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Connections Reform

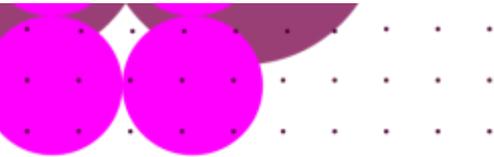
Consultation Response Proforma

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@nationalenergyso.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.

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| Respondent Details | |
| Name | Robin Prince |
| Organisation | Island Green Power |
| Email Address | Robin.prince@islandgp.com |
| Phone Number | +44 (0) 7899 438928 |
| Which category best describes your organisation? | <input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" 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 type="checkbox"/> Other |
| 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**

Commented [RE(1)]: Link needed

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 agree that having a strategic plan with clear national "targets" - not caps - enables the market to develop projects that contribute to the most efficient network for the UK. The principles of how the queue can be managed are otherwise very positive, subject to understanding the full detail.

The zonal capacity caps alongside the proposed division between transmission and distribution are fundamental flaws that do not support delivery of existing projects that are very real i.e. have consent and early connection dates and also are likely to be counterproductive in achieving 2030 targets. For example, there are consented NSIP solar projects in zone 9 that according to the plan would never be connected. If the unjustified (at least in the documents and information available) split between distribution and transmission connections for solar is implemented then a large proportion of projects would have to be cancelled and then started from scratch. It would be highly unlikely that many projects would be delivered from nothing to connected by 2030;

- Year 1 finding and securing land
- Year 2 apply from grid and wait for gated process to confirm connection
- Year 3 start planning once connection point is confirmed. Not almost all projects now require a minimum of 1 year of surveys
- Year 4 submit planning and await decision. Typically applications are taking a year or more to determine through the local planning system. This change would add huge pressure to that already struggling system so timescales are likely to extend.
- Years 5-7 order long lead items and construction

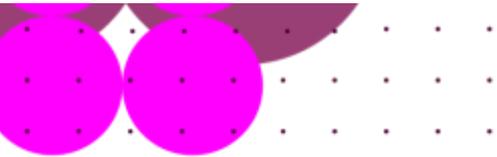
IGP provided evidence on a planning consultation that showed sites of 40MW and above had 80% success rate at appeal compared to 7% at 5MW. It is therefore likely that putting more of the larger (up to 50MW) sites through local planning will result in many more appeals adding at least 1 year to the timescales above.

It is imperative that the CP30 plan and connection process align with market realities, clearly indicating where viable projects exist from both planning and financial perspectives.

This will be our consistent position in all responses.

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**



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Please insert your answer here

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**

Please insert your answer here

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**

Yes – CP30 should be the plan to 2035 and then SSEP should be the plan from 2035 and beyond.

Implementation Questions

You can find the relevant information in the [Great Britain's Connections Reform: Overview Document](#)

Commented [RE(2)]: Link needed

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**

No – see our suggestions below

| Variable | IGP Recommended option | NESO recommendation |
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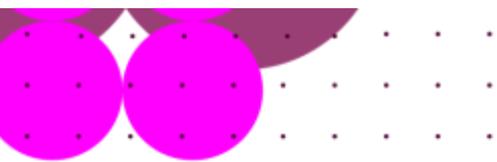
| | | |
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| Approach to demand | Other "ready" demand project types and the @ready@ demand types in scope pf CP30 | As NESO highlighted |
| Approach to oversupply | Limits to align with existing government targets | Different to NESO |
| Approach to under supply | Potential substitution to meet under-supply – in adjected location | Different to NESO |
| Approach to project attrition | Upfront attrition built-in (up to 33% attrition) | Different to NESO |
| Optimal use of network | Allocate projects to a Voltage level based on MW capacity. | Different to NESO |
| Transition to SSEP 1 | No Reduction or reordering of the new queue because of SSEP1 | Agree with NESO |
| Does CP30 alignment apply to Transmission and Distribution | Applies to T and some D (e.g to D that is in Scope of TMO4+) | Agree with Neso |
| Is there a spatial element to CP30 Alignment | Yes – CP30 Zones | Agree with NESO - (these zones need further work and justification) |
| How do we order project to determine the CP30 alignment | Planning status | Different to NESO |

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**

The question is structured in a way that only allows for a "yes" response. While your response addresses the variables you selected, the chosen variables and the broader CP30 numbers (not consulted within this document) do not support the successful delivery of the CP30 plan.

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?



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| 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 |
| REMA |
| Planning and Planning reform |

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| 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 |
| No, we believe there should be a single queue, extending beyond 2035, that includes ready projects. The dates should be based on the project planning status, ensuring that the most progressed projects are prioritized at the front of the queue. This approach provides the best opportunity to successfully deliver the CP30 plan. |
| Maximum benefits will be delivered to consumers quicker and more effectively if the market is not over controlled and disrupted by unnecessarily restrictive zonal targets or arbitrary transmission/distribution splits. Note we believe that moving more connections to distribution will be more expensive overall; the same reinforcement will be required at transmission level with the addition of a bigger and more expensive network at distribution |

Connections Network Design Methodology

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

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| 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? |
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No - we believe only the Gate 2 readiness should be applied, then CNDM (Fig.8, P29) orders the queue based on planning. The principles of Fig.8 are very good, however the details of how this would be implemented are currently lacking. Specific details are needed for example on:

- Is there a separate queue for each technology type?*
- How will the Transmission and Distribution queues be managed within a single area?*
- How often will the reordered queue be reassessed? We believe 6 months is the least frequent that works, and note that this aligns with the Gate 2 readiness re-evaluation*

10. Do you agree with the approach to managing advancement requests?

No - dates should be based on Planning date. Also developers should not pay a Mod app for advancement when this is to help meet the CP30 plan.

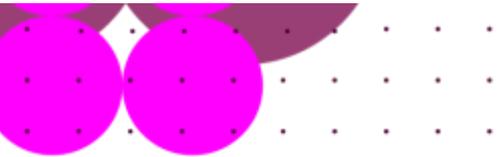
11. Do you agree with the approach to reserving Connection Points and Capacity at Gate 1?

Yes - only Large Nuclear and Interconnectors. We strongly disagree that where there is an under allocation of technology, project reservations are made, NESO should look to other technologies to fill the undersupply and or how to incentivise the market to develop in those areas. Reservations should not be made until projects are ready as per gate 2.

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

The process of reallocation is incredibly unclear. We believe that NESO should re-assess each project within the queue largely as per Fig 8 of CNDM every 6 months, to determine it's progression. They could then reallocate the capacity to the project that is the furthest progressed.

Based on 5.7.5 from the CNDM we strongly disagree that projects larger than that freed up from project attrition would not automatically come forward into the 2035 window.



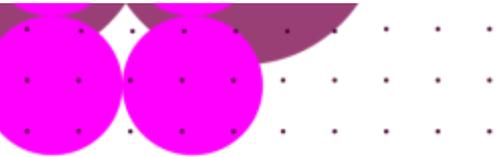
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Gate 2 Criteria Methodology

You can find the relevant information in the [Gate 2 Criteria Methodology- Detailed Document](#)

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| <p>13. Do you agree with the following elements of this Gate 2 Criteria Methodology?</p> <ul style="list-style-type: none"> a. Gate 2 Readiness Criteria – Land (Chapter 4) b. Gate 2 Readiness Criteria – Planning (Chapter 5) c. Gate 2 Criteria Evidence assessment (Chapter 8) d. Self-Declaration Templates (Chapter 9) |
| <ul style="list-style-type: none"> • Yes, we agree with the Gate 2 Readiness Criteria for Land |
| <ul style="list-style-type: none"> • We do not see a problem with including Planning as part of Gate 2 Readiness Criteria. However, without a clear point of connection, projects cannot be expected to progress. Planning must include all works involved in delivering the project, this extends to the cable route and works at the point of connection. |
| <ul style="list-style-type: none"> • We agree with the evidence required by all projects for assessment of the Gate 2 Criteria. However, we do not believe that using reasonable endeavours to check 100% of evidence is good enough. Especially for the first window of Gate 2 we believe that NESO should guarantee 100% of the applications and their evidence will be checked. If this doesn't happen, it runs the risk of allowing projects that do not meet the Gate 2 Criteria in full, resulting in not removing enough projects from the queue. <p>We also believe that it should be NESO's responsibility to check embedded project's criteria to avoid variations on the interpretations of the rules across DNOs/iDNOs.</p> <p>The high-level checks described for initial checks make sense, although an easy one to add to the list could be make sure the acreage provided for the RLB can fit at least the largest land taking technology as per the Energy Density Table (e.g. for a solar and BESS application, does the RLB fit at least the 2 acres/MW for the Solar).</p> |



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In none of the checks, either initial or detailed, there is no mention that NESO will check the Option Agreement or Land Rights. With this being the fundamental part of the Gate 2 Readiness Criteria, this should be first and foremost in the checks. Initial check is that it is provided within the application and is under the same or associated company of the Applicant. The detailed checks, should then go into these documents to ascertain whether they meet the criteria

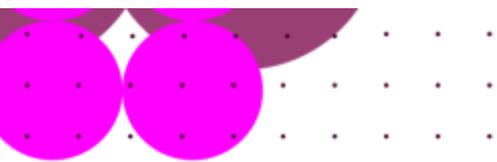
- We agree with the Self-Declaration Templates and have nothing further to add.

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?

Yes

Project Designation Methodology

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



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

We agree with the first 4 types of projects, Critical to Security of Supply, Critical to system operation, Materially reduce system and/or network constraints, New technologies and/or highly innovative. However, we do not believe it is appropriate to include projects that have long lead times.

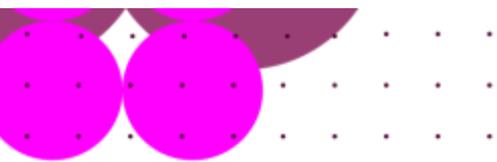
The whole idea of getting to Net Zero is to get there as quickly as possible, if there are projects that will take 10s of years to develop they will be holding up other projects that would be able to be deployed more quickly

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

We agree to proposed criteria in principle. However, we believe that NESO need to be much clearer and more detailed as to what these criteria means. I.e. there needs to be some engineering requirements/limits.

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

We believe that the Project Designation should be NESO lead, rather than Applicants declaring each project. This could end in all Applicants applying for Designation on the off chance that their project might meet the criteria.



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Additional Questions

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

For example putting 10GW the solar for distribution in SSE areas when this is an ANOB and SSSI area. We have assessed the area and there insufficient viable land.

NESO should note that large NSIP solar scheme (e.g over 50MW) typically spend £10m in DevEX up to planning award and a further £10m before they get into construction. There are a number of developers in the queue that based on the current CP30 would affect be cancelled and therefore NESO is inviting legal challenge from this community. There are 476 projects in the queue as of the 02/12/2024.

Where there is an under supply having a incentive to install a particular technology , e.g feed-in-tariff or potential to build into REMA

Suggested Alternative Process:

1. Gate 1: Ignore any actions here and return securities to developers.
2. Gate 2: Apply as designed with no changes.
3. CNDM: Implement to order the queue for all ready projects, including project designation.
4. TEC Amnesty: Offer an amnesty for oversubscribed projects, analyzing areas with excessive network reinforcement or large technology oversubscriptions.
5. CP30 Plan: Set based on the queue of ready projects. All dates should be firm, and no non-firm offers should be issued to avoid market and modeling complications. Focus on delivering the plan and driving successful completion. If projects are not ready, allow the next project the opportunity to accelerate.
6. Gate 2 Offers: Issue to all ready projects. Projects exceeding the CP30 plan targets for a particular area should be given dates later than 2035 and brought into the SSEP.
7. Project Progress Reviews: Conduct quarterly (maximum) or bi-annual (minimum) reviews of project progress.

Additional Recommendations:

- Align all dates with the planning status date and allow for the postponement of connections due to the planning approval process, which is outside the developers' control.



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- Run the Gate 2 process for the current queue only, reopening the queue for new applications based on the technology gaps in the network queue.
- It is also unclear as to what will happen security payments when the queue is reordered.