

APPENDIX [Q] QUEUE MANAGEMENT PROCESS

Q1.1 This process will be applied by **The Company** in measuring the progression of a **User's** project against the connection date (which means the **Completion Date**, or where the **User's Project** is staged, the relevant **Completion Date**)

Q1.2 [to consider whether need to add something re EG and interaction with Distribution QM process. The intro to Exhibit 3 has been edited to make clear App Q wont apply to EG or DNO consag associated with EG.]

Q1.3 The User Progression Milestones

These are the milestone events/timings against which the progress of a **User's** project will be measured; they are listed in the table below, together with the evidence required to show that they have been met.

Milestone	Detail	Evidence	Milestone Period
Milestone 1) Initiated Statutory Consents and Planning Permission	The User must begin the process of seeking statutory consents, including Planning Permission for the project within the timescales and be able to provide the required evidence.	Submission of planning application to the correct planning Authority	See table (varies with lead time).
Milestone 2) Secured Statutory Consents and Planning Permission	The User must have secured statutory consents, including Planning Permission for the project within the timescales and be able to provide the required evidence	<p>The planning decision notice confirms planning permission has been granted and that this permission allows the User to meet the terms included in this Construction Agreement.</p> <p>Note: The Company shall check progress the User has made against the relevant planning portal for a decision notice.</p>	See table (varies with lead time)
Milestone 3) Secure Land Rights	The User must have secured the required Land Rights to enable the construction of the project. The User may be the owner/occupier of the land or has the necessary agreement from the owner/occupier.	<p>The User shall provide documentation to demonstrate that:</p> <p>(i) The User is an owner or tenant of the land on which the proposed site is or will be situated; or</p> <p>(ii) The User has entered into an agreement to lease the land from the owner of the land on which the proposed</p>	See table (varies with lead time)

		<p>site is or will be situated; or</p> <p>(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</p> <p>(iv) The User has entered into an exclusivity agreement in relation to the land with the owner of the land on which the proposed site is or will be situated.</p>	
Milestone 4) N/A for Transmission	This milestone is null here, it is included only because there is a milestone number 4 in a comparable queue management process for non-transmission-connected generators, and an aim is alignment of the regimes	Null	Null
Milestone 5) Contestable Design Works Submission	This milestone will apply where a User has gone down the contestable route for connection. The User will be required to provide evidence that their independent connection provider (ICP) has submitted a design for contestable works to the DNO or if they are accredited, notification that they	This milestone will apply where a User has gone down the contestable route for connection. The User will be required to provide evidence that their independent connection provider has submitted a design for contestable works to the relevant Transmission Owner , or if they	See table (varies with lead time)

	have self -approved their own design	are accredited to do so, notification that they have self-approved their own design.	
Milestone 6) Agree Construction Plan	The User must agree the Construction Plan with the network operator which demonstrates how they will achieve the agreed connection date. This milestone is measured from planning permission being granted and demonstrates that the customer is ready to proceed with the project.	The User's programme of works (and/or Independent Connection Provider programme of works) shall demonstrate how the User will be ready for the commissioning programme and Completion Date . This must include a fixed start and Completion Date for Project Construction (Milestone 8).	See table (varies with lead time)
Milestone 7 Project Commitment	This milestone demonstrates that the project has the necessary commitment or backing which is for it to proceed. This milestone follows the same timescales as M2 and M6, this ensures that linked activities continue to progress and to allow time for the User to obtain Financial Close.	One of the following: <ul style="list-style-type: none"> • Binding contract issued by the User for main plant equipment; or • Capital contribution payments made to The Company in advance of connection; or • A decision paper from a formal, minuted meeting of the User's board of directors evidencing Final Investment Decision (FID); or • award of a subsidy. 	See table (varies with lead time)
Milestone 8 Project Construction	Project construction is the project phase from when a User	Clear progress as per Milestone 6 agreed with The	See table (varies with lead time)

	<p>begins the site works to carry out construction of its project until completion of the construction works in line with the Construction Plan (as agreed at milestone M6). Milestone M8 will be measured against an agreed construction start date taken from the Construction Plan and any other interim construction milestones.</p>	<p>Company and Relevant Transmission Licensee - measured against an agreed construction start date</p>	
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The date by which a Milestone has to be achieved is derived from the following Table working backwards from the [connection Date]

	from 1 to 2 years (365 to 729 days) from Connection * date	2 to 3 years from Connection date	3 to 4 years from Connection date	5 or more years from Connection date (including EIA, DCO)	5 or more years from Connection 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

Q 1.4 Project Milestone Communications

Q1.4.1 The **User** shall document and provide the evidence in accordance with the table above of progress on a **User Progression Milestone** at least 30 days ahead of the date of that **User Progression Milestone** to prove that that **User Progression Milestone** has been met.

Q1.4.2 The **User** will notify **The Company** and the **Relevant Transmission Licensee**, at the earliest opportunity, of any issues that will impact on the **User's** ability to meet any of the **User Progression Milestones** and provide **The Company** and the **Relevant Transmission Licensee** with any reasonable evidence of this. This evidence will be considered under Q1.4 below

Q1.4.3 **The Company** will upon receipt of evidence provided in accordance with Q1.4.1 above, advise the User within [30] as to whether it is satisfied that the **User Progression Milestone** has been met.

Q1.4.4 If no evidence is provided in accordance with Q1.4.1 above, or the provided is considered insufficient, the provisions relating to the **Queue Management Process** at Clause 2 of this **Construction Agreement** shall apply.

Q1.4.5 Whether or not any of the **User Progression Milestones** have been achieved and/or what constitutes progress towards achieving them is a matter for the sole discretion of **The Company**.

Q 1.5 Exceptional Issues on **User Progression Milestones**

There may be a small number of exceptional issues outwith the **User's** control which may lead to **User** project delay.

Such exceptional issues include, and are limited to:

- **Force Majeure** under this construction agreement;
- Planning appeals and third party challenges in relation to the **User's Consents**;
- Any delay which is caused by **Relevant Transmission Licensee** or **The Company**

Where a **User's** project experiences delays against a **User Progression Milestone**, as a result of an exceptional issue under the headings here, and providing the **User** notifies **The Company** and the **Relevant Transmission Licensee** of the delay and reasons for the delay at the earliest opportunity and provides reasonable evidence to justify this and satisfies **The Company** that the specific delay falls under this Q1.5, such delay will not result in termination of the **User's** project under Clause 2 of the **Construction Agreement** in relation to the relevant **User Progression Milestone** or **User Progression Milestones**.

Whether or not exceptional issues apply as listed here, is a matter for the sole discretion of **The Company**.