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# Gate 2 Criteria Methodology

1930 December April 2025

This methodology has been updated from the 30 April 2025 version to reflect changes associated with NESO's 'Connections Methodologies Update November 2025'. This methodology has been updated to reflect changes following Ofgem's decision

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# How to read this document

Welcome to our **Gate 2 Criteria Methodology** document. This document sets out the Gate 2 criteria for both new applications and existing agreements and the evidence requirements and assessment of this criteria.

This document will be reviewed and updated in line with the relevant NESO licence conditions.

This Methodology will be applied under the reformed connection process introduced into CUSC as a result of CMP434 and CMP435 and needs to be read in the context of those processes.

CMP434 sets out the enduring process for applications and offers in Section 17 of CUSC and CMP435 sets out the Gate 2 to Whole Queue process for existing agreements in CUSC Section 18. To differentiate the enduring CMP434 and one off CMP435 processes, sometimes different terms are applied in CUSC for similar steps in the processes but they are both aligned to the overall process concept of application based on readiness, strategic alignment and assessment. In this methodology, in some cases we specifically cross refer to exact clauses within CUSC, in others we refer generally to concepts within CUSC and in others we used defined terms from CUSC.

However, in our references we have tended to use the enduring and more intuitive CMP434 terms throughout e.g. Gated Application Window and Gated Design Process. This is for ease of readability, but please keep this in mind when reading this Methodology e.g. a reference to a 'Gated Application Window' might mean in the context of CMP435 the 'Existing Agreement Request Window', and a reference to a 'Gated Design Process' might mean in the context of CMP435, the 'Existing Agreement Gated Design Process'

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## 1. Introduction

**This section introduces the purpose of the Gate 2 Criteria Methodology**

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### **1.1 Purpose**

The purpose of Gate 2 is to allocate confirmed connection dates, connection points and queue positions to projects that are viable and progressing and that are aligned with strategic energy plans.

This Gate 2 Criteria Methodology sets out the Gate 2 Criteria, which is in two parts:

- The Gate 2 "Readiness Criteria" – through a Readiness Declaration, a User will be required to provide evidence that their project is 'ready' by showing that it meets the "Gate 2 Readiness Criteria", which is set out within this Gate 2 Criteria Methodology, alongside detailing how the evidence required is submitted and verified; and
- The Gate 2 "Strategic Alignment Criteria" – a User will also need to meet one of these criteria, which are all set out within this Gate 2 Criteria Methodology, alongside what additional information or evidence a User needs to provide on their project to support the alignment assessment (against the relevant strategic alignment option/route).

For the avoidance of doubt, a User must (in respect of their project or the relevant stages of their project) meet both the Gate 2 Readiness Criteria and the Gate 2 Strategic Alignment Criteria to receive a Gate 2 Offer.

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## 2. Scope

**This section sets out the scope of the Gate 2 Criteria Methodology.**

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### 2.1 What is in scope of the Gate 2 Criteria Methodology and how does it fit in with Code, Licence and Guidance?

| <b>Methodology</b>  | <b>Code</b>   |
|---|---|
| <ul style="list-style-type: none"> <li>• <b>Gate 2 Readiness Criteria</b> <ul style="list-style-type: none"> <li>- Land related or Planning related</li> </ul> </li> <li>• <b>Gate 2 Strategic Alignment Criteria</b> <ul style="list-style-type: none"> <li>• As per section 6 of this Gate 2 Criteria Methodology</li> </ul> </li> <li>• <b>Evidence requirements (including Readiness Declaration templates) and evidence assessment process.</b></li> </ul> | <ul style="list-style-type: none"> <li>• Explicit requirement to provide Original Red Line Boundary at submission of Gate 2 Application (unless Gate 2 Criteria Methodology states otherwise); and what it must contain at a high level (both CUSC 17.7) with further detail provided in Gate 2 Criteria Methodology</li> <li>• Changes to Queue Management Milestones M1 and M3 (CUSC 16.3)</li> <li>• New Queue Management exception (CUSC 16.5)</li> <li>• Original Red Line Boundary compliance rule (CUSC 16.4.9) and impact of being outside compliance (CUSC Schedule 2, Exhibits 3 and 3A)</li> <li>• Requirement to carry out 100% duplication checks and use reasonable endeavours to check 100% of Gate 2 Readiness Criteria evidence provided (CUSC 17.10 for CMP434, CUSC 18.10 for CMP435)</li> </ul> |

## Gate 2

| <b>Licence</b>   | <b>Guidance</b>  |
|--|--|
| <ul style="list-style-type: none"> <li>• Requirement to have a Gate 2 Criteria Methodology, consult on it, keep "live" and be approved by Ofgem</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Queue Management</b> - additional explanation on the new Queue Management exception set out in Code and how ongoing land and planning compliance works in practice</li> <li>• <b>Letter of Authority / Letter of Acknowledgment</b> - inclusion of equivalent land density test for Offshore and Energy Density values (and/or equivalents) for Offshore projects (including Interconnectors and or Offshore Hybrid Assets (OHAs) onshore convertor stations)</li> </ul> |

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### **2.2 Who does the Gate 2 Criteria Methodology apply to?**

- Transmission connected (Generation\* and Demand)
- Interconnectors, Offshore Hybrid Assets and Non-GB Projects\*\*
- Large Embedded Generation (apply to NESO)\*\*\* and \*\*\*\*
- Small and Medium Embedded Generation (via DNO/Transmission Connected iDNOs, who apply on their behalf to NESO)\*\*\*. This includes:
  - Relevant Embedded Small Power Stations;
  - Relevant Embedded Medium Power Stations;
  - Embedded Small Power Stations with a Bilateral Embedded Generation Agreement\*\*\*\*\*; and
  - Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement\*\*\*\*\*.

*\*For the avoidance of doubt this includes storage.*

*\*\* Generation located outside of Great Britain and the UK's Exclusive Economic Zone, but which is directly connected to the GB Transmission System or Distribution System and is not connected to another market.*

*\*\*\* Embedded Generators will have to meet DNO/Transmission Connected iDNO requirements in addition to the Gate 2 criteria outlined in this methodology.*

*\*\*\*\* Large Embedded Generators will need to have agreement from their DNO/Transmission Connected iDNO before requesting advancement to NESO (this only applies for existing contracted parties under CMP435).*

*\*\*\*\*\* Embedded Small Power Stations and Embedded Medium Power Stations wanting to request a BEGA in the enduring process under CMP434, will still be required to submit a BEGA application to NESO in addition to DNO/Transmission Connected iDNOs applying on their behalf to NESO.*

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### **2.3 Applies to existing contracted parties under CMP435 and the enduring process under CMP434**

The Gate 2 Criteria Methodology applies to both existing contracted parties under CMP435 (in accordance with Section 18 of CUSC) and the enduring process under CMP434 (in accordance with Section 17 of CUSC). The process is largely the same in the context of the Gate 2 Criteria but there are some differences between CMP434 and CMP435, which are set out in detail in section 2.4 of this Gate 2 Criteria Methodology.

In respect of CMP435, we note that some existing contracted parties could be close to energisation of their project site.

To clarify:

- Existing contracted parties that energise between now and the Gated Application Window closing **will not need** to go through the process set out in the Gate 2 Criteria Methodology;
- Existing contracted parties that energise after the Gated Application Window closing **will need** to follow the process set out in the Gate 2 Criteria Methodology.

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## **2.4 Differences for existing contracted parties under CMP435 and the enduring process under CMP434**

The process (in the context of the Gate 2 Criteria) is largely the same but there are some differences between CMP434 and CMP435, which are set out in detail in the below table:

| <b>Section of Methodology</b>                           | <b>Differences between CMP434 and CMP435</b>  |
|---|---|
| Chapter 4.1c page 22 (Gate 2 Readiness Criteria – Land) | Under CMP435 there is no minimum length for the land Option required if the Option is entered into by the User before the Authority Decision Date on CMP435.  |
| Chapter 9 (Readiness Declarations)                      | Under CMP435 only: <ul style="list-style-type: none"> <li>• A User can request advancement of their contracted connection date in the CMP435 Gated Application Window; and/or</li> <li>• A User can request a reduction in their Transmission Entry Capacity or Developer Capacity to support the project meeting the Gate 2 Criteria, noting that the User is liable for a Cancellation Charge if this reduction results in abortive works.</li> </ul> |

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### **3. Gate 2 Criteria Summary**

**This section sets out a summary of the Gate 2 Criteria**

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### 3.1 Summary of Gate 2 Criteria

**Project must meet the Gate 2 Readiness Criteria (See Sections 4 and 5 for more detail)**

#### LAND (See Section 4)

- Meet Minimum acreage requirements (or Offshore equivalent as set out in Section 4.1a); and
- Provision of Original Red Line Boundary for site on which project is located; and
- Secured Land Rights

or

#### PLANNING (See Section 5)

- Submission of (and validation of) application for planning consent for projects following the Development Consent Order (DCO) process. Note that we would expect the majority of projects to evidence meeting Gate 2 Readiness Criteria through the land route as per Section 4; however, this planning alternative allows projects that follow the DCO process (including to be granted Compulsory Purchase Order powers) an alternative route to meeting the Gate 2 Readiness Criteria; and
- If following the Planning route, the meeting Minimum acreage and provision of Original Red Line Boundary for site on which project is located requirements must be provided as part of evidence of meeting Queue Management Milestone M2

**And Project must meet one of the Gate 2 Strategic Alignment Criteria (See Section 6 for more detail)**

- a) eligible for relevant 'protections' as set out in section 6.2; or
- b) aligned to the capacities within the CP30 Action Plan as described in the Connections Network Design Methodology; or
- c) designated as described in the Project Designation Methodology; or
- d) a project not within scope of the CP30 Action Plan and of a technology type listed in the table in section 6.3

**There will also be ongoing compliance requirements (See Section 7 for more detail)**

Once a project has met the Gate 2 Criteria and the User has signed the Gate 2 Offer, there will be ongoing compliance requirements regarding the land and planning. These obligations are set out in CUSC Section 16 and expanded on further in the Queue Management Guidance. However, Embedded Power Stations' Queue Management Milestones and ongoing land compliance requirements will continue to be managed by DNOs or Transmission Connected iDNOs.

If following the Planning route to meeting the Gate 2 readiness criteria, the ongoing land compliance requirements will apply from when the User has met Queue Management Milestone M2.

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#### **4. Gate 2 Readiness Criteria – Land**

**This section sets out the Gate 2 Readiness Criteria if seeking to meet Gate 2 Readiness Criteria via evidence of secured land rights**

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### 4.1 Gate 2 Readiness Criteria – Secured Land Rights

**In order to demonstrate a User has secured the rights to lease or own the land (or already leases or owns the land) for the site on which their project is planned to be located, they must meet each of the following three criteria: (a)-(c)**

| <b>a) Meet Minimum acreage requirements</b>  | <b>b) Provision of Original Red Line Boundary</b>  | <b>c) Secured Land Rights</b>  |
|--|--|--|
| <p>This relates to 100% of the land which is required for their project to meet the Gate 2 criteria. This 100% requirement will be calculated using the Energy Density Table as defined under CMP427 and contained in the <b>NESO guidance document</b> unless set out otherwise in the Gate 2 Criteria Methodology. Offshore specific arrangements will also be set out within such guidance.</p> | <p>As set out in CUSC Section 17, the User would also need to provide the Original Red Line Boundary for their project site showing the land they have secured.</p> <p>Note that this is the red line boundary provided in accordance with section 4.1b of this Gate 2 Criteria Methodology and does not have to correspond to the red line boundary set out in any Letter of Authority previously submitted since the implementation of CMP427.</p> | <p><b>Either:</b></p> <p><b>Option</b> – any Option agreement must have a minimum 3-year period (unless discretion applied via this Gate 2 Criteria Methodology) from the date the Option is signed (and not the date the Gate 2 application is submitted). There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the connection date. The lease or purchase agreement, which accompanies the Option Agreement must reflect the typical minimum operational timelines for that type of project and this will be a minimum 20 years from the date of exercise of the Option unless the User can demonstrate, to the reasonable satisfaction of NESO or the DNO/Transmission Connected iDNO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects; or</p> <p><b>Evidence of existing ownership</b> (via provision of the Official Copy of The Register of Title where land registered at Land Registry or of via the Title deeds where land not registered at Land Registry) at the time of submission of the Gate 2 evidence; or</p> <p><b>Existing land lease</b> with a remaining term of minimum of 20 years from the submission of the Gate 2 evidence unless the User can demonstrate, to the reasonable satisfaction of NESO or the DNO/Transmission Connected iDNO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects.</p> |

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## **4.1a Gate 2 Readiness Criteria – Meet Minimum acreage requirements (1/2)**

**Relates to 100% of the land which is required for their project to meet the Gate 2 criteria. This 100% requirement will be calculated using the Energy Density Table as defined under CMP427 and contained in the [NESO guidance document](#) unless set out otherwise in this section of the Gate 2 Criteria Methodology. Offshore specific arrangements will also be set out within such guidance.**

**Where more than one technology (e.g. a co-located generator), the User will need to meet the total minimum acreage requirements for each of the technologies unless otherwise agreed by NESO or the DNO/Transmission Connected iDNO under the process set out in the [NESO guidance document](#).**

### **Key Notes:**

As set out in the [NESO guidance document](#), the Energy Land Density table will be reviewed annually by the NESO to take into account any updates or changes to technology types. The NESO will engage with industry prior to publishing any amendments to the table.

Energy Density values (and/or equivalents) for Offshore projects (including Interconnectors and/or Offshore Hybrid Assets (OHAs) will be included in the [NESO guidance document](#). Please note that for Interconnectors, OHAs and Non-GB projects, the minimum acreage requirement will be in relation to whether the applied for capacity (in respect of Gate 2) and the onshore converter station area is consistent with the energy density table information.

Where the Original Red Line Boundary provided (under 4.1b of this Gate 2 Criteria Methodology) has an acre per MW which is less than that in the Energy Land Density table, Users will need to justify why a reduced minimum acreage is appropriate for their Project Site. Users should proactively explain this on their Readiness Declaration and queries will be raised by the NESO or Transmission Connected iDNO/DNO with the User in an attempt to fully understand the context of why this is relevant for that project. However, in the event that NESO or Transmission Connected iDNO/DNO is not satisfied that the total land acreage provided meets the de minimis level, the minimum acreage requirement will not have been met.

Emerging technology types that are not represented in the Energy Land Density table will be treated on a case-by-case basis.

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#### **4.1a Gate 2 Readiness Criteria – Meet Minimum energy density requirements calculation (Offshore process variation) (2/2)**

**Relates to 100% of the land which is required for their project to meet the Gate 2 criteria. This 100% requirement will be calculated using the Energy Density Table as defined under CMP427 and contained in the [NESO guidance document](#) unless set out otherwise in this section of the Gate 2 Criteria Methodology.**

This variation applies in the case of a project securing an award for seabed lease from The Crown Estate (TCE) and or Crown Estate Scotland (CES) in relation to energy generating projects in GB waters, such as wind, wave and tidal, and so not including interconnectors, OHAs and Non-GB Projects.

For such offshore projects (excluding Interconnectors, OHAs and Non-GB Projects), if the capacity that the User has requested in their Gate 2 Application equates to what has been awarded by TCE or CES, this will be sufficient in lieu of reference to the energy density table.

In the event this is not the case, the Offshore specific energy density table as set out in the [NESO guidance document](#) will be used to determine Gate 2 Criteria readiness in relation to the minimum seabed equivalent requirement. It is possible that only a portion of the project meets the Gate 2 Readiness Criteria, and the User will need to take necessary steps (e.g. staging Transmission Entry Capacity or reducing Transmission Entry Capacity) to match the energy density table in order to meet the minimum acreage equivalent requirement.

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## 4.1b Gate 2 Readiness Criteria – Provision of Original Red Line Boundary

**As set out in CUSC Section 17, the User would also need to provide the Original Red Line Boundary for their project site showing the land they have secured. Note that this does not have to correspond to the red line boundary set out in any Letter of Authority previously submitted since the implementation of CMP427. The criteria a User must meet here are as follows:**

- **Show the Original Red Line Boundary of the site on which the project is located**
  - Original Red Line Boundary should be clearly marked;
  - Where the Original Red Line Boundary covers multiple land parcels, it is recommended to include this on the Original Red Line Boundary (however this is not mandatory);
  - Indicate the scale and orientation used; and
  - Explain any symbols, colours and abbreviations used
  - This does not need to show the project's cable route, or the land needed for a network substation or land used for non-energy purposes (e.g. agricultural such as grazing sheep at a wind farm or solar installation or leisure usage such as mountain-bike tracks at a wind farm)
  - Where there is more than one technology within the Project Site, the User will not be required to provide an Original Red Line Boundary for each technology but will still need to provide the installed capacity for each technology and the Original Red Line Boundary will need to be large enough to encompass all technologies
  - In addition, it is recommended to supply a GeoJSON file of the Original Red Line Boundary – however this is not mandatory

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## **4.1b Gate 2 Readiness Criteria – Provision of Original Red Line Boundary**

**As set out in CUSC Section 17, the User would also need to provide the Original Red Line Boundary for their project site showing the land they have secured. Note that this does not have to correspond to the red line boundary set out in any Letter of Authority previously submitted since the implementation of CMP427. The criteria a User must meet here are as follows:**

**Original Red Line Boundary must also show the following:**

- **Location**
  - Site address including postcode (if available); and
  - Grid Coordinates (Longitude and Latitude in WGS84 format to 3 decimal places of Northerly, Easterly, Southerly and Westerly extreme coordinates of project site)
- **Installed Capacity** (expressed in whole MW or to one decimal place) **for each technology**
  - Definition in CUSC Section 11; and
  - Additionally for CMP434, as per CUSC Section 17.7, the sum of the Installed Capacity provided within a Gate 2 Application and the capacity of any existing User's Equipment or Developer's Equipment at the same site (if any), must be equal to or greater than the total Transmission Entry Capacity or Developer Capacity or directly connected Demand MWs.
- **Total acreage secured within the Original Red Line Boundary in respect of the Project Site**

Ongoing compliance requirements regarding the Original Red Line Boundary are set out in CUSC Section 16 and expanded on further in the [Queue Management Guidance](#). Note that Embedded Power Stations' ongoing land compliance requirements will continue to be managed by DNOs or Transmission Connected iDNOs.

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## **4.1c Gate 2 Readiness Criteria – Secured Land Rights: Overview**

### **User must provide evidence of secured land rights under one of the following methods:**

**Option Agreement** – An option agreement is where the User, enters into an agreement with a landowner for the right to buy or lease their land. The User has the option to purchase or lease the land (within a period defined in the agreement) but is not under an obligation to do so. The User will usually pay a sum of money to the landowner for the right to exercise the option, known as an option fee. The User will usually be required to serve the landowner with an 'Option Notice' and pay a deposit at the point they wish to exercise the option.

Although, the length of Option agreements can vary, the Option agreement must have a minimum 3-year period (unless NESO discretion applied via this Gate 2 Criteria Methodology) from the date the Option is signed (not the date the Gate 2 application is submitted).

There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the connection date.

The lease or purchase agreement, which accompanies the Option Agreement must reflect the typical minimum operational timelines for that type of project and this will be a minimum 20 years from the date of exercise of the option unless the User can demonstrate, to the reasonable satisfaction of NESO or the DNO/Transmission Connected iDNO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects; or

**Evidence of existing ownership** (via provision of the Official Copy of The Register of Title where land registered at Land Registry or **via** the Title deeds where land not registered at Land Registry **at the time of submission of the Gate 2 evidence; or**

**Existing land lease** with a remaining term of minimum of 20 years from the submission of the Gate 2 evidence unless the User can demonstrate, to the reasonable satisfaction of NESO or the DNO/Transmission Connected iDNO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects.

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#### **4.1c Gate 2 Readiness Criteria – Secured Land Rights: Commercial Sensitivities**

**We note that land status information would need to be heavily caveated such that the User can withhold any information it deems commercially sensitive.**

**Therefore, redacted land agreements are allowed to be provided, and we will ensure these are stored in a secure location with no ability for information to be accessible by anyone unless they have the authority to do so and must not be made public.**

**However, we will need to be satisfied that the land agreements provided meet the Gate 2 Readiness Criteria for Land (which in the case of the Option Agreement could be via one of the listed exceptions, set out in this Gate 2 Criteria Methodology).**

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## **4.1c Gate 2 Readiness Criteria – Secured Land Rights: Option Agreement**

**Option Agreement – must have a minimum 3-year period (unless discretion applied via this Gate 2 Criteria Methodology) from the date the Option is signed (not the date the Gate 2 application is submitted).**

**There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the connection date.**

### **What do we mean by a 3-year minimum option length?**

- The Option agreement must have a minimum 3-year period (unless NESO discretion applied via this Gate 2 Criteria Methodology) from the date the Option is signed (not the date the Gate 2 application is submitted). Note that the Option must continue to have at least a 3-year minimum period unless it meets one of the exceptions in this section of this Gate 2 Criteria Methodology.
- Noting that options are structured differently and we do not wish to unnecessarily restrict a commercial negotiation, how the 3-year minimum option length is structured is in the User's control but it needs to ensure e.g. that the landlord has no unilateral termination provision (except in the event of default by the tenant). Therefore, it would be acceptable for an option that includes an initial term and an allowed extension (that in total constitutes  $\geq 3$  years) that can be granted on payment of an extension fee by the User to the landlord e.g. a right to extend by a further period if a planning application has been submitted.
- The detailed checks to be undertaken are set out in Section 8 of this Gate 2 Criteria Methodology.
- A User having an exclusivity agreement is not sufficient evidence of such land rights and this limb has been removed from the acceptable evidence for meeting Queue Management Milestone M3 as part of the changes under CMP434.
- Additionally, Heads of Terms, which is a preliminary agreement that outlines the key terms and conditions and timescales for the User to secure an Option from the landowner to purchase or lease the land for the purposes of the proposed connection, is not sufficient evidence of such land rights.

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## **4.1c Gate 2 Readiness Criteria – Secured Land Rights: Option Agreement Exceptions to Minimum Length period (1/2)**

**Option Agreement – must have a minimum 3-year period (unless discretion applied via this Gate 2 Criteria Methodology) from the date the Option is signed (not the date the Gate 2 application is submitted).**

**There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the connection date.**

### **Exceptions to 3-year minimum option length:**

- Connection Date less than 3 years away (in which case the Option agreement should cover the period until the connection date unless the project meets any of the below exceptions).
- Evidence from the User that having to have and/or maintain a 3-year validity detrimentally impacts development of the project. We will consider on a case-by-case basis, but the only exceptions we currently envisage to be considered in this regard are:
  - a test and demonstration project which would be around for a period less than 3 years; or
  - where the project is reasonably able to demonstrate that it does not need a further 3 years before it will enter into the lease (or purchase) e.g. the option is entered into just prior to construction, so although the project has a connection date greater than 3 years away, it has less than 3 years left on its option, because there is less than 3 years before the project will expect to enter into the lease (or purchase).

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#### **4.1c Gate 2 Readiness Criteria – Secured Land Rights: Option Agreement Exceptions to Minimum Length period (2/2)**

**Option Agreement – must have a minimum 3-year period (unless discretion applied via this Gate 2 Criteria Methodology) from the date the Option is signed (not the date the Gate 2 application is submitted).**

**There will be an ongoing requirement for the User to keep the land under option by seeking further agreements (or keeping or extending the same agreement already in place) with the landowner until the connection date.**

##### **Exceptions to 3-year minimum option length:**

- Under CMP435 any Option agreement for existing connection agreements that were in scope for CMP435 only needs to meet the minimum option length requirements from the Authority's Decision Date on CMP435, so any Option agreements (for existing connection agreements) already signed before this date will not need a minimum option length.
- Additionally, under CMP435, projects that have met Queue Management Milestone M1 (including Distribution Queue Management Milestone M1) and/or progressed beyond Queue Management Milestone M1 (i.e. to Queue Management Milestone M2, M4, M5, M6, M7 or M8) will also not need to meet the minimum option length requirements. However, evidence of secured land rights will still need to be provided even if the project has met Queue Management Milestone M1 and/or progressed beyond Queue Management Milestone M1 (i.e. to Queue Management Milestone M2, M4, M5, M6, M7 or M8).

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### **4.1c Gate 2 Readiness Criteria – Secured Land Rights: Option Agreement Other Exceptions (Compulsory Purchase Order)**

#### **Option Agreement Other Exception: Evidence of Compulsory Purchase Order Powers granted**

Although, in most circumstances, the User should have secured land rights over all of their proposed project site before they make a Gate 2 Application, there are circumstances where a User may be unable to obtain the necessary land rights as they can only acquire all the land required, or part of the land required, through the granting of Compulsory Purchase Order (CPO) powers. This exception is only allowable under the following circumstances:

- At Gate 2 Application, the User must provide evidence of the granted CPO powers for all the land (or the relevant part) which may be acquired through those granted CPO Powers.
- At Gate 2 Application, the User must meet all the requirements under "Gate 2 Readiness Criteria – Land" for the land that is not associated with the granted CPO Powers. Note that the Installed Capacity provided under section 4.1b should also include the land associated with the granted CPO Powers.
- At Gate 2 Application, the User must indicate on the Original Red Line Boundary as per section 4.1b (or provide a separate draft Original Red Line Boundary) the red line boundary for the land associated with the granted CPO Powers and also confirm the minimum acreage for this land, as per section 4.1a. Ongoing Original Red Line Boundary Compliance will be based on this information.
- At Queue Management Milestone M3 (at transmission or distribution), the User must provide evidence of secured land rights for the land (including any acquired through CPO powers) and re-confirm the Original Red Line Boundary and minimum acreage.

In Section 5 of this Gate 2 Criteria Methodology, we have included a planning alternative which allows projects that follow the DCO process (including to be granted Compulsory Purchase Order powers) an alternative route to meeting the Gate 2 Readiness Criteria via the submission of (and validation of) their application for planning consent (Queue Management Milestone M1 – at transmission or distribution). Where a User evidences to NESO or the DNO/Transmission Connected iDNO, ahead of the Gated Application Window opening, that they need to follow an alternative planning process (other than the DCO route) in order to be granted Compulsory Purchase Order powers to secure relevant land rights, NESO may apply discretion on a case-by case-basis in respect of this aspect of the Gate 2 Readiness Criteria (in line with the above).

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## **4.1c Gate 2 Readiness Criteria – Secured Land Rights: Option Agreement Other Exceptions (Probate)**

**Option Agreement Other Exception: User may be unable to complete the land option due to the ownership of a parcel of land being in probate following a death.**

Although, in most circumstances, we believe that the User should have secured land rights over all of their proposed project site before they make a Gate 2 Application, there is a circumstance where a User may be unable to complete the land option due to the ownership of a parcel of land being in probate following a death. Where the only land the User needs for project is in Probate, it is not appropriate to provide a Gate 2 Offer to a User who has not secured any land rights. Therefore, this is only an allowable exception where the User has already secured land options over multiple parcels of land but cannot secure the land option for the parcel of land in probate, and under the following circumstances:

- At Gate 2 Application, the User must meet all the requirements under “Gate 2 Readiness Criteria – Land” for the land not in Probate. Note that the Installed Capacity provided should also include the land under probate.
- At Gate 2 Application, the User must meet all the requirements under “Gate 2 Readiness Criteria – Land” for the land that is not being acquired through Probate. Note that the Installed Capacity provided under section 4.1b should also include the land to be acquired through Probate.
- At Gate 2 Application, the User must indicate on the Original Red Line Boundary as per section 4.1b (or provide a separate draft Original Red Line Boundary) the red line boundary for the land being acquired through Probate and also confirm the minimum acreage for this land as per section 4.1a. Ongoing Original Red Line Boundary Compliance will be based on this information.
- At Queue Management Milestone M3 (at transmission or distribution), the User must provide evidence of secured land rights for the land that was in Probate and re-confirm the Original Red Line Boundary and minimum acreage.

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#### **4.1c Gate 2 Readiness Criteria –Secured Land Rights: Option Agreement (Lease or Purchase Agreement))**

**The lease or purchase agreement, which accompanies the Option Agreement must reflect the typical minimum operational timelines for that type of project and this will be a minimum 20 years from the date of exercise of the option unless the User can demonstrate, to the reasonable satisfaction of NESO or the DNO/Transmission Connected iDNO , that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects.**

As the contracted connection date will not necessarily be known at the time that the User is negotiating the Option Agreement with the landowner, the minimum 20 years will apply from the date of exercise of the option.

If the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects, then Users should explain this within their Readiness Declaration and NESO or the DNO/Transmission Connected iDNO will allow an exception here if the operational life of the project is evidenced to be less than 20 years.

Public

#### **4.1c Gate 2 Readiness Criteria – Secured Land Rights: Existing Ownership**

**Evidence of existing ownership (via provision of the Official Copy of The Register of Title where land registered at Land Registry or via the Title deeds where land not registered at Land Registry) at the time of submission of the Gate 2 evidence**

Where the User already owns the land at which the project is to be located, the User must either:

- Provide the **Official Copy of The Register of Title** where registered at Land Registry; or
- Provide the **Title deeds** where land not registered at Land Registry

Public

#### **4.1c Gate 2 Readiness Criteria – Secured Land Rights: Existing Land Lease**

**Evidence of existing land lease with a remaining term of minimum of 20 years from the submission of the Gate 2 evidence unless the User can demonstrate, to the reasonable satisfaction of NESO or the DNO/Transmission Connected iDNO, that the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects.**

As the contracted connection will not necessarily be known at the time that this evidence is submitted, the minimum 20 years will be calculated from the date of submission of the Gate 2 evidence.

If the expected operational life of the project is less than 20 years e.g. in relation to test and demonstration projects, then Users should explain this within their Readiness Declaration and NESO or the DNO/Transmission Connected iDNO will allow an exception here if the operational life of the project is evidenced to be less than 20 years.

Public

## **4.1c Gate 2 Readiness Criteria – Secured Land Rights (Differences of Approach)**

In terms of securing land, there are minor differences of approach for Non-GB Projects, Offshore Hybrid Assets (OHAs) and Interconnectors and Innovation and Targeted Oil & Gas (INTOG) projects to reflect the practicalities of how they would meet the Gate 2 Readiness Criteria for Land/Seabed. These are shown in the table below:

| <b>All Technologies<br/>(Except Non-GB, OHAs and<br/>Interconnectors)</b>  | <b>Non-GB, OHAs and Interconnectors</b>  |
|--|--|
| Secured the rights to lease or own the land/seabed (or already leases or owns the land/seabed) of the site on which the project is planned to be located as set out in <a href="#"><b>NESO guidance document</b></a> . | Secured the rights to lease or own the land (or already leases or owns the land) for the Onshore Convertor Substation. (In the unlikely event there is not to be an onshore convertor substation for such projects this will be agreed on a case-by-case basis with NESO.) |
| <b>Other Differences of Approach</b>   |  |
| <b>Innovation and Targeted Oil &amp; Gas (INTOG) Projects</b>  |  |
| Secured relevant conditional seabed rights (for the site on which the project is planned to be located) through an agreement awarded by Crown Estate Scotland (CES) as a result of the INTOG Leasing Round.            |  |

Public

## **5. Gate 2 Readiness Criteria – Planning**

**This section sets out the Gate 2 Readiness Criteria if seeking to meet Gate 2 Readiness Criteria via evidence of submission and validation of the application for planning**

Public

## **5.1 Gate 2 Readiness Criteria – Planning**

We would expect the majority of projects to evidence meeting Gate 2 Readiness Criteria through the land route as per Section 4; however, this planning alternative allows projects that follow the DCO process (including to be granted Compulsory Purchase Order powers) an alternative route to meeting the Gate 2 Readiness Criteria.

The evidence requirement is:

- **Submission of (and validation of) application for planning consent for projects following the Development Consent Order (DCO) process.**

Where the User has not received a planning reference number in respect of the DCO process (that is provided to the User once they have submitted their application for planning consent and it has been validated by the relevant Statutory Planning Authority) at the time of their Gate 2 Application, they can instead submit their application for planning consent (that they sent to the relevant Statutory Planning Authority) as evidence. However, the User must provide the planning reference number either on or before issue of the Gate 2 Offer.

- **Other planning consent routes (in exceptional circumstances)**

Where a User evidences to NESO or the DNO/Transmission Connected iDNO, ahead of the Gated Application Window opening, that they need to follow an alternative planning process (other than the DCO route) in order to be granted Compulsory Purchase Order powers to secure relevant land rights, NESO or the DNO/Transmission Connected iDNO may apply discretion on a case-by case-basis in respect of this aspect of the Gate 2 Readiness Criteria (in line with the above evidence requirement).

Public

## **5.2 Gate 2 Readiness Criteria – Planning**

### **When is evidence of secured land rights required?**

- Considering that this route to meeting Gate 2 is meeting Queue Management Milestone M1, the ongoing compliance associated with Queue Management Milestone M1 (as referred in section 7.1 of this Gate 2 Criteria Methodology) would not be applicable. However, Users would still need to maintain compliance with Queue Management Milestones – this includes provision of Queue Management Milestone M3 (Secure Land Rights) which is the land route to meeting the Gate 2 Readiness Criteria.
- The Original Red Line Boundary and evidence of minimum acreage requirements (as set out in section 4 of this Gate 2 Criteria Methodology) must be provided as part of evidence of meeting Queue Management Milestone M2. The ongoing land compliance requirements against the Original Red Line Boundary (as referred in section 7.1 of this Gate 2 Criteria Methodology) will therefore apply from when the User has met Queue Management Milestone M2.
  - Note: Users seeking to meet the Gate 2 Readiness Criteria through the planning readiness route that have met Queue Management Milestone M2 at the time of submitting the Readiness Declaration (or where they meet it prior to signature of the Gate 2 Modification Offer) only need to provide the Original Red Line Boundary, installed capacity and evidence of minimum acreage requirements upon their signature of the Gate 2 Modification Offer.

Public

## 6. Gate 2 Strategic Alignment Criteria

**This section references the Gate 2 Strategic Alignment Criteria, one of which the User must meet**

Public

## **6.1 Gate 2 Strategic Criteria – Overview (1/2)**

In addition to meeting the Gate 2 Readiness Criteria (under either Section 4 or 5 of this Gate 2 Criteria Methodology), Users will need to meet one of the following Gate 2 Strategic Alignment Criteria.

Projects will meet the Strategic Alignment Criteria by either being:

- a) eligible for relevant 'protections' as set out in section 6.2; or
- b) aligned to the capacities within the [CP30 Action Plan](#) as described in the Connections Network Design Methodology; or
- c) designated as described in the Project Designation Methodology; or
- d) a project not within scope of the [CP30 Action Plan](#) and of a technology type listed in the table in section 6.3

Strategic Alignment Criteria a) is evidenced by the User unless set out otherwise in Section 6.2 and the User will need to confirm the Transmission Entry Capacity/Developer Capacity that they are seeking protections against on the Readiness Declaration they submit (see Section 9).

For Strategic Alignment Criteria a), b) and d), the User must provide their technology type(s) via the Readiness Declaration they submit (see Section 9). Further clarity on Strategic Alignment Criteria b) and d) is set out in Section 6.3.

The User will meet the requirements of Strategic Alignment Criteria c) where NESO have designated a project, in accordance with the Project Designation Methodology.

If, for a staged or hybrid project, one element of the project is deemed to meet the Gate 2 Strategic Alignment Criteria and another is not, then the User will be issued with a staged offer to separate the Gate 2 element of the project from that which only meets Gate 1.

**NESO will confirm to the User if they meet one of these criteria prior to the start of the Gated Design Process. If the User has met the Gate 2 Readiness Criteria and the Gate 2 Strategic Alignment Criteria, detailed checks will be carried out on that User's Gate 2 Readiness Criteria Evidence in the Gated Design Process. This is explained further in Section 8.2 of this Gate 2 Criteria Methodology.**

Public

## **6.1 Gate 2 Strategic Criteria – Overview (2/2)**

Note that for Strategic Alignment Criteria b), the DNO\* will recommend which projects have met the Gate 2 Strategic Alignment Criteria and NESO will verify this information. The process is different for CMP435 and the enduring Gated Application Windows under CMP434 as follows.

- **Under CMP435**, DNOs will recommend the Small and Medium Embedded Generation which, through their assessment, they believe has met the Gate 2 Strategic Alignment Criteria b). The Gate 2 Strategic Alignment Criteria assessment for Large Embedded Generation will be carried out by NESO after receiving the provisional Small and Medium Embedded Generation allocations from DNOs and NESO will validate the information provided by the DNOs.
- **For the enduring Gated Application Windows under CMP434**, Large Embedded Generation will also be included in the DNO provisional alignment to the [CP30 Action Plan](#) and then validated by NESO.

\*For projects that are connected to a Transmission Connected iDNO, assessment against Strategic Alignment Criteria b) will be conducted by NESO on behalf of the Transmission Connected iDNO. This is so they can be conducted alongside the review and potential amendment of DNO provisional alignments, where these interact.

Public

## **6.2 Strategic Alignment Criteria (a) - Protections (1/9)**

### **Eligible for relevant 'protections'**

Although the User is not required to do so, if they wish to be considered eligible for Strategic Alignment Criteria a), they will need to provide additional evidence as part of their Gate 2 Application. This is set out in this section, with the NESO's checks on this evidence set out in Section 8.8 of this Gate 2 Criteria Methodology.

The evidence requirements are set out in this section 6.2 for the following protections and are summarised at the end of this section 6.2:

- Protection Clause 1: Projects contracted to connect by end 2026 (CMP435);
- Protection Clause 2a: Projects which are significantly progressed (CMP435);
- Protection Clause 2b: Projects which are significantly progressed (those who reapply in CMP434 only); and
- Protection Clause 3: Projects which obtain planning consent after closure of the CMP435 Gated Application Window (those who reapply in CMP434 only).

These protections only apply to Users who have or had Existing Agreements prior to CMP435 and supplied evidence of meeting the Gate 2 Readiness Criteria in the CMP435 Gated Application Window. New applications to Gate 2 in CMP434 that are not associated with previous Existing Agreements will not be in scope of these protections.

The User will also need to confirm the Transmission Entry Capacity/Developer Capacity that they are seeking protections against and the technology type(s) on the Readiness Declaration they submit (see Section 9).

## Public

### **6.2 Strategic Alignment Criteria (a) - Protections (2/9)**

The following clauses apply in relation to the Gate 2 Strategic Alignment Criteria (a) only. **All Users will still be required to evidence that their project meets the Gate 2 Readiness Criteria** under either Section 4 or 5 of this this Gate 2 Criteria Methodology, unless their project is selected by NESO for connection point and capacity reservation at Gate 1.

#### **Protection Clause 1: Projects contracted to connect by end 2026 (CMP435)**

Any existing agreement that meets the following conditions will be deemed to have met the Gate 2 Strategic Alignment Criteria. These projects will be protected when NESO undertakes the queue formation process and will retain a place in the reformed queue. These projects will also retain their existing contracted connection date and connection location.

This clause applies to any existing agreement where the User can evidence both of the following criteria prior to the closure of the CMP435 Gated Application Window:

- (i) Having a contracted connection date of 31st December 2026 or earlier<sup>1</sup>; and
- (ii) Having met both Queue Management Milestone M2<sup>2</sup> and Queue Management Milestone M7 (or providing equivalent evidence where the project is not currently subject to Queue Management)

For projects contracted to connect under temporary restrictions to availability by 31<sup>st</sup> December 2026<sup>1</sup> (i.e. a temporary non-firm connection), with a firm connection date in 2027 or later, this clause will only cover the non-firm date. The firm capacity will be covered by Protection Clause 2 and so will be subject to change.

<sup>1</sup>There may be cases where a project met this requirement as of 20th December 2024 but does not meet this requirement at the time of application in the CMP435 Gated Application Window, due to their contracted connection date being delayed via a **network company driven** change to the contract. In these cases, the contracted connection date as of 20th December 2024 will be used to determine eligibility for this protection.

<sup>2</sup>If an existing agreement does not require planning consent, the User will instead be required to meet (or provide evidence equivalent to meeting) Queue Management Milestone M1. In this instance, Queue Management Milestone M<sup>1</sup> is evidenced by providing a signed letter from the company's Director stating that no statutory consent is required.

## Public

### **6.2 Strategic Alignment Criteria (a) - 'Protections' (3/9)**

#### **Protection Clause 2a: Projects which are significantly progressed (CMP435)**

Any project that meets the following conditions will be deemed to have met the Gate 2 Strategic Alignment Criteria. These projects will be protected when NESO undertake the queue formation process and will retain a place in the reformed queue. This clause guarantees a place in the CMP435 queue, even if the project exceeds the zonal or GB permitted capacity for its technology type (as set out within the CP30 Action Plan).

This clause applies to any existing agreement where the User can evidence one of the following prior to the closure of the CMP435 Gated Application Window:

- (i) Having obtained Planning consent<sup>3</sup>, where the relevant planning application was submitted on or before 20<sup>th</sup> December 2024 and subsequently validated; or
- (ii) Holding a Contract for Difference ( CfD) issued in accordance with the Energy Act 2013; or
- (iii) Holding a Capacity Market contract issued in accordance with the Energy Act 2013 and relevant secondary legislation; or
- (iv) Having obtained regulatory approval from the Authority, in the form of either an LDES, Interconnector or OHA Cap and Floor agreement or Merchant Interconnector approval (via the relevant exemptions process with the Authority)<sup>4</sup>
- (v) Holding a live contract with NESO awarded through their 'Network Services' (previously referred to as 'NOA Pathfinders') processes e.g. Voltage Network Services, Stability Network Services or Constraint Management Intertrip Services.<sup>4</sup>

Where the support contracts in conditions ii) to v) are dependent on the project connecting by a certain date or within a certain date range, NESO and TOs will use best endeavours to provide a revised connection date that still meets these requirements.

<sup>3</sup> For projects that do not require planning consent, the User must instead demonstrate that they have met (or can provide equivalent evidence to meeting) **Queue Management Milestone M7**.

The User must also evidence having met Queue Management Milestone M<sup>1</sup> by providing a signed letter from the company's Director stating that no statutory consent is required.

<sup>4</sup> Where a project has not met the Gate 2 Readiness Criteria, but NESO choose to reserve for it under the Gate 1 Connection Point and Capacity Reservation provision, this clause will also be applied if the project meets condition iv) or v) to treat the queue position of the reservation as 'protected'.

Public

## **6.2 Strategic Alignment Criteria (a) - 'Protections' (4/9)**

### **Protection Clause 2a: Additional protection for projects contracted to connect on or before 31<sup>st</sup> December 2027**

Any project that meets the criteria to be protected under Protection Clause 2a **and** has a contracted connection date of 31<sup>st</sup> December 2027<sup>1</sup> or earlier will also have their connection date and PoC protected. As with Protection Clause 1, these projects will be protected when NESO undertakes the queue formation process, meaning that they will remain in Phase 1 and will retain their existing relative queue position.

Projects with a contracted connection date **after** 31<sup>st</sup> December 2027 will not have their connection date and PoC protected, however they will still retain a place in the reformed queue. These projects will still be reordered as shown in Section 5 of the CNDM and reassessed for advancement where this is requested.

<sup>1</sup>There may be cases where a project met this requirement as of 20th December 2024 but does not meet this requirement at the time of application in the CMP435 Gated Application Window, due to their contracted connection date being delayed via a **network company driven** change to the contract. In these cases, the contracted connection date as of 20th December 2024 will be used to determine eligibility for this protection.

Public

## **6.2 Strategic Alignment Criteria (a) - 'Protections' (5/9)**

### **Protection Clause 2b: Projects which are significantly progressed (those who reapply in CMP434 only)**

Any project that meets the following conditions will be deemed to have met the Gate 2 Strategic Alignment Criteria. This clause guarantees a place in the CMP434 queue, even if the project exceeds the zonal or GB permitted capacity for its technology type (as set out within the CP30 Action Plan).

This clause applies to any application where the User can demonstrate one of the following prior to the closure of the CMP434 Gated Application Window:

- (i) Holding a Contract for Difference (CfD) issued in accordance with the Energy Act 2013; or
- (ii) Holding a Capacity Market contract issued in accordance with the Energy Act 2013 and relevant secondary legislation; or
- (iii) Having obtained regulatory approval from the Authority, in the form of either an LDES, Interconnector or OHA Cap and Floor agreement or Merchant Interconnector approval (via the relevant exemptions process with the Authority)<sup>5</sup>
- (iv) Holding a live contract with NESO awarded through their 'Network Services' (previously referred to as 'NOA Pathfinders') processes e.g. Voltage Network Services, Stability Network Services or Constraint Management Intertrip Services.'

Where the support contracts in conditions i) to iv) are dependent on the project connecting by a certain date or within a certain date range, NESO and TOs will use best endeavours to provide a connection date that meets these requirements.

<sup>5</sup> Where a project has not met the Gate 2 Readiness Criteria, but NESO choose to reserve a connection point and capacity for it under the Gate 1 Connection Point and Capacity Reservation provision, this clause will also be applied if the project meets condition iii) or iv) to treat the queue position of the reservation as 'protected'.

Public

## **6.2 Strategic Alignment Criteria (a) - 'Protections' (6/9)**

**Protection Clause 3: Projects which obtain planning consent after closure of the CMP435 Gated Application Window (those who reapply in CMP434 only)**

**Protection Clause 3a: Projects which submitted a planning application on or before 20<sup>th</sup> December 2024 and have since obtained planning consent (those who reapply in CMP434 only).**

This clause applies to projects where the User has submitted an application for Planning Consent on or before 20<sup>th</sup> December 2024 and has not obtained this Planning Consent before the closure of the **CMP435** Gated Application Window.

If this results in the project not meeting the Gate 2 Strategic Alignment Criteria, and the User chooses to reapply in a future **CMP434** Gated Application Window, the project **will be allowed to exceed both the zonal and GB permitted capacities** (as set out within the CP30 Action Plan) for the relevant technology.

**Protection Clause 3b: Projects which submitted a planning application on or before the closure of the CMP435 Gated Application Window and have since obtained planning consent (those who reapply in CMP434 only).**

This clause applies to projects where the User has submitted an application for Planning Consent that has been validated prior to the closure of the **CMP435** Gated Application Window and has not obtained this Planning Consent before the closure of the **CMP435** Gated Application Window. If this results in the project not meeting the Gate 2 Strategic Alignment Criteria, and the User chooses to reapply in a future **CMP434** Gated Application Window, the project **will only be required to adhere to the GB total permitted capacity** (as set out within the CP30 Action Plan) for the relevant technology.

Where there is a zonal permitted capacity outlined for the technology, and this is exceeded, the project will still receive a Gate 2 offer provided it does not exceed the GB total permitted capacity.

See [Section 7 of the CNDM](#) for how these projects will be ordered in the CMP434 queue formation exercise.

Public

## **6.2 Strategic Alignment Criteria (a) - 'Protections' (7/9)**

### **Additional notes for protections**

#### **Protection for part of a project**

If a User has only obtained planning consent or secured a support contract for part of a project, then **only that part will benefit from protection** under any of the clauses outlined in this section. Where this results in only part of the project meeting the Gate 2 Strategic Alignment Criteria, the User will be issued with a staged offer to separate the Gate 2 element of the project from that which only meets Gate 1<sup>6</sup>. There may also be staging where both parts of the project meet the Gate 2 Strategic Alignment Criteria but receive different queue positions as a result of the queue formation process (e.g. one part aligns to the 2030 phase and the other aligns to the 2035 phase).

<sup>6</sup> Gate 1 offers are only applicable for transmission connected generation and demand.

## Public

### 6.2 Strategic Alignment Criteria (a) – CMP435 ‘Protections’ (8/9)

#### Summary of evidence required to be provided by the User

##### **Protection Clause 1: Projects connecting by end 2026 (CMP435)**

- Must have a connection date on or before 31 December 2026; and
- Provide evidence of meeting Queue Management Milestone M2 and M7

##### **Protection Clause 2a: Projects which are significantly progressed (CMP435)**

- Where the contracted connection date is 31 December 2027 or earlier, this date must be provided alongside the below evidence
- **Where statutory consent is required:**
  - Provide evidence of meeting Queue Management Milestone M1, noting this must also show this was submitted to the Statutory Planning Authority on or before 20 December 2024 and subsequently validated; and
  - Provide evidence of meeting Queue Management Milestone M2; or
  - Provide evidence of holding a “live” Contracts for Difference Contract; or “live” Capacity Market Contract; or “live” Cap and Floor agreement or Merchant Interconnector approval (via the relevant exemptions process with the Authority); or “live” contract with NESO awarded through their ‘Network Services’ processes e.g. Voltage Network Services, Stability Network Services or Constraint Management Intertrip Services

- **Where statutory consent is not required:**

- Provide a signed letter from the company’s Director stating that no statutory consent is required. This means they will be deemed to have met M1; and
- Provide evidence of meeting Queue Management Milestone M7

##### **Notes:**

##### **On Queue Management Milestones**

- User must provide equivalent evidence where the project is not currently subject to Queue Management.
- The evidence requirements for these milestones are detailed in the relevant Queue Management guidance (transmission or distribution) unless otherwise stated.
- For directly connected projects, if a User has already provided evidence to demonstrate meeting the relevant Queue Management Milestones, User does not need to resubmit.

##### **On Protections**

- User will need to confirm the Transmission Entry Capacity/Developer Capacity that they are seeking protections against; and evidence of technology type on the Readiness Declaration they submit (see Section 9).

## Public

### **6.2 Strategic Alignment Criteria (a) – CMP434 ‘Protections’ (9/9)**

#### **Summary of evidence required to be provided by the User**

##### **Protection Clause 2b: Projects which are significantly progressed (those who reapply in CMP434 only)**

- Provide evidence of holding a “live” Contracts for Difference Contract; or “live” Capacity Market Contract; or “live” Cap and Floor agreement or Merchant Interconnector approval (via the relevant exemptions process with the Authority); or “live” contract with NESO awarded through their ‘Network Services’ processes e.g. Voltage Network Services, Stability Network Services or Constraint Management Intertrip Services

##### **Protection Clause 3: Projects which obtain planning consent after closure of the CMP435 Gated Application Window (those who reapply in CMP434 only)**

- Provide evidence of meeting Queue Management Milestone M1, noting this must also show this was validated by the Statutory Planning Authority prior to the closure of the CMP435 Gated Application Window\*; and
- Provide evidence of meeting Queue Management Milestone M2.

##### **Notes:**

##### **On Queue Management Milestones**

- User must provide equivalent evidence where the project is not currently subject to Queue Management.
- The evidence requirements for these milestones are detailed in the relevant Queue Management guidance (transmission or distribution) unless otherwise stated.
- For directly connected projects, if a User has already provided evidence to demonstrate meeting the relevant Queue Management Milestones, User does not need to resubmit.
- Where a User does not require planning consent, the User will instead be required to provide a signed letter from the company’s Director stating that no statutory consent is required. This means they will be deemed to have met M1 and/or M2.

##### **On Protections**

- User will need to confirm the Transmission Entry Capacity/Developer Capacity that they are seeking protections against; and evidence of technology type on the Readiness Declaration they submit (see Section 9).

\*The date the planning application was submitted will be used to determine whether the project is eligible for Protection Clause 3a or Protection Clause 3b

Where a User is not seeking protections under Strategic Alignment Criteria (a), there is then a need to understand, through the Readiness Declaration, the project status (either “planning application submitted” or “land rights obtained”) for the purpose of queue formation. Where evidence is required and provided, verification will be undertaken by NESO for transmission connected projects and large embedded generation, and by DNOs and Transmission connected iDNOs for small and medium embedded generation.

## Public

### **6.3 Strategic Alignment Criteria (b) and (d) (1/2)**

The below table shows the technologies that are in and out of scope of the CP30 Action Plan. In scope technologies must be assessed against the 2030 and 2035 capacity ranges as outlined in CNDM Section 5.7 before they can be deemed to have met the Gate 2 Strategic Alignment Criteria.

- Technologies that are listed in this table and are **not** in scope of the [CP30 Action Plan](#) will automatically meet the Gate 2 Strategic Alignment Criteria (under Strategic Alignment Criteria (d))
- Any technologies **not** listed in this table will only be able to meet the Gate 2 Strategic Alignment Criteria by meeting Strategic Alignment Criteria (a) or (c).

| Technology                          | In scope of CP30 Action Plan? | Breakdown in CP30 Action Plan | Technology                    | In scope of CP30 Action Plan? |
|-------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Offshore Wind                       | Yes                           | GB-wide                       | Transmission-Connected Demand | No                            |
| Onshore Wind                        | Yes                           | Zonal <sup>1</sup>            | Wave                          | No                            |
| Solar                               | Yes                           | Zonal <sup>2</sup>            | Tidal                         | No                            |
| Nuclear                             | Yes                           | GB-wide                       | Run-of-river Hydro            | No                            |
| Low Carbon Dispatchable Power       | Yes                           | GB-wide                       | Geothermal Power              | No                            |
| Unabated Gas                        | Yes                           | GB-wide                       | Non-GB Generation             | No                            |
| Long Duration Energy Storage (LDES) | Yes                           | GB-wide                       | Reactive Compensation         | No                            |
| Batteries                           | Yes                           | Zonal                         |                               |                               |
| Interconnectors                     | Yes                           | GB-wide                       |                               |                               |

## Public

### **6.3 Strategic Alignment Criteria (b) and (d) (2/2)**

The below table lists all technology definitions provided in the CP30 Action Plan Connections reform annex and additional technology definitions where required to provide further clarity. Technologies listed in this table and the table on the previous page will be kept under review and updated as required if definitions are updated or as new technology types emerge.

| Technology                    | Definition  |
|-------------------------------|---|
| Low Carbon Dispatchable Power | Low Carbon Dispatchable Power technologies are ones which combust fuel to produce electricity and, by varying the rate at which fuel is burned, can respond to meet the needs of the grid with varying levels of flexibility. This category includes biomass, power BECCS, gas CCUS and hydrogen.   |
| LDES                          | As outlined in DESNZ and Ofgem's <u>Long Duration Electricity Storage: Technical Decision Document</u> , an LDES asset must be capable of discharge at full power for at least eight hours, and full power must be at least 50MW or 100MW (depending on technology maturity). This also states that for the purposes of the Clean Power 2030 Action Plan pathway which will be used for connections, lithium-ion electricity storage projects will be treated as batteries. |
| Batteries                     | Refers to battery storage projects which do not meet the definition of LDES, as per the forthcoming LDES Technical Decision Document.   |
| Nuclear                       | For the purposes of the strategic alignment this means generating stations that use one of the following technologies: Advanced Gas Cooled Reactors, European Pressurised Reactors and Standardized Nuclear Unit Power Plant System Pressurised Water Reactors as projects using these technologies are referenced in Government's plan and are connected, in construction or post planning consent.  |
| Non-GB Generation             | Generation located outside of Great Britain and the UK's Exclusive Economic Zone, but which is directly connected to the GB Transmission System or Distribution System and is not connected to another market.  |
| Run-of-river hydro            | Facility that channels flowing water from a river through a canal or penstock to spin a turbine. Typically, a run-of-river project will have little or no storage facility. Run-of-river provides a continuous supply of electricity (base load), with some flexibility of operation for daily fluctuations in demand through water flow that is regulated by the facility.   |
| Geothermal power              | Geothermal power plants use steam to produce electricity. The steam comes from reservoirs of hot water found a few miles or more below the earth's surface. The steam rotates a turbine that activates a generator, which produces electricity.   |
| <u>Reactive Compensation</u>  | <u>Reactive Compensation is the process of managing reactive power in electrical systems to improve efficiency, stability, and voltage quality. Note that this also applies to projects categorised as 'Synchronous Compensation', which fall under the 'Reactive Compensation' technology term.</u>  |

Public

## 7. Gate 2 Criteria – Ongoing Compliance

**This section summarises the ongoing compliance requirements in respect of land and planning**

## Public

### **7.1 Gate 2 Criteria – Ongoing Compliance**

**Once a project has met the Gate 2 Criteria and the User has signed the Gate 2 Offer, there will be ongoing compliance requirements regarding the land and planning. These obligations are set out in CUSC Section 16 and expanded on further in the Queue Management Guidance.**

**If following the Planning route to meeting Gate 2, the ongoing land compliance requirements will apply from when the User has met Queue Management Milestone M2 and as the Planning route to meeting Gate 2 is meeting Queue Management Milestone M1, the ongoing compliance referenced below associated with Queue Management Milestone M1 is not applicable.**

#### **Land**

Whatever Installed Capacity in MW (expressed in whole MW or to one decimal place) is built within the Original Red Line Boundary, only 50% of that number can then be located outside of the Original Red Line Boundary. Where this Original Red Line Boundary MW calculation results in a number that is less than the total Installed Capacity, the total Installed Capacity will be reduced accordingly (and this may result in a Transmission Entry Capacity reduction). This is set out further in CUSC Schedule 2 Exhibit 3 Clause 7.5 (Onshore) and CUSC Schedule 2 Exhibit 3A Clause 7.4 (Offshore) in respect of directly connected projects.

#### **Planning**

As set out in CUSC Section 16, requirement to submit the application for planning consent (unless already met at the time of the Gate 2 Application) at the earliest of:

- i) the Queue Management Milestone M1 (“M1”) calculated back from the contracted completion date (as per current CMP376 methodology); or
- ii) M1 calculated forwards from the Gate 2 offer date (based on an agreed standard time period calculated from the date of the Gate 2 offer for each planning type) to move from Queue Management Milestone M3 (“M3”) to M1.

The requirements to meet Queue Management Milestones will continue to apply.

Note that Embedded Power Stations’ Queue Management Milestones and ongoing land compliance requirements will continue to be managed by DNOs or Transmission Connected iDNOs.

Public

## **8. Gate 2 Criteria Evidence Assessment**

**This section sets out the Gate 2 Criteria Evidence assessment process including what is being checked and by whom. This includes the assessment process for the Gate 2 Readiness Criteria and Gate 2 Strategic Alignment Criteria**

Public

## **8.1 Summary of Gate 2 Criteria Evidence Assessment – Summary of Evidence Requirements**

| <b>User (Transmission Connected and Large Embedded Generation) to NESO</b>   |  |
|--|--|
| <b>Evidence Requirement</b>  | <b>Section in Gate 2 Criteria Methodology</b>  |
| Readiness Declaration  | Section 9.2 (for CMP434); Section 9.3 (for CMP435)   |
| Original Red Line Boundary if seeking to meet Gate 2 Readiness criteria through land as per Section 4.1b of this Gate 2 Criteria Methodology <ul style="list-style-type: none"> <li>• Note if meeting Gate 2 Readiness Criteria through planning, the above will be provided at Queue Management Milestone M2</li> </ul> | Section 4.1b   |
| Evidence of secured land rights (can be redacted to address commercial concerns) as per Section 4.1c of this Gate 2 Criteria Methodology; or submission of planning readiness criteria as per Section 5 of this Gate 2 Criteria Methodology  | Section 4.1c (Land); Section 5 (Planning)  |
| Evidence of meeting Strategic Alignment Criteria (if applicable)   | Section 6.2 (for a), Section 6.3 (for b and d). As per Section 6.1, Strategic Alignment Criteria (c) met where NESO have designated a project, in accordance with the Project Designation Methodology. |

+ Gate 2 Application (under CMP434 only); or EA Request (under CMP435 only), which may or may not seek Advancement of connection date in the CMP435 Gated Application Window.

Public

## **8.2 Summary of Gate 2 Criteria Evidence Assessment – Summary of Evidence Requirements**

### **User (Small and Medium Embedded Generation\*) to DNO/Transmission Connected IDNO**

| <b>Evidence Requirement</b>  | <b>Section in Gate 2 Criteria Methodology</b>  |
|--|--|
| Readiness Declaration  | Section 9.2 (for CMP434); Section 9.3 (for CMP435)   |
| Original Red Line Boundary if seeking to meet Gate 2 Readiness criteria through land as per Section 4.1b of this Gate 2 Criteria Methodology <ul style="list-style-type: none"> <li>• Note if meeting Gate 2 Readiness Criteria through planning, the above will be provided at Queue Management Milestone M2</li> </ul> | Section 4.1b   |
| Evidence of secured land rights (can be redacted to address commercial concerns) as per Section 4.1c of this Gate 2 Criteria Methodology; or submission of planning readiness criteria as per Section 5 of this Gate 2 Criteria Methodology  | Section 4.1c (Land); Section 5 (Planning)  |
| Evidence of meeting Strategic Alignment Criteria (if applicable)   | Section 6.2 (for a), Section 6.3 (for b and d). As per Section 6.1, Strategic Alignment Criteria (c) met where NESO have designated a project, in accordance with the Project Designation Methodology. |

+ must have met requirements under Clause 17.6.8 of the CUSC

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

Public

### **8.3 Summary of Gate 2 Criteria Evidence Assessment – Summary of Evidence Requirements**

#### **DNO/ Transmission Connected iDNO (on behalf of Small and Medium Embedded Generation\*) to NESO**

| <b>Evidence Requirement</b>  | <b>Section in Gate 2 Criteria Methodology</b>      |
|--|--|
| Upon request from NESO, Readiness Declaration(s) that were provided to DNO/Transmission Connected iDNO for Small and Medium Embedded Generation*   | Section 9.1 (for CMP434); Section 9.2 (for CMP435) |
| Provide the Grid Coordinates for the Original Red Line Boundaries that were provided to DNO/Transmission Connected iDNO for Small and Medium Embedded Generation*. Upon request from NESO, provide the actual Original Red Line Boundaries as per Section 4.1b of this Gate 2 Criteria Methodology | Section 4.1b                                       |

+ Transmission Evaluation Application

+ Under CMP435 DNOs will recommend to NESO the Small and Medium Embedded Generation\* which, through their assessment, they believe has met the Gate 2 Strategic Alignment Criteria b). Under CMP434, DNOs also include Large Embedded Generation in their recommendation to NESO. For projects that are connected to a Transmission Connected iDNO, assessment against Strategic Alignment Criteria b) will be conducted by NESO on behalf of the Transmission Connected iDNO.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

Public

## **8.4 Gate 2 Criteria Evidence Assessment – Level of checking**

### **Checking of Gate 2 evidence undertaken prior to Gate 2 Offer**

#### **NESO for transmission connected and Large Embedded Generation**

As set out in CUSC Section 17.10, there is a reasonable endeavours obligation to check 100% of Gate 2 Readiness Criteria evidence provided and obligation to publish after the end of the Gated Design Process the percentage of detailed checks undertaken as a percentage of the total of Gate 2 Applications within the Gated Design Process that NESO, DNOs and IDNOs have carried out.

Conduct 100% of duplication checks (Original Red Line Boundaries for Gate 2 applications including those for Small and Medium Embedded Generation\* and those that have already met the Gate 2 Criteria).

#### **DNO/Transmission Connected iDNO for Small and Medium Embedded Generation\***

As set out in CUSC Section 17.10, there is a reasonable endeavours obligation to check 100% of Gate 2 Readiness Criteria evidence provided and obligation to inform NESO after the end of the Gated Design Process the percentage of detailed checks undertaken as a percentage of the total of Gate 2 Applications within the Gated Design Process for their licensed area.

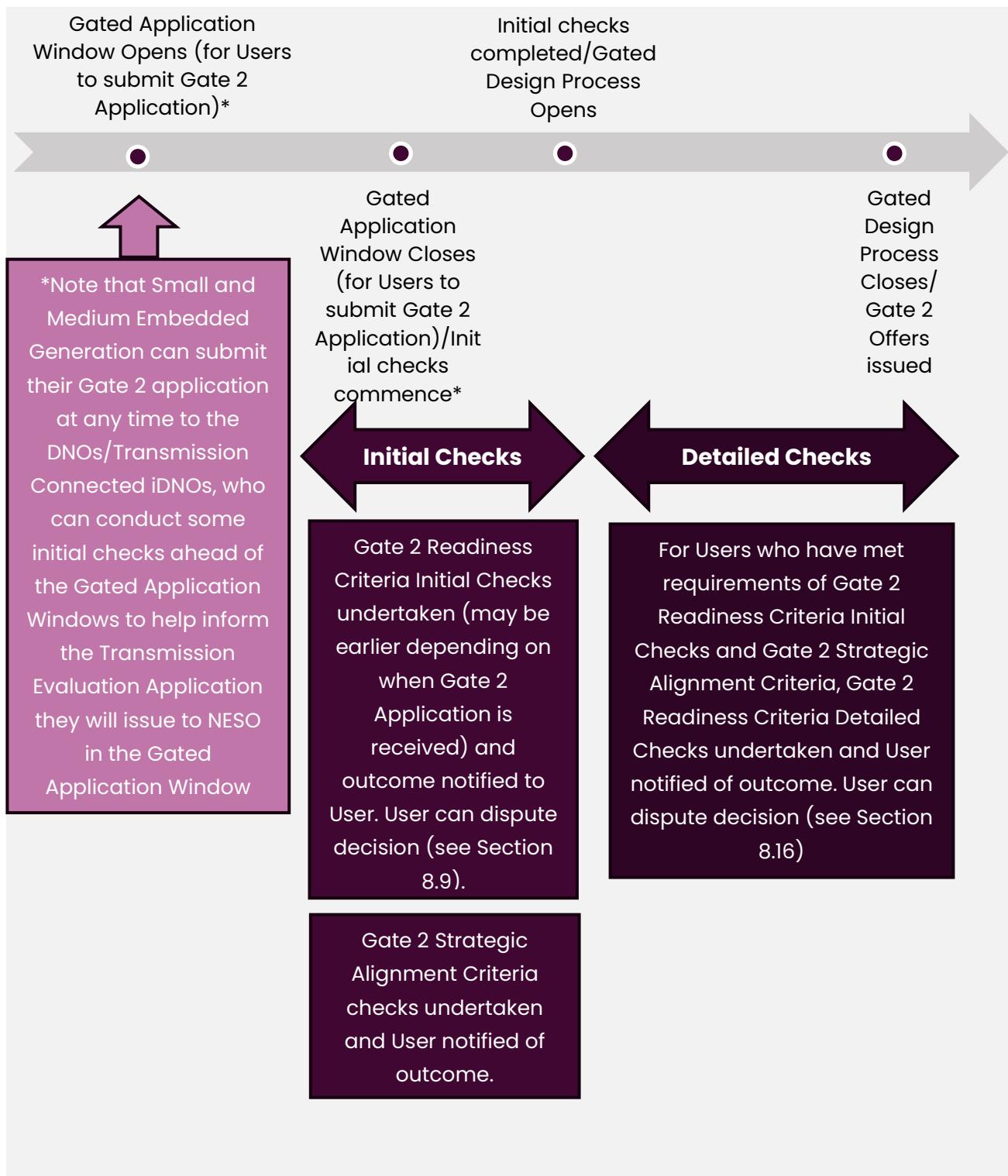
Upon request from NESO, provide copies of Readiness Declaration(s) for Small and Medium Embedded Generation\* that they believe have met the Gate 2 Criteria, but it will still be the DNO/Transmission Connected iDNO that assess these. Note that the data submission(s) (which includes data from the Readiness Declarations), that is provided by the DNO/Transmission Connected IDNO to NESO associated with the Gated Application Window, is considered to meet the CUSC requirement for DNO/Transmission Connected IDNOs to provide the Readiness Declarations.

Provide Grid Coordinates for the Original Red Line Boundaries to NESO for Small and Medium Embedded Generation\* that they believe have met Gate 2 Criteria. Also, upon request from NESO, provide any requested Original Red Line Boundaries they have received. (NESO will carry out duplication checks against these Original Red Line Boundaries).

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

Public

## 8.5 Gate 2 Criteria Evidence Assessment – Timing of Checks



Public

## **8.6 Gate 2 Criteria Evidence Assessment – Initial Checks (Gate 2 Readiness Criteria)**

### **Initial checks – Gate 2 Readiness Criteria**

These will be carried out prior to the start of the Gated Design Process. These checks will be carried out by NESO apart from in respect of Small and Medium Embedded Generation\*, which are undertaken by their DNO/Transmission Connected iDNO. Note that as Small and Medium Embedded Generation can submit their Gate 2 application at any time, the DNOs/Transmission Connected iDNOs could conduct some initial checks ahead of the Gated Application Window.

Below is a list of the Gate 2 Criteria Readiness initial checks that we will undertake. We will keep under review if any of the Gate 2 Criteria Readiness detailed checks as set out in section 8.11, 8.13, 8.14 or 8.15 can be carried out prior to the start of the Gated Design Process.

| <b>Evidence provided by User</b>   | <b>Check</b>   |
|--|--|
| <b>Readiness Declaration</b>   | All mandatory fields completed   |
| <b>Received the Gate 2 Readiness Criteria Evidence – land or planning?</b>                                     | Check document can be opened and is a land / planning document   |
| <b>Received Original Red Line Boundary (if meeting Gate 2 Readiness Criteria through secured land rights)?</b> | Check it can be opened and is a red line boundary and also includes all the mandatory information as set out in 4.1b of this Gate 2 Criteria Methodology |
| <b>Application or Modification Application</b>   | Application is Competent/Effective as per CUSC Section 11  |

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

## Public

### **8.7 Gate 2 Criteria Evidence Assessment – Initial Checks (Gate 2 Strategic Alignment Criteria)**

#### **Initial checks – Gate 2 Strategic Alignment Criteria**

As well as the Gate 2 Readiness Criteria initial checks, there will be Gate 2 Strategic Alignment Criteria checks (as set out in Section 6, of this Gate 2 Criteria Methodology) undertaken prior to the start of the Gated Design Process. Below is a list of the Gate 2 Strategic Alignment Criteria checks:

| <b>Strategic Alignment Criteria</b>  | <b>Carried out by NESO</b>   | <b>Carried out by DNO/Transmission Connected iDNO</b>  |
|--|--|--|
| a) eligible for relevant 'protections' as set out in section 6.2 of this Gate 2 Criteria Methodology                     | Yes, See section 8.8 of this Gate 2 Criteria Methodology   | Yes, See section 8.8 of this Gate 2 Criteria Methodology   |
| b) aligned to the capacities within the <u>CP30 Action Plan</u> as described in the CNDM                                 | Yes, as set out in the Connections Network Design Methodology. NESO verify the recommendation provided by the DNOs | Yes, under CMP435 DNOs provide recommendation in respect of Small and Medium Embedded Generation* and NESO verify. Under CMP434, DNOs also include Large Embedded Generation in their recommendation. For projects that are connected to a Transmission Connected iDNO, assessment against Strategic Alignment Criteria b) will be conducted by NESO on behalf of the Transmission Connected iDNO. |
| c) designated as described in the Project Designation Methodology;   | Yes, as set out in the Project Designation Methodology   | N/A – although if a DNO/Transmission Connected iDNO identifies a Small or Medium Embedded Generation* project, which they believe should be designated, they can notify NESO.  |
| d) a project not within scope of the <u>CP30 Action Plan</u> and of a technology type listed in the table in section 6.3 | As per Strategic Alignment Criteria b)   | As per Strategic Alignment Criteria b)   |

\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.

Public

## **8.8 Gate 2 Criteria Evidence Assessment – Initial Checks (Gate 2 Strategic Alignment Criteria)**

### **Initial checks – Gate 2 Strategic Alignment Criteria**

Although the User is not required to do so, if they wish to be considered eligible for Strategic Alignment Criteria a), they will need to provide additional evidence as part of their Gate 2 Application as set out in section 6.2. These checks will be carried out by NESO apart from in respect of Small and Medium Embedded Generation\*, which are undertaken by their DNO/Transmission Connected iDNO. These checks are:

- Verifying evidence of meeting Queue Management Milestones M1, M2 and M7 (as appropriate) in accordance with the checks detailed in the relevant Queue Management guidance (Transmission or Distribution). Note that where planning consent is not required, the User will instead be required to provide a signed letter from the company's Director stating that no statutory consent is required, and this will need to be verified.
- Where the User evidences that they hold a valid Contract for Difference (CfD); or Capacity Market (CM) Agreement; or have Cap and Floor arrangements in place (or Merchant Interconnector approval via the relevant exemptions process with the Authority), this will be checked by NESO or DNO/Transmission Connected iDNO with the body that issued these i.e. LCCC for CfD, NESO for CM, and the Authority for Cap and Floor arrangements and/or through a review of public information e.g. there is a CfD and CM register, etc.

Note that for Strategic Alignment Criteria a), b) and d), the User needs to provide their technology type(s), via their Readiness Declaration, and this will be verified (where required) against the existing agreement. Additionally for Strategic Alignment Criteria a), the User will need to confirm the Transmission Entry Capacity/Developer Capacity that they are seeking protections against via their Readiness Declaration, noting that if a User has only obtained planning consent or secured a support contract for part of a project, then only that part will benefit from protection – this will also be verified.

As per Section 6.1, Strategic Alignment Criteria (c) is met where NESO have designated a project, in accordance with the Project Designation Methodology.

\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.

Public

## **8.9 Gate 2 Criteria Evidence Assessment – Initial Checks (Outcome)**

### **Initial checks – Gate 2 Readiness Criteria and Gate 2 Strategic Alignment Criteria**

Apart from Small and Medium Embedded Generation\*, NESO will notify the User if they have met the Gate 2 Readiness Criteria initial checks and Gate 2 Strategic Alignment Criteria. The DNO/Transmission Connected iDNO will do likewise in respect of the Small and Medium Embedded Generation\* that has applied to them in the Gated Application Window.

This notification would be issued prior to the start of the Gated Design Process.

All Users who have met the requirements of the Gate 2 Readiness Criteria initial checks and the Gate 2 Strategic Alignment Criteria will be taken forward into the Gated Design Process (assuming a competent/effective application). They will be assumed (due to their Readiness Declaration) to have met the Gate 2 Readiness Criteria unless they subsequently do not meet the Gate 2 Readiness Criteria detailed checks, which will be undertaken up until the end of the Gated Design Process, although we aspire to do these as early as possible within the Gated Design Process.

All Users who do not meet the Gate 2 Readiness Criteria initial checks prior to the start of the Gated Design Process can dispute that decision\* but won't be included in the Gated Design Process.

A User can dispute the NESO's decision in accordance with CUSC Section 7.4. Note that for Small and Medium Embedded Generation\*, it would be the DNO/Transmission Connected iDNO that makes the decision on whether the User meets the Gate 2 Readiness Criteria so these Users would raise their dispute to the DNO/Transmission Connected iDNO. If the User does raise a dispute, the next steps for their application will be determined by the outcome of the dispute process.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

Public

## **8.10 Gate 2 Criteria Evidence Assessment – Detailed Checks (Gate 2 Readiness Criteria)**

### **Detailed checks – Gate 2 Readiness Criteria**

All Users who have met the requirements of the Gate 2 Readiness Criteria initial checks and the Gate 2 Strategic Alignment Criteria will be taken forward into the Gated Design Process (assuming a competent/effective application). They will be assumed (due to their Readiness Declaration) to have met the Gate 2 Readiness Criteria unless they subsequently do not meet the Gate 2 Readiness Criteria detailed checks, which will be undertaken up until the end of the Gated Design Process, although we aspire to do these as early as possible within the Gated Design Process. Below is a list of the Gate 2 Criteria Readiness Detailed checks and who is responsible for checking:

| <b>Check</b>  | <b>Who</b>  |
|---|---|
| <b>Verification of Director(s) that signed the Readiness Declaration</b>  | NESO apart from in respect of Small and Medium Embedded Generation*, which are undertaken by their DNO/Transmission Connected iDNO. |
| <b>Overlapping Original Red Line Boundaries ("Duplication Check")</b>   | NESO (including in respect of Small and Medium Embedded Generation*)  |
| <b>Secured Land Rights Evidence meets minimum acreage requirements as set out in section 4.1a and minimum parameters as set out in section 4.1c</b> | NESO apart from in respect of Small and Medium Embedded Generation*, which are undertaken by their DNO/Transmission Connected iDNO  |
| <b>Evidence of submission and validation of application for planning consent</b>  | NESO apart from in respect of Small and Medium Embedded Generation*, which are undertaken by their DNO/Transmission Connected iDNO. |

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

Public

## **8.11 Gate 2 Criteria Evidence Assessment – Detailed Checks (Verification of Director(s) that signed the Readiness Declaration Letter)**

Verify that the Director, for Limited and plc companies is on Companies House.

If a company is not listed on Companies House, we will utilise publicly available information to verify authorised individuals. However, we recommend that a Covering Letter is provided if clarification is required regarding an organisation, including where a change of ownership could happen whilst the Gate 2 Application is progressing.

If the verification check is failed, then the User does not meet the Gate 2 Readiness Criteria and they will not receive a Gate 2 Offer (however, they are not precluded from applying into the next Gated Application Window).

The User may be asked to clarify evidence, but they cannot submit new evidence e.g. the User cannot send a new Readiness Declaration with a different Director signing it.

A User can dispute NESO's decision in accordance with CUSC Section 7.4. Note that for Small and Medium Relevant Embedded Generation, it would be the DNO/Transmission Connected iDNO that makes the decision on whether the User meets the Gate 2 Readiness Criteria so these Users would raise their dispute to the DNO/Transmission Connected iDNO.

Public

## **8.12 Gate 2 Criteria Evidence Assessment – Detailed Checks** **(Overlapping Original Red Line Boundaries (“Duplication Check”)**

Original Red Line Boundaries provided and any overlapping boundaries identified

NESO contact all the Users where boundaries overlap and seek clarity from the Users. As there is opportunity to explain overlaps on the Readiness Declaration templates, which we encourage Users to do, we will first check the Readiness Declaration templates for any explanation of overlaps before reaching out to the parties involved. If there is no explanation on Readiness Declaration templates or it is not clear, then we will conduct further enquiries with all Users where it is not reasonably demonstrable that the same land can be used by two or more different Users/projects.

If such an overlap can be demonstrated as being reasonably possible (in relation to that same land being able to be used by two or more different Users/projects), then the overlap will be acceptable from the Gate 2 Readiness Criteria perspective. This decision will be at the discretion of NESO using reasonable judgment based on the evidence presented by the different Users/projects.

In the event an overlap is deemed to be unacceptable by NESO, impacted Users will be further required to submit specific information to confirm their appropriate right to the land within their Original Red Line Boundary. Such information may include a signed letter of confirmation from the landowner(s) to NESO confirming the appropriate User that should be utilising the land. The User that is not able to provide such confirmation statement(s) will be deemed to not have met the Gate 2 Readiness Criteria.

NESO will confirm any overlaps which interact with Small and Medium Embedded Generation's\* Original Red Line Boundaries and in this scenario will seek support from DNOs/Transmission Connected iDNOs to help resolve.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

Public

**8.13 Gate 2 Criteria Evidence Assessment – Detailed Checks (Secured Land Rights Evidence meets minimum acreage requirements)**

Verify that the Original Red Line Boundary provided (under 4.1b of this Gate 2 Criteria Methodology) has an acre per MW which meets the minimum acreage requirements Energy Land Density table unless different requirements have been agreed between NESO and User in accordance with the prevailing [NESO guidance document](#).

Public

## **8.14 Gate 2 Criteria Evidence Assessment – Detailed Checks (Secured Land Rights Evidence meets minimum parameters) (1/2)**

- The documentation relates to the project site that the Gate 2 Application is for:
  - Location is as per notified as part of Gate 2 Application i.e. the site name and the Original Red Line Boundary in the documentation matches the Original Red Line Boundary provided (which will show location) as part of Gate 2 Application.
  - Technology or Technologies are as per notified in the of Gate 2 Application.
- The land documentation is signed by both the User (subject to exceptions below) and the landowner (or their agent).
- The User is the party who has entered into the secured land rights, noting it is common that the connection agreement is held in one company (the Grid Company) and the land rights are held in another company (the Project Company) and there are also Joint Venture projects with this arrangement. Users should explain in the Readiness Declaration, where the User is not the party who has entered into the secured land rights, how they have the rights to use the land.
- The minimum parameters set out in the Gate 2 Readiness Criteria (Section 4 of this Gate 2 Criteria Methodology) have been met, subject to any exceptions.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

Public

## **8.14 Gate 2 Criteria Evidence Assessment – Detailed Checks (Secured Land Rights Evidence meets minimum parameters) (2/2)**

- Check termination provisions in options and leases, to ensure that the landlord has no unilateral termination provision (except in the event of default by the tenant) and that e.g. the Option is exercisable by the User and the User has exclusivity over this Option.
- The User may be asked to clarify evidence, but they cannot submit new evidence e.g. the User cannot just send a new land Option but may be asked to clarify how the Option meets the criteria (if not clear).
- A party who has been informed that they have not met the Gate 2 criteria can raise a dispute under CUSC Section 7.4. Note that for Small and Medium Embedded Generation\*, it would be the DNO/Transmission Connected iDNO that make the decision on whether the User meets the Gate 2 Readiness Criteria so these Users would raise their dispute to the DNO/Transmission Connected iDNO.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

**As well as reviewing the land rights documentation provided by Users, we may also utilise public sources of data (if available) to verify evidence of land rights. We may also explore use of Artificial Intelligence tools to support evidence checks.**

Public

## **8.15 Gate 2 Criteria Evidence Assessment – Detailed Checks (Evidence of submission and validation of application for planning consent (DCO))**

Evidence of meeting Queue Management Milestone M1 will be verified in accordance with the checks detailed in the relevant Queue Management guidance (Transmission or Distribution). Checks will ensure that the location of the site, technology and capacity are in line with the Gate 2 Application, and that the application for planning consent is valid.

Where Small and Medium Embedded Generation\* seeks to meet the Gate 2 Readiness Criteria through this route, it would need to provide the evidence as set out above to the DNO/Transmission Connected iDNO.

If NESO decide that the User does not meet this Gate 2 Readiness Criteria, the User can dispute NESO's decision in accordance with CUSC Section 7.4. Note that for Small and Medium Relevant Embedded Generation, it would be the DNO/Transmission Connected iDNO that makes the decision on whether the User meets the Gate 2 Readiness Criteria so these Users would raise their dispute to the DNO/Transmission Connected iDNO.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

Public

## **8.16 Gate 2 Criteria Evidence Assessment – Detailed Checks (Outcome)**

### **Detailed checks – Gate 2 Readiness Criteria**

Apart from Small and Medium Embedded Generation\*, NESO will notify the User if they have met the Gate 2 Readiness Criteria detailed checks.

This notification would be by the end of the Gated Design Process, but we will aspire to complete the Gate 2 Readiness Criteria detailed checks as early as possible within the Gated Design Process.

The DNO/Transmission Connected iDNO will do likewise in respect of the Small and Medium Embedded Generation\* that has applied to them in the Gated Application Window (although it will be NESO who will notify the DNO/Transmission Connected iDNO on outcome of any overlapping Original Red Line Boundaries (i.e. the "Duplication Check") and then the DNO/Transmission Connected iDNO will need to inform the Small and Medium Embedded Generation\* project).

All Users who do not meet the Gate 2 Readiness Criteria detailed checks can dispute that decision, but they will not receive a Gate 2 Offer as part of the Gated Design Process. If a dispute is raised, the next steps for their application will be determined by the outcome of the dispute process.

**\* Includes Relevant Embedded Small Power Stations, Relevant Embedded Medium Power Stations, Embedded Small Power Stations with a Bilateral Embedded Generation Agreement and Embedded Medium Power Stations with a Bilateral Embedded Generation Agreement.**

Public

## **9. Readiness Declarations**

**The document that Users will submit to demonstrate Gate 2 Readiness Criteria**

Public

## **9.1 Readiness Declaration – General**

The User will need to provide a Readiness Declaration to support how they meet the Gate 2 Criteria. The Readiness Declaration must be signed by a Director of the User applying.

There is a separate form of Readiness Declaration for the enduring process under CMP434 and existing agreements under CMP435. The notable differences are that under CMP435 the User can seek to advance connection date and/or reduce their contracted capacity.

These Readiness Declarations will be published separately to this Gate 2 Criteria Methodology ahead of the Gated Application Window opening and will set out the questions, evidence, supporting notes and clarification as to which fields are mandatory to populate.

NESO and individual DNOs/Transmission Connected iDNOs will confirm how they wish to receive these Readiness Declaration, which may be via a system. However, the requirements as set out in the Readiness Declaration will be the same whichever medium is used.