Ofgem Connections Delivery Board

December 2024 Meeting Minutes

Thursday 27 February 2025 – 13:00 – 14:00

MS Teams Meeting

Attendees

Role Category	Representative	Organisation
Chair	Jack Presley Abbott	Ofgem
Technical Secretariat	David Boyer	Energy Networks Association
	Kyle Smith	Energy Networks Association
	Natasha Sardinha	Energy Networks Association
National Energy System Operator (NESO)	James Norman	National Energy System Operator
	Alastair Owen	National Energy System Operator
	William Kirk Wilson	National Energy System Operator
Distribution and Transmission Network Operators	Steffan Jones	Electricity North West
	Mark Adolphus	UK Power Networks
	Andrew Scott	SSE Distribution
	Paul Glendinning	NPg
	Gareth Hislop	SP Energy Networks
	Annette Sloan	SSE
	Laura Henry	National Grid Electricity Distribution
	Richard Woodward	National Grid Electricity Transmission
	Scott Mathieson	SP Energy Networks
UK Government	Paul Hawker	Department for Energy Security and Net Zero
	Ian Thel	Department for Energy Security and Net Zero
	Daniel Zwolinski	Department for Energy Security and Net Zero
CPAG Chair	Merlin Hyman	Independent Chair of Connections Process Advisory Group (CPAG)
	Kara Davies	Solar Energy UK
	Barnaby Wharton	Renewable UK
National Governments	Pamela McBride	Scottish Government
Energy Regulator	Meadhbh Taylor	Ofgem
	Alasdair MacMillan	Ofgem
	Neal McLaughlin	Ofgem
	Fiona Booth	Ofgem
	Flora McEwan	Ofgem
	Klaudia Starzyk	Ofgem
	Salvatore Zingale	Ofgem
	Jon-Paul Bignold	Ofgem
	Rory Fulton	Ofgem
	Liam Cullen	Ofgem
	James McCauley	Ofgem
	Lily Furber	Number 10
	Charles Wood	Energy UK
	Eddie Profitt	Major Energy Users Council
Code Panel	Milly Lewis	CUSC / Grid Code Panel

Apologies

Organisation
Welsh Government

Key Summary

Agenda Item 1 – Welcome and update from Chair

- There was a 3GW (Gigawatts) increase in the contracted queue last month. It now stands at 756GW in January with the queue still dominated by renewables and storage. 270MW of connections were delivered last month.
- The Pause was introduced to the connections queue at transmission level and it includes a pause on distribution generation connections which have an impact on Transmission network, being progressed through an impact assessment.

Agenda Item 2 – Action area's detailed update and POAP

- CAP 3.1 – Raise Entry Requirements: CDB Chair was satisfied with the green status.
- CAP 3.2 – Remove Stalled Projects: CDB Chair was satisfied with the green status.
- CAP 3.3.1 : Amber as enabling and wider works previously came to CDB and there was a helpful presentation on introducing an economic test which was important in terms of consistency when they got to Gate 2 to whole queue. There was a commitment to come back with what would the impact of the economic test be in reality. SSE took an action to provide an update on TOs debate around enabling works vs wider works, specifically on the approach to define the scope of enabling.
- CAP 3.4 – Better Allocate Available Network Capacity: CDB Chair was satisfied with the green status.
- CAP 3.5 – Improve Data & Processes: CDB Chair was satisfied with the green status.
- CAP 3.5.1 - CDB Chair was satisfied with the green status.
- CAP 3.6 – Longer Term Models: CDB Chair was satisfied with the green status.

Agenda Item 3 – Specific Updates from the 6 CAP areas (papers)

Agenda Item 3 Statutory Consultation and Minded to Position – For Discussion (Ofgem)

- Ofgem provided a verbal update on the Statutory Consultation and Minded To Position. They published their Minded to decision on the 14th of February and the consultation closes on 14th of March. Everyone was encouraged to respond as key views from all are necessary. They provided a quick summary of their position.
- Ofgem received 30 responses to their policy consultation published last year and general stakeholders were supportive of the policy intent stated there. There was agreement that changes to licence conditions Ofgem identified are necessary to enable implementation of TMO4+ and further clarifications were proposed.

Agenda Item 3 – Progression Commitment Fee proposal (formally Financial Instruments) update – For Discussion NESO

- Ofgem provided an update on the progress made to date, taking on board feedback previously received through calls for input and the raising of a new code modification (CMP448). NESO provided the board with the proposal of the PCF, highlighting it has been granted urgency and has now began working group meetings.

Agenda Item 3 – 55GW of Distribution projects with distribution or no reinforcement, breakdown and discussion

- ENA provided an update on the detail behind the monthly dashboard of the 55 GW that was in the no reinforcement dependencies or distribution only reinforcement as this was an ask at the last CDB.

Agenda Item 4 – Review of Core KPIs and Development

- The Connections Queue now stands at 756GW, 42GW being demand and 714GW from export and storage. In January 10.7GW of new connections offers were accepted. The significant size of the queue continues to result in connection delays for customers.
- 22% of transmission offers in January met the requested connection date, with an average difference between offered and requested connection date of approximately 78 months for the month of January for those offers which did not meet the requested date (transmission only).

Agenda Item 5 – Outstanding actions from previous meeting

- The outstanding actions from previous meeting was reviewed, all actions were complete.

Agenda Item 6 – AOB & CDB schedule

- The date and time of the next CDB meeting was noted 27th March 2025 at 13.00.

1. Welcome & Update from Chair	JPA

Ofgem opened the call by outlining the agenda, welcoming old and new attendees.

A monthly context was provided, highlighting that last month the queue was increased to 756GW, denoting a 3GW increase. Pointing out that the CDB focus is not only reducing the queue but also getting projects connected as quickly as possible.

The chair noted the pause had come into effect as of 29th January for Transmission connection applications and for embedded generation which have an impact on the transmission network.

The agenda was discussed, with no objections.

2. CAP Action Area Summary Update and POAP	JPA, Board

The summary of each CAP area was given, noting that full detailed reports were shared in the meeting pack.

Summary information included:

- Status updates
- Plan on Page
- Initiatives in design, implementation, and benefit stages
- KPIs and tracking
- Any major decisions required.

Summaries were provided, with detailed status reports taken as read.

Connections Reform – “TMO4+”

- No comments or questions.

CAP 3.1 – Raise Entry Requirements

- No comments or questions.

CAP 3.2 – Removing Stalled Projects

2. CAP Action Area Summary Update and POAP — JPA, Board

- No comments or questions.

CAP 3.3 – Better Utilise Existing Network

- CAP 3.3.1 : CDB Chair queried why this action is Amber and following an update on enabling and wider works previously came to CDB and there was a helpful presentation on introducing an economic test which was important in terms of consistency when they got to Gate 2 to whole queue. There was a commitment to come back with what would the impact of the economic test be in reality.
  There was support for this to go forward to be done in time and understanding what this delay means i.e. whether it threatens roll out to Gate 2 to help in time for Gate 2 to whole queue and what can be done to unblock the delay. The chair mentioned it would be helpful to know what Ofgem/TOs can do to unblock this and ensure there is time to make some progress and maybe it could be an agenda item at the next CDB. However some initial answers on the blockage and what can be done to unpick it would be a good starting point.
  NESO responded confirming the last update they had was they were still in discussions on this as there wasn't yet an agreement across the 3 TOs on which approach to use in terms of defining the scope of the enabling works. It was escalated and NESO hoped this escalation has led to it being addressed. However they were unaware of its status.
  NGET informed they have escalated with relevant engineering senior managers on their side to feed in. They confirmed conversation's on their side are happening about trying to agree to that alignment. However there is still disagreement which needs to be ironed out.
  SSE did not have an update beyond what NESO provided and would take this away to ensure they have some focus on this item.
  Ofgem concluded conversations with a request to ensure TOs have aligned and have it ready for the appropriate time to have the impact it can have.

CAP 3.4 - Better Allocate Available Network Capacity

- No comments or questions.

CAP 3.5 – Improve Data & Processes; Sharpen Obligations & Incentives

CAP 3.5.1 – DESNZ queried whether the DNOs were committed to getting their portals to a similar level to that of Connections 360 by the end of 2024
ENA confirmed at the end of 2024, all DNOs had live portals with a consistent set of minimum data for available across all those and they're all signposted via a single landing page on the ENA website.

CAP 3.6 – Longer-term models; align with strategic planning.

- No comments or questions.

2. CAP Action Area Summary Update and POAP	JPA, Board
Questions/Comments/Suggestions	
New Actions	

3. Specific Updates from the 6 CAP areas (papers)	NESO, SCG, Board

Statutory Consultation and Minded To Position – For Discussion Ofgem

- Ofgem published their Minded to decision on the 14th of February and the consultation closes on 14th of March. Everyone was encouraged to respond as key views from all are necessary. They provided a quick summary of their position.
- Ofgem are Minded to approved the TMO4+ connection proposals that NESO have put forward which they believe it to be consistent with the obligations, duties and their principal objective. This is still to proceed through to final decision, but if approved, the reforms will lead to creation of a queue made-up of viable and well progressed projects needed as per the CP2030 action plan. This will lead to a more efficient network planning and they estimate savings of up to 5 billion avoided network build and it will bring increased investor confidence as developers will be given a clear signal where to invest.
  All of the above will in turn contribute to timely delivery of connections for projects that are aligned with CP2030 action plan.
- Ofgem expect the proposals to lower consumer bills reducing system costs, both through avoiding network building, reduced constraint costs and rationalising the queue and reducing the number of unviable generation projects would also enable the timely connection of demand projects.
- Ofgem with an impact assessment have identified potential cost to the policy, which include additional operational costs required to deliver gate 2 to the whole queue and then the risk of offering customer Gate 1 agreements could result in of costs in the range of 220 to 960 million. However, in both these instances, if approved; Ofgem will commit and are committed to getting these risks mitigated as best as they can.
- Ofgem also acknowledge there are impacts on parties which are more likely to be affected by these reforms. However they believe at the moment, subject to their final decision, that the potential impacts are proportionate to the justified and identified benefits that Ofgem outline and impact assessment.

Questions and Comments

Renewable UK general reflection specifically on the pause itself, one of the things to reflect on is that WACM 1 was drafted and worked on before the protections and before

3. Specific Updates from the 6 CAP areas (papers)	NESO, SCG, Board

the CNDM was developed. One of the questions their members had was, now that all of the methodologies are developed, what is the impact on WACM 1. The concern feeding from this is; having gone through the process, you get the queue out as the output at some point. Is there any opportunity or benefit for developers to actually be able to see this and what would this be.

For example, if a project gets it's Gate 2 confirmation that it turns out that everyone else has pulled out and suddenly they are on the line for a new transformer, that has a material impact. Then where should the Pause be and should there be any further opportunity for people to self-regulate something without being hugely penalised?

How those methodologies affect the way WACM1 was envisaged to work when it was drafted before the Pause, the methodologies etc. Renewable UK will provide more detail in their consultation response.

Energy UK asked about the level of clarity some of the capacities that are set out, particularly for the Scotland region. In theory projects could meet some of it by repowering or upgrading existing connected generation. They queried if any clarity could be given on what the likely impact and implication is going to be for existing projects compared to projects that are already connected that could repower if that's a faster process of getting that additional capacity required. This was a wider policy question, looking at 2030 and beyond it, ensuring they have the pipeline of CFD projects, if everything just ends up being repowering or upgrading existing connections, then is there that investment case for additional generation that's going to be needed in the 2030s.

Solar Energy UK voiced their concern around the capacity figures around 2035 as in other forums they were told these figures are still under development but on reading the consultation, it seems they're almost a definite. Hence they requested clarity on this because as it stands it's concerning for the solar industry.

From the CDB Chair's perspective, the proposals came to Ofgem and they used the Clean Power 2030 action plan as the basis for the strategic alignment criteria. Ofgem called out specifically there is some thought through the impact assessment, there are some differences that manifest through the transmission and distribution splits for the 2031 to 2035 period for solar and the methodologies are designed in the way that enables flexibilities and substitutions accordingly. They have encouraged NESO to think through those and give clarity when they can.

CDB Chair further said the capacity figures were what was published by Government in December 2024 which are regularly being assessed and considered but from a connections process and reform question it's about the process that sits with Ofgem for decision, and ensuring that delivers the impacts as expected and that is what they will base their decision on.

NESO agreed that Ofgem summarised it well. From NESO perspective, from connections they will link to the strategic plan. If the view is the plan should change rather than the

3. Specific Updates from the 6 CAP areas (papers)	NESO, SCG, Board

methodology then that's a matter for the government rather than for NESO. NESO are continuing to gather data because SSEP is progressing and future energy scenarios get updated every year, so they are always collecting data and are keen to hear people's views on where the market might be diverging from what NESO think is happening. If that implies there's a change to the CP30 plan; this is a matter for government. Highlighting the timeline of reform and noting the longer you wait the longer before NESO can issue offers or start the Gate 2 to whole queue process.

CDB Chair informed that the Ofgem impact assessment and minded to position is based on the Clean Power Action Plan that was published by Government in December 2024.

NESO also provided an update on how repowering works:

Currently, a project can repower but what their connection offer is for that repowering will depend on whether the repowering would have any detrimental impact on others in the queue. So if a project repowers and this triggers additional network reinforcement and as a result lots of other people get their connections delayed by a few years then their repowering would become essentially a new application, and they would go to the back of the queue. This is because it's the same principle as changing technology, if a change to a project would have a detrimental impact on others in the connections queue, then the change would go to the back of the queue. If a project can repower without any detrimental impact on others in the queue, then this could go ahead without becoming a new application. And with the case they might meet the CP30 capacity is just through repowering which is unlikely.

Repowering which involves a material change will therefore sit at the back of the queue, meaning that other projects may fill that permitted capacity before the project repowers. This implies there is a balance between projects that are developing and been in the queue for a long time, spent a lot of money to then suddenly be thrown out because someone else repowers quickly might not be the right outcome.

In terms of WACM1, Renewable UK are right that WACM1 was developed in the context of readiness only and before the concept of strategic alignment checks. And therefore that raises a very important question as to when the WACM1 Pause should happen.

NESO sees 2 broad possibilities for WACM1:
1) It happens after the initial readiness check but before the strategic alignment check, the benefits of that is it happens quickly, with minimal disruption to the timetable and it provides information about which projects said they're ready or not, but it doesn't provide them with a view upon who might be in the reformed queue or not in terms of meeting the strategic alignment criteria.

2) Wait until the end of the queue formation process and it's determined which projects have met the strategic alignment criteria and will therefore be in or out of the new queue. Then the pause happens and developers can seek different advancement levels or withdraw their Gate 2 application. The pros of that is that it has the most chance of having an impact in terms of projects changing their position and the queue changing. The

3. Specific Updates from the 6 CAP areas (papers)

NESO, SCG, Board

downside is the queue changes, and you've got projects that thought they were in which are now out or projects which were out and are now in. This also raises risks for gaming, whilst introducing a really long process delay to Gate 2 to the whole queue as the queue formation exercise would need to be repeated in full as result of the Pause.

From NESO perspective, there are those two broad options, and NESO doesn't support either of the WACM1 options. But if one option were to be taken forward, NESO's current view is that least worst impact in terms of gaming and delay would be approach 1.

CPAG Chair commented on an earlier discussion in the call related to the 2030 to 2035 numbers.

The onshore wind in Scotland issue is there is no capacity post 2030 is essentially a 2035 pot size issue and there is no substitution approach to that. Transmission solar, about 20 gigawatts of projects who are in the process will be spending hundreds of thousands of pounds a month and will then possibly end up in the Gate 1 process. That could be a substitution from distribution to some extent, and whether that would alleviate all of that issue or not. However with storage it's again a slightly different issue because it's such a massive oversupply and essentially there will be an oversupply against CP30 numbers of projects with planning and zoning. There will be a number of projects in the planning process are probably a bit less than solar because of the nature of the processes that they tend to be going through. Storage one is perhaps an SSEP issue; it's really understanding what we see is the role of short duration storage and how much value it is to the system and whether NESO's modelling currently captures that, but there are other value streams thought through as part of the SSEP process. So the answer probably varies a bit depending on the technology.

CPAG Chair's question to ENA/DNOs was:
If it's a transmission project which doesn't make it to Gate 2, then it was clear it's a Gate 1. What wasn't clear was if a distribution project doesn't make Gate 2, what is the status of the offer? Does the project have a contract with the DNO? Does it both have a grid offer and not a grid offer at the same time? Maybe that's something that's working through the implementation hub however this is currently unclear.

ENA provided a quick update that it is definitely something working through the hub and with the SCG and all the DNOs are inputting on it. It is a big focus and there will be an update in the near future.

ENA is keen to understand more details that come from the market that go into the considerations for the WACM1 and WACM7. From a networks perspective, the point of the potential for the delay to the schedule that NESO raised is a really important one to note. ENA emphasised that everyone is driving hard at the fast paced schedule, but what they would like to avoid is additional time that results in less time to do the actual engineering and offer issuing. Finally highlighting they believe that the overall timeline consideration needs to be kept in mind on that.

3. Specific Updates from the 6 CAP areas (papers)

NESO, SCG, Board

NGET provided a update on the TIA code change saying it has made excellent progress through the code governance process. There was quite a lot of the conversation around reporting and tracking and monitoring the impacts of that change considered that the processes around Gate 2 to whole queue versus new application windows are somewhat distinct and therefore merit different consideration. So rather than just applying a load of process right at the start, once networks are going through a major restudying exercise that creates a lot of uncertainty, not least for the networks, but also for the market as well, is that it maybe worth revisiting these at a later point. Their view was perhaps that is along with prevailing wisdom through the protections, policy and other things that have come to pass since the work groups concluded that might play into the thinking for Ofgem of making that decision on the WACMs as well. There will be a report for the TIA but if there is anything NGET can feed into their consultation responses along those lines, they will attempt to do so.

The other thoughts was ensuring it's right that everyone are transparent and open about the decision making processes for these really fundamental changes. NGET view was 14th of March as a conclusion for the consultation responses and target for end of March decision felt a little bit tight and they were ensuring Ofgem had that in mind. Everyone needs reassurance from Ofgem around time scales and understanding that and their decision.

CDB Chair agreed that two weeks from the 14th March to end of March is a tight timeline and it's probably going to be challenging. Ofgem will communicate as quickly as they can on this. noting the dependency on the scale of responses, if they don't get many responses or not much new, Ofgem can probably move quicker. If they get substantial new information, it will need to be assessed and considered it in their final decision. CDB Chair agreed it was a good point and Ofgem are aware of this.

Progression Commitment Fee – For Information NESO

NESO introduced the group to the mod they raised for a Progression Commitment Fee (PCF) which was the Financial Instrument rebranded.

NESO briefly outlined the proposal:
- The mod is progressing, currently progressing on an urgent timeline and the first work group on it took place on 25th February.

The defect NESO identified is that a committed project in the Gate 2 queue might become less viable over time for different reasons and the existing queue progression milestones might be too slowly for NESO to terminate the now unviable projects quickly.

3. Specific Updates from the 6 CAP areas (papers)

NESO, SCG, Board

Also, the existing user commitment framework might not be sufficient to encourage those projects which have become unviable to proactively terminate themselves, and that could lead to an inefficiency in the queue and have a detriment to connecting projects.

NESO provided a high level view of the Mod solution; the proposal was the PCF will initially be dormant and be activated by a trigger event related to the defects NESO have identified.

For the measure of that trigger event NESO are proposing to track the MW that are terminated by NESO as a result of failing queue management milestone 1 but only if they are not replaced or replaced by projects that have a connection date later than 12 months after the original projects connection date and then for the threshold that would lead to the PCF being activated. NESO are proposing that it be sat at 6GW capacity which is equivalent to about 5% of the capacity that would need to be connected between now and 2030.

Once the threshold is met, NESO are proposing they have the discretion on whether or not to activate the PCF. However it would go to Ofgem to have a final say on this, this is subject to Ofgem confirming the governance process and their decision on the mod proposal.

If the PCF is activated, the proposal is that projects developers will be liable for a termination fee of an additional £2500 per MW every six months during the time that a project stays in the Gate 2 queue, but hasn't hit their M1 milestone yet. That amount would rise every 6 months, up to a cap of £10,000 per MW.

In summary, the reason for increasing the amount is to try and drive developers to think about whether they should leave the queue sooner and incur a lower termination fee or to stay in the queue a bit longer if they still believe that their projects viable and increase the liability for that fee. So it would act as a test of developers confidence and incentivise them to leave the queue at the earliest opportunity, if they're not confident in their project. Allowing NESO to replace projects at the earliest opportunity.

What NESO is proposing is that after the project achieves milestone M1, developers will no longer be subject to the PCF and that wouldn’t be a requirement to secure against the PCF after that point in time.

Questions and Comments

CDB Chair queried if PCF impacts projects between milestone M3 and milestone M1, which is land rights and planning submitted.

NESO confirmed this is the case and informed that the current proposal is that it would drop away once they've submitted their planning consent.

3. Specific Updates from the 6 CAP areas (papers)

NESO, SCG, Board

Renewable UK asked if the PCF applies to just to cancellation the whole project or changes in capacity and NESO responded that it would apply to reductions in capacity as well. The termination fee a project would be liable for would be prorated in line with that reduction of their capacity.

Renewable UK flagged that they needed to ensure they are not disincentivising reductions in capacity that are sensible, legitimate and rational i.e. if there is a good project and for some reason, the developer can't get land rights for that bit. So the developer has to reduce their site by 1 turbine. This would be a rational and reasonable decision to make. Such decisions shouldn't be penalised and projects should not be forced to hold on to capacity until the last possible moment when the penalties are potentially much lower. Renewable UK will put some thoughts down on paper. NESO confirmed this will be discussed in the work groups.

Energy UK asked if there was more detail on what that trigger metric would be within the code modification as well or is that to be decided within the working group. NESO said there is some more detail in the proposal however that will be subject to development in the working group. Energy UK felt this mod was helpful and the general feedback on it has been that this is much lower risk and a better proposal than the previous ones. In summary it's vastly improved, but just people want detail.

ENA informed everyone they received an email from the Welsh Government, which ENA said they would relay in the CDB forum. NESO team have visibility and responded however the Welsh government raised concerns around the impacts, particularly on smaller projects that this approach would have a few questions around. ENA wanted the group to be aware this was the feedback received on PCF.

On the basis or feedback and queries NGET received; they were under the impression the proposal doesn't talk about the method or the route for securitisation. Presumably it's the same as existing transmission generation and demand security through PCGs, letter of credit and escrow, etc. They requested clarity on this if possible.

NESO informed they are looking to mirror the existing arrangements as far as possible which will made clear in the work groups. The intention is to essentially duplicate the existing security processes where possible.

NGET thanked NESO for the clarification as this was their thinking too.

Projects with no or Distribution only reinforcement – For Discussion ENA

ENA walked through a slide which showed the detail behind the monthly dashboard of the 55 GW that was in the no reinforcement dependencies or distribution only reinforcement as this was an ask at the last CDB.

3. Specific Updates from the 6 CAP areas (papers)

NESO, SCG, Board

There was a significant amount of generation and battery storage that have no reinforcement and if put together come to just under 25GW and still a significant amount that only have distribution reinforcement.

The main question from last time was these are projects that can progress and are progressing, but many of them are stalled and hence why the big amounts. ENA relayed the figure about PCF on the 6GW being 5% of the queue. If one looks at generation and battery storage there that is 24GW taking up 20% of what is needed for 2030.

The question on the wider data is what does everyone feel the wider blockers are or areas for improvement and bringing forward to this board that developers are experiencing with progress in these projects for them to connect.

Questions/Comments

Energy UK view was it was useful to see the detail in the slide. They had some questions about the detail of how many of these projects fit under the proposed TIA changes and also about gamification of how many of these could potentially just slim down a little bit and then fit under the TIA. Within that what does that mix and balance look like and what is there in terms of an estimate for how many of those projects that technically could fit under the TIA new boundary are on a constrained part of the network, so the projects would have to go through the TIA process anyway. They requested more detail on how much of this is fitting, going to skim under, and how much actually needs transmission reinforcement that hasn't been noted yet.

ENA confirmed these are projects which have undergone TIA assessment and they don't have any transmission requirements. Hence these are no reinforcement or distribution only. These projects would have gone through that assessment and been told they don't have any dependency on transmission.

ENA noted that the change from 1 to 5MW within the TIA code mod was affecting around 850MW but the 5 to 10MW gaming was a bit different. ENA are going to do some more deep diving to see this along with the networks.

CPAG Chair was interested in knowing the point of gaming on the 5MW threshold as an update on the working group and if there was a mechanism to stop that from happening. Their view was on the data was it was difficult to interpret it without breakdown. The question was how much of the 14GW of generation with no reinforcement dependencies was stalled/fallen behind. Why is it not getting cleared out and how far along it is as there are projects which will not get planning/struggle to raise an investment/require a CFD. A level of granularity would be useful to understand all of the above.

Ofgem agreed it would be useful to break down the data and understand the reasons behind why are those projects not showing up.

It would be useful to do it after Gate 2 to whole queue to understand how much of this makes the cut and how much doesn't because it is a big number and it's right to look into it as what more can be done on the supply side to ensure these projects are turning up.

3. Specific Updates from the 6 CAP areas (papers)	NESO, SCG, Board
ENA thanked everyone for their feedback and confirmed they are looking into what level of granularity they can go down to and when is the most appropriate time to do so.	

New Actions

4. Review of KPI development and monitoring	DB

The discussion on KPI development and monitoring comprised a run through of two main slides, the SCG developed joint T&D dashboard highlighting key data trends and the updated CDB dashboard containing the impacts of various reforms across the connection process.

SCG T&D Dashboard Summary:

Overall, the contracted queue did increase this month by 3GW compared to the previous month, the rate of new applications and acceptances continue to be high, with 756GW currently in the queue; 42GW being demand and 714GW from export and storage. In January 10.7GW of new connections offers were accepted.

The queue continues to be dominated by renewables (350GW, 46% of the queue) and storage (262GW, 35% of the queue) far exceeding GB energy needs for net zero.

Networks are connecting customers at pace.

There remains significant capacity that networks can accommodate without delay, including over 55.85GW of distribution connecting customers that have no dependency on transmission works, and 51.25GW of transmission connecting projects that have been offered connection dates in the next three years. Actual connection of these projects will be subject to customer timelines, milestone management, attrition rates and other factors (e.g. supply chain).

However, the significant (and growing) queue continues to result in connection delays for customers:

22% of transmission offers in December met the requested connection date, with an average difference between offered and requested connection date at transmission of 78 months for the month of January.

68% of distribution capacity contracted is dependent on or being assessed for transmission reinforcements

CDB Impacts Dashboard Summary:

- Accelerated Connection Dates: Progress has been made in accelerating connection dates for projects, primarily through technical limits at distribution and offers at transmission. 11.4 GW cumulative capacity across Transmission and Distribution (T&D) accelerated by an average of six years, with much more expected to follow.
- Capacity Released: Reforms, particularly for storage at distribution, have enabled more efficient use of network capacity, reducing the reinforcement needed and allowing more customers access to the network. 33.1 GW cumulative capacity released across T&D.
- Removal of Non-Progressing Projects: The queue management measures already agreed and in place have effectively removed over 11.8 GW of non-progressing projects across T&D from the queue, enhancing the efficiency of the connection process.
- Customer Service: There has been a monthly increase in meeting requested connection dates at transmission, emphasising the need for continued focus on improving the connection process. 22% of transmission connections were offered their requested connection date as of January 2025. The average delay, from requested date to date provided, for the remaining 78% of applications is currently approximately 78 months for January 2025.

Questions and Comments

Actions

5. Outstanding actions from the previous meeting	DB

The segment on outstanding actions began with a review of the progress made on previously identified actions. It was noted that no outstanding actions were marked as red or amber, indicating critical attention was not required immediately.

6. AOB, CDB Schedule, and date of next meeting	JPA, DB

Several AOB topics were raised:

- The meeting Schedule and Agenda for next meeting – There was confirmation that next CDB would be 27th March 2025.
- Next CDB will include how to structure the CDB through 2025. Ofgem will provide options, proposals, suggestions for agreement for discussion.

The Chair thanked the board for attendance and closed the meeting.

7. **Appendix A**

Plan on a Page - October 2024

Owner: SCG, NESO, DESN, Ofgem

Action Area	Owner	Initiative	2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
CAP 3.1 - Raise Entry Requirements	NESO	3.1.1 – Introduce letter of authority at transmission (LoA)	Design	Voluntary + Phase 1 Mod			Implementation and Benefits							
	NESO	3.1.2 - Identify, assess, bring forward proposals to strengthen entry requirements	Included in TMO4+											
	SCG	3.1.2 - Identify, assess and bring forward proposals to strengthen entry requirements	Design						Implement			Benefits		
CAP 3.2 - Remove Stalled Projects	NESO	3.2.1 – CMP376 implementation – transmission queue management	Design	Implement			Benefits							
	SCG	3.2.2 – Monitor application of queue management at distribution	Design	Implement			Benefits							
	NESO	3.2.3 - Bring forward recommendations to improve certainty and progression of customers holding capacity	Included in TMO4+											
CAP 3.3 - Better Utilise Existing Network	NESO	3.3.1 - Forward recommendations to optimise existing network capacity	Design				5-point plan: Implement acceleration for non-firm storage and where revised network modelling allows							Benefit
	SCG	3.3.1 - Forward recommendations to optimise existing network capacity	Design	Implement			Benefits							
	NESO	3.3.2 – Review scope for improvements in CPAs for optimised planning	Design						Detailed design / prepare to implement from January 2025					
	NESO	3.3.3 – Review the scope of enabling works	Design						Detailed design / prepare to implement from January 2025					
CAP 3.4 - Better allocate available network	NESO	3.4.1 – Effectively allocate capacity released in short-term	Included in TMO4+											
	SCG	3.4.1 – Effectively allocate capacity released in short-term	Design											
	NESO	3.4.2 – Approach to allocate capacity with strategic planning	Included in TMO4+											
CAP 3.5 - Improve Data and Processes	SCG	3.5.1 – A single digital view of network data for connection customers	Design				Implement			Benefits				
	SCG	3.5.2 – Process for T impacts of D connections	DFTC Design					detailed design				Prepare to go Live from January		
	SCG	3.5.3 – Agreed 'technical limits' across identified GSPs	Implement				Benefits & Further implementation for Phase 2 and Scotland.							
	SCG	3.5.4 – Identify and resolve inconsistencies	Design							Implementation and further design on additional ar				
	Ofgem	3.5.5 – Review incentives, obligations and requirements	Undertake review of connection incentives, obligations and requirements											
CAP 3.6	NESO / DESNZ / Ofgem	Develop Longer-term Connection Process to align with strategic planning, transmission build acceleration and future market reforms including REMA	Ongoing											
TMO4+ - first ready, first connected process reform	NESO	TMO4+ proposal development and implementation	TMO4 to TMO4+ design				Proposal		End-to-end process – detailed design, SOPs, training					
	NESO	CUSC and STC code modifications for TMO4+ (re-baselined)	Design				Proposal		Workgroups					
	NESO	Transitional offers (renamed from 'ligh-touch')				Design			Set-up			1: New Apps - Implemente		
														2: Mod A Progression

Plan on a Page - 2025

Owner: SCG, NESO, DES Ofgem

Action Area	Owner	Initiative	Timeline
CAP 3.1 - Raise Entry Requirements	NESO	3.1.1 – Introduce letter of authority at transmission (LoA)	Implementation and Benefits
	NESO	3.1.2 - Identify, assess, bring forward proposals to strengthen entry requirements	Included in TMO4+
	SCG	3.1.2 - Identify, assess and bring forward proposals to strengthen entry requirements	Benefits
CAP 3.2 - Remove Stalled Projects	NESO	3.2.1 – CMP376 implementation – transmission queue management	Benefits
	SCG	3.2.2 – Monitor application of queue management at distribution	Benefits
	NESO	3.2.3 - Bring forward recommendations to improve certainty and progression of customers holding capacity	Included in TMO4+
CAP 3.3 - Better Utilise Existing Network	NESO	3.3.1 - Forward recommendations to optimise existing network capacity	Benefits
	SCG	3.3.1 - Forward recommendations to optimise existing network capacity	Benefits
	NESO	3.3.2 – Review scope for improvements in CPAs for optimised planning	Detailed design / prepare to implement from January 2025
	NESO	3.3.3 – Review the scope of enabling works	Detailed design / prepare to implement from January 2025
CAP 3.4 - Better allocate available network	NESO	3.4.1 – Effectively allocate capacity released in short-term	Included in TMO4+
	SCG	3.4.1 – Effectively allocate capacity released in short-term	Design
	NESO	3.4.2 – Approach to allocate capacity with strategic planning	Included in TMO4+
CAP 3.5 - Improve Data and Processes	SCG	3.5.1 – A single digital view of network data for connection customers	Benefits
	SCG	3.5.2 – Process for T impacts of D connections	Being picked up within Grid Code modification
	SCG	3.5.3 – Agreed 'technical limits' across identified GSPs	Benefits & Further implementation for Phase 2 and Scotland.
	SCG	3.5.4 – Identify and resolve inconsistencies	Implementation and further design on additional areas
	Ofgem	3.5.5 – Review incentives, obligations and requirements	
CAP 3.6	NESO / DESNZ / Ofgem	Develop Longer-term Connection Process to align with strategic planning, transmission build acceleration and future market reforms including REMA	Ongoing
TMO4+ - first ready, first connected process reform	NESO	TMO4+ proposal development and implementation	
	NESO	CUSC and STC code modifications for TMO4+ (re-baselined)	Ofgem consideration → Decision & Notice period → Implement
	NESO	Transitional offers (renamed from 'light-touch')	

2024 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov

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