

Email to:

stakeholders@ofgem.gov.uk

14 November 2025

Dear Ofgem,

Response to Supplemental Ofgem Guidance on the determination of disputes: Gate 2 to Whole Queue consultation

Scottish Renewables is the voice of Scotland's renewable energy industry. The sectors we represent deliver investment, jobs and social benefits and reduce the carbon emissions which cause climate change. Our 360-plus members work across all renewable energy technologies, in Scotland, the UK, Europe and around the world. In representing them, we aim to lead and inform the debate on how the growth of renewable energy can help sustainably heat and power Scotland's homes and businesses.

RenewableUK is the voice of the UK's renewable energy sector, representing close to 500 companies driving the clean power transition. Our members span the full supply chain—from developers and manufacturers to logistics and grid specialists—working across wind, tidal, green hydrogen, storage and flexibility.

Together, we're building a secure, affordable, and sustainable energy future. By connecting industry and policy makers, we accelerate deployment, attract investment, boost exports, and strengthen the UK's global leadership in renewables.

Following our recent [correspondence](#) to NESO on the topic, we welcome Ofgem's development of guidance from the Authority for disputes arising from the Gate 2 to Whole Queue (G2tWQ) process. Determinations for distribution connections have been historically successful and well received by members, due in part to the retrospective nature of the dispute process. We are therefore highly supportive of the process being extended to transmission connections to hold parties accountable for fair recognition of impacts such as delays, design errors and unjustified contractual changes.

Alongside the treatment of disputes, prevention of claims should continue to be pursued in every sense by NESO, not least because retrospective resolution will be challenging. To minimise disputes, Ofgem should continue to ensure that NESO, the Transmission Owners (TOs) and the Distribution Network Operators (DNOs) deliver high-quality communication to their customers. To narrow existing knowledge gaps on the process and application of reform, and thus minimise disputes, NESO should engage more collaboratively with industry to tease out inconsistencies and issues with the delivery of the process.

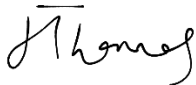
While we recognise the potentially limited scope for beneficial outcomes upon any successful claim due to process timing issues, we think Ofgem has a greater role to play in regulating preceding Alternative Dispute Resolution (ADR) processes. The ADR guidance requires more precise definitions and stringent regulation to clearly stipulate possible outcomes from the process in order to manage expectations and

limit delays associated with claims respectively. Of notable importance, the Authority should confirm the possibility, or lack thereof, of projects being directly reinserted into the connection queue ahead of future evidence windows in the event of a successful claim.

Industry has called for and supports the process of Connections Reform, but it is of the utmost importance that the rationale behind the changes is not lost amid their development. Streamlining the path to connection for projects of strategic importance in terms of scale, impact and overall benefit to the system demands more deliberate consideration of claims, to ensure that the impact of changes arising from dispute resolution are manageable. Even if Ofgem is removed from the initial triaging of disputes, it must ensure that this is undertaken in a diligent and expeditious manner as regulator of the process.

Please see our detailed response to the consultation questions below. Scottish Renewables and RenewableUK would be keen to engage further with this agenda and would be happy to discuss our response in more detail.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'H Thomas', with a horizontal line above the 'H'.

Holly Thomas

**Grid & Systems Policy Manager
Scottish Renewables**

Peter McCrory

**Policy Manager
RenewableUK**

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?

The process itself for the G2tWQ Determinations is relatively clear. However, Ofgem should be clearer in its expectations around the ADR process prior to formal dispute determination. For example, as there is no explicit list of ADR routes that must be exhausted, it is unclear if references to arbitration in the consultation equate to this being a pre-requisite before escalation to the Authority. Similarly, there is an absence of guidance for NESO and DNOs on providing deadlock letters despite the fact it is listed as one of the requirements for developers prior to engaging with Ofgem.

However, the basis for submitting a dispute is overly vague in places, which will lead to additional disputes based on different interpretations of the guidance. While the Connections Reform process is accompanied by extensive methodologies, these are not exhaustive in detailing the exact implementation of the new process for all project types and circumstances. Language such as 'proper implementation' as seen in 'parties will not be able to request a determination if they disagree with NESO's decision about the status of their project when that results from proper implementation of the TMO4+ decision' and 'objective evidence' does not aid this ambiguity. Specific examples would be helpful to ascertain what could qualify as 'objective evidence' of incorrect implementation.

Although Ofgem is limited in its powers to mitigate claims coming forward, especially through this consultation, we would advise the Authority to work with NESO to avoid disputes as much as possible. One means of reducing the scope for dispute would be to require NESO to continually work on its FAQ documents, building on submitted disputes, to provide increasingly detailed information on interpretations of the methodologies. NESO's regular webinars reveal that the volume of queries on the process is not subsiding, demonstrating the uncertainty around and varied interpretation of the methodologies, which needs to be made consistent.

One such area that requires clarification and/or revisitation as to whether it falls under the dispute eligibility is impacts that sit as part of the delivery but are not directly from the G2tWQ process. Such disputes relate to projects that have been commercially disadvantaged by NESO's activities ahead of the official reordering of the queue in delivering the package of works. For example, refused access to contract managers, a lack of adequate communication channels and/or NESO engagement on key issues. Clarification as to whether such claims would qualify for a dispute is required and alternative means for resolution by Ofgem swiftly developed if not covered by this guidance.

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

Timing

An immediate concern raised by members, and which requires more controlled management, is the timing of the overall suggested process and the likelihood of delays resulting from the preceding ADR.

While we appreciate the rationale for mandating ADR prior to a formal dispute, Ofgem should introduce controls to limit delays from these processes eroding any benefit from an eventual formal dispute process. For example, the Authority is requesting that a determination application be supported with a deadlock letter but if a letter takes several months to obtain, the benefit of a determination would be substantially lessened. At present, developers are struggling to receive any responses from NESO on connections issues, reform or BAU-related, and thus there are concerns as to NESO's ability to resource the treatment of disputes swiftly and accurately.

For there to be any chance of meaningful benefit, Ofgem should require all parties to develop Service Level Agreements (SLAs) to meet when dealing with these disputes, which mandate suitable timescales to be met, due to the time sensitive impact. If NESO or the DNOs fail to meet such timescales, there should be a route to escalate to Ofgem or proceed straight to determination. This latter option should also be made available for particularly time-sensitive issues that cannot endure any form of delay, offering a justified route to bypass ADR. Ofgem should develop criteria as to what constitutes an urgent, time-sensitive dispute, as so many of the claims will be impacted by timelines. Likewise, Ofgem should also be held to a defined, time-bound decision period for the limited scope of claims that will be escalated to bring meaningful benefit to developers that have legitimate claims of incorrect treatment.

Furthermore, we do not agree with S1.2 within the guidance, which states that determinations can only be sought after the new connection agreement has been issued. As many connection agreements will not be issued until Q3 2026, the proximity of any future application window combined with the typical duration for an Ofgem determination (which can be years) means this process would offer little benefit to customers. Ofgem should revisit whether disputes can commence prior to official new connection agreement, for example after receiving notification of failing detailed checks. This would allow fair consideration of issues arising from the delivery of the overall process or to dispute no offer altogether, to avoid prolonged uncertainty for developers.

Due to Ofgem's limited role, as it acknowledges, it is vital that the formal dispute processes for DNOs and NESO are clear, consistent and transparent to all parties and Ofgem should assume responsibility in ensuring these criteria are met through the aforementioned SLAs. Similarly, dispute processes across different parties should not vary significantly from each other, and NESO and the ENA should work to ensure similar levels of service across NESO and different DNOs. If NESO and/or the DNOs feel they are unable to adequately or objectively resource to deal with claims, an independent, external body should be considered to run a streamlined ADR on their behalf, financed by dispute fees.

Successful dispute claims

We would encourage Ofgem to be more explicit in outlining potential benefits from any successful claims following the lengthy process that developers will have to endure to reach that point. As mentioned in our opening letter, a key clarification that must be explicitly answered by Ofgem is the question of whether re-insertion of successfully disputed projects back into the connections queue will

be permissible. Developers need full certainty on this prior to G2tWQ and any eventual claim to understand any potential advantage arising from a successful claim. While we recognise the challenge in reinserted projects into the revised queue following a successful claim, we would encourage Ofgem to not adopt a blanket approach to this not being feasible and consider on a case-by-case basis where exceptions for re-entry should be permitted.

In the event that an upheld dispute will not or cannot be translated into a project's reinsertion into the queue, a minimum outcome should be for projects to be protected within future windows and receive a Gate 2 offer, even if the capacity exceeds zonal capacities. At present, there is still no certainty as to when the next application window will open but the cycle of a window opening, closing and the issue of Gate 2 offers could easily amount to a full calendar year. A project with a successful dispute outcome could thus have to endure an extra year of uncertainty, impacting all stages of development including surveys, planning consent, tenders and eventual energisation. As such, successful dispute claims at any level (DNO, NESO, Ofgem) should receive this future protection to mitigate additional project delays.

Cost recovery for dispute resolution

The cost recovery process for dispute determinations is currently unclear and Ofgem should clarify how it will charge for its role, if it intends to, from the outset. For developers to have full visibility of their financial liabilities accruing from a dispute, it should be made clear from whom costs will be recovered in the event of a successful claim, i.e., from those seeking determination or those at fault. Similarly, it should be clarified what constitutes 'reasonable' in this context.

To drive positive behaviour around the submission of disputes, Ofgem should consider tying claims to a form of financial commitment, such as a deposit or bond, to ensure only customers with legitimate claims come forward. This not only removes one layer of triaging but also could help provide the funding to allow for additional resourcing for dispute resolution by NESO and/or DNO colleagues. Customers with eventually successful claims would subsequently have any deposit returned to them, as is fair.
