

National Grid ESO Faraday House Gallows Hill Warwick CV34 6DA

nationalgrideso.com

28 May 2024

Dear Company Secretary,

CC: Commercial contact

Request for Information on Land Rights and Planning Status

In December 2023, the ESO published its final recommendations for Connections Reform following intensive engagement with industry and wider stakeholders since October 2022. Within the final recommendation report¹, the recommendation was that the ESO adopts a 'first ready first connected' reformed connections process to be based on an early application window (with an indicative frequency and duration of 12 months) and two formal gates. This corresponds with Target Model Option 4 (TMO4), which was the ESO's initially recommended connections process model within the June 2023 consultation.

Subsequently in April 2024, ESO published its intention to apply certain aspects of TMO4 to projects in the existing connections queue, as well as to new applications². This is referred to as TMO4+. Under TMO4+ Gate 1 would provide an indicative connection date and location following batched assessment. Only viable and robust projects that meet the Gate 2 criteria will be provided with a queue position and a confirmed connection date and location. This approach would be applied to transmission and distribution projects in the existing queue, as well as to new projects applying for network connections. Each project, including new applicants under the reformed connections process, would be able to obtain a queue position after they have reached Gate 2, irrespective of when they originally applied. Capacity freed up by the TMO4+ approach would be used to offer better connection dates to existing projects that have met the Gate 2 criteria, if they wish to be accelerated, and to projects arriving at Gate 2 in the future.

Ofgem recently published its decision that various code modifications necessary to deliver the reformed connections process (CMP434, CMP435³, CM095 and CM096⁴) be progressed on an urgent basis.

¹ Connections Reform Final Recommendations Report December 2023 <u>download (nationalgrideso.com)</u>

² <u>https://www.nationalgrideso.com/document/316446/download</u>

³ https://www.ofgem.gov.uk/sites/default/files/2024-05/CMP434%2C%20CMP435%20Urgency%20decision%20%28CLEAN%29.pdf

⁴ https://www.ofgem.gov.uk/sites/default/files/2024-05/CM095%2C%20CM096%20Urgency%20decision%20%28CLEAN%29.pdf

ESO

Recognising the urgent status granted to the reform code modifications and to help with the implementation processes if the code modifications are approved, the ESO is now wanting to establish whether developers hold secured land rights for the proposed location of each connection. The construction agreement contains a programme that parties should be working towards and developers have obligations to obtain the consents they require for their project and to liaise with and keep the ESO generally updated as to progress on their projects. Therefore, the ESO asks that details are provided of the appropriate Land Rights⁵ and the Consents status for all projects within your portfolios, that currently have a connection agreement with the ESO (please complete a separate form for each of your projects). Please note the ESO may, in the future, request further information pertaining to Land Rights and consenting status of each projects.

Under the code modification, as proposed, retaining your existing connection date or being in a position to accelerate that date will be dependent on meeting specified criteria such as having secured land rights; therefore, providing an early understanding of projects in that position will be helpful to all parties in understanding the impacts of the modification proposals and whether projects can or cannot be accelerated under a reformed queue.

The ESO asks that you provide this information within one month from the date of this letter via the following link:

Connections Reform | ESO (nationalgrideso.com)

Yours faithfully

ROBYN JENKINS Head of Connections Change Delivery

FOR AND ON BEHALF OF NATIONAL GRID ELECTRICITY SYSTEM OPERATOR LIMITED

⁵ Developer to provide documentation to demonstrate that: (i) The User is an owner or tenant of the land on which the proposed Site is or will be situated; or (ii) The User has entered into an agreement to lease the land from the owner of the land on which the proposed Site is or will be situated; or (iii) The User has an option to purchase or to lease the land from the owner of the land on which the proposed Site is or will be situated; or (iv) For an offshore site, the User has entered into an agreement for occupation or use of the seabed upon which the User's project (excluding any OTSDUW) is or will be located.