Guide to Interactivity Process



Electricity North West introduced a new process for managing interactivity between connection offers in December 2020. This guidance document outlines this new approach, as it transitions from a Moratorium Interactivity Process to a new industry wide Conditional Interactivity Process.

Contents

| Background to new approach | 2 |
|--|---|
| How does the new process work? | 2 |
| Early warning notices | 3 |
| Queue position | З |
| What are Unconditional and Conditional offers? | 4 |
| Already have a valid offer with standard 6 month validity? | 5 |
| Acceptance process | 6 |



Background to new approach to interactivity process

The <u>Energy Networks Association</u> (ENA) launched a consultation in July 2019 on the preferred approach to interactivity going forward as this was different across the DNOs.

The responses to this consultation showed a preference for a Conditional Interactivity Process, which differs from the Moratorium approach adopted by Electricity North West. Subsequently it was agreed that all DNOs would implement a Conditional Interactivity Process by December 2020.

How does the new approach work?

Where we receive two or more applications that make use of the same network asset, and cannot all be accommodated by that asset, these applications will become interactive and the applicant will receive **Interactive Connection Offers**. These offers shall be either an Unconditional or Conditional Connection Offer.

An Unconditional Connection Offer means that there are no other affected parties ahead of that applicant in the interactivity queue and their ability to accept is not dependent on the acceptance of other parties in the queue. Such an applicant would receive an Unconditional Connection Offer with a validity period of 20 working days. After this time, the offer would expire.

Conditional Connection Offers are issued to applicants where there are one or more other affected parties ahead of them in the interactivity queue

As with Unconditional Connection Offers, the applicant will have 20 working days in which to accept their offer, and the offer will expire after this period. Unlike Unconditional Connection Offer applicants, applicants that try to Conditional accept Connection Offers will have to wait until all offers ahead of them in the queue have expired before we can declare their acceptance as successful.

Additional information regarding the ENA consultation and national implementation can be found on the <u>ENA website</u>.



Early warning notices



As the validity period for interactive offers will be shortened. and therefore the time available to the applicant to pay acceptance fees and Assessment and Design (A&D) fees will (where applicable) also be shortened, we will issue Early Warning **Notices** affected to applicants as soon as possible.

This notice will inform you that your Offer Connection mav become outline interactive and will the implications of this interactivity to allow you to use this advance notice to prepare e.g. schedule any approval meetings that may be needed. We will issue the warning as soon as is practical, however, we are unable to commit to a timescale.

Queue position

Your position in the Interactivity Queue will be determined by your application date. Where we have applicants who have applied on the day, position will be same determined by the applicant that applied earliest in the day. It is also possible that an interactive offer may be in two different interactivity queues; for example a queue for thermal capacity and a queue for fault level capacity. It is possible to be in different positions in each queue.



Unconditional Connection Offers

Unconditional Connection Offers are not contingent on other parties not accepting. As a result, payment of the acceptance fee is required before the end of the validity period in order to secure a valid acceptance. Payment of the Assessment and Design (A&D) fee (if relevant to your offer) must also be made to secure an acceptance.

This notice will inform you of the end date of your validity period. If you wish to accept your offer you must accept by the date indicated. After this date your offer will expire.

You will be issued a **Notice of Interactivity** either via email or included in your Connection Offer when it is quoted. This Notice of Interactivity will inform you if your connection offer is a Unconditional Connection Offer, e.g. no other applicants ahead of you in the Interactivity Queue, or if your offer is a Conditional Connection Offer, e.g. there are other parties ahead of you in the Interactivity Queue.

Conditional Connection Offers

This notice will also inform you of the date of the end of your validity period. As with Unconditional Connection Offers, if you wish to accept your offer you must accept by the date indicated, as after this date your offer will expire.

We will not be able to confirm of successful acceptance а Conditional Connection Offer until the validity period(s) of all those ahead of you in the queue have ended. We will acknowledge receipt of your acceptance and only ask for payment of the acceptance fee once you are successful. The interactivity process does not pause A&D timescales and payment of the A&D fee must also be made, if applicable.

Bringing energy to your door

What if I already have a valid offer with standard six-month validity?

We would issue an **Early Warning Notice** to all applicants that have a Standard Connection Offer to inform them it is likely their validity will be reduced in the future, as a result of interactivity.

Where an offer has already been issued with 6 months validity and there is more than 20 working days of validity period left when interactivity is declared, then the validity period will be shortened to 20 working days. This will begin from the date the applicant receives their notice. If there is less than 20 days left, then the remainder of the original validity period will remain. No extensions to validity will be granted.





Where an applicant is in possession of an Unconditional Connection Offer, we would require that a signed acceptance form and payment of the acceptance fee (and A&D fee, where applicable) are issued to Electricity North West prior to the end of the 20 working day validity period. After this time, the offer shall expire and therefore is no longer able to be accepted. Once a valid Unconditional acceptance is received, all other offers in the queue shall be withdrawn.

Conditional applicants do not need to make payment of the acceptance fee until they are notified that their acceptance has been successful. Conditional applicants need only to submit a signed acceptance form prior to the end of their 20 working day period. If no other acceptance is received by parties ahead of the Conditional applicant their ability to accept shall be confirmed. The applicant shall then have 10 working days to make payment of the acceptance fee (and A&D fee, where applicable). Failure to make payment in this timescale will result in the acceptance being unsuccessful and the offer shall expire.

Any applicant that attempts acceptance and is unsuccessful, or has their offer withdrawn before the end of their validity period as a result of an acceptance by another party, has the ability to reapply and retain their original queue position. In order to retain their position, the applicant must reapply within 10 working days and make no changes from the original application.

Any applicants that allowed their offer to lapse and expire without attempting acceptance or being withdrawn can also reapply, however their original start date and queue position will not be retained.

Please note that Assessment and Design fees will apply to any reapplications where A&D fees were payable in the first instance.

Please refer to our <u>website</u> for more information, or email us at <u>interactivity@enwl.co.uk</u> if you have any questions about this new process.

