From: Louise Billingham
Sent: Wednesday, August 05, 2026 13:25
To: Light Valley Solar
Subject: Fw: Light Valley Solar

Dear [redacted]

Please find our Open Floor Hearing submission in full below. I did not read this out in full on the day as I was mindful of time, and also wanted to share all the relevant information. I have attached the material that we have acquired that evidences our concerns.

For ease of reference, here is the Botley West Solar Farm that we have referred to: https://national-infrastructure-consenting.planninginspectorate.gov.uk/projects/EN010147

If you need anything further, please let me know.

Kind regards,

Louise

Open Floor Hearing submission:

Good morning. My name is Louise Billingham, and I am speaking today on behalf of our community of residents who are directly affected by the Light Valley Solar proposal, and the campaign group Rooftops Not Countryside.

We support the transition to renewable energy, but have real concerns about the Light Valley Solar plans. We believe that the scale and location of the project are detrimental, and in significantly scaling back the proposals, the plans could allow the impact to be massively reduced, while still achieving the benefit of green energy generation.

We ask the Examining Authority to recognise the disproportionate burden this scheme places on local communities and, in particular, on those residents and businesses closest to the sites. The benefits of the development are presented at a national level, but the harms are concentrated locally: increased construction traffic on rural roads and country lanes, permanent changes to the character of our rural villages and countryside, loss of open green space and tranquillity, disruption to walking, cycling and riding routes, and the psychological impact of living beside, or within, large-scale electrical infrastructure. All of the sites, with the exception of site 7, are larger than the villages that they surround - this is wholly disproportionate to the environment. If a scheme anywhere near this scale is allowed to proceed, mitigation must go far beyond minimum compliance, and must genuinely protect and benefit the people who are being asked to live with the consequences every day.

We ask the Examining Authority to give significant weight to the size, scale and cumulative impact of this proposal, alongside other proposals in the area. On it's own, the Light Valley Solar plans are vast - seven separate solar array sites that dwarf the villages that they surround, together with substations, BESS infrastructure, cabling, security fencing and CCTV, spread across multiple villages and rural communities. As an example, site 1 at Escrick is over 10 times the size of the village it would surround. Site 4 at Birkin, is over 30 times the size of the village it would surround. This, when taken in the context of other local construction plans, fundamentally changes the character of our area, and should be assessed as a whole. Has the developer satisfied the Examining

Authority in relation to the cumulative burden assessment? The combined effect on the landscape, wildlife, agriculture, road network and the daily lives of residents is far greater than the sum of its individual parts.

The proposal is described as 'temporary', but 60 years is not temporary in any meaningful sense, nor is it likely to be 60 years - in reality, these plans would industrialise the area for generations to come. The pace of change, scale and placement of these plans is not reasonable or appropriate.
This scheme is presented as a green energy project. If approved, we ask that a condition is imposed requiring an independent whole-life sustainability assessment of achieving a CEEQUAL Excellent rating, so that it's environmental claims can be independently verified. As one of the largest solar parks in England, it should be the best, most environmental, most beneficial – a blueprint for what can be achieved, not a precedent for steamrollering local communities.
Storm resilience is another concern. We have already seen damage at the nearby Camblesforth solar sites following Storm Dave, which included solar panels being liberated from their structures and deposited across the fields. Solar panels being liberated is a common industry issue, and we ask what measures the developer is putting in place to protect local residents, neighbouring land and the wider environment in relation to this? We would ask that increased setbacks should be included across all sites that border properties, paths or roads.
We have concerns about the proposed BESS. We are a rural community, served by fire and rescue resources that are not equipped or located to respond rapidly to incidents of scale. How will the developer provide sufficient reassurance that the risks to nearby residents, businesses, farmland and the wider environment have been fully assessed and adequately mitigated? We ask the Examining Authority to require a far more robust assessment of fire risk, emergency response capability and evacuation procedures, together with clear evidence that local emergency services have the resources and capacity to respond effectively.
We ask the Examining Authority to require a minimum 250-metre buffer between solar infrastructure and residential properties. This follows the precedent established during the Botley West Solar Farm examination, where the Examining Authority supported a 250-metre buffer to protect residential amenity and avoid the industrialisation of rural outlooks. The same approach should be adopted here to reduce the visual, psychological, health and amenity impacts on those living closest to the development, to provide a fair level of protection for affected residents, and to ensure consistency across Examining Authorities.
There is a strong body of evidence that shows that large-scale solar arrays generate a localised heat island effect, and this must not be overlooked. It has been demonstrated at British solar sites and data centres alike. Has the developer assessed this risk and how will they mitigate the impact? Residents living close to solar infrastructure should not be expected to endure a measurably hotter local microclimate, on top of the other impacts already outlined, and we ask the Examining Authority to treat this as a further, compelling reason why a minimum 250-metre buffer is necessary to protect residential amenity, comfort and wellbeing.
If this scheme is approved, it should set a benchmark for environmentally responsible development. Rather than offering narrow strips of landscaping and permissive footpaths alongside security fencing and electrical infrastructure, the developer has the opportunity to create a landscape that genuinely benefits wildlife, people and the wider environment - this is not what they are currently proposing. We have seen at Cleve Hill Solar Park that what was promised as part of the DCO in relation to biodiversity wasn't meaningfully implemented. We ask for wide green corridors planted with mature native trees, shrubs, wildflower meadows, ponds and wetlands. Existing footpaths, bridleways and country lanes should remain places where people can walk through nature, hear birdsong and enjoy wildlife, not simply pass through an industrial power station. Public access should be permanent and legally protected, rather than permissive, and capable of being withdrawn. And there must be a way of holding the developer to account to

ensure that any promises in relation to mitigation, biodiversity and community benefit come to fruition.

Lastly, we have serious concerns about the process by which this project came to be considered “aligned” with national grid strategy in the first place. On 27 January 2025, officials from the Department of Energy Security and Net Zero (DESNZ) met with Macquarie at Macquarie’s London headquarters for a “deep-dive” discussion on a number of Island Green Power solar projects, specifically because those projects exceeded NESO’s regional transmission targets for solar - essentially meaning that the developers current plans were not needed or justified. In that meeting, Macquarie and Island Green Power lobbied for the regional transmission and distribution targets to be combined, which would resolve the issue that the projects were over-target - essentially shifting the goalposts and justifying projects like this. On 7 April 2025, the then Energy Minister, Michael Shanks MP, wrote to NESO to inform them that he was changing NESO’s regional targets in exactly this way. This resolved the mismatch between what NESO had assessed was actually needed, and the existing pipeline of solar projects being promoted by developers. The effect of this change was to allow the original 2031–2035 regional solar targets to be recalculated by combining distribution and transmission targets, which made Island Green Power’s transmission-scale projects appear “aligned” with national need, when under the original targets they were not. Emails between Island Green Power and the Department of Energy Security and Net Zero (DESNZ) also refer to a “hand-in-glove” relationship being offered to the developer by the Department. We believe this raises serious questions about whether the case for national need, underpinning this application reflects independent, objective assessment by NESO, or whether it has been shaped by direct lobbying from the very developer seeking consent. We ask the Examining Authority to scrutinise this process closely, giving it appropriate weight when assessing the claimed national benefit of the scheme.

The whole argument for this project is that it is needed. We absolutely agree that we need better ways of generating energy, that reduce our impact on the world and provide better security for future generations. However, with it’s current scale and design, it is not what this project does. The fact that the targets have been changed to justify it's existence, and other Macquarie projects, is very concerning, and undermines the genuine concerns around climate change.

We recognise the importance of renewable energy and energy security. However, the answer cannot be to industrialise vast areas of productive countryside and green space, while placing disproportionate impacts on a relatively small number of rural communities.

If the Examining Authority is minded to grant consent, then the scheme must be fundamentally redesigned, with a significantly reduced scale, greater protection for residents, greater wildlife protection, permanent public access through nature-rich landscapes, and independently verified whole-life sustainability standards.

Thank you.

ed

Open Floor Hearing submission:

Good morning. My name is Louise Billingham, and I am speaking today on behalf of our community of residents who are directly affected by the Light Valley Solar proposal, and the campaign group Rooftops Not Countryside.

We support the transition to renewable energy, but have real concerns about the Light Valley Solar plans. We believe that the scale and location of the project are detrimental, and in significantly scaling back the proposals, the plans could allow the impact to be massively reduced, while still achieving the benefit of green energy generation.

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Thank you.

OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 08 January 2025 16:55
To: [REDACTED:12(3)]@energysecurity.gov.uk
[REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk ;
[REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@macquarie.com
Subject: Follow up meeting - Macquarie feedback to Clean Power 2030 Action Plan

OFFICIAL

Hi [REDACTED:12(3)],

Happy new year to you and the team, hope you had a restful Christmas holiday.

As promised, we wanted to pass on our more elaborated feedback to the CP 2030 Action Plan and kindly ask for a follow up meeting to discuss this in more detail, ideally with you and Alok again, and if possible [redacted] as well.

Given the tight timelines and the potential impact explained below, if we could meet early next week that would be hugely appreciated on our side if you think that would be feasible?

First of all, the plan published by the Government is positive and its ambition is welcomed. In particular, it helps clarify the Government's intentions and helps set a strong direction for us to make future investments in the UK. When reading deeper into the CP30 document published, however, there are several points which could potentially put at risk the investment into projects that are capable of helping the Government achieve its goals by 2030.

Focusing on IGP, our largest UK based solar & BESS developer, we have a portfolio of 10+ GW which can support the Government's 2030 and 2035 ambitions. Of these projects we have 9 projects totalling 5.2 GW (of which 1.5 GW can be connected by 2030) that are now at risk due to capacity/technological limits applied in certain zones published in the CP 30 Annex. It should be noted that almost all of these projects have grid offers which we are currently being paid for (including securities), have secured land, and are currently being invested in to progress planning. We would like to work collaboratively with the Government to understand if there is a way to clarify certain points and enable further investments into these projects.

Please see the items we are keen to better understand and clarify following the publication of the Action Plan:

A. *Flexibility around the published zonal and technological capacity limits*

    I. *How did DESNZ come to the Zonal and overall GB-wide Capacity Caps?*

II. *Is it foreseen that projects which have sufficient readiness and existing near-term grid offers to not receive Gate 2 grid offers as a result of the Capacity caps?*

III. *In circumstances where there are multiple projects capable of meeting Gate 2 but their capacity is above the stated limit, how will those projects be treated? Key questions around this are:*

- *How flexible are the caps that have been allocated by technology per zone and per GB overall?*
- *How flexible are the caps that have been allocated by Capacity per zone and per GB overall?*

IV. *How will you approach shifting allocation between Distribution and Transmission?*

- *Is there a general intention to push projects from Transmission to Distribution even if it results in perverse outcomes (i.e. higher cost of electricity due to higher installed costs) or is there a specific rationale associated with the limits published in CP30?*
- *How will you approach circumstances where in similar zones Transmission is oversubscribed and Distribution is undersubscribed?*

B. *Grid Securities:*

I. *If a project is delayed or loses its queue position due to this reform, will developers have the chance to receive back any grid securities issued for the previous grid connection?*

C. *Clarifying the process and timetables*

I. *Will there be further written clarification on how the execution of CP30 plan will work – if so when is that expected?*

II. *Are there expected updates to the readiness criteria or compliance requirements for Gate 2 submissions?*

I look forward to hearing from you and please let me know if you have any questions.

Many thanks,

[REDACTED:12(3)]

MACQUARIE

[REDACTED:12(3)]
Corporate Affairs | Macquarie Group Limited
Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD
M [REDACTED:12(3)] | [redacted]

OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 20 December 2024 16:58
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hi [REDACTED:12(3)],

Many thanks for sending this across, and I'll pass this on to relevant colleagues.

As you suggested, once the team has reviewed the report in more detail, a further discussion in January sounds sensible. I'm on leave until the 2nd (along with many colleagues) so I suggest we pick up week commencing 6th.

It has been a pleasure working with you over the last year, and I look forward to building on this in 2025.

Wishing you a Merry Christmas and have a nice break.

[REDACTED:12(3)]

Department for Energy Security & Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

Private Investment into Net Zero

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3-8 Whitehall Place

London, SW1A 2AW
www.gov.uk/desnz |

From: [REDACTED:12(3)]@macquarie.com
Sent: 20 December 2024 16:47
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)],

Apologies for the delay in sending our first reaction to the published Action Plan and thank you for sharing it with us under embargo, much appreciated.

The overall sentiment around the CP30 Action Plan grid reform changes remains negative for Macquarie at this point. Whilst we appreciate some level of deviation from the NESO report in the Action Plan, we feel it is not sufficient. The MAM team will review the AP in more detail after Christmas and perhaps we could organise another discussion in January to elaborate?

See some of the key concerns summarised by [REDACTED:12(3)] below and we're happy to follow up in the new year.

1. **Lack of Flexibility Across Transmission and Distribution Targets for Solar**
The Government's allocation of 10.8GW of solar to Transmission and 36.2GW to Distribution, while slightly improved from NESO's initial recommendations, lacks the flexibility to maximise operational PV by 2030 and 2035. On the latest CPP targets, the Transmission queue is oversubscribed, whereas there is likely to be under-supply at the Distribution level. In addition, the distribution networks lack the capacity to add this volume on the network in such a short time frame which is why many projects have only been able to secure connections to the transmission network. We have not seen any evidence or data which demonstrates how the distribution network can deliver this volume of projects for 2035, however we are exploring this as a priority with other leading UK developers (inc. IGP) and looking to follow up in the NY. In addition, many Solar PV projects on the transmission network are often allocated distribution level voltages (eg 33kv and 132kv) and are likely to be removed from the queue because of a mere technicality of network ownership rather than for any particular economic or policy principle. This rigidity risks good quality Transmission-connected projects being cancelled or delayed.

2. **Insufficient Recognition of Co-Location Benefits**
The omission of co-location's benefits in both the NESO's Clean Power 2030 advice and the Plan itself is concerning. Co-location can reduce costs, improve efficiency, and enhance investment attractiveness, yet there remains

little clarity on its future treatment. Current guidance restricts such projects unnecessarily, despite their potential to support grid resilience and consumer savings. I am keen to discuss ideas for how co-location could be recognised - for instance asset owners who are allocated a primary technology (e.g. solar or wind) of up to say 100MW, should be able to include 99.9MW of battery storage (without needing it to be aligned to Clean Power 2030) - because no additional infrastructure should be required and it helps keep costs down for consumers, investors and the system.

3. **Limited Protection for Investor Confidence**
   We appreciate the grandfathering of projects with CfD, Capacity Market contracts, or planning approval by May 2025 which offers some reassurance for near-term projects, however it leaves significant gaps for long-term investments. Large-scale NSIP projects with substantial upfront costs remain vulnerable, particularly those yet to secure final planning despite advanced stages of examination. Expanding protections to include projects in the examination phase of a DCO or DNS application by 20th December 2024 would alleviate some of this risk for these larger, well progressed and high profile projects.

I hope this helps as initial steer, wishing you and the team a great Christmas break and Happy New Year!

Best wishes,

[REDACTED:12(3)]

MACQUARIE

[REDACTED:12(3)]
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M +44 [REDACTED:12(3)] | www.macquarie.com

From: [REDACTED:12(3)]
Sent: 10 December 2024 12:14
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk ;
[REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

Hi [REDACTED:12(3)],

Apologies, hopefully final change!

[REDACTED:12(3)] will attend in person given [REDACTED:12(3)] can only join virtually now, can you please add him to the list of attendees for security? [REDACTED:12(3)] is a Managing Director at MAM GI and sits on the Board of Island Green Power so will be a good addition.

[REDACTED:12(3)], on the other hand, has a bad flu, so he won't attend.

Final list of in person attendees:

- [REDACTED:12(3)] (Macquarie Asset Management Green Investments)
- [REDACTED:12(3)] (Macquarie Asset Management Green Investments)
- [REDACTED:12(3)] (Macquarie Group)
- [REDACTED:12(3)] (Enso Energy)

Individuals who will try to dial in on Teams:

- [REDACTED:12(3)]
- [REDACTED:12(3)]

Many thanks,

[REDACTED:12(3)]

MACQUARIE
[REDACTED:12(3)]
Corporate Affairs | Macquarie Group Limited
Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD
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From: [REDACTED:12(3)]
Sent: 10 December 2024 10:29
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

Morning [REDACTED:12(3)] and all,

I just wanted to update that if you could please book a room with MS Teams available that would be much appreciated, as [REDACTED:12(3)] can no longer join in person (as he's been pulled into an investor meeting), but he would like to join virtually. As he'll be in between meetings, [REDACTED:12(3)] will also join online (he's based in Paris and also works in Macquarie Asset Management Green Investments).

Many thanks,

[REDACTED:12(3)]

MACQUARIE

[REDACTED:12(3)]
Corporate Affairs | Macquarie Group Limited
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M +44 [REDACTED:12(3)] | www.macquarie.com

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 09 December 2024 17:31
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk ; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Many thanks [REDACTED:12(3)] most appreciated.

Yes, that will be all from our side (although we might bring one or two more in tbc).

Yep, please bring ID as will help speed through security. Happy to collect you all *

[REDACTED:12(3)]

Department for
Energy Security
& Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

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OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 09 December 2024 13:59
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)] and team,

Absolutely, I was just waiting for the final version but please see attached:

- Letter to Ed Miliband MP sent on 3 December
- Enso Energy briefing note regarding the NESO advice summarising the key messages / asks

I hope this is helpful ahead of tomorrow.

If you could confirm final set of attendees on your side (Alok, you Chris and [REDACTED:12(3)] that would be great just so that we're on the same page.

In terms of practicalities, I assume we just need to show our ID and register at the reception where you will pick us up?

Many thanks and we look forward to speaking tomorrow.

Best wishes,

[REDACTED:12(3)]

MACQUARIE

[REDACTED:12(3)]
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OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 09 December 2024 10:33
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hi [REDACTED:12(3)],

Hope you had a good weekend and thanks for this.

Could you send across the key points you wish to raise tomorrow when you have a moment? Been asked by a couple of colleagues on what the key themes will be…

[REDACTED:12(3)]

Department for Energy Security & Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

Private Investment into Net Zero

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OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 06 December 2024 15:48
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)],

Confirming attendees from our side and their titles/positions:

- [redacted] Managing Director and EMEA Origination for Macquarie Asset Management Green Investments (MAM GI); bio here.
- [REDACTED:12(3)] working on MAM GI asset Island Green Power (developer of renewable energy projects)
- [redacted] Executive Director, Corporate Development, at Cero Generation (MAM portfolio company, solar energy developer)
- [redacted]Managing Director at Enso Energy, bio here.
- [REDACTED:12(3)], Macquarie Group

As discussed, I will share the briefing document with you on Monday so that you have some time to scan through before the meeting.

Let me know if you have any questions and have a lovely weekend when it comes.

Best wishes,

[REDACTED:12(3)]

MACQUARIE

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OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 06 December 2024 11:57
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Great thanks [REDACTED:12(3)].

Department for
Energy Security
& Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

Private Investment into Net Zero

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3-8 Whitehall Place

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OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 06 December 2024 11:31
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [redacted]

Thank you checking regarding the slot, noted on Tuesday 2pm in person.

Appreciate your sending Alok's bio as well and will share with the team. I should be able to send our attendees and their titles by the end of today, and we'll share some background material on Monday so that you can all read before the meeting.

Many thanks,

[REDACTED:12(3)]

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From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 06 December 2024 11:21
To: [REDACTED:12(3)]@macquarie.com

Cc: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hey [REDACTED:12(3)],

As discussed, please find a short bio on Alok below:

Alok has spent the past decade in the Civil Service working across a range of roles, including in the Cabinet Office and No.10 on Brexit negotiations and in the Covid-19 Taskforce. More recently he has been the Deputy Director for Strategy in the Department for Energy Security and Net Zero and now the Deputy Director in the 2030 Clean Power Unit within 'Mission Control'.

Unfortunately, we can't bring the meeting earlier so let's stick to 14.00 if ok from your end. Be great if you can send us the list of names when you can.

Best,

[REDACTED:12(3)]

[REDACTED:12(3)]

[REDACTED:12(3)]

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OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 04 December 2024 12:32
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

Hi [REDACTED:12(3)],

Good to catch up earlier and apologies for the slight delay here.

After discussion internally, Alok Vora, deputy director in the clean power unit could make 14.00 next Tuesday (in person). Would that work from your side?

Best,

[REDACTED:12(3)]

OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: Tuesday, December 3, 2024 5:57:02 PM
To: [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Thanks [REDACTED:12(3)],

I assume it will be Thursday now, can I confirm that to colleagues for now? If you think you can get an update tomorrow morning I can hold off until then!

Many thanks,
[REDACTED:12(3)]

MACQUARIE

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OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 03 December 2024 09:12
To: [REDACTED:12(3)]@macquarie.com; [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk

Cc: [REDACTED:12(3)]@macquarie.com
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Morning [REDACTED:12(3)],

All good thank you!

Apologies for the slight delay here and this is in motion – just securing relevant colleagues.

Will confirm asap.

Best,

[REDACTED:12(3)]

Department for Energy Security & Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

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OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 02 December 2024 19:45
To: [REDACTED:12(3)]@energysecurity.gov.uk ;
[REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@macquarie.com
Subject: Re: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)] and [REDACTED:12(3)],

Hope you had a nice weekend.

I just wanted to check if there were any updates on which day/time would work for your colleagues?

Many thanks,

[REDACTED:12(3)]

Sent from Outlook for iOS

OFFICIAL

From: [REDACTED:12(3)]
Sent: Friday, November 29, 2024 5:14:38 PM
To: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk ; [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@macquarie.com
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

Thanks [REDACTED:12(3)], that's helpful information for now and we can finalise on Monday.

Have a great weekend,

[REDACTED:12(3)]

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From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 29 November 2024 16:42
To: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@macquarie.com
Subject: Re: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hi [REDACTED:12(3)],

The Clean Power Unit have confirmed Chris Stark will not be available to join a meeting - but they are confirming who it would be, I imagine it will be either Deputy Director / Head of (G6) level but I'll confirm when I have an answer - hopefully that should give you some initial steer.

Best,

[REDACTED:12(3)]

OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: Friday, November 29, 2024 2:57:15 PM
To: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@macquarie.com
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)],

Thank you very much, if you could get an indication of attendees / format or preference for date by the end of today, please let me know and I'll update my colleagues who are preparing the materials for the meeting.

Best wishes,

[REDACTED:12(3)]

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OFFICIAL

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Sent: 28 November 2024 23:06
To: [REDACTED:12(3)]@macquarie.com;
[REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@macquarie.com
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Thanks [REDACTED:12(3)],

Thank you for following up so promptly and I'm sure colleagues will welcome feedback.

We are just following up internally and will revert shortly.

Best,

[REDACTED:12(3)]

Department for Energy Security & Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

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OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 28 November 2024 12:04
To: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk Cc: [REDACTED:12(3)]@macquarie.com
Subject: Investor and portfolio company feedback to NESO Clean Power 2030 report
Importance: High

Hi [REDACTED:12(3)], [REDACTED:12(3)], [REDACTED:12(3)],

I hope you're all doing well.

In our last monthly catch up you kindly mentioned that if we had feedback regarding the NESO Clean Power 2030 report, we should pass that onto you.

Some of our investment teams as well as our solar and energy storage portfolio companies have raised a few significant concerns about some of the NESO advice that may jeopardise investment, that they would like to make DESNZ aware of ahead of the Department's reaction to the NESO advice and before it starts being implemented.

We would therefore greatly welcome (preferably in-person but if impossible then virtual) meeting so that my colleagues and our portfolio company Cero can elaborate on this feedback. If you could let us know whether you could bring the relevant colleagues who are leading on the DESNZ response to the NESO guidance, that would be much appreciated, as we are conscious of the short timeframes for this.

Do let me know if we could arrange a meeting for next Tuesday, Wednesday or Thursday and who from DESNZ would be able to attend? I can then confirm on our side to ensure adequate seniority levels.

Many thanks,

[REDACTED:12(3)]

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15 May 2025

Rt. Hon. Ed Miliband MP

Secretary of State Department for Energy and Net Zero

Department for Energy Security and Net Zero

55 Whitehall

London

SW1A 2HP

For the attention of Ed Miliband MP, Secretary of State Department for Energy and Net Zero

Dear Secretary of State,

Thank you for your co-signed 'Build it in Britain' letter of 24 April. Macquarie greatly appreciates the Government's ambitious targets, but we are facing a series of challenges on UK projects that could act to delay or block planned investment in the UK.

I have set out further information on our key areas of concern in an appendix to this letter. In summary, these relate to: the impact of Transmission Charging on the investability of offshore wind projects in the north of Scotland; the risk of implementing zonal pricing under Reform of Electricity Market Arrangements; Round 4 lease arrangements; and the need for grid connection reform to support the deployment of renewable generation and storage projects.

We would welcome an urgent meeting with you alongside Macquarie Asset Management's offshore wind development platform, Corio Generation, to discuss and find solutions to these challenges.

Yours sincerely,

[redacted]

Global Head of Macquarie Asset Management Green Investments .

Corio Generation – Resolving investment barriers to projects

Corio Generation are investing in almost 6 GW of offshore wind projects together with their partners, TotalEnergies, RIDG, Gulf and RWE. In the UK this includes our two strategic projects, Outer Dowsing Offshore Windfarm in England and West of Orkney Windfarm in Scotland, and our investment holdings in other major projects (Rampion 2 and Five Estuaries). While we are grateful for the steps taken by this government to support offshore wind power, significant uncertainty surrounding regulation and cost factors is seriously threatening key project investment decisions. This is leading developers like Corio to consider whether to delay planned development activities.

Unless urgent clarity can be provided on these key regulatory issues within the next 2 months, there is a significant risk that we will not be able to keep these projects on a delivery pathway for 2030 deployment:

The impact of Transmission Charging on the investability of offshore wind projects in the North of Scotland – the current Transmission Network Use of System (TNUoS) charging regime, combined with network loss costs (TLM) lead to a cost disadvantage of up to £25/MWh in CfD bid prices of offshore wind farms between the North of Scotland and Southern regions, significantly impacting the investment case for Northern projects as well as their competitiveness in a bidding round. We have called for Ofgem to implement a separate bidding round for Scotland as well as a robust cap and floor mechanism which would mitigate these impacts and reduce uncertainty for Scottish windfarms. Without an urgent remedy, TNUoS and TLM pose a critical risk for northern projects: At £25/MWh disadvantage, northern Scottish projects will be uncompetitive in an CfD auction

The future TNUoS is scenario driven and highly uncertain with significant impacts on project business cases. This level of uncertainty does not allow developers to continue spending on development and beyond to construction.

It is therefore critical that an appropriate cap and floor is urgently implemented to mitigate these risks and is guaranteed for a project's lifetime.

· **The risk of implementing Zonal Pricing under Reform of Electricity Market Arrangement (REMA) –** investment decisions for major infrastructure projects are being taken against the backdrop of significant regulatory uncertainty. Zonal pricing will introduce significant price risk and volume risk for projects and, without comprehensive legacy protection, these assets cannot assess their economic situation with sufficient accuracy and cannot continue to spend on development. We therefore ask that the Government provide developers, as a matter of priority, with much needed clarity on the legacy arrangements ahead of AR7 opening. Without clarity on legacy arrangements and the contractual mechanisms to implement these, the residual uncertainty does not provide developers and investors with sufficient confidence in projects' economic viability and substantial development spending cannot be justified against that background.

· **Ensuring Round 4 lease arrangements support the delivery of project in line with Clean Power 2030 and beyond ambitions –** The Round 4 leasing auction was held against a very different economic reality and supply chain landscape than that of today, with the global offshore wind industry now facing unprecedented and unforeseen cost pressures on development companies and the supply chain. This changed reality presents a material risk for developers, as the projects are imminently approaching critical and irreversible decision points. [REDACTED:12(5)(f)]

[REDACTED:12(5)(f)] - Call for continued focus on grid connection reform

Separately, [REDACTED:12(5)(f)], has experienced issues on grid connections historically, and while we welcome the Government's work to reform the grid connection queues, which have significant ramifications to the UK development pipeline of generation and storage projects, more reform should be considered to speed up project delivery to avoid current impacts:

Project delivery - The impact of Statement or Works and Project Progression outcomes have led to uncertainty for developers, with some projects being connected quickly and others being cancelled, leading to a likely loss of development capital and other resource. Our development team has often been offered two-year DNO connection dates and six-year transmission connection dates, which twinned with delays for planning consents and three-to-five-year common land options, have resulted in many developers either pausing their 2035 connections to await confirmation on what queue ratification would mean for their projects, and others taking a more risk-based approach, progressing with their projects with the assumption that those projects that were most advanced would be connected first.

· **Expired planning permits -** These have led to negative impacts on the project delivery as different permissions run to different timelines, for example, [REDACTED:12(5)(f)] has often been provided 2037 connection dates on projects, which based on initial estimates, were due to take only two to three years to connect and whose land options and planning consents are due to expire in 2027, a decade prior to connection.

· **Procurement -** These delays are also impactful on materials and hardware resourcing and expenditure, as electrical switchgear and transformers take approximately three years to procure and cost millions of pounds in development costs, as are changes to the initial offered level of voltage for the connection, which can cause significant issues for the projects.

We wanted to raise these issues in the battery storage development sector to you and would ask for the Government to continue to work on reforming grid connections, planning, and permitting in order that developers and the investors that underpin them, can look to avoid these delays and deliver projects that help support the Government's net zero and grid aims. [REDACTED:12(5)(f)], would be available to provide further information on these delays if that should be of use to DESNZ and the wider Government.

OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 08 January 2025 16:55
To: [REDACTED:12(3)]@energysecurity.gov.uk
[REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk ;
[REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@macquarie.com
Subject: Follow up meeting - Macquarie feedback to Clean Power 2030 Action Plan

OFFICIAL

Hi [REDACTED:12(3)],

Happy new year to you and the team, hope you had a restful Christmas holiday.

As promised, we wanted to pass on our more elaborated feedback to the CP 2030 Action Plan and kindly ask for a follow up meeting to discuss this in more detail, ideally with you and [redacted] again, and if possible Chris Stark as well.

Given the tight timelines and the potential impact explained below, if we could meet early next week that would be hugely appreciated on our side if you think that would be feasible?

First of all, the plan published by the Government is positive and its ambition is welcomed. In particular, it helps clarify the Government's intentions and helps set a strong direction for us to make future investments in the UK. When reading deeper into the CP30 document published, however, there are several points which could potentially put at risk the investment into projects that are capable of helping the Government achieve its goals by 2030.

Focusing on IGP, our largest UK based solar & BESS developer, we have a portfolio of 10+ GW which can support the Government's 2030 and 2035 ambitions. Of these projects we have 9 projects totalling 5.2 GW (of which 1.5 GW can be connected by 2030) that are now at risk due to capacity/technological limits applied in certain zones published in the CP 30 Annex. It should be noted that almost all of these projects have grid offers which we are currently being paid for (including securities), have secured land, and are currently being invested in to progress planning. We would like to work collaboratively with the Government to understand if there is a way to clarify certain points and enable further investments into these projects.

Please see the items we are keen to better understand and clarify following the publication of the Action Plan:

A. *Flexibility around the published zonal and technological capacity limits*

    I. *How did DESNZ come to the Zonal and overall GB-wide Capacity Caps?*

II. *Is it foreseen that projects which have sufficient readiness and existing near-term grid offers to not receive Gate 2 grid offers as a result of the Capacity caps?*

III. *In circumstances where there are multiple projects capable of meeting Gate 2 but their capacity is above the stated limit, how will those projects be treated? Key questions around this are:*

- *How flexible are the caps that have been allocated by technology per zone and per GB overall?*
- *How flexible are the caps that have been allocated by Capacity per zone and per GB overall?*

IV. *How will you approach shifting allocation between Distribution and Transmission?*

- *Is there a general intention to push projects from Transmission to Distribution even if it results in perverse outcomes (i.e. higher cost of electricity due to higher installed costs) or is there a specific rationale associated with the limits published in CP30?*
- *How will you approach circumstances where in similar zones Transmission is oversubscribed and Distribution is undersubscribed?*

B. *Grid Securities:*

I. *If a project is delayed or loses its queue position due to this reform, will developers have the chance to receive back any grid securities issued for the previous grid connection?*

C. *Clarifying the process and timetables*

I. *Will there be further written clarification on how the execution of CP30 plan will work – if so when is that expected?*

II. *Are there expected updates to the readiness criteria or compliance requirements for Gate 2 submissions?*

I look forward to hearing from you and please let me know if you have any questions.

Many thanks,

[REDACTED:12(3)]

MACQUARIE

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OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 20 December 2024 16:58
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hi [REDACTED:12(3)],

Many thanks for sending this across, and I'll pass this on to relevant colleagues.

As you suggested, once the team has reviewed the report in more detail, a further discussion in January sounds sensible. I'm on leave until the 2nd (along with many colleagues) so I suggest we pick up week commencing 6th.

It has been a pleasure working with you over the last year, and I look forward to building on this in 2025.

Wishing you a Merry Christmas and have a nice break.

[REDACTED:12(3)]

Department for Energy Security & Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

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From: [REDACTED:12(3)]@macquarie.com
Sent: 20 December 2024 16:47
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)],

Apologies for the delay in sending our first reaction to the published Action Plan and thank you for sharing it with us under embargo, much appreciated.

The overall sentiment around the CP30 Action Plan grid reform changes remains negative for Macquarie at this point. Whilst we appreciate some level of deviation from the NESO report in the Action Plan, we feel it is not sufficient. The MAM team will review the AP in more detail after Christmas and perhaps we could organise another discussion in January to elaborate?

See some of the key concerns summarised by [REDACTED:12(3)] below and we're happy to follow up in the new year.

1. **Lack of Flexibility Across Transmission and Distribution Targets for Solar**
   The Government's allocation of 10.8GW of solar to Transmission and 36.2GW to Distribution, while slightly improved from NESO's initial recommendations, lacks the flexibility to maximise operational PV by 2030 and 2035. On the latest CPP targets, the Transmission queue is oversubscribed, whereas there is likely to be under-supply at the Distribution level. In addition, the distribution networks lack the capacity to add this volume on the network in such a short time frame which is why many projects have only been able to secure connections to the transmission network. We have not seen any evidence or data which demonstrates how the distribution network can deliver this volume of projects for 2035, however we are exploring this as a priority with other leading UK developers (inc. IGP) and looking to follow up in the NY. In addition, many Solar PV projects on the transmission network are often allocated distribution level voltages (eg 33kv and 132kv) and are likely to be removed from the queue because of a mere technicality of network ownership rather than for any particular economic or policy principle. This rigidity risks good quality Transmission-connected projects being cancelled or delayed.

2. **Insufficient Recognition of Co-Location Benefits**
   The omission of co-location's benefits in both the NESO's Clean Power 2030 advice and the Plan itself is concerning. Co-location can reduce costs, improve efficiency, and enhance investment attractiveness, yet there remains

little clarity on its future treatment. Current guidance restricts such projects unnecessarily, despite their potential to support grid resilience and consumer savings. I am keen to discuss ideas for how co-location could be recognised - for instance asset owners who are allocated a primary technology (e.g. solar or wind) of up to say 100MW, should be able to include 99.9MW of battery storage (without needing it to be aligned to Clean Power 2030) - because no additional infrastructure should be required and it helps keep costs down for consumers, investors and the system.

3. **Limited Protection for Investor Confidence**
   We appreciate the grandfathering of projects with CfD, Capacity Market contracts, or planning approval by May 2025 which offers some reassurance for near-term projects, however it leaves significant gaps for long-term investments. Large-scale NSIP projects with substantial upfront costs remain vulnerable, particularly those yet to secure final planning despite advanced stages of examination. Expanding protections to include projects in the examination phase of a DCO or DNS application by 20th December 2024 would alleviate some of this risk for these larger, well progressed and high profile projects.

I hope this helps as initial steer, wishing you and the team a great Christmas break and Happy New Year!

Best wishes,

[REDACTED:12(3)]

MACQUARIE

[REDACTED:12(3)]
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From: [REDACTED:12(3)]
Sent: 10 December 2024 12:14
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk ; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

Hi [REDACTED:12(3)],

Apologies, hopefully final change!

[REDACTED:12(3)] will attend in person given [REDACTED:12(3)] can only join virtually now, can you please add him to the list of attendees for security? [REDACTED:12(3)] is a Managing Director at MAM GI and sits on the Board of Island Green Power so will be a good addition.

[REDACTED:12(3)], on the other hand, has a bad flu, so he won't attend.

Final list of in person attendees:

- [REDACTED:12(3)] (Macquarie Asset Management Green Investments)
- [REDACTED:12(3)] (Macquarie Asset Management Green Investments)
- [REDACTED:12(3)] (Macquarie Group)
- [REDACTED:12(3)] (Enso Energy)

Individuals who will try to dial in on Teams:

- [REDACTED:12(3)]
- [REDACTED:12(3)]

Many thanks,

[REDACTED:12(3)]

MACQUARIE

[REDACTED:12(3)]
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From: [REDACTED:12(3)]
Sent: 10 December 2024 10:29
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

Morning [REDACTED:12(3)] and all,

I just wanted to update that if you could please book a room with MS Teams available that would be much appreciated, as [REDACTED:12(3)] can no longer join in person (as he's been pulled into an investor meeting), but he would like to join virtually. As he'll be in between meetings, [REDACTED:12(3)] will also join online (he's based in Paris and also works in Macquarie Asset Management Green Investments).

Many thanks,

[REDACTED:12(3)]

MACQUARIE

[REDACTED:12(3)]
Corporate Affairs | Macquarie Group Limited
Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD
M +44 [REDACTED:12(3)] | [redacted]

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 09 December 2024 17:31
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk ;
[REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Many thanks [REDACTED:12(3)] most appreciated.

Yes, that will be all from our side (although we might bring one or two more in tbc).

Yep, please bring ID as will help speed through security. Happy to collect you all *

[REDACTED:12(3)]

Department for
Energy Security
& Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

Private Investment into Net Zero

Tel: +44 (0) [REDACTED:12(3)]
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London, SW1A 2AW
www.gov.uk/desnz |

OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 09 December 2024 13:59
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)] and team,

Absolutely, I was just waiting for the final version but please see attached:

- Letter to Ed Miliband MP sent on 3 December
- Enso Energy briefing note regarding the NESO advice summarising the key messages / asks

I hope this is helpful ahead of tomorrow.

If you could confirm final set of attendees on your side (Alok, you Chris and [REDACTED:12(3)] that would be great just so that we're on the same page.

In terms of practicalities, I assume we just need to show our ID and register at the reception where you will pick us up?

Many thanks and we look forward to speaking tomorrow.

Best wishes,

[REDACTED:12(3)]

MACQUARIE

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OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 09 December 2024 10:33
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hi [REDACTED:12(3)],

Hope you had a good weekend and thanks for this.

Could you send across the key points you wish to raise tomorrow when you have a moment? Been asked by a couple of colleagues on what the key themes will be…

[REDACTED:12(3)]

Department for Energy Security & Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

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OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 06 December 2024 15:48
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)],

Confirming attendees from our side and their titles/positions:

- [redacted] Managing Director and EMEA Origination for Macquarie Asset Management Green Investments (MAM GI); bio here.
- [REDACTED:12(3)] working on MAM GI asset Island Green Power (developer of renewable energy projects)
- [redacted] Executive Director, Corporate Development, at Cero Generation (MAM portfolio company, solar energy developer)
- [redacted] Managing Director at Enso Energy, bio here.
- [REDACTED:12(3)], Macquarie Group

As discussed, I will share the briefing document with you on Monday so that you have some time to scan through before the meeting.

Let me know if you have any questions and have a lovely weekend when it comes.

Best wishes,

[REDACTED:12(3)]

MACQUARIE

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M +44 [REDACTED:12(3)] | [redacted]

OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 06 December 2024 11:57
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Great thanks [REDACTED:12(3)].

Department for
Energy Security
& Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

Private Investment into Net Zero

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London, SW1A 2AW
www.gov.uk/desnz |

OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 06 December 2024 11:31
To: [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [redacted],

Thank you checking regarding the slot, noted on Tuesday 2pm in person.

Appreciate your sending Alok's bio as well and will share with the team. I should be able to send our attendees and their titles by the end of today, and we'll share some background material on Monday so that you can all read before the meeting.

Many thanks,

[REDACTED:12(3)]

MACQUARIE

[REDACTED:12(3)]
Corporate Affairs | Macquarie Group Limited
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M +44 [REDACTED:12(3)] | [redacted]

OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 06 December 2024 11:21
To: [REDACTED:12(3)]@macquarie.com

Cc: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hey [REDACTED:12(3)],

As discussed, please find a short bio on Alok below:

Alok has spent the past decade in the Civil Service working across a range of roles, including in the Cabinet Office and No.10 on Brexit negotiations and in the Covid-19 Taskforce. More recently he has been the Deputy Director for Strategy in the Department for Energy Security and Net Zero and now the Deputy Director in the 2030 Clean Power Unit within 'Mission Control'.

Unfortunately, we can't bring the meeting earlier so let's stick to 14.00 if ok from your end. Be great if you can send us the list of names when you can.

Best,

[REDACTED:12(3)]

Department for Energy Security & Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

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London, SW1A 2AW
www.gov.uk/desnz |

OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 04 December 2024 12:32
To: [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

Hi [REDACTED:12(3)],

Good to catch up earlier and apologies for the slight delay here.

After discussion internally, Alok Vora, deputy director in the clean power unit could make 14.00 next Tuesday (in person). Would that work from your side?

Best,

[REDACTED:12(3)]

OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: Tuesday, December 3, 2024 5:57:02 PM
To: [REDACTED:12(3)]@energysecurity.gov.uk
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Thanks [REDACTED:12(3)],

I assume it will be Thursday now, can I confirm that to colleagues for now? If you think you can get an update tomorrow morning I can hold off until then!

Many thanks,
[REDACTED:12(3)]

MACQUARIE

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M +44 [REDACTED:12(3)] [redacted]

OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 03 December 2024 09:12
To: [REDACTED:12(3)]@macquarie.com;
[REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk

Cc: [REDACTED:12(3)]@macquarie.com
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Morning [REDACTED:12(3)],

All good thank you!

Apologies for the slight delay here and this is in motion – just securing relevant colleagues.

Will confirm asap.

Best,

[REDACTED:12(3)]

Department for Energy Security & Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

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OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 02 December 2024 19:45
To: [REDACTED:12(3)]@energysecurity.gov.uk ;
[REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@macquarie.com
Subject: Re: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)] and [REDACTED:12(3)],

Hope you had a nice weekend.

I just wanted to check if there were any updates on which day/time would work for your colleagues?

Many thanks,

[REDACTED:12(3)]

Sent from Outlook for iOS

OFFICIAL

From: [REDACTED:12(3)]
Sent: Friday, November 29, 2024 5:14:38 PM
To: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk ;
[REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@macquarie.com
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

Thanks [REDACTED:12(3)], that's helpful information for now and we can finalise on Monday.

Have a great weekend,

[REDACTED:12(3)]

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[REDACTED:12(3)]
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M +44 [REDACTED:12(3)] | www.macquarie.com

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 29 November 2024 16:42
To: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@macquarie.com
Cc: [REDACTED:12(3)]@macquarie.com
Subject: Re: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hi [REDACTED:12(3)],

The Clean Power Unit have confirmed Chris Stark will not be available to join a meeting - but they are confirming who it would be, I imagine it will be either Deputy Director / Head of (G6) level but I'll confirm when I have an answer - hopefully that should give you some initial steer.

Best,

[REDACTED:12(3)]

OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: Friday, November 29, 2024 2:57:15 PM
To: [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@macquarie.com
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [REDACTED:12(3)],

Thank you very much, if you could get an indication of attendees / format or preference for date by the end of today, please let me know and I'll update my colleagues who are preparing the materials for the meeting.

Best wishes,

[REDACTED:12(3)]

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OFFICIAL

From: [REDACTED:12(3)]@energysecurity.gov.uk
Sent: 28 November 2024 23:06
To: [REDACTED:12(3)]@macquarie.com; [REDACTED:12(3)]@energysecurity.gov.uk; [REDACTED:12(3)]@energysecurity.gov.uk
Cc: [REDACTED:12(3)]@macquarie.com
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Thanks [REDACTED:12(3)],

Thank you for following up so promptly and I'm sure colleagues will welcome feedback.

We are just following up internally and will revert shortly.

Best,

[REDACTED:12(3)]

Department for Energy Security & Net Zero

[REDACTED:12(3)]

[REDACTED:12(3)]

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OFFICIAL

From: [REDACTED:12(3)]@macquarie.com
Sent: 28 November 2024 12:04
To: [REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk;
[REDACTED:12(3)]@energysecurity.gov.uk Cc:
[REDACTED:12(3)]@macquarie.com
Subject: Investor and portfolio company feedback to NESO Clean Power 2030 report
Importance: High

Hi [REDACTED:12(3)], [REDACTED:12(3)], [REDACTED:12(3)],

I hope you're all doing well.

In our last monthly catch up you kindly mentioned that if we had feedback regarding the NESO Clean Power 2030 report, we should pass that onto you.

Some of our investment teams as well as our solar and energy storage portfolio companies have raised a few significant concerns about some of the NESO advice that may jeopardise investment, that they would like to make DESNZ aware of ahead of the Department's reaction to the NESO advice and before it starts being implemented.

We would therefore greatly welcome (preferably in-person but if impossible then virtual) meeting so that my colleagues and our portfolio company Cero can elaborate on this feedback. If you could let us know whether you could bring the relevant colleagues who are leading on the DESNZ response to the NESO guidance, that would be much appreciated, as we are conscious of the short timeframes for this.

Do let me know if we could arrange a meeting for next Tuesday, Wednesday or Thursday and who from DESNZ would be able to attend? I can then confirm on our side to ensure adequate seniority levels.

Many thanks,

[REDACTED:12(3)]

MACQUARIE

[REDACTED:12(3)]
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Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD
M +44 [REDACTED:12(3)] [redacted]

Macquarie Group of Companies Ropemaker Place Telephone +44 20 3037 2000
28 Ropemaker Street Facsimile +44 20 3037 2061 London EC2Y 9HD Internet
[redacted] United Kingdom

15 May 2025

Rt. Hon. Ed Miliband MP

Secretary of State Department for Energy and Net Zero

Department for Energy Security and Net Zero

55 Whitehall

London

SW1A 2HP

For the attention of Ed Miliband MP, Secretary of State Department for Energy and Net Zero

Dear Secretary of State,

Thank you for your co-signed 'Build it in Britain' letter of 24 April. Macquarie greatly appreciates the Government's ambitious targets, but we are facing a series of challenges on UK projects that could act to delay or block planned investment in the UK.

I have set out further information on our key areas of concern in an appendix to this letter. In summary, these relate to: the impact of Transmission Charging on the investability of offshore wind projects in the north of Scotland; the risk of implementing zonal pricing under Reform of Electricity Market Arrangements; Round 4 lease arrangements; and the need for grid connection reform to support the deployment of renewable generation and storage projects.

We would welcome an urgent meeting with you alongside Macquarie Asset Management's offshore wind development platform, Corio Generation, to discuss and find solutions to these challenges.

Yours sincerely,

[redacted]

Global Head of Macquarie Asset Management Green Investments .

Corio Generation – Resolving investment barriers to projects

Corio Generation are investing in almost 6 GW of offshore wind projects together with their partners, TotalEnergies, RIDG, Gulf and RWE. In the UK this includes our two strategic projects, Outer Dowsing Offshore Windfarm in England and West of Orkney Windfarm in Scotland, and our investment holdings in other major projects (Rampion 2 and Five Estuaries). While we are grateful for the steps taken by this government to support offshore wind power, significant uncertainty surrounding regulation and cost factors is seriously threatening key project investment decisions. This is leading developers like Corio to consider whether to delay planned development activities.

Unless urgent clarity can be provided on these key regulatory issues within the next 2 months, there is a significant risk that we will not be able to keep these projects on a delivery pathway for 2030 deployment:

The impact of Transmission Charging on the investability of offshore wind projects in the North of Scotland – the current Transmission Network Use of System (TNUoS) charging regime, combined with network loss costs (TLM) lead to a cost disadvantage of up to £25/MWh in CfD bid prices of offshore wind farms between the North of Scotland and Southern regions, significantly impacting the investment case for Northern projects as well as their competitiveness in a bidding round. We have called for Ofgem to implement a separate bidding round for Scotland as well as a robust cap and floor mechanism which would mitigate these impacts and reduce uncertainty for Scottish windfarms. Without an urgent remedy, TNUoS and TLM pose a critical risk for northern projects: At £25/MWh disadvantage, northern Scottish projects will be uncompetitive in an CfD auction

The future TNUoS is scenario driven and highly uncertain with significant impacts on project business cases. This level of uncertainty does not allow developers to continue spending on development and beyond to construction.

It is therefore critical that an appropriate cap and floor is urgently implemented to mitigate these risks and is guaranteed for a project’s lifetime.

· **The risk of implementing Zonal Pricing under Reform of Electricity Market Arrangement (REMA) –** investment decisions for major infrastructure projects are being taken against the backdrop of significant regulatory uncertainty. Zonal pricing will introduce significant price risk and volume risk for projects and, without comprehensive legacy protection, these assets cannot assess their economic situation with sufficient accuracy and cannot continue to spend on development. We therefore ask that the Government provide developers, as a matter of priority, with much needed clarity on the legacy arrangements ahead of AR7 opening. Without clarity on legacy arrangements and the contractual mechanisms to implement these, the residual uncertainty does not provide developers and investors with sufficient confidence in projects' economic viability and substantial development spending cannot be justified against that background.

· **Ensuring Round 4 lease arrangements support the delivery of project in line with Clean Power 2030 and beyond ambitions –** The Round 4 leasing auction was held against a very different economic reality and supply chain landscape than that of today, with the global offshore wind industry now facing unprecedented and unforeseen cost pressures on development companies and the supply chain. This changed reality presents a material risk for developers, as the projects are imminently approaching critical and irreversible decision points. [REDACTED:12(5)(f)]

[REDACTED:12(5)(f)] - Call for continued focus on grid connection reform

Separately, [REDACTED:12(5)(f)], has experienced issues on grid connections historically, and while we welcome the Government's work to reform the grid connection queues, which have significant ramifications to the UK development pipeline of generation and storage projects, more reform should be considered to speed up project delivery to avoid current impacts:

Project delivery - The impact of Statement or Works and Project Progression outcomes have led to uncertainty for developers, with some projects being connected quickly and others being cancelled, leading to a likely loss of development capital and other resource. Our development team has often been offered two-year DNO connection dates and six-year transmission connection dates, which twinned with delays for planning consents and three-to-five-year common land options, have resulted in many developers either pausing their 2035 connections to await confirmation on what queue ratification would mean for their projects, and others taking a more risk-based approach, progressing with their projects with the assumption that those projects that were most advanced would be connected first.

· **Expired planning permits -** These have led to negative impacts on the project delivery as different permissions run to different timelines, for example, [REDACTED:12(5)(f)] has often been provided 2037 connection dates on projects, which based on initial estimates, were due to take only two to three years to connect and whose land options and planning consents are due to expire in 2027, a decade prior to connection.

· **Procurement -** These delays are also impactful on materials and hardware resourcing and expenditure, as electrical switchgear and transformers take approximately three years to procure and cost millions of pounds in development costs, as are changes to the initial offered level of voltage for the connection, which can cause significant issues for the projects.

We wanted to raise these issues in the battery storage development sector to you and would ask for the Government to continue to work on reforming grid connections, planning, and permitting in order that developers and the investors that underpin them, can look to avoid these delays and deliver projects that help support the Government’s net zero and grid aims. [REDACTED:12(5)(f)], would be available to provide further information on these delays if that should be of use to DESNZ and the wider Government.

From: [redacted] (NESO) <[redacted]>
Sent: Sunday, January 26, 2025 10:25 AM
To: [redacted]islandgp[redacted] >
Cc: [redacted] [NESO] [redacted]>; [redacted]>
Subject: FW: [EXTERNAL] Call Follow On

Hi [redacted]

[redacted] passed on your email below to me.

I have set out responses to your questions below. Please note that in future, as we move into implementation phase, we will only be responding to questions submitted via the connections Portal, under the standard arrangements.

1. Could these projects be "designated" as aligned [redacted].

We have set out the designation criteria in our designated projects methodology (neso.energy/document/350246/download). [redacted] For categories 1 (critical to security of supply), 2 (critical to system operation), or 3 (materially reduce system constraints) we will only accept developer applications in response to a Notice we publish. We will work with relevant teams within NESO responsible for determining any such Notice to establish when any such Notice may be published and what specific services it would seek. We don't currently expect any such Notice to be published before Gate 2 to whole queue however given that the impact of Gate 2 to whole queue will determine where we require such services in the future.

2. Do you think there is any scope for the technology caps to be increased in the various transmission zones (aside from via the transfers) [We have done some rough work – as below - and think tweaks would negate this concern and probably have minimal impact on your side]

The only routes for permitted capacities to be changed (before SSEP) would be for Govt to reopen the CP30 Plan and increase capacities and/or for NESO to protect more categories of projects that exceed the CP30 plan permitted capacities. With regards CP30, this is a matter for Government; however, NESO is not currently advising on the need for changes. In terms of protections via the connections process, we consider that we have the right balance via the 'protections' and via the 'substitutions' we're allowing (eg oversupplied tx solar could sub in for undersupplied dx solar in the same/adjacent zone). We can't increase the amount of protections further without resulting in a more material deviation from CP30 and we don't think there are other categories of protection that would be targeted or justifiable.

3. There are allot of projects on distribution that have high costs / huge reinforcement and large curtailment. We are concerned that if we are relying on a transfer from D to T this could mess it up. I wanted to see how these transfers will be allocated / what consideration will be given to these curtailed offers.

Assuming that by 'transfers' you are referring to the concepts of zonal rebalancing and zonal substitution (CNDM Sections 5.14 and 5.16): This will be decided based on revised queue position (which takes into account planning status); i.e. the next project in the queue in an oversupplied zone will be allowed into the relevant technology 'pot' to account for a shortfall of projects in another, undersupplied zone. This is subject to meeting several criteria, including the need to not have a significantly worse impact on constraints.

Please also refer to CNDM Section 5.7 (and Sections 5.7.5 and 5.7.6 following this) regarding 'Step 5'. This step will allow DNOs to identify cases where projects definitively cannot be advanced due to network limitations (e.g. sole use works cannot also be advanced), and adjust their Phase allocation accordingly, if required.

Finally, firm connection dates (rather than non-firm) will be used when allocating projects to phases, and so if a distribution project has restrictions meaning that its firm date is much later than it's non-firm, then this will be taken into account. While advancement of this firm date can be requested, 'Step 5' means that the DNOs will triage this.

4. How are INDO's considered in all of this.

We assume you are referring to IDNOs? If so, please see Sections 8.6, 8.7 and 8.10 of the Gate 2 Criteria Methodology which outline which checks will be conducted by Transmission Connected IDNOs, and which will be conducted by NESO.

In the context of queue formation, Transmission Connected IDNOs will share with NESO all the projects they deem to have passed the Initial Gate 2 Readiness checks, and highlight any that meet the criteria for 'protections'. NESO will then add these projects to the relevant distribution zonal sub-queues, once the relevant DNO has shared their provisional sub-queue with NESO. Substitutions and rebalancing will be considered at this stage.

Distribution-connected IDNOs count as DNOs from our perspective, ie the IDNO would liaise with the local DNO and the local DNO would submit all relevant ready projects to NESO. We would assess those under Gate 2 in the same way as any other DNO projects.

Kind regards

[redacted]

[redacted]
Engineering and Customer Solutions

NESO National Energy System Operator

M: [redacted]
Faraday House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA

Subscribe to: Newsletter

From: [redacted]@islandgp[redacted]>
Sent: 15 January 2025 15:52
To: [redacted]NESO) <[redacted]>
Subject: [EXTERNAL] Call Follow On

Hi [redacted],

It was nice to speak.

As mentioned, we have a number of Transmission Solar Projects [redacted]

We note that there are potential transfers from others zones / from D to T and visa versa.

[redacted]

However, we wanted to see.

1. Could these projects be "designated" as aligned [redacted].

2. Do you think there is any scope for the technology caps to be increased in the various transmission zones (aside from via the transfers) [We have done some rough work – as below - and think tweaks would negate this concern and probably have minimal impact on your side]

3. There are allot of projects on distribution that have high costs / huge reinforcement and large curtailment. We are concerned that if we are relying on a transfer from D to T this could mess it up. I wanted to see how these transfers will be allocated / what consideration will be given to these curtailed offers.

4. How are INDO's considered in all of this.

I know this is all new (for you and us). We have spoken to Misson Control about this and their message is please bring this to our attention as we don't want real projects to lose or investors to pause investments.

Perhaps we can do a quick call to discuss, and I am aware we might not have clear answers at this point but it would be good to chat.

Thanks [redacted].

<u>Impact of Zonal Limits on Real Projects</u>

The implementation of zonal limits under the Clean Power 2030 (CP30) plan can significantly affect ongoing and planned projects.

Here are the main impacts:

a) Grandfathered Projects or Those with Planning by May 2025

- **Grandfathering**: Projects with planning approval by May 2025 are likely to be grandfathered, exempting them from new zonal limits.
- **Flexibility**: In areas like East Anglia, one existing project that built already exceeds the limit. There will have to be flexibility to accommodate this.

b) Projects Progressing Through NSIP Planning

- **Investment at Risk**: Projects in the Nationally Significant Infrastructure Project (NSIP) planning process have invested substantial sums (£2-3 million, up to £10 million if close to decision). These projects are at risk of being affected by the CP30 plan.

c) Overview of CP30 Limits

- **T4 Zone**:
    - **Pre-2030 Target**: 1.2GW (adequate)
    - **Post-2030 Target**: 1.7GW **(not adequate)** (known schemes: 2.4GW, with more in the pipeline)
- **T5 Zone**:
    - **Pre-2030 Target**: 4GW **(not adequate)** (built: 2.1GW, grandfathered and pending: 3.5GW, in process: 2.3GW; total: 7.9GW)
    - **Post-2030**: Additional 1.7GW **(not adequate)** of real projects, with huge potential for more therefore this will easily be exceeded with real project that have been starting the planning process with scoping and going public.
- **T7 Zone**:
    - **Pre-2030 Target**: 0.1GW **(not adequate)** (built: 0.1GW, grandfathered: 0.5GW)

- **Post-2035**: 0.9GW **(not adequate)** (known schemes: 1.3GW, with a large TEC pipeline)
- **T8 Zone**:
    - **Pre-2030 Target**: 1.1GW **(not adequate)** (built: 0GW, grandfathered: 0GW, real projects 1.5GW)
    - **Post-2035**: 1.3 GW **(not adequate)** (health que of project behind the 2030 projects)

Solution

Our thought on ways to help improve the accuracy of the data is two do the following steps.

1. Clearly identify which projects are in which zone, ideally assign these to the TEC register so that the community can understand where they are and clearly what projects are in which zones

1. Then complete a review with each developer and understand what's real. This can be evidence through; spend to date, preparation of planning documents (scoping, Pins notice, actual applications), publicity (non-state consultation, websites, local events) and programme and procurement progress.

Or more simply increase the limits in each zone so real projects don't get stranded.

After this, it will be clearer on what is real, and where there is an opportunity to deliver CP30 targets.

DNO selected examples from applications made on [redacted] schemes that where Transmission

[redacted]

Example Project: 0.5GW Solar and BESS Project (Co-located)

- **Progress**: Moving into NSIP planning next year, approaching design freeze, with significant investment already made.
- **Transmission Offer**:
    - Connection Year: [redacted]
    - Grid Cost: [redacted]
    - Customer Cost: [redacted]
    - Total Estimated Grid Cost: [redacted]
    - Connection Point: On-site (secured)
- **Distribution Offer**:
    - Initial Budget Offer: [redacted]
    - Customer Cost: [redacted]
    - Total Estimated Grid Cost: [redacted]
    - Connection Point: [redacted]
    - Additional Requirements: Significant extension to DNO substation and reinforcement on the transmission network

This will result in an additional £[redacted] on CAPEX which will result in higher electricity prices.

Equally in most cases these projects will not be able to be accommodated on the distribution network without reinforcement therefore. The DNO indicated they would act as an intermediary with the Transmission Operator and the National Energy System Operator (NESO), resubmitting all connection information, which would incur additional costs. The net result of all this will be more work, more costs and less chance of getting to 2030.

[redacted]

From: [redacted] (NESO) [redacted]>
Sent: Sunday, March 2, 2025 10:31 AM
To [redacted] @neso.energy>; [redacted]
< [redacted] @energysecurity [redacted] >; [redacted] neso [redacted] >
Cc: [redacted] @neso [redacted] >; [redacted]
[redacted] @neso [redacted] >; [redacted] (Energy Security)
< [redacted] >; [redacted] (Energy Security)
< [redacted] >; [redacted] (Energy Security)
< [redacted] >; [redacted] (Energy Security)
< [redacted] >
Subject: FW: [EXTERNAL] FW: [redacted] follow up letter to Minister Shanks

Thanks [redacted]. [redacted] shared some of the attached with us last week (eg their view on miscategorisation of built solar) but not the bits on there being less undersupply than expected at dx level. @[redacted] (NESO) @[redacted] (NESO) to be aware of the attached. We'll take a look at this and form a view. My initial view, but not based on any analysis, aligns with you [redacted] that they might be including microgeneration.

In terms of the miscategorisation, the main point to make is that we didn't use the connections impact assessment data as the sole input into the CP30 advice – our CP30 advice was based on wider sources of data, including from DNOs. We had also already previously checked the data that [redacted] shared with you last week against the specific [redacted] 'miscategorisation' points. So the [redacted] points were already factored into the analysis we shared with you last week around 2030 figures being fairly well aligned, but with the divergence between tx and dx solar in the 2031-35 period

We therefore made the following points to [redacted] at our meeting on Thursday:

- the [redacted] observations are correct in that in our connections reform Impact Assessment we have miscategorised [redacted] as solar. There will probably be other hybrids that are also miscategorised as solar when they are in fact batteries (as we assumed that all hybrid/batteries are solar, as we don't have the precise final breakdown of hybrid allocation data yet from developers - most developers just say that they are the maximum export and import capacity for all hybrids)
- we've not checked whether [redacted]'s data on what has / hasn't submitted planning consent is correct, but it's possible that their data is more accurate, as ours is taken from some consultancy work in the summer of 2024,
- Given that our connections impact assessment data was based on developers responding to the RFI last summer and based on the report we outsourced to the consultants on planning consent status last summer, and given that we didn't independently quality assure that data, it was inevitable that the data wouldn't be completely correct. We have acknowledged that in several places publicly in our connections impact assessment, from which Ofgem drew their data
- So yes, in our connections Impact Assessment (and therefore also in Ofgem's) we may have overestimated the amount of 'ready', 'in planning' or 'built' solar in the instances highlighted by [redacted]. And we may well have underestimated or overestimated those amounts in solar in other zones and/or in other technologies.

- **However, importantly – the connections impact assessment data is not the same data source that was used to set the CP30 figures.** We used other, wider sources of data for the CP30 analysis.
- **Finally, we won't use the connections impact assessment data to determine which projects are allocated spots in the new queue.** We'll do that via data we collect specifically for the Gate 2 to whole queue process, which allows us to compel developers to share full data on breakdowns of hybrids for example. We are also doing a bottom up cleanse of 'connected / built' capacity to ensure that is fully up to date by the time G22WQ opens

[redacted]

From: [redacted] (Energy Security) <[redacted]>
Sent: 28 February 2025 17:40
To[redacted] (NESO)[redacted]>;
[redacted]@nationalenergyso[redacted]
Cc: [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>
Subject: [EXTERNAL] FW: [redacted] follow up letter to Minister Shanks

CAUTION: This email originated from outside of the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe. If you suspect this email is malicious, please use the 'Report Phish' button.

OFFICIAL

Hi [redacted], [redacted],

Forwarding [redacted]'s latest correspondence with Minister Shanks. I understand you met with them this week so you may have already seen/heard a lot of this, but forwarding in case you haven't. Appreciate there is a LOT on, so if you have limited capacity then please prioritise responding to [redacted] queries rather than this, but we should be aware that Ministers will ask about [redacted]'s queries, given the volume of emails they send them.

They are contending that the solar Dx pipeline is actually over-supplied (rather than under-supplied), based on analysis from DNO embedded capacity registers. I wonder if it might be because they are looking at DNO embedded capacity registers which includes microgeneration projects at Dx level, which isn't included for connections reform, but might be skewing the data artificially high?

They also seem very concerned that NESO/Ofgem data suggests there's [redacted] of built/connected solar in T[redacted], where they say there is zero. I understand the [redacted] issue is a bit of a red herring which has been sorted, but still [redacted]s quite a big discrepancy between what NESO think is built/connected and [redacted]– so would be good to clarify this.

Have a great weekend.

Thanks,

[redacted]

OFFICIAL

From: [redacted] (Energy Security)
Sent: 28 February 2025 16:38
To: [redacted] Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>
Cc: [redacted] (Energy Security) <[redacted]>; [redacted] Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>
Subject: FW: [redacted] follow up letter to Minister Shanks

Hi all,

Just forwarding [redacted]'s latest email, this time to Minister Shanks setting out their views on mistakes in Ofgem's minded-to decisions. I've not read this yet but views welcome. Some will have already received this but just trying to make sure everyone is sighted because copy lists are pretty random!

Thanks,

[redacted]

From: [redacted] (Energy Security) <[redacted]>
Sent: 28 February 2025 15:36
To: [redacted] (Energy Security) <[redacted]>
Subject: FW: [redacted] follow up letter to Minister Shanks

OFFICIAL

FYI

Department for Energy Security & Net Zero

[redacted] Clean Power 2030 Unit
Electricity Networks & Planning Analysis
E: [redacted]: [redacted]
3-8 Whitehall Place, London, SW1A 2EG
Working pattern: [redacted]

OFFICIAL

From: [redacted] (Energy Security) <[redacted]>
Sent: 28 February 2025 11:01
To: [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>
Cc: [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>
Subject: FW: [redacted] follow up letter to Minister Shanks

OFFICIAL

Hi [redacted], [redacted], [redacted]

Here is the latest solar analysis from [redacted]. They have attempted a whole-of-market assessment to identify gaps in NESO data and give an overall picture. They have a strong pipeline of T and D solar projects themselves, so their view on the cost and viability of each is credible.

They are concerned that T/D substitution will not solve the T problem, and we will therefore lose substantial viable T solar capacity.

Many thanks,

[redacted]

Department for Energy Security & Net Zero

[redacted]
Renewable Electricity
M: [redacted]
[redacted]
3-8 Whitehall Place, London, SW1A 2AW
www.gov.uk/desnz

Twitter | LinkedIn | Facebook | Instagram

OFFICIAL

From: [redacted]@[redacted]>
Sent: 27 February 2025 19:59
To: Shanks, Minister (Energy Security) <[redacted]>
Cc: [redacted] (Energy Security) <[redacted]>; [redacted]

[redacted]@[redacted]>
Subject: RE: [redacted] follow up letter to Minister Shanks

OFFICIAL

Good evening

In the recent attached letter to the Minister from [redacted]'s [redacted] we committed to sharing with you further analysis in relation to the 2030 – 35 caps in the Clean Power Action Plan.

We also note Ofgem's minded-to decisions published earlier this month and have now analysed these documents. Please see our comments and analysis attached (T-solar analysis).

In particular, we note that Ofgem states that NESO is reassessing the transmission/distribution split for solar. **Our recommendation is for DESNZ to increase the T-solar 2035 cap by 30 GW, and to decrease the D-solar cap by 15 GW.**

We have also analysed Ofgem's TMO4+ Data Impact Assessment, which is based on data provided by NESO. We note major discrepancies between the NESO/Ofgem data and our internal data for T-solar, which is surprising given that there are only a small number of T-solar projects that have submitted or achieved planning. As set out in detail in the attached, we believe that NESO/Ofgem data contains errors including:

- Counting the [redacted] power station (which includes solar on its grid connection agreement) as being a connected [redacted] solar farm;
- Counting solar DCO projects that have submitted a pre-notification to PINS of a potential future application as "planning submitted"; and
- Counting hybrid sites (e.g. battery and solar) that have submitted planning for battery only as having submitted planning for solar as well.

For awareness e have also shared this analysis with Mission Control and the Connections team in DESNZ.

We're keen to ensure that DESNZ, Ofgem, and NESO have the best possible data when considering whether and how to rebalance the solar caps between distribution and transmission, which we would be happy to discuss further if helpful.

Please note that some of this data is potentially commercially sensitive.

Kind regards

[redacted]

[redacted]

[redacted]

OFFICIAL

From: Shanks, Minister (Energy Security) <[redacted]>
Sent: 23 January 2025 16:53
To: [redacted]@[redacted]>
Subject: RE: [redacted] follow up letter to Minister Shanks

OFFICIAL

Thanks [redacted] – confirming receipt.

Best,

[redacted]

Department for Energy Security & Net Zero

[redacted]

OFFICIAL

From: [redacted]@[redacted]>
Sent: 23 January 2025 12:22
To: Shanks, Minister (Energy Security) <[redacted]
Subject: [redacted] follow up letter to Minister Shanks

Good afternoon

Following our meeting on Monday 20 January with Minister Shanks, please see the attached follow-up letter from [redacted]'s [redacted]

Kind regards

[redacted]

[redacted] – Transmission Solar analysis 20/02/2025

OK to share within DESNZ, Ofgem and NESO.

Note: Includes some potentially-commercially sensitive information.

Contact: [redacted]

Comments on Ofgem minded-to decisions:

1. Ofgem notes that there are potentially big problems with the alignment of the solar caps with the queue of advanced D/T solar projects.
    a. We agree with this. However, we note that Ofgem's impact assessment (based on NESO's data) for T-solar appears to have clear errors (see Charts 1 and 2 below).
    b. NESO/Ofgem data appears to consider that DCO projects that have submitted a <u>pre-application notification to PINS</u> have "submitted planning". This is incorrect and results in an overestimate of planning submitted solar that will be kicked out of the queue.
    c. That said, there are still examples where T-solar that has submitted a DCO planning application could be kicked out of the queue (per my last email).
    d. NESO/Ofgem data also states that there is 2 GW of connected transmission solar in zone T5. This would represent 40% of the 2035 cap (5,200 MW) in the transmission zone with the highest cap, and would therefore be extremely material. We believe that this is in fact the [redacted] power station, which includes solar in its grid connection agreement (per the TEC Register), but has not installed a [redacted] solar farm.
2. Ofgem expects that the problems can be solved via rebalancing of capacity between D-solar (which Ofgem believes is undersubscribed) and T-solar (which Ofgem believes is oversubscribed).
    a. We think that Ofgem is being overly confident that D-solar will be materially undersubscribed (given that the bar to being in the new queue is only land rights).
    b. Our analysis (Table 1) shows that the three southern DNOs (majority of the solar capacity in the DESNZ CPAP caps) will only be undersubscribed if less than ~85% of their accepted solar capacity has land rights secured.
    c. It appears to us that the percentages required across those 3 DNOs for 2030 and 2035 have been roughly aligned by DESNZ across DNOs (in a way that they weren't in the original NESO CP30 Advice). It does not appear to have been done through a technical evaluation of what is possible/feasible.
    d. We believe that the vast majority of DNO solar projects will have at least secured land rights. Many of these projects have been in the grid queues for many years, and have been held up by grid delays.
    e. This means it's possible that there will be little-to-no rebalancing between distribution and transmission.
    f. Therefore, to avoid advanced T-solar being kicked out of the queue (e.g. in Zone T5) and effectively being replaced with less advanced (and less feasible) DNO projects, DESNZ therefore needs to raise the T-solar caps.
3. If D-solar is <u>not undersubscribed</u> (based on land rights), then we believe the queue will be full of expensive and/or undeliverable DNO solar projects, which will increase CfD prices and therefore energy bills:
    a. DESNZ 's Clean Power Action Plan allows up to 52 GW of solar projects to connect to the distribution networks by 2035, but just 17 GW of T-solar.
    b. We, and many other solar developers, do not believe that this 52 GW of D-solar is realistic due to the increasing need for distribution network upgrades (which raise solar costs) and curtailment (which lowers solar revenue, raising CfD prices).

    c. We also do not believe that NESO has undertaken any modelling of the distribution networks to analyse whether or not the 52 GW D-solar cap is achievable or affordable.
    d. [redacted]
    i. Our analysis (Chart 3) shows that 30 GW of the 48 GW of D-solar in the queue was accepted in 2022 or later. We can therefore use our earlier-stage projects as a proxy for the makeup of DNO queues from 2022 onwards.
    j. This suggests that, while the reform process may see a large capacity of D-Solar projects go into Gate 2, these will not be economically feasible unless there is a [redacted] per MWh uplift in corresponding CfD price and/or other route to market'.
    k. We are happy to share detailed analysis of our pipeline and previously-received grid offers with DESNZ on a confidential basis.
    l. We do not see similar cost increases for T-Solar as it can bypass constraints and costs on the distribution networks.
    m. However, under current plans, these cheaper T-Solar projects are likely to be kicked out of the grid queue and prevented from competing with D-Solar projects in CfD auctions.
4. Ofgem flags that NESO is considering rebalancing solar between D and T.
    a. We believe this is essential. However, we don't believe that NESO can rebalance the numbers themselves.
    b. We believe that it will be necessary for DESNZ to republish the Connections Reform Annex of the Clean Power Action Plan (as NESO is just applying targets published by DESNZ as caps in the reformed grid connections process).

When reassessing the cap for T-solar, we urge DESNZ to raise the T-solar cap by 30 GW without reducing D-solar by the same amount (e.g. increase T-solar by 30 GW, but only decrease D-solar by 15 GW).

1. In the worst case scenario, huge volumes of unaffordable and/or undeliverable D-connecting solar will pass Gate 2, blocking viable T-solar projects.
2. It would take several years for the D-solar projects that pass Gate 2 to be kicked out of the queue, leaving DESNZ will little option but to pay very high CfD prices to make those projects viable, or to miss DESNZ's solar deployment target.
3. NESO may be correct that D-solar will continue to be affordable – but this is not the view of the largest and most experienced solar developers. In case NESO is wrong, it's prudent for the Government to have a supply of T-solar projects to fill the gap.
4. In this context, we believe that DESNZ should raise the T-solar cap to allow for competition between T-solar and D-solar.

We also urge the Government to raise the T-solar caps across a broad range of southern zones (T7-T11), not just in Lincolnshire (T5 and T6):

- Ofgem and NESO's data shows that zones T5 and T6 are the most oversubscribed.
- As raised above, it is essential that the Government increases the caps in T5 and T6 so that no advanced solar DCO projects (including those that have submitted a DCO planning application) are kicked out of the grid queue.
- However, there are many T-solar projects in other zones further south (T7-T11) that are at a similar stage of development (land secured, either not public or in the early stages of planning).
- These southern T-solar projects have many benefits:
    - Some of the cheapest due to higher irradiation;
    - Closest to demand, reducing new network build;
    - Direct replacement for the D-solar solar in UKPN, NGED, and SSEN, [redacted];
    - Offering the Government a hedge against the clustering of T-solar in Lincolnshire, which brings problems in planning (cumulative impact), as well as causing grid constraints.
- Many T-solar projects in T7-T11 are at a slightly earlier stage of development than projects in T5-T6. This is because the prospect of a change of Government (and therefore a more permissive planning regime) was one of the big drivers for developers now seeking projects further south, where planning is typically tougher to secure due to higher population density.
- **We recommend that the Government increases the T-solar caps in zones T7, T8, T9 and T11 by 5 GW each (20 GW total – no potential for large-scale solar in T10), with an extra 10 GW spread across northern zones (T3-T6) including those in Lincolnshire.**

Finally, we note that the 70 GW cap on solar for 2035[1] in the Clean Power Action Plan is much lower than comparable countries in Northern Europe.

1. For example, the UK 2035 cap of 70 GW is:
    a. One-third less than the Netherlands' installed capacity <u>today</u> on a per capita basis[2].
    a. Only ~40% of Germany's target for 2030 on a per capita basis.[3]
2. Even accounting for rooftop solar (which is excluded from the 2035 cap), the UK's solar cap is clearly far below its neighbours' current and future ambitions and is inconsistent with continued falls in the price of solar and batteries (with batteries enabling more solar deployment).
3. **If DESNZ follows our recommendation to increase the T-solar cap by 30 GW, and to decrease the D-solar by 15 GW, then the GB-wide 2035 solar cap would be 85 GW. This is still lower than the Netherlands installed capacity today on a per capita basis.**

[1] UK 2035 solar cap = 70 GW. UK population = 68.4m. i.e. 1 GW per million.
[2] NL installed capacity (June 2024) = 26 GW. NL population = 18 million. i.e. ~1.5 GW per million.
[3] Germany 2030 solar target = 215 GW. Germany population = 85 million. i.e. 2.5 GW per million population.

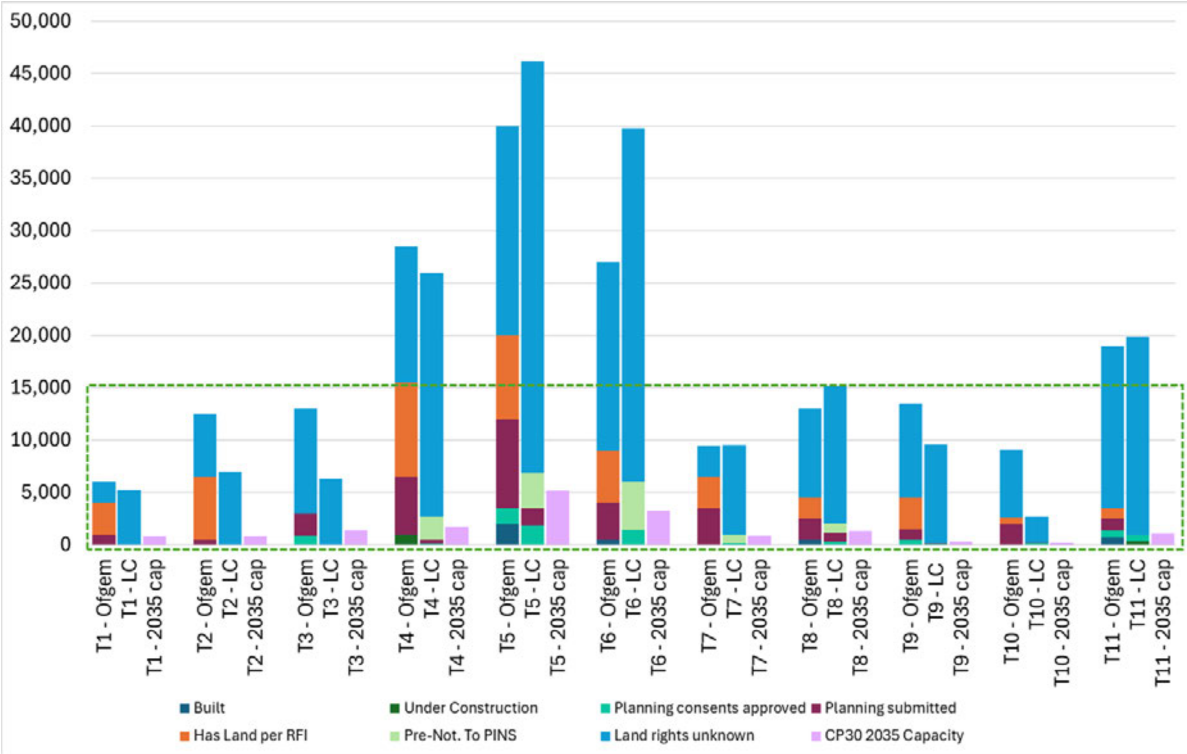
Table 1: [redacted]'s analysis of distribution solar queues for the major solar DNOs (based on DNO Embedded Capacity Registers (ECRs)).

Item	UKPN	NGED	SEPD
Connected	2,183	4,344	1,683
Accepted	10,906	18,060	5,425
2030 Cap	8,100	13,900	4,600
2035 Cap	11,800	19,900	6,200
Remaining (for 2030)*	- 4,989	- 8,504	- 2,508
% of queue permitted for 2030**	54%	53%	54%
Remaining (for 2035)*	- 1,289	- 2,504	- 908
% of queue permitted for 2035**	88%	86%	83%

*Remaining = Cap minus Connected minus Accepted.

**% of queue permitted = (Cap minus Connected) / Accepted.

Chart 1: Comparison between [redacted]'s internal data and Ofgem's comparison of T-solar queue to the CPAP capacity targets.

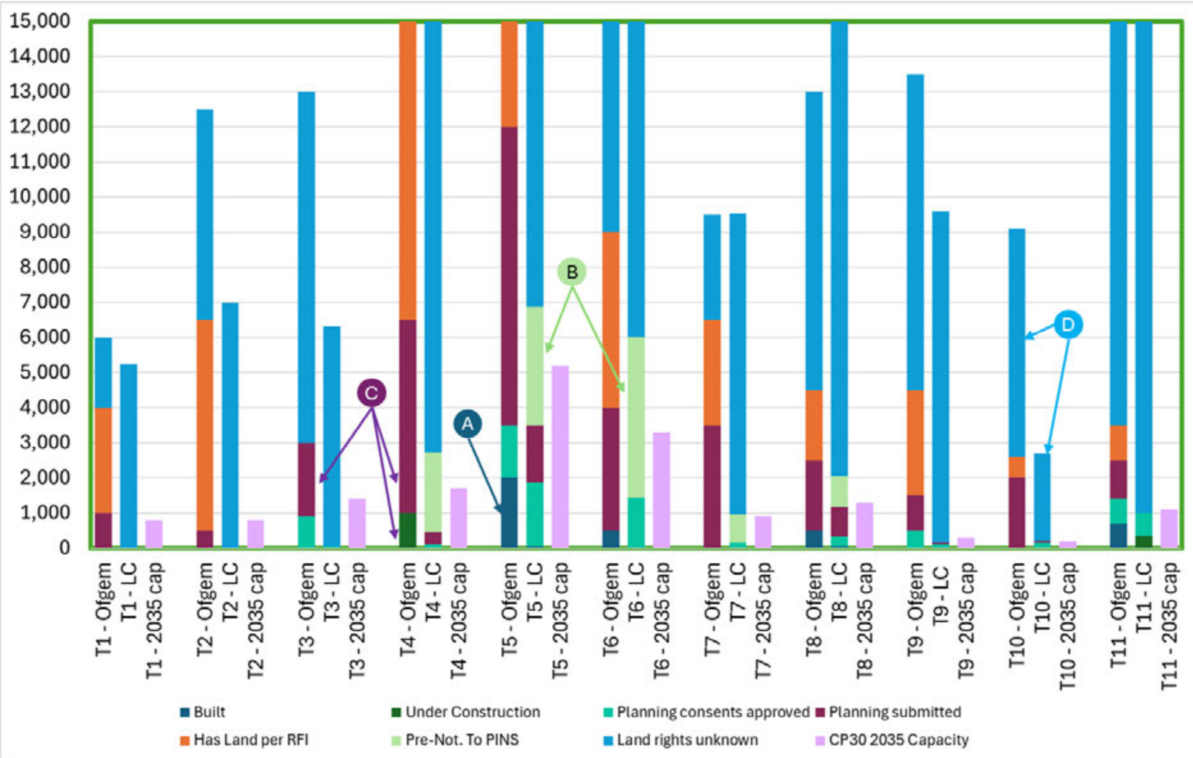


Notes:

- Ofgem's original chart is on page 111 of Ofgem's TMO4+ Data Impact Assessment, published 14 February 2025.[4]
- Ofgem states that its data is based on data supplied by NESO.
- Green dashed box is shown zoomed into in Chart 2.
- [redacted]'s lime green colour "Pre-Not. To PINS" is for solar DCO projects that have issued a pre-notification to PINS that they intend to submit a DCO planning application, but those applications have not been submitted. The list of pre-notifications is published by PINS.[5]
- [redacted] data does not include projects that have "submitted land per RFI", as this is a NESO dataset.
- To reproduce the Ofgem data, [redacted] has manually read off the chart in the Ofgem pdf, which may introduce some discrepancies.

[4] https://www.ofgem.gov.uk/sites/default/files/2025-02/TMO4%2B%20Impact%20Assessment.pdf
[5] https://www.linkedin.com/posts/planning-inspectorate_nsip-snapshot-february-2025-activity-7292231887408824321-f7ps

Chart 2: Zoomed in version of Chart 1, with [redacted]'s notes on where we believe the discrepancies arise.



Notes:

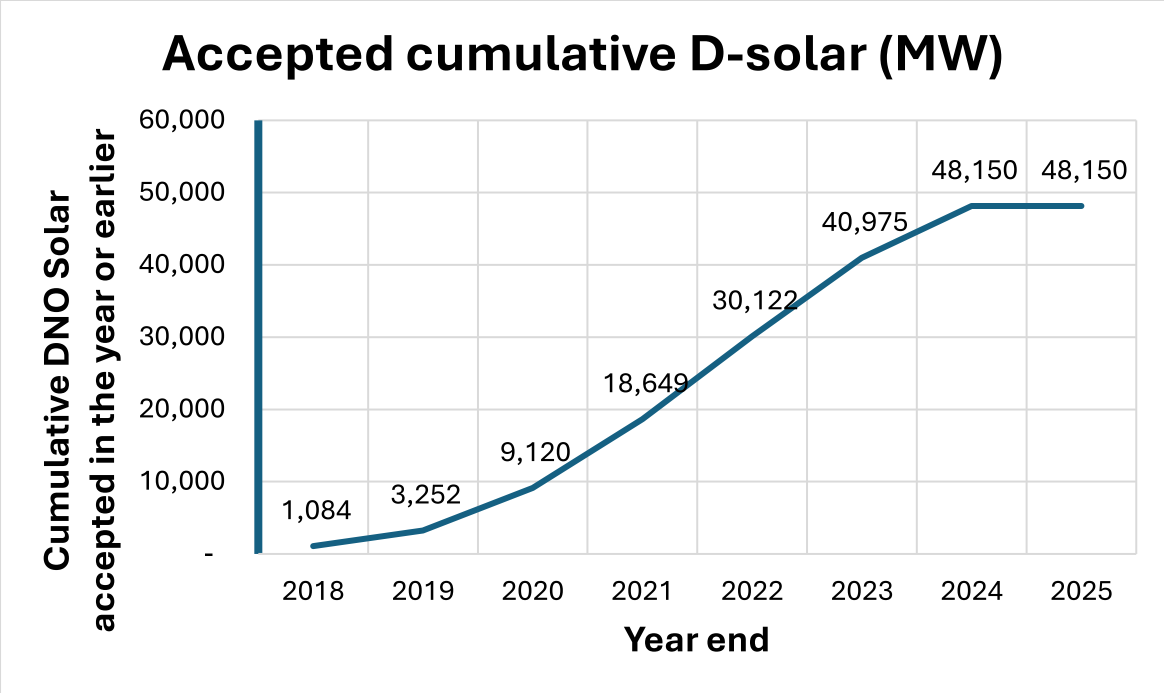
A. NESO/Ofgem data shows several zones with significant T-solar projects already connected.
   a. We believe this is incorrect, as the only large (>100 MW) T-solar farm that may have connected in Great Britain is Cleve Hill (zone T11), which we have as under construction.
   b. In the case of T5, NESO/Ofgem data shows 2 GW of connected transmission solar. This would represent 40% of the 2035 cap (5,200 MW) in the transmission zone with the highest cap, and would therefore be extremely material. We believe that this is in fact the [redacted] power station, which includes solar in its grid connection agreement (per the TEC Register), but has not installed a [redacted] solar farm. Our analysis manually removes [redacted]

B. In many cases, NESO/Ofgem data appears to include T solar projects as "planning submitted", when in fact those projects are at the pre-application stage, and have submitted a pre-notification to PINS that they <u>intend</u> to submit a DCO application at a later date. Many of these projects are aiming to submit before end-May 2025 to count as "planning submitted" in the Gate 2 to Whole Queue window.

C. In many zones, NESO/Ofgem data shows planning submitted T solar projects that [redacted] is unable to identify either on the PINS website or via our internal databases and knowledge of the solar sector.
   a. We believe that these may be hybrid projects that include solar in their grid connection agreement (e.g. battery plus solar), but which have only submitted a planning application for the battery element. For example, we are not aware of 1 GW of T solar being under construction in Zone T4. But it is very possible that 1 GW of T batteries is under construction in that zone.
   b. If DESNZ has access to the underlying data, then this would be easy to check on the planning portals – noting that a project that has submitted planning under the Town and Country Planning Act (TCPA) can include a maximum of 49.9 MW of solar (else it would require a DCO).

D. In some zones, NESO/Ofgem data shows a much larger total queue than [redacted]. We are struggling to understand where this discrepancy arises, as we are taking our data from a recent version of the TEC register. It is possible that NESO has a more up-to-date dataset that includes in-flight applications.

Chart 3: Year of D-solar offer accepted (cumulative)



Source: [redacted] analysis of DNO Embedded Capacity Registers (ECRs). Shows the year in which D-solar grid offers in the current queue were accepted.

Strictly Confidential

EXTRACT

Draft

Connections Reform Alignment session

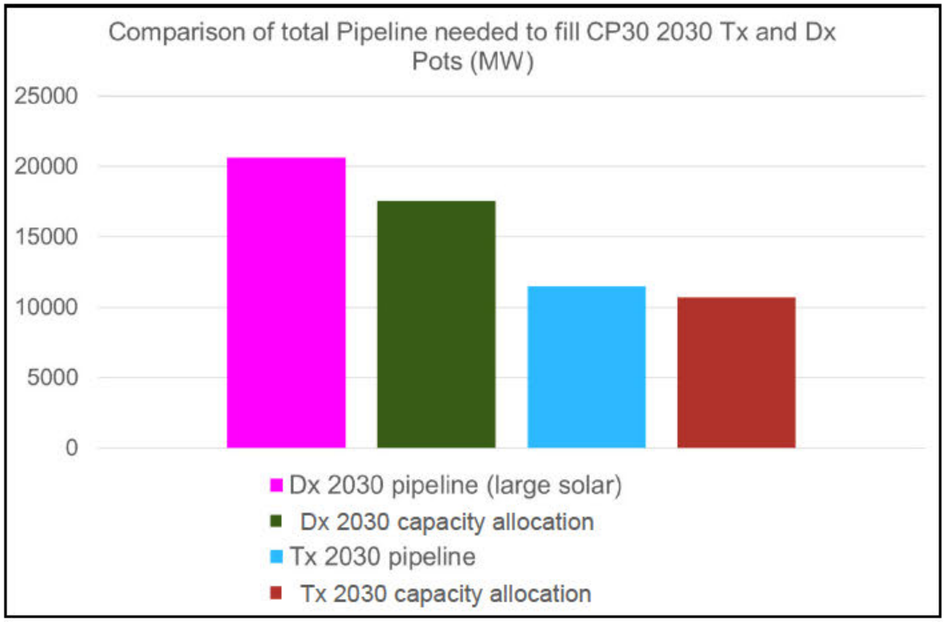
13th February 2025

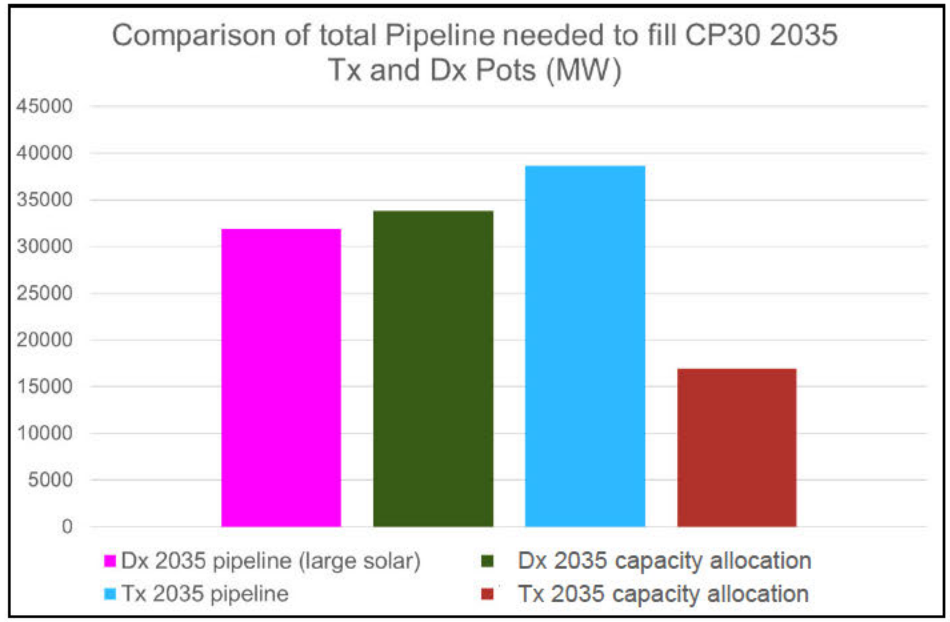
NESO
National Energy System Operator

Strictly Confidential

Draft

Analysis of solar pipeline and capacity for CP2030





NESO National Energy System Operator

Strictly Confidential

Draft

CP2030 permitted capacity

Context

- NESO provided advice to the Government to support the regional capacity breakdowns that were included in the Clean Power 2030 Action Plan for Solar, Onshore Wind and Batteries for 2030 and 2035.
- The 2030 capacity breakdowns included a bottom-up assessment of the current pipeline and used information from the RFI conducted by NESO in June 2024 as well as information on capacity in the queue received from DNOs as part of the CP30 engagement process.
- This process informed the Tx / Dx split as well as the spatial allocation that has been published in the Connections Reform annex in the Government's Clean Power 2030 Action Plan.
- The 2035 Tx / Dx capacity split that was provided to the Government was based on the Holistic Transition net zero pathway from FES 2024 – the analysis for FES 2024 commenced in October 2023 and ran through to April 2024.
- in support of this the 2035 spatial allocation used FES 2024 as a starting point and was updated based on information on how progressed projects are through planning. The Tx / Dx capacity split and the total overall capacity remained as per FES 2024.

What has changed?

- The latest information on the queue of ready projects at distribution and transmission indicates a recent modal shift in projects being progressed at transmission compared to distribution. This is particularly the case in the 2031 – 35 period.

- The Connections Reform methodology has highlighted that SSEP will further optimise the capacities for the 2031 – 35 period. SSEP is due to be published in 2026.

- It is proposed that we will revisit the Tx / Dx split and spatial allocations for 2035 to provide updated advice to government based on this latest information to provide more certainty for developers in the 2031 to 2035 period.

- The 2030 Tx / Dx split and spatial allocation of capacities will remain unchanged. The next slides provide additional context and data.

NESO National Energy System Operator

[EXTRACT OF EMAILS BETWEEN MACQUARIE AND DESNZ, COPIED TO NESO]

From: [redacted] (Energy Security) <[redacted]>
Sent: Thursday, January 23, 2025 11:57:32 AM
To: [redacted] NESO) <[redacted]>
Cc: [redacted] (Energy Security) <[redacted]>
Subject: [EXTERNAL] FW: Follow up meeting - Macquarie feedback to Clean Power 2030 Action Plan

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OFFICIAL

Hi [redacted] – hope all is well.

Just confirming can you attend this one in person? They have lunch!

I'll have to leave early but will attend for first hour at least…

[redacted]

[redacted]
Private Investment into Net Zero
Tel: [redacted]
3-8 Whitehall Place
London, SW1A 2AW
www.gov.uk/desnz |

OFFICIAL

From: [redacted] macquarie [redacted]
Sent: 23 January 2025 11:18
To: [redacted] (Energy Security) <[redacted]>
Cc: [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) [redacted]>
Subject: RE: Follow up meeting - Macquarie feedback to Clean Power 2030 Action Plan

OFFICIAL

Hi [redacted],

Hope all is well, we look forward to hosting you in our office next Monday! Can you please confirm attendees from DESNZ / NESO and any dietary requirements? Conscious we'll be working through lunch so we've ordered some light sandwiches and fruit bowls, but wanted to know if there's any allergies / vegetarian preferences etc.?

In terms of attendees I understand it would be yourself, [redacted], and not sure about [redacted] (he hasn't responded to the invite yet); and then [redacted] from NESO, do you know if he'll be accompanied by anyone?

I'll add the note to the invite as well but it would be great if all attendees would bring an ID for the reception downstairs.

Many thanks,
[redacted]

[redacted]
Corporate Affairs | Macquarie Group Limited
Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD
M [redacted] | www.macquarie.com

OFFICIAL

From: [redacted]@macquarie[redacted]
Sent: 14 January 2025 14:46
To: [redacted] (Energy Security) [redacted]>; [redacted] (Energy Security) <[redacted]>
Cc: [redacted] (Energy Security) <[redacted]>; [redacted]macquarie[redacted]
Subject: RE: Follow up meeting - Macquarie feedback to Clean Power 2030 Action Plan

OFFICIAL

Hi [redacted],

Thank you and the team again for your time yesterday, it was another productive session, most certainly helpful for us and hopefully useful for you and your colleagues too.

From my read of the follow up actions, the most immediate one would be arranging a presentation / Q&A session where Macquarie could provide DESNZ and NESO with more of a deep dive into 6-7 projects as case studies to demonstrate the impact of some of the issues we've discussed on the broader investor decisions, explain the strategic play, and understand NESO's and DESNZ's methodology and data a bit better.

[redacted] a couple of his other MAM GI colleagues as well as IGP representatives would be more than happy to come over to DESNZ, NESO or host at Macquarie offices w/c 27th January, for a focus session to get a bit more granular on the micro scale as discussed on the call.

We got the feeling this might be the most effective way to go forward but can you please sense check around the houses your end if this would be of interest, and if yes, could [redacted] help us connect to NESO please?

Finally, you mentioned a senior roundtable coming up, thank you for flagging that and we look forward to hearing from you more on that.

Many thanks,
[redacted]

[redacted]
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OFFICIAL

From: [redacted]macquarie[redacted]
Sent: 08 January 2025 16:55
To: [redacted] (Energy Security) <[redacted]>
Cc: [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted]macquarie[redacted]
Subject: Follow up meeting - Macquarie feedback to Clean Power 2030 Action Plan

OFFICIAL

Hi [redacted],

Happy new year to you and the team, hope you had a restful Christmas holiday.

As promised, we wanted to pass on our more elaborated feedback to the CP 2030 Action Plan and kindly ask for a follow up meeting to discuss this in more detail, ideally with you and [redacted] again, and if possible [redacted] as well.

Given the tight timelines and the potential impact explained below, if we could meet early next week that would be hugely appreciated on our side if you think that would be feasible?

First of all, the plan published by the Government is positive and its ambition is welcomed. In particular, it helps clarify the Government's intentions and helps set a strong direction for us to make future investments in the UK. When reading deeper into the CP30 document published, however, there are several points which could potentially put at risk the investment into projects that are capable of helping the Government achieve its goals by 2030.

Focusing on IGP, our largest UK based solar & BESS developer, we have a portfolio of [redacted] which can support the Government's 2030 and 2035 ambitions. Of these projects we have [redacted] projects totalling [redacted] (of which [redacted] can be connected by 2030) [redacted] It should be noted that almost all of these projects have grid offers which we are currently being paid for (including securities), have secured land, and are currently being invested in to progress planning. We would like to work collaboratively with the Government to understand if there is a way to clarify certain points and enable further investments into these projects.

Please see the items we are keen to better understand and clarify following the publication of the Action Plan:

1. *Flexibility around the published zonal and technological capacity limits*
    1. *How did DESNZ come to the Zonal and overall GB-wide Capacity Caps?*
    2. *Is it foreseen that projects which have sufficient readiness and existing near-term grid offers to not receive Gate 2 grid offers as a result of the Capacity caps?*
    3. *In circumstances where there are multiple projects capable of meeting Gate 2 but their capacity is above the stated limit, how will those projects be treated? Key questions around this are:*
        - *How flexible are the caps that have been allocated by technology per zone and per GB overall?*
        - *How flexible are the caps that have been allocated by Capacity per zone and per GB overall?*
    4. *How will you approach shifting allocation between Distribution and Transmission?*
        - *Is there a general intention to push projects from Transmission to Distribution even if it results in perverse outcomes (i.e. higher cost of electricity due to higher installed costs) or is there a specific rationale associated with the limits published in CP30?*
        - *How will you approach circumstances where in similar zones Transmission is oversubscribed and Distribution is undersubscribed?*
2. *Grid Securities:*
    1. *If a project is delayed or loses its queue position due to this reform, will developers have the chance to receive back any grid securities issued for the previous grid connection?*
3. *Clarifying the process and timetables*
    1. *Will there be further written clarification on how the execution of CP30 plan will work – if so when is that expected?*
    2. *Are there expected updates to the readiness criteria or compliance requirements for Gate 2 submissions?*

I look forward to hearing from you and please let me know if you have any questions.

Many thanks,
[redacted]

[redacted] | [redacted]
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M +[redacted] | www.macquarie.com

OFFICIAL

From: [redacted] Energy Security) <[redacted]>
Sent: 20 December 2024 16:58
To: [redacted] macquarie [redacted]
Cc: [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) [redacted]
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hi [redacted],

Many thanks for sending this across, and I'll pass this on to relevant colleagues.

As you suggested, once the team has reviewed the report in more detail, a further discussion in January sounds sensible. I'm on leave until the 2nd (along with many colleagues) so I suggest we pick up week commencing 6th.

It has been a pleasure working with you over the last year, and I look forward to building on this in 2025.

Wishing you a Merry Christmas and have a nice break.

[redacted]

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www.gov.uk/desnz |

OFFICIAL

From: [redacted] macquarie [redacted]
Sent: 20 December 2024 16:47
To: [redacted] (Energy Security) <[redacted]>
Cc: [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

Hi [redacted],

Apologies for the delay in sending our first reaction to the published Action Plan and thank you for sharing it with us under embargo, much appreciated.

The overall sentiment around the CP30 Action Plan grid reform changes remains negative for Macquarie at this point. Whilst we appreciate some level of deviation from the NESO report in the Action Plan, we feel it is not sufficient. The MAM team will review the AP in more detail after Christmas and perhaps we could organise another discussion in January to elaborate?

See some of the key concerns summarised by [redacted] below and we're happy to follow up in the new year.

1. **Lack of Flexibility Across Transmission and Distribution Targets for Solar**
   The Government's allocation of 10.8GW of solar to Transmission and 36.2GW to Distribution, while slightly improved from NESO's initial recommendations, lacks the flexibility to maximise operational PV by 2030 and 2035. On the latest CPP targets, the Transmission queue is oversubscribed, whereas there is likely to be under-supply at the Distribution level. In addition, the distribution networks lack the capacity to add this volume on the network in such a short time frame which is why many projects have only been able to secure connections to the transmission network. We have not seen any evidence or data which demonstrates how the distribution network can deliver this volume of projects for 2035, however we are exploring this as a priority with other leading UK developers (inc. IGP) and looking to follow up in the NY. In addition, many Solar PV projects on the transmission network are often allocated distribution level voltages (eg 33kv and 132kv) and are likely to be removed from the queue because of a mere technicality of network ownership rather than for any particular economic or policy principle. This rigidity risks good quality Transmission-connected projects being cancelled or delayed.

2. **Insufficient Recognition of Co-Location Benefits**
   The omission of co-location's benefits in both the NESO's Clean Power 2030 advice and the Plan itself is concerning. Co-location can reduce costs, improve efficiency, and enhance investment attractiveness, yet there remains little clarity on its future treatment. Current guidance restricts such projects unnecessarily, despite their potential to support grid resilience and consumer savings. I am keen to discuss ideas for how co-location could be recognised - for instance asset owners who are allocated a primary technology (e.g. solar or wind) of up to say 100MW, should be able to include 99.9MW of battery storage (without needing it to be aligned to Clean Power 2030) - because no additional infrastructure should be required and it helps keep costs down for consumers, investors and the system.

3. **Limited Protection for Investor Confidence**
   We appreciate the grandfathering of projects with CfD, Capacity Market contracts, or planning approval by May 2025 which offers some reassurance for near-term projects, however it leaves significant gaps for long-term investments. Large-scale NSIP projects with substantial upfront costs remain vulnerable, particularly those yet to secure final planning despite advanced stages of examination. Expanding protections to include projects in the examination phase of a DCO or DNS application by 20th December 2024

would alleviate some of this risk for these larger, well progressed and high profile projects.

I hope this helps as initial steer, wishing you and the team a great Christmas break and Happy New Year!

Best wishes,
[redacted]

[redacted] | [redacted]
Corporate Affairs | Macquarie Group Limited
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M +[redacted] | www.macquarie.com

OFFICIAL

From: [redacted]macquarie[redacted]
Sent: 09 December 2024 13:59
To: [redacted] (Energy Security) [redacted]>
Cc: [redacted] (Energy Security) [redacted]>; [redacted] (Energy Security) [redacted]>
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

OFFICIAL

Hi [redacted] and team,

Absolutely, I was just waiting for the final version but please see attached:
- Letter to Ed Miliband MP sent on 3 December
- [redacted] briefing note regarding the NESO advice summarising the key messages / asks

I hope this is helpful ahead of tomorrow.

If you could confirm final set of attendees on your side ([redacted], you [redacted] and [redacted] that would be great just so that we're on the same page.

In terms of practicalities, I assume we just need to show our ID and register at the reception where you will pick us up?

Many thanks and we look forward to speaking tomorrow.

Best wishes,
[redacted]

[redacted]
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Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD
M [redacted] | www.macquarie.com

OFFICIAL

From: [redacted] (Energy Security) <[redacted]>
Sent: 09 December 2024 10:33
To: [redacted]macquarie[redacted]
Cc: [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>
Subject: RE: Investor and portfolio company feedback to NESO Clean Power 2030 report

External Communication

OFFICIAL

Hi [redacted],

Hope you had a good weekend and thanks for this.

Could you send across the key points you wish to raise tomorrow when you have a moment? Been asked by a couple of colleagues on what the key themes will be...

[redacted]

[redacted]
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London, SW1A 2AW
www.gov.uk/desnz |

OFFICIAL

From: [redacted]macquarie[redacted]
Sent: 28 November 2024 12:04
To: [redacted] (Energy Security) <[redacted] (Energy Security) [redacted]>; [redacted] (Energy Security) <[redacted]>

Cc: [redacted]macquarie.com>
Subject: Investor and portfolio company feedback to NESO Clean Power 2030 report
Importance: High

Hi [redacted], [redacted], [redacted],

I hope you're all doing well.

In our last monthly catch up you kindly mentioned that if we had feedback regarding the NESO Clean Power 2030 report, we should pass that onto you.

Some of our investment teams as well as our solar and energy storage portfolio companies have raised a few significant concerns about some of the NESO advice that may jeopardise investment, that they would like to make DESNZ aware of ahead of the Department's reaction to the NESO advice and before it starts being implemented.

We would therefore greatly welcome (preferably in-person but if impossible then virtual) meeting so that my colleagues and our portfolio company Cero can elaborate on this feedback. If you could let us know whether you could bring the relevant colleagues who are leading on the DESNZ response to the NESO guidance, that would be much appreciated, as we are conscious of the short timeframes for this.

Do let me know if we could arrange a meeting for next Tuesday, Wednesday or Thursday and who from DESNZ would be able to attend? I can then confirm on our side to ensure adequate seniority levels.

Many thanks,
[redacted]

[redacted] | [redacted]
Corporate Affairs | Macquarie Group Limited
Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD
M [redacted] | www.macquarie.com

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[EXTRACT FROM NESO'S METHODOLOGY CHANGE REQUIREMENT TRACKER]

Methodology	Section	Pages	Potential Change Required	Reason	Policy Change?	Tracked change actioned in methodology?
CNDM	5.4, 7.2	25, 26, 66, 67	Potential change to refer to amended solar 2031-35 split in the CP30 plan, if Govt issues an update to the CP30 plan Precautionary mark-up with note that will come out without decision.	Govt might change the solar tx/dx split for 2031-35 in CP30. No associated change required to methodology policy, but currently we refer to onshore wind specifically as a technology that has different granularity in the 2031-35 figure so we would need to also refer to solar	No	Yes, p26

From:	[redacted] (Energy Security) <[redacted]>
Sent on:	Tuesday, February 18, 2025 10:12:37 AM
To:	[redacted] (NESO) <[redacted] [redacted] (NESO) <[redacted]>
CC:	[redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) [redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>
Subject:	[EXTERNAL] FW: CPAP T-Solar caps risk cancelling DCO solar projects [redacted] that have submitted DCO planning applications and can deliver by 2030
Attachments:	2025-02-11 - [redacted] Solar.xlsx (17.67 KB)

OFFICIAL

Hi [redacted], [redacted],

Hope you are well.

Just forwarding on an email we received from [redacted] raising concerns about potentially misallocation of large solar DCO projects between [redacted] which they claim will result in [redacted] large solar projects ([redacted] GW) not receiving phase 2 offers (2031-35). Is this something you have looked into?

Thanks,

[redacted]

Department for Energy Security & Net Zero

[redacted]
2030 Clean Power Unit
T: [redacted]
3 Whitehall Place, London, SW1A 2HP
www.gov.uk/beis | https://twitter.com/beisgovuk?lang=en

From: [redacted]@[redacted]>
Sent: 12 February 2025 12:19
To[redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) [redacted]>
Cc: [redacted]energysecurity[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] <[redacted]@[redacted]>; [redacted]@[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) [redacted]>; [redacted] (Energy Security) <[redacted]>
Subject: Re: CPAP T-Solar caps risk cancelling DCO solar projects in [redacted] that have submitted DCO planning applications and can deliver by 2030

OFFICIAL

Hi [redacted], [redacted],

We've been further reviewing the CP30 caps for solar DCOs in [redacted], and **we believe there is still a risk that projects that have submitted a DCO planning application (cost ~£[redacted] per project) risk being kicked out of the queue this summer – this includes projects with existing connection dates of 2029-2030. This affects up to [redacted] large-scale solar projects totalling [redacted]MW, representing an investment of over £[redacted]**

This outcome would have a significant negative impact on investor confidence as well as delaying/cancelling projects that are on track to deliver by 2030. Another immediate outcome is that it would not be clear whether the DCO planning examinations could continue – as our understanding is that PINS won't typically examine projects that don't have grid connection offers (due to the need to ensure that the project is deliverable as a pre-requisite for being granted a DCO).

We think that this is probably accidental and may result from NESO having put [redacted] in the wrong zone – this appears to undermine the higher caps set by DESNZ in the Clean Power Action Plan for Zones [redacted](compared to the very low values in NESO's CP30 Advice).

Please see our further analysis below and a spreadsheet attached.

Best,

[redacted]

--

Details of analysis of [redacted] solar.

- See attached spreadsheet.
- 2035 Caps:
  - Total “advanced solar DCOs” across [redacted] zones is [redacted] MW – by “advanced solar DCOs”, we mean those that could submit planning by end-May 2025 or are more advanced.
  - Total 2035 T-Solar caps across [redacted] zones is [redacted] MW.
- It therefore appears that DESNZ has set the 2035 caps in CPAP to allow all of the advanced solar DCOs to fall within the caps – which would avoid the potential of kicking out any projects that have prepared and submitted planning (cost ~£[redacted] per project).
- However, there are two issues with this:
  - Existence of lots of small T-connected solar projects (e.g. tertiary windings or 132kV-connected schemes at Infrastructure Sites (i.e. where NGET owns the 132kV bar)). Were these taken into account?
  - [redacted] is actually in T[redacted] (per NESO Excel) rather than T[redacted] (per NESO shapefile and physical location) – see below. NESO has confirmed to [redacted] that, where the shapefiles and Excel are in conflict, the Excel takes precedence and so [redacted] is in zone T[redacted].
- Result:
  - T[redacted] is [redacted] MW below the 2035 solar cap, only including projects that have submitted planning or are more advanced.
  - T[redacted] is up to [redacted] MW above the 2035 solar cap, only including projects that have submitted planning or are more advanced.
  - Although T[redacted] has some headroom (on this metric), it is highly unlikely that this will result in undersubscription and reallocation to T[redacted]. This is because there will be other, less-advanced schemes that have secured land rights only but are not in the planning system (capacity can only be allocated if there are insufficient schemes with “land secured” only).
  - **Therefore, up to [redacted] or [redacted] transmission solar projects in zone T[redacted] that have submitted DCO planning applications are at risk of being kicked out of the grid queue.**

NESO spreadsheet

[REDACTED]

NESO shapefiles

[REDACTED]

[redacted]

[redacted]

OFFICIAL

From: [redacted] (Energy Security) <[redacted]>
Sent: 28 November 2024 11:51
To: [redacted]@[redacted]>
Cc: [redacted]>; [redacted]
(Energy Security) <[redacted]>; [redacted] (Energy Security)
<[redacted]>; [redacted]@[redacted]>; [redacted]
[redacted]@[redacted]; [redacted] (Energy Security)
<[redacted]>; [redacted] (Energy Security)
<[redacted]>
Subject: RE: Problem with NESO CP30 advice // would delay connections for almost all T-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband

OFFICIAL

Thanks [redacted] sorry for the delay in following up – we're working through the issues, in discussion with NESO where relevant.

This is complicated stuff to get right, and we haven't got all the way there yet, so a meeting probably wouldn't be that fruitful at this stage as we won't be able yet to share a clear position. But we have taken on board the analysis and suggested ways forward that you've sent, and are continuing to work on resolving the issues.

Best regards
[redacted]

OFFICIAL

From: [redacted]@[redacted]>
Sent: 27 November 2024 18:21
To: [redacted] (Energy Security) <[redacted]>
Cc: [redacted]>; [redacted]
[redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security)
<[redacted]>; [redacted]@[redacted]>; [redacted]
[redacted]@[redacted]>

Subject: RE: Problem with NESO CP30 advice // would delay connections for almost all T-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband

OFFICIAL

Hi [redacted],

Just wanted to follow up on the below.

Given the level of risk that we think we've identified, we're keen to speak with Mission Control before the CP30 Plan is finalised.

I am free on Friday any time before 3pm if that works for you or one of your team.

Best,

[redacted]

[redacted]

OFFICIAL

From: [redacted]@[redacted]>
Sent: 22 November 2024 17:13
To: [redacted] (Energy Security) <[redacted]>
Cc: [redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>; [redacted]@[redacted]>; [redacted]@[redacted]>

Subject: RE: Problem with NESO CP30 advice // would delay connections for almost all T-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband

Hi [redacted],

Please find attached [redacted]'s analysis of NESO's CP30 Advice to Government, with recommendations for the Government's CP30 Plan.

We find that NESO's CP30 Advice to Government, if accepted, poses major risks of delaying well-advanced renewable energy projects, which would raise energy bills and cause the pathways in NESO's CP30 Advice to be missed.

These risks include:

1. Removing competition in CfD auctions, raising CfD prices and/or leading to the under delivery of capacity.
2. Causing a 12-month investment hiatus for the up to 20 GW of onshore renewables project that have planning permission.
3. Delaying the connection dates of almost all advanced DCO solar projects until post-2030, including those recently approved by Secretary of State Ed Miliband.

Our recommendations include:

1. Applying a significant uplift to the NESO pathways to allow competition between and within technologies, and to account for project attrition (e.g. 33%-50%).
2. Protect grid connection dates for all existing renewables projects (not storage) that have existing connection dates of 2030 or earlier <u>and</u> have already either submitted or secured planning permission.
3. Amalgamate geographical zones and merge the capacity caps for transmission and distribution.

We're very happy to discuss.

Please excuse any mistakes, as we've had to work quickly on this analysis and we don't have access to the same amount of data as NESO.

I have also attached my original email to [redacted], which contains our detailed analysis of the impact of NESO's advice on advanced transmission-connected solar farms in the [redacted] area.

Best,

[redacted]

[redacted]

From: [redacted]@[redacted]>
Sent: 20 November 2024 11:36
To: [redacted] (Energy Security) <[redacted]>; [redacted] (Energy Security) <[redacted]>
Cc: [redacted]@[redacted]>; [redacted]<[redacted]>; [redacted] (Energy Security) <[redacted]>
Subject: RE: Problem with NESO CP30 advice // would delay connections for almost all T-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband

Many thanks [redacted],

We'll follow up with [redacted] on a separate email.

Best,

[redacted]

[redacted]

From: [redacted] (Energy Security) <[redacted]>
Sent: 20 November 2024 10:58
To: [redacted]@[redacted]>; [redacted] (Energy Security) <[redacted]>
Cc: [redacted]@[redacted]>; [redacted] <[redacted]>; [redacted] (Energy Security) <[redacted]
Subject: Re: Problem with NESO CP30 advice // would delay connections for almost all T-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband

OFFICIAL

Hi [redacted],

We're well linked with NESO on this - and I hope there's a way through.

[redacted] is leading on this for us. Do (over)share any analysis.

[redacted]

Mission Control, Clean Power 2030
[redacted]

OFFICIAL

From: [redacted]@[redacted]>
Sent: Wednesday, November 20, 2024 10:48:15 AM
To [redacted] (Energy Security) <[redacted]>
Cc: [redacted]@[redacted]>
Subject: RE: Problem with NESO CP30 advice // would delay connections for almost all T-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband

OFFICIAL

Hi [redacted]

Is there any update on this please from a DESNZ/Mission Control point of view.

NESO has said that it's relooking at its numbers – and hopefully amending them to better align with the existing queue of projects.

We have further analysis that we can share, which we think shows further problems (e.g. stopping all further distribution-connected wind in Scotland until at least post-2030).

We just want to make sure that we're sending this analysis to the right place.

Best,

[redacted]

OFFICIAL

From: [redacted]@[redacted]>
Sent: 13 November 2024 08:20
To: [redacted] (Energy Security) <[redacted]>
Cc: [redacted]@[redacted]>
Subject: RE: Problem with NESO CP30 advice // would delay connections for almost all T-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband

Thanks [redacted]

Very happy to speak to you and/or your team.

Best,

[redacted]

[redacted]

From: [redacted] (Energy Security) <[redacted]>
Sent: 13 November 2024 06:09
To: [redacted]>
Cc: [redacted]>
Subject: Re: Problem with NESO CP30 advice // would delay connections for almost all T-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband

OFFICIAL

Thanks [redacted],

We'll look into this.

[redacted]

Mission Control, Clean Power 2030

[redacted]

OFFICIAL

From: [redacted]@[redacted]>
Sent: Tuesday, November 12, 2024 5:55:45 PM
To: [redacted] Energy Security) <[redacted]>
Cc: [redacted]@[redacted]>
Subject: Problem with NESO CP30 advice // would delay connections for almost all T-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband

Hi [redacted]

- **Unfortunately, we think we've found a major issue with NESO's CP30 advice to Government – specifically the locational and Transmission vs Distribution elements.**
- **This would appear to force NESO to delay the connection dates of almost all proposed transmission-connected solar farms until post 2030, including those recently granted DCOs by Ed Milliband.**

We cannot see how delaying projects recently granted DCOs by the Secretary of State is consistent with the Government's Clean Power 2030 Mission or is an outcome that NESO, Ofgem or DESNZ would want.

Please see attached our analysis focusing on solar DCOs in the [redacted] area. This is only one zone and one technology, so it's possible that this issue is more widespread in the NESO CP30 advice.

We have shared our analysis with NESO. NESO has said that they are looking into this but have not at this stage suggested that our analysis is incorrect.

We are keen to speak urgently if you have time.

Going forward

We remain generally supportive of the direction of travel of these reforms but are concerned about adverse unintended consequences such as these that are now appearing. We believe there is a significant risk that further issues will be revealed, and that the reforms would need to be delayed.

We think there is a way to mitigate these risks, while still achieving the Government's aims. In our view, this should include:

1. Simplifying the proposed locational and Transmission/Distribution limits to fewer zones and merging Transmission and Distribution.
2. Giving certainty to a much wider range of projects with near-term connection dates – e.g. all projects (excluding storage) with existing connection dates pre 2030 that have submitted planning applications.

Best,

[redacted]

[redacted]

Transmission Solar caps for Zones [redacted]

[redacted]

	Caps	4,000	5,200

First TEC Reg	Status	Connected/Consented	Submitted	Will be submitted	Combined rank	Cumulative MW	Within 2030 cap?	Within 2035 cap?	Above 2035 cap?	Project Name	Customer Name	Connection Site	MW Connected	MW Increase / Decrease	MW Effective From
Unknown	TCPA - granted	1			2	120	1	-	-	[redacted]	[redacted]	[redacted]	0	120	30/06/2027
22/10/2020	DCO - granted	1			2	370	1	-	-	[redacted]	[redacted]	[redacted]	0	250	31/10/2029
22/10/2020	DCO - granted	1			2	620	1	-	-	[redacted]	[redacted]	[redacted]	0	250	30/07/2030
22/10/2020	Connected	1			2	633	1	-	-	[redacted]	[redacted]	[redacted]	13	0	
22/10/2020	TCPA - granted	1			2	650	1	-	-	[redacted]	[redacted]	[redacted]	0	17	06/09/2019
22/10/2020	DCO - granted	1			2	1,130	1	-	-	[redacted]	[redacted]	[redacted]	0	480	30/11/2028
22/10/2020	TCPA - granted	1			2	1,180	1	-	-	[redacted]	[redacted]	[redacted]	0	49.99	30/10/2024
10/12/2020	TCPA - granted	1			2	1,230	1	-	-	[redacted]	[redacted]	[redacted]	0	49.9	31/10/2025
13/01/2021	TCPA - granted	1			2	1,287	1	-	-	[redacted]	[redacted]	[redacted]	0	57	01/05/2024
13/01/2021	TCPA - granted	1			2	1,337	1	-	-	[redacted]	[redacted]	[redacted]	0	49.995	30/05/2025
23/07/2021	DCO - granted	1			2	1,937	1	-	-	[redacted]	[redacted]	[redacted]	0	600	01/09/2029
14/10/2022	DCO - granted	1			2	2,337	1	-	-	[redacted]	[redacted]	[redacted]	0	400	01/10/2027
17/11/2023	TCPA - granted	1			2	2,394	1	-	-	[redacted]	[redacted]	[redacted]	0	57	30/09/2025
22/10/2020	DCO - submitted		1		1	2,894	1	-	-	[redacted]	[redacted]	[redacted]	0	500	01/08/2028
22/10/2020	DCO - submitted		1		1	3,056	1	-	-	[redacted]	[redacted]	[redacted]	0	162.3	01/06/2025
13/01/2021	Rejected - In appeal window		1		1	3,106	1	-	-	[redacted]	[redacted]	[redacted]	0	49.995	30/09/2025
23/07/2021	DCO - will be submitted pre-end May			1	1	3,606	1	-	-	[redacted]	[redacted]	[redacted]	0	500	31/10/2027
23/07/2021	DCO - will be submitted pre-end May			1	1	3,846	1	-	-	[redacted]	[redacted]	[redacted]	0	240	01/06/2029
28/01/2022	DCO - possible submission pre-end May			1	1	4,206	1	-	-	[redacted]	[redacted]	[redacted]	0	360	30/08/2026
28/01/2022	DCO - possible submission pre-end May			1	1	4,646	-	1	-	[redacted]	[redacted]	[redacted]	0	440	01/05/2028
17/06/2022	DCO - submitted		1		1	5,046	-	1	-	[redacted]	[redacted]	[redacted]	0	400	01/04/2028
17/06/2022	DCO - submitted		1		1	5,446	-	-	1	[redacted]	[redacted]	[redacted]	0	400	01/04/2030
17/06/2022	DCO - will be submitted pre-end May			1	1	6,046	-	-	1	[redacted]	[redacted]	[redacted]	0	600	01/06/2029
17/06/2022	DCO - will be submitted pre-end May			1	1	6,646	-	-	1	[redacted]	[redacted]	[redacted]	0	600	31/10/2029
31/01/2023	DCO - possible submission pre-end May			1	1	6,886	-	-	1	[redacted]	[redacted]	[redacted]	0	240	30/05/2033
					Total	6,886	4,206	840	1,840	-					
					DCO	6,422									
					TCPA	464				-					

[redacted]

	Caps	2,100	3,300

First TEC Reg	Status	Connected/Consented	Submitted	Will be submitted	Combined	Cumulative MW	Within 2030 cap?	Within 2035 cap?	Above 2035 cap?	Project Name	Customer Name	Connection Site	MW Connected	MW Increase / Decrease	MW Effective From
22/10/2020	Connected	1			2	50	1	-	-	[redacted]	[redacted]	[redacted]	49.9	0	
22/10/2020	TCPA - granted	1			2	100	1	-	-	[redacted]	[redacted]	[redacted]	0	49.9	30/10/2026
22/10/2020	TCPA - granted	1			2	150	1	-	-	[redacted]	[redacted]	[redacted]	0	49.995	25/04/2024
22/10/2020	DCO - granted	1			2	650	1	-	-	[redacted]	[redacted]	[redacted]	0	500	31/10/2027
22/10/2020	TCPA - granted	1			2	700	1	-	-	[redacted]	[redacted]	[redacted]	0	49.9	01/05/2023
20/04/2021	TCPA - granted	1			2	750	1	-	-	[redacted]	[redacted]	[redacted]	0	49.995	30/06/2024
26/11/2021	DCO - granted	1			2	990	1	-	-	[redacted]	[redacted]	[redacted]	0	240	01/01/2028
17/06/2022	TCPA - granted	1			2	1,090	1	-	-	[redacted]	[redacted]	[redacted]	0	100	31/10/2024
22/10/2020	DCO - will be submitted pre-end May			1	1	1,590	1	-	-	[redacted]	[redacted]	[redacted]	0	500	31/10/2031
28/05/2021	DCO - will be submitted pre-end May			1	1	2,090	1	-	-	[redacted]	[redacted]	[redacted]	0	500	31/10/2028
23/07/2021	DCO - will be submitted pre-end May			1	1	2,590	1	-	-	[redacted]	[redacted]	[redacted]	0	500	01/07/2029
					Total	2,590	2,590	-	-	-					
					DCO	2,240									
					TCPA	350				-					

Notes

Planning status based on a combination of information from PINS/LPA websites and developer websites.

To be within 2030 cap, only 1 MW of headroom is required.

To be within 2035 cap, 100% of the project must be within the cap (the project that just falls outside will be offered the opportunity to reduce capacity to stay 100% inside and therefore to receive a Gate 2 Offer.

Prioritisation is based on consented projects, then planning submitted projects. Within each category, projects are ordered by earliest appearance in the TEC Register (based on [redacted]s records - this is our best available proxy for queue position, which is not published).

Only includes projects that are directly connected to the transmission network - i.e. excludes embedded projects.

Ref: FOI/25/240

National Energy System Operator
Faraday House
Gallows Hill
Warwick
CV34 6DA

InformationRights@neso.energy
www.neso.energy

26 January 2025

Dear requester

Request for Information

Thank you for your request for information.

Your request has been considered under the Environmental Information Regulations 2004 (EIR). This is because information about connection agreements and the connections queue relates to measures that could affect the environment and therefore meets the definition of 'environmental information' provided at Regulation 2(1)(c) of the EIR.

Request

You asked us:

> *Under Freedom of Information, I would like to know whether.*
> *1. East Pye Solar has been granted a gate 2 grid connection.*
> *2. There has been any correspondence between DESNZ and NESO regarding granting gate 2 grid connections to Macquarie owned projects, and specifically East Pye Solar.*
> *3. I would like to see any correspondence on this issue between Island Green, Macquarie, NESO and DESNZ.*

Our response

We can confirm that we hold recorded information in scope of your request. Your questions relate to the East Pye Solar project which is also referenced as Long Stratton in some of our records.

Question 1

NESO, in collaboration with the networks, industry, government and Ofgem has delivered a transformational change to the way that the grid connections process operates.

Information on Connections Reform is available here:

- Connections Reform | National Energy System Operator.
- About Connections Reform | National Energy System Operator

A key part of this reform is the introduction of the new Gate 2 to Whole Queue (G2TWQ) process, which ensures that only projects that are ready to go and are aligned to the UK Government's Clean Power Action Plan progress through to the new connections delivery pipeline.

The Gate 2 Criteria Methodology and Connections Network Design Methodology can be found here:

- Connections Reform design documents and methodologies.

On 8 December 2025 NESO began informing Customers of the outcome of their applications and published the results of the new connections delivery pipeline. Further detailed results data was published in January 2026:

- Connections Reform Results | National Energy System Operator.
- Connections Reform: Detailed Results Data

The published information provides a high-level view of the reformed pipeline. NESO will not be disclosing information on the status of individual projects at this time. Further aggregated information on the new connections pipeline will be made available over the coming weeks and months.

The TEC Register is a publicly available list of projects that hold contracts for Transmission Entry Capacity (TEC) with NESO. These include existing and future connection projects and projects that can be directly connected to the National Electricity Transmission System (NETS) or make use of it.

There are three entries for Long Stratton (PRO-004868, PRO-004850, PRO-002297) on the current TEC Register. The current TEC register shows the contracted position at the date published and does not yet show the outcome of the G2TWQ process. The TEC Register is published twice weekly, and is updated when contracts are signed or terminated, and when contractual milestones are met. If a project has been made a Gate 1 or Gate 2 offer this will be updated on the TEC Register once the Gate 1 or Gate 2 agreement has been countersigned by NESO. Until that point, the field specifying Gate 1 or Gate 2 will remain blank.

There are two entries relating to projects at Long Stratton in the Existing Agreement (EA) Register. This register details all projects that applied for "Gate 2" in the Connections Reform process where the developer consented to the inclusion of a project in the EA Register. If a project does not appear on the EA Register consent may not have been given for inclusion, or the project may not have applied for "Gate 2". The Register does not outline any outcomes or results of the connections reform process.

NESO will not provide any further information relating to specific developers or their projects other than that which is made publicly available.

Regulation 12(5)(e) of the EIR states that a public authority may refuse to disclose information to the extent that its disclosure would adversely affect the confidentiality of commercial or industrial information where such confidentiality is provided by law to protect a legitimate economic interest.

Information is covered by Regulation 12(5)(e) if:

- The information is commercial or industrial in nature;
- Confidentiality is provided by law;
- The confidentiality is protecting a legitimate economic interest;
- The confidentiality would be adversely affected by disclosure.

Information relating to specific developers and projects is commercial in nature and our use of this exception is primarily in respect of the potential consequence to the developer's commercial interests.

Whilst we review each request that we receive on a case-by-case basis, you will see from the responses published on our Disclosure log | National Energy System Operator that our decision to refuse your request is consistent with our decisions on similar requests for other projects.

Commercial companies develop generation projects and are independent of NESO and the respective transmission owners. These development projects are competitive processes, both for the rights to supply electricity to the transmission network and also for funding from investors and any available government funding where applicable.

Given the competitive arena in which renewable energy projects are developed and implemented, a developer would not expect their commercial information to be published. This would, in effect, make it available to other developers.

Connection offers are made substantially in the form and under the terms of the Connection and Use of System Code (CUSC). The CUSC has exhibits containing proformas of the documents which set out the main content of the connection agreements with a developer, and you can find the CUSC and the proformas on our website: Connection and Use of System Code (CUSC) | National Energy System Operator. NESO is bound by the confidentiality obligations under the CUSC and cannot share the specific terms put in place with a developer.

NESO also falls within the scope of the Utilities Act 2000 and Section 105 of that Act makes it a criminal offence to disclose information: a) obtained under the Utilities Act 2000 and any other key energy legislation such as the Gas Act 1986 and the Electricity Act 1989, subject to specific exceptions; and b) where the information relates to the affairs of any individual or any particular business during the lifetime of the individual or so long as the business continues to be carried on. You may find it helpful to know that this kind of confidentiality obligation is not limited to the energy sector. There are equivalent provisions in legislation governing other sectors (e.g. the Water Act 1989, the Telecommunications Act 1984, the Airports Act 1986, and the Broadcasting Act 1990). In our opinion, the information in question which is held by our Connections Team is subject to the restrictions at Section 105 of the Utilities Act and does not fall within any of the limited exceptions to that duty of confidentiality. Beyond this, there is also a common law duty of confidentiality based on the expectations of the developers.

All exceptions in the EIR are subject to a public interest test.

NESO acknowledges that there are a number of public interest arguments in favour of disclosing the requested information. There is a public interest in renewable energy development, particularly where the construction and development of such projects may have an impact on local areas. The general public may be interested in the dates and times of construction, the connection dates, and the timelines and scope of developments.

There is a public interest in ensuring no specific developer is materially disadvantaged through disclosing confidential commercial information, which is not released in respect of other projects. This ensures that there is a level playing field across all projects.

NESO has a public duty under our licence to facilitate competition within the energy market and there is a recognised public interest in allowing competition in the energy industry. Increased renewable generation is crucial to the Government achieving its net zero and clean energy targets and anything that unjustifiably inhibits the competitive development of that renewable generation runs counter to these goals.

NESO is the designated independent system operator and planner under the Energy Act 2023 and must remain independent, fair, and consumer focused. Disclosure could erode trust within the sector, hampering NESO's role and our ability to drive forward reforms and initiatives that would bring benefits to consumers and to the environment. There is a clear public interest in NESO not committing a criminal offence under the Utilities Act.

Having weighed up these public interest arguments, our opinion is that the balance of the public interest lies in maintaining the exemption and withholding the information for this project. NESO is ensuring that it is being as transparent as possible through the Connection Reform process and will therefore not publish information where there would be an adverse effect on any party. The information in the TEC Register confirms where there is a project covered by an agreement. Where a project has received a Gate 1 or Gate 2 offer that information will be made available through the TEC Register once the offer is countersigned. Where a developer has consented to the information being made publicly available, the Existing Agreements register confirms whether a project applied for Gate 2 through the G2TWQ process. The CUSC information outlines the substantial content of connection agreements whilst preserving the commercial confidentiality owed to the developer and ensuring that NESO meets its legal and licence obligations. Projects are also subject to planning processes during which relevant information would be published.

The use of the EIR exception for similar information relating to the connection of windfarms was the subject of a Decision Notice (Reference IC-127537-Q8R6) from the Information Commissioner. Whilst we consider every request for information on a case-by-case basis, the Information Commissioner's analysis of the connections process and the application of this exemption is helpful context. This decision upheld the use of the exception by the National Grid Electricity System Operator prior to our transition to NESO. The full decision is available on the Information Commissioner's Office (ICO) website.

Questions 2 and 3

In terms of the second part of your request relating to correspondence, we have undertaken a series of centralised searches of our email system for correspondence with the parties that you listed, and with the keywords "East Pye" and "Long Stratton". In addition we have searched the emails of key leaders and managers within NESO who were involved in communications with connections customers in relation to the queue reform process. Most of the correspondence relating to this project and others from the same developer and/or investor relates to routine customer account and contract matters that fall outside the scope of your request. Routine correspondence relating to connections applications and agreements is with the developer only. Our systems only record the details of the developer who makes the application and who enters into a connection agreement. We do not record the details of investors or shareholders on our systems.

There are three emails that fall within the scope of your request:

1. Email from Island Green Power to NESO and National Grid dated 25 September 2025 at 18:49. This email relates to updates from the developer on the progress of planning submissions for their projects.
2. Email thread between Macquarie, NESO and DESNZ in January 2025 relating to a meeting on Monday 27 January 2025. This email thread included an attached document which had been created by Island Green Power.
3. Email thread between Island Green and NESO that includes questions and comments about the connections reform process, also from January 2025. This does not reference the specific project in your request.

We are providing a copy of the email thread between Macquarie, NESO and DESNZ with personal names and contact details redacted in accordance with the EIR exception for personal data at Regulation 13 of the EIR. We are able to do so because in this instance we have contacted Macquarie and Island Green Power and received their consent to share the emails. We have removed the IGP attachment and one sentence from the email and are withholding the other email from IGP to NESO and National Grid and the third email thread between Island Green Power and NESO under the exception at Section 12(5)(e) of the EIR.

The information in the correspondence with Island Green Power and in the attachment relates to specific projects and is of a commercial nature. Again, our use of this exception is primarily in respect of the potential consequence to the developer's commercial interests which are covered by confidentiality obligations in the CUSC and under Section 105 of the Utilities Act. NESO has no specific consent from the developer to make public their commercial information.

We understand that local communities close to where projects are being considered or developed have a clear interest in understanding more about specific projects and the decision-making process and that there is a wider public interest in understanding how projects are developed and approved and how renewable energy infrastructure is used and sited.

Disclosure is likely to harm the relationship between NESO and connections customers and would reduce trust in NESO more widely in the energy sector. If suppliers of information are concerned about the disclosure of confidential information, such that they are unwilling to provide information in the future, this would have a detrimental effect on NESO’s ability to carry out our role in delivering our licensed activities.

As the designated independent system operator and planner under the Energy Act 2023 NESO must remain independent, fair, and consumer focused. Disclosure could erode trust within the sector, hampering NESO's role and our ability to drive forward reforms and initiatives that would bring benefits to consumers and to the environment.

The confidentiality obligations in Section 105 of the Utilities Act make it an offence for us to disclose information provided to us by a developer and it is not in the public interest for public corporations to breach statutory confidentiality obligations. On the basis of this obligation and the public interest arguments set out above, we believe that the balance of the public interest supports the use of the exception.

This concludes our response to your request.

Next steps

If you are dissatisfied with our handling of your FOI/EIR request, you can ask us to review our response. If you want us to carry out a review, please let us know within 40 working days and quote the reference number at the top of this letter. You can find our procedure here: Freedom of Information and Environmental Information Regulations | National Energy System Operator. The ICO's website also provides guidance on the internal review process: What to do if you are dissatisfied with the response | ICO.

If you are still dissatisfied after our internal review, you can complain to the Information Commissioner's Office (ICO). You should make complaints to the ICO within six weeks of receiving the outcome of an internal review. The easiest way to lodge a complaint is through their website: www.ico.org.uk/foicomplaints. Alternatively, they can be contacted at: Wycliffe House, Water Lane, Wilmslow, SK9 5AF.

Thank you for your interest in the work of the National Energy System Operator (NESO).

Regards,
The Information Rights Team, National Energy System Operator (NESO)

From: [redacted] (MAM)
To: [redacted] (Energy Security); [redacted] (Energy Security); [redacted] (NESO); [redacted]
Cc: [redacted] (MAM); [redacted] (MAM); [redacted] (MAM); [redacted]
Subject: [EXTERNAL] RE: Meeting on Monday - details and agenda
Date: 26 January 2025 20:24:14
Attachments: [redacted]

Hi Chris,

Apologies for sharing this late; however, we have worked with IGP on a presentation for tomorrow and believe a good way to navigate this discussion is to go through some specific projects in Zones T4-T8. We will be joined by [redacted] IGP, [redacted] who was on the previous call we had with DESNZ.

To do this we will walk through the following projects and the presentation attached live in the room.

Zone	Project Name	Customer Name	Grid Capacity (MW)	Connection Dates
T4	Monk Fryston (Light Valley Solar)	IGP Solar 18 Limited	500	Dec.30
T4	Thornton	IGP Solar 19 Limited	500	Oct.31
T5	Feckenham	IGP Solar 14 Limited	500	Jul.31
T5	Ironbridge	IGP Solar 16 Limited	600	Apr.31
T5	Rugeley	IGP Solar 17 Limited	600	Aug.31
T6	Grendon Solar & Bess (Green Hill)	Green Hill Solar Farm Limited	500	Oct.29
T6	The Droves	IGP International prospecting	500	Oct.33
T7	Long Stratton PV & Bess Station (East Pye)	IGP International prospecting	500	Oct.31
T8	Melksham (Lime Down)	Lime Down Solar Project Limited	500	Jul.30

Best regards,
[redacted]

From: [redacted] (MAM)
Sent: 25 January 2025 09:03
To: [redacted] (Energy Security) [redacted] @energysecurity.gov.uk>; [redacted] (Energy Security) [redacted] @energysecurity.gov.uk>; [redacted] (NESO) [redacted] @nationalenergyso.com>; [redacted] @macquarie.com>
Cc: [redacted] (MAM) [redacted] @macquarie.com>; [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] @macquarie.com>
Subject: RE: Meeting on Monday - details and agenda

Hi [redacted]

Good to e-meet you.

On Monday we will be presenting 12 IGP assets with a total capacity of 12GWs (7.2GW solar and 4.8GW BESS). [redacted]

We look forward to meeting you on Monday.

Best regards,
[redacted]

From: [redacted] (Energy Security) <[redacted] @energysecurity.gov.uk>
Sent: 24 January 2025 16:18
To: [redacted] Energy Security) <[redacted] @energysecurity.gov.uk>; [redacted] (NESO) [redacted] @nationalenergyso.com>; [redacted] <[redacted] @macquarie.com>
Cc: [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] @macquarie.com>
Subject: Re: Meeting on Monday - details and agenda

External Communication

OFFICIAL

This looks great thanks [redacted]

As mentioned previously can you confirm the projects in advance?

Best,

[redacted]

Sent from Outlook for iOS

OFFICIAL

From: [redacted] <[redacted] @macquarie.com>
Sent: Friday, January 24, 2025 4:13 pm
To: [redacted] (Energy Security) <[redacted] @energysecurity.gov.uk>; [redacted] (Energy Security) <[redacted] @energysecurity.gov.uk>; [redacted] (NESO) <[redacted] @nationalenergyso.com>
Cc: [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] (MAM) <[redacted] @macquarie.com>; [redacted] @macquarie.com>
Subject: Meeting on Monday - details and agenda

Dear [redacted]

We look forward to our meeting on Monday at 11am, thank you all again for dedicating the time for chatting to us.

[redacted] as you're coming in person, please bring an ID, and [redacted] I'll send you a Zoom link separately that you can use.

In person attendees from our side will be [redacted] from Macquarie Asset Management Green Investments team (MAM GI), and [redacted] from the Government Affairs team.

In terms of the agenda for the meeting, we would propose the following rough structure:

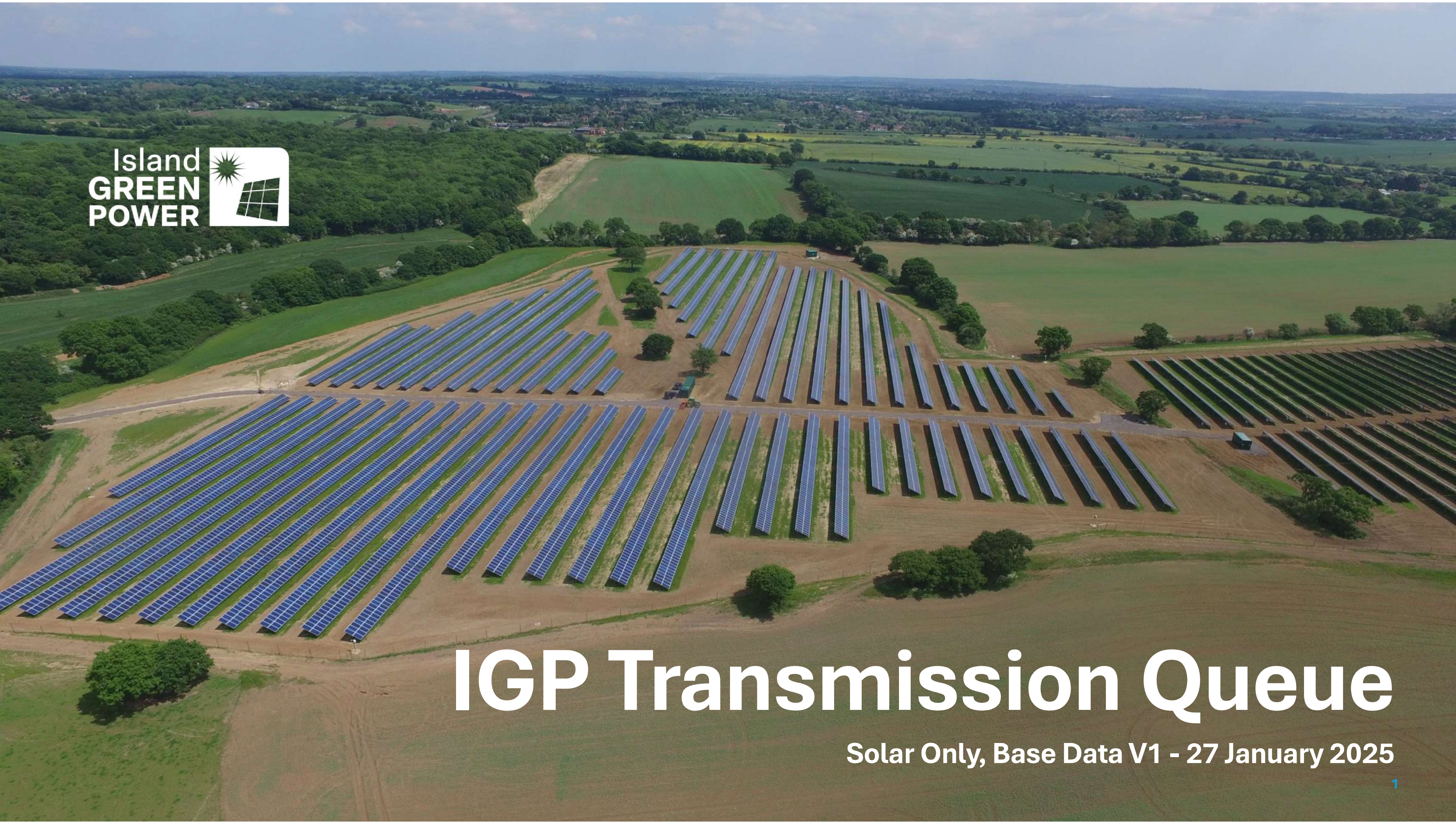
- Introductions, Macquarie Group UK footprint and investment commitment, impacted portfolio companies
- MAM GI's understanding of the grid reform and latest guidance
  - Q&A discussion with NESO/DESNZ on any clarification points
- Deep dive into 3 case studies / assets of Island Green Power
  - More micro detail analysis of impact, planned projects and risks
  - Sense-checking of NESO's / DESNZ's thinking
- Next steps and any final Q&As

Please let me know if you have any questions, have a great weekend when it comes and see you on Monday.

Best wishes,
[redacted]

Macquarie logo

[redacted]
Corporate Affairs | Macquarie Group Limited
Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD
M +44 [redacted] | www.macquarie.com



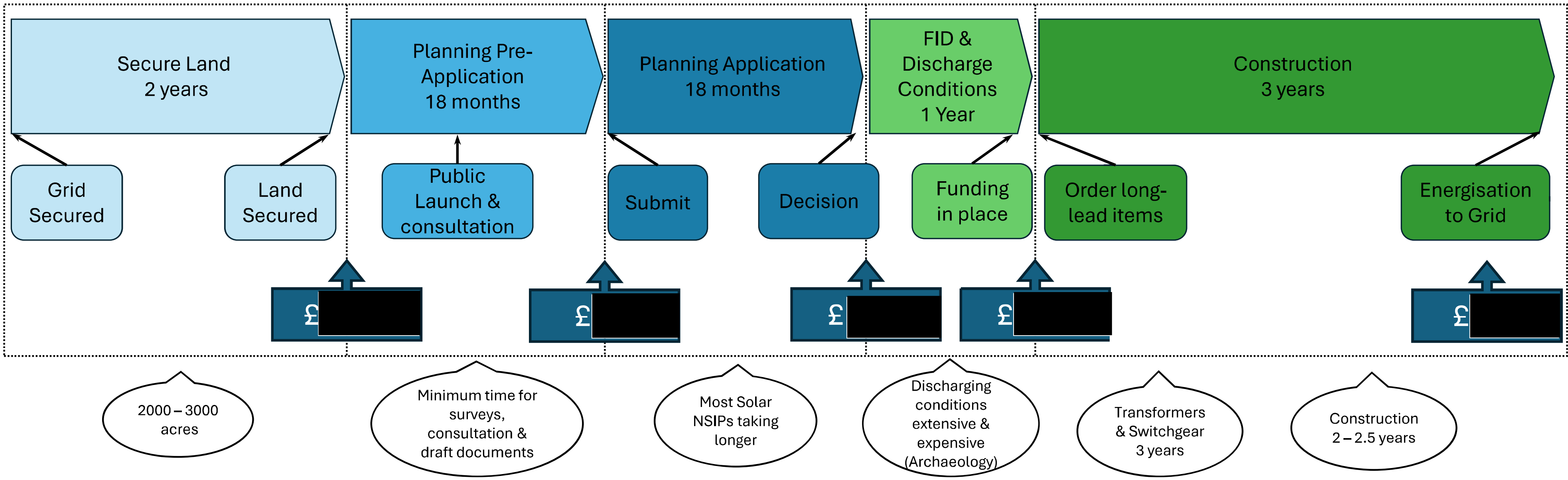
Island GREEN POWER

IGP Transmission Queue

Solar Only, Base Data V1 - 27 January 2025

1 – Solar NSIP Timeline

Based on historical projects; minimum time for each phase.

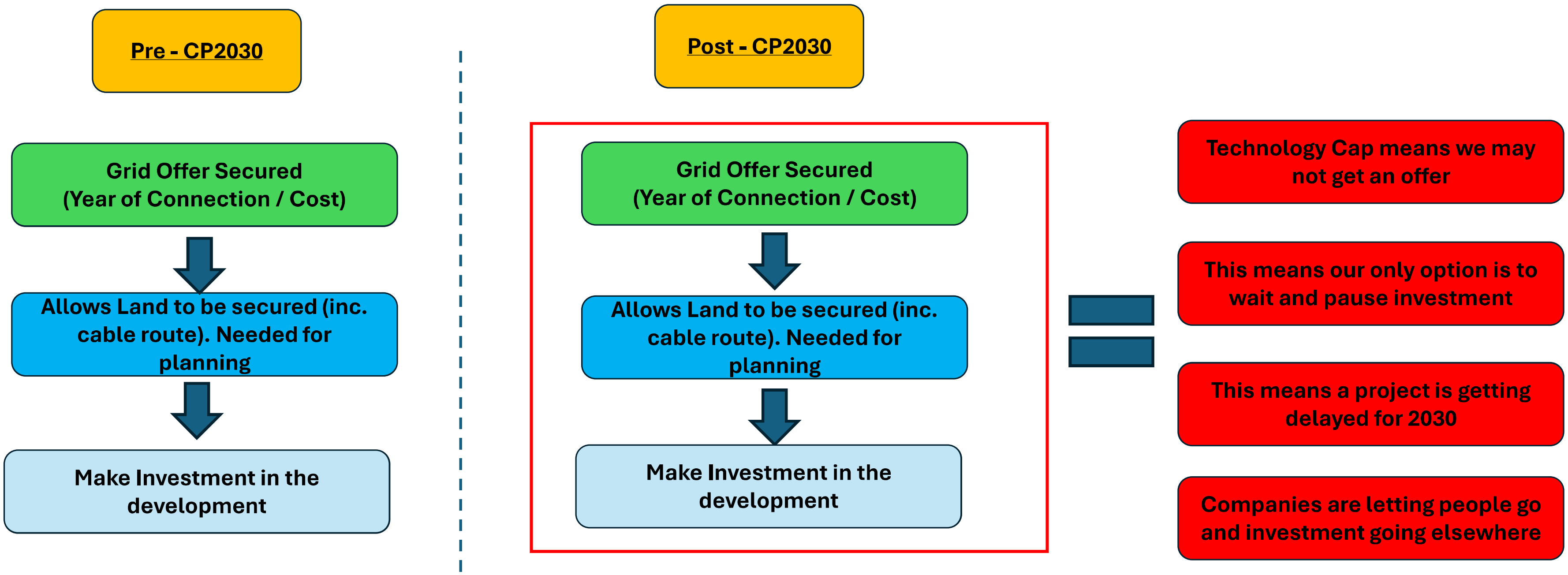


Certainty of grid connection critical now to continue investing and deliver on time for Net Zero:

- *Projects need to submit in 2025 to achieve 2030 connection dates – this should be considered in managing the queue.*
- *NSIP solar projects that have not started Planning Pre-Application won't connect until early 2030's*
- *Total timeline for projects with grid is up to 9 years*
- *Note that post decision archaeological trial trenching will cause significant delays and prevent delivery of multiple projects; lack of specialist capacity in the UK, expensive and not proportionate to impacts of solar.* [redacted] *Urgent review and guidance required.*

2 – IGP's Position – Negative Changes because of CP2030

CP2030 has forced is to consider if we delay investment.



- ***The industry was supportive of connection reform (removing zombie projects, re-ordering the que). Extensive consultation was done as part of connection reform.***
- ***On CP2030, very limited industry consultation (to none) was done on technology caps / transmission / distribution split. It was not a "hand in glove" approach.***
- ***The allocation transmission vs distribution only hurts real projects where people have invested (including people who are paying securities on a transmission level). It is also not a wait your turn approach it simply stops projects that could connect from advancing.***

3 – Case Study: Solar Transmission Queue for T7, [redacted]

3 – Solar Transmission Queue for T4 [redacted]

[redacted]

3 – Solar Transmission Queue for T5 [redacted]

[redacted]

3 – Solar Transmission Queue for T6 [redacted]

3 – Solar Transmission Queue for T8 [redacted]

[redacted]