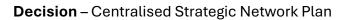


# Decision

# Centralised Strategic Network Plan

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This document outlines our decisions regarding the responses to The Consultation on the draft Centralised Strategic Network Plan Guidance, which ran from 4 August 2025 to 1 September 2025. It should be read in conjunction with The Centralised Strategic Network Plan Guidance.



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### 1. Introduction

### Context and purpose of this document

- 1.1 In August 2025, we sought responses through a consultation on the draft Centralised Strategic Network Plan (CSNP) Guidance. We received 21 responses, including responses from the National Energy System Operator (NESO), transmission owners (TOs), gas distribution networks (GDNs), renewable developers, and others. We analysed these responses and, where the case was compelling, made changes to the Guidance.
- 1.2 This document lays out the decisions Ofgem has made in response to the feedback we received. It should be read in conjunction with the original consultation document as well the finalised Guidance document as it does not contain the full Guidance text. This document will provide an overview of the responses to each consultation question, along with our decisions and the changes that we have made.
- 1.3 Changes that we have considered to be minor, or made for accuracy or to provide clarity, or technical changes, which did not alter the policy intent or purposes of the Guidance, are not discussed in this document.
- 1.4 Where an element of a response better relates to a different question, we have addressed it under the more relevant question. For example, many of the responses to the questions in various chapters related to stakeholder engagement; we address these in Chapter 3.
- 1.5 A number of stakeholders also raised concerns around the current drafting of NESO's CSNP Methodology, with a desire to see more clarity on how the elements of electricity, gas, and hydrogen would coordinate. Our Guidance states that NESO is required to set out in its Methodology how it will coordinate the development of the three energy vectors within the CSNP, accounting for the differing stages of development of each vector. We also confirm that we will require NESO to outline its approach for incorporating consideration of biomethane and Carbon Capture, Utilisation and Storage (CCUS) developments, as well as outlining how it will accommodate potential further energy mix decisions.
- 1.6 As part of our consultation, we have engaged extensively with NESO to inform our finalised Guidance. We've decided to make the Guidance more outcomes focused and reduced the level of prescriptiveness compared to the version published for consultation. These changes are not addressed individually in this document.

### 2. Developing and submitting the CSNP Methodology

Chapter 2 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 2 in the Guidance document covers producing the CSNP and the CSNP Methodology, CSNP timeline, scope of the CSNP, and CSNP Methodology submission requirements.

### **Consultation questions**

Do you agree that Chapter 2 – developing and submitting the CSNP Methodology - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

### **Summary of responses**

One TO offered a response relevant to this question.

# Strategic Environmental Assessment (SEA) and the Habitat Regulations Assessment (HRA)

2.1 One TO suggested that the process for developing the SEA and HRA should be included in this part of the Guidance.

### **Content of Methodology**

2.2 NESO stated that as this is a new process, it expected some of the details to be designed and agreed outside the methodology, through for example, the CSNP governance and stakeholder engagement processes, complementing and enhancing the approach set out in the methodology.

### **Decision and rationale**

#### SEA/HRA

2.3 We have updated our Guidance to include the requirement for the Methodology to define the process to develop the SEA and HRA.

### **Content of Methodology**

2.4 We have agreed with NESO's response and decided to give it flexibility in developing certain detailed aspects of the process outside of the methodology. We've specified which areas NESO may develop or set out outside the methodology, in our Guidance. These areas are not addressed individually in this document.

# 3. General requirements applying to CSNP stages

Chapter 3 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 3 in the Guidance document covers stakeholder engagement, data sharing, managing disagreements, governance arrangements and considering opportunities for co-optimising the network with the wider energy system.

### **Consultation questions**

Do you agree that Chapter 3 – general requirements applying to all CSNP stages - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

### **Summary of responses**

Thirteen stakeholders offered responses to this question. This included three GDNs, one industry group, one Independent Distribution Network Owner (IDNO), National Gas Transmission (NGT), three TOs, three developers, and The Crown Estate.

### Stakeholder engagement

- 3.1 Stakeholder engagement was a theme repeatedly touched upon by respondents, across the questions posed. Relevant points raised under different questions that relate to stakeholder engagement are all addressed here.
- 3.2 8 respondents, particularly network owners and developers, voiced concerns about stakeholder engagement, generally seeking further detail and greater engagement. These touched on the following areas:
  - the timing, breadth and depth of stakeholder engagement and visibility of these elements
  - how stakeholder views are incorporated into decisions
  - the practicality of community engagement within the high-level CSNP

### **Data sharing**

3.3 Four network owners, touched on the topic of data sharing and the implications of a data sharing framework. Issues raised included: bi-directional or multi-directional data sharing obligations, including concerns around currency, openness vs security and commercial sensitivity.

### Managing disagreements

- 3.4 Five respondents, including four network owners and one IDNO voiced concerns regarding the management of disagreements. Greater clarity was sought on:
  - dispute mechanisms and management of disagreements

 how it might be ensured that disputes would not result in disproportionate delays

#### Governance

- 3.5 Seven respondents, including multiple network owners, The Crown Estate and one developer, voiced concerns regarding the enduring governance framework used to communicate and interact with stakeholders. Areas of concern were as follows:
  - the membership of formal governance structures
  - the level of detail required on the roles and responsibilities of bodies included in governance structure
  - transparency over how decisions are made
- 3.6 Five respondents, including three network owners and two developers, advocated for the Guidance to be prescriptive about particular entities to be part of governance arrangements.

### Security and Quality of Supply Standard (SQSS) and Operability

3.7 Three network owners sought changes or clarity in relation to operability and compliance with SQSS.

#### Granularity

3.8 Most responses sought 'clarity' or greater detail on specific elements of the Guidance document.

### **Decision and rationale**

### Stakeholder engagement

- 3.9 We have set requirements on NESO to consult with its stakeholders effectively to develop the CSNP Methodology and the CSNP before submission to us. It should explain how different stakeholders can participate in its processes, how its approach will be communicated, and how stakeholders can influence the Methodology and the CSNP. To enable transparency and understanding, NESO should set out the stages of the network development process, including what follows after the CSNP.
- 3.10 Our Guidance requires engagement to be guided by the principles of transparency, accountability, timely, effective and inclusive engagement and cooperation. In developing the CSNP, we expect NESO to place consumer interests at the heart of decisions and take account of local community views when considering project design, location, and technology in a proportionate manner. Details of how and when NESO will engage with its stakeholders can be set outside the methodology.

#### **Data sharing**

3.11 Recognising concerns from responses, a caveat was added to data sharing requirements, clarifying that data sharing should occur only to the extent necessary and appropriate for implementing the CSNP. In terms of the scope of the Methodology, a general exclusion was added to address that where data sharing needs are satisfied outside of CSNP by other processes, NESO should set out in the Methodology those links and reasons for exclusion from the Methodology.

### Managing disagreements

3.12 NESO's methodology should set out how disagreements will be managed and addressed. We have added a proviso that timing parameters may be included within the disagreement management framework to ensure that disagreements do not result in disproportionate delays.

#### Governance

3.13 Our Guidance sets out the requirement for NESO to establish appropriate governance framework for the CSNP, such that relevant stakeholders are meaningfully engaged. We've set out the outcomes that we expect NESO's governance framework to achieve. However, as explained in Chapter 1 of this document, we've removed prescriptive requirements on NESO, including on its governance framework for the CSNP. We have also decided that it is appropriate for NESO to make its judgements on membership of its governance framework.

### Security and Quality of Supply Standard (SQSS)

3.14 Descriptions and technical detail on operability have been removed or amended to provide further clarity and better reflect the scope of the CSNP. References to SQSS have been simplified, recognising that requirements on SQSS are already set out in NESO's licence.<sup>1</sup>

### Granularity

3.15 Ofgem's regulatory decisions on funding network will be based on the CSNP, and as such a robust, a well-developed and justified plan is of utmost importance to achieve government's decarbonisation objectives in an efficient and timely manner. The rationale for varying granularity within the Guidance relates to i) efforts to set appropriate boundaries for NESO's expected output; and ii) variable novelty or maturity of elements of the CSNP. We recognise that different parties have sought varying levels of granularity in different sections of the Guidance and we have sought to navigate those appropriately, revising elements of the text, without unduly fettering the discretion of NESO to develop

<sup>&</sup>lt;sup>1</sup> <u>Electricity licensing (from October 2025) - All Content - Unfiltered - Ofgem Public Register</u>

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the detail of its Methodology. As explained in Chapter 1 however, we've reduced the level of prescriptiveness in the Guidance, while retaining the requirements on the outcomes that we want from the methodology and the plan.

### 4. Stage 1: model future energy supply and demand

Chapter 4 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 4 in the Guidance document covers modelling inputs for Strategic Spatial Energy Plan (SSEP) and Future Energy Pathways (FEP), repurposing and decommissioning, sensitivity and stress testing.

### **Consultation questions**

Do you agree that Chapter 4 – Stage 1: model future energy supply and demand - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

### **Summary of responses**

Twelve stakeholders offered responses to this question, this included one IDNO, NGT, three TOs, two GDNs, three developers and The Crown Estate. Five of these responses were more appropriately covered in other chapters.

#### Strategic plan alignment

4.1 Six responses, including, network owners, developers and The Crown Estate, concerned requesting further detail on the alignment and interactions between strategic plans.

#### **Modelling inputs**

- 4.2 Five responses, including network owners and The Crown Estate, concerned the use of inputs, with the following areas covered:
  - links between different inputs
  - how sensitivities and testing would be performed
  - inclusion of other data inputs such as GDN and marine delivery data
  - how products might require updating to maintain relevance

#### Gas and hydrogen

- 4.3 The main issues raised in responses on the gas and hydrogen parts of this chapter were:
  - NGT raised concerns about the role of biomethane in networks and network planning
  - NGT raised concerns that the draft Guidance was unclear on roles and accountabilities with regards to the repurposing of gas assets and voiced that this accountability appropriately resides with NGT as the NTS owner and operator

### **Decision and rationale**

#### Strategic plan alignment

4.1 We have decided that as NESO is the developer of the other strategic plans or processes and associated inputs (including SSEP, FEP, Regional Energy Strategic Plan (RESP) and the connections process), it is best placed to articulate the detailed interactions between these products when used in the CSNP, via the Methodology. As such, we have decided that the high-level articulation in the Guidance is sufficient.

### **Modelling inputs**

4.2 Ofgem has decided that the Guidance sufficiently covers requirements for input data, with Chapter 4 of the Guidance requiring that NESO outline how data sources should be identified and explained in NESO's Methodology. SSEP data undergoes quality assurance procedures that can be found in NESO's SSEP Methodology.<sup>2</sup>

### Gas and hydrogen

- 4.3 We have clarified that the role of biomethane, Liquified Natural Gas, and CCUS is within the scope of NESO's strategic planning. NESO is responsible for considering all potential impacts on the planning and delivery of the hydrogen network: we appreciate that the role and scope of blending is currently unclear, however we expect NESO to outline in its Methodology how it will account for developing policy in this area.
- 4.4 Where gas assets are located, where the SSEP identifies a need for hydrogen transmission, NESO should advise on the potential for repurposing and the impact that would have on the capability of the gas system. As system planner, NESO is best placed to consider the impact on the whole energy system. Responsibility for technical assessment of how to repurpose an existing asset remains with the asset owner.

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<sup>&</sup>lt;sup>2</sup> https://www.neso.energy/document/360501/download

### 5. Stage 2: identifying system needs

Chapter 5 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 5 in the Guidance document covers defining CSNP system needs, requirements for identifying and modelling system needs, and managing uncertainty.

### **Consultation questions**

Do you agree that Chapter 5 – Stage 2: identifying system needs – adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

### **Summary of responses**

Twelve stakeholders, comprising three GDNS, one industry group, one IDNO, NGT, three TOs, and three developers offered responses to this question.

### Identifying system needs - electricity

5.1 Two TOs suggested that TOs should play a larger role in identifying system needs and inputs, and that NESO should be required to work more closely with TOs.

### Gas system needs

- 5.2 Several respondents, including three network owners, wanted greater specificity on the required elements for identifying gas system need. These elements include network resilience standards, asset risk/reliability and 1-in-20 considerations, as these were not covered in explicit detail in the draft Guidance.
- 5.3 NGT queried whether the current Gas Network Capability Needs Report (GNCNR) and Gas Options Advice (GOA) timetable would align to provide needed input to the CSNP.

### **Decision and rationale**

### Identifying system needs - electricity

- 5.4 We've set out requirements for NESO to define the specific roles and responsibilities of parties relating to identification of CSNP system needs.
- 5.5 We've removed prescriptive technical detail where appropriate and added new requirements similar to existing activities that the NESO undertakes to produce the Electricity Ten Year Statement.

#### Gas system needs

5.6 We agree that including some fundamental elements of the gas system need would add clarity to the Guidance and set expectations. We have now reflected

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- requirements on network resilience, asset risk/reliability, 1-in-20 considerations, and the required level of future physical capability in Chapter 5 of the Guidance. We have also adopted NESO's proposed definition of assessed network capability, which now reflects the GOA definition.
- 5.7 Regarding the risk that the current GNCNR and GOA timetables will not align with CSNP needs; we have discussed expected inputs and timings with NESO and are satisfied that the gas and hydrogen elements of the CSNP will be produced in parallel with development of other vectors in the CSNP. We will retain the current gas strategic planning timetable until the first CSNP has been delivered.

### 6. Stage 3: identifying options

Chapter 6 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 6 in the Guidance document covers effective data exchange and high-level option design.

### **Consultation questions**

Do you agree that Chapter 6 - Stage 3: identifying options - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

### **Summary of responses**

Fifteen stakeholders, comprising three GDNs, one IDNO, one renewable investment fund, NGT, three TOs, 4 developers and The Crown Estate, offered responses to this question.

### Data exchange

- 6.1 We received five responses in this area from three TOs, one developer and one gas distribution network owner.
- 6.2 TOs asked to remove reference to route corridors. Two gas network owners were concerned about the efficacy of data sharing, and NESO's role in proposing gas code reforms.

### Electricity - specific requirements for third party options

6.3 Several TOs asked for clarification regarding the role of third parties in the CSNP.

#### **Decision and rationale**

### Data exchange

- 6.4 Regarding data sharing and developing options with NGT, we believe Chapter 6 of the Guidance sets out appropriate requirements for ensuring NESO enables accurate, timely and relevant data sharing across all sectors and so have not specified any substantial additional requirements. We have made minor amendments to provide clarity and removed prescriptive details, where appropriate, such as on the specific platform to be used for data sharing.
- 6.5 A respondent requested clarification on the role of NESO in the gas and hydrogen code as a code manager or code signatory. NESO, as per its licence, must accede to the gas Uniform Network Code, and will be able to propose modifications as a party to that code. We have added this clarification to Chapter 6 of the Guidance.

### Electricity - specific requirements for third party options

6.6 After further engagement with NESO, we've decided that its Network Services Procurement (NSP) process will not be a part of the CSNP as it is currently run as a stand-alone process. System needs identified in the CSNP will inform the NSP process and NESO should consider which of these needs should be resolved under each process. We've removed the requirements related to this process from the Guidance and amended the text that previously referenced this process accordingly.

### 7. Stage 4: decision-making framework

Chapter 7 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 7 in the Guidance document covers the 'Funnel of Options', appraisal of options, and general decision-making requirements.

### **Consultation questions**

Do you agree that Chapter 7 - Stage 4: decision-making framework - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

### **Summary of responses**

Ten stakeholders offered responses to this question.

Redistributive transfers

7.1 One TO sought clarification on this point.

### Hydrogen

7.2 A GDN queried the level of detail that NESO could plan to for hydrogen, as the system is not as developed as gas or hydrogen.

### **Decision and rationale**

#### **Redistributive transfers**

7.3 We have extended this passage to provide further clarity as to why these should normally be excluded from the cost-benefit analysis.

### Hydrogen

7.4 The Guidance already states in Chapter 1 that we do not expect the same level of detail at this time for hydrogen planning as for the other sectors, but we expect this may change as markets and the hydrogen system develop. NESO is aware of existing hydrogen development and potential future decisions and is able to set out a programme of work outlining how this will be accounted for in the CSNP.

### **Funnel of Options**

7.5 Reflecting on this text and recognising that longer-term options will be needed to meet the time horizon of the CNSP, we have retained the requirement to select options for this longer-term period but changed the text around this such that they are only indicative, recognising the high level of uncertainty for the loner-term.

### 8. Stage 5: develop the CSNP

Chapter 8 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 8 in the Guidance document covers CSNP Methodology requirements, consultation, approval, and finalisation of the CSNP.

### **Consultation questions**

Do you agree that Chapter 8 – develop a CSNP - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

### **Summary of responses**

Twelve stakeholders offered responses to this question.

#### Gas

8.1 NGT wanted further clarity on the process for shortlisting options for inclusion in the CSNP.

### **Decision and rationale**

#### Gas

8.2 Clarity on how options are shortlisted for inclusion in the CSNP is important, and we have made it a requirement in the Guidance that NESO set out in its Methodology how it will do so and consult on that process with stakeholders.

### 9. Stage 6: handover to deliver body

Chapter 9 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 9 in the Guidance document covers change control, network build and funding decisions, CSNP output requirements along with technical and engineering maturity.

### **Consultation questions**

Do you agree that Chapter 9 – Stage 6: handover to a delivery body - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

### **Summary of responses**

Ten stakeholders offered responses to this question.

#### Change control

Five stakeholders, including network owners and developers, commented on our requirements on a CSNP change control.

- 9.1 One TO asked to clarify that change control should be an exception.
- 9.2 One respondent asked to clarify that it will only be used after the finalisation of CSNP. They also asked to remove reference to Benefit-Cost Ratio (BCR).
- 9.3 One network owner asked Ofgem to define "material change", and asked clarification on who can initiate change control and what constitutes a change. It also asked for clarification on interaction and sequencing with regulatory decisions and procedures, including recovery of sunk costs. It also asked for Ofgem to confirm how the process will assess projects with multiple drivers and interactions with other projects. It referred to the Connection Network Design Methodology as an example of a strong change control requirement which could be applied to CSNP Methodology.
- 9.4 One network owner reiterated the need for NESO to set out the change control process, timelines and asked for Ofgem to set out the level of assessment required for change control governance to make funding decisions.
- 9.5 One developer asked how NESO will manage uncertainty from system needs.
- 9.6 One developer flagged the need for regular updates to developers due to the potential impact on development timelines and investment decisions.
- 9.7 One developer flagged the need for commercial protection in the event of delays by TOs.

#### **Delivery dates and costs**

- 9.8 Some respondents commented on our requirements on cost estimation and setting of project delivery dates.
- 9.9 One TO asked for the Methodology to develop ranges of delivery dates and cost estimates.
- 9.10 One TO was concerned that NESO doesn't factor consenting/planning delays sufficiently, and that it should work with TOs to establish CSNP recommendations on delivery dates and two TOs felt that TOs should be able to challenge the dates.
- 9.11 One TO flagged that holding TOs to high-level cost estimates could risk the frequent need to trigger the change control process. It also raised concerns about Ofgem setting the RIIO-ET3 CSNP Output Delivery Incentive (ODI) based on dates which were developed by NESO and considered that a combination of the lack of NESO's expertise in delivery, optimism bias and the early stage of project development in the CSNP risked TOs being unfairly penalised. It stated that delivery dates should be set once the project scope is defined, supply chain capacity constraints are confirmed, and contracts are in place. It raised that the methodology for setting delivery dates and cost estimates should be urgently established.
- 9.12 One developer said that NESO should provide incremental cost of delay to support Ofgem in developing incentives and penalties.

### Hydrogen

9.13 One respondent suggested that the RIIO-3 price control should not exclude hydrogen projects.

### **Decision and rationale**

### Change control

- 9.14 We've clarified requirements on change control with regards to its initiation, and how it should consider other drivers for CSNP projects, and on communicating changes to affected parties, among other minor changes.
- 9.15 We've retained most of our requirements as before and consider them to be appropriate.

#### **Delivery dates and costs**

9.16 Both cost and delivery date are critical inputs to assessing options, and without a clear and transparent approach there is a risk that option assessment will not be compared on a like for like basis. We expect NESO to develop the approach for determining indicative project costs and delivery dates.

9.17 For electricity, delivery dates from the CSNP will be set in the relevant TO's licence (where applicable) as part of the RIIO-ET3 relevant reopener after publication of the CSNP. The regulatory arrangements allow TOs to engage with Ofgem and challenge any dates that are set in their licence, whether this is done by a direction or consultation. Incentives and penalties will be set as part of the RIIO-ET3 framework, informed by estimated constraint costs.<sup>3</sup>

### Hydrogen

9.18 Funding for hydrogen projects has been ruled out in the RIIO-3 Sector Specific Methodology Decision,<sup>4</sup> but this does not exclude the possibility of hydrogen for heating or blending costs related to activities within the gas price control framework being considered under RIIO-3 net zero uncertainty mechanisms.<sup>5</sup>

<sup>&</sup>lt;sup>3</sup> Subject to RIIO-3 Final Determinations, due in December 2025.

<sup>&</sup>lt;sup>4</sup> <u>RIIO-3 Sector Specific Methodology Decision for the Gas Distribution, Gas Transmission and Electricity Transmission Sectors | Ofgem</u>

<sup>&</sup>lt;sup>5</sup> <u>Hydrogen Infrastructure Strategic Planning: policy statement (accessible webpage) - GOV.UK</u>

### 10. Other Planning Roles in CSNP

Chapter 10 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 10 in the Guidance document covers offshore network planning, interconnectors, customer connections and resilience.

### **Consultation questions**

Do you agree that Chapter 10 – Other planning roles in CSNP - adequately reflects the policy intent of the CSNP? Please provide the reasons and any alternative suggestions if you disagree.

### Summary of responses

Eight stakeholders offered responses to the other planning roles part of this question, including networks and The Crown Estate.

Fourteen stakeholders offered responses to the offshore part of this question, including three GDNS, one industry group, one renewable investment fund, NGT, three TOs, four developers and The Crown Estate.

### Hydrogen

10.1 Three respondents mentioned that it is unclear if the CSNP will consider the need for offshore hydrogen production, storage and networks, and if the CSNP will also consider gas and hydrogen interconnectors and trade.

### Electricity - Interconnectors

### Plan alignment

10.2 Two developers, two network owners and The Crown Estate expressed that the CSNP should account for European strategic plans as part of the process of identifying future electrical cross-border assets.

### Third-party engagement

10.3 Two developers raised the need for early third-party engagement as part of the CSNP process for the development of cross-border electricity assets.

#### Offshore

### **Regulatory framework**

10.4 Three developers expressed concern regarding the need for certainty about the regulatory framework underlying the offshore components of the CSNP n the methodology, specifically about the delivery model required to deliver electrically coordinated assets.

#### Seabed leasing

10.5 The Crown Estate indicated that greater alignment between the CSNP and the activities of Seabed Leasing Authorities is necessary.

### **NESO/TO engagement**

10.6 Respondents to the section on General requirements applying to all CSNP stages highlighted the need for earlier and more substantial engagement between TOs and the licensee. We considered the relevance of this to the offshore section specifically.

### Adaptive planning - Change Control and Governance

10.7 One developer and The Crown Estate suggested that the Guidance should recommend governance bodies to manage offshore elements.

### **Decision and rationale**

### Hydrogen

10.8 We agree that NESO is required to consider all potential avenues for hydrogen, including considering the need for offshore hydrogen and/or gas production, storage, and networks. We have updated the Guidance to include a requirement that NESO consider if there is a potential role for hydrogen in each of these areas, including how it will incorporate future government decisions into the network planning process.

### **Electricity - Interconnectors**

#### Plan alignment

10.9 Maintaining alignment where practicable with European partners will be important for the development of these assets, however the method by which this will be enabled is under consideration as part of the ongoing work on the delivery of cross-border assets after the CSNP is published.

#### Third-party engagement

10.10 We agree that there is a need for stakeholders to be engaged early as part of the CSNP process in relation to the development of cross-border electricity assets. We have amended the Guidance on the need for third-party engagement in the CSNP process.

### Offshore

### Regulatory framework

10.11 We recognise a desire for regulatory frameworks to be incorporated into the development of the CSNP. However, we do not agree that the availability and/or

appropriateness of such frameworks should be a matter for NESO to set out in its methodology for developing the offshore network or influence the plan.

#### Seabed leasing

10.12 We have added expectations on engaging with seabed leasing authorities and on NESO to consider how this engagement should inform the offshore network aspects of the CSNP, and how the CSNP could inform the activities of the leasing bodies.

### **NESO/TO engagement**

10.13 We have added an expectation for NESO to seek timely input from TOs on offshore designs in the CSNP, to ensure robust designs that can integrate with the onshore network.

#### Technical detail

10.14 We have amended the section on modelling uncertainties within critical inputs as part of the design process to reflect that a qualitative assessment of these parameters, combined with an ongoing structured review process, is sufficient.

### Adaptive planning - Change Control and Governance

10.15 We have reflected comments regarding the need for the offshore network design to be accompanied by a clear governance framework in the Guidance, noting that the framework should involve structured engagement with key stakeholders including offshore wind developers and OFTO bidders.

### 11. CSNP publications

Chapter 11 outlines the responses we received to the corresponding chapter in the Guidance document and our decisions. Chapter 11 in the Guidance document covers how the licensee should define the frequency and content of the CSNP publications in the CSNP Methodology.

### **Summary of responses**

No stakeholder offered a response.

### **Decision and rationale**

### **Out-of-cycle updates**

11.1 On reflection, we have removed the passage which stated that NESO or Ofgem may decide that in intervening years between the 3-yearly updates, another CSNP update is required. This may risk undermining the ambitions of the CSNP to provide an independent, co-ordinated, and longer-term approach, noting that the SSEP is only expected to be updated every three-years and there will be a CSNP change control process.

## 12. Send us your feedback

We believe that consultation is at the heart of good policy development. We are keen to receive your comments about this decision. We would also like to get your answers to these questions:

Do you have any comments about the quality of this document?
Do you have any comments about its tone and content?
Was it easy to read and understand? Or could it have been better written?
Are its conclusions balanced?
Did it make reasoned recommendations?
Do you have any further comments?

Please send your feedback to <a href="mailto:stakeholders@ofgem.gov.uk">stakeholders@ofgem.gov.uk</a>.