

Email: connections determinations@ofgem.gov.uk

Date: 3 June 2026

To: All interested stakeholders,

Ofgem agreement regarding the timetable for issuing connection offers under the Gate 2 to Whole Queue (“G2tWQ”) process

On 13 May 2026, we¹ received a request from the National Energy System Operator (“NESO”) under condition E12.14(c) of their licence seeking Ofgem’s agreement to an alternative timetable for issuing connection offers under the Gate 2 to Whole Queue (“G2TWQ”) process. Under condition E12.14(c), connection offers must be issued no later than 7.5 months from the closing date of the relevant Application Window, unless otherwise agreed with the Authority.

NESO also noted in their letter their understanding that this condition would not apply to Gate 1 offers that arise following non-acceptance of Gate 2 offers and requested our agreement with this.

The original G2TWQ programme has changed significantly from that originally envisaged, with a re-baselined timetable published on 13 February 2026². Under this re-baselined programme, Gate 2 connection offers will be issued through phases over the course of 2026 and 2027, with the final phase expected to be complete by mid-March 2027, and Gate 1 connection offers will mostly be issued within the same period.

NESO explained that any Gate 1 connection offers issued solely as a consequence of a connection customer not accepting a Gate 2 Modification Offer would, in its view, fall

¹ The terms “we”, “us”, “our”, “Ofgem” and “the Authority” are used interchangeably in this document and refer to the Gas and Electricity Markets Authority. Ofgem is the office of the Authority.

² [NESO Connections Reform timeline Published 13 February 2026](#)

outside the scope of the requirement in E12.14(c), on the basis that terms would already have been offered through the Gate 2 Modification Offer, which was not then accepted. NESO therefore sought confirmation of this interpretation and requested that the Authority agree an alternative timetable under E12.14(c), proposing a revised deadline of 31 March 2027.

Ofgem response

Gate 1 offers issued following non-acceptance of Gate 2 offers

We agree that where NESO has issued a Gate 2 Modification Offer within the scope of condition E12.14(c), any subsequent Gate 1 offer issued solely as a result of non-acceptance of that offer does not fall within the scope of E12.14(c) obligation.

That said, we do not consider it appropriate for the timeline for issuing these residual Gate 1 offers to be open-ended. We therefore expect NESO to action any Gate 1 offers arising from the non-acceptance of a Gate 2 offer as soon as reasonably practicable and no later than 6 weeks from the date of the lapsed Gate 2 Modification Offer.

We also expect NESO to monitor delivery against this timeframe and to report to the Authority on progress and volumes.

Alternative timetable under E12.14(c) for issuing G2TWQ offers

We recognise the importance of ensuring that licence obligations are complied with and that requests to vary the application of those obligations are appropriately justified, time-bound, and accompanied by clear expectations on delivery and transparency.

Having considered NESO's request, we **agree an alternative timetable under E12.14(c)** for the issuing of G2tWQ-related offers. In doing so, we are agreeing a timetable that aligns to the re-baselined programme and provides clearer delivery milestones, rather than a single "blanket" end date.

Accordingly, for the purposes of E12.14(c), the Authority agrees that the timetable for NESO issuing relevant G2tWQ offers will be as follows:

- **Gate 2 Phase 1 offers:** to be issued by NESO **no later than 30 September 2026** (in place of the default 7.5 months requirement)
- **Gate 2 Phase 2 offers:** to be issued by NESO by **no later than 31 January 2027** (in place of the default 7.5 months requirement)

As a result, we would expect (in line with the timeline):

- **Gate 2 Phase 1 Distribution Offer Completion:** no later than **30 November 2026**
- **Gate 2 Phase 2 Distribution Offer Completion:** no later than **31 March 2027**

We understand NESO has identified a potential procedural complexity where some projects may have elements that cut across Phase 1 and Phase 2. We expect NESO to manage this in a way that preserves clarity to customers and minimises the risk of further variation, while still meeting the phased deadlines above. NESO should set out in its reporting to the Authority how it is managing any such cross-phase cases.

We recognise that NESO has made several requests for comfort and / or derogation from approved processes in the context of Connections Reform and while we have engaged constructively, this letter does not limit or preclude our regulatory review and assessment arrangements, including action in relation to NESO's overall performance where appropriate.

We also note that, under the existing connections process, there are defined timeframes for both the issuing of connection offers and their acceptance by connection customers (typically a period of three months in each case). In agreeing to this adjustment to NESO's regulatory obligations in this instance, we have had regard to the specific circumstances of the G2TWQ programme. This agreement is contingent on NESO maintaining delivery against the revised timetable. NESO must inform the Authority immediately of any risk to delivery or further timetable slippage, including the causes and mitigation plans, to enable appropriate regulatory oversight.

Monitoring and next steps

The Office of Gas and Electricity Markets

10 South Colonnade, Canary Wharf, London, E14 4PU Tel 020 7901 7000

www.ofgem.gov.uk

We will continue to engage with NESO on the delivery of the G2TWQ programme and monitor compliance with its regulatory obligations, which will include NESO reporting on:

- Progress against Phase 1 and Phase 2 milestones;
- Any material risks to delivery of the agreed timetable and mitigations; and
- Volumes and status of any residual Gate 1 offers arising from non-acceptance of Gate 2 offers, including performance against the target timeframe.

Yours sincerely,

Neal McLaughlin

Head of Policy – Connections Reform and Governance

Duly authorised on behalf of the Gas and Electricity Markets Authority

3 June 2026