Letter of Authority Webinar Q&A

02.04.2024

Following the Letter of Authority (LoA) webinar held on 26 March 2024, the ESO has responded to all stakeholder questions raised, and <u>supporting guidance is available online</u>:

Scope

• Which projects/ customers does LoA apply to?

The LoA requirement only applies to those that are looking to directly connect. This includes directly connected demand projects.

DNOs and IDNOs are only required to submit a LoA when submitting a new application for a Grid Supply Point (GSP). It is not required for project progressions.

The LoA requirement does not apply to embedded projects or modification applications.

It does not apply to offshore projects or interconnectors. These project types will be considered as part of the Phase 2 LoA modification process.

It does not apply to any applications that were already in flight or had not clock started by the 28 March 2024. The LoA will only apply to new applications submitted from 28 March 2024 onwards.

 Will you update the legal text to clarify the caveats for where a DNO LoA does or does not apply?

The Legal Text will not change at this point. The guidance includes all the information required for developers to follow the correct LoA process.

Red Line Boundary

• Will you need LoAs for all landowners hosting any element of the project's infrastructure or just the landowner hosting the POC/project substation?

The red line boundary is not required to cover the project's cable routing, or the land needed for a network substation but the LoA (or, if more than one is required, the multiple LoAs) should include the area/footprint of the applicant's proposed development (e.g. the wind farm site) by reference to the land area / footprint that the individual LoA (or LoAs) covers.

• Red line boundary for an IDNO - is this just the red line boundary for the new GSP or for the generator's site boundary also?

The red line boundary is only relevant for the actual GSP itself. Further details about this are outlined in the LoA Guidance document.

ESO

• How will you deal with changes to project boundaries once a connection agreement is in place? Can we still add more land beyond the initial LoAs?

At the moment, when you submit your LoA, it is only needed at the point of application submission. Once you have received your offer, there is no need to resubmit amendments to your boundary details. However, changes to this process will be looked at as part of Phase 2 LoA.

• Does red line boundary need to include circuit route from generator to PoC? If so, how can we submit red line boundary until the TO tells us where the PoC will be?

The red line boundary is not required to cover the project's cable routing, or the land needed for a network substation but the LoA (or, if more than one is required, the multiple LoAs) should include the area/footprint of the applicant's proposed development (e.g., the wind farm site) by reference to the land area / footprint that the individual LoA (or LoAs) covers.

LoA Phase 2

• It's vital that for this change to be effective to the current state of the connections queue, that the mandatory LoA is applied retrospectively. Will you do this?

The second LoA mod will take this into consideration.

• Does this apply to Modification Applications (Mod App) submitted for existing projects and when will the second LoA mod be raised?

This does not apply to Mod Apps. The second LoA mod will take this into consideration.

LoA Phase 1 is currently being considered at the moment and we are unable to commit to exact timeframes. We will engage with the industry as soon as possible.

Minimum Acreage

• Can you please share the link to the minimum acreage guidance and confirm how it will work if the criteria is not met?

It is included as part of the <u>guidance note</u> which is available on the connections journey webpage under the Essential applications resources tab.

In relation to the minimum acreage guidance, we will apply its discretion where the criteria is not met. The Energy Density Table is not a clear cut off, therefore discussions with the developer will be undertaken to understand the nuances of the project where necessary.

LoA Templates and guidance

• Please can you provide the link to the download of the LoA template?

The LoA templates and guidance are located online under the 'Essential Applications Resources' tab.

 Would you consider signed Option/Exclusivity/HoTs for Land Lease/Purchase instead of LOA?

In short, no, we have provided the templates within the CUSC. These would need to be followed. This other documentation could be added as supporting information, but the template is required.

Land Ownership

• Can you provide some clarity on the process for land already within applicant's ownership?

Template B should be used where the applicant is the owner of the land.

LoA retraction

• Can a landowner retract an LoA before any offer is accepted?

We may contact the Landowner as part of the validity checks if we have a concern. However, once the LoA is submitted as part of the application process and if the Landowners confirm this is valid, it will be accepted.

Success Criteria

• Will LoA actually reduce the amount of applications? A LoA can be taken very easily from the landowners.

The LoA requirement is focussed on improving the viability of projects entering the connections queue. It provides confidence that the land can be developed for a connection. It is therefore focused on raising the bar of applications received and reducing speculative applications.

CUSC Change

• Will you need a CUSC change to update the guidance, or will that happen without consultation?

The ESO will undertake industry engagement when changing guidance. Webinars or industry input will be sought when future changes to guidance are required.