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## Decision: Connections Network Design Methodology

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We published our *Minded-to Decision*<sup>1</sup> to approve the Connections Network Design Methodology ("**CNDM**") on 14 February 2025 and invited responses to questions on the TMO4+ reform package as a whole, as well as our conclusions relating to the Connections Methodologies.

NESO's licence condition E16.2 requires the production of the CNDM and its submission to Ofgem for approval. Licence condition E16.3 sets out the objectives for the CNDM as the basis for our approval.

We have decided to approve the CNDM published on NESO's website on 21 March 2025 and appended to this Decision. This Decision includes our assessment of the CNDM against the policy intent and objectives we set for this Methodology in the approved NESO licence conditions (now approved in parallel with this Decision).

We have taken into account our principal objective, wider statutory duties, the legal text in CMP434 and CMP435, and stakeholder feedback to both NESO's consultation on Methodologies in November 2024 and our consultation in February 2025.

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<sup>1</sup> [Minded-to Decision Connections Network Design Methodology](#)

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## Contents

|                                                                                                    |           |
|----------------------------------------------------------------------------------------------------|-----------|
| <b>Decision: Connections Network Design Methodology .....</b>                                      | <b>1</b>  |
| <b>1. Summary.....</b>                                                                             | <b>4</b>  |
| <b>2. Policy context and intent.....</b>                                                           | <b>6</b>  |
| Context and policy objectives relevant to the CNDM .....                                           | 6         |
| <b>3. Rationale for Decision .....</b>                                                             | <b>8</b>  |
| Key themes relating to the CNDM in consultation responses.....                                     | 8         |
| Assessment of the CNDM against licence objectives.....                                             | 18        |
| Compatibility with CMP434 and CMP435 .....                                                         | 27        |
| Assessment of the CNDM against the Authority's Principal Objective and wider statutory duties..... | 28        |
| <b>4. Updates to the CNDM .....</b>                                                                | <b>29</b> |
| <b>5. Decision .....</b>                                                                           | <b>31</b> |

## 1. Summary

- 1.1 The CNDM is an important part of NESO's<sup>2</sup> connections process design known as the TMO4+ reform package.<sup>3</sup> TMO4+ requires changes to industry codes (CMP434, CMP435 and CM095), licences (NESO, Transmission and Distribution) and the introduction of new methodology documents (Gate 2 Criteria Methodology, Connections Network Design Methodology and Project Designation Methodology).<sup>4</sup> The Connection Methodologies are being approved as part of the entire TMO4+ reform package. Ofgem's decisions on the TMO4+ code modification proposals and the statutory consultation on licence changes have been published simultaneously with our decisions on the Connections Methodologies.
- 1.2 Readers should refer to the CNDM for details of the criteria and processes. However, as a broad summary, the CNDM contains the process that NESO, Transmission Owners (TOs) and Distribution Network Operators (DNOs) will follow to assess connection applications and determine offers for generation, interconnection, storage and transmission-connected demand. Significantly, it includes the approach to applying Strategic Alignment Criterion B in the Gate 2 Criteria Methodology to relevant projects informed by the capacities in the Clean Power 2030 Action Plan ("**CP2030 Action Plan**").
- 1.3 The CNDM facilitates delivery of both the Connections Action Plan ("CAP")<sup>5</sup> objectives (see section 2) and the CP2030 Action Plan.<sup>6</sup> Our primary consultation document 'Summary Decision Document: TMO4+ Connections Reform Proposals – Code Modifications, Methodologies & Impact Assessment' provides further detail on both of these documents.
- 1.4 Overall, the CNDM is necessary to:

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<sup>2</sup> On 1 October 2024, National Grid Electricity System Operator (NGESO) was transitioned to the publicly owned National Energy System Operator (NESO). We refer to NESO in these documents for consistency but references to actions taken before 1 October 2024 should be read as NGESO.

<sup>3</sup> This is referred to as the TMO4+ / TMO4+ reform package interchangeably throughout this document and refers to the entire package, including the code modifications CMP434, CMP435, CM095, and the three Connections Methodologies: Gate 2 Methodology, Connections Network Design Methodology, and Project Designation Methodology.

<sup>4</sup> The CUSC refers to the 'Gate 2 Criteria Methodology' which is the same as the 'Gate 2 Methodology'.

<sup>5</sup> [Connections Action Plan: Speeding up connections to the electricity network across Great Britain](#)

<sup>6</sup> [Clean Power 2030: Action Plan: A new era of clean electricity](#)

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- determine and order the existing connections queue and future connections applications in a way that reflects both project readiness and strategic energy needs
- facilitate the design of a more efficient enabling network infrastructure for connections that align with the CP2030 Action Plan and future strategic energy plans

1.5 In this Decision, we have assessed the CNDM against:

- our principal objective to protect the interests of existing and future consumers and our other statutory duties
- the objectives for this Methodology as set out in NESO licence condition E16
- compatibility with CMP434 and CMP435

1.6 The above assessment has been informed by stakeholder feedback to NESO's consultation on Methodologies in November 2024 as well as feedback received to our consultation in February 2025.

1.7 The CNDM will be applied to both the existing queue and future connection applications. Applying to both is necessary to address connections reform policy objectives and achieve a more viable, strategically aligned connections queue which contains the energy mix Great Britain needs.

1.8 We have decided to approve the CNDM coming into force following the 56-day standstill period for the associated licences changes. Our view is that the CNDM delivers the policy objectives for this Methodology as set out in the new NESO licence conditions and serves the functions envisaged in the modified CUSC. It also accords with our principal objective and wider statutory duties (see section 3).

1.9 Our view in our Minded-to Decision was that NESO had appropriately considered and responded to stakeholder feedback on its connections design proposal as a whole and on the CNDM in particular. We have considered the further feedback received in response to our consultation in February 2025. This feedback has augmented our assessment.

## 2. Policy context and intent

### **The role of the Connections Network Design Methodology**

NESO's Connections Methodologies (Gate 2 Criteria Methodology, Project Designation Methodology, and CNDM) collectively deliver connection policy reform objectives in line with code modification proposals, as required and enabled by the new licence conditions.

This section sets out the role of the Connections Methodologies, the policy objectives specific to the CNDM and relevant licence objectives. This context underpins the rationale for the Decision in section 3.

### **Context and policy objectives relevant to the CNDM**

- 2.1 The Connections Methodologies allow NESO to discharge its new enhanced role in coordinating a whole system approach to energy and network system planning with the connections process.
- 2.2 NESO is responsible for the planning and operation of the energy system, taking into account whole system needs and ensuring that the network can be designed accordingly by network companies. With its enhanced responsibilities, it is appropriate for NESO, through its licence, to be charged with having greater control over the connections process to support the delivery of the CP2030 Action Plan and future strategic plans. Accordingly, the Methodologies contain the transparent processes that NESO and network companies would adhere to within the new connections process, alongside appropriate safeguards. Decisions on CMP434 and CMP435 acknowledge and address points raised in relation to codification of Methodologies in working groups and in response to our consultation.
- 2.3 As the relevant Code Modifications proposals and the proposed licence changes (published alongside this Decision) have been decided to be approved, the new licence requirements will give rise to three Connections Methodologies.
- 2.4 This section does not repeat the policy context contained in our overarching decision document 'Summary Decision Document: TMO4+ Connections Reform

Proposals – Code Modifications, Methodologies & Impact Assessment’. This section highlights some key points relevant to the CNDM only.

*Policy intent*

2.5 The CNDM responds to the intent in the CP2030 Action Plan “to prioritise projects needed for 2030” while maintaining “a robust pipeline beyond 2030”. The conception and development of the CNDM responds to the policy intent to prioritise the projects needed for 2030 as well as maintain a robust, net zero consistent, pipeline beyond 2030.

2.6 The CNDM also responds to the CAP and, in particular, its vision for a reformed connections process aligned with strategic network build and spatial energy planning. It responds to this intent by setting out a strategic approach to ordering the connections queue for existing applications that reflects strategic need for generation and storage, and an approach to assessing the enabling network required to make connections in a way that aligns with wider strategic plans. It also sets out an approach to designing a more optimised network, taking the opportunity afforded by the move to batched applications in future windows under CMP434.

*Alignment with licence conditions, our principal objective, and statutory duties*

2.7 We consulted on proposals to introduce new licence conditions that place a responsibility on NESO to develop and maintain Connections Methodologies in November 2024 and February 2025.<sup>7</sup>

2.8 We proposed objectives for the CNDM in the new licence condition E16.3 of the NESO Licence, which was subject to statutory consultation in February 2025 and, following assessment of consultation responses, has been approved alongside this Decision. According to E16.3 the CNDM should:

- i. be clear, transparent and objective
- ii. facilitate a net zero energy system
- iii. facilitate an economic, consistent, efficient, sustainable and coordinated network

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<sup>7</sup> [Proposed licence changes to enable TMO4+ Connections Reform | Ofgem](#)

- iv. facilitate appropriate anticipatory investment
  - v. take into consideration the readiness of applicants to connect
  - vi. facilitate a safe and secure electricity supply
- 2.9 These objectives provide the focus for the Authority’s review and approval of the CNDM. Section 3 assesses whether and how the CNDM meets the objectives in this section as well as our principal objective and wider statutory duties.
- 2.10 Section 3 also affirms our view on the compatibility of this Methodology with CMP434 and CMP435, in particular the relevant legal text relating to the CNDM.

## 3. Rationale for Decision

### **An assessment of the CNDM against licence objectives and our principal objective**

This section provides the rationale for our Decision. It assesses key themes of feedback received in response to our Minded-to consultation in February 2025.

It also assesses whether the CNDM meets the objectives set out for this Methodology in the new licence condition E16.3, as well as assessing whether approval is in line with Ofgem’s principal objective and wider statutory duties. This assessment is informed by stakeholder feedback.

### **Key themes relating to the CNDM in consultation responses**

- 3.1 In our Minded-to Decision consultation we asked, “Do you agree with our assessment, conclusions, and Minded-to Decision to approve the three Connections Methodologies?” We asked respondents to consider our assessment against the proposed objectives for each Methodology as consulted on as part of the licence changes in their responses.
- 3.2 About half of respondents took no position on our assessment that the Methodologies met the objectives we set for them in licence conditions. Of those that did engage with our assessment, more than 60% agreed with our overall conclusions.
- 3.3 Where respondents disagreed with our assessment (~20% overall) and cited CNDM, multiple respondents considered that licence objective 5 (take into consideration the readiness of applicants to connect) had not been met.

- 3.4 Some respondents argued that the Methodologies were not clear, transparent, and objective (licence objective 1 for all three Methodologies). Beyond these concerns in relation to licence objective 1 and 5, respondents broadly agreed with our assessment and conclusion on the CNDM.
- 3.5 Respondents also raised a range of points in relation to the CNDM in general and beyond the direct scope of our conclusions about whether or not CNDM met the objectives in licence conditions. Our assessment of, and response to, the key themes raised in relation to the CNDM follows.

### **Theme 1: objections to the treatment of hybrid projects**

- 3.6 NESO has proposed that hybrid projects would be managed according to how they interact with the system. Specifically, the draft CNDM says: "Hybrid projects will be managed according to how they interact with the system. If a hybrid project comprising of storage and an additional generating technology intends only to export to the transmission system (i.e. import capacity is behind the meter), it will only be considered as contributing towards the permitted capacity total for the additional generating technology. If a hybrid project comprising of storage and an additional technology (or technologies) intends to both import and export to the transmission system, it will be considered as contributing to the permitted capacity totals for both storage and the additional technology (or technologies). Where one or more technologies exceeds the 2035 permitted capacity, that technology element of the hybrid project will not receive a Gate 2 offer. This represents the same treatment as any other project that exceeds the 2035 permitted capacity."
- 3.7 As was the case when NESO consulted on Methodologies in November 2024, some stakeholders disagreed with the way in which hybrid projects would be assessed against the CP2030 Action Plan pathways in the CNDM and asserted that the benefits of hybrid projects should result in more flexible treatment or prioritisation. In particular, some considered that hybrid projects which comprise of storage and another technology should not necessarily contribute to the permitted capacity of storage.

*Our response*

- 3.8 Hybrid projects consist of two or more generation and storage technologies sharing a grid connection. Hybrid projects are not considered separately in the CP2030 Action Plan, i.e. there is no separate pathway or permitted capacities for hybrid projects. In our view, assessing hybrid projects based on the technology capacities for the individual technology types that comprise a hybrid project and the projects the overall export capacity, is appropriate.
- 3.9 This approach means that if a hybrid project comprising of storage and another technology intends only to export power, it will contribute towards the permitted capacity of the generation asset. However, if a hybrid project intends to both import and export, it would be considered as contributing to the permitted capacity totals for both storage and the generation technology.
- 3.10 We acknowledge storage projects built as part of a hybrid project may utilise the network in different ways to standalone storage capacity, even if energy is imported from the network. We acknowledge that treating storage that imports from the grid in hybrid project in the way proposed by NESO assumes that it operates in the same way as standalone batteries when this may not be the case in reality. We acknowledge the arguments that this approach fails to recognise that hybrid storage can behave differently to standalone storage.
- 3.11 However, as set out in our previous *Minded-to Decision on CNDM*, there are two main factors that lead us to support this treatment of hybrid projects in the first implementation of the Gate 2 Criteria Methodology and CNDM. Firstly, NESO's approach does not impinge on the freedom of developers to make use of storage 'behind the meter' (i.e. to change the export profile of a project or deliver other commercial benefits without importing from the grid and therefore contributing to the storage capacity limit). Secondly, providing additional flexibility to, or prioritising, hybrid projects where the storage has import capacity could either undermine the CP2030 Action Plan through further exceeding permitted capacities and/or impact on the volume of other projects, in particular those needed for 2030, that can receive Gate 2 terms. Our view is that it would not be fair to deviate from the CNDM queue management process and provide a relative advantage to storage within a hybrid project. NESO's current modelling indicates that while hybrid assets with storage have the freedom to choose when and how to import and export capacity, there is no material difference in terms of system

behaviour and impact between, for example, storage that is co-located and wants to import and export, and standalone storage. In both cases NESO would need to assume it acts in either way.

- 3.12 Ultimately, we want NESO's Methodologies to be as objective as possible (see assessment against licence objective 1 below). While the modelling of hybrid projects and the case for providing different treatment for hybrid projects may change in time, there is no clear alternative or justification for a differential treatment of hybrid projects at this juncture. In our view, it is appropriate to treat hybrid projects in line with their behaviour and impact on the network and thereby ensure that the treatment of technologies that comprise a hybrid project is consistent with the treatment of other technologies of the same technology type.
- 3.13 However, we expect NESO to continue to consider the case for alternative treatment of hybrid assets as the technology underpinning hybrid assets develops, and as the modelling of hybrid assets and their impact on the system improves. There will be further opportunities to consider and amend the treatment of hybrid projects, for example in the modelling and implementation of the SSEP. Appendix 2 of our Impact Assessment addresses how the classification of hybrid projects impacts on our estimate of the volume of solar and storage projects that could receive either Gate 2 or Gate 1 terms.

### **Theme 2: mixed views on planning milestones determining queue position**

- 3.14 Some respondents raised concerns about the use of planning milestones in general (which is considered in the Gate 2 Criteria Methodology Decision) and in particular, about the use of planning milestones to determine queue position. Conversely other respondents believe more emphasis should be placed on planning milestones.

#### *Our response*

- 3.15 The CNDM uses planning milestones for queue ordering. For the 'Gate 2 to Whole Queue' exercise, Step 4 of the queue ordering and formation diagram at 5.7 in the CNDM is to "*determine the planning status of the remaining projects and order them based on this planning status*".
- 3.16 There is an important difference in approach for 'phases' of the queue after this Step 4 of queue ordering. 'Phase 1' constitutes projects with an existing or

requested date of 2030 or earlier that are under 2030 permitted capacities for the relevant zone and technology. 'Phase 2' constitutes projects with an existing or requested date after 2030 that are under 2035 permitted capacities. For phase 1 there is less emphasis on planning milestones in queue formation as the sub-queue reverts to original relative queue position after the capacity 'cut off' point. Phase 2 does not revert to original relative queue order. The CNDM outlines NESO's reasons for taking this approach: "For the contracted connection date to be a reliable metric in determining alignment to the 2030 phase, and to maximise likelihood of a similar or improved date as an outcome of the Gate 2 to Whole Queue exercise, we will maintain the existing relative queue positions of projects that align to the 2030 phase. This is intended to reduce cases for example of larger projects 'skipping' smaller projects in the queue, resulting in the smaller projects being delayed behind more significant works and potentially putting their existing contracted (2030 or earlier) date at risk."

- 3.17 Our view is that this reversion to existing relative queue positions for phase 1 will help to maximise utilisation of both the existing network and planned build ahead of 2030 for two core reasons:
- more extensive changes to the original relative queue positions for projects needed by 2030 would require more reassessment of enabling reinforcements up to 2030; this could lead to delays to the production of offers
  - not reverting projects to their original relative queue position may change reinforcements that are underway or planned for 2030; this would increase the risk that more projects needed for 2030 could receive pushed back dates through changes to reinforcements
- 3.18 To support the delivery of Clean Power by 2030, our view is that sorting by planning milestones up to the capacity threshold needed for 2030 and then reverting to the original relative queue position represents the best balance between prioritising more ready projects and minimising the risks of connection offer delays and/or later connection dates for projects needed for 2030.
- 3.19 In our view, it remains preferable not to revert to original relative queue position for phase 2 of the queue. We acknowledge the feedback that planning milestones are imperfect markers of project progress, and that the development pathway and necessity of reaching planning milestones varies across projects. However,

milestones such as “land rights”, “planning submitted”, and “achieving planning consent” remain the most objective, understandable and straightforward way to evidence progress and are applicable to most projects. This is particularly the case for CNDM and queue ordering, where the planning milestones are not setting a threshold for receiving Gate 2 terms. Establishing ubiquitous milestones to govern the order of ready projects is necessary to avoid a complex, subjective, and impractical ordering process. We consider the use of planning consent and its applicability to protection clauses, for example, in our Decision on the Gate 2 Criteria Methodology in section Theme 1: Calls to extend protections to more advanced projects.

- 3.20 Overall, our view is that using these planning milestones for queue ordering is appropriate. In the case of phase 2, we think using these milestones without reverting to the original relative queue order maximises the opportunity for faster connection of more well-advanced projects.

### **Theme 3: the metric to determine queue order for embedded projects**

- 3.21 As was the case when NESO consulted on the Methodologies in November 2024, some respondents expressed concern about the metric used to determine queue order for embedded projects.
- 3.22 Some respondents challenged the NESO countersignature date being used as the basis for establishing existing relative queue position as part of CNDM queue ordering during the Gate 2 to Whole Queue exercise. In particular, this was cited as unfair for embedded generation projects that had suffered delays in projects being submitted, signed, or countersigned.
- 3.23 There were some suggestions in response to our consultation to use the signature of the distribution application or offer date mainly on account of fairness, although one respondent suggested that using NESO countersignature could result in delays because complex connections may be prioritised over those which can deliver more quickly to support Clean Power by 2030. There were also specific calls for NESO to clarify that the countersignature date of the original connection offer will be used for queue ordering in circumstances where there is a pre-existing agreement to accelerate a project which has resulted in an agreement to vary.

*Our response*

- 3.24 NESO countersignature is the point at which the contract between NESO and a connections customer (or NESO and the DNO) becomes legally valid. Customer signature and NESO countersignature of the offer come at the very end of the offer process. In the case of embedded customers, customers will have been through the process of first making an application to the relevant DNO, and the DNO will have had to submit a Project Progression on behalf of that customer where the transmission network is impacted.
- 3.25 For relevant embedded projects, the alternatives to using customer signature or NESO countersignature would be using the date of submission of the Project Progression or the date of the original DNO application or offer (as suggested in some consultation responses). These alternatives come with downsides that revolve around the order in which the need for reinforcements was assessed and how resultant changes would impact other projects.
- 3.26 We recognise that some historical delays in submitting Project Progressions and/or obtaining customer signature and NESO countersignature will be crystallised in the 'Gate 2 to Whole Queue' exercise if the latter is used as the basis for establishing relative queue position. Conversely, while using the DNO application date may improve queue position for some projects that have experienced these delays, other transmission and distribution customers could receive worse queue positions and potentially worse connection dates as a result. This is because using the DNO application date or Project Progression submission date may result in more significant reordering of relative queue position and necessitate a reordering of reinforcements that could adversely impact the dates of other existing customers. For the same reason, we do not agree that using NESO countersignature could result in delays through complex connections being prioritised, as it is changing queue order that will drive more complexity and delay.
- 3.27 There were more specific calls to clarify that the countersignature date of the original connection offer will be used for queue ordering in circumstances where there is a pre-existing agreement to accelerate a project which has resulted in an agreement to vary. The countersignature date of the modification resulting from an agreement to accelerate a project would only be used instead of the original countersignature where the modification triggered a change to queue position.

For example, a Modification Application to increase transmission export capacity is likely to have been given a new, later queue position than the original project. This is appropriate in view of the scope of this type of modification request. In cases where the modification to advance the project did not result in a new queue position, the original countersignature date will be used, which is the preference of respondents on this specific point.

- 3.28 Accordingly, our view remains that there is no better alternative to using NESO countersignature that does not introduce further unfairness and increase the overall risk of projects needed for 2030 receiving worse connection offers. NESO countersignature is the most pragmatic way to minimise the risk of unpredictable outcomes and make offers to projects that meet Gate 2 as soon as practicable.

#### **Theme 4: uncertainty about the approach to rebalancing and substitution**

- 3.29 Some respondents had concerns or expressed uncertainty about how NESO will go about the application of rebalancing and zonal substitution, including the approach to managing constraints and the hierarchy of the zones between which substitution can be carried out. There were requests for more information from NESO around how substitutions across adjacent zones would be managed and one respondent suggested that Ofgem should provide guiding principles: "Ofgem considers that the network companies require a degree of flexibility and engineering judgement here. We broadly agree but would welcome Ofgem providing guiding principles against which zonal rebalancing can take place."

#### *Our response*

- 3.30 'Rebalancing' to account for the impact of protected projects is proposed ahead of substitutions and fulfils a different function to substitutions. As is the case with substitutions, the rebalancing provision gives NESO a degree of discretion to manage constraints. In simple terms, rebalancing addresses scenarios where a zone is oversubscribed due to protected projects. In this scenario, the oversupplied zone would have its permitted capacity increased to accommodate the excess protected projects. Conversely, CNDM 5.14.4 Figure 12 illustrates how the permitted capacity of another zone could be reduced to 'rebalance' against the GB total. This is a reasonable step to take to ensure overall alignment with the CP2030 Action Plan.
- 3.31 'Substitutions' between transmission and distribution in adjacent or overlapping regions that do not introduce too much complexity or lead to inefficient network

design are desirable. We acknowledge that the substitution provision gives NESO some discretion; for example, in addressing undersupply as a result of a zonal imbalance against the CP2030 Action Plan, NESO can determine whether adjusting the capacity allocated to the same technology class in adjacent or overlaying zones is appropriate if it does not materially increase constraints.

- 3.32 In our view, substitutions are important to avoid unintended consequences of inflexible adherence to zonal capacity limits, to the extent that ready projects in the existing queue receive Gate 1 offers when there is a strong argument that such a project is needed for Clean Power by 2030 when adjacent or overlaying zones are undersupplied.
- 3.33 Turning to the specific call for Ofgem to publish guiding principles. Firstly, NESO will have to exercise its discretion on substitution in a manner that supports achieving Clean Power by 2030, is non-discriminatory, considers cost to the end consumer, and is in accordance with its duties under the Energy Act 2023, as well as public law principles generally. Secondly, it is for NESO to identify and be transparent about its approach to, and the trade-offs involved in, making zonal substitutions. We do not think that guidance from Ofgem on substitutions is necessary or appropriate; however, we expect NESO to proactively share its process for making substitutions across zones in time for the 'Gate 2 to Whole Queue' exercise.

### **Theme 5: uncertainty about the value of capacity reservation**

- 3.34 NESO intends to reserve connection points and capacity for notional, not yet known, projects (for example, where there is undersupply against a CP2030 Action Plan capacity pathway) and for Gate 1 projects that require it.
- a) Some respondents were sceptical of, or did not see value in, the CNDM's approach to reserving capacity and connection points for 'theoretical' projects (i.e. notional or not yet known projects). There was some concern that deliverable projects may be delayed in favour of projects with reserved capacity.

#### *Our response*

- 3.35 We strongly support the inclusion of provisions to reserve capacity in specific circumstances, including where there is a need to address undersupply against

the capacities in the CP2030 Action Plan, reserve capacity ahead of Crown Estate and Crown Estate Scotland leasing rounds, reserve connection points for interconnectors, or other cases where there is a defined need and where efficiency would be improved by factoring in projects into the design process before they are able to meet Gate 2. However, an important point is that the projects that are ultimately offered this capacity are still subject to Gate 2 Criteria.<sup>8</sup>

- 3.36 Connection point and capacity reservation is, in our view, a pragmatic way to increase the efficiency of network design and increase the chances of bringing forward projects needed for 2030 more quickly than is currently possible under the status quo. We acknowledge that reserving capacity involves judgement from NESO. We expect NESO to be transparent about its reservation decisions and publish anonymised data on project-specific connection point and capacity reservation, as well as information and justification on non-project specific reservation.
- 3.37 The CNDM clarifies that substitution options take precedence over capacity reservation for undersupply. Additionally, the scope of reservation for undersupply set out in the CNDM protects against overuse. The presence of the expiry date for Gate 1 offers with reservation will also act as a suitable safeguard, alongside the annual review NESO will conduct of projects that benefit from reservation. Taken together, we are satisfied that NESO's use of capacity and connection point reservation will be targeted.
- 3.38 Overall, our view is that capacity and connection point reservation is an important and necessary tool. It enables NESO to ensure there is capacity for defined system needs, optimise network design to account for such projects, and facilitate anticipatory investment faster than would be the case without such a mechanism. The consumer benefit is more efficient network design as well as faster and more certain connections for projects that will be needed. We do not expect it to be overused and, as with the Methodologies as a whole, we will monitor the implementation of this provision and consider the case for further

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<sup>8</sup> Paragraph D4A.1 of the Transmission Licence details provisions relating to applications not required to meet the Gate 2 Criteria at a specific point in time, namely on notification by NESO of receipt of such application for connection (as per the opening paragraph of D4A.1). This holds true for Gate 1 with reservation projects considering these are not required to meet Gate 2 Criteria at that point in order to receive a Gate 1 offer containing specific provisions detailed in D4A.1 (although are eventually required to meet Gate 2 Criteria).

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limitations on scope (should that be needed) when the Methodologies are reviewed and consulted on. However, in our view the capacity and connection point reservation provisions are necessary and do not require amendment ahead of the 'Gate 2 to the Whole Queue' exercise.

## **Assessment of the CNDM against licence objectives**

### **Licence objective 1: clear, transparent, and objective**

- 3.39 The CNDM sets out, among other things, the approach to applying Strategic Criterion B in the Gate 2 Criteria Methodology. Strategic Criterion B is alignment with the 'permitted capacities' contained in the CP2030 Action Plan. It will not always be possible for applicants to know in advance whether the CNDM process of applying the capacities in the CP2030 Action Plan would result in a full Gate 2 or indicative Gate 1 offer.
- 3.40 While the offer outcome is contingent on NESO's assessment and queue ordering process, the CNDM provides upfront transparency on how capacity ranges in the CP2030 Action Plan<sup>9</sup> will be applied. However, it remains the case that there will be a cohort of applicants that will not be able to know in advance whether they will meet Strategic Alignment Criterion B until the CNDM queue ordering process is completed.
- 3.41 This is a consequence of aligning the connections queue with the Government's capacity pathways while seeking to ensure that the relative readiness of projects is reflected in the queue ordering process. Our view is that this is a rational, and indeed a desirable, approach to achieving alignment, notwithstanding the inherent limits on certainty, which are likely to be particularly acute in the first 'Gate 2 to Whole Queue' exercise, as existing projects will have less information than will be available in the future application windows once Gate 2 information is published.
- 3.42 The limitations of an existing customer or applicant being able to determine whether it meets the Gate 2 Criteria prior to applying can be partially, but not fully, mitigated by NESO publishing information at the earliest opportunity. We continue to encourage efforts to do this. NESO currently intends to publish Gate 1 and Gate 2 outcomes for the first design window once updated agreements have

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<sup>9</sup> [CP2030 Action Plan: A new era of clean electricity: Connections reform annex](#)

been signed. As referenced in our Decision on CMP435, while approving the Original Proposal, we believe that the transparency of information that WACM1 would have achieved should be pursued as far as possible. Therefore, we expect NESO to publish the information as suggested in WACM1 within a timeline compatible with the 'Gate 2 to Whole Queue' process.

- 3.43 There was stakeholder feedback to NESO's consultation in November 2024 requesting further clarity and detail across aspects of the CNDM. There was a much more limited call for clarifications in response to our February 2025 consultation with respondents broadly affirming their understanding of the CNDM and its requirements. This indicates that NESO has addressed the calls for enhanced clarity and detail while maintaining the core of a pragmatic, efficient, and objective process.
- 3.44 We note a concern about the use of NESO discretion in response to our consultation. We accept that it is necessary for the CNDM to allow NESO and network companies to have some scope for discretionary judgements (for example, in aspects of substitution, capacity reallocation and advancement). These assessments are technical and will always require some element of case-by-case consideration, for example to understand and determine the most pragmatic and fair approach to filling a capacity gap while not having a material impact on constraints.
- 3.45 Our view is that NESO has gone as far as it is feasible to go at this point in reducing its scope for discretionary judgments, without making the CNDM too complex or likely to produce unintended consequences.
- 3.46 Overall, and considering the explicit policy intent to align with the capacities in the CP2030 Action Plan, we currently consider that NESO has established a well-defined process in the CNDM that is clear, transparent and objective.
- 3.47 Accordingly, we consider that the CNDM meets this objective as set out in the licence condition. In circumstances where discretion is required to be exercised, we expect NESO and network companies to be transparent about the way in which criteria have been applied and we expect NESO to update the CNDM in the future where there is an opportunity to include detail that enhances fairness and objectivity. We note that NESO has already identified some areas for improvement by publishing updates to the Methodology on 21 March 2025 to

provide further clarificatory detail ahead of our Decision. It is this version of the Methodology that we are approving.

### **Licence objective 2: facilitate a net zero energy system**

- 3.48 Slow moving, speculative and unnecessary projects hold queue positions and block networks from releasing physical resources, such as substation bays to net zero aligned projects.
- 3.49 The CNDM sets out the process for applying Strategic Alignment Criterion B in the Gate 2 Criteria Methodology to existing customers and new applications. Applying this criterion aligns with capacities in the CP2030 Action Plan. This includes capacities out to 2035 which are based on net zero-aligned Future Energy Scenarios ("FES"). Aligning connections with CP2030 Action Plan capacities informed by the FES provides a pathway to meeting a clean power system by 2030 and a net zero energy system by 2050.
- 3.50 The CNDM also provides a process for reserving capacity for undersupply as measured against the CP2030 Action Plan permitted capacities. As set out in paragraphs 3.36 and 3.37 above, our view is that this provision is a necessary component of delivering the mix of generation and storage needed for Clean Power by 2030 followed by a net zero energy system.
- 3.51 As part of the Gate 2 to Whole Queue exercise, capacity will be made available by projects that have not met the Gate 2 Criteria moving to Gate 1 terms. Alongside submitting evidence that they have met the Gate 2 Readiness Criteria, existing customers can also submit a modification application and request that their project is considered for advancement as part of the 'Gate 2 to Whole Queue' exercise. Advancement may be possible, depending on the location and engineering assessments.
- 3.52 The CNDM provides the approach to offering advancement in the 'Gate 2 to Whole Queue' exercise for projects that are ready and needed, as well as the approach to reallocating capacity following projects exiting the queue. Taking these two processes in turn:
- Advancement supports this objective because it can bring forward net zero aligned projects in the queue. We expect this process to result in improved dates for projects in the existing queue, and particularly for projects with later

connection dates (for example, after 2030) that are aligned with the CP2030 Action Plan.

- Capacity reallocation supports this objective as it ensures that projects that benefit from other projects exiting the Gate 2 queue will be net zero aligned. Capacity reallocation will become increasingly vital to achieving net zero if and when Gate 2 projects exit the queue for failing to meet project progression milestones.

3.53 Overall, the process contained in the CNDM allows for the ordering of projects to achieve a net zero aligned energy mix. We have decided that the CNDM meets this licence objective.

**Licence objective 3: facilitate an economic, consistent, efficient, sustainable and coordinated network**

3.54 We have decided that CNDM facilitates a more holistic approach to designing enabling network for connections that achieves this objective.

*Economy and efficiency*

3.55 The current first-come, first-served connections queue necessitates an assessment of the impact of each connection application on the network before a connection is offered to a new customer. This is inefficient on two counts. Firstly, many projects never reach construction stage, so the status quo is that new connection offers are increasingly contingent on an incremental list of network reinforcement works specified in other connection contracts for projects that may never be needed. Secondly, it means that the impact of each project on the network is studied individually. CNDM directly addresses both of these inefficiencies by studying projects as a batch and considering more optimal, holistic, network designs.

*Coordination*

3.56 The CNDM enhances coordination in two ways. Firstly, the assessment of the queue in phases and the 'End of Queue study'<sup>10</sup> concept enable NESO and network companies to take a holistic view of the enabling reinforcements needed

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<sup>10</sup> For assessing Phase 1 and Phase 2, an "End of Queue" study would be conducted to allow the TOs to understand the infrastructure required to facilitate connection of the Phase 1 projects by 2030 and the Phase 2 projects by 2035 and any 2035+ projects if required.

to facilitate connections eligible for Gate 2, take a view of the optimal enabling network build for those projects and, ultimately, produce offers that reflect a more co-ordinated network design. Secondly, the CNDM signposts interactions with strategic energy planning processes which network companies will take account of while undertaking the design of the enabling network.

### *Consistency*

3.57 At present the infrastructure required to enable connections and wider reinforcements can be misaligned. This is because the enabling network needed to facilitate connections is considered incrementally for each proposed connection; this includes an incremental design of 'wider' works to the Main Integrated Transmission System (the MITS) that go beyond the network required to enable the physical connections but may be required to bolster the wider network due to engineering studies on the impact each cumulative connection would have. This can result in an unrealistic overall design at odds with the more efficient design taken by strategic network plans that consider connections and connection certainty as a whole. The concept of application windows and the process in CNDM seeks to lessen this misalignment. For example:

- **Alignment up to 2030.** The first design window following the refreshed second transitional Centralised Strategic Network Plan (tCSNP2)<sup>11</sup> will adopt the latest network assumptions from that plan, which will be aligned with the CP2030 Action Plan. We note a call in response to our consultation for CNDM's enabling design not to 'revisit' the outcomes of the HND and the HND FUE. We expect enabling design resulting from CNDM to align with outcomes of wider strategic network plans like HND and HND FUE and, conversely, for wider strategic network plans, in future, to factor in strategically aligned enable plans for connections.
- **Alignment beyond 2030.** The CNDM will define the process for ordering the connections queue and preparing offers up to 2035. The connections background and enabling network design will feed into the Centralised Strategic Network Plan ("CSNP") which will be a plan for onshore and offshore electricity transmission networks in GB as well as cross-border electricity

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<sup>11</sup> tCSNP2 is a plan for the main transmission system. It builds on the Holistic Network Design (HND) and makes a set of network recommendations throughout the 2030s, including offshore and onshore upgrades

interconnectors and offshore hybrid assets. This link will increase consistency between connections and plans and options for the transmission network. Once the SSEP is published, there will be an opportunity to drive further consistency, as it is expected to inform both connections and the CSNP.

### *Sustainability*

- 3.58 The current connections queue contains a volume of contracts that is not needed or deliverable, in totality, due the extensive enabling and wider network that would be needed to facilitate all these connections in timescales under current contractual arrangements. This results in network companies planning to deliver physical reinforcements, such as substations and overhead lines, that would never be needed. This is unsustainable; it results in network companies making assumptions about the network build to prioritise and slows action to build and deliver connections due to this uncertainty. The processes contained in CNDM offer a more sustainable approach which consider the end state network needed for strategically aligned projects. The outcomes of CNDM (a set of Gate 1 and Gate 2 contracts) will allow networks to invest to connect a more certain and streamlined queue of projects that contains the energy mix Great Britain needs.
- 3.59 While the impact of CNDM on coordination and holistic network planning are mainly positive, we do note that using FES-derived capacities out to 2035 as the basis for connections may result in a degree of divergence between SSEP and the connections pipeline. This is because, while the SSEP baseline has not been agreed, it is likely to use what is needed for 2030 as a starting point and seek to optimise thereafter. Any such misalignment is a reasonable trade-off for the certainty provided by using a 10-year time horizon. Connections that are misaligned with the SSEP will retain their Gate 2 contracts and NESO and network companies will work to minimise any resultant system constraints.
- 3.60 Accordingly, we have concluded that the CNDM meets this licence objective.

### **Licence objective 4: facilitate appropriate anticipatory investment**

- 3.61 There are three broad ways in which the CNDM facilitates appropriate anticipatory investment:
- facilitating more economic and efficient network solutions
  - progressing network build for certain Gate 1 reservations
  - forecasting future connections and progressing network build

- 3.62 Building the network required to deliver the 2030 and 2035 capacities is an important part of delivering the CP2030 Action Plan. The application of Gate 2 criteria and CNDM processes, including the 'End of Queue study', enable a view of the network that would be needed at a future point in time (for example, 2035). This allows network companies to plan and build towards that future end-state with more certainty and sooner than would otherwise have been possible.
- 3.63 The CNDM's introduction of connection point and capacity reservation at Gate 1 facilitates anticipatory investment both where there is a project and customer associated with the reservation and in some instances (for example, undersupply against the capacities in the CP2030 Action Plan) where there is not yet an associated project, but a strategic capacity need is known. Reserving connection points and capacity in this way is an efficient way to incorporate notional or real projects that are likely to be needed for 2030 into the design process ahead of the relevant project meeting Gate 2. This informs and facilitates anticipatory investment where it is efficient to do so earlier than waiting for confirmation of Gate 2 eligibility. Our view is that this process is coherent with NESO's enhanced role in energy system planning and facilitates better outcomes, including faster connections for projects that meet a defined strategic or system need.
- 3.64 Once the first SSEP is published, the CNDM can continue to provide the foundation for queue ordering and offer preparation in line with a longer-term view of need beyond 2035. This would give NESO and network companies further confidence to invest on an anticipatory basis beyond 2035.
- 3.65 Overall, our view is that the CNDM facilitates certainty for both projects and network companies. A more streamlined queue of ready and needed projects with Gate 2 contracts will allow network companies to progress investment in the strategic enabling infrastructure required to connect those projects. This is expected to solidify investment needs cases and decrease the risk of building stranded assets as enabling works are increasingly tied to strategic plans and strategic needs, and eventually less tethered to individual projects. The introduction of Gate 1 assessments also facilitates the reservation of connection points and capacity for eligible projects and informs anticipatory investment.
- 3.66 Accordingly, we have concluded that the CNDM meets this licence objective.

**Licence objective 5: take into consideration the readiness of applicants to connect**

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- 3.67 The Gate 2 Criteria Methodology introduces Readiness Criteria, which projects in the existing queue and new applicants must meet to be eligible for a Gate 2 offer. It also reflects readiness and provides certainty to more advanced projects through the protections in the 'Gate 2 to Whole Queue' exercise.
- 3.68 The CNDM will work in conjunction with the Gate 2 Criteria Methodology to assess readiness and issue connection contracts to both existing projects in the queue and new applicants; it also allows for the acceleration of more ready projects that are capable of achieving earlier connections.
- 3.69 The CNDM uses planning milestones for queue ordering. The readiness of applicants is accounted for in the CNDM's approach to queue ordering, which uses planning milestones to apply Strategic Alignment Criterion B in the Gate 2 Criteria Methodology up to capacity limits in the CP2030 Action Plan. In using these planning milestones, CNDM broadly prefers projects that are more ready to connect.
- 3.70 As set out in paragraph 3.19 we acknowledge feedback that planning milestones are imperfect markers of project progress, however, we consider the milestones remain the most objective, understandable and straightforward evidence markers of progress with broad applicability to all projects. The broad application of milestones is essential for a consistent and fair queue ordering process. Alternatives, such as assessing the financial status of a project, would create more burden, would be less objective, and would be less practical in the context of queue ordering. Calibrating the readiness for specific types of projects also creates complexity; however, the governance of the Methodologies allows the case for such changes to be developed and consulted on. However, in our view, land rights and planning milestones are the most available, objective, and consistent metrics for assessing readiness and ordering the queue.
- 3.71 As set out in our consideration of the merits of using planning milestone for queue ordering in paragraph 3.16 queue ordering has two 'phases'.<sup>12</sup> For phase 1 to 2030 there is less emphasis on planning milestones in queue formation as the sub-queue for the technologies and/or location reverts to original relative queue position. As set out in paragraph 3.18, prioritising projects by planning status and

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<sup>12</sup> 'Phase 1' constitutes projects with an existing or requested date of 2030 or earlier that are under 2030 permitted capacities for the relevant zone and technology. 'Phase 2' constitutes projects with an existing or requested date after 2030 that are under 2035 permitted capacities

then reverting to original queue positions for phase 1 balances readiness with the need to minimise connection offer and connection date delays.

- 3.72 Phase 2 after 2030 does not revert to original relative queue order. Therefore, the CNDM further takes into consideration the readiness of projects by sorting them according to their planning milestones and maintaining the relative advantage of a more advanced queue position for more ready projects.
- 3.73 The CNDM also implements the protections contained in the Gate 2 Criteria Methodology by identifying the projects that are eligible for protections first in the queue ordering process and assigning these projects to the front of each queue phase, depending on their contracted connection date (before or after 2031) or advancement date where requested. As projects due to connect in 2026 and projects that have submitted planning consent by the close of the Gate 2 to Whole Queue evidence submission window are protected, this is another way in which the CNDM implements queue ordering to reflect readiness. The Gate 2 Criteria Methodology Decision contains our assessment of protections, including our view that further assurance should be given to projects due to connect on or before 31 December 2027 where they already benefit from Protection Clause 2a.
- 3.74 More broadly, if a project has obtained planning consent and can evidence this in the application window, then this would result in the project being prioritised ahead of projects that have not yet obtained planning consent. These projects would be ordered by the date planning consent was obtained.
- 3.75 It is our view that using land rights to set the readiness threshold for Gate 2, and the use of planning milestones to order the Gate 2 Queue, strikes the right balance between prioritising more well-advanced projects whilst ensuring an efficient and pragmatic approach to network design.
- 3.76 Accordingly, we have concluded that the CNDM meets this licence objective.

**Licence objective 6: facilitate a safe and secure electricity supply**

- 3.77 The CP2030 Action Plan sets out a pathway to deploying technologies that can contribute to security of supply. Security of supply informed NESO's advice to the Government and is inherent in the capacity mix contained in the Government's CP2030 Action Plan.
- 3.78 The CNDM's implementation of that pathway by its application of Strategic Alignment Criterion B (alignment with the CP2030 Action Plan) facilitates the mix

of prioritised generation and storage that provides a more efficient and achievable path to Clean Power by 2030 and an energy mix that facilitates security of supply.

- 3.79 Strategic Alignment Criterion C (designation) provides a tool to define and respond to security of supply issues as they emerge. The CNDM contains a process to prioritise projects in the design window once designated.
- 3.80 The specific mechanisms in the CNDM to address undersupply against capacity pathways and to reserve connection points and capacity are further tools to maintain security of supply, which did not exist in the first-come, first-served approach to queue formation.
- 3.81 The approach to studying each project and identifying the enabling and wider reinforcements required to make connections in the CNDM would also be consistent with the Security and Quality of Supply Standard (SQSS). In this way, safety and quality of supply is also embedded in the CNDM processes.
- 3.82 Accordingly, we have concluded that the CNDM meets this licence objective.

### **Compatibility with CMP434 and CMP435**

- 3.83 The Methodologies will put in place the connections process required under CMP434 and CMP435.
- 3.84 CMP434 is forward-looking: it establishes processes for all new applications for connection through putting in place the framework for a first ready and needed, first connected process. This process is enabled by NESO's Methodologies. The processes in the Gate 2 Criteria Methodology, Project Designation Methodology, and CNDM that will allow NESO to implement an enduring connections process are of the kind envisaged by CMP434.
- 3.85 CMP435 will set the rules for the 'Gate 2 to Whole Queue' exercise, during which the new Methodologies will be used to filter and reorganise the existing queue. The processes in the Gate 2 Criteria Methodology and CNDM that will allow NESO to implement the 'Gate 2 to Whole Queue' exercise are compatible with the Gated Process for Projects with 'Existing Agreements,' which establishes the requirement for projects in the current queue to meet Connections Criteria.
- 3.86 While the Gate 2 Criteria Methodology contains Connections Criteria, Strategic Alignment Criterion B (alignment with the capacities in the CP2030 Action Plan) can only be applied with reference to the process contained in the CNDM.

Similarly, Criterion C (designation) can only be applied with reference to the Project Designation Methodology.

- 3.87 We note that the legal text for CMP435 states that existing agreements “will be *processed* in accordance with the Connections Network Design Methodology and the Project Designation Methodology”. The legal text for CMP435 does not expressly refer to the potential role of the CNDM or the Project Designation Methodology in determining whether existing projects have met the Gate 2 Criteria in the first instance but does not preclude the CNDM or the Project Designation Methodology being used to determine whether a project has met the Gate 2 Criteria.
- 3.88 We are satisfied that the legal text of the CUSC amendment mandated by CMP435 and as approved by Ofgem enables the NESO to use the CNDM or the Project Designation Methodology to determine and process applications by existing agreements for Gate 2 connection offers.

### **Assessment of the CNDM against the Authority’s Principal Objective and wider statutory duties**

- 3.89 Having reached the conclusion that the CNDM facilitates achievement of the objectives in our assessment above, we have also assessed whether its approval is in line with our principal objective and statutory duties. A summary of Ofgem’s statutory duties can be found in ‘Summary Decision Document: TMO4+ Connections Reform Proposals – Code Modifications, Methodologies & Impact Assessment’
- 3.90 We consider approval of the CNDM to be consistent with our principal objective of protecting the interests of consumers (both current and future) which includes, but is not limited to, their interests in achieving net zero by 2050 and the five-year carbon budgets, as well as their interests in the security and supply of electricity to them.
- 3.91 The CNDM will align the connections queue with the capacities in the CP2030 Action Plan by applying Strategic Alignment Criterion B in the Gate 2 Criteria Methodology. This is intended to support efficient decarbonisation of the energy system by 2030. Security of supply considerations informed NESO’s advice to the Government in preparing the CP2030 Action Plan and is inherent in the capacity mixes outlined in the Action Plan. There are also specific and appropriate mechanisms in the CNDM to reserve connection points and capacity to better

facilitate security of supply, as well as an appropriate process to prioritise designated projects, which (as set out in the Project Designation Methodology Decision) can include projects specifically meeting requirements to maintain safe and secure supply.

- 3.92 As set out in the accompanying Impact Assessment, alignment with the CP2030 Action Plan is expected to avoid unnecessary overbuilding of the network at additional cost to consumers. This will promote efficiency and economy on the part of licensees. It will also help secure a diverse and long-term energy supply (less reliant on fossil fuels, which will in turn increasingly insulate GB electricity consumers from the future risk of further fossil fuel driven price spikes) and promote economic growth, for example, through more timely connection of demand and strengthened investor signals.
- 3.93 Accordingly, we have concluded that the approval of the CNDM is in accordance with our principal objective and other statutory duties.

## **4. Updates to the CNDM**

- 4.1 The Government updated the CP2030 Action Plan Annex on 7 April, merging transmission and distribution zones for solar in 2031-2035; this necessitated minor changes to the CNDM. The Gate 2 Criteria Methodology Decision provides detail on the rationale for this change. The Gate 2 Criteria Methodology decision also addresses the clarification of the definition of LDES and BESS in the CP2030 Action Plan which also necessitated minor CNDM updates. These updates impact on the application of Strategic Alignment Criterion B and, in the case of solar capacities, the CNDM process of substitutions between adjacent or overlaying zones. Our assessment of these updates is not repeated here.
- 4.2 Each of the Methodologies follows an approval process for their development, iteration, and amendment as specified in the new licence conditions.
- 4.3 The introduction of the Methodologies provides the opportunity for NESO to have greater control and flexibility; in turn we expect NESO to monitor and act quickly to address emerging issues, as well as continually assessing how each Methodology can be improved in line with connections reform policy objectives, the new licence objectives relating to the Methodologies, and other relevant statutory duties/objectives.

- 4.4 Following approval, NESO are required to review the Methodologies at least annually, and to identify any changes that are necessary to ensure that the objectives are met. Ofgem also has power to direct NESO to review Methodologies, if it believes that the objectives are not being met.
- 4.5 NESO licence condition E16.9 sets out an obligation for NESO to consult on changes to Methodologies unless otherwise agreed with Ofgem. As set out in the Gate 2 Criteria Methodology Decision, we have recommended NESO makes updates to target specific concerns raised in response to our consultation. We noted in the Decision Notice for the Gate 2 Criteria Methodology that these updates could also be implemented through the CNDM if needed.<sup>13</sup> Thereafter, consultation will be a necessary part of every annual review, and we expect minor updates, unless urgent and agreed with us, to wait until the annual review process. This would mean that while administrative, clarificatory and low impact additions may not require consultation, we expect this housekeeping to wait until the annual review process which would usually require consultation.
- 4.6 This obligation and expectation will apply following this first approval of each Methodology. However, we considered that it was appropriate and beneficial to stakeholders for NESO to make transparent minor updates to improve Methodologies prior to our Decisions.
- 4.7 Accordingly, on 21 March 2025 NESO set out updates to the draft CNDM following engagement with Ofgem to agree that these updates were necessary and would not require further consultation.
- 4.8 Most of the updates are clerical amendments or the addition of detail to provide stakeholders with more clarity. In a minority of cases, updates constitute targeted changes relating to policy but where we consider such a change was necessary and where the limited scope and impact of the change means that consultation would not be beneficial.
- 4.9 We have considered the Methodology published by NESO on 21 March 2025 in this Decision. All changes from the 20 December 2025 version were marked up

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<sup>13</sup> In addition to addressing the recommendations included in the Decision Notice, NESO can and should also address consequential updates from the Decision on CMP435 (for example to remove references to the 'pause' in Methodologies) and reflect the update on 7 April 2025 of the CP2030 Connections Annex to merge transmission and distribution zones for solar as set out in paragraph 3.70 of our Decision on the Gate 2 Criteria Methodology.

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for transparency. Overall, we consider that these updates are necessary, provide clearer processes and reduce ambiguity.

4.10 While the majority are minor corrections and clarifications, more notable changes include:

- Clarity on the form of capacity used for Strategic Alignment – NESO has clarified that Transmission Entry Capacity (TEC) will be used when determining alignment to the CP2030 Action Plan. TEC is the maximum capacity in MW that a generator is permitted to export to the grid and well understood as the form of capacity that is significant in the context of a connection agreement. This is a clarificatory amendment.
- Clarity for staged projects - For staged or hybrid projects, if one element meets the Gate 2 Strategic Alignment Criteria and another does not, NESO has clarified that the project will receive a staged offer. This clarifies that one part of a staged project would not be precluded from receiving a Gate 2 offer on account of the status of other parts.
- Reference to updated solar capacities – as set out in the Gate 2 Criteria Methodology Decision, DESNZ has amalgamated the transmission and distribution splits for solar for 2031-35. The CNDM has been updated to make necessary reference to that update.

## 5. Decision

### Decision Notice

- 5.1 In accordance with NESO licence condition E16.14(a), the Authority approves the version of the Connections Network Design Methodology published by NESO on 21 March 2025 and in Appendix 1.
- 5.2 The CNDM achieves the objectives in E16.3 of the NESO licence. The Authority also directs that the CNDM should come into force following the expiry of the standstill period for the new licence condition E16 on 10 June 2025.

**Jack Presley Abbott**

**Deputy Director – Strategic Planning and Connections**

Signed on behalf of the Authority and authorised for that purpose