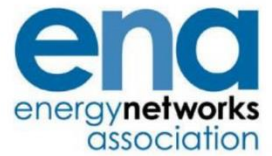


**The Voice of the Networks**



# **Energy Networks Association**

## **Open Networks Project**

### **Interactivity Process Guide**

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# Document Control

## Version Control

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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.....	10
Frequently Asked Questions.....	17
Template Letters for Interactivity.....	20
Definitions / Acronyms.....	28

# 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'<sup>1</sup>. The responses to the July 2019 consultation showed clear support for Conditional Interactivity among stakeholders and a key deliverable for the process is the publication of this guide.

### 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.

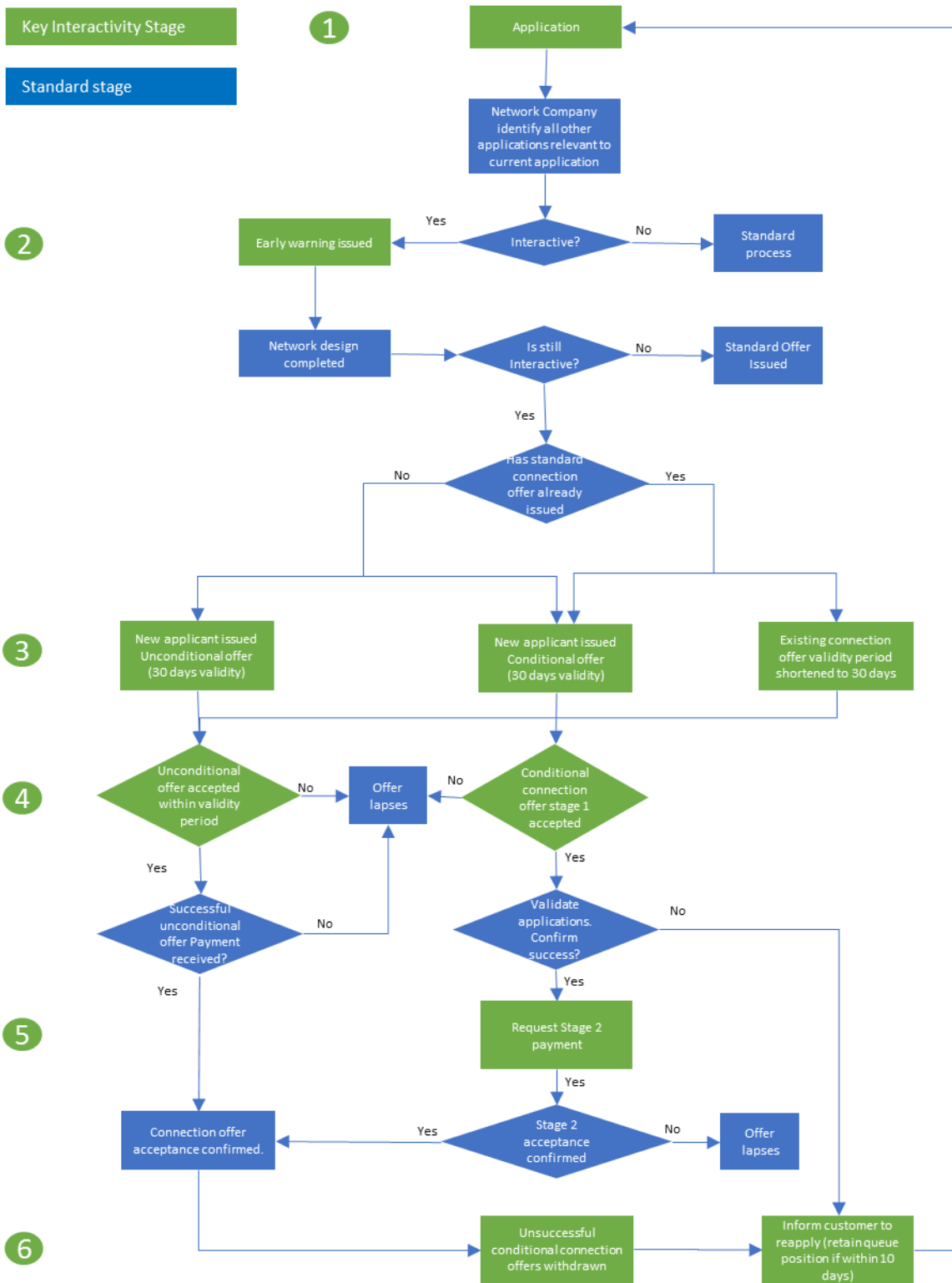
The guide includes a description of the new process that will apply consistently across transmission and distribution. Where there are differences between transmission and distribution then these are identified in the document.

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.

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

### 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.<sup>2</sup> 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 NGESO receiving the application fee and the application being deemed technically competent by NGESO. An interactive queue order is created by the earliest clock start date of the applications.

## 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

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<sup>2</sup> 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 days<sup>3</sup> 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.

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<sup>3</sup> 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.

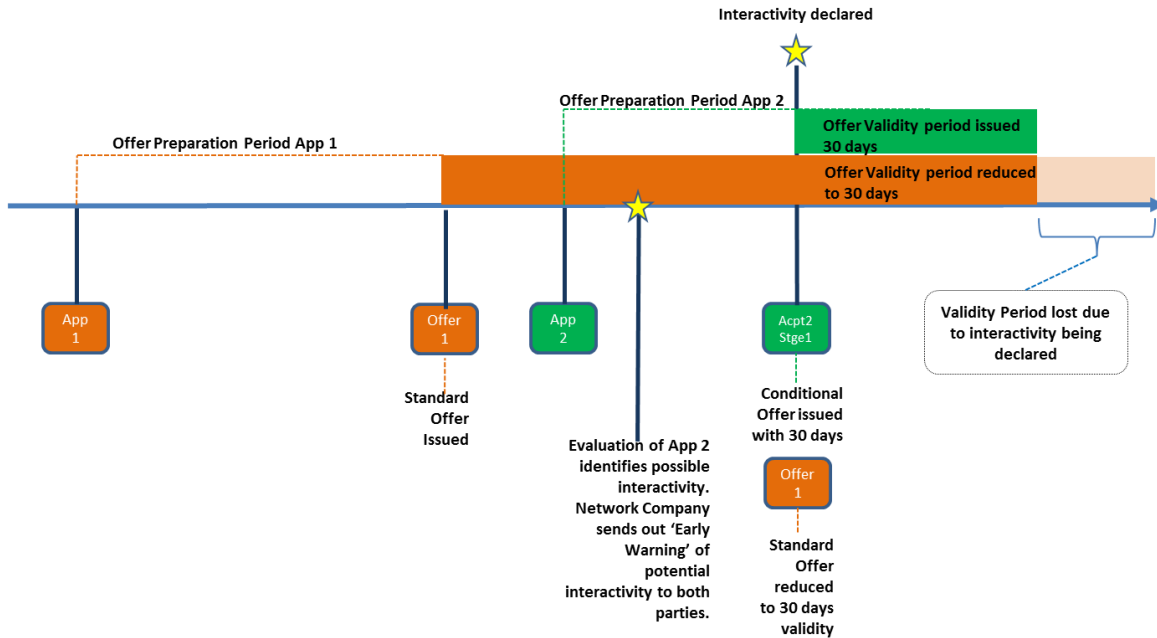
Applied days	Calendar /Working
Interactivity validity period	30 calendar days
Stage 2 payment period	10 working days
Transmission security payment period	30 calendar days
Re-application where unsuccessful	10 working days

## Scenarios

Scenarios 1-3 cover when interactivity is triggered. 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.



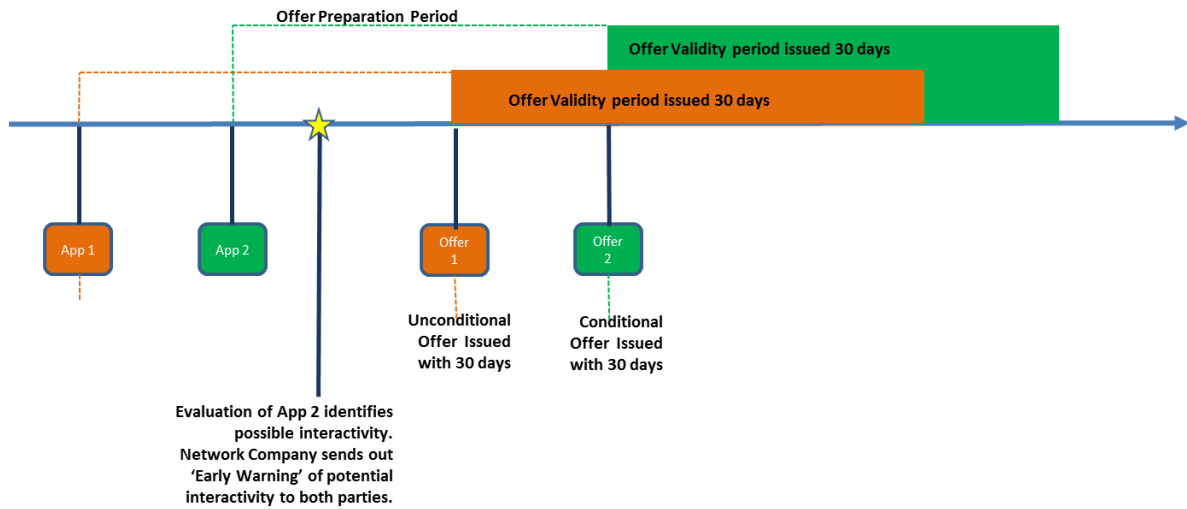
On evaluating the second application potential interactivity is identified. Where possible, early warnings are sent out to both parties; for the first application this will be to indicate that their validity period may be shortened, for the second that their offer is likely to be issued with a shortened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

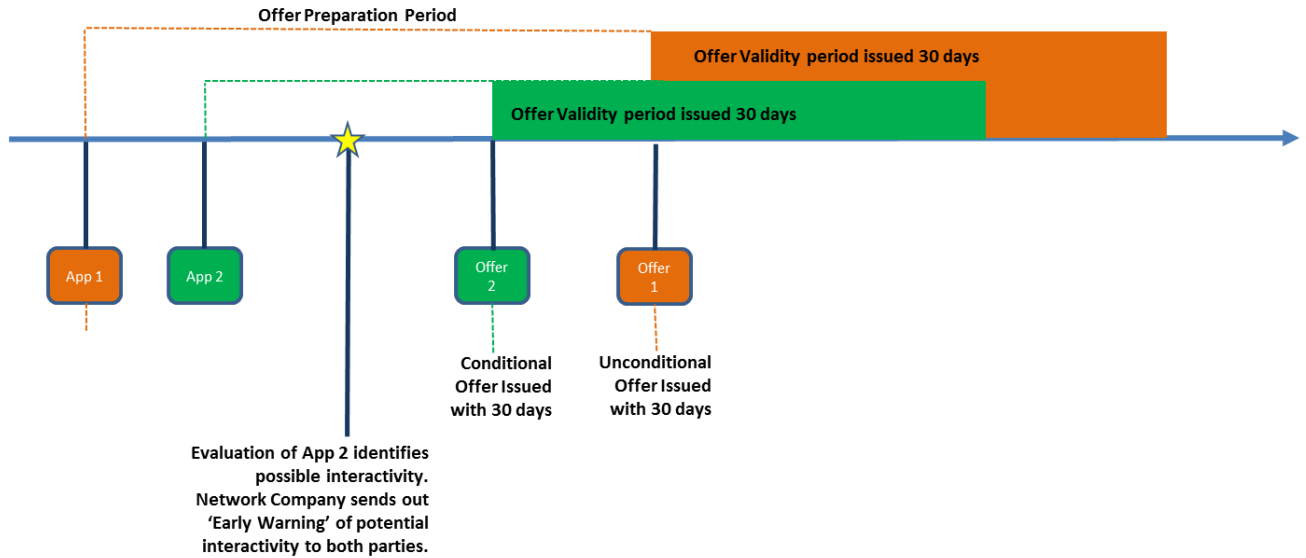
- An Unconditional offer with 30 day validity period is issued to applicant 1.

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

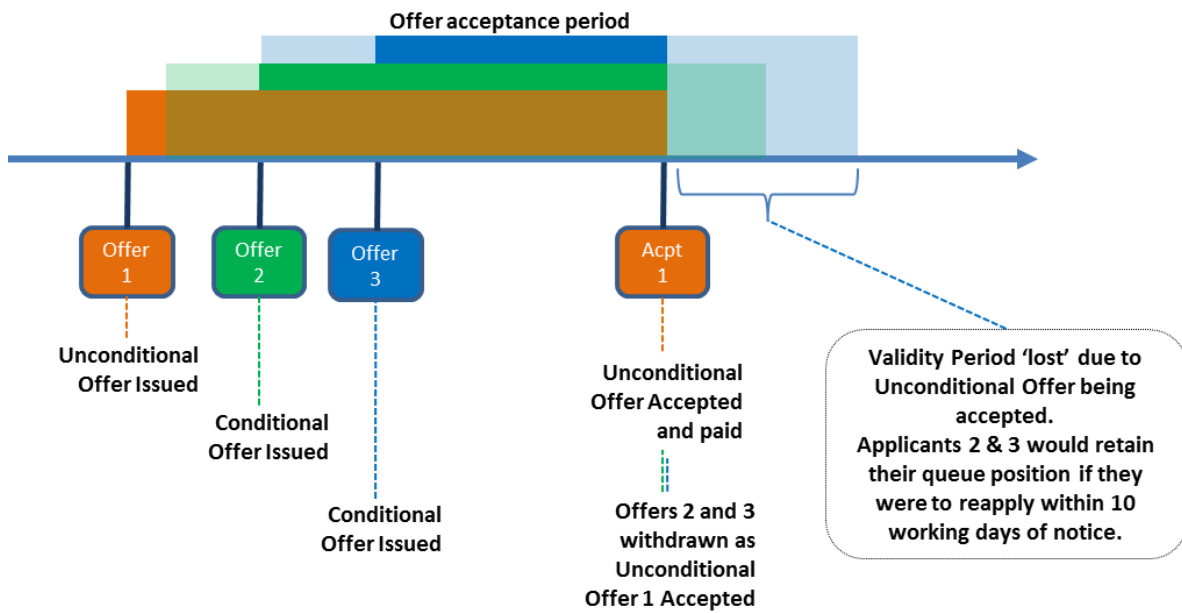
And when Applicant 1's offer (the first connection offer in the queue) is ready to be issued then:

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



**Scenario 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.



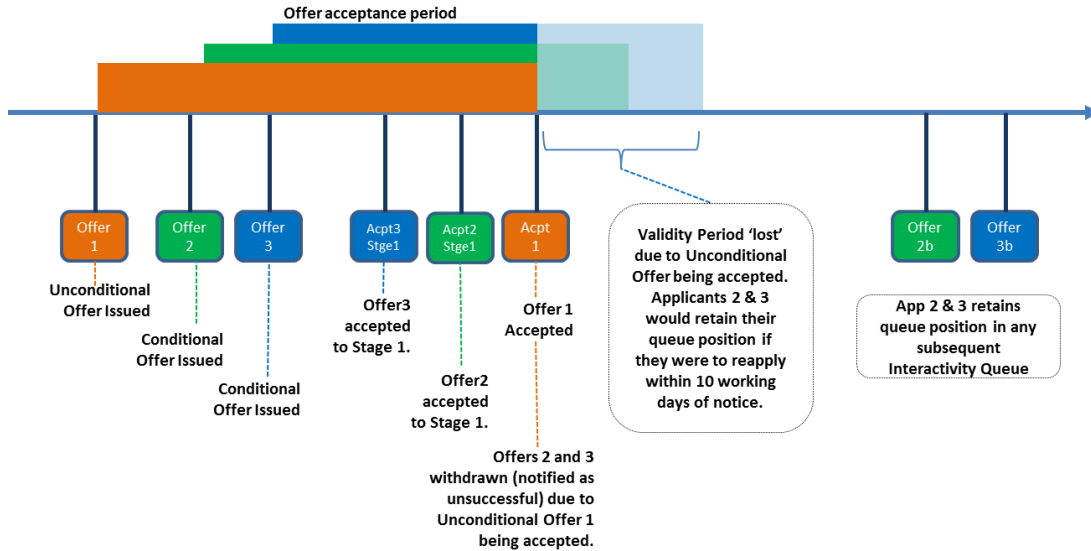
As customer 1 has accepted its Unconditional offer, the network company is able to confirm its validity.

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.

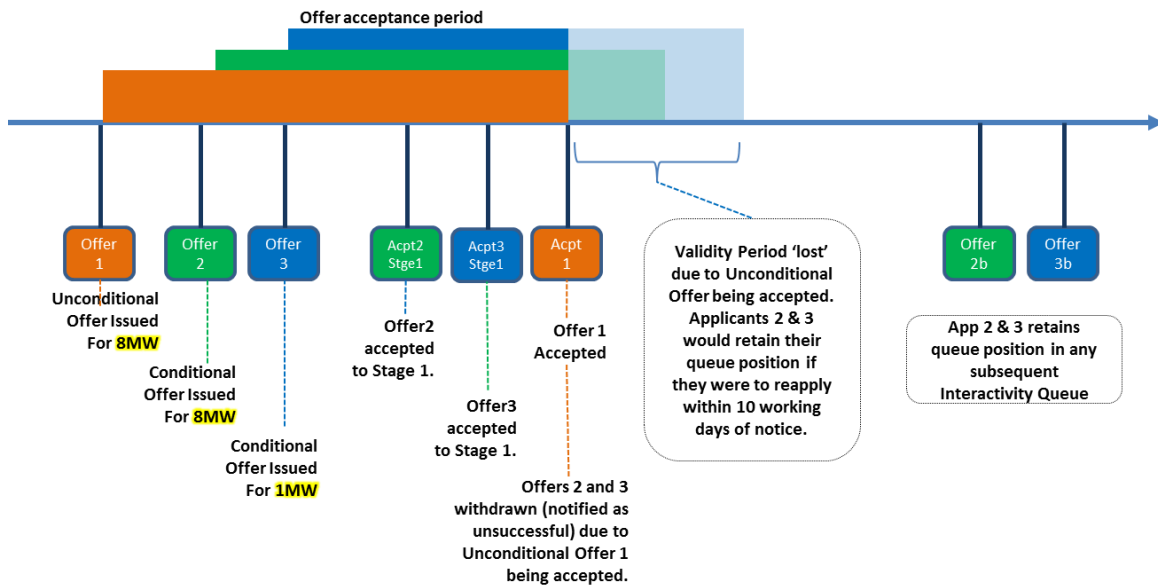
As the Unconditional offer has been accepted then acceptances of connection offers 2 and 3 cannot be validated and the connection offers are withdrawn.

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.



## 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 Change<sup>4</sup>.

**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.

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<sup>4</sup> 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 such<sup>5</sup>.

### **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.

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<sup>5</sup> 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

## 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 <b>not</b> being accepted
Unconditional Interactive Offer	An Offer that is <b>not</b> 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