



CONNECTIONS REFORM UPDATE

JUNE 2026



Scottish & Southern
Electricity Networks



WELCOME & HOUSEKEEPING

- This webinar is being recorded
- Please mute yourselves
- Feel free to post questions in the Slido Q&A
- AI notetakers are not permitted



Slido





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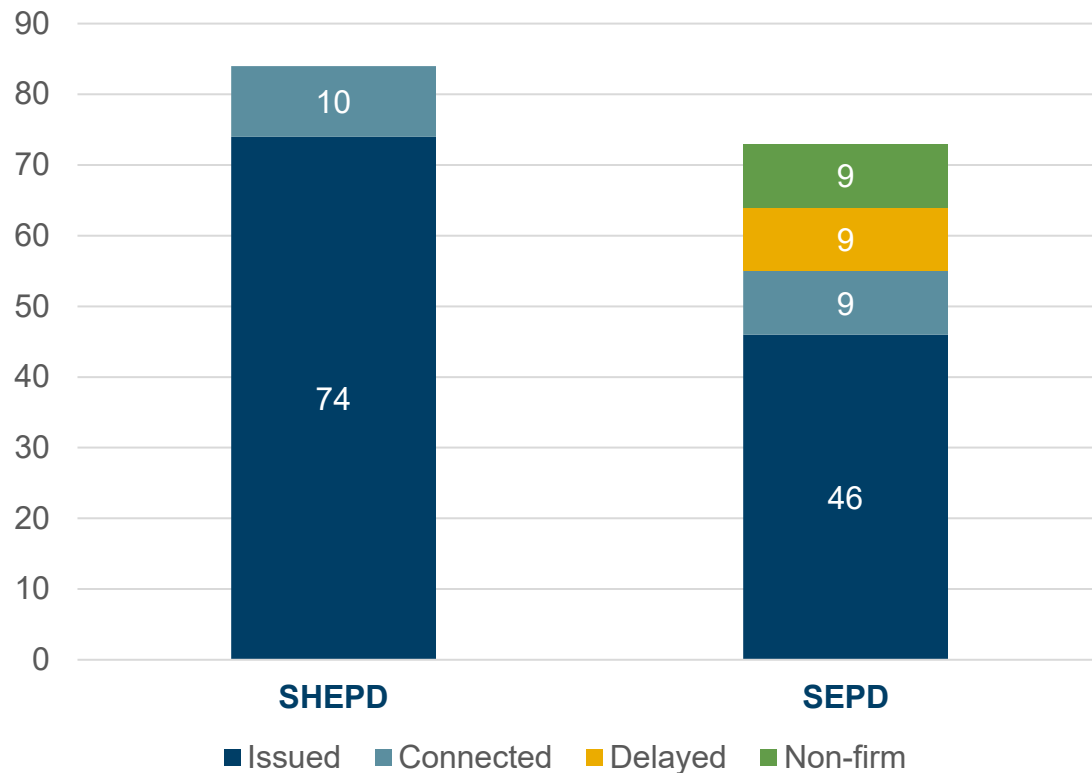
Q&A



26/27 PROTECTED OFFERS



We met the NESO deadline to issue all 26/27 Protected Gate 2 offers by the end of May



SHEPD – North of Scotland

- 10 protected projects are already connected
- The remaining 74 26/27 Protected offers have been issued



SEPD – Central Southern England

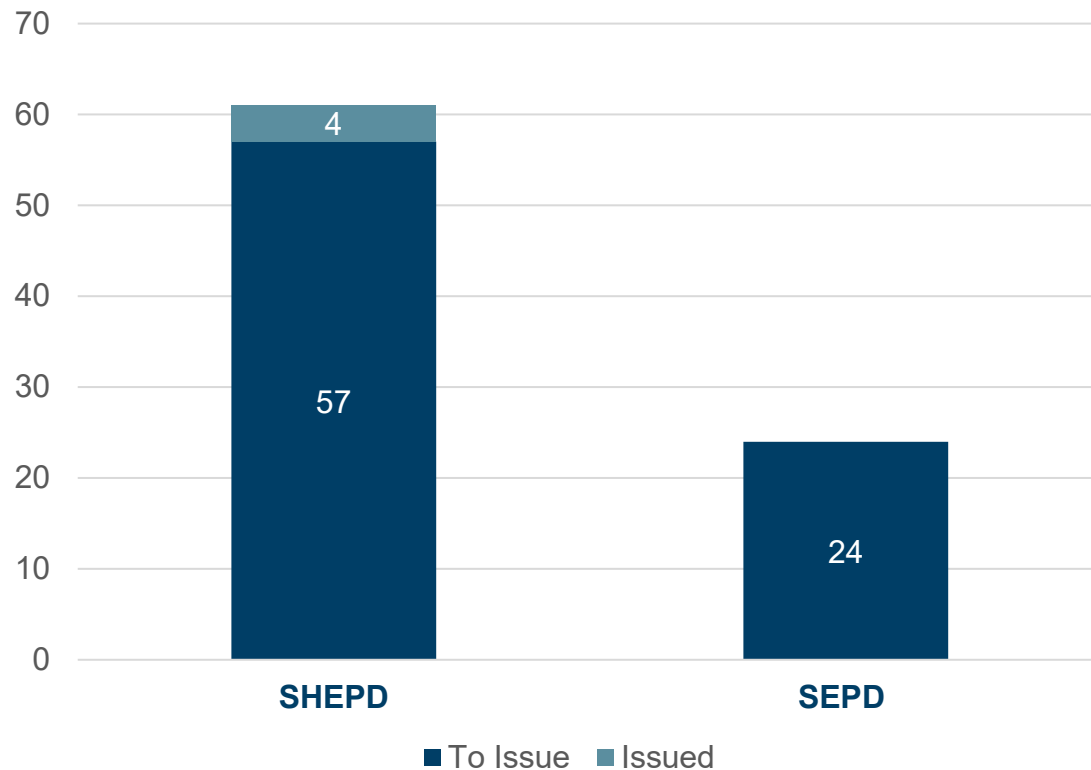
- 9 projects affected by delay in Melksham & East Claydon
- 9 projects are protected under their non-firm date but will receive their Gate 2 offer in line with their firm date
- 9 protected projects are already connected
- The remaining 46 26/27 Protected offers have been issued



GATE 2 PHASE 1 OFFERS



All Gate 2 Phase 1 offers are to be issued by mid-November



SHEPD – North of Scotland

- We are to issue 61 Gate 2 offers in Phase 1, with 4 already issued



SEPD – Central Southern England

- We are to issue 24 Gate 2 offers in Phase 1



GATE 2 PHASE 1 RUN RATES



SHEPD – North of Scotland

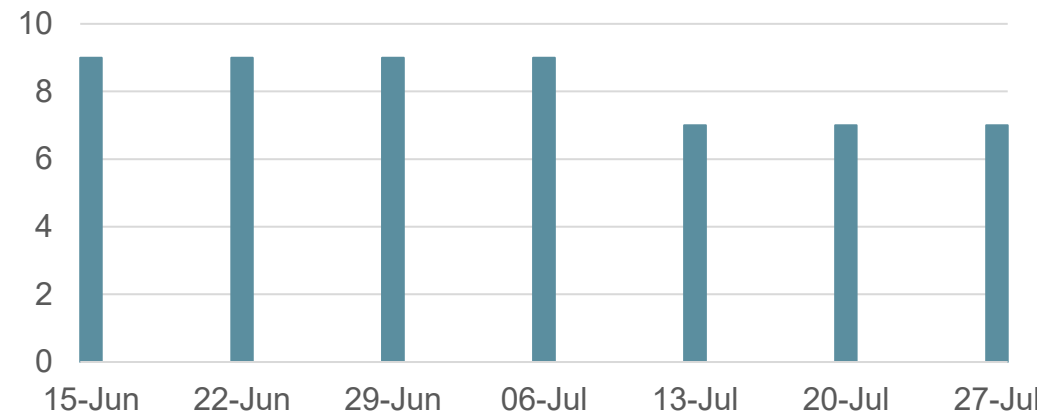
- In SHEPD, NESO will issue offers on an individual basis, not necessarily dependent on which GSP the project is at
- From w/c 15 June, we are expecting 8-10 Gate 2 Phase 1 offers per week from NESO for the first 4 weeks
- This is expected to drop to 5-8 for the 3 weeks following



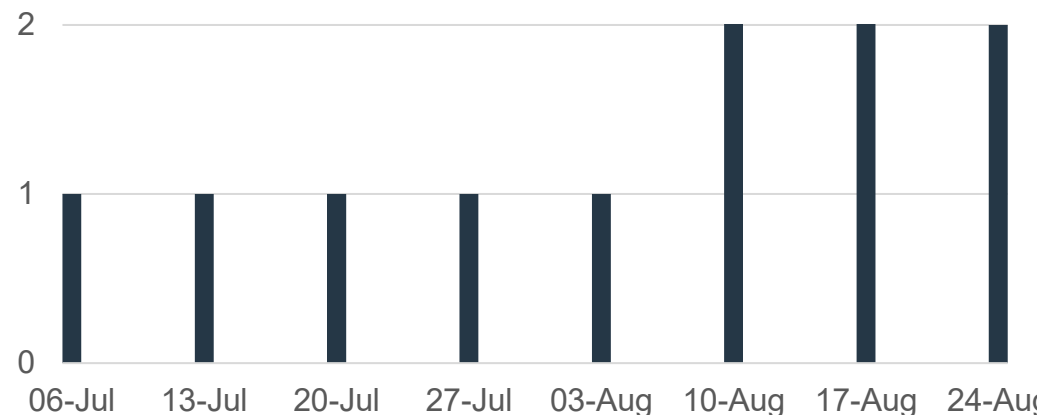
SEPD – Central Southern England

- In SEPD, NESO will issue Gate 2 offers in batches per GSP
- We expect to receive Gate 2 Phase 1 offers from NESO for one GSP per week for the first 5 weeks
- This is to increase to 2-3 a week for the following 3-4 weeks

Forecasted SHEPD Offers Run Rate



Forecasted SEPD GSP Run Rate



Customers have 30 days to accept their Gate 2 offer once we issue this to you



GATE 1 OFFERS

Gate 1	SEPD		SHEPD	
	Offers received	Offers issued	Offers received	Offers issued
Reduction in MW	1	0	0	0
Below GSP's lower limit TEA threshold	15	0	0	0
Failed Initial checks	2	2	0	0
Not submitted evidence	29	28	36	7
Failed Strategic Alignment	55	54	36	14
N/A	0	0	27	0
Total (excluding terminations)	102	84	99	21

■ We are working through issuing out the remaining Gate 1 offers in SEPD

■ There was a delay in receiving SHEPD Gate 1 offers from NESO, we are starting to issue these out to customers this week

■ Where customers in SEPD have reduced or are below the GSPs TEA threshold we are working to issue updated Distribution variations through June & July



GATE 2 ON ACCEPTANCE

On acceptance:

- Provide signed contract, required securities (if applicable), and any upfront payments to enable construction

Maintain delivery date:

- Stay in regular contact with your CCM and flag any risks or challenges early

ICP projects:

- Secure all required land consents in a timely manner

G99 requirements:

- Submit documentation as early as possible – begin preparation at least 12 months before connection

Payment obligations:

- Ensure all payment milestones are met in line with the agreed schedule

Delivery milestones:

- Progress works in line with agreed milestones to keep the project on track

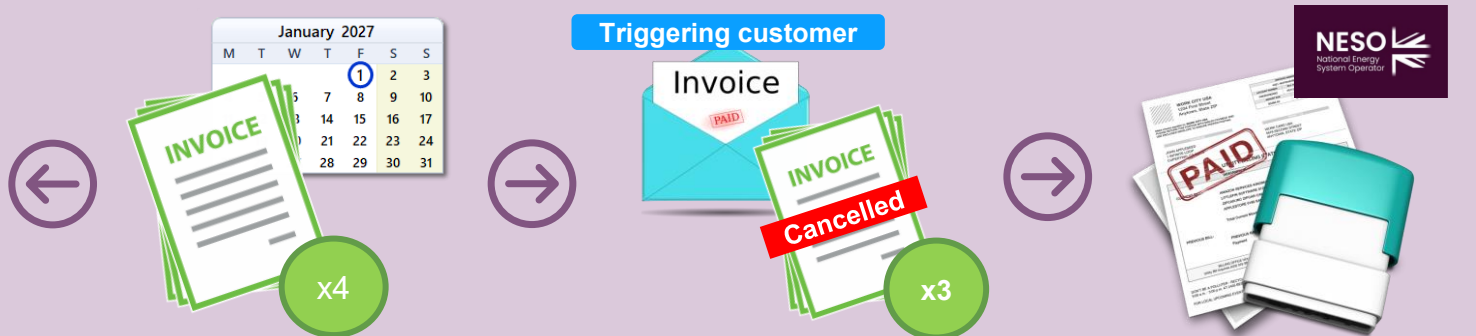


SHEPD ONE OFF COSTS APPROACH

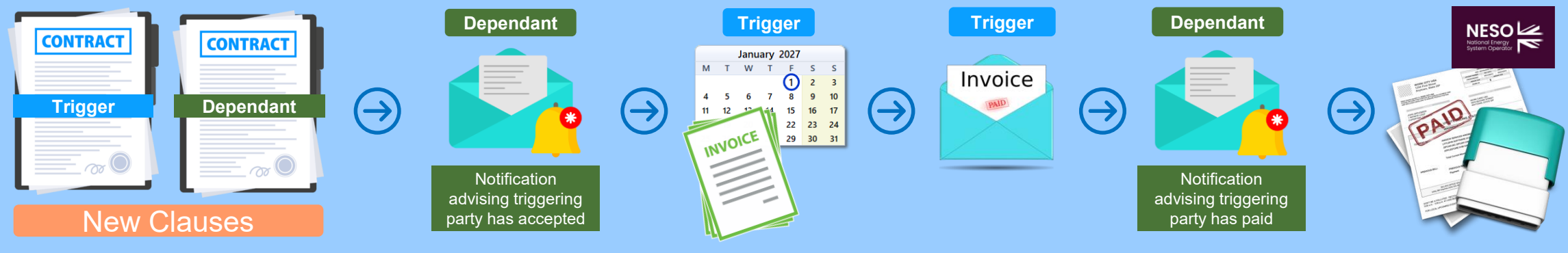
- One-off costs are incurred when works are required that do not form part of the transmission asset base. These costs are normally associated with intertrip related works.
- We have been working closely with SHET and NESO to provide greater transparency around the triggering party for these works. This enhanced visibility is intended to support customers in assessing the commercial viability of their offers and understanding the potential exposure to one-off costs.

Previous Process

Customer	One-Off Cost	Due Date
Menzies Solar Farm	£100,000	01/01/2027
Anderson Wind	£100,000	01/01/2027
Humphries Solar	£100,000	01/01/2027
Prices Wind Farm	£100,000	01/01/2027



Proposed Process*



*Should the triggering party not accept their offer or subsequently fail to make payment then customers also dependant on the works may become liable for the one-off cost.



INDUSTRY CONSULTATIONS

Consultation

Current Situation

Next Steps



Connections Reform Methodology Consultation

Submitted consultation methodology
responses in April

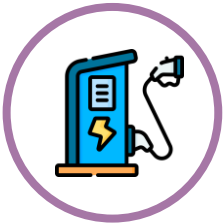
NESO to submit consultation to
Ofgem in summer 2026 in
preparation for next application
window



CMP470 Oversubscription Technologies Commitment Fee

Last remaining workshop before
submitting to Ofgem

An Ofgem decision by 1 August 2026
with implementation date in July
2027



CMP472 Large Embedded Generators ORLB Sharing

Submitted consultation response in
May

Decision date “as soon as practical”
with implementation before the next
application window



DCP461 Reducing Impact of Transmission Distribution Charges

The first two consultations for this
change proposal have been issued

We expect the proposals to be
submitted to Ofgem later this year

NEXT STEPS

1

Continue to process Gate 1s and subsequent refunds

2

Issue Phase 1 offers as we receive them

3

Ensure every project has a clear delivery plan process



Audience Q&A

① The Slido app must be installed on every computer you're presenting from

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UPCOMING EVENTS



Register here:
<https://ssen.engage-360.co.uk/>

Distributed Energy Resources
Forum – Perth 17 June

Distributed Energy Resources
Forum – Reading 24 June

ICP & IDNO Forum – Reading
2 July



THANK YOU

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