

The Voice of the Networks



Energy Networks Association

Open Networks Project

Interactivity Process Guide

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Table of Contents

Introduction	3
1. Application.....	5
2. Early Warning	5
3. Unconditional and Conditional Offers	6
4. Acceptance	7
5. Validation of Acceptance / Stage 2 payment	7
6. Re-applications	9
Working Days and Calendar Days	9
Scenarios – Interactivity within a network company	10
7. Interactivity Across the Transmission / Distribution Boundary	17
Scenarios – Interactivity between a Transmission and Distribution company - Statement of Works / Project Progression	20
Scenarios – Interactivity between a Transmission and Distribution company – Transmission Impact Assessment (Appendix G).....	27
Appendix 1: Frequently Asked Questions	29
Appendix 2: Template Letters for Interactivity	32
Appendix 3: Definitions / Acronyms	40

Interactivity Process Guide

Introduction

The Open Networks Project is a major industry initiative that will transform the way our energy networks operate, underpinning the delivery of the smart grid. The project looks to change how the networks operate to facilitate the transition to a smart, flexible energy system. A key objective is to bring consistency in approaches across networks through existing and new processes to support the transition to Distribution System Operators (DSOs), interactions with each other and interactions with customers. Open Networks is being delivered through a number of Workstreams and Products.

The 2019/2020 Open Networks Workstream 2 (Customer Information Provision & Connections) is concerned with establishing consistent Interactivity processes within and across network companies (Product 3).

- In July 2019, the ENA (through Open Networks Workstream 2) launched a second consultation titled 'Application Interactivity and Connection Queue Management' with mind-to positions presented for Interactivity - the 'Conditional Interactivity Process'¹. The responses to the July 2019 consultation showed clear support for Conditional Interactivity among stakeholders and a key deliverable for the process was the publication of this guide in March 2020.
- This guide was updated in September 2020 to reflect how Conditional Interactivity would be applied across the transmission / distribution boundary – see section 7.

What is interactivity?

There are occasions where network companies receive two or more applications for connection which make use of the same part of the network but where not all the applicants can be connected. The resulting connection Offers are referred to as interactive connection Offers and interactivity is the process through which network companies determine which application will be able to connect to the network. Interactivity can be in relation to different aspects, including network capacity (such as circuit ratings and switchgear fault level capability) point of connection (PoC), and application of constraint within an Active Network Managed 'Last In First Off' queue. It can also relate to both existing network and future network.

Why is an interactive process needed?

A consistent process is required to ensure that decisions made in how connections are allocated are transparent, consistent, simple enough to administer in large numbers, and fair for all customers involved.

Purpose of this guide

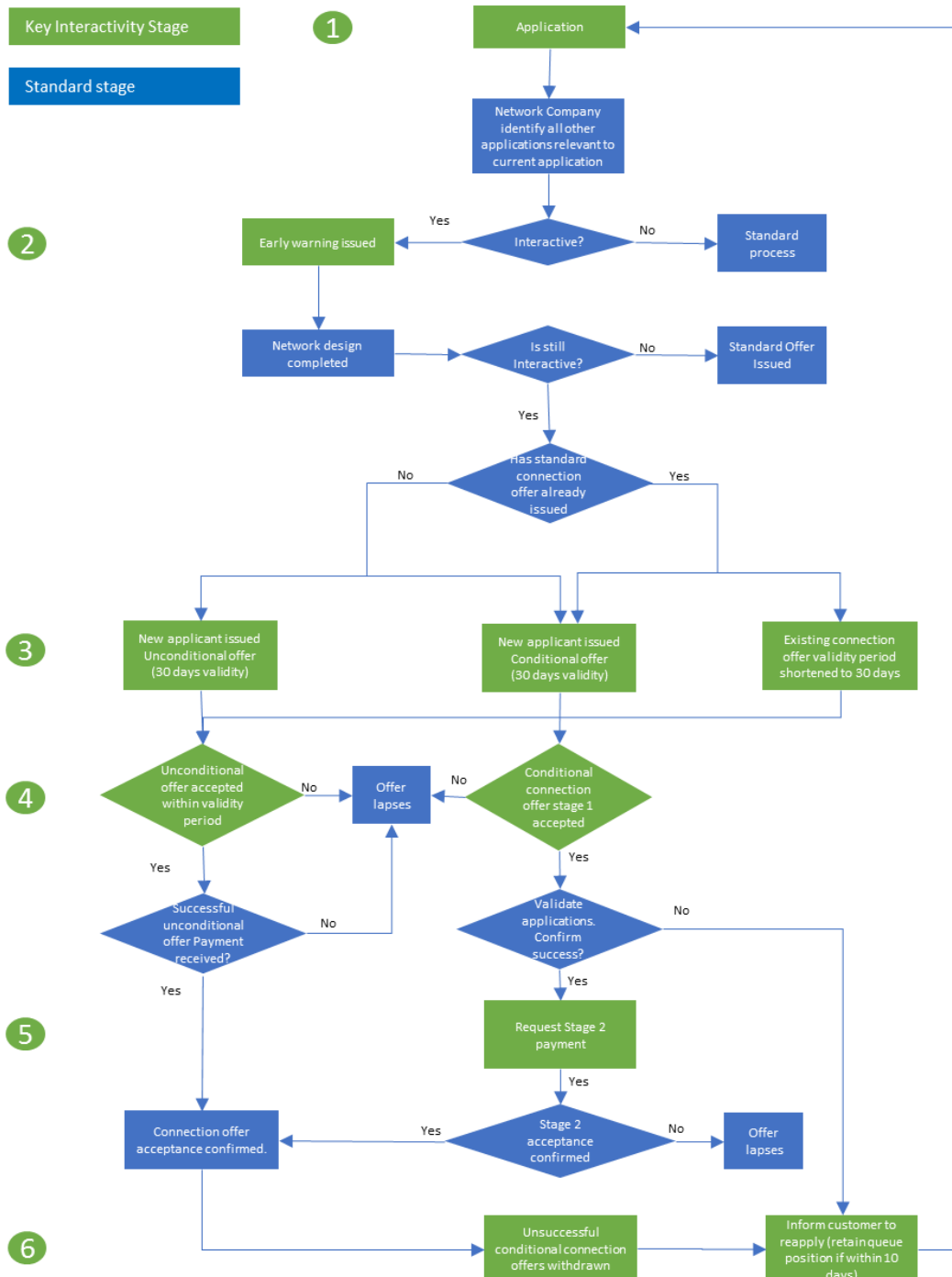
This guide sets out the industry-wide agreed process that all network companies will use to manage interactivity. In this guide the term 'network company' is used as a generic term to cover all Distribution Network Operators, the Transmission System Operators and Owners.

The guide includes a description of the new process that will apply consistently across transmission and distribution. Where there are differences between transmission and distribution then these are identified in the document.

¹ For further details of the Open Networks public consultations including Interactivity see [here](#).

Simple flow process diagrams are used to highlight the overall process, supported by detailed step by step guidance. A range of scenarios have been used to demonstrate how the process applies, and example templates provided for customer correspondence where the network company notifies the applicant that interactivity applies to their application.

The Conditional Offer Process



The following sections in this document set out more detail and information about the policy, using the steps outlined in the above flow chart.

1. Application

The date an application is deemed a ‘competent application’, is a key facet of this process as it establishes the position in the interactive queue. For clarity the only criteria for forming an interactive queue is the clock start date for the application. Other factors such as technology type, sector (e.g. medical, defence, etc), readiness to proceed, etc, are not taken into account in deciding the position in an interactivity queue.

Establishing queue position in distribution

For distribution, applications are deemed competent when the ‘minimum information’ has been received.² The ‘minimum information’ is the information that the network company needs to progress the application. If all the ‘minimum information’ is received with the application, then the application date will be used to establish its position in the interactive queue. If all the ‘minimum information’ is not received with the application, the network company will notify the customer of the missing information as soon as is reasonably practicable and normally within 10 Working Days. When the missing information is provided, this date will be used to form the interactive queue position.

Establishing queue position in transmission

For Transmission, the clock start date is dependent on later date of NGENSO receiving the application fee and the application being deemed technically competent by NGENSO. An interactive queue order is created by the earliest clock start date of the applications.

Establishing queue position between distribution and transmission applications

Please refer to section 7 of this guide.

2. Early Warning

Network companies will aim to give an early warning to customers that their application may be interactive. The purpose of this early warning to all parties is so that they have advance notice and can plan to manage their internal governance.

If the likelihood of interactivity is established during the assessment and design of the connection, network companies will aim to provide an indication before the connection Offer is issued that the application may become interactive. This will likely happen once the network study is complete and therefore will be some time after the application has been received. This notification is intended to alert the applicant that their connection Offer may be issued with a shorter validity period than normal. There is benefit for all parties involved that this early warning is issued as soon as practical, however it is not possible for network companies to commit to specified timescales for issuing the early warning due to the unpredictable timing of applications received and the time to assess each application.

Where a connection Offer has already been issued, the network company will aim to give an early warning to these customers as well. This would warn them that it is likely the validity period of their existing connection Offer may be reduced at some point soon if interactivity is confirmed. This will also inform the customer that they may not be able to have their connection Offer validity period extended as it may become interactive. Where possible the network company will indicate the applicant’s queue position. For example Early Warning notifications see Forms #1 and #2 later in this document

² See RIIO-ED1 regulatory instructions and guidance: Annex G – Connections [here](#)

3. Unconditional and Conditional Offers

Where we refer to ‘Conditional’ and ‘Unconditional’ in this document, this relates only to interactivity and not any other terms or conditions in the connection Offers.

Unconditional Offers

The application that is first in the interactive queue will be issued with an Unconditional Offer. An Unconditional Offer means that this customer has first refusal on the connection and their Offer is not dependent on the acceptance of any of the other applicants in the queue. Please note that for simplicity this guide assumes only one Unconditional Offer has been issued, however there may be more than one in practice.

Depending on the timing of other later applications two different situations can occur.

- 1) If interactivity has not been identified when the first connection Offer is made, then a standard connection Offer will be made with the company’s standard validity period. If further applications are received that may become interactive, then the applicant may receive an early warning as described in the section above.

Once it becomes interactive the applicant will receive revised terms for acceptance. This may be done by the network company issuing a revised connection Offer or by way of a notice to shorten the validity period.

If there is more than 30 days³ of validity period left when interactivity is declared, then the network company will shorten the validity period of the original Offer to 30 days. If there is less than 30 days left, then the remainder of the original validity period will remain.

- 2) If interactivity has been identified before the first connection Offer is made, then an Unconditional connection Offer with a 30 day acceptance period will be issued. Depending on the timing of when interactivity has been identified, then the customer may have already received the advanced warning that the connection Offer will be issued with reduced timescales.

For the avoidance of doubt, no extension will be provided to the validity period on any Unconditional Connection Offer.

Conditional Offers

If further applications are received that make use of the same piece of the network, then all subsequent Offers will be Conditional connection Offers. Conditional Offers are made on the premise that all Offers ahead of them in the interactivity queue are **not** accepted. If any of the connection Offers ahead of them in the queue do accept and the network can’t accommodate the next Offer, then the Offer is withdrawn by the network company irrespective of whether the customer has accepted or not.

The connection Offer will remain valid for a period of 30 days and, unless accepted within this period, will lapse. For the avoidance of doubt, no extension will be provided to the validity period on any Conditional Connection Offer.

For example Interactivity Offer Offers see Forms #4 and #5 later in this document.

³ This guide uses 30 days as the standard validity period for interactive offers and this is calendar days. Some network companies may use an equivalent period eg 20 working days.

4. Acceptance

A connection Offer will be considered to have been accepted if a qualified acceptance is received.

Unconditional Offer qualified acceptance.

In the case of an Unconditional Offer, acceptance is required before the end of the validity period, specifically:

- Duly completed acceptance form received. (This must be properly signed and executed to be deemed a qualified acceptance); and
- For distribution, required payment, under the terms and conditions of the Offer. (Normally either payment in full or stage 1 milestone and if applicable any other application fee specified). Funds must be cleared by the end of the 30 day validity period, without exception; or
- For transmission, the developer would have 30 days to place the relevant security (if any) as per standard security arrangements documented in CUSC (Connection and Use of System Code) Section 15.
 - Please note that security is required for the sum set out in the Secured Amount Statement sent with each Offer. Such security should be put in place within 30 days of acceptance of the Offer. To accept the Offer please return signed copies of the original and failure to do so constitutes The Company to terminate the agreements.

Conditional Offer qualified acceptance.

For Distribution, in the case of a Conditional Offer, applicants do not have to pay until they are notified that they are successful in the Interactive process. For all network companies Stage 1 Acceptance only requires;

- Duly completed acceptance form received within the validity period. (This must be properly signed and executed to be deemed a qualified acceptance).

5. Validation of Acceptance / Stage 2 payment

Where an Unconditional Offer qualified acceptance is received other parties will be notified that they have been unsuccessful. All Conditional Offers will then be withdrawn whether they were accepted or not.

Where Conditional Offers have been made and applicants have completed Stage 1 Acceptance, the company will confirm whether the acceptance is successful. All other Conditional connection Offers which can't be accommodated will be withdrawn.

When a Conditional Offer has completed Stage 1 Acceptance and then been notified its acceptance has been successful then Stage 2 Acceptance needs to be completed.

Stage 2 Acceptance for Distribution Offers

Following notification of success, the applicant must make payment under the terms and conditions of the Offer within 10 working days of notification. (Normally either payment in full or a milestone profile payment or if applicable any other application fee specified). Cleared funds must be made by the end of the 10 working day period and no allowances will be made.

Stage 2 Acceptance for Transmission Offers

Following notification of success, the developer would have 30 days to place the relevant security (if any) as per standard security arrangements documented in CUSC Section 15.

- Please note that security is required for the sum set out in the Secured Amount Statement sent with each Offer. Such security should be put in place within 30 days of acceptance of the Offer and failure to do so constitutes The Company to terminate the agreements.

The time constraints for both distribution and transmission reflect a need to minimise the length of time for any other person in the queue or the network company to get clarity on the outcome of the applications. It should be noted that the applicant receiving the 10 working day request will have been aware of the interactivity process for some time prior to the request.

Should Stage 2 Acceptance not be completed in the timescales above, then the next connection Offer in the queue that had completed Stage 1 Acceptance will be given the opportunity to complete Stage 2 Acceptance.

For example, notifications of success / unsuccessful applications see Forms #6 and #7 later in this document

Subsequent queued connection Offers

Once all Unconditional Connection Offers in a queue have accepted, or have not accepted within their validity period, network companies will continue to confirm as successful any subsequent conditional Offers in a queue (that have met Stage 1 requirements) until a connection cannot be made due to the network restrictions. This applies even where an Offer that is further back can connect within the current network configuration.

The principle here is that the first application that cannot connect may incur additional costs if any subsequent applications do connect ahead of them. The applicants queue position is considered the primary consideration.

6. Re-applications

Customers who accepted their Conditional Offer to Stage 1 but were unsuccessful, or customers who had their Conditional Offer withdrawn within its validity period, will be given the opportunity to re-apply for a new connection Offer and retain their queue position.

Customers that re-apply within 10 working days of the notification that they were unsuccessful will maintain their queue position where any subsequent round of Interactivity is triggered i.e. their new queue position will be based on their original application date (for distribution) or clock start date (for transmission). This request applies where the customer confirms there are no changes from the original application. Generally, only confirmation is required and not the re-submission of the full application form.

Any customers who were issued with a Conditional or Unconditional Offer and allowed the validity period to lapse will also need to reapply but in these cases the application will be given a queue position based on the new application date (for distribution) or clock start date (for transmission). This also applies to where the customer accepted their Conditional Offer to Stage 1 and were successful but who **did not** meet the Stage 2 payment requirements detailed above.

Note that there may be an additional charge for any re-applications and customers should check with the relevant network company - this applies even if another round of interactivity is triggered

Working Days and Calendar Days

The table below provides reference to the relevant days to be applied as described in this document. In practice network companies may refer to either working or calendar days but the intention is that the timescales noted below are provided.

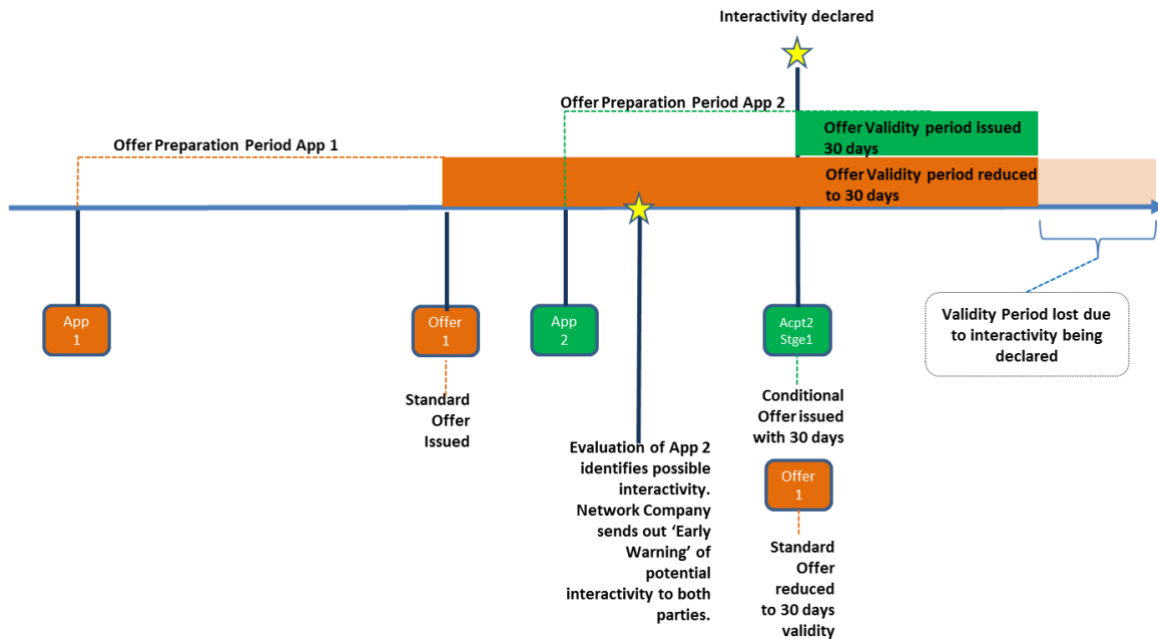
Applied days	Calendar /Working
Interactivity validity period	30 calendar days
Stage 2 payment period	10 working days
Transmission security payment period	30 calendar days
Re-application where unsuccessful	10 working days

Scenarios – Interactivity within a network company

Scenarios 1-3 cover when interactivity is triggered between two applications to the same network company (distribution or transmission). Scenarios 4-6 cover the acceptance process and how acceptances are validated.

Scenario 1: Triggering interactivity when a connection Offer has been issued

In this scenario a connection Offer has been issued and a subsequent application has been received.



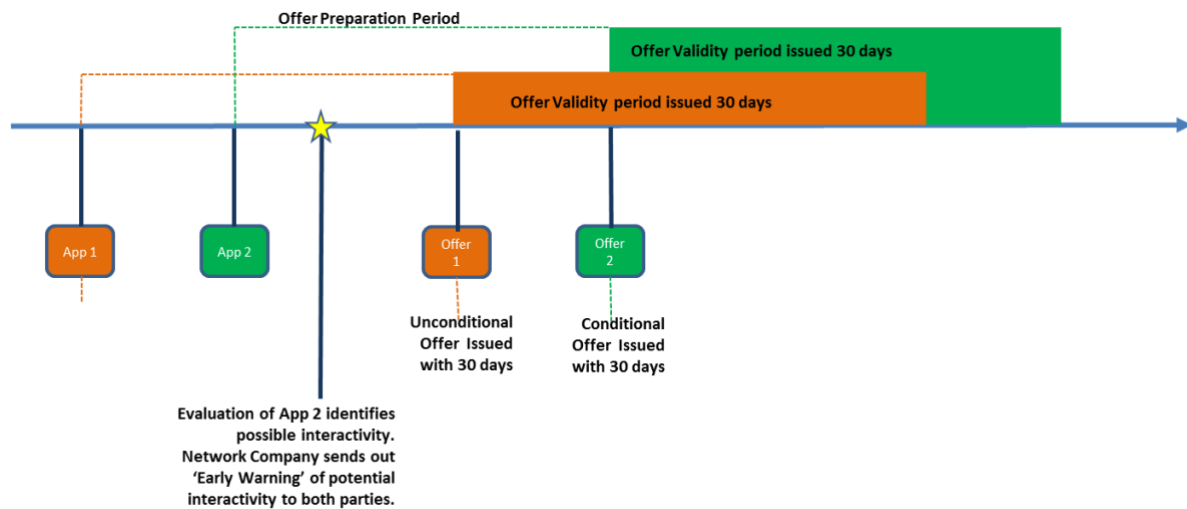
On evaluating the second application potential interactivity is identified. Where possible, early warnings are sent out to both parties; for the first application this will be to indicate that their validity period may be shortened, for the second that their Offer is likely to be issued with a shortened validity period.

When the second connection Offer is ready to be issued and interactivity has been confirmed then:

- A Conditional Offer with 30 day validity period is issued to applicant 2
- If there is more than 30 days of validity period left on connection Offer 1 then the validity period is shortened to 30 days
- If there is 30 days or fewer of validity period left on connection Offer 1 then there will be no change to its original validity period.

Scenario 2: Triggering interactivity where no connection Offers have been issued

In this scenario, two applications have been received but no connection Offers issued before interactivity is triggered.



On evaluating the two applications potential interactivity is identified. Where possible early warnings are sent out to both parties to give them advance notice that their Offers are likely to have shortened acceptance periods.

When the first connection Offer is ready to be issued and interactivity has been confirmed then:

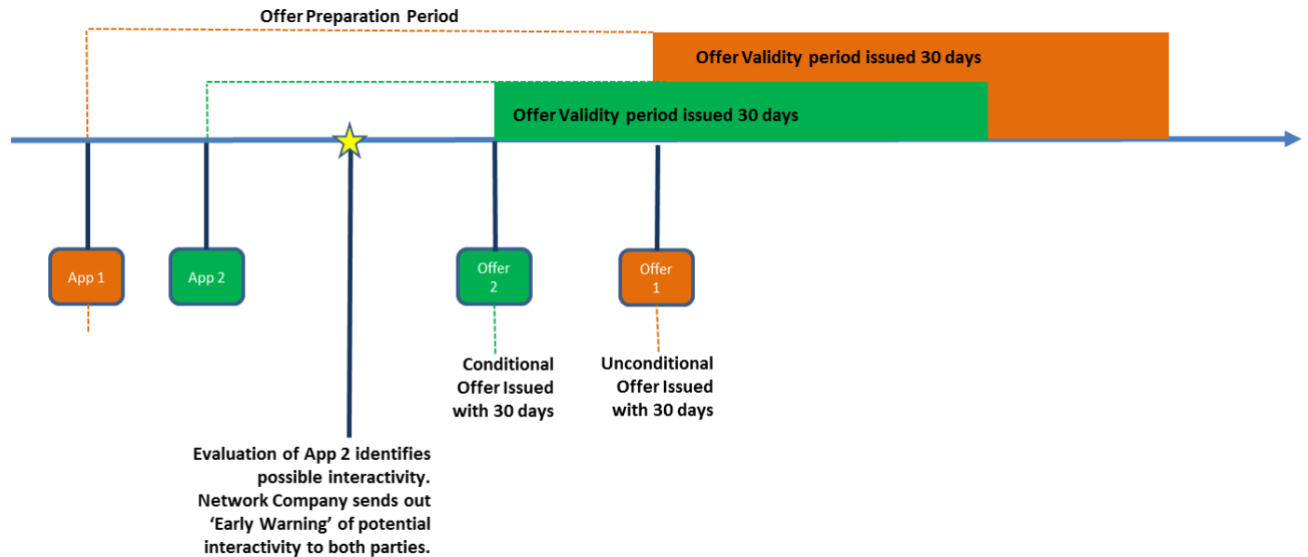
- An Unconditional Offer with 30 day validity period is issued to applicant 1.

When the second connection Offer is ready to be issued then:

- A Conditional Offer with 30 day validity period is issued to applicant 2.

Scenario 3 Triggering interactivity but connection Offers not issued in queue order

In this scenario two applications are received and no Offers issued before interactivity is triggered. In this case the second application has a shorter guaranteed standard timescale and therefore needs to be issued before the first. This is only likely to happen at distribution.



On evaluating the two applications potential interactivity is identified. Early warning notifications are sent out to both parties to give them advance notice that their Offers are likely to have shortened acceptance periods.

In this scenario the connection Offer for the second application must be issued first, however, the principle of queue position is maintained and where interactivity has been confirmed:

When Applicant 2’s Offer is ready to be issued:

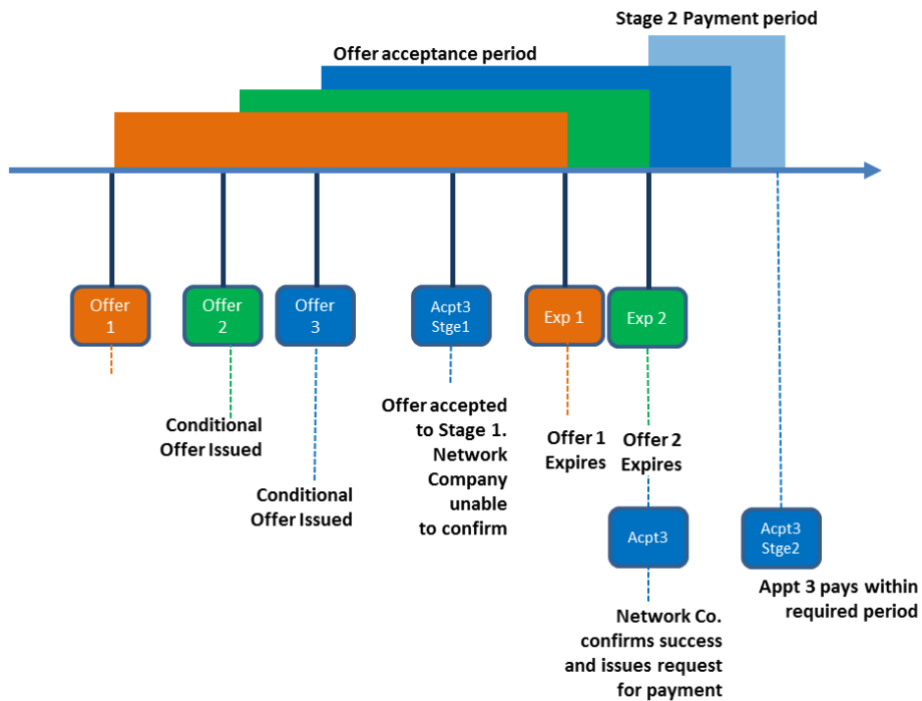
- A Conditional connection Offer is issued with a 30 day validity period to Applicant 2

And when Applicant 1’s Offer (the first connection Offer in the queue) is ready to be issued then:

- An Unconditional Offer with 30 day validity period is issued to Applicant 1.

Scenario 4 An acceptance is received but can't be validated until prior connection Offers have lapsed

In this scenario a Conditional Offer is accepted by the customer but can't be validated until all earlier connection Offers have expired.

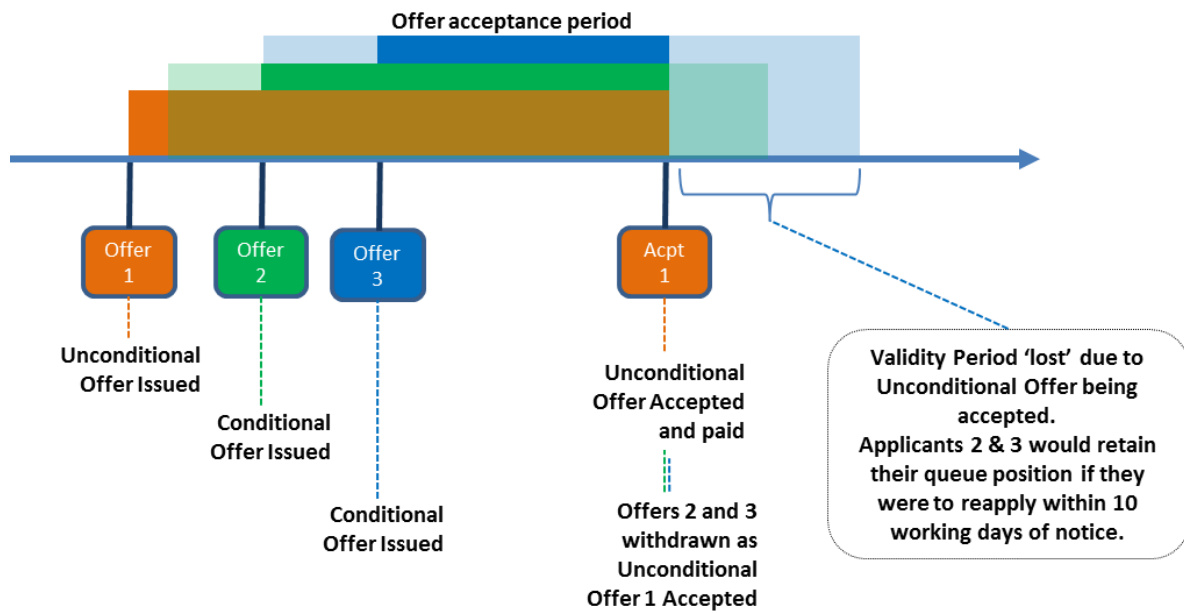


Whilst customer 3 has accepted to Stage 1, the network company is unable to validate the acceptance as there are two earlier Offers still valid in this scenario.

If there are no other acceptances, then the network company will be able to validate the acceptance when the last preceding connection Offer has lapsed. In this scenario the network company can confirm a valid acceptance when the validity period for Offer 2 has lapsed.

Scenario 5 an Unconditional acceptance is received; all other Offers are withdrawn

In this scenario the Unconditional connection Offer is accepted and then all later connection Offers are withdrawn.



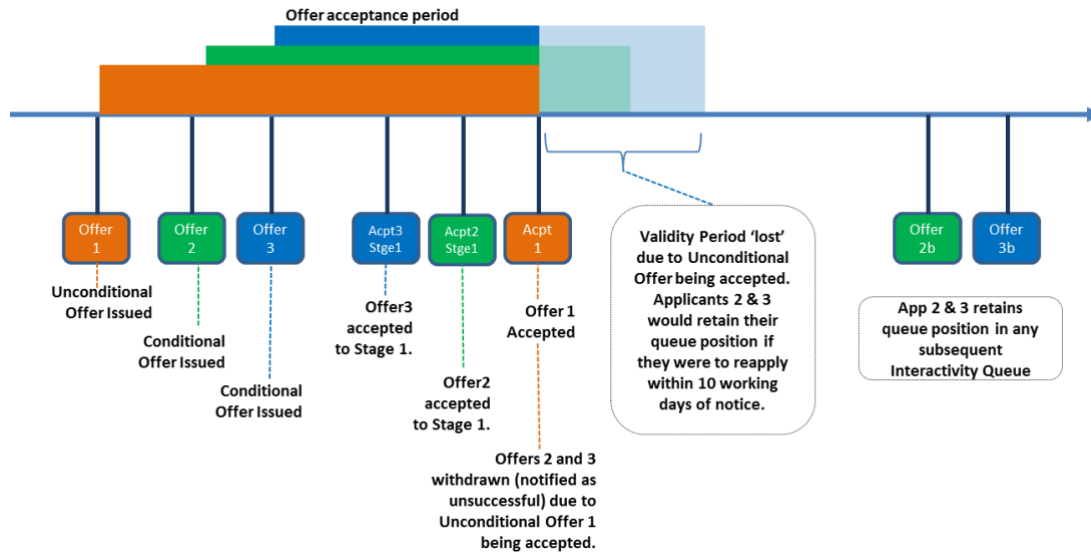
As customer 1 has accepted its Unconditional Offer, the network company is able to confirm its validity.

As there are two later Offers still valid in this scenario, then the network company will withdraw these Offers.

Both these applications will be Offered the opportunity to apply again within 10 working days and their original queue position will be maintained for any subsequent interactivity as they were both still valid connection Offers when they were withdrawn. Additional charges may apply if they wish to reapply.

Scenario 6 Multiple acceptances

In this scenario there are multiple acceptances but they cannot be validated until the status of preceding connection Offers has been established.



Whilst customer 2 and then 3 has accepted to Stage 1, the network company is unable to validate either acceptance until the status of connection Offer 1 has been established.

In this scenario, connection Offer 1 has accepted its Unconditional Offer and therefore the network company is able to confirm its validity.

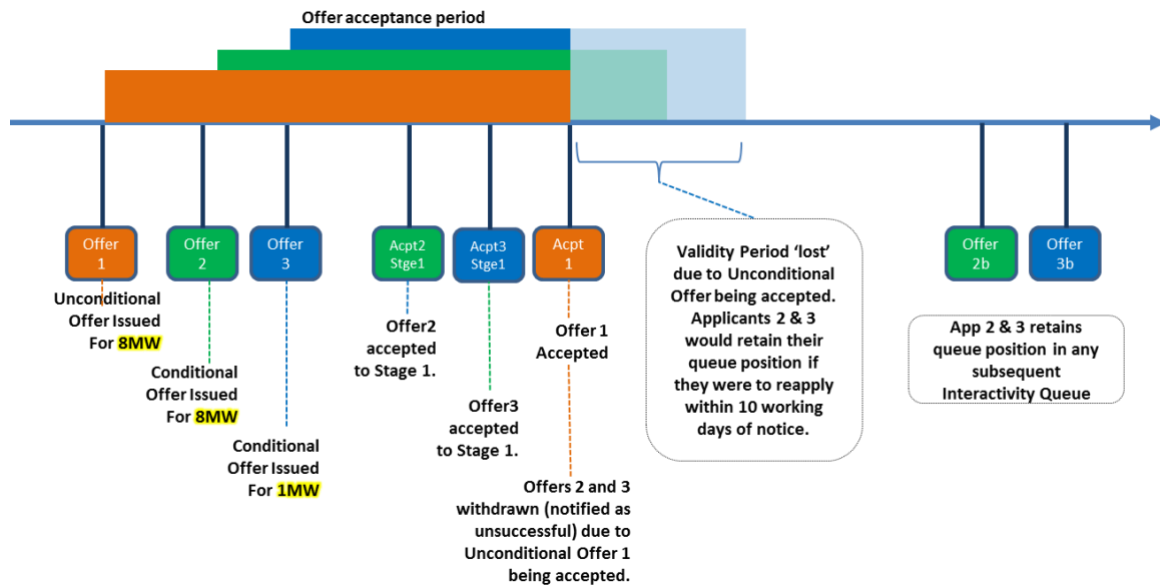
As the Unconditional Offer has been accepted then acceptances of connection Offers 2 and 3 cannot be validated and the connection Offers are withdrawn.

Both these applications will be Offered the opportunity to apply again within 10 working days and their original queue position will be maintained as they were both still valid connection Offers when they were withdrawn. Additional charges may apply if they wish to reapply.

These applications will be considered along with any other applications received and another round of interactivity may be required depending on the specific circumstances.

Scenario 7 Multiple acceptances with different sizes

In this scenario there are multiple acceptances and the available capacity would allow more than one acceptance to be connected however queue order is maintained and are not validated.



If we assume that in this scenario there is a total of 10MW of capacity that is available and that applications have been received from application 1 for 8MW, a further 8 MW requested by applicant 2 and a subsequent application for 1MW.

The process follows the same stages as scenario 6 and none of the acceptances can be validated until either connection Offer 1 is accepted or it lapses.

Since the Unconditional connection Offer has been accepted it is validated. Whilst this leaves 2MW of spare capacity the principle of queue position is maintained and whilst there is sufficient capacity to allow connection Offer 3 which was for 1MW to connect, it is not validated since there is an earlier connection Offer that has been accepted.

Both these applications will be Offered the opportunity to apply again within 10 working days and their original queue position will be maintained as they were both still valid connection Offers when they were withdrawn. Additional charges may apply if they wish to reapply.

These applications will be considered along with any other applications received and another round of interactivity may be required depending on the specific circumstances.

7. Interactivity Across the Transmission / Distribution Boundary

Introduction

As explained earlier, Interactivity is where network companies receive two or more applications for connection which make use of the same part of the network but where not all the applicants can be connected. Interactivity can occur between Transmission and Distribution where an application to connect to the Transmission Network triggers Interactivity with an in-flight application to the Distribution system, or vice versa.

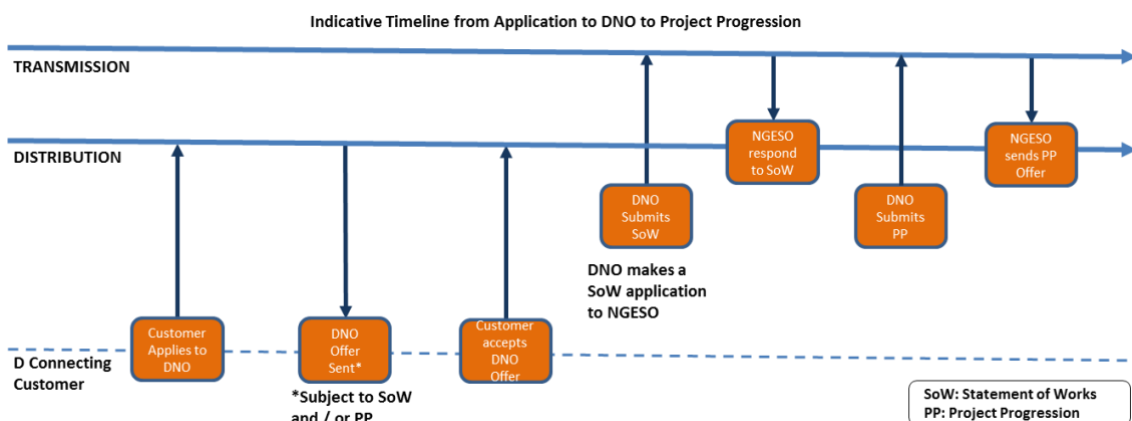
- Transmission Companies identify interactivity where there are transmission constraints, and
- Distribution Companies identify Interactivity where there are Distribution constraints. Note that this is pending possible future industry code changes that may enable an appropriate process to be introduced consistent with the principles described in this document.

Network companies will manage Transmission / Distribution Interactivity following the same Conditional Interactivity principles as outlined in the previous sections of this guide. Where potential Interactivity is identified, an ‘Early Warning’ notification may be issued to all affected applicants, where possible. Offers will be considered as either ‘Conditional’ or ‘Unconditional’ and issued with reduced validity periods. Conditional Offers may be withdrawn where an Offer ahead of them in the queue is accepted. Queue position will be established based on the details in this section.

1. Statement of Works / Project Progression

Where there is a known impact on the Transmission system, or the DNO believes a new connection to their network will have an impact on the Transmission system, the DNO will normally follow the Statement of Works (SoW) process whereby the DNO requests a Statement of Works to identify whether further work is required to facilitate the Distribution connection. The NGESO responds to the DNO specifying that either no work is required to allow the connection or that a further Project Progression (PP) application is required. In some areas of the GB, the SoW request is not required as the assumption is that there will always be an impact and only the Project Progression application is made.

The below timeline represents the indicative sequence of interactions between the applicant and the DNO, and between the DNO and the NGESO, following an application to the distribution network. Note that this illustrates a scenario where the applicant has accepted the DNO Offer prior to initiating the SoW or PP as applicable, but importantly both SoW and PP can be initiated by the customer any time after the initial application is made to the DNO.



Identifying Interactivity queue positions

When interactivity occurs, the date that either the Statement of Works (SoW) competent application or Project Progression (PP) competent application is received by NGESO (whichever first) will be used as the date for establishing the queue position of the Distribution application.

Note that where the response from NGESO to a SoW competent application indicates that interactivity has occurred then the SoW competent application date will be used to determine the interactivity queue position where the subsequent PP application is made by the DNO (on behalf of the customer) within 30 days. The normal CUSC process requires the DNO to make this application within 90 **business** days of receiving the SoW response and the reduction of the timescale where interactivity occurs limits the time that a DNO application can be in an Interactive queue prior to having an Offer issued.

Importantly both the SoW request and PP application can be initiated earlier in the Distribution application process i.e. any time after the initial application is made to the DNO, but there is a fee payable for the applications that the DNO will recover from the applicant. As a result, it is accepted industry practice that applicants do not wish the SoW request or PP application to be made until such time as they are in receipt of their Offer from the DNO. It is therefore ultimately for the customer to decide the timing of the applications and there is a balance between paying for and initiating the SoW request / PP applications early to establish a position in any interactive queue, and waiting for the outcome of the DNO Application.

Statement of Works / Project Progression application triggering interactivity with an in-flight transmission application

1. Applicant applies directly to DNO for Distribution connection
2. DNO issues a connection Offer to the customer subject to SoW / PP
3. Where required DNO submits a SoW request. Note this can be initiated at any point from the distribution application being made (step 1 above).
4. NGESO identifies the DNO connection is interactive with an in-flight Transmission application and informs the DNO via the SoW response that the connection requires PP, and is interactive.
 - a. The SoW competent application date will be used to queue the DNO application where the subsequent Project Progression is made by the DNO within 30 days.
5. DNO makes the PP application. Note this can be initiated at any point from the distribution application being made (step 1 above).
6. NGESO identifies the DNO PP application is interactive with an in-flight Transmission application
 - a. The PP competent application date will be used to queue the application where it is made more than 30 days after the SoW response, or where SoW request was skipped.
7. NGESO confirms queue position which determines the Unconditional application(s). To confirm:
 - a. The Distribution application queue position is determined by the earlier of the SoW competent application date (if the subsequent PP was made within 30 days), and the competent application date of the PP application
 - b. The Transmission Application's queue position is determined by the competent application date of the Transmission application
8. NGESO informs the DNO of the interactive queue positions and Conditional / Unconditional status of each application

Each company manages interactivity as per existing process including for example issuing early warnings and Interactive Applications (with 30 working days' acceptance validity), and updating each other on any changes to the status of their applications (e.g. quoted, accepted, expired).

Please see Scenario A and B on pages 20-23

Transmission application triggering interactivity with an in-flight Statement of Works / Project Progression application

The process above sets out where a Transmission application was in-flight when the DNO Statement of Works (SoW) or Project Progression (PP) was initiated. There are scenarios where the SoW or PP have been initiated first and in-flight when a subsequent Transmission application triggers interactivity.

Where NGESO identify that a Transmission application is interactive with previously received SoW or PP they will inform the DNO and customers are queued based on their relevant competent application dates:

- The Transmission application based on its competent application date
- Any DNO application subject to a SoW request would be based on the SoW competent application date pending receipt of any PP within 30 days. Where the SoW has been sent to the DNO with the standard 90 days' validity this is reduced to 30 days (for the purpose of retaining the SoW request date) from the date that NGESO informs the DNO
- Any DNO application subject to a submitted PP would be queued based on the PP competent application date.

Please see Scenario C on pages 24-25

Project Progression offer validity

PP applications are made by the DNO to Transmission to assess the impact of the connection and to identify enabling works, requirements for security and liability, and any required technical restrictions for the DNO Connection for example.

The subsequent PP Offer is made to the DNO to accept on behalf of their customer however there will be a degree of due diligence and assessment that the DNO must undertake prior to informing their customer of the details and to get confirmation to continue. Any agreement from the customer must be received in time for the DNO to accept the PP Offer on behalf of the customer. The standard validity of these Offers is 90 days.

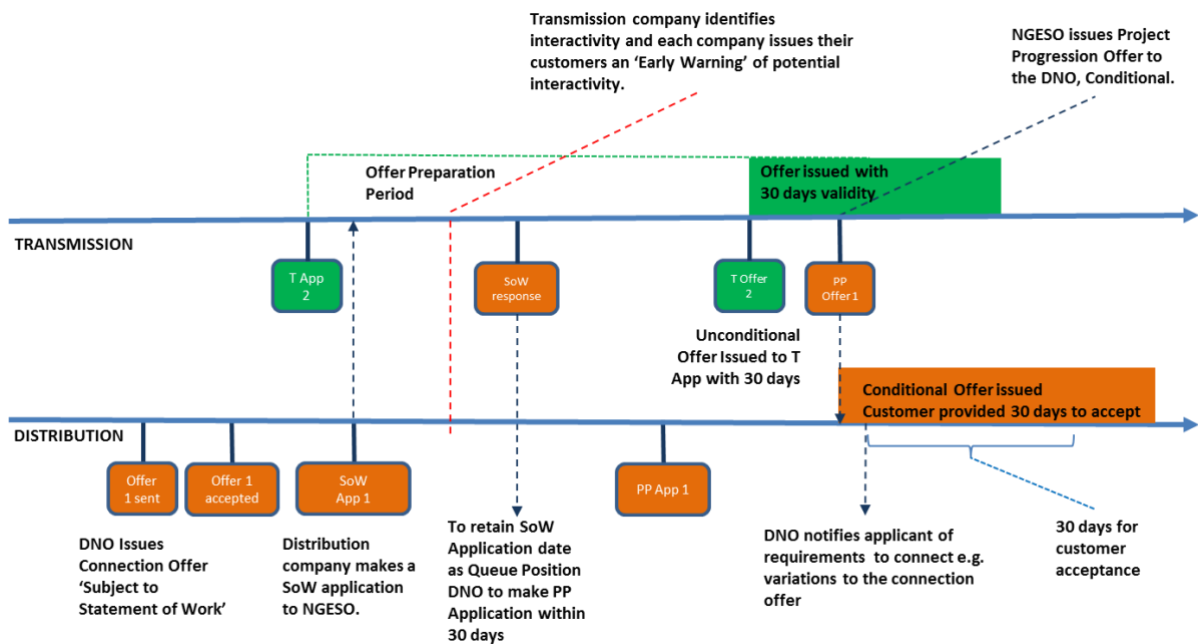
Applying the principles of interactive Offer validity NGESO would reduce the validity of the PP Offer to 30 days. However, that would either reduce the required time for the DNO to make their due diligence checks and prepare the details for the customer or, more likely, reduce the time that the customer has to agree to the requirements to allow the DNO to accept the PP Offer within a reduced timescale. To ensure the Conditional Interactivity process maintains consistency for the applying customer:

- To ensure the interactivity process timescale is minimised and maintains consistency for all applying customers, NGESO will issue a PP Offer with reduced validity timescales to the DNO that will allow the DNO to conduct their due diligence and prepare the information to provide the customer. The DNO customer will be provided 30 days to accept the proposals consistent with the time provided the Transmission customer

Scenarios – Interactivity between a Transmission and Distribution company - Statement of Works / Project Progression

Scenario A: Statement of Works application triggering interactivity with an in-flight transmission application

In this scenario the DNO has received an application to connect to a GSP where there is no TIA process in place. The DNO issues to its customer an Offer that requires a Statement of Works (SoW) due to the potential for impact to Transmission. The SoW request was made by the DNO after the applicant accepted their quotation and assessment of the SoW by Transmission identifies that the application will be interactive with an in-flight transmission application and that the DNO will need to make a Project Progression application.



On evaluating 'Statement of Works (SoW) App 1' NGESO identifies that there is interactivity with a previously received Transmission Application (T App 2) e.g. both cannot connect without reinforcement, but each can connect in isolation. NGESO confirms queue position and conditionality of the interactive applications and notifies the DNO to allow each company to issue early warning notifications to their respective applicants.

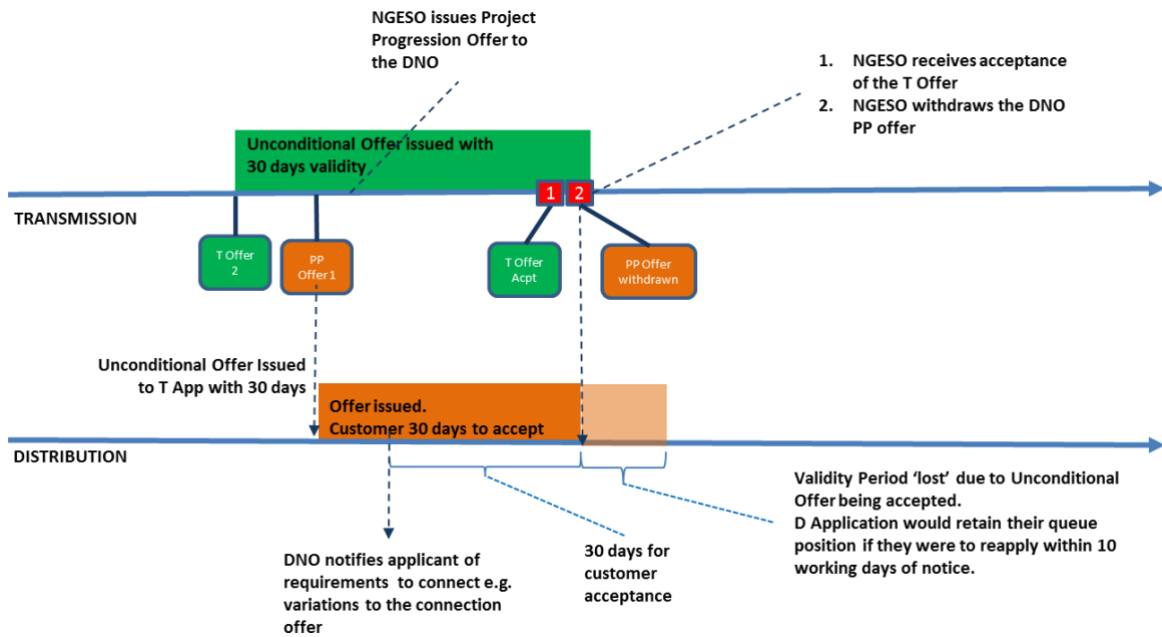
In this scenario the DNO Application queue position (Statement of Works competent application date) is dependent on the DNO making the Project Progression application within 30 days. Both dates however are later that the Transmission Application (competent application date) and when ready:

- an Unconditional Offer is issued with a 30 day validity period to Transmission Applicant 2,
- a Conditional Project Progression Offer with a shortened validity period is issued to the DNO, and
- the DNO notifies the applicant of any required enabling works or security and liability, for example, providing 30 days for agreement.

Scenario A: Statement of Works application triggering interactivity with an in-flight transmission application (contd)

Following on from the previous page the below diagram illustrates the impact of the Unconditional Transmission Offer being accepted

Offers can be accepted within their validity period (the Project Progression Offer is accepted by the DNO on behalf of the customer) but where a Conditional Offer is accepted validation of the Offer follows the same principles as described in section 5 of this guide.

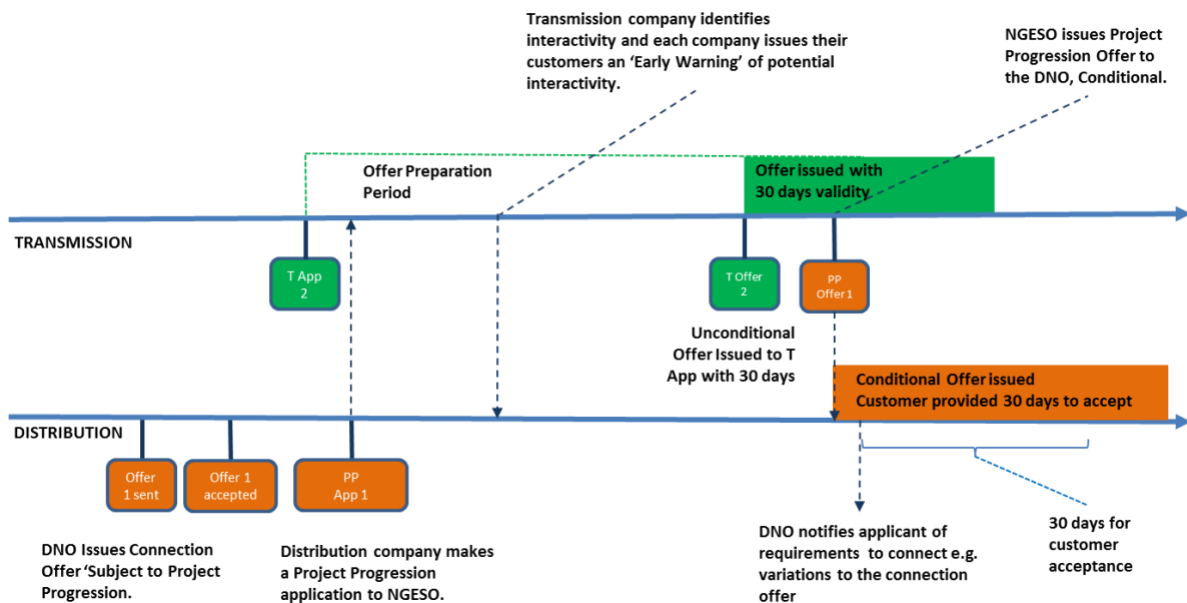


As the Transmission Application was accepted (an Unconditional Offer), NGESO is able to confirm its validity. The NGESO contacts DNO to update on the status of the Transmission Offer and withdraw the DNO PP Offer. The DNO will withdraw the Offer to their customer (if it has been forwarded).

The distribution applicant will be Offered the opportunity to apply again within 10 working days and their original queue position will be maintained for any subsequent interactivity as it was a valid connection Offer when it was withdrawn. Additional charges may apply if they wish to reapply.

Scenario B: Project Progression application triggering interactivity with an in-flight transmission application

In this scenario, the DNO has received an application to connect to a GSP where there no Transmission Impact Assessment (TIA) process in place. The DNO will issue to its customer an Offer that requires a PP (there is no requirement for the SoW), and makes the PP application on behalf of the applicants or applicant after acceptance (but this application can be made earlier). Assessment of the application by NGESO will identify enabling works, requirements for security and liability, and any required technical details for the DNO Connection, and these will be included in the PP Offer to the DNO. The DNO notifies its customer of the requirements with, for example, a variation to the connection Offer.



On evaluating 'Project Progression App 1' NGESO identifies that there is interactivity with a previously received Transmission Application (T App 2) e.g. both cannot connect without reinforcement, but each can connect in isolation. NGESO confirms queue position and conditionality of the interactive applications and notifies the DNO to allow each company to issue early warning notifications to their respective applicants.

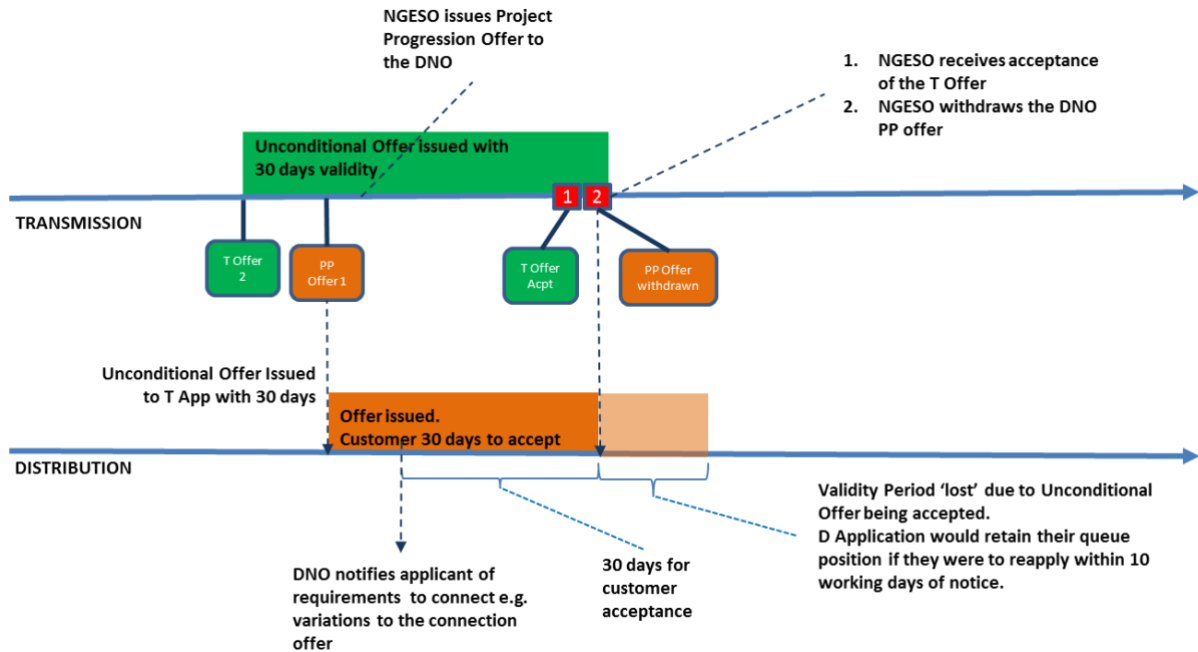
In this scenario the DNO Application queue position (PP competent application date) is later than the Transmission Application (competent application date) and when ready:

- an Unconditional Offer is issued with a 30 day validity period to Transmission Applicant 2,
- a Conditional PP Offer with a with a shortened validity period
- the DNO notifies the applicant of any required enabling works or security and liability, for example, providing 30 days for agreement

Scenario B: Project Progression application triggering interactivity with an in-flight transmission application (contd)

Following on from the previous page the below diagram illustrates the impact of the Unconditional Transmission Offer being accepted

Offers can be accepted within their validity period (the PP Offer is accepted by the DNO on behalf of the customer) but where a Conditional Offer is accepted validation of the Offer follows the same principles as described in section 5 of this guide.

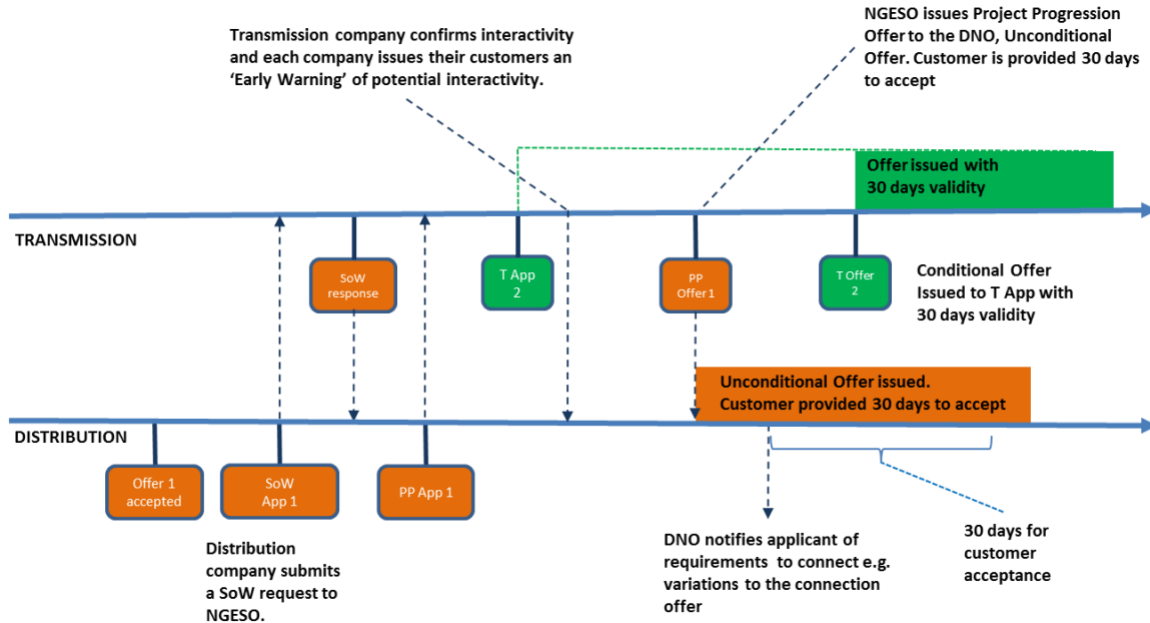


As the Transmission Application was accepted (an Unconditional Offer), NGESO is able to confirm its validity. The NGESO contacts DNO to update on the status of the Transmission Offer and the DNO will withdraw the Offer to their customer.

The distribution applicant will be Offered the opportunity to apply again within 10 working days and their original queue position will be maintained for any subsequent interactivity as it was a valid connection Offer when it was withdrawn. Additional charges may apply if they wish to reapply.

Scenario C: Transmission application triggering interactivity with an in-flight Statement of Works / Project Progression application

In this scenario the DNO has received an application to connect to a GSP where there no TIA process in place. The DNO will issue to its customer an Offer that requires a SoW and this is initiated after the acceptance (but this application can be made earlier). Assessment of the SoW by NGESO identifies that enabling works are required informs the DNO that a PP is required. The DNO makes the PP Applications and subsequently a Transmission application is received.



On evaluating 'T App 2' NGESO identifies that there is interactivity with a previously received PP (PP App 1) i.e. both cannot connect without further works, but each can connect in isolation. NGESO confirms queue position and conditionality of the interactive applications and notifies the DNO to allow each company to issue early warning notifications to their respective applicants.

In this scenario, the DNO Application queue position (PP Application Date) is earlier than the Transmission Application (competent application date) and when ready:

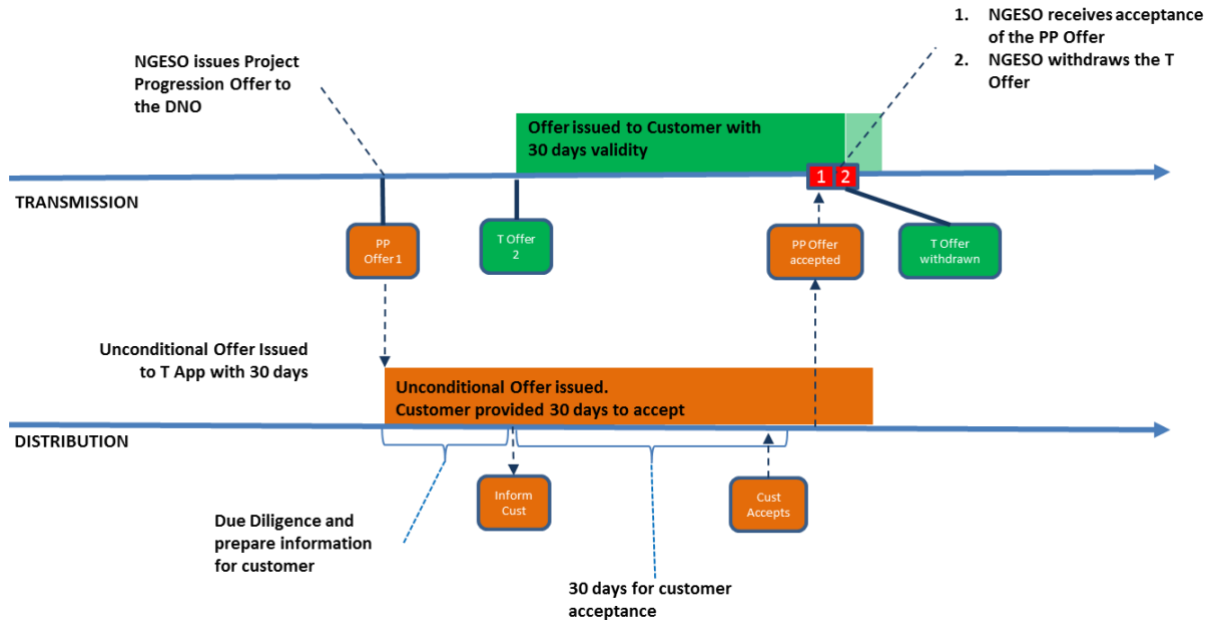
- an Unconditional Project Progression Offer with a shortened validity period is issued to the DNO and
- a Conditional Offer is issued with a 30 day validity period to Transmission Applicant 2.

The DNO will confirm PP requirements with the customer and provide 30 days to accept

Scenario C: Transmission application triggering interactivity with an in-flight Statement of Works / Project Progression application (contd)

Following on from the previous page the below diagram illustrates the impact of the Unconditional DNO PP Offer being accepted

Offers can be accepted within their validity period (the PP Offer is accepted by the DNO on behalf of the customer) but where a Conditional Offer is accepted validation of the Offer follows the same principles as described in section 5 of this guide.



On receipt of the PP Offer the DNO completes any due diligence and prepares to inform the customer of the PP requirements. Once completed the DNO informs the customer of the details (e.g. enabling works required, technical constraints) and requests confirmation that the PP Offer can be accepted. In this scenario the customer confirms with the DNO to progress and the DNO accepts the PP Offer. As the DNO Customer Application was Unconditional NGESO contacts its customer and withdraws the issued Offer.

The transmission applicant will be Offered the opportunity to apply again within 10 working days and their original queue position will be maintained for any subsequent interactivity as it was a valid connection Offer when it was withdrawn. Additional charges may apply if they wish to reapply.

2. Transmission Impact Assessment

At certain Grid Supply Points (GSPs) on the network, a process has been established between DNOs and NGENSO to assess the Transmission Impact Assessment (TIA) of new connections. This process was developed as part of the Open Networks Project and is commonly referred to as an 'Appendix G'. Under this process, DNOs provide NGENSO a list of all generators already connected or contracted to connect to a specific GSP. The list includes the size and type of generation for review by NGENSO and TOs and in return, the NGENSO provides the DNO with a 'headroom' available at these GSPs.

As part of the TIA process, DNOs will provide an updated list of generators at each GSP with an Appendix G to NGENSO on a monthly basis, unless agreed otherwise. This update and data exchange process allows the TOs to assess the remaining headroom. When the volume of accepted generation connections exceeds the available headroom at a GSP, the relevant DNO needs to make an application to NGENSO to identify if any works are required by the TO on the Transmission network. This may identify additional projects that need to be considered for interactivity, but the same principles to establish queue position will be maintained.

The high level processes for when interactivity is triggered as part of an established TIA process or through the application of PP is described below. There are illustrations to accompany these in the Scenarios section later in this document.

Triggering Interactivity under Transmission Impact Assessment (TIA)

1. Applicant applies to NGENSO for connection
2. The TO identifies the application may utilise some of the headroom which has been notified to the DNO via the TIA process, and informs NGENSO
3. NGENSO requests update from the DNO(s) of any applications that are in-flight against the headroom, that have not been previously notified. This includes applications that have been received but not yet quoted, quoted but not yet accepted, and those who have received and accepted their quotation but not yet been notified under the regular update process.
4. Data is shared between the DNO and NGENSO
5. NGENSO confirms interactivity between the Transmission application and any in-flight (see above) DNO applications.
6. NGENSO confirms queue position which determines the Unconditional application(s)
 - a. The Transmission Application's queue position is determined by the competent application date of the Transmission Application
 - b. The Distribution Application's queue position is determined by the minimum information date of the Distribution Application
7. NGENSO informs the DNO of the interactive queue positions and Conditional / Unconditional status of each application

Each company manages interactivity as per existing process including for example issuing early warnings and Interactive connection Offers (with 30 working days' acceptance validity), and updating each other on any changes to the status of their applications (e.g. quoted, accepted, expired)

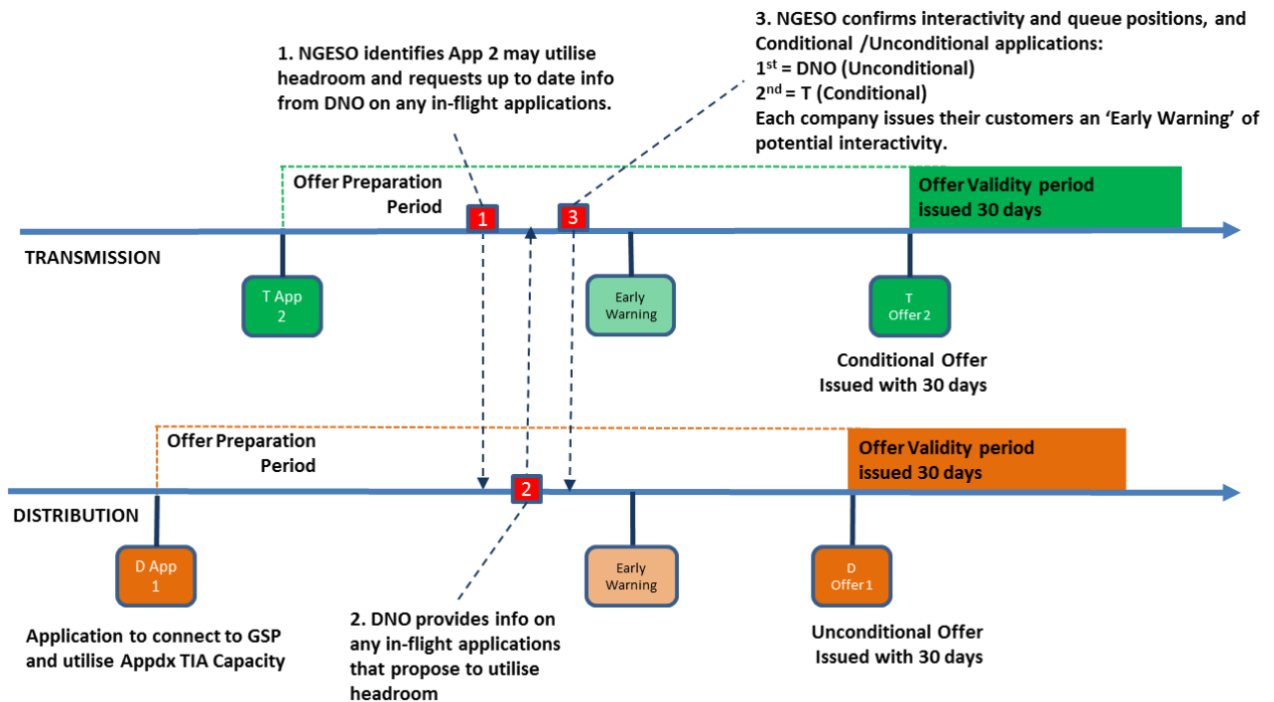
Please see Scenario D on page 27 - 28

Scenarios – Interactivity between a Transmission and Distribution company – Transmission Impact Assessment (Appendix G)

Scenario D Transmission Application triggers Interactivity with a DNO Application – TIA

In this scenario NGENSO receives an application to connect to a GSP where there is a TIA capacity headroom established. The Transmission application may utilise some or all of that headroom.

The diagram below illustrates two parallel processes on separate timelines - a Transmission Application and a Distribution application, that become interactive with each other.



On evaluating the application (T App 2) the TO identifies that it may need to utilise some or all of the headroom notified to the DNO via the TIA process for the T application. NGENSO request an update from the DNO on the headroom potentially used by generators that has not yet been updated to the NGENSO as part of the regular update, for example amount of capacity that:

- Is proposed to be used for an in-flight application (no quote sent)
- Is proposed to be used for a quote that has been sent but not accepted
- Has been secured by an applicant on an accepted quote but not yet been updated by the regular APP G update process

On receipt of the updated information the NGENSO identifies whether Interactivity applies and in the above scenario the Transmission Application (T App 2) cannot connect with the Distribution Application (D App 1) but each can connect in isolation - they are Interactive with each other.

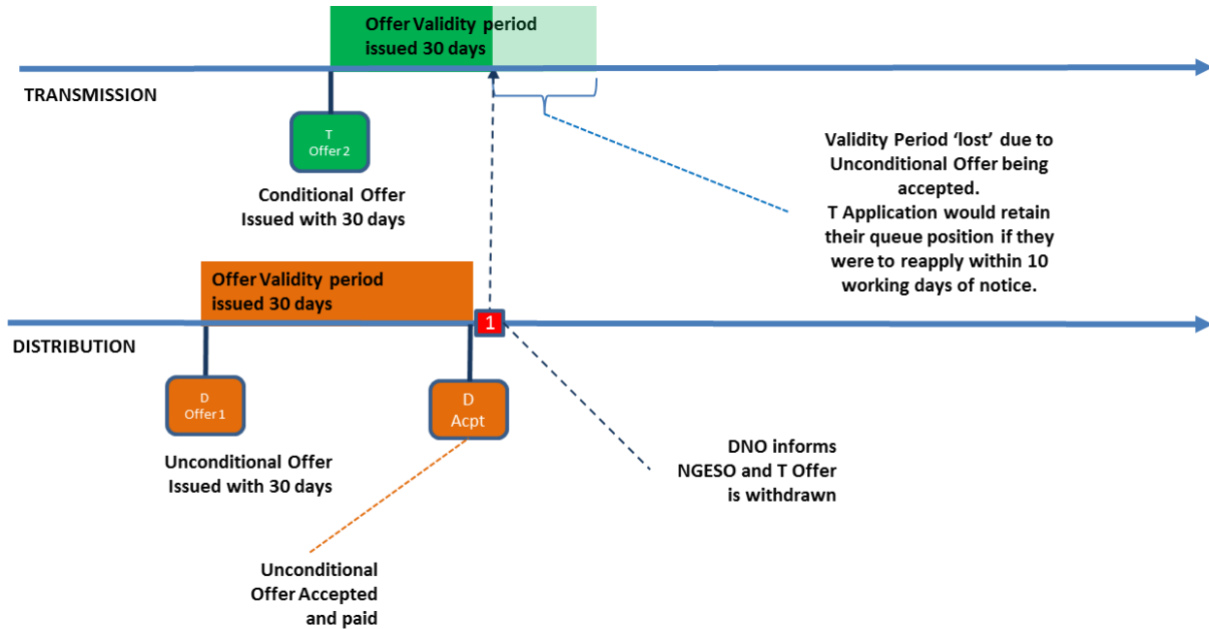
NGENSO confirms queue position and conditionality of the interactive applications and notifies the DNO to allow each company to issue early warning notifications to their respective applicants. In this scenario the DNO Application queue position (minimum information received) is earlier than the Transmission Application (competent application date) and when ready:

- an Unconditional Offer is issued with a 30 day validity period to Distribution Applicant 1 and
- a Conditional Offer with 30 day validity period is issued to Transmission Applicant 2

Scenario D Transmission Application triggers interactivity with a DNO Application – TIA (contd)

Following on from the previous page the below diagram illustrates the impact of the Unconditional Distribution Offer being accepted

Offers can be accepted within their validity period but where a Conditional Offer is accepted, validation of the Offer follows the same principles as described in section 5 of this guide.



As the DNO Application was accepted (an Unconditional Offer), the network company is able to confirm its validity. The DNO contacts NGESO to update on the status of the DNO Offer and NGESO will withdraw the Offer to their customer.

The Transmission application will be Offered the opportunity to apply again within 10 working days and their original queue position will be maintained for any subsequent interactivity as it was a valid connection Offer when it was withdrawn. Additional charges may apply if they wish to reapply.

Appendix 1: Frequently Asked Questions

Application:

1. Could I amend my capacity request for a better chance of ‘winning’ the interactivity?

Once interactivity has been identified each application is assessed as either ‘Conditional’ or ‘Unconditional’ based on original application date and capacity. To ensure a fair process for all customers involved, network companies do not provide preferential treatment or advice to any single customer. Customers may be able to reduce their capacity in line with the principles of Material Change⁴.

2. How do you queue two applications that are received on the same day with the same minimum information / competent date?

Where two applications meet the requirements of minimum information (Distribution) or competent application (Transmission) on the same day then the actual time the requirements are met for each will be used to determine queue position e.g. applicant 1 meets minimum information at 9:30am and would be queued ahead of applicant 2 meeting if they met the minimum information requirements at 3:15pm.

3. Can interactivity occur across demand and generation?

Yes, there could be an interactive ‘queue’ for generation as well as demand in the same area on the network. For storage, or other mixed generation and demand technologies, customers may be subject to both a demand and generation interactive queue.

4. Is it possible for my application to be in the same interactive queue as generation, if my application is for demand? And vice versa

Generally, where there are both demand and generation interactive queues, they will be managed separately. If a customer has an application for storage, it is likely that their position in the demand queue is different to their position in the generation queue. There may be situations where they are in the same queue where the network constraint is the same for both demand and generation, for example if there was only one circuit breaker available

5. Is it possible to be in more than one interactive queue?

Yes, there may be interactive queues at different voltage levels and an application might be in both queues. Each will be managed separately and it is likely that their queue position could be different in each of the queues. Interactivity can also occur across both transmission and distribution and the detailed processes will be developed during 2020.

6. Does my application hold a greater priority due to its relative size to other applications?

Queue order is based solely on application date; no priority is given as to the size of the connection request.

7. Can you tell me what else is in the queue?

Network companies can provide information on the technology mix and the total amount of capacity requested by others in the queue. However, network companies are not permitted to provide personal details or commercially sensitive information. Network companies will typically tell you your queue position and the capacity of applications ahead of you in the queue.

⁴ This is an ENA document which can be found [here](#)

8. Can the DNO confirm the assets that have caused the interactivity?

Yes, by exception and where requested, network companies can provide information on the assets where interactivity has occurred and where relevant, the cause of the interactivity.

Acceptance:**9. If I accept, what is the period of time in which I would need to pay my acceptance fee/security? Can I accept without paying the acceptance fee at the same time?**

For Distribution if you have received an Unconditional Offer, then payment must be made at the same time as acceptance. If you have received a Conditional Offer then acceptance (Stage 1) must be within the Offer validity and payment (Stage 2) must be made within 10 working days of the network company notifying you that your acceptance has been successful.

For Transmission payment of security is required by 30 calendar days after the date of signature of an Unconditional Offer, or for Conditional Offers by 30 calendar days from the date the applicant who had met Stage 1 (acceptance) was notified they were successful.

10. How much is the acceptance fee/Security?

The payment required on acceptance will be stated in your connection Offer.

11. Can the acceptance fee/Security be amended to a lower amount?

No. For Distribution the acceptance fee is the amount that customers are required to pay on acceptance and will be stated in your connection Offer. For Transmission the security is the amount that customers are required to pay after accepting their connection Offer. Connection Offer will give you details of all your securities.

12. If an applicant confirms that they won't be accepting their Offer will this change the queue or the Offer that anyone behind them holds?

This is dependent on the timing of the scenario, for example if the network company has been informed that an Unconditional Offer will not be accepted (i.e. the Applicant withdraws their application) and the related Conditional Offer has **not** been issued at that point then that Offer may then be issued as standard connection Offer.

13. In an example where three queued applications for an available 10MW, and the applications are, in order, for 8MW (Unconditional), 8MW, and 1MW (both Conditional) if the Unconditional Offer does accept why shouldn't applicant #3 also be successful?

The principle here is that the second application (8MW Conditional) may incur additional costs if the third application (1MW) is also successful. The Queue Position is considered the primary consideration. In this instance if both re-applied and triggered a further round of interactivity then both Offers would be queued based on their original dates i.e. Applicant 2 would be in front of Applicant 3.

Re-Applications:

14. Now that DNO's charge a fee for processing applications, if losing out on a conditional Offer and then having to reapply, is a second fee payable?

Each network company will set out its position on applying any up front application fees including which applications this applies to. Where the first application incurs such an upfront fee and is then unsuccessful any re-applications (regardless of the time taken to re-apply) will incur a subsequent charge based on the company's position. The upfront fee is at least partially cost reflective of the work undertaken to provide the connection Offer e.g. network study, and this work will need to be completed again for the subsequent applications.

15. Can I connect to another point on the network to avoid the interactivity?

Network companies' quotations are designed as the 'minimum scheme' to identify the lowest overall cost of scheme to provide the connection requested, taking into account the overall objective for the network companies to build and maintain a safe and efficient network. Any request to connect to an alternative point of connection to avoid interactivity will be more expensive to both the applicant and the DNO and may incur additional charges such as O&M. However any such request would be considered a material change to the application and managed as such⁵.

16. Can Connection Offers be extended after the 30 day interactivity acceptance period?

No. Applicants would need to reapply. Please see the section on Conditional and Unconditional Offers.

17. What happens if the network company needs to make another Offer when a 30 day interactivity period is in place?

These situations pose particular problems for network companies. The network company can work on the basis that none of the preceding connection Offers have been accepted and issue a Conditional Offer. If it is getting close to the end of the 30 day validity period of any issued Offer(s), then it may be beneficial for the applicant if the connection Offer is delayed until the 30 day period has expired (so long as the relevant standards can still be met). If there have been no acceptances, then a standard Offer with the normal acceptance period can be issued, however if there is an acceptance then a Connection Offer based on the new set of circumstances would need to be issued.

18. Transmission only- If the security provision required crosses two different security periods during the interactivity period, which one will I need to secure and when?

If the acceptance crosses into a different period, then the security provision will need to be based on the latest security period. Applicants will have 30 days to provide the security once confirmation of acceptance has been given. Please be aware that should such security not be placed by the latter of 30 days after the date from which the Offer became capable of acceptance or the date of signature of the Offer, The Company will take steps to terminate the agreements. Please note that security is required for the sum set out in the Secured Amount Statement sent with each Offer. Such security should be put in place within 30 days of acceptance of the Offer. To accept the Offer please return signed copies of the original and failure to do so constitutes The Company to terminate the agreements.

⁵ Fair and Effective Management of DNO Connection Queues: Treatment of Requests to Change Connection Applications - see [here](#).

Appendix 2: Template Letters for Interactivity

The following pages contain example templates and wording for network companies to use when corresponding with customers whose applications are interactive, at the various stages of the process. These are intended to help readers understand the process and act as baseline for network companies to develop their own communications.

Below is a table summarising the correspondences (forms) that appear on subsequent pages:

Form Number / Title	Use	Page
#1 Early Warning (Offer sent)	This is issued to customers that have received a connection Offer, but where a subsequent application means potential interactivity and shortened validity period.	21
#2 Early Warning (Offer not sent)	This is issued to customers that have not received a connection Offer, to give them early warning that their subsequent connection Offer may be interactive (Conditional or Unconditional)	22
#3 Revision of issued Offer	This is issued to customers that have received a connection Offer, and where a subsequent application has been issued therefore confirming interactivity and shortening the validity period to 30 days (where more than 30 remains).	23
#4 Unconditional Connection Offer	These words are included in the Connection Offer to confirm the Unconditional and interactive nature	24
#5 Conditional Connection Offer	These words are included in the Connection Offer to confirm the Conditional and interactive nature	25
#6 Withdrawal of issued Interactive Connection Offer	Where an Unconditional Offer qualified acceptance is received other parties will be notified that they have been unsuccessful. All Conditional Offers will then be withdrawn whether they were accepted or not.	26
#7 Confirmation of success (Conditional) and request for payment	Where a Conditional Offer that has met Stage 1 requirements is confirmed to be successful. This communication will request payment requirements to meet Stage 2.	27

FORM #1 Early Warning (Offer sent)

This is issued to customers that have received a connection Offer, but where a subsequent application means potential interactivity and shortened validity period.

It is a 'heads up' to the applicant that the Offer that they were sent may have its validity period reduced, and that the connection may not be available in the future if not accepted.

The correspondence should prompt discussions between the applicant and network company to ensure clarity of the process.

Dear [Customer Name]

RE [Project name / reference number]

I am writing to you further to your application to [Network Company] to receive a connection for the above site.

We have received other applications for connection to the same part of our [Transmission / Distribution] network and there are constraints on the [Transmission / Distribution] system that prevent us from making all the requested connections. Therefore, your application is likely to be interactive with the other applications received.

We will communicate to you separately if it does become interactive and in accordance with [Network Company's] interactive connection application process, the period within which you will have to accept the connection Offer may be shortened and may be 30 days from the date of the formal notification of interactivity. Note that it is not possible to extend the acceptance period of interactive connection Offers.

Please note that as your application was the first application received, your application will take priority over the other interactive applications. Provided that you accept the connection Offer in accordance with its terms then your connection Offer will not be conditional upon whether any other applicants accept any connection Offers issued to them.

Please do contact me if you would like to discuss further.

Yours sincerely

FORM #2 Early Warning (Offer not sent)

This is issued to customers that have applied but who have not yet received a connection Offer, to give them early warning that their subsequent connection Offer may be interactive and will likely have a shortened acceptance period.

It is a 'heads up' to the applicant that the Offer may be issued with the shorter validity period.

The correspondence should prompt discussions between the applicant and network company to ensure clarity of the process.

Dear [Customer Name]

RE [Project name / reference number]

I am writing to you further to your application to [Network Company] to receive a connection for the above site.

We have received other applications for connection to the same part of [network company's] distribution network and there are constraints on the [Transmission / Distribution] System that prevent us from making all the requested connections. Therefore, your application is likely to be interactive with the other applications received.

[Network Company] prioritises applications for connections according to Application Date. Before receiving your application for a connection we received one or more other applications for connections to the same part of its [Transmission / Distribution] System from one or more third parties. Therefore, we will likely be operating our interactive application process in relation with your application and the other interactive applications.

In accordance with our interactive connection application process, when a Connection Offer is issued to you the period within which you will have to accept the connection Offer may be shorter than our normal acceptance period and may be 30 days from the date of the connection Offer. Note that it is not possible to extend the acceptance period of interactive connection Offers.

For Unconditional applications only add:

Please note that as your application was the first application received, your application will take priority over the other interactive applications. Provided that you accept the connection Offer in accordance with its terms then your connection Offer will not be conditional upon whether any other applicants accept any connection Offers issued to them.

For Conditional applications only add:

Please note that as prior applications have been received by [Network Company], such prior applications may take priority over your application and the connection Offer that will be issued to you may be conditional upon whether or not other prior applicant(s) accept the connection Offers issued to them.

Please do contact me if you would like to discuss further.

Yours sincerely

FORM #3: Revision of issued Offer

This is issued to customers that have received a standard connection Offer (with standard terms and conditions including a standard validity period), and where a subsequent application has been issued therefore confirming interactivity. This shortens the validity period to 30 days from the date of issue (where more than 30 days remained). If 30 or fewer days remained on the date of issue the original validity period would remain.

It is likely that the customer would have received the Early Notification (Form #1) so should not be a surprise.

The correspondence is another opportunity for applicant and network company to be clear of the implications of not accepting

Dear [Customer Name]

RE [Project name / reference number]

I refer to the connection Offer issued to you for [proposed development] on [please insert date] for providing a connection to our [Transmission / Distribution] System and, in particular, the section headed "Interactive Process".

We have received other applications for connection to the same part of [Network Company's] [Transmission / Distribution] System and there are constraints on the [Transmission / Distribution] system that prevent us from making all the requested connections. I can confirm your Connection Offer is interactive with the other applications received. Your application was the first received in relation with this constrained part of the [Transmission / Distribution] System.

[Note that the paragraph immediately below is removed if fewer than 30 days is left from the date of Form #3 to the original quote valid date]

In accordance with [Network Company's] interactive connection application process the period within which you have to accept the Connection Offer is hereby reduced to 30 days from the date of this letter. Therefore, if you wish to accept the Connection Offer we must receive from you the signed Acceptance Form attached to the Connection Offer together with the payment in cleared funds of the full amount stated in the Acceptance Form by no later than 5pm on [30 days from date of letter].

Please note that as your application was the first application received by [Network Company] acceptance of your Connection Offer will take priority over other interactive applications. If you do not accept the Connection Offer in accordance with the terms set out, the Connection Offer will no longer be capable of acceptance and will deem to have lapsed. For the avoidance of doubt, it will no longer be possible to extend the acceptance period of this Connection Offer.

Please do contact me if you would like to discuss further.

Yours sincerely

FORM #4 Unconditional Connection Offer

The text below is added to the network company's connection Offer when issued. This may be in the covering letter, the quotation, or the terms and conditions

It is likely that the customer would have received the Early Notification (Form #2) so should be expecting an interactive Offer with a reduced validity period.

The correspondence is another opportunity for applicant and Network Company to be clear of the implications of not accepting

NOTICE OF INTERACTIVITY

We have received other applications for connection to the same part of [Network Company's] [Transmission / Distribution] System and there is insufficient capacity or other constraints upon us that will prevent all the connection(s) (the "Subsequent Application(s)") and your connection from being made.

Therefore, we are applying our interactive connection application process. [Network Company] prioritises applications for connections according to their Application Date. In accordance with [network company] interactive connections process the period within which you have to accept this Connection Offer is 30 days, effectively by [state date]. Your application was the first application received.

If you wish to proceed with your connection and accept this Connection Offer in accordance with its terms you will need to do so by 5pm on the final date acceptance of this Connection. If you fail to do so this Connection Offer will automatically be withdrawn without further reference to you and the capacity may be allocated to one of the Subsequent Applications."

FORM #5 Conditional Connection Offer

The text below is added to the network company's connection Offer when issued. This may be in the covering letter, the quotation, or the terms and conditions

It is likely that the customer would have received the Early Notification (Form #2) so should be expecting an interactive Offer with a reduced validity period.

The correspondence is another opportunity for applicant and Network Company to be clear of the two stage acceptance process

NOTICE OF INTERACTIVITY

We have received other applications for connection to the same part of [Network Company's] [Transmission / Distribution] System and there is insufficient capacity or other constraints upon us that will prevent all the connection(s) (the "Prior Application(s)") and your connection from being made.

Therefore, we are applying our interactive connection application process. [Network Company] prioritises applications for connections according to their Application Date. In accordance with [network company] interactive connections process the period within which you have to accept this Connection Offer is 30 days, effectively by [state date]. Your application was [second / third] application received.

Irrespective of whether or not you accept this Connection Offer before 5pm on the final date for acceptance of this Connection Offer as stated in this letter, if:

- one or more of the Connection Offer (s) issued by [network company] pursuant to the Prior Application(s) is/are accepted in accordance with the terms of such Connection Offer (s); and
- due to insufficient capacity upon [network company's] Distribution System or other constraints it is not possible for [network company] to provide all the connections for which valid acceptances have been received,

such valid acceptance(s) received in connection with the Prior Applications will take priority over your acceptance and your acceptance will be deemed to be invalid. If this happens I will contact you so that we can discuss alternative connection solutions.

FORM #6: Withdrawal of issued Interactive Connection Offer

This is used when a Conditional Connection Offers has been issued and either accepted to Stage 1 or not accepted to Stage 1, but acceptances for Offers earlier in the queue have resulted in the connection being unviable with the current network constraints.

This communication should also outline the possibility for re-application within 10 working days to retain the original queue position date.

Dear [Customer Name]

RE [Project name / reference number]

I am writing to you on behalf of [Network Company] further to the Connection Offer issued to you on [please insert date] for providing a connection to [Network Company's] distribution system (the "Connection Offer") and, in particular, the section headed "Interactive Process".

As you were aware [Network Company] prioritises applications for connections according to Application Date. Before receiving your application for a connection we received one or more other applications for connections to the same part of its Distribution System from one or more third parties (the "Prior Application(s)"). One or more of these prior applications have now been accepted in accordance with their Connection Offer's, and as a result I regret that the Connection Offer issued to you is withdrawn.

You now have the opportunity to re-apply for a new connection Offer while retaining your original queue position, in any further interactivity queue, providing you do so within 10 working days of this notice and that there are no material changes to your application.

Should you wish to progress on this basis please respond to [contact] no later than [10 working day date].

Please contact me if you would like to discuss further.

Yours sincerely

FORM 7: Confirmation of success (Conditional) and request for payment

Where a Conditional Offer that has met Stage 1 requirements is confirmed to be successful. This communication will request payment requirements to meet Stage 2.

Dear [Customer Name]

RE [Project name / reference number]

I am writing to you on behalf of [Network Company] further to the Connection Offer issued to you on [please insert date] for providing a connection to [Network Company's] distribution system (the "Connection Offer ") and, in particular, the section headed "Interactive Process". You accepted this Connection Offer to Stage 1 acceptance.

As you were aware [Network Company] prioritises applications for connections according to Application Date. Before receiving your application for a connection we received one or more other applications for connections to the same part of its Distribution System from one or more third parties (the "Prior Application(s)"). I can confirm that none of these prior applications have been accepted and as a result I can confirm that you have the opportunity to confirm your connection by completing Stage 2 of the acceptance process by [making payment / confirming security] within [10 working / 30 calendar] days of this letter specifically 5pm on the [date]

Please contact me if you would like to discuss further.

Yours sincerely

Appendix 3: Definitions / Acronyms

Term	Definition
PoC	Point of Connection
DNO	Distribution Network Operators
DNO	Distribution Network Operators
TSO	Transmission System Operators
iDNO	Independent Distribution Network Operators
Application Date (Distribution)	Minimum information received
Application Date (Transmission)	Competent Application Date
Calendar Days	Any day
Working Day	Any day other than a weekend or bank holiday
NGESO	National Grid Electricity System Operator.
Conditional Interactive Offer	An Offer that is dependent on some or all previously issued and related Interactive Offers not being accepted
Unconditional Interactive Offer	An Offer that is not dependent on any other Offers
Offer	The connection offer issued by the network company
Stage 1 acceptance	For Conditional Offers only, signed acceptance of the connection Offer
Stage 2 payment	For Conditional Offers only, following Stage 1 receipt of payment for a connection Offer
TIA	Transmission Impact Assessment
GSP	Grid Supply Point