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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](mailto:box.connectionsreform@nationalenergyso.com)** by **5pm** on the closing date of **2<sup>nd</sup> December 2024**.

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

Respondent Details	
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<b>Which category best describes your organisation?</b>	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input checked="" 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
<b>Is this response confidential?</b>	<input type="checkbox"/> Yes – I do not wish for this response to be shared publicly; however I understand it will be shared with Ofgem

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☒ No – I am happy for my response to be available publicly

## 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**

We welcome the ambition of CP30 and its clean energy goals, along with the measures aimed at removing slow-moving projects from the queue to support the 2030 Clean Power Mission. However, we strongly advocate for a substantial uplift in the solar target. Achieving the 2030 targets requires prioritising rapid project delivery, focusing on enabling deployment, and ensuring progress remains unhindered. Any reforms aligned with CP30 must not obstruct the development of viable projects. Our backing is contingent on numerous amendments to the current plans, which are outlined in detail in our response to Question 2. It is important to note that this support is not unanimous across our membership.

Currently, the energy market is grappling with significant uncertainty, driven by numerous reforms, including REMA, which have made the UK energy market unpredictable. Restoring policy stability is crucial to boosting investor confidence and maintaining momentum. Within this context, we question whether NESO can realistically review all existing projects within the proposed timeframe. Many shovel-ready projects risk being adversely affected by these reforms. In the midst of a climate crisis, it is counterproductive to disincentivise project development, particularly for those with clear routes to market. Questions also remain about how NESO is determining “regional need” and whether their methodology aligns with actual deployment and community consent. We are particularly concerned around the allocation for solar and BESS across English regions, Scotland and Wales. Please see table below of current deployment pipeline across regions in the UK, up to 2030, for projects with already submitted applications. If the goal of connection reforms is to prioritise ready-to-connect projects, the existing gated process already

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achieves this effectively. The focus must remain on accelerating delivery, not introducing new barriers.

Region	Total Capacity of Projects (GWp-dc)	Capacity of Projects Awaiting Decision (GWp-dc)	Capacity of Approved Projects (GWp-dc)	Capacity of Projects Awaiting Construction (GWp-dc)	Capacity of Projects Under Construction (GWp-dc)
East Midlands	7.44	3.28	4.16	3.77	0.39
East of England	4.83	0.85	3.98	3.59	0.39
North East England	1.82	0.65	1.17	0.80	0.36
North West England	0.49	0.16	0.33	0.31	0.02
Scotland	1.41	0.75	1.55	1.41	0.14
South East England	3.98	1.10	2.88	1.87	1.01
South West England	3.91	1.15	2.76	2.10	0.67
Wales	1.27	0.72	0.55	0.55	0.01
West Midlands	2.66	0.40	2.26	1.97	0.29
Yorkshire	3.54	1.22	2.33	2.01	0.32
<b>TOTAL</b>	<b>31.36</b>	<b>10.28</b>	<b>21.97</b>	<b>18.36</b>	<b>3.60</b>

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**

We disagree with the proposed reforms in their current form, as they should prioritise incentivising the build-out of renewable projects rather than imposing measures that risk limiting progress. Solar energy, in particular, is quick to deploy and vital for achieving CP30 targets. Instead of creating barriers that hinder this potential, efforts should focus on fully utilising solar's rapid deployment capabilities.

NESO's recommendation of 47.4 GW of solar by 2030 is overly conservative and risks becoming a de facto cap on solar deployment in Great Britain, severely hindering the clean energy transition. NESO has significantly underestimated solar's role in its Clean Power Mission advice. Outdated assumptions and a lack of consideration for initiatives like the "rooftop revolution" and recent planning reforms have skewed its projections.

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Furthermore, the regional breakdown of solar in NESO's scenarios does not align with where projects are already being developed with community consent, and the regional definitions require closer scrutiny.

Additionally, NESO's projections fail to reflect real-world trends. While NESO assumes 15.1 GW of solar capacity in 2023, our data shows that by 2024, solar capacity will be closer to 20 GW. This includes 11.5 GW from solar farms, 8.5 GW from rooftop installations, and 3 GW under construction. An additional 11 GW of solar farms already have planning consent, with rooftop deployment adding approximately 1 GW annually. NESO's failure to account for this reality risks capping both national and regional solar potential, harming the investment case for British solar, and slowing progress towards CP30.

A particular concern is NESO's underestimation of solar deployment potential in Scotland. Despite the Scottish Government's target of 4–6 GW of solar by 2030, NESO's pathways consistently fail to meet this ambition. In every scenario presented, the projected level of deployment falls significantly short of Scotland's policy goals.

While we recognise that grid connection reform is urgently needed, these reforms must ensure that clean power generators are not penalised based on their energy source. The gated process within the connection reform already prioritises projects that are ready to connect, and additional barriers could delay shovel-ready projects, especially during a climate crisis.

One specific concern relates to transmission-connected solar projects, where significant investments may already have been made. CP30 places disproportionate emphasis on distribution-connected solar, which creates uncertainty for investors in transmission-connected projects. While some control mechanisms may be necessary given the rapid growth in transmission-connected solar, the current reforms risk undermining confidence in this critical market.

If implemented in their current form, the reforms would:

- Remove competition in CfD auctions, causing auctions to clear at the price cap or resulting in unmet capacity targets.
- Cause a 12-month investment hiatus for up to 20 GW of onshore renewable projects with planning permission, delaying progress until Q4 2025.

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- Postpone connection dates for nearly all advanced DCO solar projects until after 2030.

These barriers would jeopardise CP30 pathways and undermine investor confidence.

### Recommendations to Mitigate Risks

1. **Increase Pathway Uplift:** Apply a 33–50% uplift to NESO pathways to ensure competition within and between technologies and account for project attrition.
2. **Protect Existing Projects:** Guarantee grid connection dates for renewable projects with pre-2030 connection dates and planning permissions.
3. **Amalgamate Zones:** Merge geographical zones and integrate capacity caps for transmission and distribution.

NESO's reforms raise broader questions about their integration with other initiatives, such as REMA. If the connection process dictates where and when projects can be built, what role do locational signals or market mechanisms play? This approach risks creating an under-competitive decarbonisation pathway, endangering CP30 targets.

Moreover, NESO's pathways fail to address critical capacity needs. For example, while significant generation might be deemed necessary in central London, this is impractical. Meanwhile, northern Scotland, with abundant resources, receives little capacity in the pathways. Pathways should avoid prescribing specific technology mixes or locations, as they are based on assumptions rather than definitive requirements.

Project costs also vary widely even within the same technology, driven by factors like grid connection costs and resource availability. Uniform cost assumptions lead to flawed policies that exclude cost-effective projects. Capping project pipelines based on NESO's definition of need does not ensure cost-efficient selection, as there is no consistent correlation between NESO's choices and cost-effectiveness.

Finally, the reforms' strategic planning elements introduce significant legal risks. NESO's current approach, where the government directly selects capacity mixes, conflicts with principles of independent regulation and may face domestic and international legal challenges. These risks could delay reform implementation, undermining efforts to expedite clean energy projects.

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Capping capacity by technology or location based on pathway predictions would be counterproductive. Encouraging over-development within reasonable bounds is crucial to maximise competition, reduce consumer costs, and ensure a successful clean energy transition. The reforms must prioritise flexibility, competition, and rapid deployment to achieve CP30 and NZ50 targets efficiently and cost-effectively.

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**

We believe that projects with planning consent or route to market like CfD should secure a Gate 2 grid contract.

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, we agree that the connections queue should initially extend to the 2035 time horizon, as this would provide greater certainty for developers and investors. However, we acknowledge that risks persist for projects in the latter part of the queue due to uncertainties associated with the SSEP. Providing as much clarity as possible on the SSEP at an early stage—ideally before its formal release in 2026—would significantly bolster investor confidence.

It should be noted that there are SEUK members who strongly oppose the concept of the SSEP, as similar spatial plans have been proposed in the past but consistently dismissed for being impractical and ineffective in facilitating the deployment of renewable generation.

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## 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**

- **Time Horizon to 2035** – This is acceptable in our view. However, providing additional clarity through the new SSEP to align later projects, including those beyond 2035, would greatly enhance certainty and confidence for stakeholders.
- **Approach for Managing Scope** – Please refer to our response to Question 2 for detailed comments.
- **Demand Projects** – The proposed approach is acceptable, and we have no further comments.
- **Approach to Oversupply** – As noted in our responses to Questions 1 and 2, we understand NESO's rationale for limiting oversupply. However, given the delays in implementing these plans, fair compensation should be provided to affected developers.
- **Approach to Undersupply** – We support the potential substitution from adjacent locations where feasible. If substitution is not possible, reserving bays and capacity for new project opportunities is reasonable. However, we are concerned about how NESO plans to communicate this approach to the industry. NESO has not sufficiently addressed the issue of project shortfalls in the queue relative to demand, which could jeopardise the achievement of clean power targets by 2030. How does NESO intend to address deployment barriers, such as the high cost of reinforcement works and their impact on developers? We would also support substitutions from overlapping Distribution and Transmission zones in the right circumstances (and in either direction), in keeping with our earlier



concern regarding the over-reliance on distribution capacity, NESO will in some zones need to connect the Clean Power which is in the region and viable, whether it be transmission or distribution, and not let the asset classification be an undue barrier to Clean Power deployment.

- **Approach to Project Attrition** – A rate of 10–20 percent could be recommended given the additional layers of uncertainty generated by REMA and planning reform (SSEP) in tandem. It is worth noting that even projects that satisfy Gate 2 requirements will fall away and contribute to this attrition. We emphasise that the SSEP must align with the next Gate 2 application window to effectively address project attrition for the 2031–2035 period. Without this alignment, there is a risk of further delays.
- **Optimal Use of Network** – Consideration must be given to the allocation of transmission costs for distribution-connected projects (e.g. SGT reinforcements, 100% capex falling on the Energy Generators). These significant costs are disproportionate to the typical scale of distribution-connected projects and could impede the achievement of an optimal technology mix. This issue needs to be addressed as NESO modifies the queue.
- **Transition to SSEP** – We agree that the transition should not retroactively alter the queue. However, in regions where the queue already exceeds the 2035 pathway, we assume the SSEP will provide clarity on demand requirements beyond 2035.
- **CP30 Alignment to Distribution and Transmission** – Greater clarity is needed on whether all distribution projects are eligible or if projects with connection offers that include ModApps, but do not trigger transmission works, are exempt. This ambiguity needs resolution.
- **Spatial Element of CP30** – This aspect is likely to cause significant frustration among developers.
- **Queue Ordering** – We generally agree with the logic of ordering projects based on their existing queue position and planning status.

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**

Overall, we believe the proposed methodologies generally support NESO's preferred options across the identified variables. However, we have significant concerns about certain aspects of the methodology, including:

- **Eligibility Criteria** – There is insufficient clarity regarding which projects are classified as exempt.
- **Gate 1 Grid Offers** – While we understand Gate 1 is indicative, a lack of detail about what will be included in a Gate 1 grid offer creates uncertainty. Providing examples would help build investor confidence.
- **Timeline Issues** – The extended timeline between application windows opening and the receipt of grid offers has not been adequately considered. This delay could hinder project deployment and adversely impact financing and investor confidence.
- **Safeguarding Existing Contracts** – There is no clarity on how existing CfD and CM contracts will be protected, which is a critical oversight.
- **CfD Window Alignment** – The alignment between the AR7 CfD window and the new grid reform timeline is unclear. Without guaranteed grid contracts, many projects may be unable to participate in AR7. Given NESO's acknowledgment of the importance of CfD allocation rounds for future deployment, this misalignment must be addressed urgently.
- **Queue Positioning for Distribution Projects** – Queue positions should not depend on NESO countersignatures for distribution project progressions. This approach is unfair to distribution developers and distorts the queue.
- **Grid Connection Costs** – NESO has not clarified how grid connection costs will be addressed, particularly for projects triggering reinforcements and requiring capital contributions. Smaller-scale projects cannot bear these costs, contributing to shortfalls in regions such as SSE for solar capacity.
- **Reimbursement of Fees** – If a project meets the Gate 2 readiness criteria but fails to meet strategic criteria, all grid fees and securities paid should be reimbursed to avoid potential legal challenges.
- **Planning Delays** – The methodology does not address how prolonged planning delays will be managed, leaving developers in uncertainty.

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- **Advancement Requests** – We agree, any project requesting advancement should have its request reviewed, regardless of the original connection date.
- **High Costs and Curtailment** – It is unclear how NESO plans to address situations where projects reject Gate 2 offers due to high connection costs or curtailment. If a project at a given scale and technology cannot proceed, it is unlikely subsequent projects will be viable under the same conditions.

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**

Our concerns and requests for further clarity from NESO are detailed in our response to Question 6. However, one policy area that may interact with these reforms and has not been addressed is the ongoing consultations on the NPPF and the proposed increase of the DCO threshold to 150MW. This underscores the need for Gate 2 readiness criteria to consider both land and planning, with planning inclusive of both DCO and TCPA (Town and Country Planning Act) projects.

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**

Caps must be increased to account for a reasonable level of attrition. A rate of 10–20 percent could be recommended given the additional layers of uncertainty generated by REMA and planning reform (SSEP) in tandem. It is

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worth noting that even projects that satisfy Gate 2 requirements will fall away and contribute to this attrition.

## 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?

To ensure the successful delivery of Clean Power 2030 targets, projects that are sufficiently advanced must be exempt from Gate 2 requirements. This includes those with connection dates up to and including 2030, projects with planning permission, and those with a secured route to market, such as a CfD or PPA. Protecting these projects from additional barriers is essential, as they have already demonstrated clear intent and significant progress toward deployment.

The retrospective application of new rules to projects in the distribution queue is also deeply concerning. NESO frequently references the 736GW figure in the connection queue, implying it represents only generation capacity far exceeding the UK's needs. However, this figure is misleading. Renewable generation accounts for just 47% of the total, with storage making up 37%, demand 6%, non-renewables 4%, interconnectors 4%, and nuclear 2%. Moreover, 76% of the queue consists of transmission projects, reflecting historically low barriers to entry. Until recently, applicants needed only to pay a grid application fee (approximately £70,000) without demonstrating secured land or achieving significant milestones.

The Assessment highlights a stark imbalance: most solar projects in the transmission queue have only met Gate 1 criteria, indicating that reforms should focus on transmission rather than distribution projects. In contrast, many distribution projects, which often already have planning approval, have languished in the queue for years while awaiting firm dates from DNOs. These

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delays persist despite developers making significant financial commitments. Addressing this imbalance should be a priority.

The Assessment also underscores the risk of undersupply in key technologies. It notes that "the low readiness case for offshore wind and solar is below the 2030 pathways," raising concerns about a potential shortfall in "ready" projects. To mitigate this, connections reform should focus on accelerating later-stage projects, particularly in the solar sector. Additionally, the Assessment identifies a "significant undersupply of solar in the distribution queue compared to CP30 pathways for 2030," emphasising the critical role of the distribution network in meeting solar deployment targets. Given this context, special consideration should be paid to existing solar projects in the distribution queue with connection dates up to 2030. At a minimum, solar projects with planning permission at both transmission and distribution must be excluded from both the gate reform process and additional barriers. Failure to protect these projects risks severely undermining progress toward achieving CP30 targets.

We require absolute clarity on whether DNO-connected projects that have not triggered Mod App transmission reinforcements will be exempt from the grid reforms. Additionally, NESO must provide precise definitions for exemptions related to projects "in construction" that are energising before 2026. For instance, a clear definition could state, "the project has successfully triggered planning permission," with evidence such as site photographs. Alternatively, we believe that "reaching FID" could remain a suitable criterion instead of "in construction." We believe the cut off date should be extended to at the very least 2028.

We also wish to highlight the issue around the T/D interface remains one of the most critical and requires immediate attention given NESO's reliance on a significant portion of capacity being delivered by DNO. However, the DNO and TO boundary issue has not been adequately addressed. NESO seems to assume that once capacity is allocated to the DNOs, they will manage the progression of sites. This oversimplifies a complex situation. There are significant concerns about the DNO/TO interface, which remains unclear. Clear guidance on DNO/TO boundaries is essential, as it is also unclear how capacity will be allocated between transmission and distribution customers. NESO's

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pathways predict that 90% of solar projects will connect at the distribution level. To achieve net-zero, we need a DNO process that facilitates efficient and timely connections while avoiding punitive measures. The current system is riddled with inefficiencies. Once a DNO application is submitted, it can take months before NESO deems it technically competent. This delay often results in transmission projects being offered connections ahead of distribution projects, even if the latter have been in the queue longer. Moreover, there is a risk that stalled DNO sites, unlikely to progress, will remain ahead of viable projects within the same network that could commit to Gate 2. As a result, these viable projects may receive accelerated transmission dates but remain stuck behind earlier, stagnant DNO connections. We are particularly concerned about the reference in the CNDM to the "date project progression was countersigned by NESO," as this process can often take considerable time. This disjointed process undermines the reforms and the goal of maximising deliverability.

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

Yes, we generally agree. However, it is crucial to ensure that any project can advance to an earlier date through an advancement request, regardless of whether it previously accepted a technical limits offer. A prior decision to decline such an offer may have been based on factors like cost or curtailment, which could have changed due to shifts in the queue. This flexibility would allow developers to accelerate their projects sooner, even if they initially declined a technical limits offer. NESO must avoid making assumptions or generalisations; for example, a developer's decision not to accept a prior advancement opportunity often reflects project-specific constraints rather than a lack of readiness or commitment.

NESO suggests that reversion (undoing an advancement request) will generally not be permitted. We think this needs to be considered more flexibly where the costs or scope of transmission works materially increase for the User compared with the User's pre-existing contract.

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

The criteria and application are relatively vague in the proposed guidance document. NESO's resulting decision-making must be clear and transparent, and open to review, to build confidence in the overall approach. To this end, we strongly recommend NESO commits to a formal review process at an early stage of implementation.

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

The criteria and application are relatively vague in the proposed guidance document. NESO's resulting decision-making must be clear and transparent, and open to review, to build confidence in the overall approach. To this end, we strongly recommend NESO commits to a formal review process at an early stage of implementation.

## 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?

- 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)

Please insert your answer here for a).

We broadly support this approach; however, there is disagreement regarding how to proceed after establishing the Red Line Boundary (RLB). Some believe that developers should have greater flexibility to select project generation locations beyond the Original Red Line Boundary. This flexibility would be particularly important if the confirmed point of connection provided by the TO

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significantly deviates from the indicative Gate 1 offer for new applications or if the confirmed point of connection for an existing contract remains unresolved or is located far from the initially agreed site.

Others argue in favour of making the Gate 2 criteria more stringent. They support front-loading requirements and implementing restrictions on changes to project location (RLB) post-Gate 2. In their view, such restrictions ensure fairness and efficiency, as developers wishing to pursue a completely new site would be required to rejoin the queue. This approach discourages speculative site changes and helps maintain the integrity of the connection process.

Please insert your answer here for b).

We support the introduction of a front-loaded planning submission milestone as an essential measure to prevent capacity hoarding by projects. However, we believe that Milestone 3 (M3), which requires securing land rights, is the most appropriate test. This is because developers of DCO projects often cannot submit or secure planning permission without first knowing the location of their Connection Site. Critical factors, such as identifying the cable route and assessing a project's financial viability, depend on this information.

Additionally, we acknowledge the findings of the NESO's recent Land Rights RFI. The results indicate that the stricter milestones proposed, including the Gate 2 Criteria, would push a significant number of projects back to Gate 1. This suggests that the proposed Gate 2 Criteria are already sufficiently rigorous to effectively address capacity concerns.

We also believe that the planning readiness criteria should include TCPA planning application submissions. For smaller-scale projects, planning applications can sometimes be submitted before option agreements are finalised, and excluding these projects would unfairly hinder their progress.

It is important to note, introducing a Financial Instrument on Gate 2 could negatively disrupt project funding as funders will not keep developing projects if successful planning does not result in a connection.



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Finally, NESO must consider factors beyond a developer's control, such as planning appeals, when determining whether a project is meeting its milestones. Currently, there is some flexibility for delays caused by external factors, and we strongly believe this approach should continue moving forward.

Please insert your answer here for c).

Our primary concern lies with how embedded distribution customers are treated within the reform process, particularly in the ordering of the queue at the distribution level. The discrepancy between embedded and transmission-connected customers raises significant challenges. Transmission-connected customers interact directly with the ESO, allowing them to respond promptly when asked about meeting Gate 2 requirements. In contrast, embedded customers must rely on their DNOs to act as intermediaries, creating a timing risk. DNOs must coordinate submissions for individual customers within the same timeframes that the ESO sets for its direct customers, which could lead to delays. This issue is further complicated by DNOs managing batch Project Progressions alongside individual customer needs. These overlapping responsibilities increase the risk of inefficiencies and potential disadvantages for embedded customers.

A related concern is how projects at the distribution level are prioritised within the queue at the transmission level. For instance, if Project A and Project B are in the distribution queue, would Project B, having achieved planning permission, jump ahead of Project A? This lack of clarity has led to significant unease. When challenged on this point, NESO appeared to sideline the issue, and the ENA has yet to provide a satisfactory response. It seems this responsibility may simply be pushed onto DNOs, without a coherent strategy to address the underlying problem.

Please insert your answer here for d).

Yes, we have no concerns with the self-declaration template

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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?

No, we believe projects seeking planning consent through the TCPA route should also be included. This is because developers are often able to progress with TCPA-level planning applications even when option agreements have not been finalised, due to delays with landowner solicitors or other factors. Since the bulk of development expenditure occurs during the planning application stage, this demonstrates a stronger commitment to a project than relying solely on a land option agreement. Including TCPA projects would also provide developers with greater flexibility, which in turn would enhance investor confidence.

Please also see question 7 response, where we discuss this in relation to proposed DCO threshold increase to 150MW.

## 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?

We recommend removing the designation mechanism due to the uncertainty it creates. With NESO proposing to use it only in extreme circumstances, and novel technologies being small-scale by nature, we believe that the existence of this mechanism will ultimately cause more harm than good.

Another critical issue is the lack of clear definitions for certain criteria within the proposed reforms. For instance, the prioritisation of "new technologies" is vague and raises significant concerns among developers already in the queue. Without a concrete definition, there is a risk that well-progressed, viable projects nearing Gate 2 could be displaced by loosely defined "new" technologies. The term "new" remains unclear, leaving room for subjective

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interpretations that could disrupt established projects, including reliable options like solar.

Similarly, the prioritisation of "projects with long lead times that may be needed" is too ambiguous to inspire confidence. Developers are left uncertain about which projects will be favoured, and this vagueness undermines both the transparency and fairness of the process. By introducing such uncertainty, the proposals risk favouring undefined or speculative alternatives over well-progressed, reliable projects that are crucial to meeting Clean Power 2030 targets.

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

Please see our response to question 15.

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

We do not agree with the indicative process NESO will follow for designating projects due to the absence of clear definitions for key prioritisation criteria within the proposed reforms.

## Additional Questions

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

The fact that DNOs have been largely excluded from this process is troubling, as it has primarily been a transmission-led reform. Now, with NESO's reforms relying heavily on DNOs, there is significant concern regarding their capacity and the quality of service they have provided to date, especially given the resource challenges they face.

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