**

No. We support NESO in proposing to reform the connections queue to align with strategic need and prioritised demand projects (assuming Community Energy and Local Authority led projects are adequately acknowledged as strategically needed).

Projects applying for connections could be required to demonstrate alignment with SSEP as part of the process and we would expect NESO and DNO/DSOs to actively manage the queue (e.g. where there is undersupply or as projects fall out) to align with need as SSEP develops.

4. Do you agree that the reformed connections queue should initially focus on the 2035 time horizon?

You can find the relevant information in **Section 4 – Key building blocks for aligning connections to strategic energy plans**

We agree that the new connections queue should be based on 'ready' projects that are aligned to the CP30 Plan, and assuming the CP30 Plan also includes a 2031-35 pathway, it makes sense to also initially focus on the 2035 time horizon to align with Government's wider and longer-term decarbonisation plans.

Implementation Questions

You can find the relevant information in the **Great Britain's Connections Reform: Overview Document**

5. Do NESO's preferred options against each of the variables discussed in the Overview Document best deliver efficient alignment to Government CP30 Plan?

You can find the relevant information in **Section 5 – Our overall preferred connections reform design** and **Section 7 – Further variables and options to align connections reform with strategic energy planning**

We are supportive of NESO recommending that the reformed connections process and queue align with the technology, capacity and regional requirements for Government's CP30 Plan at both a transmission and distribution level.

However as currently proposed, without stronger recognition of the strategic need for Community Energy and Local Authority led, and criteria which weight some connection benefit to these schemes, the preferred options proposed by NESO to not deliver full and efficient alignment with the Government's Local Power Plan which will be key for delivery of CP30.

We can understand why DNOs need to determine the ready projects aligned with the distribution mix for their regional supply areas. But it will be important to ensure consistency of the headline principles for the queue across all DNO regions, including but not limited to treatment of Community Energy and Local Authority led projects.

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6. Do the methodologies deliver our preferred options against each of the variables?
You can find the relevant information in Section 3 – Overview of framework of codes and methodologies for connections reform
<i>We have no specific comments on the detail of the methodologies.</i>

7. Are there key policy areas that are not covered by our preferred options against each of the variables or that would not be delivered by the methodologies?
You can find the relevant information in Section 5 – Our overall preferred connections reform design and Section 7 – Further variables and options to align connections reform with strategic energy planning
<i>As included in our answer to Q2 above, we are concerned that the local and community benefits afforded from Community Energy projects is not sufficiently recognised in the proposed reformed connections process (e.g. social value in the form of local support, jobs and retained local income). We would urge NESO to consider how the connection criteria could be adapted to ensure Community Energy schemes and Local Authority led projects delivering social and community benefit would 'win on points' over a simple commercial project seeking to access the same grid connection capacity.</i>
<i>We would also urge inclusion of strategic community energy projects as NESO Designated Projects to allow inclusion of larger scale local and community generators.</i>

8. Do you agree with our approach to managing project attrition between 2025–2030, and 2031–2035, whilst ensuring that the SSEP can deliver maximum benefits to GB consumers?
You can find the relevant information at Section 7 – Further variables and options to align connections reform with strategic energy planning
<i>We agree that pathway projects that fall out need to be replaced with like-for-like projects as swiftly as possible. We have no other specific comments on proposals for managing project attrition.</i>

Connections Network Design Methodology

You can find the relevant information in the **Connections Network Design Methodology – Detailed Document**

9. Do you agree with the approach to applying the Gate 2 Readiness Criteria and the Gate 2 Strategic Alignment Criteria to the existing queue and future Gate 2 Tranches?
<i>We have no specific comments</i>

10. Do you agree with the approach to managing advancement requests?
<i>We have no specific comments</i>

11. Do you agree with the approach to reserving Connection Points and Capacity at Gate 1?

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We have no specific comments

12. Do you agree with the approaches to reallocating capacity when 2030 pathway projects and 2035 pathway projects exit the queue?

We agree that pathway projects exiting the queue need to be replaced with like-for-like projects as swiftly as possible. We have no other specific comments on the approach to managing this.

Gate 2 Criteria Methodology

You can find the relevant information in the **Gate 2 Criteria Methodology- Detailed Document**

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

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

Please insert your answer here for a). We have no specific comments

Please insert your answer here for b). We have no specific comments

Please insert your answer here for c). We have no specific comments

Please insert your answer here for d). We have no specific comments

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?

Please insert your answer here We have no specific view here.

Project Designation Methodology

You can find the relevant information in the **Project Designation Methodology - Detailed Document**

15. Do you agree that the categories of projects that we have identified are the appropriate ones to potentially be designated?

Please insert your answer here

See our comments above about inclusion of Community Energy and Local Authority led projects delivering social and community benefit to be potentially designated.

16. Do you agree with the proposed criteria for assessing Designated Projects?

Please insert your answer here

We think consideration should be included within the assessment process for Designated Projects of social value (e.g. local support, community benefit, retained local income).

17. Do you agree with the indicative process NESO will follow for designating projects?

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Please insert your answer here

Yes. There seems to be flexibility built in and 6 months between application and published decision seems reasonable.

Additional Questions

18. Do you have any other comments (including whether there was anything else you were expecting to be covered in these documents)?

We understand from Community Energy England that as part of NESO's consultation on financial instruments there is a proposal to add £20k per MW as a 'security fee' for connection. The introduction of such a fee will place a huge burden on Community Energy and Local Authority led schemes and could seriously prevent the sector scaling as the government envisages under the Local Power Plan. We would urge NESO to relax the threshold at which transmission considerations apply (the 'statement of works' or Reserved Distribution Capacity threshold) for Community Energy and Local Authority led projects. Rather than the 1MW project threshold proposed a minimum of 5MW, preferably 20MW should be considered.