

Parameter Comparison Table

Design Parameter	Original	Alternative 1 Alternative Implementation Date	Alternative 2 Alternative Fixed One-Off Security
1. Activation and deactivation thresholds	Activated at 50% oversubscription and national capacity target >5GW Deactivated at 25% oversubscription	No change	A single one-off security payable to all Gate 2 BESS Projects
2. National or regional application	National	No change	No change
3. Timing	Start: For G2tWQ offers – from implementation, i.e. in Oct 2027 For new Gate 2 Offers thereafter, from acceptance of offer End: energisation.	CHANGE: • For G2tWQ offers – 12 months from final issuing of Gate 2 offers (to be implemented ~March 2028) • For new Gate 2 Offers thereafter, 12 months from acceptance of offer NO CHANGE: • End: energisation. Note implementation pushed back to July 2027 since initial submission.	Security to be payable 9 months from date of Acceptance of Gate 2 offer
4. Application Level	Floor to securities	No change	No change
5. Level of the securities floor	£3k/MW initially Increasing if oversubscription falls by less than 25%, to £5k/MW initially and then in £5k/MW increments up to a cap of £25k/MW	No change	Fixed security of £1.5k/MW

6. Application to co-located projects	<p>Applies to projects which include the oversubscribed technology based on the lower of TEC and installed capacity of the oversubscribed technology except where</p> <p>The oversubscribed technology is due to connect after the other technology</p> <p>The addition of the oversubscribed technology has no attributable works or connection costs</p>	No change	No change
7. Interaction with the PCF	<p>Applies on top of PCF but propose to clarify as floor to total securities (including PCF), so if securities with PCF are already above floor, OTCF has no impact</p>	No change	No change
8. Treatment of OTCF where the customer does not energise	Returned to consumers via TNUoS	No change	Refundable on energisation
9. Option for NESO to implement or not (with Ofgem overrule)	Yes, with Ofgem option to overrule	No change	No change
Implementation Approach	<p>Implemented in first biannual securities statement after both:</p> <p>All offers from G2tWQ have either been signed or lapsed</p> <p>All offers from the first Gated Application Window have either been signed or lapsed</p>	No change	No change