Email to: XXXXX

X March 2025

Dear NESO Connections Team,

**Open letter on inequitable treatment of Modification Applications (ModApps) under pause in connections applications**

As the voice of Scotland’s renewable energy industry, we are writing to express concerns held by a number of our members arising from unfair processing of ModApps under NESO’s recent pause in connection applications at the start of the year. While we are supportive of the rationale for introducing a pause to connection and modification applications to focus resources on the implementation of connections reform, industry cannot be unfairly penalised as a result of factors beyond their control.

Industry is acutely aware of the urgency to implement Connections Reform and the scale and complexity of the task at hand for NESO in its successful implementation, while simultaneously delivering other areas of system reform. Renewable energy developers are having to endure unprecedented levels of uncertainty and yet, are matching the pace and agility required to adhere to various Connections Reform requirement timelines. We appreciate NESO’s immense efforts to process such volumes of information in a compressed time period and that’s why we’re looking to ensure equitable treatment is given to all applications that have met the necessary deadlines.

Several of our members have experienced issues whereby NESO has notified of applications not being clock started due to reasons either outside of the applicant’s control or requirements not explicitly communicated to developers by NESO for submission ahead of the deadline. In some cases, developers have faced lengthy delays without contact ahead of the deadline in relation to NESO amending and/or responding to invoice queries, resulting in developers’ inability to pay ahead of the deadline. NESO will be expected to process multiple times more contracts and evidence when the full TMO4+ process is implemented in the summer and industry needs to have faith in the existence of a robust process and NESO’s ability to undertake this task competently and fairly.

**Clarity of timelines**

As previously commented on by industry, there was not clear, direct communication of NESO timelines for the pause. NESO [stated](https://www.neso.energy/news/next-steps-grid-connections-reform) that applications would need to be ‘received as of 29 January’, but failed to specify that this meant 23:59 on January 28, which does not align with NESO/Ofgem’s typical system of including submissions made on the date specified. The same issue was true for the payment deadline of February 12 in reality being required the day prior. Again, while letters were exchanged between NESO and Ofgem exist as a matter of public record, developers were not formally and directly advised of this deadline for payment.

Some developers received invoices before the deadline which included a Payment Due Date that was set to 30 days later, beyond the February 12 deadline, and yet had applications withdrawn when the February 12 deadline passed as opposed to their 30 days payment period. For full transparency, NESO should have included any revised deadlines explicitly in official invoices. In line with [UK law pertaining to invoicing and taking payment from customers](https://www.gov.uk/invoicing-and-taking-payment-from-customers), NESO is legally obliged to afford customers 30 days from receipt of invoice to pay in full unless a payment date is agreed, which as aforementioned was set to 30 days in contracts received.

**Invoice information quality**

Many of our members have experienced issues outside of their control causing delay to their invoice payment whereby incorrect invoices have been issued to the wrong company address, name or with an incorrect amount. Having requested in advance of the deadline that these be amended and reissued, developers faced considerable delays in response meaning payment could not be made ahead of the deadline. In some cases, members had received multiple incorrect invoices to be amended, had been waiting months for amendments to be made or never received a corrected invoice to pay.

For expediency, some members paid incorrect invoices in advance of receiving corrections in order to comply with deadlines, requiring exceptional Director Approval and going against supported accounting practice. This is evidence of members going to exceptional lengths to adhere to poorly communicated deadlines, with delays incurred by invoicing errors on the part of NESO. In such cases, applications were still withdrawn for missing the deadline despite the exceptional circumstances caused by NESO.

**Consequence of unjust withdrawals**

As Transmission Operators (TOs) are reliant on visibility of forthcoming projects through clock start dates, any delays will have a compounded impact as TOs will either have a compressed time frame to make offers or worse, eligible projects will not be considered for a Gate 2 offer as part of Gate 2-to-whole-queue (G2TWQ) this summer and instead be given a delayed start date. As such, projects would need to be retrospectively clock started to ensure offers are made for notional deadlines.

TOs will not be able to account for equipment orders accurately, e.g., appropriate Transformers, or resolve substation location issues that require revision through ModApps. Many members have submitted ModApps to ensure their project can meet contracted connection dates, thereby crystallising NESO’s view of forecast capacity connecting for our climate targets. Projects do not want to proceed with dates they cannot meet which would be detrimental to the projects themselves, the overall health of the queue and the ability to meet climate targets.

**Closing outstanding ModApp issues in time for CMP435 Window**

NESO must resolve outstanding ModApp queries in order for realistically ‘pre-existing’ projects to qualify as such, in time for the first CMP435 G2TWQ window. This includes a buffer of time ahead of that window to conclude DNO-NESO Modifications for relevant embedded generation, in order for the DNOs to gain corresponding agreements and evidence with their embedded generation customers. Members have flagged concerns about issues not being progressed in a timely manner, of TOs not providing adequate corrections or clarifications. This may necessitate NESO accepting contract positions without full TO agreement in order to avoid delaying the whole G2TWQ process.

**Action**

Scottish Renewables is writing to raise the urgency of this issue that is time sensitive due to the aforementioned reasons relating to TO works. Despite signalling this issue via various NESO channels, some developers are not receiving adequate responses, if at all, despite NESO’s licence obligations to reply to customers in a timely manner.

We are asking that project applications that have been withdrawn unjustly are reconsidered, in line with reasons outlined above, and that outstanding invoices are issued promptly so payment can be made and clock start confirmed in the usual way. We enclose privately a list of affected application references that we know of and signatories of member organisations that support this message.

Scottish Renewables would be keen to engage further with this agenda and would be happy to discuss our response in more detail.

Yours sincerely,



Holly Thomas

**Grid & Systems Policy Manager
Scottish Renewables**