Connections Reform Methodology Consultation Response Template

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Consultation responses can be submitted to: box.connectionsreform@neso.energy

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Response Date:	April 21, 2026
Is this response confidential*?	No

**All responses will be shared with Ofgem.*
Only Non-Confidential responses will be published on the NESO Website.

Consultation questions

Q1 Do you agree that we have accurately reflected the CMP434 specific content in the illustrative versions of the CNDM and G2CM published on 21 January 2026, and in the illustrative version of the *Project Designation Methodology* published in parallel with this consultation?

Please explain your rationale.

We have not performed a detailed side-by-side analysis in the time allowed for this consultation.

We do, however, welcome the presentation of the proposed CMP434 amendments through colour-coded corrections to the original documents.

Q2 Do you have any views on battery oversupply? Would there be overall merit in any actions to seek to mitigate battery oversupply, including potential disapplication of protection clauses 3a and 3b for batteries applying in the next application window?

Please explain your rationale.

The process has resulted in more than **62 GW of BESS capacity being protected**, however there is justified caution regarding the accuracy of the **CP2030 capacity targets**, both in terms of their original calculation and the inherent difficulty of forecasting requirements a decade ahead for a relatively new technology. Natural attrition will occur and it remains plausible that GB may ultimately require more BESS than originally anticipated.

Notwithstanding this, the scale of contracted connections presents a significant delivery challenge. In the **NGET region alone, around 200 connections are contracted by 2030**, compared with just **10 connections delivered in 2024 and 6 in 2025**. This represents an exponential increase in the pace of delivery. Even before accounting for construction constraints and outage coordination, ramping up to this level of activity appears highly challenging and raises serious concerns about deliverability and resourcing.

This reinforces the need for **NESO to issue offers as soon as possible** to allow attrition to take place and thereby crystallise a realistic, deliverable connections queue that underpins 2030 delivery. Network design clarity will naturally follow once projects either accept offers or fall away. Any capacity released through attrition must flow to the **next project in the existing queue**, including Gate 1 projects, rather than being reopened to new applications through subsequent windows. The most practical approach is therefore to design and issue offers now and then refine the queue as attrition occurs.

There is also a clear concern regarding **NESO and TO resourcing** to deliver the volume of offered connections and to schedule the required outages. This should be reviewed alongside updates to the **Transmission Acceleration Action Plan**.

Several specific measures would materially support queue management and delivery:

- **Bay sharing**: The bay-sharing policy needs to be developed and implemented at pace. To optimise this opportunity and provide early clarity to developers, a **design workshop should be convened** to standardise criteria and ensure appropriate operational independence between shared connections. We also recommend that offers include additional information on other projects connecting at the same substation to support early collaboration.
- **Offer sequencing**: While we acknowledge the revised NESO Grid Reform timeline for issuing offers, it is frustrating that many offers with no material transmission impact remain delayed. Queue positions are known and projects with lower complexity and system impact should be prioritised for earlier issuance.
- **Early TEC amnesty**: Introducing an early TEC amnesty would materially improve network planning and reduce NESO workload. At present, developers who know they will not accept a Gate 2 offer are disincentivised from withdrawing early due to cancellation charges. This creates unnecessary delay, whereas allowing projects to exit cleanly at this stage would accelerate attrition and improve queue realism.
- **Securities and commitment**: The unfreezing of securities will strongly influence attrition, particularly for Phase 1 projects facing significant financial commitments. Consideration could be given to a **minimum security requirement for Phase 2 projects** to avoid capacity being held with de minimis commitment.
- **Hybrid and co-located projects**: Further consideration is needed on the treatment of hybrid and co-located projects. The G2TWQ approach to qualifying hybrid assets has not been helpful and risks rendering otherwise viable projects

unworkable. Hybrid projects should be assessed as integrated wholes, as they offer more efficient use of network capacity and support system flexibility. Where BESS forms part of a hybrid project, this should be reflected in prioritisation decisions.

We do not agree with the **removal of Protections 3a and 3b**, and in particular to the retrospective disapplication of Protection 3a to projects submitted prior to **December 20, 2024**. Changing rules after application materially increases investor uncertainty and risks high attrition among the additional ~20 GW affected, largely due to later connection dates. The proposed removal of 3a and 3b is an arbitrary measure that could result in more strategically important BESS projects that can support constraint management being lost in favour of projects with less system benefit.

However, we do recognise that the current Gate 2 queue includes a significant oversubscription of BESS projects, which could materially impact the quality of system design and there is a need to stimulate attrition beyond the status quo. We therefore support the introduction of **additional readiness and commitment requirements** for BESS projects to encourage timely attrition. Financial commitments may have merit, but must be carefully introduced to avoid disadvantaging smaller yet credible developers and may be ineffective if applied at the wrong stage. We also encourage NESO to explore **alternative approaches outside Connections Reform**, such as non-firm offers, export limits, or engagement with **CMP470**[1], which may provide a more flexible and proportionate means of managing oversubscription while mitigating investor impact. We also encourage NESO to consider a TEC amnesty for BESS projects, alongside additional measures, to encourage swifter decisions to leave the queue.

Q3	Do you agree with our views on attrition, hybrids and repowering? Please explain your rationale.

Attrition

We agree with NESO's assertion that existing assumptions underpinning attrition calculations do not necessarily require adjustment at this stage, particularly where a clear reallocation process is in place. Attrition is a natural and well-understood feature of project development: between 2018 and 2023, approximately 63% of renewable projects were abandoned, refused, withdrawn, or expired prior to consent. It is therefore industry-accepted that not all projects receiving Gate 2 offers will accept them.

However, we strongly emphasise the need for **continuous monitoring of attrition rates throughout the offer issuance and acceptance period (summer 2026 to summer 2027)**. The significant and unforeseen delays to the connections reform process will have impacted projects unevenly, depending on their flexibility, commercial maturity and exposure to cost inflation. The true scale and distribution of attrition will only

[1] https://www.neso.energy/industry-information/codes/cusc/modifications/cmp470-introducing-oversubscribed-technologies-commitment-fee

become clear once revised connection offers—containing updated costs and dates—are issued and decisions are taken by developers.

Escalating transmission and wider connection costs are expected to be a **primary driver of offer rejection**, particularly given cost increases that have persisted even during the pause on new applications and modifications. This risk has been well documented, including sector engagement with Ofgem in late 2025 and Ofgem's acknowledgement of the issue in its February 2026 End-to-End Review next steps.
In addition, **securities and liabilities** represent a material and unresolved risk to attrition forecasts. At the time of writing, it remains unclear whether CMP447 will be implemented in time for Gate 2 offer issuance, while CMP417 is unlikely to be approved and operational. Absent reform, the scale of required securities may present a prohibitive barrier to accepting Gate 2 offers for otherwise viable projects.

We recognise that attrition has been partially accounted for through the application of the **upper bound of CP30 ranges** and oversubscription in constrained areas. However, NESO should remain cognisant of the **mobilisation timescales associated with Gate 1 projects** should attrition exceed expectations, as well as the degree of flexibility currently embedded within the Gate 2 queue. Robust, real-time monitoring will be essential to maintaining delivery confidence against CP30 targets.

Hybrids / Co-located Projects

We agree with NESO that hybrid and co-located projects require **more tailored treatment** than is currently afforded under the connections reform process. At present, the systematic separation of technologies undervalues such projects by failing to reflect their **combined system benefits**, despite these being recognised in policy frameworks such as the Clean Flexibility Roadmap.

Assessing technologies independently not only reduces project value from a developer's perspective but also undermines NESO's ability to realise benefits across the wider electricity system. Co-located projects are widely regarded as **"low-hanging fruit"**, typically requiring limited new infrastructure while making more efficient use of existing connections. However, current methodologies have materially constrained their progress.

Hybrid projects—such as solar or wind paired with BESS—provide multiple system benefits:

- Exporting during periods of low renewable output and importing during periods of high production, thereby **reducing constraints and peak demand pressures**;
- **Revenue stabilisation** for intermittent generation, improving bankability for CfD, merchant and PPA-backed projects;

- **Shared connection and charging costs**, optimising use of scarce grid capacity;
- Improved ability to capture **cost-effective electricity price signals**, reinforcing economic resilience.

These benefits are increasingly critical in the context of political pressure to reduce consumer exposure to renewable costs, minimise curtailment and limit the need for network reinforcement. NESO is encouraged to draw on existing sector analysis, including RenewableUK's *"Making the most of renewables"*[2] report and further industry evidence highlighting collocation as a smart solution for system efficiency.

We are concerned that **uncertainty over whether multi-technology or multi-phase projects will receive complete Gate 2 offers** continues to inhibit investment. Where only one component of a hybrid project receives Gate 2 status, the overall project is frequently rendered unviable. This uncertainty alone presents a material risk to CP30 delivery and should be addressed as a priority.

There is also a challenge for retrofit projects looking to co-locate at distribution level, or those that cross the Transmission Impact Assessment (TIA) threshold. At distribution level, developers can secure connection offers for retrofit co-located BESS using export limitation schemes compliant with G100/G99 requirements and explicitly confirming that there is no network reinforcement necessary. However, if the scheme crosses the TIA threshold, they are subject to the NESO capacity gate mechanism and will not receive a Gate 2 offer. We strongly encourage NESO to consult with the DNOs to allow robust network assessments made at distribution level to be given credence within the wider connections landscape and allow projects that will ultimately support network stability with no additional build to progress.

While we firmly believe hybrids should be assessed and treated in their combined technological form, we agree that they should **not be prioritised ahead of successful appeals, designated or protected projects, or repowering projects** where strong deliverability and minimal infrastructure requirements have already been demonstrated.

Repowering

We welcome NESO's acknowledgement that repowering projects warrant **dedicated consideration** and greater clarity of treatment within the connections framework. However, we strongly believe that repowering projects should not merely be recognised, but **actively protected and promoted through methodological change**.

[2] https://www.renewableuk.com/news-and-resources/publications/making-the-most-of-renewables-onshore-co-location-report/

While NESO has indicated that projects with "little to no impact" on their existing connection may proceed without a new or modified offer, this terminology remains **too ambiguous** to provide sufficient investment certainty. We agree that repowering projects with only marginal impact—where existing infrastructure can accommodate changes with minimal or no reinforcement—should be treated as a continuation of the existing connection. However, NESO must more explicitly define what constitutes an "allowable" marginal increase or change.

Given that network conditions vary by region, we encourage NESO to work collaboratively with network operators to develop **zone-specific guidance** on permissible increases in capacity. This would provide earlier visibility to developers facing end-of-life decisions on existing assets.

Repowering offers substantial benefits aligned with government clean power objectives:

- Maximising output from proven, high-yield sites;
- Minimising environmental and community impact;
- Reducing grid reinforcement requirements;
- Leveraging established land rights, access routes and community relationships;
- Circumventing today's most acute planning and grid delivery constraints.

While NESO recognises that repowered projects are often more advanced in planning terms, this alone is insufficient in highly constrained areas such as onshore wind in Scotland. We therefore urge NESO to **prioritise repowering projects in future Gate 2 tranches**, including CMP434 windows, in a manner comparable to Project Designation.

We also raise concern regarding **assumptions used in CP30 modelling** for projects nearing end of life. Assets in constrained zones may be assumed to continue through life extensions or renewed capacity agreements, yet such decisions are not always technically or financially viable—particularly where projects are restricted to historic connection capacity. Turbine scaling, component availability, and shifted commercial expectations can significantly undermine feasibility. We therefore encourage NESO and the government to publish **greater transparency on assumptions surrounding existing capacity**, particularly in Scotland and to engage further with industry to validate delivery confidence.

Finally, while acknowledging that wider planning and environmental policy lies outside NESO's remit, we note the strong **direction of travel across Europe** in actively supporting repowering through regulatory streamlining. Recent measures in France and Spain illustrate the scale of coordinated action being taken to recognise the system value and low-risk nature of repowering projects. These examples underscore the importance of ensuring that UK grid and connection methodologies do not inadvertently disadvantage some of the most deliverable and consumer-efficient projects available. More generally, guidance from NESO specifically focused on how they intend to approach repowered projects across system planning and connections would be very welcome. Both Scottish Renewables and RenewableUK are actively involved with our membership on this topic and would be happy to support engagement with NESO.

Q4	Do you agree with the changes we propose to the TRL and Section 2.2 (D) in the *Project Designation Methodology*? Are there any other essential changes that you think should be made to it? Please explain your rationale.

Our main concern with Project Designation is that, to date, application windows have only been available for criteria D and E. There has been no opportunity to apply for designation under criteria A, B or C—namely projects that are critical to security of supply, critical to system operation, or that materially reduce system and/or network constraints. It also remains unclear how these criteria differentiate from existing live tenders, such as LDES and LT2029, including how and when projects can apply for designation under these routes.

In addition, the **Planning and Infrastructure Bill has now received Royal Assent**, granting statutory powers to the Secretary of State. **Greater clarity is therefore required** on how these new powers may affect NESO's interpretation, role, and application of Project Designation going forward.

Q5	Do you think we should give further consideration to consumer benefits in future versions of the *Project Designation Methodology*? Please explain your rationale.

We are broadly supportive of greater integration of consumer benefits into future iterations of the Project Designation Methodology. However, to support meaningful engagement on this proposal, NESO should provide greater clarity on how "consumer benefits" are defined. In particular, it remains unclear whether this is intended to focus narrowly on cost savings and network build efficiency, or whether it also encompasses wider, more holistic benefits such as environmental impact, reuse of existing infrastructure, established community and landowner relationships, and the density of renewable generation within a given zone.

Clearly defining consumer benefits, including the relative weighting of relevant factors, and communicating the methodology transparently will be essential. While there is already a designation category for projects supporting security of supply, our assumption is that consumer benefits in this context relate primarily to projects that are lowest cost and/or require minimal network reinforcement. While cost to consumers is an important consideration, this is already largely driven by the competitive CfD process and we therefore caution against over-emphasising cost at the expense of other factors such as project yield and generation profiles.

By way of example, while solar projects often exhibit lower LCOEs, they typically deliver lower capacity factors and greater variability than other technologies. Where consumer benefit considerations are used to support a more efficient reallocation of capacity—such as connecting projects in closer proximity or with similar scope rather than defaulting to queue position—we support a pragmatic, efficient approach that accelerates network build-out.

If consumer benefits are intended to capture wider ancillary benefits, we support a more holistic assessment of projects. In this context, repowering projects offer significant additional consumer benefits relative to new-build projects, including the reuse of existing infrastructure and grid connections, proven deliverability, established community and landowner relationships, and maximised use of high-yield sites.

Q6	Do you agree with our proposal to amend Protection 2b in the manner set out in a) and b) of Section 7 of the *Methodology Consultation* document? Separately, do you believe that we should remove the requirement for Users to have held an Existing Agreement and unsuccessfully applied for Gate 2 in G2TWQ for Protection Clause 3a and/or Protection Clause 3b? Please explain your rationale.

We **support extending Protection 2b** to offshore wind projects that have secured seabed rights through regulated Crown Estate and Crown Estate Scotland leasing processes, including ScotWind, INTOG, Offshore Wind Leasing Rounds 4, 5 (Celtic Sea) and 6 (North Sea), and equivalent future rounds.

Where leasing rounds have been informed by **NESO's strategic network design**, protection eligibility should be determined through **clear, published ex ante criteria**, rather than a discretionary project-by-project assessment. In such cases, successful participation in the leasing round should constitute a **sufficient and objective condition** for Protection 2b eligibility.

NESO's role should be limited to **confirming which leasing rounds have associated strategic network design**, rather than applying an additional discretionary test at individual project level, which would undermine investment certainty after developers have already committed to these processes. We therefore ask NESO to **publish both the list of qualifying leasing rounds and the criteria used**.

In relation to the **proposal to remove the requirement** for Users to have held an Existing Agreement and unsuccessfully applied for Gate 2 in the G2TWQ for Protection Clauses 3a and/or 3b, **we do not agree**. These protections were developed to avoid undue discrimination against projects that had already invested significantly but were unable to progress due to **external factors**, particularly planning delays in the UK and Scotland.

The protections were intended to safeguard such projects where planning commitment could be demonstrated, even where capacity thresholds were exceeded. While removal of the Existing Agreement requirement could be considered in areas of genuine spare capacity, any such change should be **evidence-led**. NESO should therefore publish the **supporting evidence base, decision criteria and anticipated scale of impact** before broadening access to these protections, to ensure the framework remains **transparent, proportionate and rules-based**.

Q7	Do you agree with our proposal to allow applications to be failed quickly where the outcome is certain at an early stage? Please explain your rationale.

We support this proposal **only where it applies to new projects seeking to enter the queue**. Projects with existing agreements should continue to be allocated capacity **in queue order as capacity becomes available through attrition**, in line with established principles of fairness and investment certainty.

We agree with the proposal's underlying aim of **expediting process outcomes and preserving network operator resource**, while minimising the risk of erroneous decisions. In zones that are **explicitly oversubscribed**, it would be inefficient to undertake initial and detailed assessment of applications that cannot be allocated capacity regardless of readiness, within that application round.

That said, recognising that any early rejection mechanism carries some risk, NESO should work with network operators to **define a clear and standardised process for such rejections**, including the provision of **robust and transparent justification** to applicants. Establishing a short, well-defined procedure for early decisions will be critical to ensuring the process does not give rise to appeals that would ultimately undermine its objective of efficiency.

Q8	Do you have any comments on a) to c) in Section 7.2 of the *Methodology Consultation* document? Please explain your rationale.

In relation to the mandatory requirements in Section 4.1b of the G2CM, including proposals to require Original Red Line Boundaries (ORLBs) in GeoJSON or shapefile format, **we do not support making such formats mandatory**.

During the G2TWQ process, ORLBs were successfully provided in **PDF format**, which should remain acceptable. Many developers do not have access to GeoJSON tools, and shapefiles proved difficult to upload in practice. Unless NESO provides **standard templates and validation rules**, these formats risk creating unnecessary barriers. If spatial files are required, **KML/KMZ should be accepted as a more accessible alternative**.

We also note a lack of clarity between **ORLBs, planning red line boundaries and option agreement boundaries**, which often differ. Given that an **option agreement is already required for Gate 2**, it would be simpler and more proportionate to define the relevant RLB as that associated with the option agreement. This restriction should therefore be **removed or revised in future iterations**.

Q9	Do you have any other comments on the proposals set out in Section 7 of the *Methodology Consultation* document, and/or any comments on the 'Category B' to 'Category D' changes proposed to the G2CM? Please explain your rationale.

We note the evidence requirements for staged and hybrid projects set out in Section 6.1 (page 27) and consider that a **pragmatic and flexible approach** should be adopted where the **physical project footprint remains unchanged**, including allowing reuse of common ORLB, coordinate data and supporting evidence across stages or technologies. Where only one stage or technology of a staged or hybrid project receives a Gate 2 offer, the methodology must also **clearly set out how securities will be treated and returned** for those elements that do not progress, as the current assumption that securities are only returned following receipt and acceptance of a Gate 1 offer is not explicitly stated and requires clarification to ensure transparency and investment certainty.

Q10	Do you have any views on the most appropriate way to allocate projects to CP30 zones in a Gate 2 Tranche? Please explain your rationale.

We are comfortable with the proposals in the consultation on the allocation of projects in future windows, rather than where this allocation has not yet taken place. As part of this, network companies should ensure they comply with their licence provisions on selecting efficient, economic, and coordinated Points of Connection (PoCs).

In-flight projects that have been developed on the basis of a **customer-requested PoC** within a forecasted zone and this should therefore be honoured as the appropriate basis for CP30 allocation. We strongly **oppose allocating these projects by geographic location or site coordinates rather than PoC**, as changes to PoC can materially affect grid connection design, cost and overall project layout—risks that are particularly acute for offshore projects where alternative PoCs may be located far apart along the coastline.

While we understand NESO's rationale for a pre-application or engagement stage ahead of Gate 2, **further clarity is needed on how this process would operate in practice,** including its form, participants and governance, to ensure it supports delivery and investment certainty.

Q11	Do you have any views on the most appropriate way to fully address material technology change capacity risk in future? Please explain your rationale.

To assess the rationale for this measure, NESO should publish evidence on **offer non-acceptance rates** and the **average volume of capacity being held**, to demonstrate whether the identified capacity accounting gap warrants intervention. However, we strongly oppose any requirement for Users to **relinquish permitted capacity of the original technology when submitting a material technology change ModAp**. As NESO rightly notes, this would introduce significant risk—particularly where projects may also lose queue position without certainty of a future allocation—and would act as a counter-incentive to the intended objective, potentially encouraging capacity hoarding. Instead, NESO could improve the efficiency of material changes and reduce speculative applications by requiring projects to **adhere to equivalent milestones, delivery dates and system impacts** associated with their original offer.

Q12	Do you have any other comments on the proposals set out in Section 8 of the *Methodology Consultation* document, and/or any comments on the 'Category B' to 'Category D' changes proposed to the CNDM? Please explain your rationale.

We have **concerns with the proposal to make attrition-related capacity gaps available to applicants in future windows**. While we agree that, in principle, the proposal should be explored, NESO should instead consider if projects in Gate 1 that met the land and planning requirements, but did not meet the strategic alignment criteria, are able to fill the capacity gaps before looking to insert a new project.

We **support successful appeal projects being placed at the front of their relevant Gate 2 tranche**. However, ongoing uncertainty around the timing of future application windows presents a material risk, particularly where a dispute outcome is upheld. Current indications suggest the next window may not open until Q3 2026, which could result in a delay of up to a year before a successful appellant receives a Gate 2 offer, placing planning, surveys, procurement and overall project delivery at risk. As a minimum, projects with a successful dispute outcome at any level (DNO, NESO or Ofgem) should be protected into future windows and receive a Gate 2 offer, even where this exceeds zonal caps. Clear publication of NESO's formal dispute processes, with consistent and transparent procedures, is therefore essential.

On clauses 8.23 and 8,24, we recognise the need to support regions that are currently undersupplied and manage capacity spread of projects, but this must be carefully managed, alongside the SSEP team, so as not to unfairly disadvantage the onshore wind pipeline in Scotland, where projects are progressing in good faith under the current rules.

The **remainder of the proposals in Section 8 appear sensible**, provided they are clearly communicated to industry should they be developed or implemented.

-	Do you have any other comments?

Given the importance of this consultation for an industry experiencing significant consultation fatigue—and noting that it has taken place over the Easter holiday period—we welcome NESO's decision to extend the deadline by one week. However, given the volume of concurrent reforms and activity across the sector, we believe that **a consultation period longer than the current four-week timeline would have been more appropriate** to allow for full and considered industry engagement.

While not specific to connections reform, we are concerned by the statement in **Section 8.3.2** that "where an SSEP permitted capacity is lower than that in the CP30 Action…". It is critical that the **SSEP enables additional permitted capacity**, rather than restricting it, to ensure that future project development remains investable and delivery confidence is maintained. This is especially critical, given that the Reformed National Pricing Delivery Plan, published on April 21, puts even greater focus on the role of connections in managing and delivering the SSEP outcomes.

Finally, we recommend that the methodology clearly sets out the treatment of **one-off work invoices and costs** where a project transitions from Gate 2 to Gate 1, including whether such costs are returned or offset, to provide transparency and certainty for customers.