

Connections Reform Update

4th February 2025

(All information contained in this slide pack is subject to confirmation and may change)

Wendy Mantle

Head of Distribution Commercial and Policy

AGENDA



Connections Reform

First Come, First Served

(Current Process)



First Ready, First Connected

(Connections Reform - Urgent Code Mods)



First Ready, First Needed, First Connected

(Clean Power 2030)

Reforms apply to:

- Small and Medium Embedded Generators who trigger a Transmission Impact Assessment
- BEGA applications (regardless of size)
- BELLA applications

Modification Application for DNO works and Demand applications are out of scope.

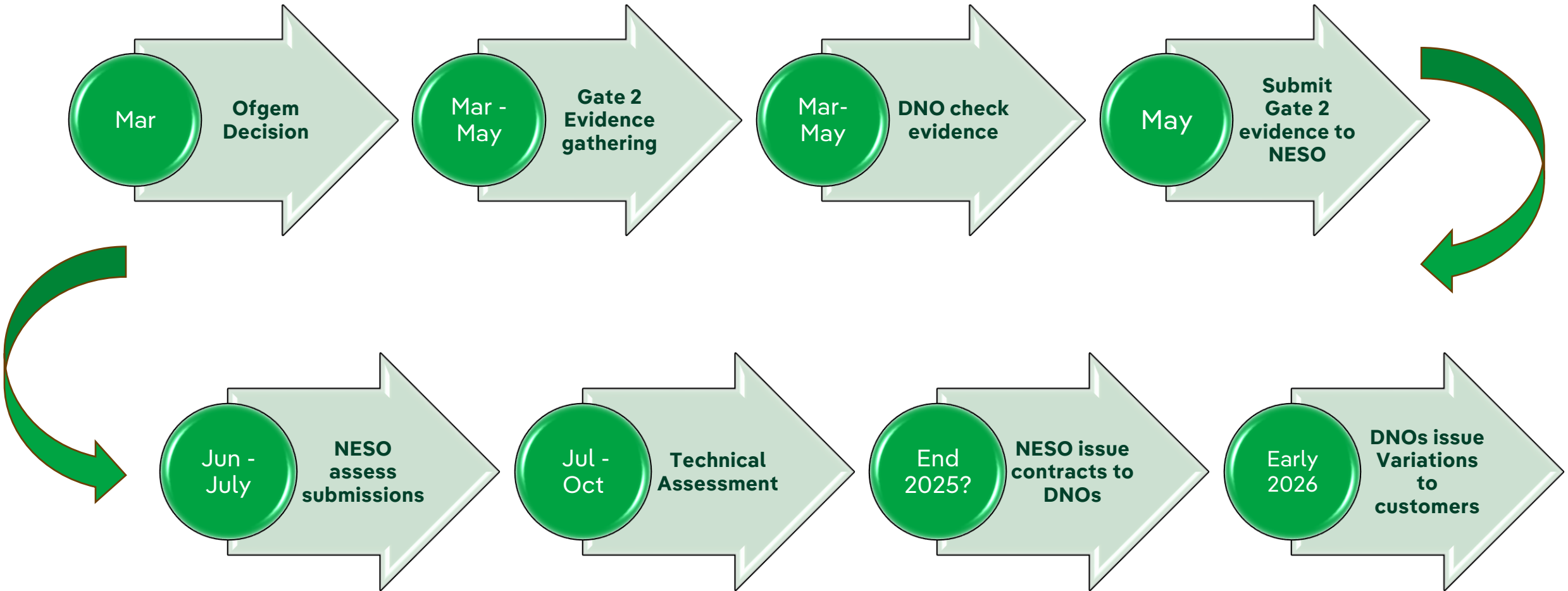


Ofgem Decision:

Connections Reform is subject to Ofgem approval, their decision is due by mid-March

Licence changes will be required to implement the Reforms, and these will be consulted on in due course.

Gate 2 to Whole Queue – Current Timeline

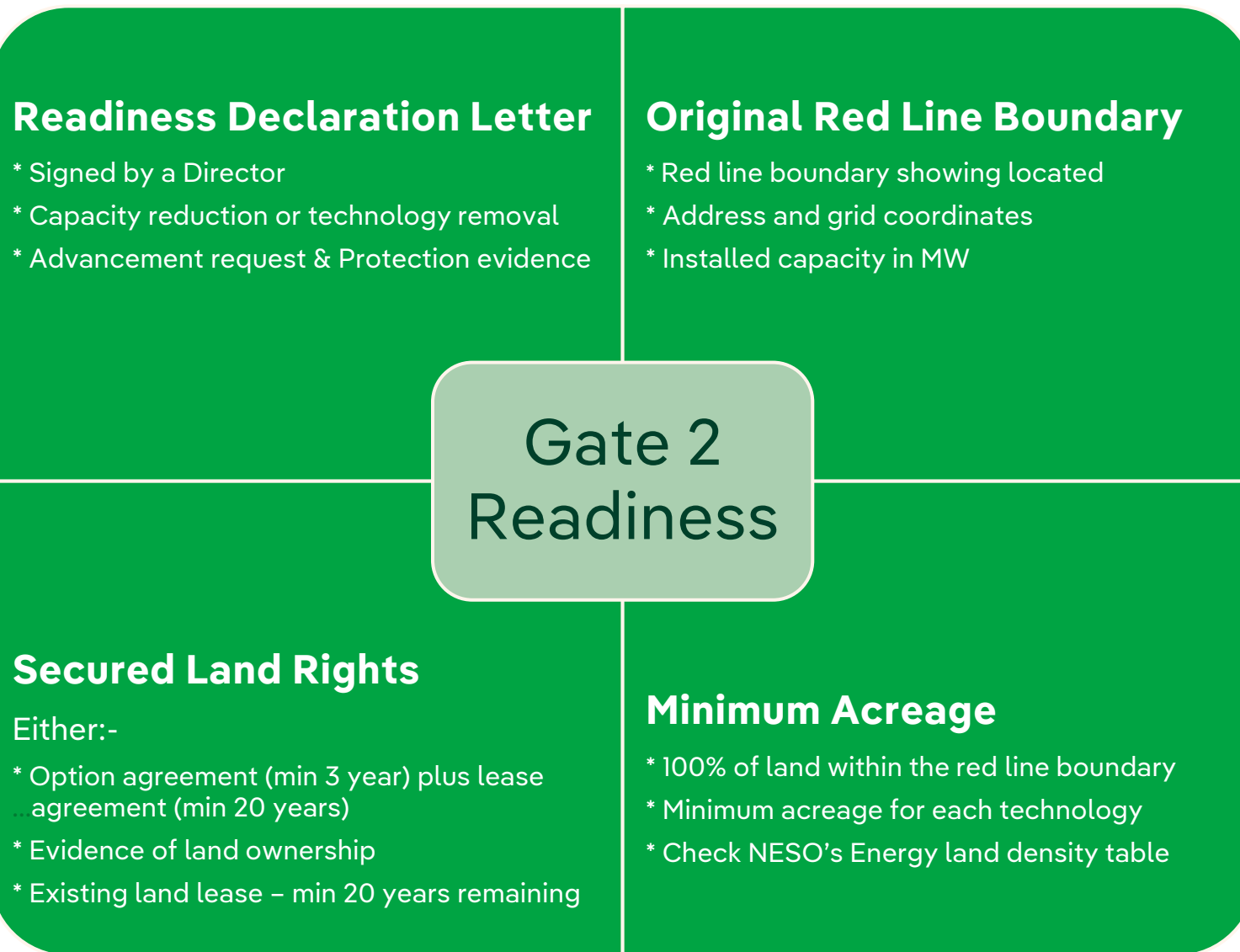


Note: The first Gate of the enduring process is currently schedule to open Q4 2025.

Clare Evans

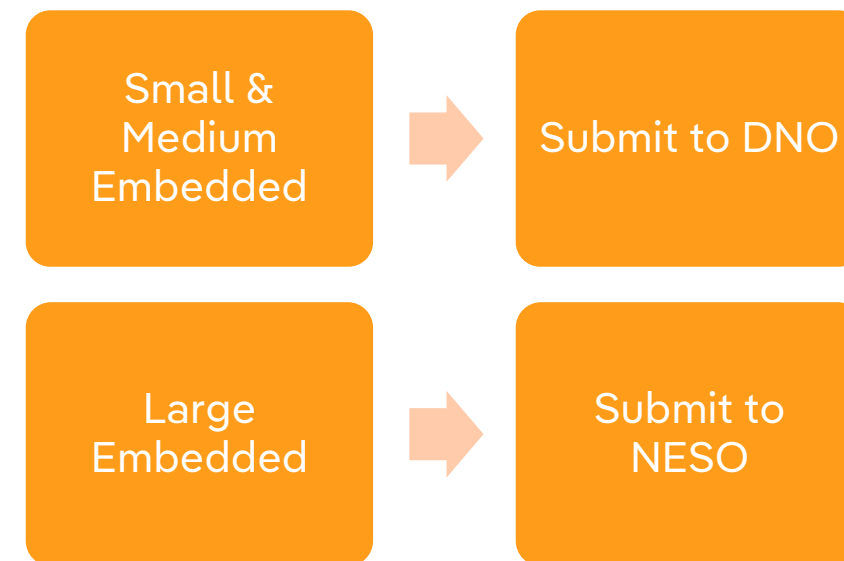
Connections Reform Implementation
Lead

Gate 2 Readiness Criteria – Applies to all projects



Following Ofgem’s decision, we will request Gate 2 Readiness evidence.

NESO will provide the Declaration Form, with evidence submitted as follows:



NESO will undertake Duplication checks on Red Line Boundaries after closure of G2TWQ window and all evidence is submitted .

Sofia Cobo de Guzman

SPM Major Connections Manager

Karl Watson

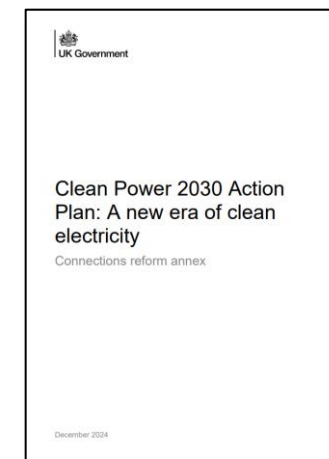
SPD Head of Design

Strategic Alignment and Clean Power 2030

To meet ambitious net zero targets and manage the connections queue to ensure that only those projects deemed necessary and ready progress, the new Government introduced **Clean Power 2030**.

This has introduced **regional technology caps**:

Capacities	BESS-2030	BESS-2035	Solar-2030	Solar-2035	Wind-2030
SPM (MW)	400	500	1,500	2,200	1,000
SPD (MW)	800	900	1,100	1,800	2,700



- These caps include **connected generation** and projects connected to **transmission connected IDNOs**.
- DNOs will submit a preliminary alignment to either 2030 or 2031-35 for **small and medium generators** to NESO for determination.
- All other technologies included in the CP30 Action Plan will be submitted to NESO for determination:
 - Offshore wind
 - Low carbon dispatchable power
 - Unabated gas
 - LDES

In addition to the Gate 2 readiness criteria, projects will also be required to meet Gate 2 Strategic Alignment

How would the queue be reordered?

The following criteria will be considered when reordering the queue:

- Project status and whether it qualifies for ‘Protections’.
- Contracted connection date.
- Requests for earlier connection dates – ‘Advancement’.
- DNO/TO maximum advancement date.
- CP30 Alignment to Phase 1 (2030)/Phase 2 (2031-35).

If any of the technologies are undersupplied, there will either be **zonal substitutions** or **reservations of capacity**.

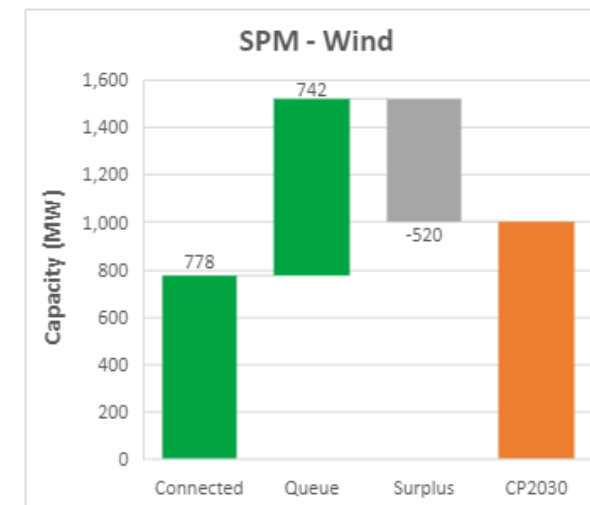
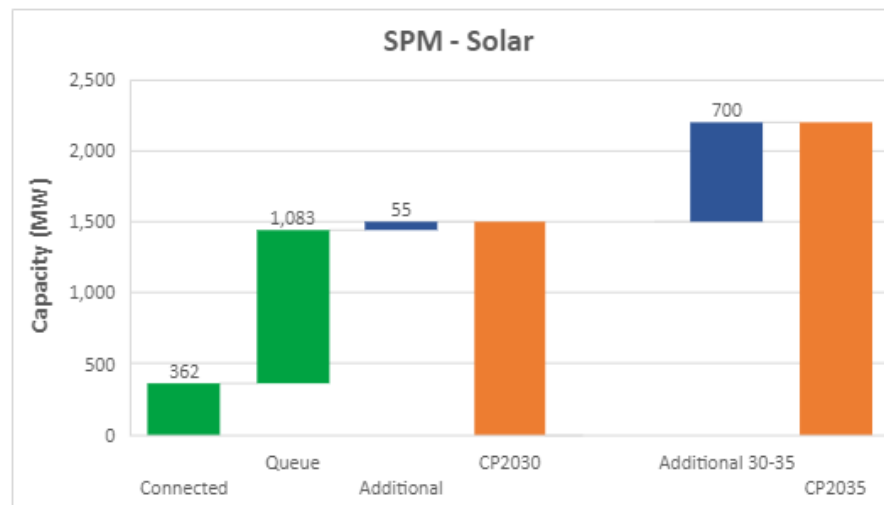
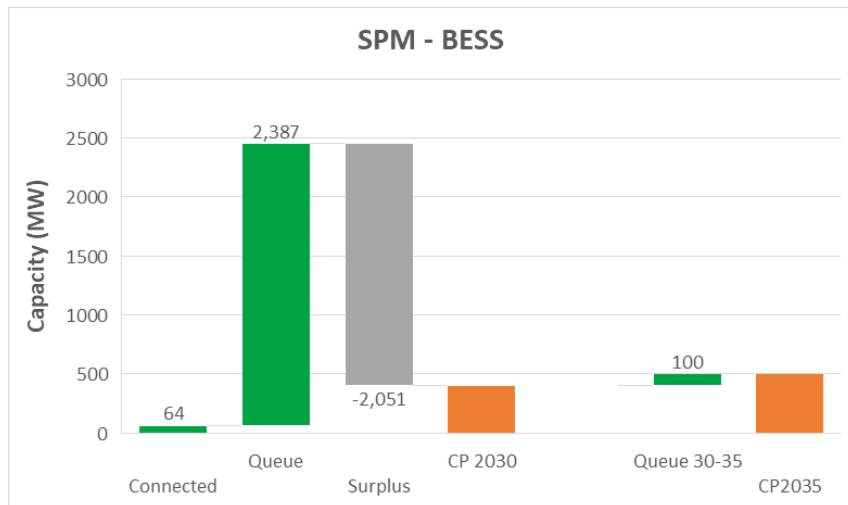
Projects that do not meet Strategic Alignment will not receive a Gate 2 Offer.

NESO will determine which projects are **Strategically Aligned** and publish the revised queue.

Only those that meet Gate 2 readiness and are **Strategically Aligned** will receive a Gate 2 Offer.

What does CP2030 mean for you in SPM?

The graphs below show the current project pipeline against the Regional technology caps in Clean Power 2030.



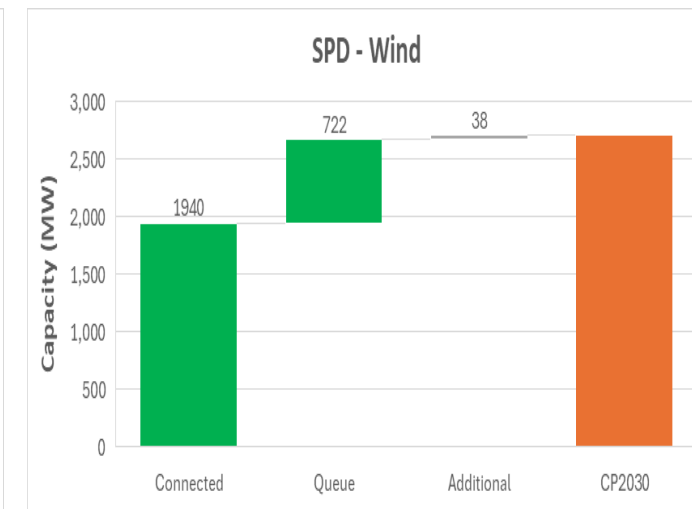
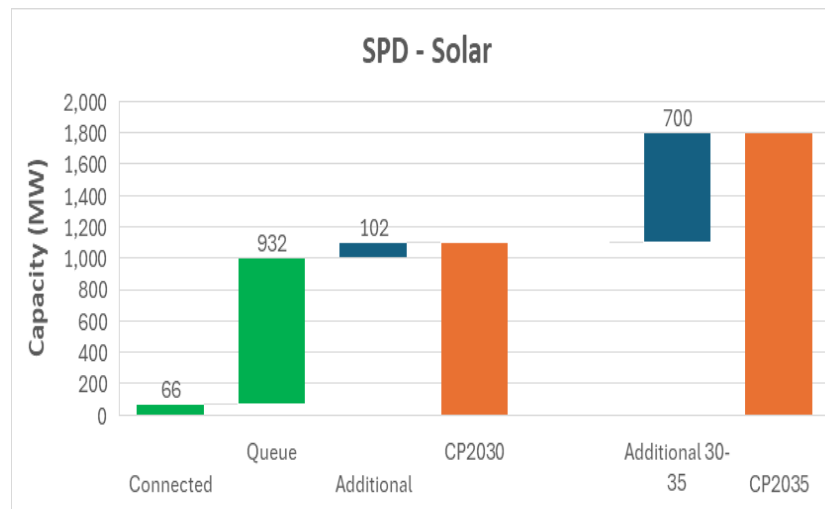
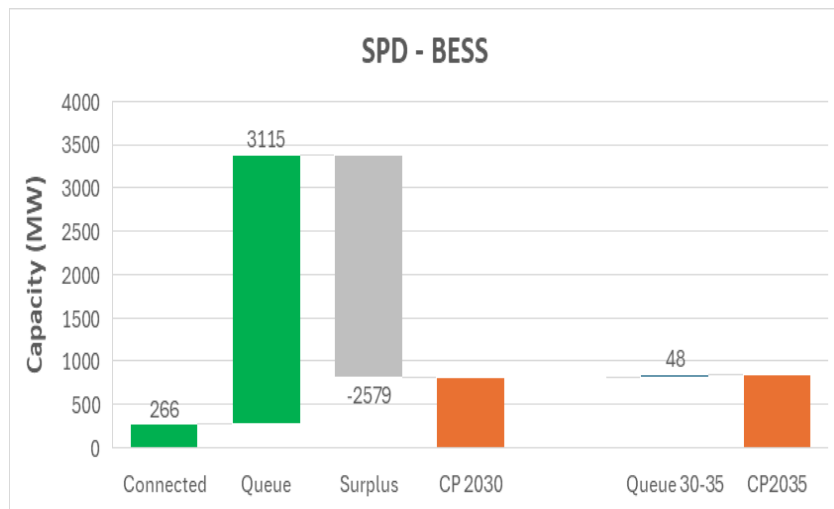
	BESS	Solar	Wind
CP30 capacity	0.4-0.5 GW	1.5-2.2 GW	1 GW
Queue capacity*	2.4 GW	1.1 GW	0.7 GW
Difference*	-1.9 GW	+0.8 GW	-0.5 GW

*Numbers could change with implementation of CMP446, if approved.

DNOs will submit provisional alignment to NESO for determination

What does CP2030 mean for you in SPD?

The graphs below show the current project pipeline against the Regional technology caps in Clean Power 2030.



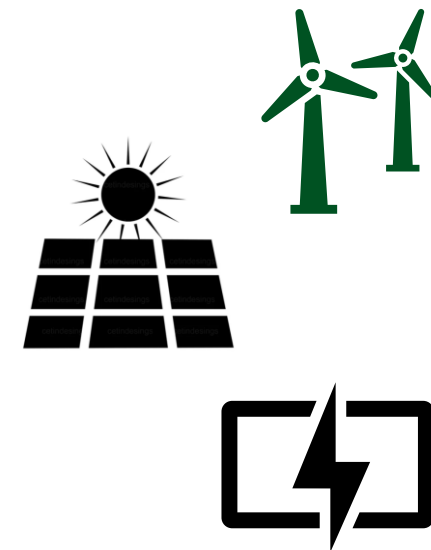
	BESS	Solar	Wind
CP30 capacity	0.8-0.9 GW	1.1-1.8 GW	2.7 GW
Queue capacity	3.1 GW	0.9 GW	0.7 GW
Difference	-2.5 GW	+0.8 GW	+0.0 GW

DNOs will submit provisional alignment to NESO for determination

How would Hybrid Projects be considered?

The treatment of Hybrid projects depends on their proposed operation:

- Those looking to both, **import and export**, would be counted separately against each technology cap.
- Those intending to **export only** (import is behind the meter) would be counted against the additional generating technology cap (i.e. solar or wind).



Multiple technologies will be:

- **assessed separately** against the CP30 caps.
- **potentially** have different contracts with **different connection dates**.
- If one or more of the technologies **exceeds the 2035 capacity**, that element will **not receive a Gate 2 offer**.

However, there will be an **option to reduce capacity** for one or more of the technologies which could be part of an **advancement request**. This includes dropping a technology completely.

Hybrid technologies considered separately against the relevant technology caps

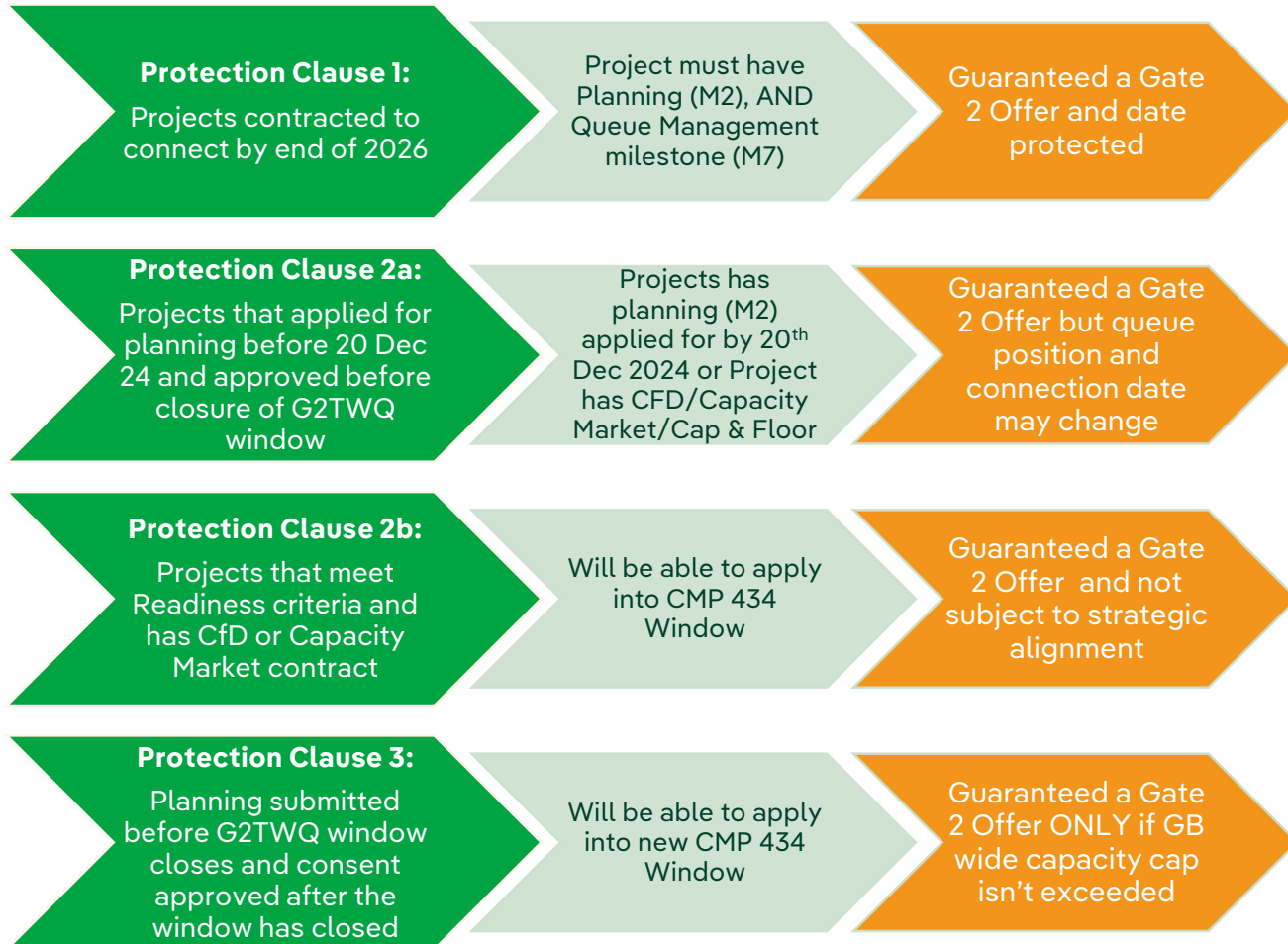
Claire Witty

Strategic Connections Manager

Protections

Protections for some contracted projects has been proposed, recognising that some have significantly progressed prior to Connections Reform being implemented.

The four Protection clauses are as follows:



All projects must meet the Readiness Criteria to be considered under any of the Proposed Protections.

What is Advancement?

Should you want your connection to be delivered earlier than your current contracted date, you can submit a request for an earlier connection date to be considered as part of the G2TWQ exercise.

Depending on the date you currently have for your project, the following should be considered:

Project Status	Option	Action
Projects with Transmission Access prior to 2035	Do not need to request Advancement	Will be considered as part of G2TWG
	Can request Advancement (fee applicable)	Will be considered as part of G2TWG
Projects with Transmission Access post 2035	Must apply for Advancement (fee applicable)	To be considered as part of G2TWQ
	If don't request Advancement	Will not be considered as part of G2TWQ

Note:

- Advancement requests should be included in the Declaration Letter submitted as part of the Readiness check.
- All requests will be initially assessed by the DNO to confirm if they could be met and a date confirmed/agreed.
- There is no guarantee that an Advancement request will result in an earlier connection.
- Once Advancement is requested and a different date is offered, you cannot revert to your original date.

Outstanding Issues

Assessment and further guidance is currently being developed by industry working groups on several issues, including:

TIA Thresholds

- Urgent Code Mod to increase capacity thresholds for applying for a TIA (i.e. 5MW in E&W)
- Potentially applied retrospectively to current contracts.

Advancement Fee

- Level of fee to be determined and advised by NESO

Financial Instruments

- Proposal for financial instruments to further tighten entry criteria
- Possibility an Urgent Code Mod will be raised.

Technical Limits

- How those projects currently subject to Technical Limits will be treated by the new process.

Project Designation

- NESO only envisages designating projects in exceptional circumstances, where those projects demonstrate that they meet the detailed criteria referred to in this Project Designation Methodology

Failure to meet Gate 2

- Contractual treatment for those projects that do not meet the Gate 2 Criteria and are not able to progress at this time.

Which Category is your project in?



Your project could fall into a number of the different categories.

Which category/categories you fall into will dictate what you need to consider and the information you need to provide.

We will provide the necessary guidance and support to assist you through the process.

Questions

Distribution Connections Summit 19th March 2025 – Chester

Email:- Connectionsreform-distribution@spenergynetworks.co.uk

Website: - https://www.spenergynetworks.co.uk/pages/connections_reform.aspx