

Public

Impact of Forward Looking Milestones

November 2024

Background to illustrative examples

Requirement to submit the application for planning consent at the earliest of:

- i) the Queue Management Milestone M1 (“M1”) calculated back from the connection date (as per current CMP376 methodology); or
- ii) M1 calculated forwards from the Gate 2 offer date (based on an agreed standard time period calculated from the date that the Gate 2 offer is accepted for each planning type) to move from Queue Management Milestone M3 (“M3”) to M1.

The following slides show attached examples of how forward calculated M1 would work with some illustrative time periods for discussion.

We have also added in illustrative examples of how forward calculated M1 would work for a staged connection (one same technology) and a staged connection (different technologies)

Queue Management Milestones – Example if M1 forward looking

Gate 2 Offer issued – 1 December 2025
Connection Date – 1 April 2031

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date)	1 April 2027	1 April 2027	1 April 2027	1 April 2027	1 April 2027

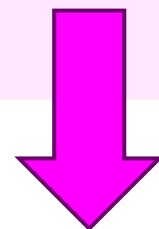
Text in green shows what the Queue Management Milestones would be in the Construction Agreement

Queue Management Milestones – Example if M1 forward looking

Gate 2 Offer issued – 1 December 2025

Connection Date – 1 December 2031

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date)	1 December 2027	1 December 2027	1 December 2027	1 December 2027	1 December 2027



Forward looking and Backwards looking M1 would be same

Text in green shows what the Queue Management Milestones would be in the Construction Agreement

Queue Management Milestones – Example if M1 forward looking

Gate 2 Offer issued – 1 December 2025

Connection Date – 1 April 2032

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date)	1 April 2028	1 April 2028	1 April 2028	1 April 2028	1 April 2028

Text in green shows what the Queue Management Milestones would be in the Construction Agreement

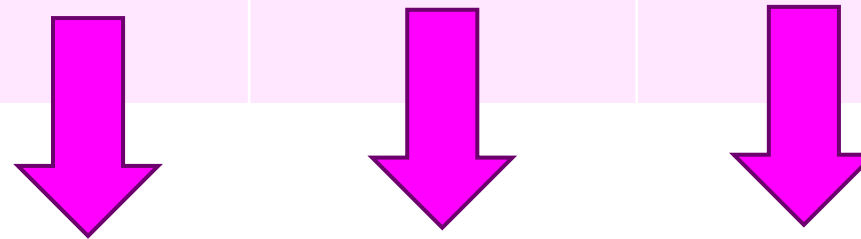
Queue Management Milestones – Example if M1 forward looking

Gate 2 Offer issued – 1 December 2025

Connection Date – 1 December 2032

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date)	1 December 2028	1 December 2028	1 December 2028	1 December 2028	1 December 2028

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Forward looking and Backwards looking M1 would be same

Queue Management Milestones – Example if M1 forward looking

Gate 2 Offer issued – 1 December 2025

Connection Date – 1 April 2033

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date)	1 April 2029	1 April 2029	1 April 2029	1 April 2029	1 April 2029

Text in green shows what the Queue Management Milestones would be in the Construction Agreement

Queue Management Milestones – Example if M1 forward looking

Gate 2 Offer issued – 1 December 2025

Connection Date – 1 April 2034

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date)	1 April 2030	1 April 2030	1 April 2030	1 April 2030	1 April 2030

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Queue Management Milestones – Example if M1 forward looking

Gate 2 Offer issued – 1 December 2025

Connection Date – 1 December 2034

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date)	1 December 2030	1 December 2030	1 December 2030	1 December 2030	1 December 2030

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Forward looking and Backwards looking M1 would be same

Queue Management Milestones – Example if M1 forward looking

Gate 2 Offer issued – 1 December 2025

Connection Date – 1 April 2035

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date)	1 April 2031	1 April 2031	1 April 2031	1 April 2031	1 April 2031

Text in green shows what the Queue Management Milestones would be in the Construction Agreement

Queue Management Milestones – Example if M1 forward looking for a staged connection in same Construction Agreement and same technology with a different Queue Management appendix (Appendix Q) for each stage

Gate 2 Offer issued covering both Stage 1 and Stage 2 – 1 December 2025
Connection Date – 1 April 2032 (Stage 1); 1 April 2035 (Stage 2)

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated – Stage 1	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date) – Stage 1	1 April 2028	1 April 2028	1 April 2028	1 April 2028	1 April 2028
M1 forward calculated – Stage 2	1 December 2027	1 December 2028	1 December 2028	1 December 2028	1 December 2030
M1 based on CMP376 – backwards calculated (48 months from Connection Date) – Stage 2	1 April 2031	1 April 2031	1 April 2031	1 April 2031	1 April 2031

Text in green shows what the Queue Management Milestones would be in the Construction Agreement

Queue Management Milestones – Example if M1 forward looking for a staged connection in same Construction Agreement and different technology with a different Queue Management appendix (Appendix Q) for each technology (ESO proposed timescales)

Gate 2 Offer issued covering Stage 1 – 1 December 2025

Gate 2 Offer issued covering Stage 2 – 1 December 2027

Connection Date – 1 April 2032 (Stage 1); 1 April 2035 (Stage 2)

Assumes Stage 1 follows a DCO process and Stage 2 follows a Town and Country Planning process

M1	Town and Country Planning (2 years)	Section 36 (3 years)	DNS (3 years)	DCO (3 years)	Offshore (5 years)
M1 forward calculated – Stage 1	n/a	n/a	n/a	1 December 2028	n/a
M1 based on CMP376 – backwards calculated (48 months from Connection Date) – Stage 1	n/a	n/a	n/a	1 April 2028	n/a
M1 forward calculated – Stage 2	1 December 2029	n/a	n/a	n/a	n/a
M1 based on CMP376 – backwards calculated (48 months from Connection Date) – Stage 2	1 April 2031	n/a	n/a	n/a	n/a

Text in green shows what the Queue Management Milestones would be in the Construction Agreement

Queue Management Milestones – Pre-Construction

Conditional Progression Milestones	From 0 up to 2 years (0 – 729 days) from contracted Completion date	2 up to 3 years (730 – 1094 days) from contracted Completion date	3 up to 4 years (1095 to 1459 days) from contracted Completion date	4 up to 5 years (1460 – 1824 days) from contracted Completion date	5 years (1825 days) and above from contracted Completion date
Milestones:	All durations referenced back from contracted Completion Date				
M1 – Initiated Statutory Consents and Planning Permission	Bilaterally negotiated	18 months	24 months	36 months	48 months
M2 – Secured Statutory Consents and Planning Permission	Bilaterally negotiated	12 months	18 months	24 months	30 months
M3 – Secure Land Rights	Bilaterally negotiated	21 months	27 months	39 months	51 months