

Connections Reform

Detailed Checks, ATVs and Securities

30 October 2025

Agenda

1. Upcoming events
2. The detailed checks process
3. Understanding offers
4. Securities update
5. Timeline
6. Q&A

Slido code: NESO3010

Q&A

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Q&A questions not related to today's agenda will be archived for use in future webinars.

From this week, FAQs will be updated weekly, with updates targeted for every Thursday.



Upcoming events

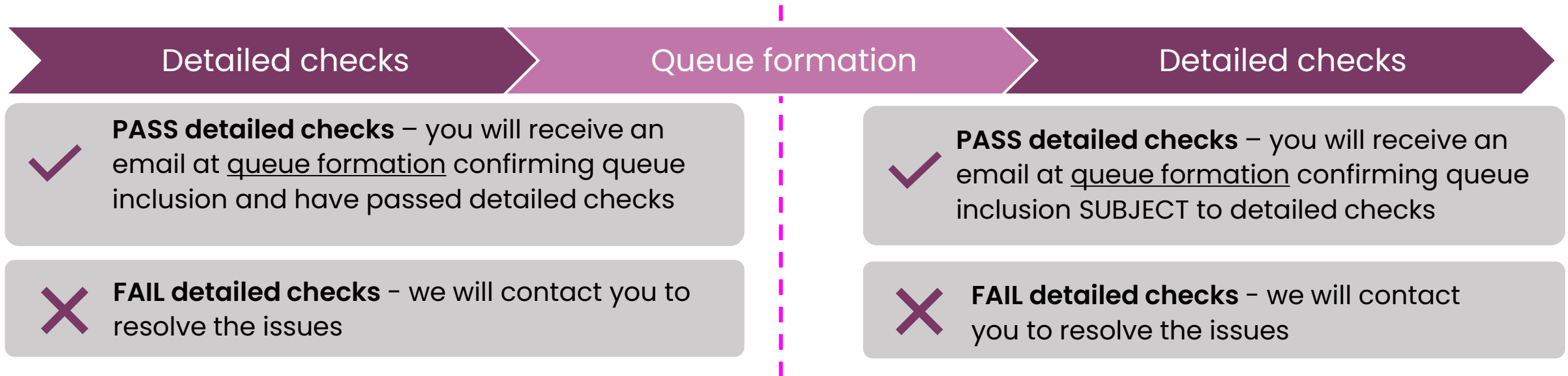
Events	Agenda
13 November – Webinar	Preparing for Queue Formation Communications
27 November – Webinar	Preparing for offers
11 December – Webinar	General update and PCF
18 December – Webinar	Offers Q&A
Date TBC: Connections Seminar	All connections matters

Detailed Checks

Jamie Webb

Detailed checks process

There will be two customer pathways for detailed checks:



Checks are covering:

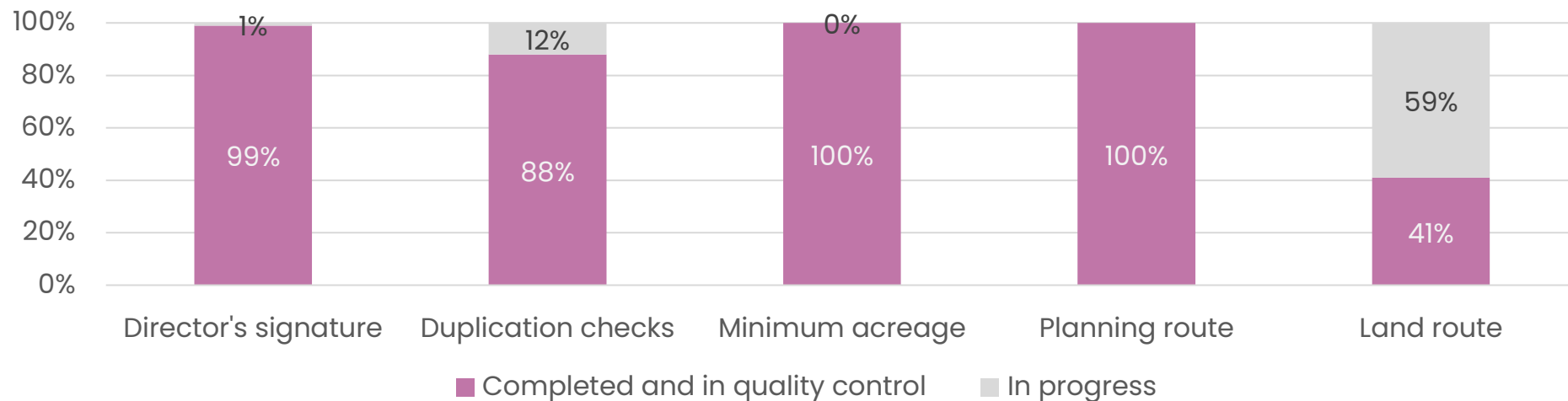
- Director Verification
- Duplication checks
- Minimum Acreage
- Land Rights Documentation
- Planning Route/Development Consent Order (DCO)

Detailed checks update

Key stats

- 100% of initial checks results have been completed to customer
- 99.9% of all detailed checks have commenced
- 37% of detailed checks completed and in quality control prior to customer communications

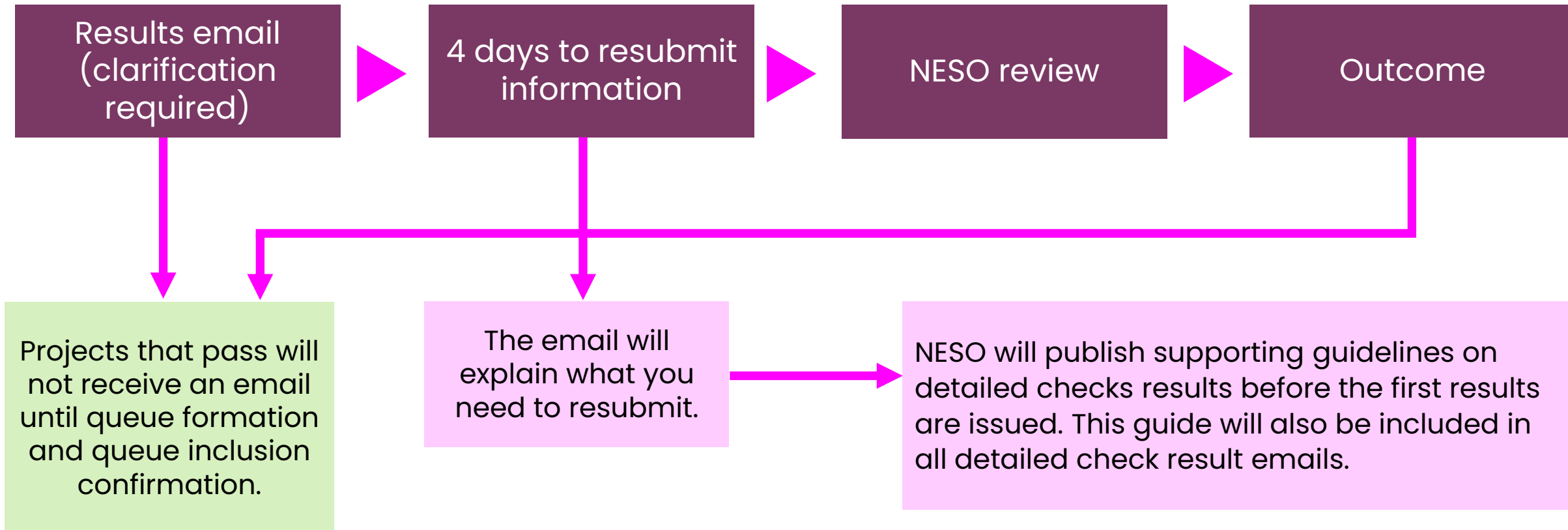
The current progress summary for check completion is:



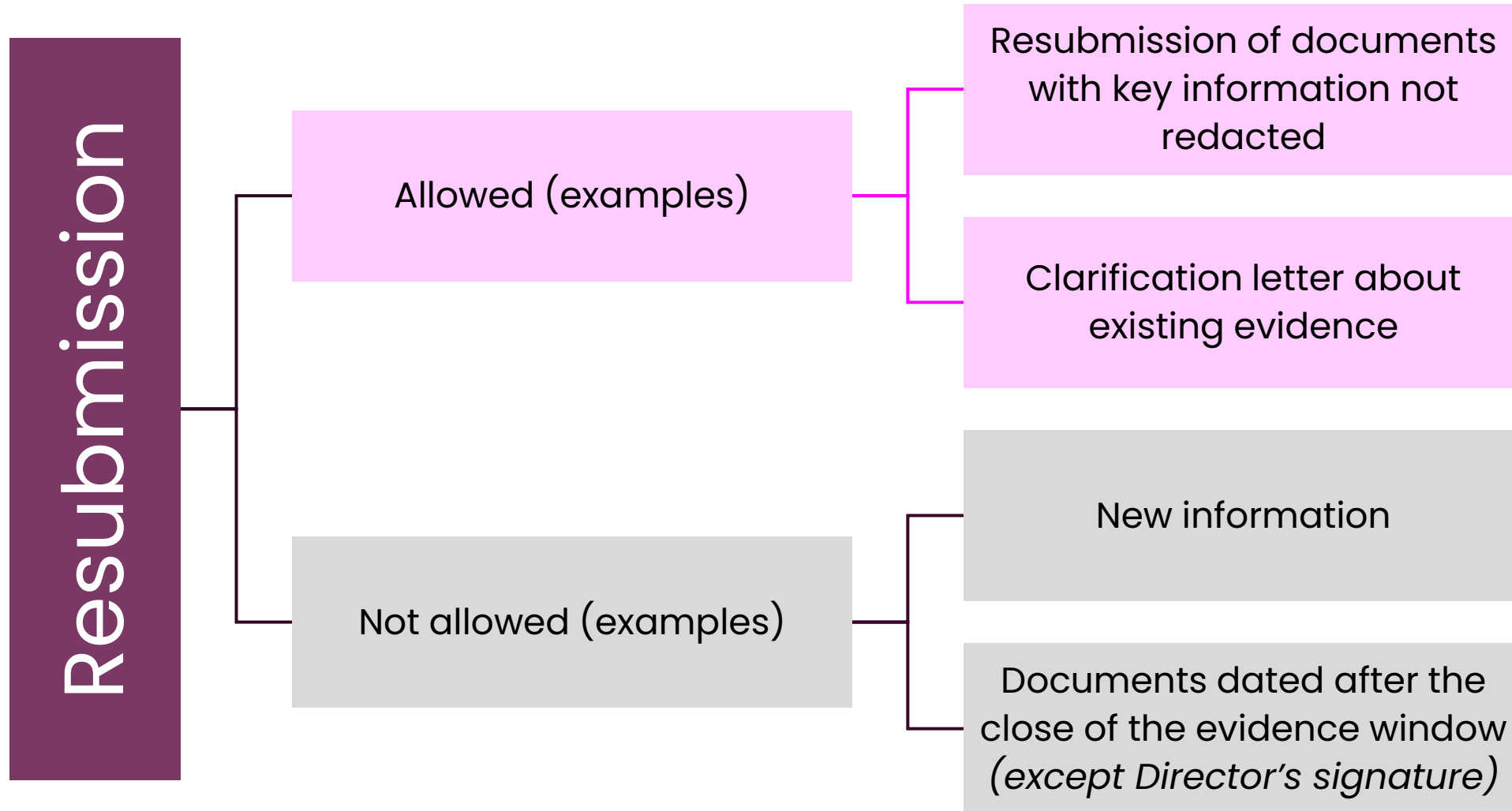
Timelines

- Customers can expect the first customer communications on detailed check results from late next week

Detailed checks resubmission



Detailed checks resubmission



Slido reminder

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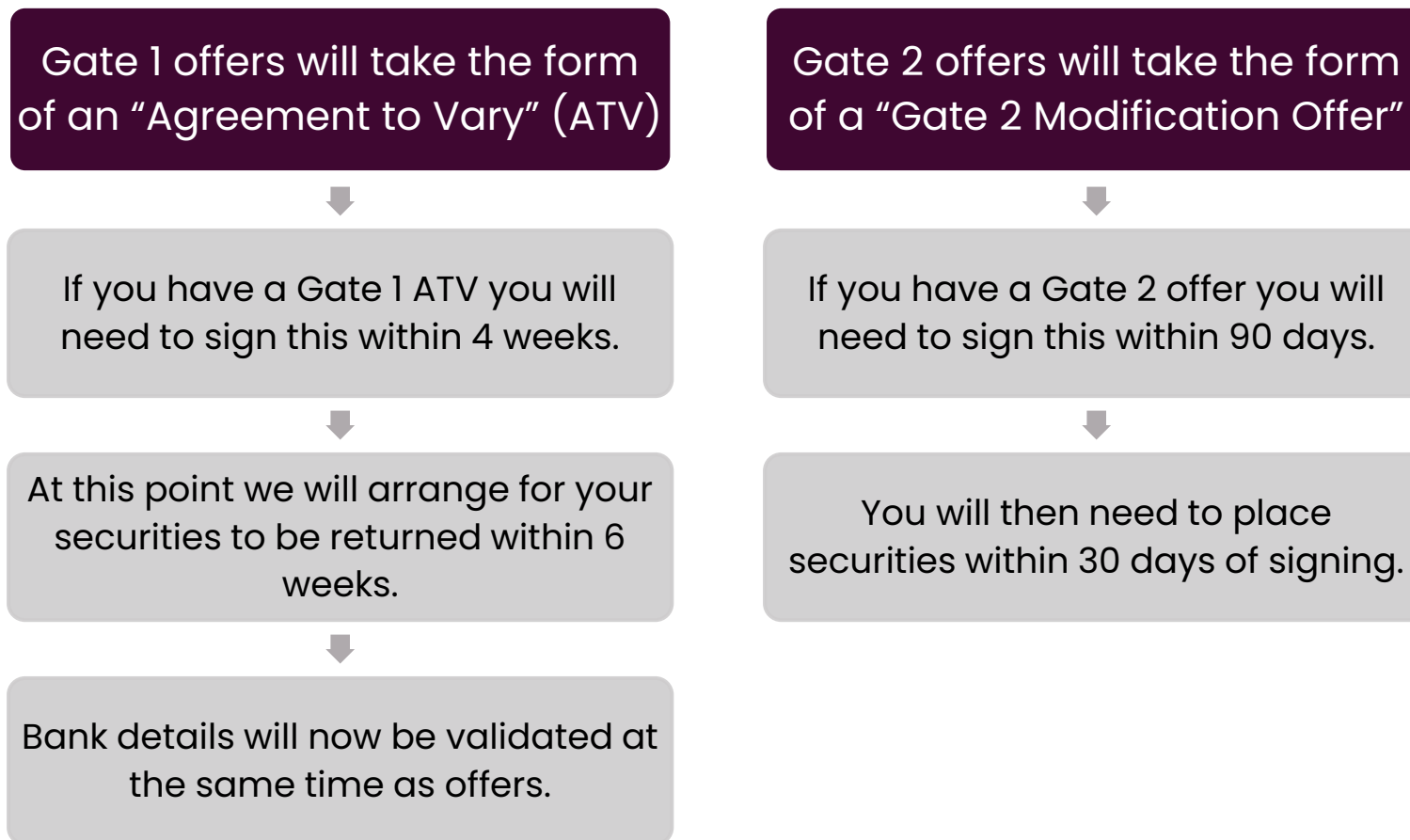


Offers

Nina Bhogal

What form offers will take

Offers will follow your notifications, and the first of these offers will go out before the end of this year. Each offer letter will be bespoke, and we encourage you to read the instructions carefully.



Securities

Nina Bhogal

Gate 1 Securities Return Recap

(transmission and large embedded)

Process Overview¹

← 6 weeks between ATV signing and return by statutory requirement →



Additional call outs:

- Self-declared Gate 1 customers: We have already contacted some customers to collect their bank details as part of the securities returns process. For all remaining customers, bank details will be requested at the same time as the Agreement to Vary (ATV) is issued (note: please follow the instructions in the G1 Offer letter to submit bank details).
- Timing of Gate 1 ATVs: ATVs for self-declared, failed-to-submit and failed-initial-checks projects will be issued before end of Q1 25. Projects that failed detailed checks or strategic alignment will be issued ATVs before the end of Q1 2026.

Notes: (1): Process outlined is for Transmission connected & Large Embedded customers

Securities freeze

We are aware of customer concerns regarding the current securities freeze and whether this will extend to the upcoming January securities run. We are in active conversations with Ofgem to seek approval on appropriate next steps regarding the securities freeze in light of the ongoing G2TWQ activities. We will provide a formal update to industry as soon as possible.

Our intention is that the securities freeze will remain in place until one of the following outcomes, depending on G1 or G2 status:

G1

As per CUSC Section 18, Gate 1 projects will no longer have liability for Cancellation Charge or Final Sums, or an obligation to provide security. Therefore, for G1 customers, the securities freeze is in place until they sign their G1 ATV and their securities return is processed (then there's no further requirement).

G2

The G2 offers will include the new securities requirements as part of the offer. The securities freeze will remain in place until developers sign the G2 Mod Offer. Upon signing, the obligation to place securities in line with the requirements provided for in the G2 offer begins and must be placed within 30 days.

CMP 448

Future impacts to securities

- The Progression Commitment Fee (PCF) supports Connections Reform by encouraging committed projects to stay in the queue and incentivising unviable projects to exit early.
- It is an in-flight modification (CMP448), and Ofgem have recently published its "minded to" decision for consideration ahead of a final decision by the end of November.
- The securities for PCF only get applied if a cumulative threshold of 6.5 GW of generation has been terminated from the queue for failing to meet M1, and NESO and ultimately Ofgem then decide to activate.

**We will come back
to this forum in
December
to share the update on
Ofgem decision and
implementation
approach**

Slido reminder

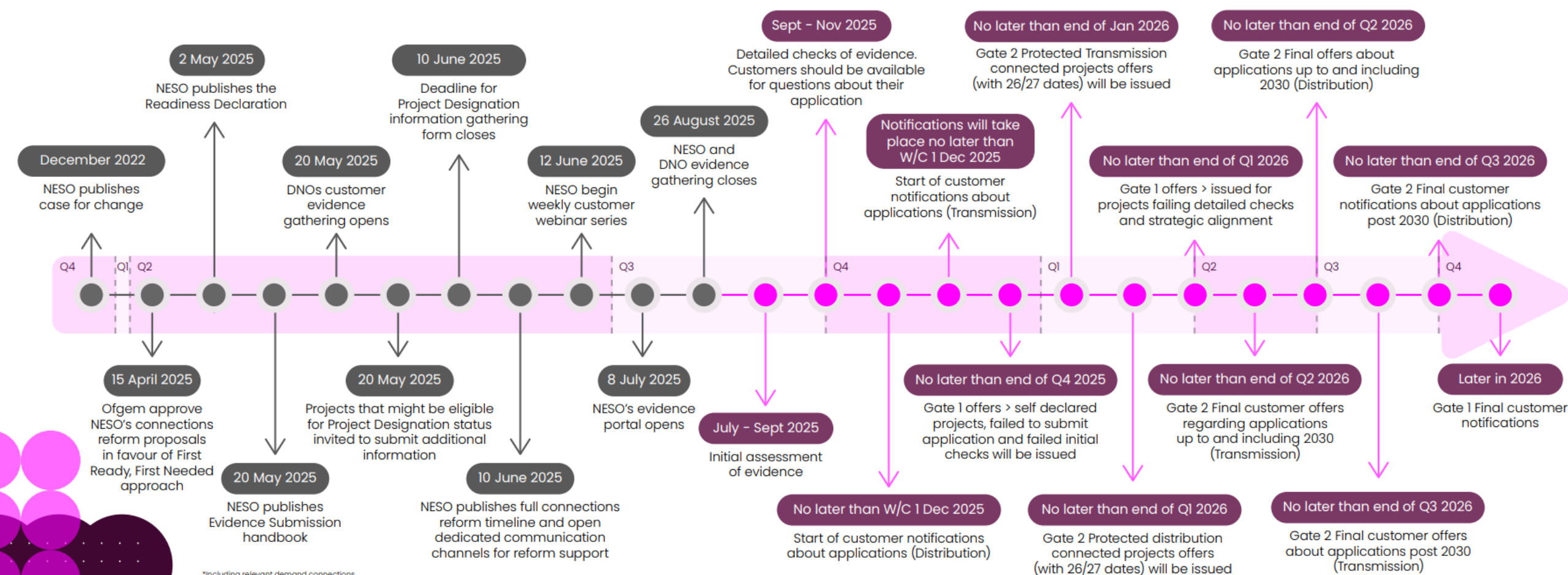
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Timeline

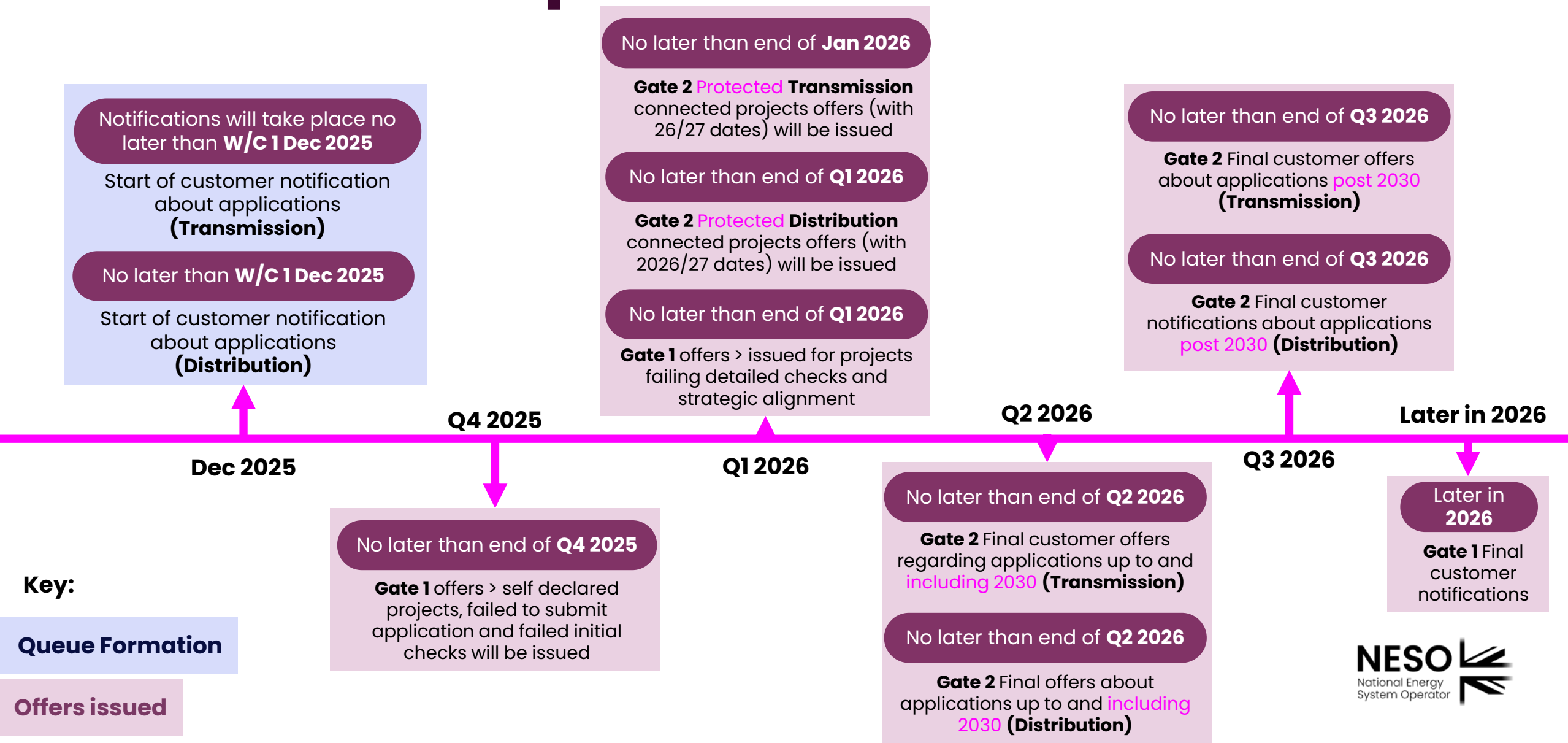
Matt Magill

Connections Reform timeline



*Including relevant demand connections.
Following the extension announced on 16 July, subsequent dates may be subject to change.

Timeline snapshot



Survey

Matt Magill

Survey

- **We are seeking constructive views on:**
 - how we communicate with you
 - learnings for the next application window
- The survey is open now until **5pm on 7 November**
- **This link will be emailed to all portal users** and included in the NESO newsletter this week

Add
QR code
when ready



Q&A

Reminder – Feedback

- Listening to feedback, **we are now using Slido to capture your thoughts.** Please only put your hand up when you are called on to speak.
- **The route for specific queries to be responded to has not changed –** please use the portal or email box.connectionsreform@neso.energy
- We will not respond to each question on Slido individually (**we will respond to those most upvoted in the webinar**).
- We are using your feedback from these webinars to support prioritisation of portal development where possible.
- All insights taken from Slido questions are allowing us to develop and update the FAQs.

Slido Q&A

We will now take Slido Q&A for the remainder of the session.

#NESO3010

We kindly request that do you do not raise **project specific questions** and that you keep your question constructive and relevant to the content we have shared today.



Thank you