Consultation

Statutory Consultation on Brinsworth to High Marnham (EDEU) Early Construction Funding application and corresponding proposed modification to Special Condition 3.41 of NGET's electricity transmission licence

Publication date:	14 November 2025
Response deadline:	20 December 2025
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Executive summary

Under National Grid Electricity Transmission plc (NGET) electricity transmission licence, Special Condition (SpC) 3.41 'Accelerated Strategic Transmission Investment Re-opener and Price Control Deliverable term (ASTIRt)' - Part C: Early Construction Funding[1] , we can provide Transmission Owners (TOs) with Early Construction Funding (ECF) to enable permitted early construction activities that are required to accelerate projects before an ASTI Project Assessment (PA) Decision. The permitted early construction activities are:[2]

- Strategic land purchases;
- Early enabling works;
- Early procurement commitments; and/or
- Other activities approved in advance by Ofgem.

In May 2025, NGET submitted an ECF application to us in line with SpC 3.41.7[3] and the ASTI Guidance and Submission Requirements Document[4] for the Brinsworth to High Marnham (EDEU) project. As part of our assessment of this ECF application we have undertaken a high-level analysis of the proposed early construction activities to determine whether they are justified and eligible.

NGET have updated us on the project's forecast cost, which has significantly increased since our ASTI Decision in 2022. As a result, the ECF application is for 104% of the licence cost, which represents 25% of the updated total forecast project cost. This is above the limit of 20% threshold of the total forecast project cost as set out in the ASTI Confidential Annex. As per the ASTI licence referenced above, we are permitted to allow ECF in excess of this where the TOs have demonstrated to us that the expenditure is necessary to accelerate project delivery or where not investing will increase the risk of project delay. We must also be satisfied the consumer benefit of providing additional allowances outweighs the increased risk to consumers should the project not ultimately secure planning permission. Additionally, NGET must demonstrate that they have sufficient consumer protections in place to reduce consumer exposure to financial loss in the event the project is cancelled.

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[1] Licences and licence conditions | Ofgem Electricity licences and conditions, Transmission Licence, National Grid Electric Transmission Plc – Special Conditions

[2] Decision to modify the special licence conditions in the electricity transmission licences: Accelerated Strategic Transmission Investment | Ofgem: Accelerated Strategic Transmission Investment Guidance And Submission Requirements Document, paragraph 4.13

[3] Licences and licence conditions | Ofgem Electricity licences and conditions, Transmission Licence, National Grid Electric Transmission Plc – Special Conditions

[4] Decision to modify the special licence conditions in the electricity transmission licences: Accelerated Strategic Transmission Investment | Ofgem Accelerated Strategic Transmission Investment Guidance And Submission Requirements Document, paragraph 3.12

Our minded-to position is to adjust the allowances set out in Appendix 1 (ASTIAt) of Special Condition 3.41 'Accelerated strategic transmission investment Re-opener and Price Control Deliverable term (ASTIAt)' in NGET's electricity transmission licence to allow NGET's ECF expenditure request. The term will have the value given in the corresponding updated version of the ASTI Confidential Annex. The statutory notice of our proposed modification to adjust the ASTIAt term as referenced in Appendix 1 SpC 3.41 is included in Appendix 1 of this consultation.

We do not undertake a detailed cost assessment at this stage, and we do not form a view on whether the proposed expenditure is efficient. We undertake these assessments as part of a full cost assessment, including of early construction costs, at the Accelerated Strategic Transmission Investment (ASTI) Project Assessment (PA) stage. TOs can only recover costs considered to be efficient following a project assessment.

1. Introduction

Purpose of this consultation

This consultation seeks stakeholder views on Ofgem's minded-to position to amend the allowances set out in Appendix 1 (ASTIAt) of Special Condition 3.41 of NGET's electricity transmission licence, to reflect the full Early Construction Funding (ECF) request for the Brinsworth to High Marnham (EDEU) project. NGET's application is for 104% of the project's forecast cost, as stated in the ASTI Confidential Annex, and submitted under Part C of SpC 3.41. It is important to note that NGET are not asking for full project funding upfront, and that the project's total forecast cost has significantly increased since its inclusion in the ASTI Confidential Annex. We detail the reason for the increase in this document. The ECF amount requested therefore corresponds to 25% of the updated project cost.

As per the ASTI guidance, we consider allowing ECF more than 20% in exceptional circumstances. This includes where expenditure is justified and necessary to accelerate project delivery or where not investing will increase the risk of project delay, and where we are satisfied the consumer benefit of providing additional allowances outweighs the increased risk to consumers should the project not ultimately secure planning permission. This consultation sets out our rationale for exceeding the cap originally set in the ASTI Confidential Annex.

Respondents are asked to consider whether the activities set out in this ECF request are in the consumer's interest and support timely delivery of strategic infrastructure. We particularly seek views on whether our minded-to position is justified and proportionate, considering the updated scope of the project, market conditions, and procurement developments. We have included the specific consultation questions in Chapter 3.

We note that the purpose of ECF is to enable permitted early construction activities prior to the project receiving planning consents and being finalised. We are not involved in the planning decision and awarding of ECF should not influence the outcome of the relevant planning processes. We encourage stakeholders to engage directly with the planning process, as this remains the most appropriate place to voice any comments on project design or scope.

What we are consulting on

This document sets out our minded-to position on NGET's ECF application for the Brinsworth to High Marnham construction project which consists of the network reinforcements under the Network Options Assessment (NOA5) code EDEU.

[5] Network Option Assessment (NOA)

The accompanying appendices outline our proposed modifications Special Condition 3.41 of the electricity transmission licence held by National Grid Electricity Transmission Plc and our notice of statutory consultation on our modification.

Chapter 2 summaries NGET's ECF application for the project and provides our minded-to position and our consultation questions.

Our minded-to position is subject to feedback and responses to our questions, and we welcome stakeholders and community members to respond using the contact details set out on the front page of this document.

We acknowledge that the changes to the project's design and higher market prices have contributed to a significant increase in the project's total cost forecast and we particularly welcome comments on whether this application meets the exceptional circumstances and whether there are sufficient consumer protections in place.

The consultation questions are:

Q1: Do you agree with our minded-to position to provide ECF for the project?
Q2: Do you agree with our proposed modification to adjust ASTIAt in Appendix 1 of SpC 3.41?

Context and related publications

Decision on accelerating onshore electricity transmission investment: Decision on accelerating onshore electricity transmission investment | Ofgem

Accelerated Strategic Transmission Investment Guidance And Submission Requirements Document: Accelerated Strategic Transmission Investment Guidance And Submission Requirements Document

Consultation stages

Stage 1 Consultation open: 14 November 2025

Stage 2 Consultation closes (awaiting decision). Deadline for responses: 20 December 2025

Stage 3 Responses reviewed and decision published: 30 January 2026 (indicative date subject to change)

Stage 4 Modification decision comes into force - approximately 56 days after the decision by virtue of S.11A(9)

How to respond

We want to hear from anyone interested in this consultation. Please send your response to the person or team named on the front page of this document.

We have asked for your feedback in each of the questions throughout. Please respond to each one as fully as you can.

We will publish non-confidential responses on our website.

Your response, data, and confidentiality

You can ask us to keep your response, or parts of your response, confidential. We will respect this, subject to obligations to disclose information. For example, under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations, or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.

If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you do wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we will contact you to discuss which parts of the information in your response should be kept confidential and which can be published. We might ask for reasons why.

If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the United Kingdom's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations, see Appendix 4.

If you wish to respond confidentially, we will keep your response confidential, but we will publish the number, but not the names, of confidential responses we receive. We will not link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

How to track the progress of a consultation

1. Find the web page for the call for input you would like to receive updates on.
1. Click ‘Get emails about this page,’ enter your email address and click ‘Submit.’
2. You will receive an email to notify you when it has changed status.

A consultation has three stages: ‘Open,’ ‘Closed (awaiting decision),’ and ‘Closed (with decision).’

2. Brinsworth to High Marnham (EDEU) Early Construction Funding assessment

This section sets out NGET's EDEU application and our minded-to position.

Questions

Q1. Do you agree with our minded-to position to provide ECF for the project?

Q2. Do you agree with our proposed modification to adjust ASTIAt in Appendix 1 of SpC 3.41?

Brief description of the project

2.1 Brinsworth to High Marnham (EDEU) is an Accelerated Strategic Transmission Investment (ASTI) project that involves uprating the existing double circuit overhead lines (OHL) between Brinsworth to Chesterfield, and Chesterfield to High Marnham substations from 275kV to 400kV. It includes construction of three new 400kV substations at Brinsworth, Chesterfield, and High Marnham, to enable the uprating of this OHL route.

2.2 EDEU has been approved for inclusion in our ASTI framework because the network reinforcements it proposes are crucial for the safe, resilient, and efficient transmission of electricity through the energy system. This reinforcement will also help alleviate constraint costs that the consumer is currently billed for. The needs case and benefits of these projects have been set out in NESO's Network Options Assessment 2021-22[6] and the Holistic Network Design[7].

2.3 A number of other schemes reinforcing the system in the Midlands area and supporting offshore and interconnector generation connections will need to connect to EDEU[8]. As such, the project is a key enabler for these other developments including two ASTI projects: CGNC and EDN2. Delay to EDEU would likely delay these projects beyond their delivery dates, which would ultimately cost the consumer in increased constraint payments.

2.4 Crucially, EDEU, CGNC and EDN2 will require outages and these need to be carefully coordinated with delivery partners to minimise disruptions for consumers.

2.5 NESO's Clean Power 2030 Report Annex 2 identified EDEU as one of the key projects whose acceleration to 2030 will provide significant additional capacity on

[6] Network Options Assessment Refresh 2021-22
[7] A Holistic Network Design for Offshore Wind | National Energy System Operator
[8] Need for the project | National Grid

the network. It is among the projects that will have the greatest impact on the country's ability to reach clean power by 2030[9].

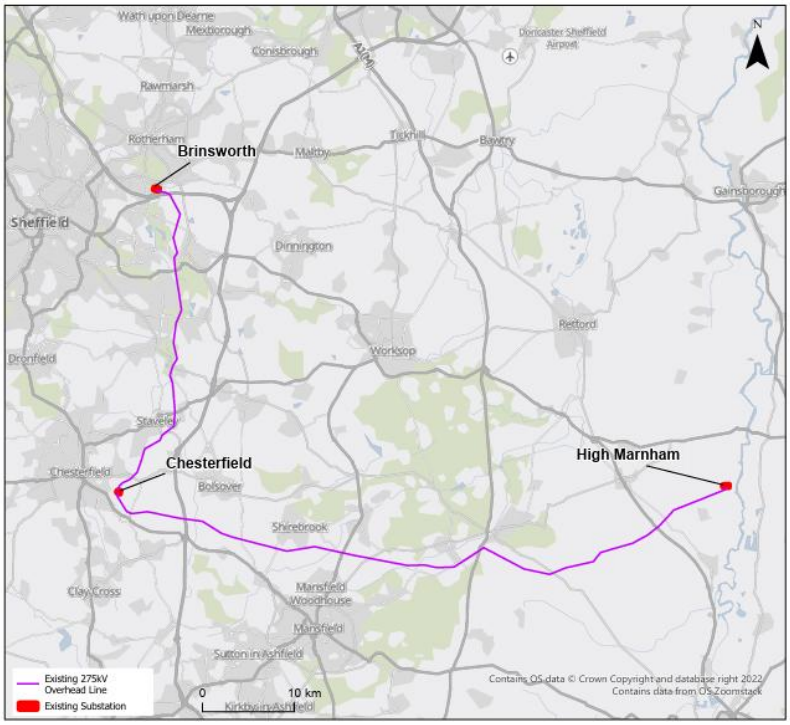

Figure 1: Proposed project route

2.6 Since the original inclusion of the project in NOA, NGET has updated the cost estimate of the project for the following reasons:

- The need for a new 400kv substation at Brinsworth, as land constraints prevent extending the existing Brinsworth substation (which is a change from the scope outlined in the licence).
- An increase in the number of bays and SGTs at each substation, to accommodate customer connections and potential future site strategies.
- Inclusion of demolition of redundant substations, previously omitted from scope.
- Revised unit rates reflective of current market pricing.
- Increase in lands costs, resultant of direct competition with third party developers.

2.7 NGET has engaged with Ofgem to explain the rationale behind the additional works that have resulted in higher total project cost estimates. The efficiency of

[9] NESO Clean Power 2020 Annex 2: Networks, connections and network access analysis

these costs will be tested at Project Assessment stage and is not within the scope of this consultation.

2.8 NESO carried out an economic analysis of EDEU with a revised cost profile in March 2025, using updated total project cost estimates. We have engaged with NESO and can confirm that NESO's assessment of the benefit of enhancing the energy network through EDEU remains as described in NESO's Clean Power 2030 Report Annex 2[10].

ECF application

2.9 In May 2025, NGET made an application for ECF under Part C of SpC 3.41 of its licence, to enable funding of early construction activities for the project. These activities are early enabling works, and early procurement commitments.

Project	ECF request as % of licence project cost estimate	ECF request as % of updated project cost estimate
Brinsworth to High Marnham (EDEU)	104%	25%

Table 1: requested ECF percentage

2.10 NGET requests early construction funding amounting to 104% of the total forecast project cost listed in the ASTI Confidential Annex. When translated into current forecast project cost, the same amount would represent 25% of the updated forecast project cost.

2.11 As described above, the increase to the project's forecast cost reflects changes in required project works, revised market rates, and the need for additional land acquisition.

2.12 The activities identified by NGET fall within the following permitted ECF categories as per ASTI Guidance[11] and are set out below:

Strategic land purchases:

- Land acquisition
- Tenancy surrender

[10] NESO Clean Power 2030 Annex 2

[11] Decision to modify the special licence conditions in the electricity transmission licences: Accelerated Strategic Transmission Investment | Ofgem, Accelerated Strategic Transmission Investment Guidance And Submission Requirements Document, paragraph 4.13

Early enabling works:

- Detailed design
- Environmental works
- Advanced works
- Project management resources

Early procurement commitments:

- Air Insulated Switchgear (AIS)
- Gas Insulated Switchgear (GIS)
- SGTs
- OHL Conductor

Strategic land purchase

Activities proposed

2.13 NGET is proposing to fully to acquire the land for the proposed substations at Brinsworth and High Marnham and secure the early surrender of the AHA tenancy at the Chesterfield substation site, which it already owns. The proposed substation sites were selected primarily for their proximity to existing substations, ensuring that new designs and circuit routes align with current configurations.

Consumer benefits and protections in place

2.14 Early acquisition helps mitigate access, cost, and schedule risks, as NGET would be able to commence the relevant construction works without delay once planning permission is obtained.

2.15 Securing the land early can avoid the need to re-design the project later; in case the intended sites become unavailable. Competing interest in key plots, limited visibility of third-party land rights due to NDAs and time-limited planning consents may affect valuation over time, which means the land-associated costs would be uncertain if land is not purchased early.

2.16 Some of the land is already owned by NGET but occupied under an AHA tenancy, meaning vacant possession depends on a statutory process triggered by planning. NGET has proposed early targeted acquisition of land at Brinsworth and High Marnham, and a tenancy surrender at Chesterfield. The conditions of the tenancy surrender will be sequenced with any relevant planning milestones to secure access when needed while reducing programme and risk costs.

2.17 Where negotiations are ongoing, NGET is expected to negotiate and secure the most commercially efficient price.

2.18 Should the project be cancelled and any land purchased is no longer required, NGET has stated that the land can be resold and the proceeds returned to the

consumer. However, costs associated with third party land agent and legal fees, stamp duty land tax and disbursements would not be recoverable.

2.19 There is a strong needs case for the project, as per NESO's analysis referenced earlier. Therefore, subject to the project obtaining the relevant planning permission, the risk of cancellation is low. NESO has stated that if the project is not delivered by 2030 this project could cost the consumer £220m in constraint costs for that year[12] . Considering the impact of a potential delay, high interest in land in the region and the benefits of acquiring land early to assist with the timely and efficient delivery of the project, we are minded accepting that the activities around strategic land purchase are in the interest of the consumer.

Early enabling works

Activities proposed

2.20 NGET is proposing to commence a range of design, planning and early construction activities as part of the enabling works delivered through the Great Grid Partnership (GGP). This will cover all engineering disciplines including Civils, HV plant, OHL, cables, and Protection and Control. This is distinct from the Front-End Engineering Design (FEED), carried out with pre-construction finding and which supports the consenting works for the TCPA application. The funding now being requested under ECF is for detailed design which is significantly more comprehensive and will be undertaken specifically for construction purposes.

2.21 NGET has explained it expects planning consent and environmental requirements to be attached as conditions of receiving planning permission per the Town and Country Planning Act (TCPA). NGET proposes to progress work to discharge any planning conditions once it receives its planning decision. This ECF funding will be used to develop a comprehensive management strategy to complete these activities after TCPA submission. These activities are distinct from the pre-construction funding currently awarded as the funding requested under ECF will be used for necessary works after TCPA submission.

2.22 All substation sites will require pre-commencement works, including vegetation and site clearance, installation of temporary compounds and access routes, and installation of fencing and temporary hard standings. OHL diversions are also necessary at Chesterfield and High Marnham. In addition, a design change requires the construction of a new substation in Brinsworth rather than an extension. Part of this work may also include additional Ground Investigations (GI). This works relates to underground utilities and is required ahead of the start of main construction works expected September 2026, subject to planning consent.

[12] NESO Clean Power 2030 Annex 2

2.23 *Consumer benefit and protections in place:* NGET has stated that each of the enabling work activities are critical to maintaining programme momentum and avoiding delays, particularly ahead of the PA decision, which will only be delivered after the project obtains planning consent. Early investment in planning, ground investigations, utility diversions, and project management is essential to avoid delays and ensure efficient delivery.

2.24 Detailed designs will also be required to secure procurement of essential items with long lead times.

2.25 We recognise that some of these early enabling activities are specific to the EDEU project and there is a risk of stranded costs which would not be recoverable if the project does not proceed. NGET has taken the following steps to help mitigate this risk:

- costs will be phased over the early construction period with the opportunity to pause payments accordingly in the event of delay or project cancellation
- where final costs are still subject to negotiations with contractors, NGET is expected to negotiate the most efficient price possible. This will also be subject to efficiency assessment at PA stage.

2.26 by allowing NGET to engage its Great Grid Partnership partners early, we anticipate NGET to secure advantageous rates delivery contracts that support the timely delivery of the project

2.27 On balance, and given these mitigations, we consider the costs to the consumer of not proceeding with these works to be greater than the costs of spending at risk.

Early Procurement Commitments

Activities proposed

2.28 The new substation at High Marnham will be an AIS 400kV substation, with Chesterfield and Brinsworth also requiring a limited amount of AIS switchgear. The new Chesterfield and Brinsworth substations will be GIS 400kV substations, comprising of approximately 16 and 10 bays, respectively. Both AIS and GIS equipment have a 24-month lead time and have limited Original Equipment Manufacturers (OEMs) offering the required technology.

2.29 EDEU also involves uprating the existing OHL double circuits, comprising approximately 65km of existing 275kV OHL. OHL conductors currently have an 11-month lead time and given the volume needed for the project.

2.30 NGET is proposing to procure four SGTs for Chesterfield substation, and two SGTs for High Marnham substation. SGTs have a lead time of up to 36 months, with a

supply chain limited to a small number of technically compliant and competent suppliers.

2.31 Protection and Control (P&C) equipment is required for all three sites and comes with a lead time of between 12 and 18 months. This equipment is vital to ensuring that construction can commence on time.

Consumer benefit and protections in pace

2.32 NGET has explained that it has engaged with GGP partners and OEMs to put in place a procurement strategy that is reasonable and proportionate, with cancellation profiles and equipment transferability assessed to mitigate consumer risk. This means:

2.33 In the event of project cancellation, the majority of equipment purchased can be used on other projects

- Payments for contracts are made in instalments, giving NGET the ability to control consumer exposure to financial risk

2.34 The supply chain for transmission infrastructure is currently highly constrained with increasing prices and significantly greater lead times for critical assets. Capacity Reservation Agreements (CRA) are becoming increasingly common to secure contractor commitment and continued engagement on projects. Early procurement commitments for long-lead time items are essential to maintain delivery milestones and mitigate supply chain risks, ensuring the items are available at the time they are needed.

2.35 The procurement activities requested under this ECF will therefore enable NGET to maintain the delivery schedule of the project and protect the consumer from potentially rising costs. The risk of non-recoverable costs is low due to the transferability of the equipment. We are therefore minded approving funding for these early procurement activities.

GIS eligibility

2.36 While we accept that early procurement of GIS meets the eligibility criteria for ECF, this does not prejudge or fetter our discretion in relation to wider regulatory assessments.

2.37 We would expect to take account of the strength of justification provided ahead of final determinations when undertaking our efficiency assessment of the project at PA stage.

Our minded-to position

2.38 In accordance with our ASTI Decision, and as explained in the ASTI guidance, we can consider ECF requests above 20% of total forecast project costs in

exceptional circumstances as per paragraph 4.8 of the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document where the expenditure is justified and necessary to accelerate project delivery, or where not investing will increase the risk of project delay.

2.39 We are satisfied that the activities set out in NGET's ECF request are justified and necessary to deliver the project as soon as possible. We consider the consumer protections that NGET have put in place to shield the consumer from excessive spend or risk to be adequate.

2.40 We accept NESO's analysis that emphasises the importance of this project and the cost to the consumer should it be delayed. Given the strategic importance of this network enhancement, we also deem full project cancellation to be of low likelihood, given the strong needs case of the project.

2.41 It is our minded-to position that the activities requested by NGET are eligible activities that will accelerate the project as per our ASTI Guidance and that it is in the interest of the consumer that they proceed.

2.42 Whilst we recognise that an ECF award of 104% of the project's license cost is unprecedented, we accept the reasons that NGET has provided to explain this and consider these to be exceptional circumstances. Notably, the significant changes to the design of the project have caused an increase to the project's forecast cost, not reflected in the ASTI Confidential Annex. This is also, in part, caused by higher supply chain costs due to rising demand and increasing competition for supply chain services.

2.43 In terms of current forecast values, the request represents 25% of the updated total project cost estimate. This is still above the intended ECF threshold of 20%. However, the project is expected to benefit the consumer by enhancing system resilience and providing significant saving in constraint costs if the project is delivered on time. Combined with the consumer protections put in place and the risks that will be mitigated with the activities carried out with this ECF, we see reasonable justification for the higher percentage to be permitted.

2.44 We expect NGET to take all reasonable steps to ensure timely and successful delivery of the project. NGET has outlined that it is putting in place a range of consumer protections to mitigate consumer risks in the event the project was delayed, amended, or cancelled. We will therefore expect NGET to ensure that consumer risks in every scenario are kept as low as practical, including in further negotiations with its suppliers.

2.45 Final costs will be subject to efficiency review at the PA stage, and flexibility to reallocate funding across procurement items will be maintained as contracts are finalised.

3. Conclusions and next steps

We have detailed our minded-to position to accept NGET's ECF request for the EDEU project. We have summarised NGET's justification for the activities, as well as the associated consumer benefits and protections in place for each category. This decision is subject to consultation and may change as a result of evidence submitted in the consultation feedback. This consultation is strictly about the eligibility and impact of the proposed activities, and we welcome responses from consumer groups, stakeholders impacted by the project, stakeholders with an interest in the costs of electricity transmission infrastructure, and transmission owners.

We note that the purpose of ECF is to enable permitted early construction activities prior to the project receiving planning consents and being finalised. The objective is to ensure that the network reinforcements required to deliver benefits to consumers are delivered at pace once there is a decision on development consent from the relevant authorities.

We are not involved in any planning decisions and awarding of ECF should not influence the outcome of the planning process or any other consenting process. Feedback related to any aspect of NGET's planning applications will therefore not be forwarded to the relevant planning authorities. We encourage stakeholders to engage directly with the planning process, as this remains the most appropriate place to voice any comments on project design or scope.

Next steps

We welcome responses to our consultation on the specific questions we have included in Chapter 3. If you would like to respond to this document, then please send your responses to: MajorProjects.LTPD@ofgem.gov.uk. The deadline for responses is 20 December 2025. We aim to publish our ECF decision and the decision to modify NGET's licence in January 2026.

Send us your feedback

We believe that consultation is at the heart of good policy development. We are keen to receive your comments about this consultation. We would also like to get your answers to these questions:

- Do you have any comments about the quality of this document?
- Do you have any comments about its tone and content?
- Was it easy to read and understand? Or could it have been better written?
- Are its conclusions balanced?
- Did it make reasoned recommendations?
- Do you have any further comments?

Please send your feedback to stakeholders@ofgem.gov.uk.

Appendix 1 – Notice of statutory consultation to modify SpC 3.41

To: National Grid Electricity Transmission Plc Electricity Act 1989 Section 11A (2)

Notice of statutory consultation on a proposal to modify the Special Conditions of the electricity transmission licence held by National Grid Electricity Transmission

1. The Gas and Electricity Markets Authority ('the Authority') proposes to modify the Special Conditions (SpC) of the electricity transmission licence held by National Grid Electricity Transmission Plc (NGET) granted or treated as granted under 6(1)(b) of the Electricity Act 1989 by amending an allowance value (ASTIAt) referenced in Appendix 1 (ASTI Price Control Deliverable) of SpC 3.41 (Accelerated strategic transmission investment Re-opener and Price Control Deliverable term (ASTIRt)).

2. In line with SpC 3.41.10 and the Accelerated Strategic Investment Guidance and Submission Requirements Document, we are proposing this modification because we are satisfied that NGET's Early Construction Funding (ECF) application:
    a. have provided clear and convincing justification for exceeding the 20% threshold of total forecasted project cost as set by SpC 3.41.8 and have demonstrated the appropriate balance between assisting acceleration and protecting consumers from potentially excessive cost exposure in the unlikely event that the projects do not progress;
    b. was pre-empted by a notice in writing of NGET's intention to make the application under section 3.41.7 at least 8 weeks before NGET made the application; and
    c. there is a clear justification for why it is in consumers' interests to provide funding for the proposed activities to take place ahead of our cost assessment as part of the PA process as the early construction activities will aid in accelerating project delivery.

3. The effect of the proposed modification is to adjust the allowances contained in the ASTI Confidential Annex as referenced in Appendix 1 (ASTIAt) of Special Condition 3.41 'Accelerated strategic transmission investment Re-opener and Price Control Deliverable term (ASTIAt)' and to insert "ECF" into the "ECF/PA" column for SCD1 in Appendix 1 to SpC 3.41 in NGET's electricity transmission licence to allow NGET's ECF expenditure application. The proposed modification will be reflected in what will become the latest version, v1.1, of the ASTI Confidential Annex.

4. With the exception of the ASTI Confidential Annex, a copy of the proposed modification and other documents referred to in this Notice have been published on our website (www.ofgem.gov.uk). Alternatively, they are available from information.rights@ofgem.gov.uk

5. The full text of the proposed modification to Appendix 1 of SpC 3.41 is set out below in Appendix 2 with the new text to be inserted shown double underscored. For reasons of commercial sensitivity, details of the amended allowance are confidential but will be issued to NGET in the updated ASTI Confidential Annex.

6. Any representations with respect to the proposed licence modification must be made on or before 20 December 2025 to: Thomas Johns, Office of Gas and Electricity Markets, 32 Albion Street, Glasgow, G1 1LH or by email to RIIOElectricityTransmission@ofgem.gov.uk and marked for the attention of Thomas Johns

7. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.

2. If we decide to make the proposed modification, it will take effect not less than 56 days after the decision to modify the licence is published.
.....

Thomas Johns

Deputy Director of Major Projects Delivery

Duly authorised on behalf of the Gas and Electricity Markets Authority

14 November 2025

Appendix 2: Special Condition 3.41

Deletions are shown in strikethrough and new text is double underlined.

Special Condition 3.41 Accelerated strategic transmission investment Re-opener and Price Control Deliverable term (ASTIRt)

Introduction

1.1.1 The purpose of this condition is to specify the value of the term $ASTIR_t$ (the accelerated strategic transmission investment Re-opener term). This contributes to the calculation of the Totex Allowance.

1.1.2 The effect of this condition is to:

(a) specify the ASTI Outputs, delivery dates and allowances for the Price Control Deliverable;

(b) establish a Re-opener for the licensee to apply for an adjustment to the ASTI Outputs, delivery dates and allowances in Appendix 1 and the Minimum circuit availability standard after delivery in Appendix 2;

(c) provide for an assessment of the Price Control Deliverable; and

(d) establish the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document.

1.1.3 This condition also sets out the process the Authority will follow when making changes to Appendix 1 as a result of the Re-opener.

Part A: Formula for calculating the accelerated strategic transmission investment Re-opener term ($ASTIR_t$)

1.1.4 The value of $ASTIR_t$ is derived in accordance with the following formula:

$$ASTIR_t = ASTIA_t - ASTIRA_t$$

where:

$ASTIA_t$ means the allowances in Appendix 1; and

$ASTIRA_t$ has the value zero unless otherwise directed by the Authority in accordance with Part G.

Part B: ASTI Outputs

1.1.5 The licensee must deliver the ASTI Outputs no later than 12 months after the delivery dates specified in Appendix 1.

1.1.6 After the ASTI Output has been delivered it must be operational and available for use by the ISOP for the period specified in Appendix 2 after application of the exclusions set out in Chapter 4 of the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document.

Part C: Early Construction Funding

1.1.7 The licensee may, in respect of any ASTI Output, apply for an Early Construction Funding decision to adjust $ASTIA_t$.

1.1.8 Unless the Authority directs otherwise, the aggregate allowances provided under paragraph 3.41.7 for any ASTI Output may not exceed 20% of the total forecast project cost listed in the ASTI Confidential Annex.

1.1.9 The licensee must notify the Authority in writing of its intention to make an application under 3.41.7 at least 8 weeks before making an application unless the Authority directs otherwise.

1.1.10 A modification under this Part will be made under section 11A of the Act.

Part D: ASTI Project Assessment Decision

1.1.11 The licensee may, in respect of any ASTI, apply for an ASTI Project Assessment Decision and an associated modification of Appendices 1 and 2 to:

(a) specify or amend an ASTI Output, a delivery date and associated allowances; and
(b) specify the minimum circuit availability standard after delivery for the relevant ASTI Output.

1.1.12 Unless the Authority otherwise directs, the licensee may only apply for an ASTI Project Assessment Decision after submission of all material planning consent applications.

1.1.13 A modification under this Part will be made under section 11A of the Act.

Part E: ASTI Cost And Output Adjusting Event

1.1.14 The licensee may apply for a modification to the ASTI Outputs and allowances in Appendix 1 where it considers that there has been one or more ASTI Cost And Output Adjusting Event.

1.1.15 The licensee may only apply under this Part to modify allowances in Appendix 1 where:

(a) expenditure has been caused to increase or decrease by at least the percentage specified in, or in accordance with, paragraph 3.41.17, calculated before the application of the Totex Incentive Strength, relative to the relevant allowance in Appendix 1 by the event or if there has been more than one event:
    i. by each event;
    ii. if the Authority has directed that the events in relation to the relevant ASTI Output should count cumulatively towards the percentage threshold; and

(b) the increase or decrease in expenditure is expected to be efficiently incurred or saved.

1.1.16 The licensee may apply under this Part to modify the ASTI Outputs in Appendix 1 only where there is a material change to the scope of the relevant ASTI project.

1.1.17 The percentage referred to in paragraph 3.41.15(a) is:

(a) 5%; or

(b) such other percentage as the Authority may specify by direction.

1.1.18 An application under this Part must be made in writing and must:

(a) include detailed supporting evidence that an ASTI Cost And Output Adjusting Event meeting the requirements set out in paragraphs 3.41.15, or where applicable 3.41.16, has occurred;

(b) set out the modifications requested to the ASTI Outputs or associated allowances in Appendix 1;

(c) explain the basis of the calculation for any proposed modification to the allowances in Appendix 1, which must be designed to keep, so far as is reasonably practicable, the financial position and performance of the licensee the same as if the ASTI Cost And Output Adjusting Event had not occurred; and

(d) include a statement from a technical adviser, who is external to and independent from the licensee, whether, considered in the context of the value of the ASTI Output, the proposed modification to the ASTI Output or associated allowances fairly reflects the effects of the ASTI Cost And Output Adjusting Event.

1.1.19 The Authority may make a modification under this Part where:

(a) there has been an application under this Part;

(b) there has been an ASTI Cost And Output Adjusting Event in relation to the relevant ASTI;

(c) the requirements of paragraphs 3.41.14 to 3.41.18, where applicable, have been met; and

(d) the proposed modifications to Appendix 1 have the effect as far as is reasonably practicable of keeping the financial position and performance of the licensee the same as if the ASTI Cost And Output Adjusting Event had not occurred.

1.1.20 A modification under this Part will be made under section 11A of the Act.

Part F: Modification of delivery date in Appendix 1 further to an ASTI ODI Penalty Exemption Period decision or ASTI ODI Target Date decision under Part B of Special Condition 4.9 (Accelerated strategic transmission investment output delivery incentive)

1.1.21 The Authority will modify the delivery dates in Appendix 1 where it decides under Part B of Special Condition 4.9 (Accelerated strategic transmission investment output delivery incentive) to make a modification to the ASTI ODI Penalty Exemption Period or ASTI ODI Target Date in Appendix 1 of Special Condition 4.9.

1.1.22 A modification under this Part will be made under section 11A of the Act.

Part G: Assessment of the Price Control Deliverable ($ASTIRA_t$)

1.1.23 The Authority will, in accordance with the assessment principles set out in Part A of Special Condition 9.3 (Price Control Deliverable assessment principles and reporting requirements), consider directing a value for $ASTIRA_t$ where the licensee has not Fully Delivered an output in Appendix 1.

Part H: What process will the Authority follow in making a direction?

1.1.24 Before making a direction under Part G the Authority will publish on the Authority's Website:

(a) the text of the proposed direction;

(b) the reasons for the proposed direction; and

(c) a period during which representations may be made on the proposed direction, which will not be less than 28 days.

1.1.25 A direction in respect of Part G will set out:

(a) the delivery status of the ASTI Output that has not been Fully Delivered;

(b) the value of the $ASTIR_t$ term and the Regulatory Years to which that adjustment relates; and

(c) the methodology and data that has been used to decide the delivery status and value of any adjustments to the $ASTIR_t$ term.

Part I: Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document

1.1.26 The licensee must comply with the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document.

1.1.27 The Authority will issue and amend the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document by direction.

1.1.28 The Authority will publish the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document on the Authority's Website.

1.1.29 The Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document will make provision about the detailed requirements for Parts C, D, E and F.

1.1.30 The Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document will also make provision about the detailed requirements under Special Condition 3.40 (ASTI Pre-Construction Funding Re-opener, Price Control Deliverable and Use It Or Lose It Adjustment) and Special Condition 4.9 (ASTI output delivery incentive).

1.1.31 Before directing that the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document come into effect, the Authority will publish on the Authority's Website:

(a) the text of the proposed Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document;

(b) the date on which the Authority intends the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document to come into effect; and

(c) a period during which representations may be made on the text of the proposed Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document, which will not be less than 28 days.

1.1.32 Before directing an amendment to the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document, the Authority will publish on the Authority's Website:

(a) the text of the amended Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document;

(b) the date on which the Authority intends the amended Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document to come into effect;

(c) the reasons for the amendments to the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document; and

(d) a period during which representations may be made on the amendments to the Accelerated Strategic Transmission Investment Guidance and Submissions Requirements Document, which will not be less than 28 days.

Appendix 1

ASTI Price Control Deliverable

ASTI Output	**Delivery Date**	**Allowance (ASTIA$_t$, £m)**	**ECF/PA**
New 400 kV double circuit in north East Anglia (NOA Code: AENC)	31 December 2031	Have the values given in the ASTI Confidential Annex.	**ECF**
New 400 kV double circuit in south East Anglia (NOA Code: ATNC)	31 December 2031	Have the values given in the ASTI Confidential Annex.	
New 400 kV double circuit between Bramford and Twinstead (NOA Code: BTNO)	31 December 2029	Have the values given in the ASTI Confidential Annex.	
New 400 kV double circuit between Creyke Beck and the souh Humber (NOA Code: CGNC)	31 December 2031	Have the values given in the ASTI Confidential Annex.	
Eastern subsea HVDC link from Torness to Hawthorn Pit (NOA Code: E2DC)	31 December 2028	Have the values given in the ASTI Confidential Annex.	
Eastern Scotland to England link: Peterhead to Drax offshore HVDC (NOA Code: E4D3)	31 December 2030	Have the values given in the ASTI Confidential Annex.	
Eastern Scotland to England 3rd link: Peterhead to the south Humber offshore HVDC (NOA Code: E4L5)	31 December 2031	Have the values given in the ASTI Confidential Annex.	
400 kV upgrade of Brinsworth to Chesterfield double circuit and Chesterfield to High Marnham double circuit. New High	31 December 2029	Have the values given in the ASTI Confidential Annex.	ECF

ASTI Output	Delivery Date	Allowance ($ASTIA_t$, £m)	ECF/PA
Marnham and Chesterfield 400 kV substations (NOA Code: EDEU)			
New Chesterfield to Ratcliffe-on-Soar 400 kV double circuit (NOA Code: EDN2)	31 December 2031	Have the values given in the ASTI Confidential Annex.	
New 400 kV double circuit between the south Humber and south Lincolnshire (NOA Code: GWNC)	31 December 2031	Have the values given in the ASTI Confidential Annex.	
Uprate Hackney, Tottenham and Waltham Cross 275 kV to 400 kV (NOA Code: HWUP)	31 December 2028	Have the values given in the ASTI Confidential Annex.	ECF
New 400 kV double circuit between the existing Norton to Osbaldwick circuit and Poppleton and relevant 275 kV upgrades (NOA Code: OPN2)	31 December 2028	Have the values given in the ASTI Confidential Annex.	ECF
Pentir to Trawsfynydd cable replacement (NOA Code: PTC1)	31 December 2029	Have the values given in the ASTI Confidential Annex.	ECF
North Wales reinforcement (NOA Code: PTNO)	31 December 2030	Have the values given in the ASTI Confidential Annex.	ECF
New Offshore HVDC link between Suffolk and Kent option 1 (NOA Code: SCD1)	31 December 2031	Have the values given in the ASTI Confidential Annex.	ECF

ASTI Output	Delivery Date	Allowance ($ASTIA_t$, £m)	ECF/PA
Eastern subsea HVDC Link from east Scotland to south Humber area (NOA Code: TGDC)	31 December 2031	Have the values given in the ASTI Confidential Annex.	
Tilbury to Grain and Tilbury to Kingsnorth upgrade (NOA Code: TKRE)	31 December 2029	Have the values given in the ASTI Confidential Annex.	ECF

Appendix 2

ASTI Output availability standard

Minimum circuit availability standard after delivery (%)

ASTI Output	0-6m	6-12m	12-24m
New 400 kV double circuit in north East Anglia (NOA Code: AENC)			
New 400 kV double circuit in south East Anglia (NOA Code: ATNC)			
New 400 kV double circuit between Bramford and Twinstead (NOA Code: BTNO)			
New 400 kV double circuit between Creyke Beck and the south Humber (NOA Code: CGNC)			
Eastern subsea HVDC link from Torness to Hawthorn Pit (NOA Code: E2DC)			
Eastern Scotland to England link: Peterhead to Drax offshore HVDC (NOA Code: E4D3)			
Eastern Scotland to England 3rd link: Peterhead to the south Humber offshore HVDC (NOA Code: E4L5)			

ASTI Output	0-6m	6-12m	12-24m
400 kV upgrade of Brinsworth to Chesterfield double circuit and Chesterfield to High Marnham double circuit. New High Marnham and Chesterfield 400 kV substations (NOA Code: EDEU)			
New Chesterfield to Ratcliffe-on-Soar 400 kV double circuit (NOA Code: EDN2)			
New 400 kV double circuit between the south Humber and south Lincolnshire (NOA Code: GWNC)			
Uprate Hackney, Tottenham and Waltham Cross 275 kV to 400 kV (NOA Code: HWUP)			
New 400 kV double circuit between the existing Norton to Osbaldwick circuit and Poppleton and relevant 275 kV upgrades (NOA Code: OPN2)			
Pentir to Trawsfynydd cable replacement (NOA Code: PTC1)			
North Wales reinforcement (NOA Code: PTNO)			
New Offshore HVDC link between Suffolk and Kent option 1 (NOA Code: SCD1)			
Eastern subsea HVDC Link from east Scotland to south Humber area (NOA Code: TGDC)			
Tilbury to Grain and Tilbury to Kingsnorth upgrade (NOA Code: TKRE)			

Privacy policy

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the controller and contact details of our Data Protection Officer

The Gas and Electricity Markets Authority is the controller, (for ease of reference, "Ofgem"). The Data Protection Officer can be contacted at dpo@ofgem.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

4. With whom we will be sharing your personal data

Information: Include here all organisations outside Ofgem who will be given all or some of the data. There is no need to include organisations that will only receive anonymised data. If different organisations see different set of data then make this clear. Be a specific as possible.

5. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for (be as clear as possible but allow room for changes to programmes or policy. It is acceptable to give a relative time e.g. 'six months after the project is closed')

6. Your rights

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right to:

- know how we use your personal data
- access your personal data
- have personal data corrected if it is inaccurate or incomplete
- ask us to delete personal data when we no longer need it

- ask us to restrict how we process your data
- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties
- tell us your preferred frequency, content and format of our communications with you
- to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at https://ico.org.uk/, or telephone 0303 123 1113.

7. Your personal data will not be sent overseas (Note that this cannot be claimed if using Survey Monkey for the consultation as their servers are in the US. In that case use "the Data you provide directly will be stored by Survey Monkey on their servers in the United States. We have taken all necessary precautions to ensure that your rights in term of data protection will not be compromised by this".

8. Your personal data will not be used for any automated decision making.

9. Your personal data will be stored in a secure government IT system. (If using a third-party system such as Survey Monkey to gather the data, you will need to state clearly at which point the data will be moved from there to our internal systems.)

10. More information For more information on how Ofgem processes your data, click on the link to our "ofgem privacy promise".