

System Operator ("SO") – Transmission Owner ("TO") Code Procedure ("STCP")
PM0143 – Implementing Connections Reform

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Decision:	The Authority <sup>1</sup> directs that this modification be made <sup>2</sup>
Target audience:	Transmission Owners ('TOs'), National Energy System Operator ('NESO'), Interconnectors, Generators (including embedded generators), Demand, Distribution Network Operators ('DNOs'), Independent Distribution Network Operators ('iDNOs') and Consumers
Date of publication:	16 May 2025
Implementation date:	10 June 2025

## **Background**

On 15 April 2025, following a consultation on 15 February 2025<sup>3</sup>, the Authority issued its decision on the TMO4+ package of reform proposals.<sup>4</sup> We approved the proposals; these are now due to be implemented on 10 June 2025. As part of this package, there was an STC modification proposal: CM095. We consider that PM0143 (and PM0142, which we have issued a separate decision on) is related to CM095.

CM095 allows NESO and Transmission Owners ("TOs") to facilitate the new connections process set out in CMP434. It introduces new processes and definitions to update existing procedures, enabling projects that are the most ready to progress more rapidly to connection. The proposal consists of three components:

- Component A: defines the obligations and timelines in the STC which are necessary to implement the Gate 1 and Gate 2 processes between NESO and TOs
- Component B: introduces the requirement for NESO and TOs to apply the Connections Network Design Methodology when developing TO Construction Offers ("TOCOs")

<sup>&</sup>lt;sup>1</sup> References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day-to-day work. This decision is made by or on behalf of GEMA.

<sup>&</sup>lt;sup>2</sup> This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

<sup>&</sup>lt;sup>3</sup> Consultation on connection reform (TM04+) enablers, including a statutory consultation on modifications to licence conditions | Ofgem

<sup>&</sup>lt;sup>4</sup> <u>Decision on Connections Reform Package (TM04+) | Ofgem.</u>



 Component C: introduces the high-level process by which NESO can reserve connection (or interface) point and/or capacity in the Gate 1 and Gate 2 processes in specific circumstances

In December 2024, the STC Panel wrote to us informing us that the Panel considered that the changes proposed by PM0143 (and PM0142) were material and therefore sought our steer on approval of PM0143 following submission of this STCP to us in February 2025.

## The PM0143 proposal

The STCP changes proposed in PM0143 follow STC modification CM095 and aim to align the STCPs with the wider connections reform work. CUSC Modification CMP434 and STC Modification CM095 bring a more coordinated approach to process applications for new connections and modifications applications. The proposed STCP changes are needed to make sure the technical process steps to produce TOCOs and ATOCOs<sup>5</sup> under CMP434 and CM095 are fit for purpose. These changes will also allow NESO to reserve capacity and connection or interface points (rather than solely bays) and reflect the changes to the Transmission Impact Assessment process, which introduces the Transmission Evaluation process, as a route for a DNO to request an Evaluation of Transmission Impact.

PM0143 proposes changes to several STCPs:

- STCP 16-1 Investment Planning
- STCP 18-1 Connection and Modification Application
- STCP 18-2 Use of System Application
- STCP 18-3 TEC Changes
- STCP 18-4 Request for a Statement of Works repurposed by removing the Statement of Works process and introducing Transmission Evaluation process
- STCP 18-6 Variation to Agreements

## **Our decision**

We consider that PM0143 amends relevant STCPs to ensure that the reformed connections process delivers a more coordinated and efficient approach to managing new connections and modifications applications. To this extent, the proposed STCP changes target the relevant processes to allow NESO to reserve capacity, produce TOCOs and ATOCOs to align with CM095

<sup>&</sup>lt;sup>5</sup> TOCO is the Transmission Owner Construction Offer. ATOCO is the Affected Transmission Owner Construction Offer.



and reflect changes in the Transmission Impact Assessment process. We therefore consider PM0143 facilitates the implementation of the TMO4+ proposals, including CM095.

We note that the STCP Objectives are aligned to the STC Objectives. Our views with respect to STC modification CM095, (insofar as they are relevant to PM0143), extend to PM0143. Therefore, as explained in our CM095 decision, we consider approval of PM0143 best facilitates the achievement of the Applicable STC Objectives and is consistent with our principal objective of protecting the interests of consumers, and our other statutory duties.<sup>6</sup>

We therefore agree with Panel's recommendation; we conclude that PM0143 is to be made.

**Jack Presley Abbott** 

**Deputy Director - Strategic Planning and Connections** 

Signed on behalf of the Authority and authorised for that purpose

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<sup>&</sup>lt;sup>6</sup> System Operator ("SO") – Transmission Owner ("TO") Code ("STC") CM095 – Implementing Connections Reform at page 40, paragraphs 4.1-4.4.