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LOA Guidance – Gate 1 Letter of Authority and Acknowledgement, and Gate 2 Readiness

Introduction to updated guidance
in the context of Connections
Reform

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Introduction and Context

CMP427 “Update to the Transmission Connection Application Process for Onshore Applicants” was implemented in March 2024, introducing the requirements for all onshore transmission connectees to submit a Letter of Authority (LoA) to support their connection application to NESO.

CMP434 “Implementing Connections Reform” extended this requirement to offshore transmission connected applicants to submit a Letter of Acknowledgement (LoAc) to support their new connection application.

CMP434 “Implementing Connections Reform” and CMP435 “Application of Gate 2 Criteria” (referred to as ‘TMO4+’) is also set to transform GB’s current Connection processes, including the introduction of new ‘Gate 2’ requirements. The Gate 2 criteria include ‘readiness’ requirements which build upon the LoA Guidance. We have therefore updated our previous LoA Guidance to reflect the ‘TMO4+’ changes. We summarise below the consequential changes to our previous LoA Guidance.

The guidance has been updated to reflect the relevant requirements associated with CMP434 – “Implementing Connections Reform” and CMP435 – “Application of Gate 2 Criteria to existing contracted background”.

Since the draft publication on 11th April 2025, the following minor changes have been made:

- For clarity we have included a table within the LoA guidance which breaks down the difference in requirements for Gate 1, Gate 2 (land route) and Gate 2 (planning route).
- Removal of draft status
- Inclusion of CMP434 and CMP435 decision dates
- Corrected links

Requirements for Gate 1 Applicant – Letter of Authority (LoA) and Letter of Acknowledgement (LoAc)

Following implementation of CMP434, all transmission connected Onshore applicants wishing to submit a **Gate 1 connection application** in an enduring process application window must submit an LoA, while all transmission connected Offshore applications must submit a LoAc. Offshore Applicants must demonstrate that The Crown Estate (TCE) and/or Crown Estate Scotland (CES) are aware of the project and are required to submit their Letter of Acknowledgement in the format provided to them by TCE and/or CES

All transmission connected Applicants (Onshore, Interconnectors, OHA’s, non-GB and Offshore) are required to meet acreage or seabed requirements within the Energy Density Tables.

Onshore, Interconnectors, OHA’s and non-GB Applicants are required to submit a Red Line Boundary (not to be confused with the CUSC-defined Original Red Line Boundary) alongside their LoA. This will be assessed against the Energy Density Tables and used to confirm the Applicant has their minimum acreage requirements.

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Offshore Applicants are required to meet minimum seabed requirements. Offshore Applicants do not need to include a red line boundary (unless it is included within the LoAc).

Requirements for Gate 2 Applicants

The LoA guidance outlines requirements for all onshore and offshore applicants wishing to submit a **Gate 2 connection application**. For the avoidance of doubt, this includes all Gate 2 connection applications via CMP435 ('Gate 2 to Whole Queue') and CMP434 (future, enduring Gate 2 windows).

All Applicants for Gate 2 taking the 'land' route to demonstrate 'readiness' against the Gate 2 Criteria (in accordance with the Gate 2 Criteria Methodology) will be required to submit an Original Red Line Boundary and to state their project acreage (or, if offshore, KM²) both within the Original Red Line Boundary and via their Readiness Declaration. This evidence will be assessed against the Energy Density Tables within this guidance to ensure projects meet the minimum acreage requirements.

For Gate 2 Applicants taking the 'planning' route (DCO) to demonstrate 'readiness' against the Gate 2 Criteria (in the Gate 2 Criteria Methodology), the Original Red Line Boundary and evidence of minimum acreage (or, if offshore, KM²) within the Original Red Line Boundary requirements must be provided as part of evidence of meeting Queue Management Milestone 2 (M2), unless that has already been met, or is met before the acceptance of the Gate 2 offer, in which case it must be provided upon acceptance of that offer.

Relevance for Distribution Connected Customers

As stated in the Guidance, the requirement to submit an LoA/LoAc (in respect of Gate 1) does not apply to applications for use of system only (Bilateral Embedded Generation Agreement) or an application for a Bilateral Embedded License exemptible Large power station Agreement (BELLA), as LoA obligations already exist as part of the DNO application process.

However, as set out in the Gate 2 Criteria Methodology, the readiness criteria (in respect of Gate 2) also apply to Large Embedded Generation, and Small and Medium Embedded Generation. For the avoidance of doubt, Relevant Embedded Small and Medium Generation are therefore obliged to meet the Minimum Acreage Requirements and Energy Density Requirements outlined in the LoA Guidance as part of their Gate 2 application submission to their DNO/Transmission Connected iDNO.

Large Embedded Generation are obliged to meet the Minimum Acreage Requirements and Energy Density Requirements outlined in the LoA Guidance as part of their Gate 2 application submission to NESO.

The Onshore Energy Density table has been revised to display the minimum acreage per MW for both Transmission and Distribution separately. This adjustment allows Transmission Connected (i)DNOs and DNOs to evaluate the minimum acreage required by their customers for the purpose of Gate 2 Readiness.

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Energy Density Tables

As part of Gate 2 Readiness Checks, Users/ Applicants are asked to state if their acreage meets the de minimis requirements given in the energy density tables in the LoA Guidance. All applicants should note that while the figures in the density tables represent the de minimis requirement of expected acre per MW, these figures will be treated as an indicative guide only. Where a User does not meet the Minimum Acreage / KM² Requirements, they can provide evidence via their Readiness Declaration as to why a reduced minimum acreage is appropriate for their Project Site.

To ensure projects are not disadvantaged by the Energy Density Table, where the site acreage is less than the threshold given in the Energy Land Density table:

- For Large/ Directly Connected projects, NESO may contact the applicant to fully understand the context of why the acreage requirement is not met. For Gate 2 to Whole Queue applications, this process will be during the Detailed Checks after the application window closes.
- For Small/Medium distribution-connected projects, the DNOs may contact the applicant to fully understand the context of why the acreage requirement is not met.

The Energy Density Tables will be updated annually. This update will include analysis of current connected technologies and the acreage / KM² developers have acquired as a consequence. As more technologies connect data used for the Energy Density Tables will increase and we may therefore see changes to the minimum acreage / KM².

Where technologies were listed in the previous guidance, but an increase has been identified, the previous figures will be used, i.e. any increase will not be applied retrospectively. This includes for the purposes of Gate 2 to Whole Queue. The figures listed in the updated guidance account for this approach (i.e we list one figure, not both the 2024 and 2025 figures.)

Where customers believe their technology types is not represented in the Energy Density Tables, we request they contact NESO as set out in the LoA Guidance.

The LoA guidance has been updated to include Offshore Energy Density Tables, to enable offshore applicants to calculate their minimum KM² for the purposes of the LoAc red line boundary or their Readiness Criteria, and Original Red Line Boundary. The onshore energy density table now also separates out Electrolysers as a technology type.