

Public

Demand Q&A

Connections Reform Summer
2025 Webinar Series

Agenda

1. Connections reform timeline
2. How to get help
3. Your Q&A
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 2. Other topics
4. PCF
5. Next Webinar sign up and feedback

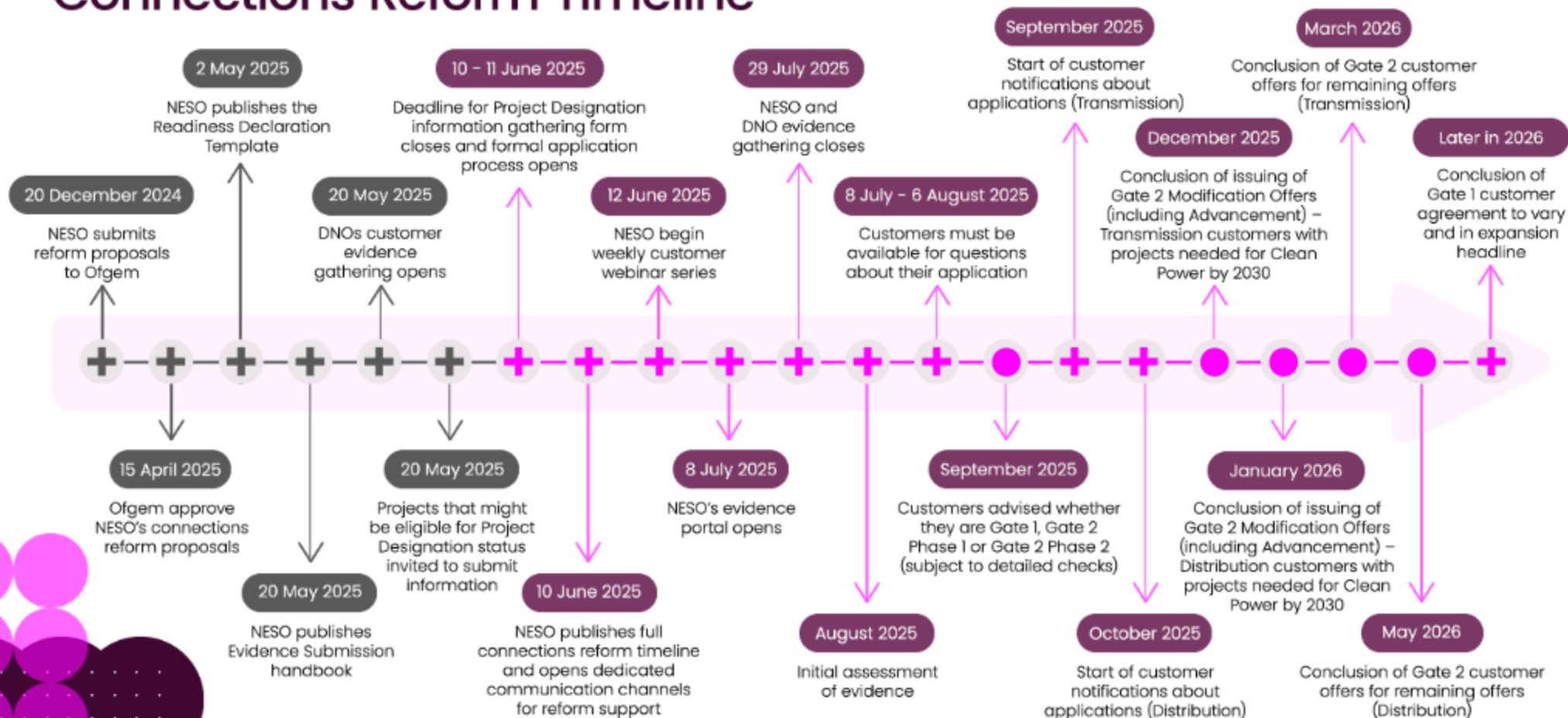
Timeline & Getting Help

James Norman



This page is interactive. Click the + to expand or enlarge content.

Connections Reform Timeline



[Connections Reform | National Energy System Operator](#)

New ways to get help

Get answers fast



1. Check the handbook: [Evidence Handbook | National Energy System Operator](#)



2. Search our FAQs: [Information](#)



3. See our On Demand Video Library, past webinars and sign up to new Webinars:
[Connection Reform webinars and on demand videos | National Energy System Operator](#)



4. Contact our dedicated help team via your portal or our direct email: [Contact Connections Reform | National Energy System Operator](#)

Q&A

Demand

Your questions – demand

1. Is there a mechanism to accelerate demand projects, specifically data centres and green hydrogen projects, in the reordered queue through the G2WQ (CMP435) process? Or is their place in the queue solely determined by project readiness, given all demand projects are deemed strategically aligned?
2. do like for like repowers at distribution level need to go through the gate process?
3. Will embedded demand projects, that have gone through the Modification Application process, have their completion works dates revised based on what resultant transmission work is needed post-reform?
4. Demand: in row 41, what should be submitted? Installed Capacity defined in CUSC doesn't cover Demand (User Equipment > Plant & Apparatus > Generation)
5. What is NESO's view on datacentre power supply demand applications, if such a demand connection is to be used as a full backup? Presumably the infrequent and sudden large demand would pose a challenge to the grid. What can developers do to help mitigate and shorten wait times for such connections?

Your questions – demand

1. I am a demand project connection to a substation that is already in-build/delivery NESO/NGET have stated that the project can't be accelerated. Do I still need to request advancement? Is there a risk others at the same substation can jump ahead of me in the queue if I don't?
2. How are distribution demand customers, that are technically out of scope, going to benefit from the CR process? If I have a 2037 date, will it remain in 2037 because I am out of scope? Or is there a chance of improvement if all other projects locally (where I slot into the queue) come forward?
3. What is the difference between a 'directly connected demand' and an 'embedded demand'? We have a connection offer from NGED for a Data Centre which requires a ModAap to NGET. What have we got? What is the difference between 'in scope' and 'out of scope' in terms of do we apply for Gate 2 or not?
4. Will CMP417 Extending principles of CUSC Section 15 to all Users (demand) be concluded before gate 2 offers are issued?
5. If our data centre isn't eligible for Gate 2/WQ, what process do we follow to get a "transmission offer" to supplement our NGED connection offer, or is this even needed?

Q&A

Other topics

Your questions – general

1. Please clarify the treatment of offshore transmission owners (OFTOs) in relation to the G2WQ (CMP435) and enduring process (CMP434). Are they treated as demand projects or generation/storage projects, ie do they need to meet strategic alignment criteria? Which entity needs to submit for OFTO assets?
2. Are you able to explain/clarify the process for advancement if a project has staged TEC (same technology)? (30 MW 2027 and 10 MW 2029 and there is a request to advance the 10 MW in line with 2027 as an example).
3. Does the signed option agreement need to have all signatures on one document for the readiness declaration, or is having separate copies for each signee (e.g. tenant, director, agent) acceptable? Using Docusign produces 2 copies when exchanged.
4. If I request an advanced date from phase 2 to phase 1 and it cannot be offered, do I retain my position in the phase 2 queue or do I move to the end of the phase 2 queue? Will I receive the same offer as if I hadn't requested the advancement in the first place

Your questions – general

1. We need clarification on question, "Do you want to change the connection point?" about connection node that hasn't been sited. Does this refer to: 1 a change from our requested connection point in the grid application, or 2 the connection node given to us in the offer which the location is unknown?
2. Advancement- Existing date=2035, requested advancement=2029. You have been deemed eligible for advancement, but TO/NESO assess best advancement as 2030. Will you be offered 2030, or be penalised for requesting an advancement date that is 'too early' for the TO/NESO?
3. SyncComp/reactive: in row 76, where it is to be protected, do we need to specify the MVA to be protected? Or enter 0 MW as TEC is 0 MW for a 0 MW asset
4. Do we have set of substations in UK grid which can be connected as some are old and some have Fault levels and continuous current rating issues

CMP 448 – Progression Commitment Fee

Ash Adams

CMP448 – Progression Commitment Fee

Intent	<p>The Progression Commitment Fee (PCF) is intended to provide an incentive for:</p> <ul style="list-style-type: none"> • Developers of projects that have become unviable to proactively exit the queue in a timely manner. • Developers who are no longer committed to progressing viable projects to sell them to a committed developer, in a timely manner.
Activation	<ul style="list-style-type: none"> • Once implemented, the PCF will initially be dormant. It will remain dormant unless a “activation metric” which is indicative of the health of the connections queue exceeds a defined threshold of 6.5GW (“activation threshold”). • The “activation metric” is the total cumulative MW terminated from the Gate 2 queue as a result of a milestone termination for failing to meet M1. • At the point where the threshold is met, the PCF may be activated, subject to decisions by NESO and Ofgem
Value	<ul style="list-style-type: none"> • Once activated, the PCF applicable to a project will have an initial value of £2,500/MW. A project’s PCF will then increase at a rate of £2,500/MW at 6 monthly intervals up to a maximum cap of £10,000/MW • Projects will be liable for the full value of their PCF upon termination of the project (or the appropriate portion of the PCF upon reduction of capacity) prior to successfully demonstrating achievement of Milestone 1.
Scope	<ul style="list-style-type: none"> • If the PCF is activated, it will be applicable to all generation projects that hold Transmission Entry Capacity, Developer Capacity or Interconnector Capacity (including small, medium and large distribution connecting generation) and have accepted a Gate 2 contract offer and not passed Queue Management Milestone 1. • However, projects where the M1 date is less than six months from the latter of either (i) the PCF activation date or (ii) the date of Gate 2 Offer counter-signature by NESO, will have PCF of £0.
Collection	<ul style="list-style-type: none"> • If the PCF is activated, developers of projects between Gate 2 and Milestone 1 will be required to post a security against the PCF, the “Progression Commitment Fee Security” (“PCFS”). The PCFS must remain in place until developers successfully demonstrate that the project has achieved Milestone 1. • The PCFS will be embedded within the existing security ‘cancellation charges’ outlined in CUSC Section 15 and therefore will follow the existing processes and timings • After achieving Milestone 1, developers will no longer be subject to the PCF if they terminate and there will no longer be a requirement to secure against the PCF.
WACM 1	<ul style="list-style-type: none"> • Once Activated there will be a 6-month period where the PCF is £0/MW. • Following this, PCF value will be 10% of that proposed in the original (£250/MW increasing to £1,000/MW)
WACM 2	<ul style="list-style-type: none"> • A discount of 75% will be applied to the PCF value if the customer initiates self-termination or reduction at least 90 days prior to the M1 date

Next Steps

CMP 448 Workgroups have now concluded, and the Modification is out for Code Administrator Consultation (CAC).

Industry parties are invited to respond to this consultation by **5pm 24 June 2025**

Further information on the Modification including how to respond to the CAC and the consultation response proforma are available at:

<https://www.neso.energy/industry-information/codes/cusc/modifications/cmp448-introducing-progression-commitment-fee-gate-2-connections-queue>

Public

Next webinar

Sign up now

Next webinar 3pm Thursday 26th June

Land, ORLB, Protections & Project
Designation.

Coming up soon... Portal training and walk
through



Polls



Public

Thank you