

Northern Powergrid – NESO Two Step Connection Offers

Frequently Asked Questions

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What are Two Step Connection Offers?

The NESO two-step offer process began with an initial offer identifying a connection site based on the application. This was followed by a detailed follow-up offer within nine months, incorporating adjustments from the Transmission reinforcement Works review. This approach was implemented by NESO with the aim to efficiently manage connection applications and adapted to new demands on the transmission system.

We have provided a list of Frequently Asked Questions (FAQs) and their responses below. If you have any further questions, please direct them to your Single Point of Contact for your Connection Application.

General Requests and Information

- Q: Can an S Curve be provided?
- A: Yes, upon request through your Single Point of Contact.
- Q: Can NPg provide Appendix E from the Mod App, or details of the works that NGET needs to complete?
- A: Yes, we can.
- Q: Can NPG provide more detailed Appendix G info so that we can match it with the Embedded Capacity Register?
- A: We are in the process of updating the data to ensure alignment.
- Q: Will we be informed if the GSP has been classified as an infrastructure GSP?
- A: NESO will determine this, and will inform customers through the <u>TEC register</u>. The offers we are getting in Step 2 are likely not to be considered an infrastructure site. NESO inform NPg through the BCAs which we have none at present.
- Q: Will there be a further call in the coming months to discuss the other GSPs?
- A: Yes, we will keep updating through our quarterly webinars. Please access our <u>events page</u> and you can view past information on our <u>transmission interface web page</u>.
- Q: Will we receive a notification from NPg to provide our planning and land rights evidence early next year for an accelerated date in the connection?
- A: Yes, but you don't need to wait for our notification before you start pulling it together.

Connection Offers and Queue Position

- Q: What is the impact on the existing offer if a Step 2 offer moves the accepted Point of Connection?
- A: The variation (letter) now proceeds with the old offer along with the solution. Note that the new proposed solution may be subject to change following connections reform.
- Q: If the existing Point of Connection was a loop-in or at a lower voltage, will a new GSP provide a similar solution?
- A: No, a new GSP is an entirely different design.
- Q: What is the impact on the existing offer if the Step 2 offer moves the accepted Point of Connection?
- A: We will have to reissue the Connection Offer for acceptance with updated costs and technical solution

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- Q: If we have obtained full planning permission and secured land ownership, will our position in the connection queue be advanced since we are ready to connect? Additionally, will a new offer be issued to reflect any updated connection costs?
- A: TM04+ and the code modification proposals set out a number of criteria, including land permissions. When approved by Ofgem, we will write to you in Q1(keep you informed beforehand through our webinars), about what NESO needs from you to secure a Gate 2 position. Your progress up the queue will be based on NESO countersignature date, meeting the readiness and needed criteria (NESO Gate 2 criteria & CP230 Strategic alignment). You will have an opportunity to request advancement, which comes with an additional NESO charge as the queue cleanses. Please see the <u>NESO Connections Reform webpage</u> for more information.
- Q: If I have met all milestones, why does my connection still have a 2035 Connection Date?
- A: There is no headroom for this new generation connection without carrying out transmission reinforcement
- Q: How have the capital contributions been calculated, including scheme capability and division of costs between the triggering parties?
- A: They are calculated and apportioned based upon the agreed export capacity.
- Q: Can you provide a list of the other projects that are liable for the capital contributions?
- A: No, a list will not be provided.
- Q: Can the offer validity period be extended?
- A: No because NPg must sign the offer with NESO within certain specified timescales
- Q: If we have obtained full planning permission and secured land ownership, but are a large station, will our position in the connection queue be advanced since we are ready to connect? Additionally, will a new offer be issued to reflect any updated connection costs prior to gate two opening or will projects less than 99.9MW take all the available capacity?
- A: See previous answer.
- Q: Is moving the Point of Connection enforceable under the terms of the accepted Connection Offer?
- A: Yes, it is covered in the offer letter where the DNO offer is subject to change following the Transmission Impact Assessment.
- Q: Will tech limits projects take capacity ahead of large projects waiting for gate two?
- A: No. Tech limits accelerated projects don't take capacity, they optimise capacity that is already allocated. Capacity is achieved through reinforcement that happens later.
- Q: Is it possible that a project switches to another GSP if that is beneficial in terms of cost and connection date?
- A: Currently that is not an allowable change, it would require a new application as it is a material change and thus a new position in the queue.
- Q: Emergency Tripping Instructions: In the offer it is mentioned this is a rare event but is there any supporting evidence to demonstrate how rare this is?
- A: Not currently due to the uncertainty of the connection and the GSP
- Q: What also happens if we do accept this offer and when we find out the location of the new GSP introduces additional costs? Are we allowed to cancel the project with no cancellation costs?
- A: Only if you accept the fixed cost cancellation option (and make a payment to mitigate that risk).
- Q: Who is liable for the increased cost if the cable route differs in length?
- A: Costs which NPg passes on are covered within the offer. Anything outside the offer will be covered by the customer

Technical Limits and Costs

- Q: Will an application with a Step 2 offer receive an EOI for DTL?
- A: When you have signed your firm grid connection, if the GSP is eligible for Tech limits, you will receive an EOI within 2 weeks. New GSPs are eligible for Tech limits.
- Q: What is the timeline for technical limits offer where Eol forms have been filled out months ago?
- A: This is a project-specific query; we will discuss this directly. We are not aware of EOI waiting for anything other than Stella, West Melton, and a small number at West Grimsby.
- Q: When will Tech Limits be offered for the various GSPs?
- A: In the context of the Two Step offer process, before technical limits can be offered, you need to accept an enduring offer. If it is an existing GSP, we can follow a similar process for technical limits as we have been to date. If it is a new GSP, until that GSP is built, there is no opportunity to accelerate under technical limits.
- Q: Will the variation offer include Power Swing and Ramp Rate maximums for BESS?
- A: This needs to be requested from National Grid. In the context of the Step 2 offer, it describes the offer as an output of a transmission network assessment. If that changes the distribution offer, then the answer is no.
- Q: After the gate 2 cleanse (connections reform), do you think tech limits will be reviewed and updated? As I imagine some of those projects with tech limits might not get through gate 2.
- A: A project moving forward through tech limits hasn't acquired immunity from Gate 2 criteria. Tech limits are about accelerating projects ready to connect, and if they are entering that process without those criteria in place, they are not suited to tech limits anyway.
- Q: Should a customer decline the initial Tech Limits Offer proposal because certain conditions set, what alternative solutions are being explored (if not an enduring solution), and how can we go about discussing them with NPg?
- A: The connection reform activity will enable customers to connect when they are ready and needed. We will also be using capacity reallocation processes to make use of MW made available from projects that have exited the queue.

Please note: The Government led 'Connections Reform' is fast paced and ever evolving this content may be subject to change. Date of publication 22/01/2025.