Frequently Asked Questions - Two step Connections Offer Process

General

This is a live document that will be regularly updated and could be subject to modification.

Why are we doing this Two-Step interim process?

In recent months and years, the accelerated progress being made in the electricity system to support Great Britain's decarbonisation ambitions and to deliver cleaner energy for all, has translated into an unprecedented growth in applications to connect to the transmission system.

In a relatively short time, we've seen the electricity system transform from a small number of large fossil fuel generators to a diverse range of system users, including renewable generation and storage, as well as new requirements for electricity demand. Yet, the process for connecting to the electricity transmission system was designed for fewer, larger power plants connecting to the system, and has remained largely unchanged.

To keep up with this pace of change, we need to reform how projects connect to and use the National Electricity Transmission System (NETS) to deliver benefits to consumers as soon as possible, by enabling ways of connecting more generation to the grid quicker and better managing the impact on the NETS of embedded generation by ensuring a more strategic review and prioritisation of transmission reinforcement works. As of February 2023 there were 250GW of connected and new contracted projects due to connect to the transmission system, and we have seen an 84% increase in applications in just this financial year to date. Ensuring the physical electricity system can quickly adapt to meet these demands has become a key priority.

As a result of the above, a complete system review of the Transmission Reinforcement Works (TRW) for all contracted agreements with a post 2026 connection date is urgently needed across GB. The TRW review will take place using new and updated Construction Planning Assumptions (CPA) against which the contracted agreements will be assessed, which also includes a new approach to the modelling of Battery Energy Storage System (BESS).

Can you explain more about the applied Attrition Rate in new CPA?

The attrition rate is the difference in MW that originally contracted with NGESO versus the MW which actually is connected to the NETS. Not all contracted parties end up connecting and an assumption to that effect has always been considered to some degree in Construction Planning Assumptions (CPAs). The number of speculative connection applications has substantially risen over the past few years resulting in an excessively high volume of contracted parties when in reality only about a third of the volume of projects will make it to Completion. This has led us to review our assumptions and so the ESO will be assuming a higher attrition rate i.e. lower rate of contracted MW turning into connected MW in our CPAs. We will be publishing a CPA policy which will provide further details on the attrition rates that will be applied as part of the CPAs.

How is the new CPA better than what is currently being done?

The aim of the CPA is to provide a reasonable background against which a connection assessment can be undertaken. As a result of the oversubscribed generation background, substantial volumes of transmissions works are being triggered to ensure network compliance and this is driving late connection dates. A review of the connection rate of contracted projects has revealed that the current assumption regarding attrition is too pessimistic (too low). With the amount of generation contracted and a view that a significant amount of it will not connect, we are revaluating what is reasonable and assuming a higher rate of attrition than we have in the past. Furthermore, we are also changing how BESS will be modelled in CPAs to be more reflective of their actual modes of operation. We believe that these initiatives, will improve the CPAs and may ultimately show a less onerous case than previous connection studies, potentially leading to a lower likelihood of requiring particular works.

Will the new storage modelling methodologies include embedded generators going through Project Progression post April 2023?

This area is currently being worked through. The intention is that the new storage modelling methodology will be applied across Transmission and Distribution, this is to ensure fairness of treatment of battery storage connections across GB. We are also exploring the possibility of interim non-firm connections for storage which can potentially bring forward the connection date provided that developers agree to be curtailed without compensation until network reinforcements are completed. As this will require visibility and control of embedded storage, it remains to be established whether this is practicable with existing IT systems and the process for introduction of the new modelling assumptions and connection arrangements for battery storage are being worked on and more information shall be shared with the industry over the coming months following engagement with TO's and DNOs.

How is the Two Step offer process going to improve key underlying issues driving inefficient connection schemes and reinforcements?

We understand that one initiative in isolation will not fix the issues with connections. This interim solution enables NGESO and NGET to complete a coordinated review of the contracted background in England and Wales using new principles for the CPA and modelling of storage. We believe this exercise will enable an improvement to the connection timescales and scope of enabling works for some of those in the contracted queue. However, the scale and extent of improvement achievable won't be known until this optimisation exercise is completed. We also expect to take the learnings and findings from the TRW review to apply to the work we are doing as part of the GB Connections Reform and Centralised Strategic Network Planning. Further to this, we are working in parallel with the TOs, DNOs and Ofgem to progress a variety of other additional solutions that will seek to address the underlying issues within the connection process i.e. TEC Amnesty, Queue Management modification, Customer Portal and Connections Reform.

If I sign up to a new Step One interim offer, will I be included in the new CPA background?

Yes, you will be, and you will then receive a detailed offer as part of Step Two reflecting your place in the TEC queue.

I have a signed connection offer already but considering a mod app to amend the offer, should I wait until post March 2024?

Customers should continue as normal, as it means the ESO and relevant Onshore TO's will have better visibility of your requirements / changes, which will then be used to feed back into the TRW review and the subsequent detailed offer as part of the Two-Step process.

I already have a signed Connection Agreement, what does this mean for me?

We are currently expecting to contact customers in late 2023 to discuss any signed Connection Agreements that potentially can be updated following the TRW review with a proposal of improved dates and/or scope of works.

Will the ESO make any changes to the 'first come, first serve' queue process?

No, the queue of connections will be managed in the same way as today, as CUSC allows us to.

Has an alternative capacity allocation process been considered e.g. as used in Ireland?

We're investigating all potential options to improve the GB connections process as part of the wider connections reform.

As a DNO, I'm concerned about the impact the Two Step offer will have on our embedded customers. How can you mitigate those concerns, particularly regarding timescales in conjunction with our DNO processes?

All customers will be treated in the same way. This may mean that there is a short-term delay for all customers, however, the TRW review should deliver a better background which will lead to customers overall receiving better dates and reduced works (and so securities requirements) going forward. This is an interim measure which we believe will allow both the ESO and TOs to conduct an holistic review of the generation background in order to be able to provide a better offer to customers.

Will the Two Step offer process apply to in-flight NOA Pathfinder Applications?

In-flight Pathfinder applications should not be affected.

How will this new process interact with Offshore Connections through OTNR and the HND?

The revised offers following the HND output published in July 2022 are being progressed. That exercise will take into consideration the findings and the learnings of this TRW review. Likewise this will also apply to any revised offers issued as part of HND FUE (2).

Is there then a second "clock start" effect, where you then have to accept quickly, to secure the best place in the detailed assessment process queue for capacity? Or is the capacity queue all with respect to the initial application clock start?

No, the same principles apply as per the current process. Your place in the queue is secured once your Step one offer is countersigned, therefore, once the 1st Step offer is countersigned then your TEC queue position will be secured. It will also start the clock for the Step two detailed offer to be produced.

If a Mod App has been submitted to change a connection date and push back trigger dates, will this offer be provided before security deadlines under this process?

Provided that the modification application is submitted in good time ahead of the security deadlines, then under this process you will still receive your Step One offer prior to the security deadlines and will be able to push back the trigger date. Though please be mindful of the CUSC Modifications currently at work group 288 & 289 Delay charge and Backfeed.

Will there be iterative analysis throughout this offer process to account for projects in the affected area falling out over the course of offer acceptance?

As we go through the TRW review process, projects may terminate/not accept the revised offers, and these will be picked up through that process. The TEC amnesty should also encourage further terminations are projects that are not progressing. Secondly, the new CPA methodology applies an attrition percentage[1]. The process will also take into account that not every customer will sign their final Two Step offer, so in line with the current BAU process, we would endeavour to review other parties offers and optimise based on this.

Will you be communicating the proposed developments of the CPA to the industry in more detail?

Information has previously been provided (please see attached link), October 2022 London Seminar, however, we are happy to organise a further webinar if needed.

https://www.nationalgrideso.com/industry-information/connections/customer-connection-events

Why is this not being proposed in SSET and SSEN-T areas?

Whilst we have been working with both Scottish TO's on this Two Step offer proposal, however, the volume of new contracted generation in England and Wales is significantly higher than Scotland and so needs to be addressed in a

[1] As discussed further at the Customer Connections Seminar in October 2022, https://www.nationalgrideso.com/industry-information/connections/customer-connection-events

different way hence using Two Step . The Scottish TOs have both agreed to implement the CPA but feel that they can implement this without requiring the two Step offer process.

How is this process ever going to help, when you can't get an overview of the securities you are liable for at the first Step? Why would anyone cancel a connection at the first Step?

There is no commitment to security in signing the first Step offer for a new connection and you will have detail of securities with the Two Step offer so can make an informed decision whether to accept that Second Step offer or not. Not accepting the Two Step offer will terminate the Step One agreement.

What concrete actions are going to be taken as part of the optimisation process? Is the TEC amnesty part of the optimisation process?

We will be using the information from the TEC amnesty to feed into the TRW review process.

How will the interim process align with DNO's PP, SOW, Mod app processes?

Please see slides from 28 February Webinar on the ESO website where we explain approach for DNO’s and Project Progression.

Any existing materiality headroom/trigger at a particular GSP will remain with the DNO to manage as current process. If a DNO requests an increase in materiality headroom/trigger this request will trigger an application to the ESO and so go into the Two Step Process. Any new user will go into Part 4 of Appendix G. If an existing User cancels / terminates their Connection with the DNO (Pt 1 / 2) then that headroom will not be added back into the available materiality headroom/trigger for the DNO to use. This is because of the constraints now on the NETs hence the need for the TRW review to ensure that we are making best use of the capacity that is currently available. Lastly Demand connections will also go into the Two Step process.

Could NGESO issue a Guidance Note clearly explaining the proposed process for all scenarios (BCA, BEGA, SoW etc)?

We have released this FAQ based on the two webinars that have been held and feel this along with the high level process outlined on the NGESO website gives industry the necessary information required.

If applying robust BCA application competency criteria is "discriminatory", how will the new internal CPA optimisation processes not also be discriminatory?

None of it will be discriminatory for anyone. When we review the connection, it will be assessed, and we will look at the impact of that proposed connection i.e. battery storage on the wider system. The connection will be based on the conditions of running the system based on the network configuration, the point of connection and other wider system constraints. Every contract will be treated as an individual contract as it may have specific conditions for that connection.

For the purposes of the CPA re-modelling exercise, would you not simply 'lock-in' a specific POC per project, rather than consider multiple (e.g. dedicated feeder vs T in circuit connection) as that would greatly complicate this technical assessment.

In terms of how parties are modelled in the CPAs and in this review, then they will almost always be assumed to be locked to a site as per their BCA. The purpose of the new CPA assumptions is not to optioneer multiple connection sites for parties. When a party is included in a CPA, they will almost always be assumed to be connecting at the same site.

Is the BESS 0MW BCA restriction only during export constraint? As BESS can help to relief the constraint by importing MW rather than 0MW

Possibly yes, though this will depend on the particular area and the issues there. If there is only a concern around the BESS contributing to a constraint/issue when it is exporting, then there should be no import restriction in their agreement, and vice versa.

It is though still being explored and we will have to discuss with individual customers what this looks like in individual scenarios but we have to be conscious that the storage capacity will be an important factor to consider in any restriction.

How will the optimisation work in terms of understanding BESS performance? Does it include settings for voltage Step change? Will the import/export mimic assumed commercial operation?

The optimisation work and understanding of BESS performance are separate activities. The optimisation work is seeking to improve connections dates using different modelling assumptions for BESS, based on the feedback received from developers on how the assets are intended to be operated. We hope that the new initiatives will provide earlier connections for storage and as more of these assets connect to the system, we will also gain more experience with their operation, thereby presenting a continuous opportunity for the ESO to constantly improve our modelling of BESS as we gain more experience with their operation, there is very little BESS on the system currently. We are also considering asking for more data at the connection stage to understand the impact that storage could have on the network which may include voltage Step change

Do you envision the creation of a lot more infrastructure sites due to the optimisation of a number of solutions (i.e. grid park combinations)?

The primary driver for the review process is to optimise connection dates for those already in the queue. That is unlikely to significantly change many connection designs but rather we anticipate that the revised CPA will result in either less transmission reinforcement works being triggered as enabling works or that they will be triggered later in the queue. We won't know for certain to what extent this is true, or how much of an impact this will have, until the studies are concluded

Does this process require a code mod, industry consultation and regulatory approval?

As this is an interim intervention and given the urgent nature of the proposal we will not be taking this process through the code modification process. An Offer will be made in compliance with the transmission licence and CUSC but, as acknowledged in a specific term in the agreements initially offered, through the Two Step process. We will be sharing a robust governance process with Ofgem, and reporting back to customers and industry on the outcomes of that governance process. OFGEM have also confirmed their support of the Two Step process https://www.ofgem.gov.uk/publications/ofgem-support-new-two-step-offer-connections-process-0

What impacts will the Two Step offer process have on the interactivity process?

We do not envisage any impact on the interactivity process as the queue position will be confirmed by the application and acceptance of the Step One offer.

My Connection Application clock started before 1st March 2023, but my Offer is interactive, will I receive a full Offer if I'm due a reoffer as a consequence of Interactivity post 1st March 2023?

Any Connection Application clock started pre 1st March but falls into the interactivity process should receive a full reoffer following conclusion of the interactivity process (if applicable). The clock start date doesn't change as a consequence of interactivity ,and the user's position in the interactivity queue remains the same, unless the user informs ESO within 10 working days of any changes to their Connection (as per the current interactivity process). If the user advises of changes to their application, the user may need to reapply and therefore be given a new clock start date. If this new application is then clock started after the 1st March 2023 it will be subject to the two stage offer process.

Interactivity Policy: https://www.nationalgrideso.com/document/183716/download

What impacts will the Two Step offer process have on the Third Party Works process?

We do not believe that the Two Step Offer Process will have any material impact on the Third Party Works Process, however, it may provide some delays in identifying if there are any 3rd Party Works.

Have ESO considered longer lead times for Offers instead of the Two Step offer process, i.e. derogation against the licence?

An extension to timescales within which offers are made has been considered. However as we are able to make the Step One offer in the licensed timescales we do not believe it is required. We view the interim Two Step process as the better option as it is more aligned to usual CUSC processes and creates a plan and programme for the issue of offers based on the TWR review and more realistic CPA so keeping the process moving

What is the legal basis for the 9 month moratorium on issuing offers, noting that you have obligations under the CUSC and your license conditions in relation to processing and issuing offers?

There isn't a moratorium on offers. Customers can continue to apply, and we will still be issuing offers to customers in response to that application. The proposed solution will allow us to work on an improved offer process benefiting from a holistic and improved approach to identifying the transmission works required whilst in parallel still provide offers for those who wish to join the TEC queue in the interim.

Security statements are still being received for securities payment against works which have not been established as material the project. How is this permitted?

The purpose of the TRW review is to re-establish the transmission works required to ensure a compliant and efficient transmission system with the connection of a customer's project. Until the TRW review has completed and identified any changes to the works and the existing contracted agreements are revised to reflect this security requirements are based on the existing agreements (and the transmission works in those). This process is governed by both the CUSC and the STC.

I have an existing signed agreement with NGESO but I need to update my agreement with data and due to the completion dates for my project this will be treated as a 2 step offer, if I sign my Step 1 offer but I do not agree with the Step 2 offer that I am then given what happens next? Can I revert back to my previous signed full offer?

When you sign the Step 1 offer you have superseded your previous "full offer" therefore the previous offer can now not be reverted back to. If all of the parties cannot, during post offer negotiations, come to an agreement on the Step 2 offer then the last "full offer" will need to be reviewed and updated to take account of the time that has passed and any changes that now need to be included so a revised "full offer" will be issued instead, to get the customer back into a position where the Connection can be delivered. As a result of this potential uncertainty we would suggest that a Customer does not submit a mod app where possible to avoid this situation. From the 1st December 2023 any offers that clock start will receive, as a matter of course, a standard full offer again, thus avoiding any uncertainty in this period.

Will the Two Step offer process apply to bay reservation under the upcoming Voltage Pathfinder?

The reservation of bays is not impacted by the two-step offer process as these are facilitated through STCP mechanisms rather than through the Connections process. Any reserved bays identified for the Voltage Pathfinder process will have an assessment consistent with a full offer. It is expected that for any future use of bay reservation by the time a provider needs to make their application for a reserved bay, the two-step process should be complete, and the usual 3-month offer process re-instated. No preferential treatment or access to capacity will be given to bays reserved under this process, given the nature of the pathfinder.

Will the Two Step offer process affect any other types of connection application for the upcoming Voltage Pathfinder? For example, an existing connection wishing to Mod App or a party seeking a new connection for the upcoming Voltage Pathfinder?

If the connection is due to connect prior to 2026 it will get a full offer, and therefore not be impacted by the two-step offer process.

If the connection is due to connect in 2026 or after then:

• Existing contracted parties whose connection date falls within the scope of the Voltage Pathfinder tender/contract terms, already have a signed full Connection Agreement and are able submit modification applications to add Mvar-only, 0MW solutions with no fault level contribution to their plant will be given for the Voltage Pathfinder-only a standard modification offer.

• Parties who submit new connection applications for Mvar-only 0MW solutions with no fault level contribution specifically to submit a Voltage Pathfinder tender shall be provided with a full connection offer (providing it does not materially disadvantage a party currently going through the two step Connection Offer process)

• Parties with existing connections that wish to make 'Minor' Technology or Design change modification requests specifically for the purpose of submitting a tender for the upcoming Voltage Pathfinder only, will receive a standard modification offer with the basic changes included.

o Minor in this case means changes with no impact on MW export behaviour or change to fault level contribution. Any technology or design changes with impact to MW export behaviour would be required to go through the two-step process

It should be noted clauses in the connection contracts are required to acknowledge that when the overall two-step optimisation process concludes the connection agreement may need to be potentially updated to finalise its details. If the connection customers are going through the connection process waiting for a full offer with more than 0MW associated with their application, and they try to change this application to add reactive power capability (Mvar) whilst retaining the original capacity, they would not receive the two-step exemption as the overall application would still have the MW associated and therefore would still be required to go through the two-step process. '

Costs and Application Process

Have the application fees changed?

No, the application fee remain the same as current, customers have the choice to fix the application fee or have a variable which will be reconciled when the Step Two offer is signed.

Do we have to pay for the interim Step One offer?

As set out above, the approach to applying Application Fees is unchanged. You will still be charged an indicative fee on application in accordance with our Charging Statement. For Variable Fees the cost reconciliation will occur as normal, but after both the Step One and Step Two offers have been made. However, we anticipate Step One costs to be negligible. https://www.nationalgrideso.com/industry-information/charging/charging-statements

Is the process to apply the same as the current process?

There will be no change. Please complete the same information as per the current process . https://www.nationalgrideso.com/industry-information/connections/connecting-electricity-grid-process

Will any offer (New or Mod App) sent post 1st March 2023, by NGESO to a customer, be sent out as an Interim Step One offer?

No, Two Step offers will only apply to Offers that clock start after the 1st March. If the Completion date is pre 2026 then the User will recieve an offer in the standard form as per the usual process to avoid slowing down any projects that are in delivery. This Two Step process will apply applies to all Generation and Demand (with a few exceptions listed below) with a completion date post 2026.

Modification Applications

This interim two step offer process will also likely apply to any new Modification Applications that clock start on or after the 1st March 2023 . The decision whether the modification application will be treated as a Two Step Offer or given a standard offer will depend on the status of the project and it meeting a number of key criteria. Therefore, each Modification Application will be assessed on a case by case basis and NGET will advise pre clock start of what solution will be taken, which NGESO will pass onto the customer. Therefore the customer will be aware ahead of clock start what offer type they will receive from NGESO.

Why was I not told about this when I made my application?

Every customer will be made aware if their offer, ahead of clock start, will be treated as a Two Step offer,So can make their decision to proceed accordiginly

Can you elect to have connection light or standard offer?

No, the Two Step offer process will be applied to all offers (unless on the exceptions list above) that have a connection date from 2026 onwards.

In order to address speculative applications and help with the volume applications received, why does the ESO not request that developers prove they have land rights / lease / site award?

We will be looking at minimum requirements as part of the Connections Reform process. This Two Step process is to enable us to review the contracted background rather than determine in a new way which applications are competent which would most likely d need to go through the code modification process and so would not add the necessary value at this point in time.

Step One - Interim Offer

How firm is the Step One offer?

The interim offer will be firm in relation to secured TEC or capacity and place in the connection queue. The connection point will be as requested in the application and will be confirmed in the Step Two Detailed Offer. The Completion date will be based on the current CPA background for all offers.

No works are listed, why is that?

The contracted background against which your connection is assessed is being revalidated through the CPA / BESS review and subsequent TWR review . The Step Two offer will be based on this and will identify the CPA required for your connection.

Why are the securities £0 for new applications

There are no TRW and so no Attributable works identified in the Step One offer as being required for your connection, therefore, no securities will be requested. For Modifications securities will be reviewed on a case by case basis by NGET depedning on the works required.

Why can I not fix my securities?

As above, no Attributable works have been included in your offer. When you receive your detailed offer in Step Two, any applicable Attributable schemes which may be required will be included and you will be given the opportunity to fix.

Does NGESO have the ability to amend the Connection Agreement?

Yes. The Step One offer will have provision for it to be amended by the Step Two offer. As well as setting out the detail of the TWR and programme this could result in some key elements of the agreement needing to be updated, eg the offer may become staged. We will keep the customer infromed of our progress and any changes to the agreement getting their support and buy in hence needing to have this requirement in place.

What does the interim offer give to me?

A place in the TEC queue and the commitment to a Step Two Offer. The Step one offer will assume a connection point as requested in the application and a Completion date will be based on the current CPA background for all offers.

Why is there a new Termination Clause added into the Agreement?

As noted above, the Step One Offer does not have any Enabling or Attributable schemes listed in it, therefore, it cannot be used to deliver a physical connection in the future. The Step Two offer fills in this detail but if the customer does not want to proceed on this basis, the Step One offer (which the Step Two offer replaces) needs to be terminated.

Why does the Step One offer take up to 90 days for NGET and NGESO to produce?

90 days is the licensed timescale within which the ESO, without an extension form Ofgem, must produce an offer for a Connection or Use of System Offer. However, neither NGESO or NGET (Transmission Owner) expect the process to take the full 90 days.

How often will I be kept up to date with when my detailed offer will be available?

The Step Two offer is targetted to be supplied within 9 months of countersignature of the Step One offer. Your Customer Contract Manager will keep you updated with how your detailed offer is progressing, there will also be a monthly webinar to keep industry informed on the process generally.

How does the Two Step process enable my project to proceed effectively?

By taking the time (through Two Step process) to reassess and rationalise the contracted background, the Two Step offer should provide a better and more realistic connection offer in terms of TRW required and so connection date

Will connection dates be continuously reviewed as changes happen to contracted backgrounds?

If the outcome of this process is that we believe that a holistic review should be taken more often, then we will seek to implement this as part of the Connections Reform Process going forward.

The 'Initial Offer' includes a 'connection location', but the 'Follow up offer' states that POC would be 'confirmed'. What does 'connection location' specifically mean? If it does mean POC, how likely is it to change?

Point of Connection is Step One offer will be as per the Users application it will then be studied and confirmed in Step Two NGESO & NGET will endeavour wherever possible to ensure that the connection is as requested by the User, if there is a change then that will be communicated ahead of the Step Two offer being produced and discussed to ensure all parties are aligned.

Will the Step One Offer adhere to the BCA and Construction Agreement requirements in CUSC?

The agreements have to be in substantially the form set out in the CUSC schedules. We will provide a BCA and Construction Agreement front end in line with those proformas with interim specific offer clauses added. These will provide for a subsequent Agreement To Vary under which the detailed appendices will be provided. We see Step One initial offer as an interim measure, which coupled with the second offer, will ensure that CUSC requirements are fully met

After the new CPA is implemented, the attributable enabling works may reduce. If the customer has Fixed its liabilities will it have an opportunity to revert to Actual?

CUSC does not allow a User who has Fixed their Attributable Works Securities to revert back to Actuals, so unfortunately even if the works do change as a result of the TRW, we are unable to give a User this option.

Step Two Detailed offer

When can I expect my Step Two Detailed offer?

Targetted within 9 months from counter signature of Step One offer.

If I decide not to sign my new Step Two offer what happens?

The Step One offer is terminated as above and the reconciled application fee is returned. No securities will be requested.

What will change in the detailed offer from the interim offer?

The Step Two offer will set out the TRW and programme to provide the connection. It is hoped that this will reflect an improved connection date over that assumed in the Step One offer and that less TRW (and so securities) will be required as a consequence of the new CPA / BESS assumptions.

We will keep the process under review and amend where needed.

Is there risk of a worse Second Step connection offer, i.e. increased costs, later completion date?

We hope with a complete system review and better sight of how different technologies behave, the outcome for connections will be beneficial to customers.

If the outcome for customers is worse through the Two Step offer process this will be picked up through the governance process, we will continue to discuss this with a customer and explain the impacts which will arise from this situation.

When will this interim process come to an end?

The Process will run this for 12 months and review the results

If some detailed project parameters change between accepting a "light offer" and the "follow up" (e.g. TEC and technology type remain the same but the transformer parameters change due to ongoing development) would a mod app be required or could the follow up offer be made on the basis of the latest known User parameters?

We want to make sure there is enough flexibility and agility between Step one and Step two offers, so if there are subtle changes to the DRC data before we issue the Second offer it can be taken into consideration by NGET before this second offer is issued. It is prior to the second Step offer that NGET will perform the detailed study work. This would only apply to nominal technical changes to transformer parameters etc rather than material changes such as a technology change e.g. Solar to BESS .

AOB

How will ESO address those customers missing milestones in their connection agreements and that are likely to not connect?

We are looking to address this through the implementation of Queue Management which is currently going through the CUSC approval process. If this is implemented, this would allow the ESO to remove from the queue those customers that are missing milestones and are unlikely to connect.

In addition, we have recently launched an expression of interest in a TEC amnesty which will allow parties which have excess TEC or have realised that they will not be able to progress with their project, to give up the TEC with either no or minimal financial penalty.

https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp376-inclusion

What will be happening in NGESO regarding resourcing/process in the meantime to ensure that there will be capacity to issue the fully worked up follow-up offers? Otherwise is this not just pushing the resourcing challenge further down the line?

We have been recruiting and increasing the team considerably and we have plans in place to continue recruiting. Throughout the industry, there are issues with recruiting enough staff to handle the amount of demand and we will not be pausing any recruiting during this period. We are not implementing this plan to save on resource and we are conscious that this process will need significant resource to make it work and ensure that we can review the amount of offers that we need to review.