

CMP448: Introducing a Progression Commitment Fee to the Gate 2 Connections Queue – NGET Response to Workgroup Consultation

7 April 2025

Dear Joe,

This document represents the views of National Grid Electricity Transmission plc (NGET) in response to the workgroup consultation for **CMP448: Introducing a Progression Commitment Fee to the Gate 2 Connections Queue**.

NGET develops, owns, and operates the high voltage electricity transmission network in England and Wales. We are committed to playing a leading role in delivering a secure, affordable, and clean energy transition in the interest of customers and consumers.

As advocates for Connections Reform and the NESO proposals currently being considered by Ofgem, we support the intent of CMP448 to incentivise customer projects in receipt of fully worked Gate 2 offers to progress swiftly to completion. This aligns with our ambition for Reform to provide greater certainty for network companies building the necessary infrastructure to facilitate connections to help deliver the ambition of Clean Power by 2030 (CP30).

Whilst we support the high-level principle of CMP448, we do have concerns regarding the practical application of the proposed solution and whether it will have a demonstrable benefit in supporting the (anticipated) reformed connections process – at least in its present form as per the consultation document.

Timing and scope

Without the experience of implementation and operation of the TMO4+ process, which should interact with existing securities and Queue Management arrangements to help ensure project progression, it is difficult for us to verify the case for change presently. We are wary that introducing CMP448 prematurely could add additional complexity to the connection arrangements without a clear necessity.

We are also unclear how many customer projects would actually be bound by the PCF in the short-to-medium term, noting that most Gate 2 customers post-Reform implementation will likely derive from the existing queue, and would likely have already secured Milestone 1 (M1) compliance to achieve that status.

Approach

We also believe the PCF, as currently proposed, could lead to unintended consequences for customers.

We note a risk of localised issues outside a User's reasonable control (e.g. geographical, technological, or political) which could be factors in triggering the PCF for all customers. Additionally, we are wary of the PCF applying uniformly to all customers in such scenarios as this seems inequitable.

We recommend that the Workgroup consider a regional or technology-specific application for the PCF to mitigate any risk of undue discrimination. Enhancing transparency in this process could also provide effective market signals to future customers in respect of where to apply to connect. The PCF value also needs to be proportionate to both Transmission and Distribution customers given the breadth of connections capacities and their ability to put in place the necessary security against the PCF.

Overall, we feel that the modification has not yet been sufficiently developed to offer a comprehensive perspective as many elements of the proposal remain unclear. We will continue to participate in the workgroup to help drive to a more complete solution. For now, should you need further clarity on this response, please feel free to contact me.

Sincerely,

Richard Woodward

Connections Reform Senior Manager