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Connections Reform

Consultation Response Proforma

Your feedback is important to this process. Please take this opportunity to provide any feedback that you may have. To aid your response, each question is linked back to the relevant document for ease of reference.

Please provide your feedback using this Proforma and sending an electronic copy to **box.connectionsreform@nationalenergyso.com** by **5pm** on the closing date of **2nd December 2024**.

We encourage early submission ahead of the deadline where possible to aid the processing of responses.

Respondent Details	
Name	Iain Symon
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Which category best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector <input checked="" type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input checked="" type="checkbox"/> Other
Is this response confidential?	<input type="checkbox"/> Yes – I do not wish for this response to be shared publicly; however I understand it will be shared with Ofgem

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☒ No – I am happy for my response to be available publicly

Section 1 – Policy

You can find the relevant information in the **Great Britain's Connections Reform: Overview Document**

1. Do you agree with our intention to align the connections process to Government's Clean Power 2030 Action Plan?

You can find the relevant information in **Section 2 – Context**

Overall, Invenenergy Services UK Limited ("Invenenergy") agrees with the proposed alignment with the CP30 plan. However, we have significant concerns regarding the proposed spatial planning granularity to 17 zones where capacity limits for defined technologies will be applied. Whilst we understand this is proposed in order to maximise network capacity, this is likely to lead to unintended consequences impacting market competition and innovation that can enable better integration of clean energy sources. This will significantly affect investor confidence, directly impacting the deployment of generation due to many generation projects having significant lead times – developer response to zonal capacity could take substantial time should the level of such technologies be viable within the zone. Invenenergy believes these proposals will significantly degrade investor confidence and compromise the UK's ability to meet long-term energy needs.

2. Do you agree with our proposal for overall design 2 (that the reformed connections queue should be limited to and prioritised to only include ready projects that align with Government's Clean Power 2030 Action Plan, NESO Designated Projects, and directly connected demand projects outside the scope of Government Clean Power 2030 Action Plan)?

You can find the relevant information in **Section 5 – Our overall preferred connections reform design**

Invenenergy disagrees with this proposal. We recommend a connect-when-ready approach aligned with Option 3. We believe Option 3 will better support CP30 objectives owing to its prioritising of CP30 plan-aligned projects while remaining consistent with current obligations to connect generation projects on demand, thus maintaining investor confidence.

3. Do you think all 'ready' projects should be included in the reformed connections queue (overall design 3)? If so, how would you propose that we mitigate risks to consumers or developers of material misalignment to the SSEP?

You can find the relevant information in **Section 6 – Assessment of alternative design for connections reform**

Invenenergy proposes that the CP30 plan should not lead to a granular spatial zonal plan for the abovementioned reasons. The level of speculative or non-progression projects could be adequately managed through the gate process – connect when ready.

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4. 4. Do you agree that the reformed connections queue should initially focus on the 2035 time horizon?

You can find the relevant information in **Section 4 – Key building blocks for aligning connections to strategic energy plans**

Invenergy is supportive because focusing on 2035 would be more consistent with project development lead times than a 2030 focus.

Implementation Questions

You can find the relevant information in the **Great Britain's Connections Reform: Overview Document**

5. Do NESO's preferred options against each of the variables discussed in the Overview Document best deliver efficient alignment to Government CP30 Plan?

You can find the relevant information in **Section 5 – Our overall preferred connections reform design** and **Section 7 – Further variables and options to align connections reform with strategic energy planning**

The CP30 Plan has yet to be published by Government. Taking the context of the CP30 plan set out in the consultation documents, Invenergy disagrees – the NESO plan will not best deliver alignment to the Government CP30 plan, principally due to the proposed spatial planning exercise referred to above. In addition:

- We do not believe it will protect consumers due to the risk that the cost of electricity will rise from investor lack of confidence, that could well result in fewer generation projects being delivered
- Due to NESOs position that project attrition factoring is unnecessary, this may well result in underutilised parts of the network with significantly increased network costs and a reduction in the likelihood of meeting CP30 targets
- It does not ensure efficient network design and lower balancing costs as it does not encompass regional resource requirements for renewable technologies. This could exacerbate local oversupply and undersupply of technologies to the detriment of realising national installed capacity requirements.

6. Do the methodologies deliver our preferred options against each of the variables?

You can find the relevant information in **Section 3 – Overview of framework of codes and methodologies for connections reform**

The methodologies proposed broadly align with each of the expressed variables. However, continual review will be required to ensure alignment is maintained.

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7. Are there key policy areas that are not covered by our preferred options against each of the variables or that would not be delivered by the methodologies?

You can find the relevant information in **Section 5 – Our overall preferred connections reform design** and **Section 7 – Further variables and options to align connections reform with strategic energy planning**

Further refinement is needed to comment fully on this.

8. Do you agree with our approach to managing project attrition between 2025–2030, and 2031–2035, whilst ensuring that the SSEP can deliver maximum benefits to GB consumers?

You can find the relevant information at **Section 7 – Further variables and options to align connections reform with strategic energy planning**

Invenergy does not agree with this approach because NESO's attrition assumption does not reflect the number of projects not delivered to contracted grid capacity. We propose revisiting attrition assumptions assuming high attrition initially, then decreasing on a staged basis as projects progress through milestones.

Connections Network Design Methodology

You can find the relevant information in the **Connections Network Design Methodology – Detailed Document**

9. Do you agree with the approach to applying the Gate 2 Readiness Criteria and the Gate 2 Strategic Alignment Criteria to the existing queue and future Gate 2 Tranches?

Invenergy partially agrees; we are aligned on the use of the Readiness Criteria. The proposal to demonstrate land control is considered suitable in principle. However, Invenergy proposes a notary-verified standard declaration to demonstrate land control with clear guidance and random NESO spot checks, where full Option to Lease agreements could be provided subject to satisfactory confidentiality provisions.

10. Do you agree with the approach to managing advancement requests?

Invenergy believes the proposed advancement requests approach represents a good foundation, however the NESO should consider offering projects alternative points of connection, in the event they would offer an improved connection date.

11. Do you agree with the approach to reserving Connection Points and Capacity at Gate 1?

Notwithstanding our position on spatially planning for technologies on a regional basis, Invenergy recognises the potential need to prepare for exceptionally long lead time projects with significant strategic national importance. Reserving capacity for specific technologies should be a last resort only when all other potential options have been exhausted on a UK-wide basis. Capacity reservation should also be based on something other than being technology-specific, such as project capacity and required network services.

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12. Do you agree with the approaches to reallocating capacity when 2030 pathway projects and 2035 pathway projects exit the queue?
We propose that projects that exit the queue and release capacity should have their capacity reallocated through the appropriate application of readiness criteria and network requirements.

Gate 2 Criteria Methodology

You can find the relevant information in the [Gate 2 Criteria Methodology – Detailed Document](#)

13. Do you agree with the following elements of this Gate 2 Criteria Methodology?
<ul style="list-style-type: none"> a. Gate 2 Readiness Criteria – Land (Chapter 4) b. Gate 2 Readiness Criteria – Planning (Chapter 5) c. Gate 2 Criteria Evidence assessment (Chapter 8) d. Self-Declaration Templates (Chapter 9)
A/ We agree
B/ We agree
C/ As above in question 9, we propose the use of a notary-signed standardised form verifying the required conditions have been met to allow project progression.
D/Invenergy believe a standardised form that is easily accessible represents a sensible approach and is only a minor modification from the proposal.

14. Do you agree that the alternative route of meeting the Gate 2 Readiness Criteria should be only limited to projects that seek planning consent through the Development Consent Order route?
We disagree because it is unusual for NSIP projects to progress with zero land control; therefore, we suggest a substantial percentage of land control should be required to pass through Gate 2.

Project Designation Methodology

You can find the relevant information in the [Project Designation Methodology – Detailed Document](#)

15. Do you agree that the categories of projects that we have identified are the appropriate ones to potentially be designated?
As mentioned above, Invenergy supports Option 3 based on readiness only.

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16. Do you agree with the proposed criteria for assessing Designated Projects?

Invenergy believe that a clear process represents the best starting position for assessing designated projects. However, the rate of change in the industry must be recognised so there must be a change mechanism to reflect transitioning network needs and technological advancements.

17. Do you agree with the indicative process NESO will follow for designating projects?

The proposed indicative process appears suitable subject to the implementation of a change mechanism.

Additional Questions

18. Do you have any other comments (including whether there was anything else you were expecting to be covered in these documents)?

NESO plans are primarily based on electricity demand forecasts. Demand forecasts can fundamentally change, and it will be imperative for the reform process to remain under continual review. Capital expenditure costs on a per-technology basis can also be subject to change, which will shape developers' project progression. It would thus be inappropriate to fix a 2030/2035 plan at this stage – this is partly why we recommend the Option 3 connect when ready approach.

To allow the consultation to be viewed in context, once the CP30 plan is published, it will be important for the NESO to publish assumed capacity factors for each intermittent generation technology considered. This will allow a view to be taken on whether the right assumptions have been formed for the generation mix needed to realise the CP30 plan and beyond.