

History of 'Queue Management' (QM) policy development

Electricity distribution and transmission companies collaborated in developing the policy

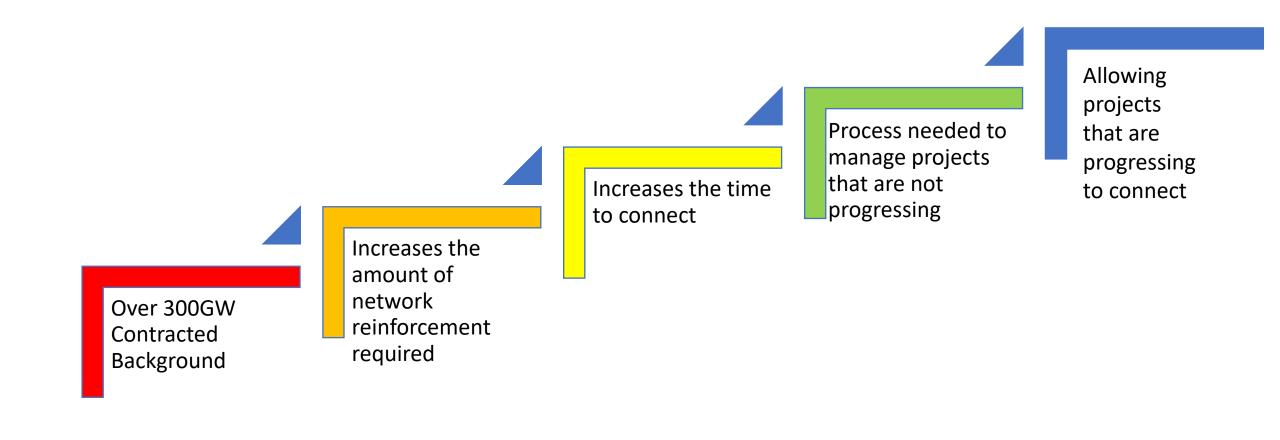
Ensuring, network
capacity allocated to
developers is fully
utilised, particularly with
the transition to net zero
in mind

Network investment to facilitate User connections remains economic and efficient, minimising the impact of connections investment on end consumer bills

Strong commercial drivers are set so that developers keep their projects on track (in support of the two objectives above)

- A proposal to better manage connection queues was therefore developed and consulted on with industry in 2019 and 2020.
- Distribution network owners (DNOs) then implemented this QM approach in July 2021. The ESO determined that elements of CUSC would need to be modified to enable implementation at transmission. CMP376 was therefore raised to do this in Q3 2021.

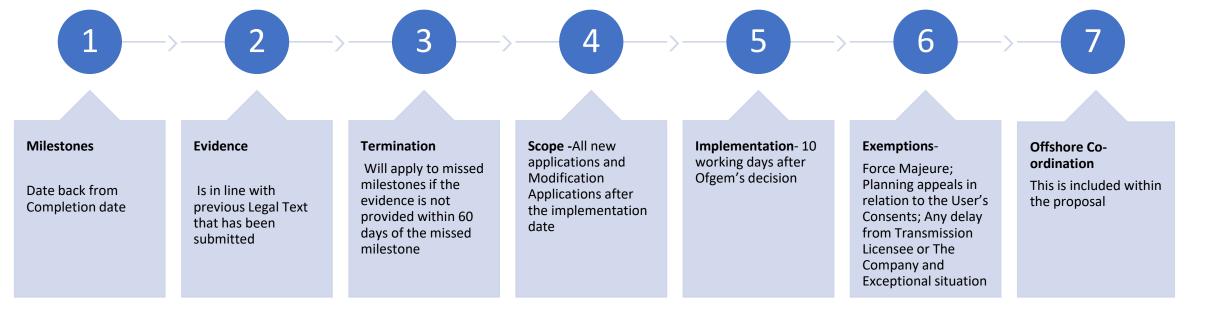
Why is Queue Management needed?



Updated Transmission Milestones Proposal

Retained Distribution Milestone Names for consistency	1 year from requested Completion date	2 years from requested Completion date	3 years from requested Completion date	4 years from requested Completion date	5 years from requested Completion date (including EIA, DCO)
Milestones:	All durations referenced from contracted Completion Date				
M1 - Initiate planning consent	Bilaterally negotiated	18 months	27 months	36 months	48 months
M2 - Secure Consent		12 months	27 months	33 months	36 months
M3 - Land Rights		21 months	30 months	39 months	48 months
M4	N/A for transmission (referenced to provide consistency to distribution)				
M5 - Contestable Design Works Submission	Bilaterally negotiated	18 Months	27 months	36 months	48 months
M6 - Agree Construction Plan		12 Months	21 months	33 months	36 Months
M7- Project Commitment		12 Months	27 months	33 months	36 Months
M8- Project Construction		6 months	9 Months	12 months	18 months

Summary of Proposal



Wider Considerations- Transmission Entry Capacity (TEC) Amnesty

Later this year the ESO, in coordination with Onshore TOs, will be launching a programme to reduce congestion within the transmission capacity queue. In addition to wider strategic benefits, it is anticipated that a successful TEC amnesty will reduce the impact of implementing the Queue Management proposals.

TEC Amnesty is a process run by the ESO whereby we invite all parties with connection agreements listed on the TEC register (i.e. generation developers) to confirm whether they would be willing to terminate their agreement at minimal or no cost or reduce their TEC.

