

# Consultation on Supplemental Ofgem Guidance on the determination of disputes: Gate 2 to Whole Queue

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12<sup>th</sup> November 2025

Dear Ofgem Connections Team,

This response to the “**Consultation on Supplemental Ofgem Guidance on the determination of disputes: Gate 2 to Whole Queue**” (G2tWQ) is submitted by National Grid Ventures (NGV), the interconnector business of National Grid plc.

NGV is the UK’s largest interconnector and Offshore Hybrid Asset (OHA) owner and developer. Together with our European partners, we operate six point-to-point interconnectors between GB and mainland Europe. Further to the existing portfolio, NGV is developing several cross-border projects, including the UK’s most advanced OHAs, Nautilus and LionLink, both of which have been awarded regulatory approval into Ofgem’s first OHA pilot scheme. NGV is also developing future Multi-Purpose Interconnector (MPI) projects which will connect UK offshore wind.

**“The Consultation on Supplemental Ofgem Guidance on the determination of disputes: Gate 2 to Whole Queue” ask for views in relation to two questions:**

- 1. Does the G2tWQ Determinations Guidance in Appendix 1 clearly set out the Authority’s determination processes for disputes arising from the Gate 2 to Whole Queue exercise and its expectations of disputing parties?*

There are two areas where the Guidance does not clearly set out the determination process:

## **Alternative Dispute Resolution (ADR)**

While we support Ofgem’s intent to prioritise ADR, requiring developers to fully exhaust these routes before seeking determination may cause delays. Given the time-sensitive nature of the G2tWQ phases, developers should be able to request Ofgem intervention after senior-level

engagement with NESO, without needing to enter formal arbitration (where there are no timescales in the CUSC).

### **NESO Discretion**

Given the discretion afforded, Ofgem should retain the authority to intervene earlier in cases where NESO cannot clearly demonstrate compliance with either; the methodologies, the relevant CUSC obligations and/or licence conditions, particularly where there is ambiguity.

#### *2. Is there any additional clarity that you think is needed on the determinations procedures in the G2tWQ Determinations Guidance?*

### **We require clarity regarding procedures for Gate 1 with Connection Point and Capacity Reservation (G1+R) and dispute mechanisms**

The Supplemental Guidance lacks provisions for disputes arising from G1+R Agreements to Vary. NESO has acknowledged that G1+R includes a bilaterally agreed minimum reservation period (as per Connections Network Design Methodology 6.5.5), but the guidance should clarify how developers can dispute:

- NESO's decision on whether to consider the project for G1+R; and / or
- The minimum reservation period proposed by NESO.

A fully defined process for G1+R is needed, including clear rules on duration and annual review mechanisms - currently absent from CUSC. This will ensure transparency and consistency for long-term strategic projects.

Given the urgency and industry significance of this work, we welcome the opportunity to share our insights and participate in further discussions.

Yours sincerely,

**Sally Lewis**

Head of UK Policy & Regulation, Interconnectors