

Draft Determinations on the NESO1 Business Plan

This response is submitted by Boralex.

Boralex is an international renewable energy developer, owner and operator with activities across wind, solar and energy storage technologies. In Great Britain, Boralex is actively developing renewable generation and storage projects and therefore engages directly with the electricity transmission and distribution networks as part of the grid connections process.

As a developer seeking to deliver projects that contribute to Great Britain's decarbonisation objectives, Boralex has direct experience of the practical operation of the connections framework, system planning processes and market arrangements overseen or influenced by the National Energy System Operator (NESO).

Boralex supports the objective of establishing NESO as an independent and trusted system operator and energy system planner. However, from a developer perspective, several practical barriers remain in areas including grid connection cost certainty, transparency of system planning outputs, operational frameworks for battery storage and administrative efficiency within the connections process. Addressing these issues will be important in ensuring NESO's Business Plan supports efficient investment and delivery of the Clean Power 2030 ambition.

Question 1

Performance Objectives

Boralex broadly agrees that the proposed Performance Objectives capture the principal areas of NESO's responsibilities, including system planning, market development, system operation and connections reform.

However, the effectiveness of the framework will depend on whether it leads to measurable improvements in areas that directly affect project delivery, including:

- efficiency and predictability of the connections process
- clarity of signals emerging from strategic system planning
- effective market arrangements for flexibility technologies

From an investor perspective, these areas materially influence project risk and financing conditions. Greater transparency and predictability in these processes would support investment and ultimately reduce costs for consumers.

Questions 2–3

Planning a Clean Energy Future (Objective A)

Boralex supports the development of strategic planning processes such as the Strategic Spatial Energy Plan (SSEP).

However, developers currently have limited visibility of the assumptions and analytical work underpinning these processes. Given the long development timelines associated with renewable energy projects, earlier transparency would significantly improve the ability of developers to align project origination with system needs.

We encourage NESO to provide:

- early high-level outputs from SSEP analysis
- visibility of modelling assumptions and scenarios
- indicative regional signals regarding generation requirements

Earlier access to this information would reduce investment uncertainty and help ensure that projects entering the development pipeline align with future system needs.

Questions 4–5

System Operation and Curtailment (Objective B)

Boralex recognises the importance of efficient system operation and NESO's role in managing system balancing and constraints.

However, curtailment levels in parts of Great Britain - particularly the North of Scotland - highlight the need for improved operational solutions. [Analysis](#) suggests that more than 10 TWh of renewable electricity was curtailed in Great Britain in 2025, with associated [curtailment payments of approximately £363 million](#), while the cost of replacement generation actions is estimated to have exceeded £1 billion.

These costs ultimately fall on consumers and demonstrate the importance of improving the utilisation of existing renewable generation.

Battery energy storage systems (BESS) could play a greater role in managing constraints if appropriate operational frameworks and market incentives were developed. In particular, mechanisms that enable storage to charge during periods of excess renewable output and discharge during periods of system need could reduce curtailment and improve system efficiency.

Targeted approaches in highly constrained areas - for example around the B6 Boundary - could deliver significant consumer benefits. Consideration could also be given to targeted or regional flexibility mechanisms in areas experiencing persistent constraints, which could provide clearer operational signals for storage assets and reduce renewable curtailment.

Questions 6–7

Market Frameworks (Objective C)

Boralex supports the objective of evolving market frameworks to enable new technologies and flexibility resources to participate effectively.

Clear and stable market signals are particularly important for storage and other flexible assets, which can support system balancing and congestion management. Improving market access and visibility for such technologies would support innovation and enhance competition in flexibility markets.

Questions 8–9

Connections Reform (Objective D)

Reform of the electricity connections process is essential to ensure that viable projects can connect to the system in a timely manner.

Boralex supports the objective of prioritising strategically aligned projects within the connections queue. While the introduction of the gated process represents an important step in reforming the connections framework, industry feedback has consistently highlighted the need for greater operational flexibility to ensure that viable projects are not unnecessarily delayed.

The scale of the existing queue highlights the importance of mechanisms that prioritise viable developments. Prior to the current reforms, the Great Britain [connections queue](#) had grown to over 700 GW of generation and storage capacity, significantly exceeding projected system requirements. NESO [analysis](#) also suggests that up to 70% of projects currently in the queue may never be built, meaning they occupy queue positions and can delay projects that are ready to proceed.

In particular, projects that have secured planning consent but currently hold Gate 1 offers may remain delayed despite being ready to proceed. Allowing such projects to progress more rapidly to Gate 2 would help ensure that mature projects capable of contributing to Clean Power 2030 are not unnecessarily delayed.

Questions 8–9 (continued)

Cost certainty and transparency in connections

Boralex also wishes to highlight the allocation of financial risk within the grid connections process.

At present, developers bear the full risk associated with increases in grid connection costs between initial estimates and final delivery. Significant increases in these costs can materially affect project viability and investment decisions.

We encourage Ofgem to consider mechanisms that would:

- improve transparency in connection cost estimates
- introduce accountability where final costs significantly exceed original estimates
- provide earlier certainty regarding connection costs

We also encourage greater transparency around post-completion cost reconciliation for connection works, enabling developers to better understand how final project costs have been determined and allocated between network assets.

Greater transparency in cost breakdowns and post-completion reconciliation would improve confidence that network costs are efficient and appropriately allocated.

Questions 14–16

Customer Experience and Process Efficiency (Objective G)

Boralex supports Ofgem’s proposal to introduce a Performance Objective focused on NESO providing a high-quality and trusted service.

From a developer perspective, trust in the system operator is strongly linked to the efficiency and transparency of the customer journey.

One area where improvements could be made relates to administrative processes during the early stages of the connections process. In some cases, NESO acts as an intermediary between developers and Transmission Owners during technical compliance stages. Allowing more direct interaction for technical assessments - while maintaining NESO’s system-level coordination role - could reduce administrative bottlenecks and improve process efficiency.

Conclusion

Boralex supports the establishment of a robust regulatory framework for NESO and recognises the importance of the NESO1 Business Plan in setting clear expectations for performance.

In particular, improvements in the following areas would significantly enhance the effectiveness of the framework:

- greater transparency in strategic system planning
- increased flexibility within the connections reform process
- improved cost certainty and transparency in grid connections
- enhanced utilisation of storage to manage network constraints
- streamlined administrative processes within the connections journey

Addressing these issues would strengthen investor confidence, reduce delivery risk and support the efficient deployment of renewable generation and storage technologies across Great Britain.



Boralex would welcome continued engagement with Ofgem and NESO as the regulatory framework evolves.