Window 1: Minded-to decisions – Long Duration Electricity Storage – Question and Answers

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Questions and Answers

These questions and answers are based on questions received from stakeholders ahead of the Publication Information Session held on the 13 July 2026. Where we have received similar questions, we have combined them. Where questions included confidential information, this has been redacted or removed. We have also amended some questions for readability, but the substance of each question is answered. We will update this document regularly as we respond to questions.

No.	Question	Answer
QA-01	How was deliverability considered in the assessment? Why are no projects deemed undeliverable given that deliverability by 2030/2033 has been a core objective of the LDES scheme?	Refer to page 52 of the Minded-to decisions consultation publication. The deliverability assessment highlights areas where delivery risk may be higher, it is not a binary view on whether a project will of will not be delivered. Current evidence does not justify excluding projects solely on these risks; where a pathway to delivery remains open and where the projects otherwise perform strongly.
QA-02	Why does the minded-to portfolio contain a significant number of longer-duration projects?	Refer to page 11 of the Minded-to decisions consultation publication. The resulting portfolio of projects has a strong representation of higher-duration assets, consistent with overall policy objectives and the Capacity Advice which also indicates a preference for deployment of long-duration and higher-capacity technologies. It also includes a mix of technologies and geographic spread, which in our view supports flexibility and resilience across the system.
QA-03	How were locational factors considered in the assessment? For instance, why are many selected projects located in Scotland?	Refer to page 56 of the Minded-to decisions consultation publication. The proposed portfolio has an appropriate locational spread of projects. The largest concentration of projects is in Scotland with the remaining projects spread across England and Wales. Our judgement is that the deployment of capacity in the proposed locations is appropriate and is likely to have positive system benefits. There is also no indication the system would be adversely impacted.

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QA-04	Why were Balancing Mechanism model outputs excluded from the Economic Assessment, while still being considered within the Financial Assessment?	Refer to page 31 of the Minded-to decisions consultation publication. During the course of Project Assessment, NESO identified that the Balancing Mechanism model exhibited residual optimisation degeneracy. As a result, we decided to exclude Balancing Mechanism model-derived outputs for the purpose of project ranking within the Economic Assessment. Balancing Mechanism model outputs remained suitable for use within the Financial Assessment, as NESO's review did not identify any material degeneracy impact associated with their use for this purpose.
QA-05	Can you clarify how the Economic, Financial and Strategic Assessments work together in reaching the minded-to decisions, and how they interact with each other?	Refer to page 15 of the Minded-to decisions consultation publication. The outputs of each component of the Project Assessment have been considered together as part of our decision-making. No single metric, score or threshold has been applied in isolation. Instead, indicators and benchmarks are used to inform comparison, with outcomes assessed alongside the overall composition of the portfolio. The MCA Framework does not apply a mechanistic rule for combining the components of the Project Assessment but supports the use of structured judgement in bringing them together.
QA-06	How will consultation responses and any new evidence submitted during the consultation period be considered before final decisions are made?	Refer to page 8 of the Minded-to decisions consultation publication. We welcome views on our minded-to decisions and the reasoning set out in this document. This consultation seeks your views on whether the approach, methodology and evidence have been applied appropriately, including the proportionate, fair and consistent use of submitted evidence and standardised assumptions in reaching these decisions. Our minded-to decisions are made with reference to the information available at the time of publication. To ensure fairness, consistency and comparability across projects, we do not intend to take account of new or materially revised project specific information submitted after that point, nor do we generally intend to rerun the Project

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		Assessment on the basis of updated project data. However, we will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-07	How were monetised and non-monetised benefits considered in the assessment, and how were the weightings applied to different assessment criteria?	Refer to page 29 of the Minded-to decisions consultation publication for further information on how the Economic Assessment combined the monetised assessment with the six non-monetised components to produce a final ranking.
QA-08	What are Ofgem's current views on future application windows for the LDES cap and floor regime? How much capacity is expected to be procured in future windows?	Refer to page 68 of the Minded-to decisions consultation publication. We acknowledge that this is the first application window for the LDES cap and floor scheme. Developing a clear future pipeline will benefit both developers and consumers by ensuring that we can retain the strong levels of interest we have seen in this window. We expect to open further windows to address any possible attrition, or where delivery risks arise from Window 1, and to ensure capacity requirements align with future system needs. We intend to consult this year on the design of possible future windows following the outcome of Window 1, with the aim of confirming our intent to open a second window by 2027. Opening will be subject to consultation, development of clear evidence from the forthcoming SSEP on specific system requirements, further Ofgem policy work to develop the regime and selection process, including learning lessons from Window 1.

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QA-09	How were round trip efficiency (RTE) values estimated?	Refer to page 14 of the Minded-to Decisions consultation publication. The consultation explains that the Project Assessment was undertaken using information drawn from project submissions, including the Data Submission Form (DSF) and supporting evidence submitted by applicants. Projects were assessed on the basis of their submitted characteristics across the Economic, Financial and Strategic Assessments. Refer also to paragraph 5.6 of the Minded-to Decisions consultation publication. The consultation explains that round-trip efficiency (RTE) inputs were reviewed and refined as part of the assessment and were derived from project-submitted technical inputs. For projects whose RTE values were not capped in accordance with paragraph 5.6, RTE was calculated using the charge efficiency and discharge efficiency values submitted by projects.
QA-10	Please confirm why the unweighted monetised scores appear to have been utilised when determining project final scores?	The results were presented in this format for presentational purposes. However, the published results continue to reflect the relative weighting assigned to each component through the swing weighting process, and the contribution of each component to the overall Economic Assessment score was not affected by the way the results were presented.
QA-11	Please confirm whether any further (to the 91% Li-ion) round-trip-efficiency (RTE) caps have been applied to other technologies/projects?	Refer to page 21 of the Minded-to Decisions consultation publication. The consultation explains that round-trip efficiency (RTE) inputs were reviewed and refined. It states that Ofgem's technical specialists and advisors identified some project-submitted values that were "not credible for the relevant technology, significantly exceeding those of any known project currently in operation". Where this was the case, values were capped based on specialist engineering advice and a review of known best-in-class assets. The consultation further explains that this included capping RTE values for lithium-ion battery projects

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		at 91% where higher values had been submitted. The only RTE cap applied is the 91% cap applied to lithium-ion projects.
QA-12	Please provide details of the proposed deliverability and milestone conditions and the consequences of not being met.	Refer to pages 12, 67 and 68 of the Minded-to Decisions consultation publication. The consultation explains that final awards may be subject to conditions relating to deliverability and project progress, evidence of financeability and commitment, regulatory compliance, securing necessary consents, and compliance with applicable design requirements. Projects may also be subject to time-bound milestones and ongoing monitoring, with Ofgem able to withdraw support where such conditions are not met. The consultation does not set out the detailed conditions, milestone requirements or project-specific arrangements that may apply to individual projects. However, it notes that Ofgem will continue to develop and finalise the regulatory framework, including licence conditions informed by stakeholder feedback, alongside associated Regulatory Instructions and Guidance (RIGs).
QA-13	All assets 8hr assets can deliver 16+hrs if their capacity is reduced, by keeping everything else the same, this would have significantly changed the results, why wasn't this considered or communicated?	Refer to page 14 of the Minded-to Decisions consultation publication. The consultation explains that information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources.
QA-14	Please confirm why assumed economic life for VFB/Zn/LAES/CAES technologies has been assumed to be less than PSH?	Refer to pages 23-24 of the Minded-to Decisions consultation publication. The consultation explains that Ofgem "applied standardised and technology-specific economic life assumptions based on project submissions and specialist advice" and that these assumptions "reflect the point at which a project would be expected to

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		require significant further capital investment to continue operating".
QA-15	What options were considered for reflecting locational and constraint-relief value in the ranking?	Refer to page 32 of the Minded-to Decisions consultation publication. One limitation relates to the modelling outputs used to inform the Economic Assessment. As described, outputs from the Balancing Mechanism model were excluded due to identified issues with residual optimisation degeneracy. As a result, locational differences are less fully reflected within the monetised assessment than originally envisaged. Some locational effects remain captured through the design of counterfactuals and within non-monetised components such as System Operability. Locational diversity is also considered within the Strategic Assessment. Refer also to page 53 of the Minded-to Decisions consultation publication. NESO undertook zonal sensitivity analysis to assess the impact of different locations on redispatch costs. We considered this analysis as part of the wider evidence base on locational impacts. However, given its project-agnostic nature and that it was designed to provide a broad zonal comparison, we did not consider it a sufficient basis for adjusting the proposed portfolio.
QA-16	How did Ofgem weight the ability of project developers to deliver a project on-time (ie. team track record)?	Refer to page 52 of the Minded-to Decisions consultation publication. The Deliverability Assessment produced outputs for each project. We applied judgement to combine these outputs into an overall assessment of the likelihood of these deliverability risks not being mitigated following a cap and floor award using a red, amber and green rating. We do not consider that the current evidence justifies excluding projects solely on these risks where a pathway to timely delivery remains open and where the projects otherwise perform strongly overall.

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QA-17	The majority of the outputs from modelled pathways and sensitivities indicate that the middle to upper bound of additional capacity deployment in the recommended range [of 2.7 to 7.7GW by 2035] is more likely to be cost optimal"". Given the risk of project attrition, particularly where individual projects account for substantial capacity, what gives Ofgem confidence that the minded-to capacity after accounting for attrition will be sufficient to meet system needs set out by NESO?	Refer to page 62 of the Minded-to Decisions consultation publication. Our minded-to decision on capacity is to include a total of 7,645MW, just below the upper limit of the advised range (7,700MW). This provides headroom for a reasonable degree of attrition while also ensuring that, if all projects proceed, the total capacity awarded remains within the recommended capacity range.
QA-18	Is Residual Value (Financial Assessment) and Terminal Value (Economic Assessment) considered to be different?	Residual Value (used in the Financial Assessment) and Terminal Value (used in the Economic Assessment) are distinct and were applied for different assessment purposes. **Residual value.** Refer to page 16 of the Financial Framework Decision publication. The decision document explains that projects are expected to recover all capital investment over the regime, assuming zero residual value at the end. However, projects may bid a non-zero residual value where project life exceeds the regime duration, or where doing so would help reduce the floor level without negatively affecting project delivery. **Terminal value.** Refer to pages 23 and 24 of the Minded-to Decisions consultation publication. The consultation explains that, in line with the MCA Framework, a terminal value is included within the Economic Assessment to reflect the continuation of project benefits beyond the 25-year appraisal

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		period. This recognises that, for some technologies, capital investment made during the appraisal period is expected to support operation beyond that time horizon. The consultation further explains that terminal value is calculated as a proportion of each project's Capex (including Repex), equivalent to the remaining useful economic life beyond the 25-year horizon, and is added in the final year of the assessment.
QA-19	Is this scheme limited to electrical energy storage? What about other means of energy storage?	Refer to section 10P of the Electricity Act 1989, as inserted by the Planning and Infrastructure Act 2025. The legislation requires the scheme to be designed for the purpose of encouraging the development and use of long duration electricity storage installations. It also provides that the scheme must be open to persons who hold, or intend to apply for, a generation licence to operate a long duration electricity storage installation and who meet any other specified criteria. Refer also to Chapter 3 in the Long Duration Electricity Storage Technical Decision Document. This set out the eligibility criteria for the scheme.
QA-20	Please provide the minimum and maximum state of charge assumptions used for projects, and confirm whether the same values have been used for lithium-based projects.	Refer to page 16 of NESO's LDES Final Methodology publication. The minimum and maximum states of charge were assumed to be 0% to 100%, respectively, for all assets.
QA-21	Please provide details of any standardisations to project-submitted inputs for projects.	Refer to page 21 of the Minded-to Decisions consultation publication and pages 15-17 of NESO's LDES Final Methodology publication. The consultation explains that, particularly for inputs used in the modelling, project-submitted data was reviewed, refined and, where appropriate, standardised to support comparability across projects. This included standardising key inputs

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		where submitted values were not directly comparable or were assessed as not credible.
QA-22	What is Ofgem's views around the impact of this decision will have on SDES and overall volatility in the market to support unsubsidized flexibility providers?	Refer to pages 17–18 of the Assessment of Impacts publication that accompanied the Minded-to Decisions consultation publication. Those pages discuss the potential impacts on competition, including impacts on short duration electricity storage (SDES).
QA-23	Some technical parameters were altered dramatically from the submission. How was this decided?	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of the Minded-to Decisions consultation document.
QA-24	Query regarding calculation of stored energy from MW and duration figures in publication.	The question is unclear and we are unable to respond to it as drafted, please consider framing this question as part of a consultation response.
QA-25	I recognise that the whole point of these projects is to assist in the decarbonisation of energy within the UK – an environmental impact, but the criteria in your	Refer to page 27 of the Minded-to Decisions consultation publication. The Wider Economic and Social Impacts (WESI) assessment considers impacts not captured in monetised or other non-monetised metrics, including effects on local communities, the UK economy and the energy sector. It focuses on identifying whether there is

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	"minded to" decision do not appear to consider the local environmental effects of constructing such projects. If not now, then when DO such legitimate concerns become a consideration for your assessment?	robust, project-specific evidence of materially different impacts across projects.
QA-26	Please share pre-normalisation monetised and non-monetised scores for each project. This will allow us to consider whether the applied relative (swing) weightings are appropriate for the range of pre-normalisation outcomes for each criteria.	We are providing the unscaled monetised and non-monetised assessment scores in Appendix 1 of this Q&A.
QA-27	Noting the effect of rounding, please confirm the actual relative weightings used. By reverse calculation, we have estimated these to be: BCR - 40.46%; SoS - 19.22%; ARC - 15.38%; SO - 12.14%; WESI - 8.09%; RTF - 4.05%; OV - 0.67%	Refer to page 29 of the Minded-to Decisions consultation publication. Weightings were rounded to whole percentages for ease of presentation. The underlying weightings used in the assessment, to two decimal places, were: Benefit-Cost Ratio (BCR): 40.46% Security of Supply (SoS): 19.22% Avoided Renewable Curtailment (ARC): 15.37% System Operability (SO): 12.14% Wider Economic and Social Impacts (WESI): 8.09% Real-Time Flexibility (RTF): 4.05% Option Value (OV): 0.67%
QA-28	Could Ofgem please cover the results of including the balancing	Refer to page 31 of the Minded-to Decisions consultation publication. In our judgement, the information provided in this section is sufficient for

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	mechanism outputs in the economic assessment rankings? We believe that the methodology as set out diminishes the cost impact and carbon impact of gas turn-up in the South, with the distribution of awarded projects reflecting this.	stakeholders and the public to understand how Minded-to Decisions were made.
QA-29	We would appreciate rationale for normalisation by MWs instead of project cost for the non-monetised benefits. This structurally continues to favour longer-duration projects beyond the 8h requirement. Is the average awarded duration of c.17h the intended outcome of the tender, or was the original intention to procure ~8h assets? If so, what has changed in Ofgem's view?	Refer to page 32 of the Minded-to Decisions consultation publication. Certain non-monetised impacts have been normalised by discharge capacity rather than cost. The MCA Framework indicated cost-based normalisation; however, we have modified that to a discharge capacity-based approach which has been applied to Security of Supply and Avoided Renewable Curtailment. This supports comparison across projects while reflecting differences in scale and duration within the assessment framework. Also refer to page 11 of the Minded-to Decisions consultation publication. The resulting portfolio of projects has a strong representation of higher-duration assets, consistent with overall policy objectives and the Capacity Advice which also indicates a preference for deployment of long-duration and higher-capacity technologies. It also includes a mix of technologies and geographic spread, which in our view supports flexibility and resilience across the system.
QA-30	Ofgem capped submitted RTE values where they exceeded known best-in-class operational assets (paragraph 5.6). Did Ofgem apply an equivalent forward-looking adjustment to account for the known	Refer to page 21 of the Minded-to Decisions consultation publication. Round-trip efficiency (RTE) inputs were also reviewed and refined. As part of this, our technical specialists and advisors identified some project-submitted values which were not credible for the relevant technology, significantly exceeding those of any known project currently in operation. Where this was the case, values were capped based on specialist

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	degradation of Lithium-ion RTE over the 25-year regime period, or was the initial submitted RTE value assumed constant throughout?	engineering advice and a review of known best-in-class assets. This included, for Li-ion BESS projects, capping RTE values at 91% where higher values had been submitted. No degradation was applied to the efficiency values submitted by projects.
QA-31	Given that energy capacity was treated as a fixed project characteristic over the asset life (paragraph 5.6), how did the assessment account for the augmentation capital expenditure required to restore Lithium-ion capacity to its rated level as cells degrade — particularly for projects claiming 16-18 hour durations with no global operational precedent at that scale?	Refer to page 23 of the Minded-to Decisions consultation publication. The consultation explains that the project cost component of the BCR considered project costs including Devex, Capex, Opex and Repex. These costs were profiled over the appraisal period in line with information provided through project submissions. Therefore capturing additional capital expenditure for project augmentation. Refer also to page 21 of the Minded-to Decisions consultation publication. The consultation explains that project-specific technical inputs, including storage capacity, were standardised to support comparison across projects. Refer to page 32 of the Minded-to Decisions consultation publication. The consultation notes limitations associated with the treatment of project-submitted data and explains that the application of standardised assumptions and methodologies may over- or under-represent certain project characteristics. Refer to page 9 of the Minded-to Decisions consultation publication. We welcome representations through the consultation process on the assessment methodology and evidence base. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.

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QA-32	Repex was assessed using project-submitted figures profiled over the 25-year period (paragraph 5.15). Was any independent verification applied to Lithium-ion Repex submissions to confirm that augmentation cost assumptions are consistent with known degradation rates at the claimed duration and cycling intensity — comparable to the independent benchmarking applied to Decommex (paragraphs 4.10-4.12)?	Refer to page 18 of the Minded-to Decisions consultation publication. The consultation explains that the Cost Assessment included expert review and identifies that different approaches were taken by projects with respect to decommissioning cost estimation. Expert review was also sought on degradation assumptions included in project submissions. However, it was not considered necessary to apply a standard benchmark approach equivalent to that used for decommissioning costs.
QA-33	Given that future augmentation procurement will occur at uncontracted market prices from overseas supply chains, and given that fire safety legislation applicable to Lithium-ion battery installations may evolve over a 25-year period in ways that affect installation, operation and replacement costs, how did the Financial Assessment account for these forward-looking cost uncertainties in the Repex assumptions for projects claiming unprecedented durations?	Refer to page 18 of the Minded-to Decisions consultation publication. The consultation explains that "the assessment considered projects' submitted P50 cost estimates" and that "where contingency provisions were assessed as excessive or insufficient, adjustments were made as appropriate." This included consideration of contingency allowances within submitted project cost estimates, including Repex where relevant. Refer also to page 43 of the Minded-to Decisions consultation publication. The consultation explains how the Cost Assessment outputs were used within the Financial Assessment to determine cap and floor levels.

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QA-34	The Benefit Cost Ratio used in the Economic Assessment captured upfront capital expenditure as the cost denominator. Given that Vanadium Flow Battery technology requires no augmentation over a 25-year regime period (one capital investment, no degradation, reusable electrolyte) while Lithium-ion technology requires augmentation cycles at future uncontracted market prices to maintain rated capacity and duration, did the assessment consider the full Levelised Cost of Storage over the regime period rather than upfront capital cost alone — and if so, where is that analysis documented?	Refer to page 23 of the Minded-to Decisions consultation publication. The consultation explains that the present value of project costs forms the denominator of the BCR and is "the combination of costs derived from our Cost Assessment process and a terminal value". It further explains that the costs included are "Devex, Capex, Opex and Repex" and that these costs are "profiled over the 25-year appraisal period, in line with project submissions".
QA-35	System Operability was scored by substituting proxy metrics for submitted data where inputs were judged "non-comparable." How can developers see and verify the proxy applied to their project, and how were strong but differently-expressed capabilities prevented from scoring zero?	Refer to page 26 of the Minded-to Decisions consultation publication. The consultation explains that, where project inputs were not directly comparable, proxy metrics could be used as part of the System Operability Assessment methodology. The consultation further explains the approach taken to assess operability characteristics and apply the assessment framework across projects. Where proxy metrics were used, they were derived and applied on a consistent basis across relevant projects, informed by input from external technical advisers, to support comparability. In our judgement, the information provided in this section is sufficient for

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		stakeholders and the public to understand how Minded-to Decisions were made.
QA-36	Several methodology choices were amendments to the published framework made during assessment, after projects had been designed and submitted against the original. Will Ofgem publish the ranking impact of each material amendment, and how will it handle mid-assessment amendments in future windows?	Refer to page 12 of the Minded-to Decisions consultation publication. The consultation explains that Ofgem retained discretion to make amendments to the MCA framework where appropriate during the assessment process. The analysis referred to in the question was not developed as part of the Project Assessment. Ofgem considers that the published information sufficiently explains the approach taken in the economic assessment, including the rationale for each amendment from the MCA Framework. For future windows, refer to page 68 of the Minded-to Decisions consultation publication. The consultation explains that the approach to future windows will be subject to future consultation. Any decisions relating to the assessment framework for future windows would therefore be considered as part of those future processes.
QA-37	Query about the methodology applied for the assessment of deliverability as there are over 50% of the 16 minded to projects which do not have planning permission secured yet. This appears at odds with what was presented during all of the consultation phases where deliverability certainty was a key requirement stated repeatedly by Ofgem. Yet Ofgem stated in the minded to decision “do not consider that the evidence we have	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.

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	reviewed justifies excluding projects solely based on their deliverability”	
QA-38	There is a material negative adjustment in the Financial Assessment for the unsuccessful PSH projects – which is unclear in its justification, compared to the other PSH projects which secured the minded to decision.	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-39	For the minded-to projects: Will LDES be able to compete in the existing markets with merchant storage?	Refer to page 68 of the Minded-to decisions consultation publication. We will continue to develop and finalise the regulatory framework, including licence conditions informed by stakeholder feedback, and the Regulatory Instructions and Guidance (RIGs). These documents will also reflect requirements for project delivery, reporting and operation under the regime. The consultation does not provide further detail on how assets supported through the LDES cap and floor regime will participate in individual markets. Arrangements relating to market participation and the operation of the cap and floor regime may be set out through the LDES licence and associated regulatory documents rather than through this consultation.

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QA-40	Will LDES be prioritised for connection agreements?	The Minded-to Decisions consultation publication does not address whether LDES projects will receive priority for connection agreements. This consultation relates to Ofgem's minded-to decisions on the outcome of the Project Assessment for Window 1 of the LDES cap and floor regime. The arrangements governing connection agreements are outside the scope of this consultation.
QA-41	Can LDES opt for a 15-year capacity market contract?	The Minded-to Decisions consultation publication does not address whether LDES projects may access or elect to receive a 15-year Capacity Market contract. This consultation relates to Ofgem's minded-to decisions on the outcome of the Project Assessment for Window 1 of the LDES cap and floor regime. Questions relating to Capacity Market arrangements are outside the scope of this consultation.
QA-42	What obligations do LDES have to respond to a system need?	Refer to page 68 of the Minded-to Decisions consultation publication. The consultation explains that Ofgem will continue to develop and finalise the regulatory framework, including licence conditions informed by stakeholder feedback, and the Regulatory Instructions and Guidance (RIGs). These documents will also reflect requirements for project delivery, reporting and operation under the regime. Refer also to the consultation on the proposed Special Licence Conditions, which was published on 21 July 2026 and is available on our website.
QA-43	Do assets have to pay any bid bond and do they loose this if they don't build the plant for any reason?	The Minded-to Decisions consultation publication does not address the detailed post-award obligations that may apply to successful projects. Those obligations are therefore outside the scope of the Minded-to Decisions consultation.

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		Refer also to the consultation on the proposed Special Licence Conditions, which was published on 21 July 2026 and is available on our website.
QA-44	What future volume does OFGEM believe is needed for the next round of LDES?	Refer to page 68 of the Minded-to decisions consultation publication. We expect to open further windows to address any possible attrition, or where delivery risks arise from Window 1, and to ensure capacity requirements align with future system needs. We intend to consult this year on the design of possible future windows following the outcome of Window 1, with the aim of confirming our intent to open a second window by 2027. Opening will be subject to consultation, development of clear evidence from the forthcoming SSEP on specific system requirements, further Ofgem policy work to develop the regime and selection process, including learning lessons from Window 1.
QA-45	The Stream 1 vs Stream 2 distinction seems to have "gone missing" in the results, despite being a core part of the tender process. Which stream does each of the successful tenders belong to?	The 'Stream 1' and 'Stream 2' classifications were eligibility pathways designed to reflect different technology readiness levels. All eligible projects were subsequently assessed in accordance with the same Multi-Criteria Assessment Framework.
QA-46	We note that one vanadium flow/zinc hybrid technology has tendered. We presume the provider had to commit to the exact proportion of each technology type as part of the tender process. Is that correct?	The Minded-to Decisions consultation publication does not set out whether a project must maintain a specific proportion of different technology types within hybrid projects. Refer also to the consultation on the proposed Special Licence Conditions, published on 21 July 2026 and available on our website.
QA-47	Given all of the "noise" surrounding the future market design, how much	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions,

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	of each party's submission relied on its own commercial modelling, and to what extent did Ofgem seek a detailed understanding of the assumptions underpinning those models?	through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of the Minded-to Decisions consultation document.
QA-48	The detailed modelling underpinning the Economic Assessment (including the consumer benefits analysis)	Refer to the Minded-to Decisions consultation publication and the accompanying assessment methodology documents. The consultation explains the approach taken to the Economic Assessment, including the consumer benefits analysis, and the use of modelling outputs from NESO to inform the assessment. Ofgem considers that the published information is sufficient to explain how the Economic Assessment was undertaken and how it informed the Minded-to Decisions. The detailed modelling underpinning the Economic Assessment, including modelling undertaken by NESO, is not available in a form that can be provided. The PLEXOS model used for the System Benefit Modelling relies on proprietary software, commercially sensitive datasets and confidential third-party information.
QA-49	The revenue scenario, price basis and modelling assumptions underlying the Financial Assessment, together with the	Refer to page 40 of the Minded-to Decisions consultation publication, particularly paragraphs 6.16-6.40. These sections explain the inputs, assumptions and methodology used in the Financial Assessment, including the role of modelling outputs, project-submitted information and standardised assumptions. The Financial

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	associated return modelling.	Assessment compared projects on a consistent basis, rather than producing project-specific revenue forecasts. We consider the published information sufficient for stakeholders to understand how the Financial Assessment informed our minded-to decisions.
QA-50	Given the public market reaction that the administrative floor is insufficient for a positive FID, it would be beneficial for Ofgem to share what they believe is an investable level of return for investors in this type of project.	Refer to page 14 of the Financial Framework Decision publication. The decision explains that "Ofgem considers it in consumer interest to adopt a default administrative rate of return whilst still allowing for some flexibility in exceptional cases". It further explains that "Projects may request a higher floor rate of return, supported by strong evidence" and that such flexibility "helps ensure that high value Projects ... can proceed where they might otherwise be undeliverable under a fixed approach". The decision also states that requests for a higher floor must include evidence "to show why the administrative floor is insufficient as a downside rate of return".
QA-52	Are Ofgem not considering selecting multiple projects from a single developer to present a larger risk of attrition?	Refer to page 55 of the Minded-to Decisions consultation publication. Overall, the assessment has been made on a project-by-project basis, but we acknowledge that some degree of interdependency may arise between these projects. We do not consider that the current evidence justifies excluding projects solely on these risks – where a pathway to timely delivery remains open and where the projects otherwise perform strongly overall. These delivery risks can be managed through conditions and ongoing project milestones.
QA-53	RTE: when considering the 91% RTE cap, was Ofgem accounting for all BESS auxiliaries. 91% is an unreasonably high number and unrealistic in most cases. Considering	Refer to page 21 of the Minded-to Decisions consultation publication. Round-trip efficiency (RTE) inputs were also reviewed and refined. As part of this, our technical specialists and advisors identified some project-submitted values which were not credible for the relevant technology, significantly exceeding those of any known project

No.	Question	Answer
	that some projects had to have their RTE capped at 91% (implying they submitted higher RTEs), did Ofgem question the reasonability of these values and check credibility?	currently in operation. Where this was the case, values were capped based on specialist engineering advice and a review of known best-in-class assets. This included, for Li-ion BESS projects, capping RTE values at 91% where higher values had been submitted.
QA-54	Why do some BESS have a high score and others have 0 - all BESS are sourced entirely outside GB, and workforces would be the same?	Refer to page 27 of the Minded-to Decisions consultation publication. The WESI assessment was based on a structured qualitative framework using evidence submitted through Data Submission Forms and supporting material.
QA-55	A number of the outcomes appear to flow from the assessment methodology rather than the underlying economics of the projects. The vast majority of awarded discharge capacity (67%) and storage capacity (79%) in the minded-to decision is for projects in North Scotland, with the similarly export-constrained East of England a distant second. In the Cost Benefit Analysis, why did Ofgem exclude output from NESO's Balancing Mechanism (BM) model, which would pick up locational impacts.	Refer to page 31 of the Minded-to Decisions consultation publication. We decided to exclude Balancing Mechanism model-derived outputs for the purpose of project ranking within the Economic Assessment and instead rely on outputs from the GB-focussed Day Ahead model, which NESO considered a sufficiently robust, stable and project-sensitive basis for the Economic Assessment undertaken in this window. To note, Balancing Mechanism model outputs remained suitable for use within the Financial Assessment, as NESO's review did not identify any material degeneracy impact associated with their use for this purpose.
QA-56	The decision favours longer-duration projects	Refer to page 32 of the Minded-to Decisions consultation publication. The consultation

No.	Question	Answer
	including long-duration BESS: the nine highest-ranked projects are also the nine with the longest storage durations. The 'non-monetised' benefits are assessed per MW of discharge capacity rather than by the benefit delivered per unit of cost. Combined with the weighting of these criteria, this favours lower-capacity, longer-duration projects that appear capable on a per-MW basis. Has a ranking comparison been produced for the projects that are the most cost-effective, per unit cost, at delivering the non monetised benefits and can Ofgem release this information?	explains the approach taken to normalising non-monetised benefits within the Economic Assessment and the rationale for doing so. The requested information on how projects would rank under an alternative approach, including assessment of non-monetised benefits on a per-unit-cost basis, was not an output of the Project Assessment. Ofgem considers that the published information sufficiently explains the assessment methodology and the basis on which Minded-to Decisions were made.
QA-57	For many successful projects, the largest share of the overall score stems from Ofgem's assessment of non-monetised benefits, despite the framework being built around a monetised cost-benefit analysis. This raises significant concerns over the costs consumers may have to bear with projects being supported that do not deliver the best monetised benefits,	Refer to page 29 of the Minded-to Decisions consultation publication. The consultation explains how monetised and non-monetised assessment outputs were combined within the Economic Assessment. To combine scores across all monetised and non-monetised impacts, Ofgem applied weightings to each component. The consultation explains that "these weightings were based on structured judgement, informed by the evidence across the assessment." Refer also to pages 14 and 15 of the Minded-to Decisions consultation publication. The consultation explains that information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. It also explains that it was

No.	Question	Answer
	requiring significantly higher Floors than projects not selected, nor provide the most flexible assets for the network. For example: A lithium ion BESS project of 16 hours duration is much less flexible/useful for the network and will generate significantly lower revenues (limited to fewer trading cycles) than 2 x 8 hour projects that deliver the equivalent 16 hours of storage for times when this is needed (that taken together would have a similar CAPEX and generate higher revenues and require lower floor support). Was this analysis undertaken?	undertaken in line with the published MCA Framework. The specific comparison described in the question did not form part of the published assessment framework and the Minded-to Decisions consultation publication does not provide this analysis.
QA-58	There appears to be a significant mark down of projects that would compete with non LDES projects. Why has this been applied and how does this support competition in the market?	The statement regarding a "significant mark down of projects that would compete with non-LDES projects" is unclear and we are unable to respond to it as drafted. Please consider framing this question as part of a consultation response. With respect to competition in the market, refer to page 17 of the Assessment of Impacts publication that accompanied the Minded-to Decisions consultation publication.
QA-59	How have assets been classified. I understand there are 25 zones within NESO's system benefit modelling, and we wanted to ensure that the	Refer to page 16 of the LDES: Final Methodology. Each project was assigned to a Plexos zone using the best available locational information. The preferred source was the substation provided in the DSF. Where this was not sufficient, the connection application was used where applicable. If neither of these provided a clear mapping, the project's Easting and Northing

No.	Question	Answer
	modelling identified the site's location correctly.	information from the DSF was used to determine the appropriate Plexos zone. This approach ensured that project location was treated consistently across applicants, while making use of the most specific locational evidence available for each project. Location is important because the BM model represents constrained boundary conditions, and therefore a project's model zone can affect how its flexibility contributes to increasing/reducing redispatch and constraint management costs.
QA-60	The consultation describes how degeneracy in NESO's Balancing Mechanism model ruled out its use in the Economic Assessment. As a result of this, the Economic Assessment contains no detailed quantitative analysis of the system effects of LDES in the BM and Intraday markets. • Please can you clarify why NESO's BM model outputs were seen as appropriate for calculating project revenues in the Financial Assessment, but not for exploring system impacts in the Economic Assessment? • In place of NESO's BM model, projects were assessed based on whether they could sustain power capability over a defined short term	Refer to page 31 of the Minded-to Decisions consultation publication. We decided to exclude Balancing Mechanism model-derived outputs for the purpose of project ranking within the Economic Assessment and instead rely on outputs from the GB-focussed Day Ahead model, which NESO considered a sufficiently robust, stable and project-sensitive basis for the Economic Assessment undertaken in this window. To note, Balancing Mechanism model outputs remained suitable for use within the Financial Assessment, as NESO's review did not identify any material degeneracy impact associated with their use for this purpose. With respect to whether additional evidence or analysis should be used to broaden the scope of the assessment, the Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may

No.	Question	Answer
	duration. Is an assessment of projects based on their ability to discharge the best possible analysis of the socioeconomic welfare effects of LDES assets in the BM and intraday markets? Can robust evidence be sourced to broaden the scope of Ofgem's assessment of the effects of LDES in the BM and intraday markets?	justify further analysis, correction or adjustment before final decisions are made.
QA-61	Following consultation with industry, Ofgem has proposed to link the floor to outturn inflation. In a 2025 Decision Document on the Financial Framework, Ofgem noted that this approach could 'introduce significant risk to future consumers', and stated that 'these impacts will be captured through the FA, where we model projected revenues and expected consumer payments, ensuring any potential exposure is transparently assessed'. • I did not identify any explicit discussion of inflation indexation in the Financial Assessment. Please can you direct us to your analysis of consumer risks incurred through the indexation of	Refer to page 21 of the Financial Framework Decision and Section 6 of the Minded-to Decisions consultation, particularly paragraphs 6.16-6.40. These sections set out the rationale for the adopted inflation indexation approach, the Financial Assessment methodology, and associated consumer risk considerations. Stakeholders may also wish to refer to paragraphs 6.9-6.10 regarding consumer impacts and the effects of an inflation-linked regime structure over time. We consider the published analysis sufficient to explain how these considerations informed our minded-to decisions.

No.	Question	Answer
	the floor to outturn inflation? • Please can you provide more detail on your analysis of the fixed, outturn, and semi-nominal approaches? Why was a semi-nominal approach deemed too complex for Window 1? What was the evidence that this approach could create significant delivery risk? • What is your view on whether linking the floor to outturn inflation will result in windfalls for equity investors?	
QA-62	Ofgem developed a scoring framework based on consumer risk profiles. The threshold was set with regard to some projects seen to offer wider strategic benefits: 'a trade-off may be justifiable where particular benefits offset a lower Financial Assessment score', and 'some more marginal cases have been retained where the risks are judged to be proportionate in light of the expected benefits'. • Please can you share more information	Refer to page 45 of the Minded-to Decisions consultation publication. The consultation explains that the Financial Assessment threshold was identified through analysis of score distribution. Refer also to page 56 of the Minded-to Decisions consultation publication. The consultation explains that Ofgem exercised discretion to include one 65MW Vanadium Flow/Zinc Battery project, which as Table 3 presents, was above the threshold on a submitted basis but below it on an assessed basis. Given its limited scale, we considered the associated consumer risk proportionate when weighed against the potential diversity and learning benefits.

No.	Question	Answer
	on how the consumer risk threshold was set? • Which marginal projects were retained to offer wider strategic benefits to consumers? What were these benefits? How do they justify increased risk of floor reliance? • The scores in the consultation document state whether a project is 'above' or 'below' the threshold. Please can you share data on the scores received by projects? This will allow for a more detailed evaluation of consumer risk and a clearer understanding of marginal cases	
QA-63	Ofgem are due to publish a second consultation on the Special Licence Conditions shortly, in addition to a third, statutory consultation at a later date. Can you provide an update on when the second SLC consultation will be published? Ofgem have suggested they will manage connections delivery risks through 'conditions attached to any award of cap and floor support, including time-bound	Refer to the consultation on the proposed Special Licence Conditions, which was published on 21 July 2026 and is available on our website. Refer also to page 68 of the Minded-to Decisions consultation publication. The consultation explains that Ofgem will continue to develop and finalise the regulatory framework, including licence conditions informed by stakeholder feedback, and the Regulatory Instructions and Guidance (RIGs). It further explains that these documents will reflect requirements for project delivery, reporting and operation under the regime.

No.	Question	Answer
	milestones'. Will these be consulted on in advance of final decisions?	
QA-64	Will Ofgem publish the underlying non normalised Benefit-Cost Ratios (BCRs)? The currently published normalised scores indicate relative ranking but do not reveal the magnitude of the differences between projects. It is, therefore, difficult for stakeholders to understand whether one project marginally outperforms another or whether there are substantial differences in economic value delivered to consumers. Transparency would allow stakeholders to better understand the economic rationale underpinning portfolio selection and value for money of different LDES technologies and projects. It would also facilitate more informed consultation responses and improve confidence in the assessment process. We do not believe that publication of the BCRs would compromise the confidentiality of project-specific cost data as a	Refer to page 22 of the Minded-to Decisions consultation publication. The consultation explains that monetised impacts demonstrate system value, with benefits quantified using system modelling outputs and assessed relative to project costs on a present-value basis. We are providing the underlying Benefit-Cost Ratios (BCRs) in Appendix 1 of this Q&A. In our judgement, the information contained within the published documentation already provides sufficient detail to understand the assessment methodology and the basis on which Ofgem reached its minded-to decisions. Nevertheless, we are providing this additional information in the interests of transparency.

No.	Question	Answer
	BCR is a dimensionless ratio that does not disclose absolute values of either costs or benefits. I.e. it should not allow reverse-engineering of confidential project cost estimates, financing parameters, or revenue expectations. It is unclear whether there is or isn't some cross over between some of the things assessed, for instance between elements of the non-monetised economic assessment and the Strategic Assessment. It is also unclear to us how a project would have scored well on the economic assessment but poorly on the financial assessment, we would have considered that (given the focus and methodologies) those assessments would be quite correlated. Can Ofgem provide an illustrative example (s) / a strawman of how a hypothetical project would have been scored to help stakeholders better understand the process? Multiple examples, if possible, would help show how a project may have scored well or not.	

Window 1: Minded-to decisions – Long Duration Electricity Storage – Question and Answers

No.	Question	Answer
QA-65	Is the listed project capacity the same as the TEC/grid connection? E.g. can the projects export full capacity over a shorter duration than the duration listed against their project?	Refer to page 14 of the Minded-to Decisions consultation publication. The consultation explains that the Project Assessment was undertaken using information drawn from project submissions, including the Data Submission Form (DSF). Capacity values presented in the Minded-to Decisions consultation publication reflect the discharge power capacity values submitted by projects in DSFs. Refer also to page 68 of the Minded-to Decisions consultation publication. The consultation explains that Ofgem will continue to develop and finalise the regulatory framework, including licence conditions informed by stakeholder feedback, and the Regulatory Instructions and Guidance (RIGs). These documents will also reflect requirements for project delivery, reporting and operation under the regime. Finally, refer to the consultation on the proposed Special Licence Conditions, which was published on 21 July 2026 and is available on our website.
QA-66	Ofgem's minded-to decision results in a very significant concentration of awarded capacity in North Scotland. Based on the selected portfolio, around 67% of awarded MW and approximately 79% of awarded MWh is located in North Scotland. Given this concentration, can Ofgem explain in more detail why NESO's Balancing Mechanism model outputs were excluded from the Economic Assessment,	Refer to page 31 of the Minded-to Decisions consultation publication. We decided to exclude Balancing Mechanism model-derived outputs for the purpose of project ranking within the Economic Assessment and instead rely on outputs from the GB-focussed Day Ahead model, which NESO considered a sufficiently robust, stable and project-sensitive basis for the Economic Assessment undertaken in this window. Refer also to page 53 of the Minded-to Decisions consultation publication. We considered this NESO zonal sensitivity analysis as part of the wider evidence base on locational impacts. However, given its project-agnostic nature and the fact that it was designed to provide a broad zonal comparison, we did not consider it a sufficient basis for adjusting the proposed portfolio.

No.	Question	Answer
	despite those outputs being the part of the modelling most likely to capture locational constraint and redispatch value? Ofgem states that BM model-derived outputs were excluded because of residual optimisation degeneracy, and also acknowledges that this means locational differences are less fully reflected in the monetised Economic Assessment than originally envisaged. Can Ofgem provide: the ranking impact of excluding BM outputs; any sensitivity analysis showing what the ranking would have looked like had BM outputs been retained; the additional zonal sensitivity analysis undertaken by NESO; and an explanation of whether projects outside North Scotland may have been disadvantaged because their locational value was not fully monetised?	The analysis referred to in the question, including the ranking impact of including BM outputs, was not developed as part of the Project Assessment. With respect to the NESO zonal sensitivity analysis, Ofgem considers that the published information sufficiently explains the approach taken in the Project Assessment and how we reached our Minded-to Decisions.
QA-67	The bilateral assessment outputs appear to show that a number of projects	Refer to page 17 of the MCA Framework. The MCA Framework explains that the monetised impacts of relevant SEW components, in addition to impact

Window 1: Minded-to decisions – Long Duration Electricity Storage – Question and Answers

No.	Question	Answer
	delivered substantial positive Consumer SEW, but that these benefits were largely offset by negative Producer SEW. Can Ofgem explain how it considers this outcome to align with the consumer-protection objective of the regime? In particular: Where a project reduces costs for consumers but also reduces revenues for other market participants, why is the producer revenue impact netted against consumer benefit on an equivalent basis? Did Ofgem consider a consumer-benefit-led ranking, for example ranking projects by Consumer SEW or consumer bill impact rather than total SEW? Can Ofgem publish the project-level breakdown of Consumer SEW, Producer SEW, LDES Owner SEW, carbon benefit and project cost for all projects, including both selected and non-selected projects? This is important because Ofgem defines total benefits for the BCR as Consumer SEW plus	on system costs, will be combined to provide an estimate of the overall monetised part of the impact of each Project. Refer also to page 23 of the Minded-to Decisions consultation publication. The consultation explains a total benefits calculation consistent with that framework. The alternative ranking approaches described in the question, including ranking projects solely by Consumer SEW or consumer bill impact, were not developed as part of the Project Assessment. We are providing project-level Benefit-Cost Ratios (BCRs) in Appendix 1 of this Q&A. The requested project-level breakdowns of Consumer SEW, Producer SEW, LDES Owner SEW, carbon benefits and project costs are not being published. In our judgement, disclosure of these assessment components could enable inferences to be drawn regarding commercially sensitive project information. Ofgem considers that the published information, together with the additional BCR information provided in Appendix 1, sufficiently explains the Economic Assessment methodology and the basis on which the minded-to decisions were reached.

No.	Question	Answer
	Producer SEW plus LDES Owner SEW plus carbon externality reduction.	
QA-68	The highest-ranked projects are overwhelmingly longer-duration projects. The top nine ranked projects all have durations of around 15 hours or more, including PSH, CAES and long-duration BESS. Can Ofgem explain whether this outcome was expected, and whether the methodology was tested for duration bias? In particular: Did Ofgem test whether the methodology systematically favours long-duration assets over shorter-duration but more flexible assets? Did Ofgem compare the system value of one 16-hour BESS project against two 8-hour BESS projects of equivalent storage capacity? Did Ofgem assess whether two 8-hour projects could deliver similar or greater flexibility, higher cycling revenue, lower floor exposure and better operational usefulness	Refer to page 11 of the Minded-to decisions consultation publication. The resulting portfolio of projects has a strong representation of higher-duration assets, consistent with overall policy objectives and the Capacity Advice which also indicates a preference for deployment of long-duration and higher-capacity technologies. It also includes a mix of technologies and geographic spread, which in our view supports flexibility and resilience across the system. The specific comparison described in the question did not form part of the published assessment framework and the Minded-to Decisions consultation publication does not provide this analysis.

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	than a single 16-hour project? This is important because a 16-hour BESS may be less commercially flexible than two 8-hour assets that can operate independently, cycle differently and respond to different system conditions.	
QA-69	The BCR is described as the most important individual metric and carries a 40% weighting. However, the non-monetised metrics collectively account for 60% of the Economic Assessment score. Can Ofgem provide sensitivity rankings showing the impact of alternative weightings, including: monetised-only ranking; BCR-led ranking with lower non-monetised weighting; equal weighting between monetised and non-monetised benefits; and a ranking based on consumer benefit per £ of cost? Can Ofgem also explain whether any selected	Refer to page 29 of the Minded-to Decisions consultation publication. The Economic Assessment combines the monetised assessment with the six non-monetised components to produce a final ranking. To combine scores across all monetised and non-monetised impacts, the approach involved rescaling the scores for each impact, so that the scores for all metrics were measured on a common scale. The components were then comparatively assessed, and relative weights were assigned based on their importance against the factors above. These weightings were based on structured judgement, informed by the evidence across the assessment, rather than through a mechanistic calculation. They were then applied to derive an overall Economic Assessment ranking. The alternative rankings and sensitivities referenced in the question were not produced as part of the Project Assessment. Ofgem considers that the published information sufficiently explains the approach taken in the Project Assessment and how we reached our Minded-to Decisions.

No.	Question	Answer
	projects would fall outside the minded-to portfolio under these alternative weighting scenarios?	
QA-70	Can Ofgem provide a breakdown of their assumed revenue forecasts used for the Financial Assessment	We have provided a further breakdown of revenue components to individual projects.
QA-71	Please can Ofgem share the structured scoring methodology for System Operability. Which consultancy did this work and was it reviewed by NESO?	Refer to page 26 of the Minded-to Decisions consultation publication. The consultation sets out the structured scoring methodology used for the System Operability Assessment. The consultation further explains that the methodology was developed in collaboration with NESO.
QA-72	For the above System Operability, what does Ofgem mean by the results were "normalised by cost"	Refer to pages 17 and 48 of the MCA Framework. The MCA Framework explains that monetised impacts were assessed using a Benefit Cost Ratio (BCR), with the present value of all monetised costs and benefits used to determine the BCR. The framework explains that this approach was intended to "allow us to normalise the SEW impacts of each Project for differences in Project size". The MCA Framework also explains that non-monetised criteria could be assessed through a Normalised Quantitative Assessment, with "quantified impacts normalised by the present value of total Project costs, to maintain consistency with monetised metrics". Accordingly, where the Minded-to Decisions consultation publication refers to results being "normalised by cost", this refers to the assessment of quantified impacts relative to the present value of project costs, consistent with the approach set out in the MCA Framework.

Window 1: Minded-to decisions – Long Duration Electricity Storage – Question and Answers

No.	Question	Answer
QA-73	It appears that locational differences were not included in the Economic Assessment, not even as a non-monetised benefit. If the modelling was challenging, why was it not included as a non-monetised benefit?	Refer to page 32 of the Minded-to Decisions consultation publication. Location within the Economic Assessment: One limitation relates to the modelling outputs used to inform the assessment. As described in the Minded-to Decisions consultation publication, outputs from the Balancing Mechanism model were excluded due to identified issues with degeneracy. As a result, locational differences are less fully reflected within the monetised assessment than originally envisaged. Some locational effects remain captured within the assessment, including through the design of counterfactuals and within non-monetised components such as System Operability. However, the reduced reliance on Balancing Mechanism outputs means that certain locational dynamics may not be fully reflected in the Economic Assessment ranking. We do note that locational diversity is considered in the Strategic Assessment. The non-monetised components included within the Economic Assessment are described from page 24 in the Minded-to Decisions consultation publication. A further locational benefit assessment was not included within the Economic Assessment.
QA-74	How were the "ancillary services" revenues calculated in the Revenue Assessment? Were any project specific metrics taken into account, e.g. stability services that would otherwise be provided by thermal assets?	Refer to page 41 of the Minded-to Decisions consultation publication. Ancillary Services revenues: Revenues are informed by the System Operability assessment (paragraph 5.31) using outputs as a proxy for relative capability and to allocate a share of total revenues. Service-level revenue pools are derived from NESO's 2025 Annual Balancing Cost Report Data Workbook estimates of system-wide balancing costs, alongside assumptions on the share expected to be captured by projects. Revenues are then allocated to projects in proportion to their relative scores.

No.	Question	Answer
		Refer also to page 26 of the Minded-to Decisions consultation publication. The consultation explains that inputs were standardised where necessary within the System Operability assessment. Where submitted data was not directly comparable across projects, for example because projects had used different assumptions or interpreted questions differently, proxy metrics or estimates derived by technical specialists and advisors were used in place of the submitted figures.
QA-75	How were the "Balancing Mechanism" revenues calculated in the Revenue Assessment? It appears that these were based off standard 8hr test assets. Were any project specific metrics taken into account?	Refer to page 42 of the Minded-to Decisions consultation publication. Balancing Mechanism revenues: Balancing Mechanism revenues are informed by the System Benefit Modelling of system conditions, reflecting the value of redispatch and constraint management. Given uncertainty in real-time system behaviour, these revenues are applied on a consistent and comparative basis rather than as precise forecasts of project-level earnings. Refer also to page 15 of the Final Methodology publication. This explains the project-specific technical inputs used in the Plexos System Benefit Modelling.
QA-76	What Capacity Mechanism prices were used in the Revenue Assessment?	Refer to page 42 of the Minded-to Decisions consultation publication. Capacity Market revenues: Revenues are primarily driven by auction clearing prices and technology-specific derating factors, both of which are uncertain. Estimates draw on available evidence, including recent auction outcomes, project submissions and supporting analysis, and are intended to illustrate relative revenue potential and exposure to risk rather than predict specific outcomes.
QA-77	Were any grid reinforcement costs taken into account in the Economic Assessment?	Refer to page 22 of the Minded-to Decisions consultation publication. The consultation explains that costs used in the Economic Assessment to normalise project scores were

No.	Question	Answer
	Was it assumed that projects could operate at full flexibility irrespective of size, location and grid status?	taken from project submissions through the Data Submission Form (DSF) and then adjusted through the Cost Assessment process. The Minded-to Decisions consultation publication does not specifically refer to 'grid reinforcement costs'.
QA-78	How has Ofgem accounted for material degradation in some battery technologies in their assessment compared to those that don't?	Refer to page 16 of the LDES Final Methodology. To ensure a consistent and level playing field between projects, capacity fading and power fading rates were assumed to be zero for all assets in the Plexos modelling. This means that project rankings were not influenced by differing assumptions about future degradation unless reflected elsewhere in the assessment process. The minimum and maximum states of charge were assumed to be 0% to 100%, respectively, for all assets. This was to ensure that storage availability was represented consistently across projects.
QA-79	It appears that Ofgem may have assessed some PSH projects on the basis of larger capacities or durations than those stated in their planning applications. How has Ofgem accounted for the risk that these projects may not be able to proceed in the assessed form?	Refer to page 21 of the Minded-to Decisions consultation publication. The consultation explains that projects submitted a range of evidence used within the Economic Assessment through Data Submission Forms. In some instances, particularly for inputs used for modelling, project-submitted data was refined or derived to support comparability across projects. This included standardising key inputs where submitted values were not directly comparable or were assessed as not credible. These approaches were applied across projects or groups of projects. The standardisation of modelling inputs was undertaken to support a consistent and comparable assessment across projects and should not be interpreted as an assumption regarding the precise characteristics with which a project would ultimately be delivered. Refer to page 32 of the Minded-to Decisions consultation publication. The consultation notes limitations associated with the treatment of

No.	Question	Answer
		project-submitted data and explains that the application of standardised assumptions and methodologies may over- or under-represent certain project characteristics.
QA-80	The way Ofgem/NESO has specified the security of supply analysis suggests that scores should be highly correlated with duration, and yet some are not. Can Ofgem provide an explanation? Similarly, has Ofgem/NESO verified that evaluating security of supply benefits based on a 50MW plant does not overstate security of supply benefits for much larger projects?	Refer to page 50 of the LDES Final Methodology. The security of supply metric is derived from a separate, dedicated Plexos modelling framework designed specifically to assess system adequacy and reliability outcomes. As this modelling approach differs in structure, assumptions, and objectives from the core economic assessment models described in earlier sections, this section sets out the methodology applied, including the underlying model, scenarios, and approach used to quantify security of supply impacts.
QA-81	The Datasheet Submission Form (DSF), particularly the TechOps sheet, was completed by developers based on their understanding of the applicable boundary conditions available at the time of submission. Since then, project designs have progressed and the relevant boundary conditions have also evolved, particularly following Ofgem's publication of the draft special licence conditions.	Refer to page 8 of the Minded-to Decisions consultation publication. Our minded-to decisions are made with reference to the information available at the time of publication. To ensure fairness, consistency and comparability across projects, we do not intend to take account of new or materially revised project specific information submitted after that point, nor do we generally intend to rerun the Project Assessment on the basis of updated project data. However, we will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.

No.	Question	Answer
	Given that the initial decision list is based on technical submissions prepared against boundary conditions that have subsequently evolved, and potentially on differing interpretations by developers, how does Ofgem intend to normalise these inputs to ensure a fair and consistent comparison between competing LDES projects? This would also provide projects with a clear and stable design basis to work towards as designs progress towards construction following confirmation of a cap-and-floor award.	
QA-82	Why was 'deliverability' by 2030 excluded for scoring, despite early guidance suggesting it was a key priority.	Refer to page 52 of the Minded-to Decisions consultation publication which sets out the approach to the Deliverability assessment. The consultation explains that the assessment produced assessment outputs for each project. We applied judgement to combine these outputs into an overall assessment of the likelihood of these deliverability risks not being mitigated following a cap and floor award using a red, amber and green rating. We do not consider that the current evidence justifies excluding projects solely on these risks – where a pathway to timely delivery remains open and where the projects otherwise perform strongly overall.

Window 1: Minded-to decisions – Long Duration Electricity Storage – Question and Answers

No.	Question	Answer
QA-83	Why was there so little guidance that wider economic benefit and real-time flexibility would be such key components of the scoring, and why wasn't more evidence requested?	Refer to page 29 of the Minded-to Decisions consultation publication. The consultation explains how the Economic Assessment combined monetised and non-monetised assessment outputs to produce a final ranking. This was undertaken using a swing weighting approach. The consultation explains that relative weights were determined by considering: • the a priori importance of the metric in achieving the objectives of the regime; • certainty of the assessment, based on available evidence; and • materiality of differences between projects. To combine scores across all monetised and non-monetised impacts, scores were rescaled onto a common basis and relative weights assigned. The consultation explains that "these weightings were based on structured judgement, informed by the evidence across the assessment, rather than through a mechanistic calculation." Refer also to page 27 of the Minded-to Decisions consultation publication. The consultation explains that evidence for these assessment components was drawn from information submitted by applicants. For wider economic and system impacts, "the assessment was based on a structured qualitative framework using evidence submitted through Data Submission Forms and supporting material." For real-time flexibility, "a qualitative assessment of the evidence submitted by developers was undertaken to identify whether project characteristics could lead to material differences in real-time flexibility." We welcome representations on those minded-to decisions through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a

No.	Question	Answer
		final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-84	Can Ofgem elaborate on why very similar projects connecting to the same substation can have scored so differently in the non-monetised element of the Economic Assessment?	Refer to page 14 of the Minded-to Decisions consultation publication. The consultation explains that the Project Assessment drew on information provided by projects through Data Submission Forms and supporting evidence, alongside external inputs where relevant. The approach taken to assessing the non-monetised elements of the Economic Assessment is set out from paragraph 5.20 onwards, including the information and evidence on which those assessments were based.
QA-85	Why such a high concentration in Northern Scotland rather than more geographical spread?	Refer to page 56 of the Minded-to Decisions consultation publication. The proposed portfolio has an appropriate locational spread of projects. The largest concentration of projects is in Scotland with the remaining projects spread across England and Wales. Our judgement is that the deployment of capacity in the proposed locations is appropriate and is likely to have positive system benefits. There is also no indication the system would be adversely impacted.
QA-86	Do any minded-to projects require floor support within the first 10 years?	The Financial Assessment compared projects on a consistent basis and assessed relative consumer risk, rather than forecasting project revenues or when a project may receive floor payments. As set out in Tables 3 & 4 and paragraphs 7.27-7.29, only one minded-to project scored below the Financial Assessment threshold on an assessed basis, having scored above it on a submitted basis. We included a 65MW Vanadium Flow/Zinc Battery project, concluding that any additional consumer

No.	Question	Answer
		risk was proportionate to the diversity and learning benefits given its limited scale.
QA-87	Can Ofgem explain the process by which any new evidence provided ahead of 7th August will be assessed	Refer to page 8 of the Minded-to Decisions consultation publication. The consultation explains that the minded-to decisions were made with reference to the information available at the time of publication. To ensure fairness, consistency and comparability across projects, Ofgem does not intend to take account of new or materially revised project-specific information submitted after that point, nor does it generally intend to rerun the Project Assessment on the basis of updated project data. The consultation further explains that Ofgem will consider consultation responses carefully before reaching a final decision. In particular, Ofgem will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-88	Does Ofgem have a target date for the final list to be published?	Refer to page 67 of the Minded-to Decisions consultation publication. The consultation states: "We intend to publish our Window 1: Final Awards – Long Duration Electricity Storage cap and floor regime in Autumn 2026."
QA-89	When should successful projects expect to see a final version of the C&F Licence?	Please refer to Ofgem's publications on the revised draft Special Licence Conditions for Window 1 LDES projects, published on 21 July 2026. These publications set out the current stage of licence development and provide further information on the process for developing the Special Licence Conditions.
QA-90	Can Ofgem provide additional detail beyond that in the 26th June publication on how individual categories in	Ofgem considers that the published information provides sufficient detail for stakeholders to understand how Ofgem reached its Minded-to Decisions and does not currently plan to publish

No.	Question	Answer
	the economic and strategic assessments have been scored?	additional information beyond that already set out in the consultation document.
QA-91	Can Ofgem please explain why deliverability was effectively not assessed in the Project Assessment (no projects had their ranking adjusted up / down based on deliverability ratings)?	Deliverability was assessed as part of the Strategic Assessment, including consideration of planning and other delivery-related risks. Refer to page 52 of the Minded-to Decisions consultation publication. The consultation explains that the deliverability assessment produced assessment outputs for each project. We applied judgement to combine these outputs into an overall assessment of the likelihood of deliverability risks not being mitigated following a cap and floor award, using a red, amber and green rating. The consultation explains that we did not consider the available evidence sufficient to justify excluding projects solely on the basis of these risks where a pathway to timely delivery remained open and the projects otherwise performed strongly overall. Refer also to page 55 of the Minded-to Decisions consultation publication. The consultation explains that delivery risks can be managed through licence conditions and ongoing project milestones, and that excluding projects at this stage could risk deprioritising projects that the assessment showed could deliver significant system benefits.
QA-92	Can Ofgem provide further detail on how the amber / green deliverability rankings have been determined?	Refer to page 55 of the Minded-to Decisions consultation publication. The consultation explains that deliverability ratings were assigned as follows: Green (low likelihood of deliverability risks not being mitigated), Amber (medium likelihood of risks not being mitigated), and Red (high likelihood of risks not being mitigated).
QA-93	Can Ofgem explain why projects which do not have Gate 2 grid offers or planning consent have	Refer to page 52 of the Minded-to Decisions consultation publication. The consultation explains that the Deliverability Assessment considered a range of delivery risk factors,

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	been assessed as providing system and consumer benefits from 2030?	including grid connection arrangements and readiness, and planning and consenting status. The assessment produced assessment outputs for each project. Ofgem applied judgement to combine these outputs into an overall assessment of the likelihood of delivery risks not being mitigated following a cap and floor award, using a red, amber and green rating. The consultation further explains that, in relation to grid connections, Ofgem considers that a project's current position in the connections queue is largely outside the project's control. Where a credible pathway to timely delivery remains open and where a project otherwise performs strongly overall, Ofgem is minded to manage the resulting delivery risk through conditions attached to any award of cap and floor support, including time-bound milestones, consistent with the approach taken in previous cap and floor regimes.
QA-94	Clarify modelling assumptions: please provide details of the key price and volume assumptions for each major revenue component i.e. wholesale, balancing, capacity and ancillary services used for all modelling scenarios	We have provided a further breakdown of revenue components to individual projects. Refer to Section 6 of the Minded-to Decisions consultation publication, particularly paragraphs 6.16-6.40. These sections explain the inputs, assumptions and methodology used in the Financial Assessment, including the role of modelling outputs, project-submitted information and standardised assumptions. The Financial Assessment compared projects on a consistent basis, rather than producing project-specific revenue forecasts. Ofgem considers that the information contained within the published documentation provides sufficient detail for stakeholders to understand how the Financial Assessment informed the minded-to decisions.
QA-95	Financial assessment - please explain how this is scored in the project assessment	Refer to Section 6, Financial Assessment of the Minded-to Decisions consultation publication.

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QA-96	Delivery assessment - please explain how this is scored in the project assessment, and the criteria for scoring red, amber, green ratings	Refer to Section 7, Strategic Assessment of the Minded-to Decisions consultation publication.
QA-97	Economic assessment (monetised) - please explain the assumptions and calculations used for scoring	Refer to Section 5, Economic Assessment of the Minded-to Decisions consultation publication.
QA-98	Economic assessment (non-monetised) - please explain the assumptions and calculations used for scoring	Refer to Section 5, Economic Assessment of the Minded-to Decisions consultation publication.
QA-99	Economic assessment - please explain how the benefits of projects with long lifetimes e.g. 100 years, have been considered e.g. as 'generational assets' would they not be considered as an option value in the non-monetised assessment	Refer to page 24 of the Minded-to Decisions consultation publication. In line with the MCA Framework, a terminal value is included to reflect the continuation of project benefits beyond this period. This recognises that, for some technologies, capital investment made during the 25-year period is expected to support operation beyond that time horizon. With respect to the consideration of longer-term future benefits through the Option Value assessment, refer to page 28 of the Minded-to Decisions consultation publication. The consultation explains that the Option Value assessment considers the extent to which projects may provide additional future benefits, for example by enabling expansion or adaptation over time.
QA-100	Economic assessment - please explain why degradation losses have been ignored	Refer to page 16 of the LDES Final Methodology. To ensure a consistent and level playing field between projects, capacity fading and power fading rates were assumed to be zero for all assets in the Plexos modelling. This means that project rankings were not influenced by differing assumptions about future degradation unless reflected elsewhere in

No.	Question	Answer
		the assessment process. The minimum and maximum states of charge were assumed to be 0% to 100%, respectively, for all assets. This was to ensure that storage availability was represented consistently across projects.
QA-101	Economic benefits - please explain why locational benefits have been ignored	Refer to page 32 of the Minded-to Decisions consultation publication. One limitation relates to the modelling outputs used to inform the Economic Assessment. As described above, outputs from the Balancing Mechanism model were excluded due to identified issues with degeneracy. As a result, locational differences are less fully reflected within the monetised assessment than originally envisaged. Some locational effects remain captured through the design of counterfactuals and within non-monetised components such as System Operability. Locational diversity is also considered within the Strategic Assessment. Refer also to page 53 of the Minded-to Decisions consultation publication. NESO undertook zonal sensitivity analysis to assess the impact of different locations on redispatch costs. We considered this analysis as part of the wider evidence base on locational impacts. However, given its project-agnostic nature and that it was designed to provide a broad zonal comparison, we did not consider it a sufficient basis for adjusting the proposed portfolio.
QA-102	Will the NESO Gross Margin forecasts specific to each project be released, with underlying assumptions	Refer to Section 6 of the Minded-to Decisions consultation, particularly paragraphs 6.16-6.40. These sections explain the methodology, assumptions and inputs used in the Financial Assessment. The Financial Assessment compared projects on a consistent basis and assessed relative consumer risk, rather than producing project-specific gross margin forecasts. We do not intend to publish project-specific gross margin forecasts. We consider the published information sufficient for stakeholders to understand how the

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		Financial Assessment informed our minded-to decisions.
QA-103	Can you please provide me some information on the following risks involved, when using LFP batteries for long duration energy storage: Fixed Cost Scaling: Batteries are "energy-indexed" assets. To increase storage from 2 hours to 16 hours, a developer must buy 8 times as many physical battery cells. Underutilized Power: The expensive power conversion systems (inverters, transformers) sit idle or run at a fraction of their capacity during the slow, 18-hour drain. Competing Technologies: Alternative Long Duration Energy Storage (LDES) systems, like Liquid Air Energy Storage (LAES) or Flow Batteries, decouple power from energy. To add hours to a flow battery, you simply buy a larger fluid tank, which is exponentially cheaper than buying thousands of extra lithium cells.	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-104	Can you please provide me some information on the following risks	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome

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	involved, when using LFP batteries for long duration energy storage: Accelerated Degradation and Calendar Aging Extended State of Charge (SoC): Operating a battery over 16+ hours means cells spend prolonged periods at very high or very low states of charge. This accelerates chemical degradation. Continuous Thermal Stress: Slow, continuous charging and discharging over 18 hours subjects the cells to constant, uninterrupted thermal cycles. This strains the internal management systems and shortens the battery's expected 15-to-20-year lifespan.	representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-105	Can you please provide me some information on the following risks involved, when using LFP batteries for long duration energy storage: Suboptimal Efficiency Losses (Round-Trip Efficiency) Parasitic Load Drain: Long-duration batteries require continuous active cooling, heating, and monitoring via the Battery	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.

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	Management System (BMS). The Energy Tax: Over a gruelling 18-hour cycle, these auxiliary heating, ventilation, and air conditioning (HVAC) systems consume a massive chunk of the stored energy. This significantly lowers the system's Round-Trip Efficiency (RTE) compared to a standard 2-hour battery.	
QA-106	Can you please provide me some information on the following risks involved, when using LFP batteries for long duration energy storage: Supply Chain and Concentration Risks Geopolitical Bottlenecks: The global LFP manufacturing ecosystem and raw material processing are overwhelmingly concentrated in China. Relying entirely on LFP for the UK's long-duration grid resilience leaves critical infrastructure vulnerable to supply chain disruptions and trade disputes.	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.

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QA-107	Is there any application to the "Economic Life", as opposed to the life stated, as per para 5.18	Refer to page 23 of the Minded-to Decisions consultation publication. In line with the MCA Framework, a terminal value is included to reflect the continuation of project benefits beyond this period. This recognises that, for some technologies, capital investment made during the 25-year period is expected to support operation beyond that time horizon. We have applied standardised and technology-specific economic life assumptions based on project submissions and specialist advice. These assumptions reflect the point at which a project would be expected to require significant further capital investment to continue operating.
QA-108	Could Ofgem provide an explanation for how Project Cost Assessment Outputs can be reconciled with the costs used in the Economic and Financial Assessments?	The consultation explains that the Cost Assessment outputs form an input to both the Economic Assessment and the Financial Assessment. Refer to page 23 of the Minded-to Decisions consultation publication. For the Economic Assessment, the consultation explains that the costs included are Devex, Capex, Opex and Repex. These costs are profiled over the 25-year appraisal period, in line with project submissions. Decommissioning costs were excluded as they are expected to be incurred beyond the end of the 25-year appraisal period. TNUoS and business rates were excluded as they represent transfers rather than true economic costs. These costs are converted to present value using a discount rate consistent with Green Book guidance. Refer also to page 43 of the Minded-to Decisions consultation publication. The consultation explains that project costs used to determine cap and floor levels are drawn from the Cost Assessment, with further adjustments to reflect how costs are expected to be treated within the cap and floor regime. In particular, pass-through costs and financing costs (including Interest During Construction) are included, costs are

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		adjusted to reflect the time value of money, and residual value assumptions are applied where relevant.
QA-110	Could you give any indication of the £/kWh costs of storage capacity which are indicated by the bids	The cost of storage capacity in £/kWh was not an output of the Project Assessment. Publication of project-specific £/kWh values could also permit inferences to be drawn regarding commercially sensitive project information. Ofgem considers that the published information provides sufficient detail for stakeholders to understand the assessment methodology and the basis on which decisions were reached.
QA-111	Ofgem applied portfolio-level judgement to include Frontier Legacy on technology-diversity grounds, specifically to secure Vanadium Flow representation. What prevents Ofgem from applying a similar adjustment to include one large, pure UK-manufactured VFB flagship project in Window 1, either by replacing a marginal lithium-ion project or by modestly increasing total capacity above 7.7 GW?	Refer to page 56 of the Minded-to Decisions consultation publication. We have applied discretion in line with the MCA Framework to broaden the technology diversity by including one Vanadium Flow/Zinc Battery project. This does not displace earlier assessments but reflects a portfolio-level judgement. No project is included on diversity grounds alone – reflecting the judgement that the residual risks of this project are proportionate when weighed against the benefits of greater technological diversity.
QA-112	If Frontier Legacy was included in part to secure Vanadium Flow technology diversity, how will Ofgem ensure that this diversity benefit is actually delivered where public statements indicate that certain	Refer to pages 8-9 of the Minded-to Decisions consultation publication. The consultation explains that the minded-to decisions were made with reference to the information available at the time of publication. To ensure fairness, consistency and comparability across projects, Ofgem does not intend to take account of new or materially revised project-specific information submitted after that point, nor does it generally

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	Frontier projects may be deployed using zinc-only batteries? Would Ofgem be willing to attach technology deployment conditions to preserve the rationale for selection?	intend to rerun the Project Assessment on the basis of updated project data. Refer also to page 68 of the Minded-to Decisions consultation publication. The consultation explains that Ofgem will continue to develop the cap and floor framework as the regime progresses, including the development of licence conditions and other implementation arrangements. Stakeholders are also referred to Ofgem's publications on the revised draft Special Licence Conditions for Window 1 LDES projects, published on 21 July 2026, which provide further information on the development of the licence framework.
QA-113	Given the selection of UK-manufactured VFB technology for the 1.2 GW / 2.1 GWh Flexbase project in Switzerland—the largest flow battery project announced globally—and Atri's announced £300 million+ UK investment in Vanadium Flow deployment and manufacturing (announced at the G7 by the Prime Minister), does Ofgem accept that UK-manufactured VFB technology is now bankable at genuine system scale? If so, why is there still no large, pure VFB project within the Window 1 portfolio?	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-114	How does a Window 1 portfolio containing no large UK-manufactured	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome

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	VFB flagship project, but significant imported lithium-ion capacity, align with the Government's commitments to "homegrown energy", supply-chain resilience and energy independence - as recently announced in the King's Speech?	representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-115	In light of recent developments demonstrating the commercial viability of UK-manufactured Vanadium Flow technology, why does the minded-to portfolio continue to rely predominantly on imported battery supply chains rather than supporting at least one large UK-manufactured Vanadium Flow flagship project?	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-116	If robust new evidence demonstrates that the RTE assumptions applied to zinc-based projects are materially understated, will Ofgem treat this as a methodological correction requiring reconsideration of project scores, or simply as late project-specific data that	Refer to page 8 of the Minded-to Decisions consultation publication. Our minded-to decisions are made with reference to the information available at the time of publication. To ensure fairness, consistency and comparability across projects, we do not intend to take account of new or materially revised project-specific information submitted after that point, nor do we generally intend to rerun the Project Assessment on the basis of updated project data. However, we will consider consultation responses carefully before reaching a final decision. In particular, we will

No.	Question	Answer
	will not be taken into account?	consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-117	Has Ofgem modelled the impact on Benefit-Cost Ratios and Economic Assessment scores if VFB/Zn projects are assessed using RTE assumptions of approximately 69–70%? If not, will Ofgem undertake and publish such sensitivity analysis before final awards are made?	Refer to page 8 of the Minded-to Decisions consultation publication. Our minded-to decisions are made with reference to the information available at the time of publication. To ensure fairness, consistency and comparability across projects, we do not intend to take account of new or materially revised project-specific information submitted after that point, nor do we generally intend to rerun the Project Assessment on the basis of updated project data. However, we will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-118	Given that WESI carries an 8% weighting compared with 40% for the Benefit-Cost Ratio, does Ofgem still consider 8% an appropriate weighting for UK manufacturing capability, supply-chain resilience, export potential and wider industrial strategy benefits?	Refer to page 29 of the Minded-to Decisions consultation publication. The Economic Assessment combines the monetised assessment with the six non-monetised components to produce a final ranking. This was undertaken using a swing weighting approach. Swing weighting allows the relative importance of each component to be determined by considering three factors: • a priori importance of the metric in achieving the objectives of the regime; • certainty of the assessment, based on available evidence; and • materiality of differences between projects.

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QA-119	Did Ofgem explicitly assess the strategic risks associated with dependence on Chinese or other concentrated overseas battery supply chains within either the WESI assessment or the Strategic Assessment? If not, how has Ofgem satisfied itself that the minded-to portfolio is consistent with the Government's energy independence and national security objectives?	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-120	Does Ofgem accept that a large UK-manufactured VFB flagship project would create domestic strategic value through UK jobs, intellectual property, recycling capability and export potential that would not arise to the same degree from more than 30 GWh of imported lithium-ion projects? If so, how has that value been reflected in the current rankings and portfolio selection?	The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions and we welcome representations on these minded-to decisions being made through the consultation process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-121	When Ofgem applied the 2.33(a) test - whether finance would be forthcoming at the Administrative Floor - was the assessment focused on debt-service capacity (up to the 80% imposed	Refer to paragraphs 2.27-2.37 of the Financial Framework Decision. Projects were required to provide robust quantitative evidence demonstrating that finance would not be forthcoming at the administrative floor rate of return and that an uplift was essential. Ofgem assessed the evidence submitted against the criteria set out in paragraph 2.33 and did not

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	gearing threshold), or did it consider the full financing structure required to reach FID (i.e. 100% of funding required), including the need for equity to be committed before debt can be raised?	prescribe a particular financing structure or financing metric for applicants to demonstrate this. We set out our assessment and reasoning in the bilateral letter provided to each project.
QA-122	Where in the minded-to reasoning has Ofgem considered the November evidence that debt finance for a project of this scale is conditional on a credible equity investment case?	Refer to paragraphs 2.27 to 2.37 and 3.2 of the Financial Framework Decision. The regime provides full recovery of assessed project costs and a 4.47% real rate of return to equity at the floor. We also considered the wider regime package, including inflation indexation, revenue retention above the floor by equity, the 30% excess revenue sharing mechanism with equity, and the option to use actual cost of debt. Taken together, we consider this package capable of supporting investment, consistent with experience under the interconnector cap and floor regime.
QA-123	Has any consideration been given to the amount of consumer benefit generated by projects when assessing regime requests?	While wider consumer benefits informed our minded-to decisions on project selection, the regime is not designed to vary core regime parameters according to the scale of a project's expected benefits. Variation requests were assessed against the specific criteria set out in the Financial Framework Decision. As explained in paragraphs 2.27-2.37, projects were required to provide robust quantitative evidence that finance would not be forthcoming at the administrative floor rate of return and that an uplift was essential. The variation process was intended to allow consideration of exceptional circumstances against those criteria.
QA-124	Can Ofgem clarify how it interprets limited expected reliance on floor payments? Does Ofgem accept that a floor can be	Refer to page 37 of the Minded-to Decisions consultation publication. The Financial Framework establishes a regime with standardised parameters set by Ofgem and limited flexibility for projects to propose changes to regime duration, residual

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	essential downside protection for investability even where central-case modelling shows limited expected floor utilisation?	value or, in exceptional cases, regime variation (see paragraphs 2.27 to 2.37). The default parameters include a 25-year regime duration, zero residual value, and indicative default rates of return of 4.47% at the floor and 7.48% at the cap, both expressed in CPIH-real terms. Projects could make Regime Requests to seek limited changes to certain parameters of the cap and floor regime where justified. These requests are designed to address any specific project characteristics or risks not fully captured in the standard regime design while continuing to support consumer benefit and value for money. They are assessed alongside the default regime assumptions as part of the Financial Assessment.
QA-125	Can Ofgem confirm how it will approach representations on minded-to decisions on regime requests, and in particular whether it will consider clarifying evidence, sensitivities or corrections that directly address any issues identified?	Refer to page 8 of the Minded-to Decisions consultation publication. Our minded-to decisions are made with reference to the information available at the time of publication. To ensure fairness, consistency and comparability across projects, we do not intend to take account of new or materially revised project-specific information submitted after that point, nor do we generally intend to rerun the Project Assessment on the basis of updated project data. However, we will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-126	Of the concerns identified in their minded-to decisions on regime requests, where does Ofgem consider the November evidence to be most materially deficient.	Refer to page 37 of the Minded-to Decisions consultation publication. The Financial Framework establishes a regime with standardised parameters set by Ofgem and limited flexibility for projects to propose changes to regime duration, residual value or, in exceptional cases, regime variation (see pages 2.27 to 2.37). The default parameters include a 25-year regime duration, zero residual

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		value, and indicative default rates of return of 4.47% at the floor and 7.48% at the cap, both expressed in CPIH-real terms. Projects could make Regime Requests to seek limited changes to certain parameters of the cap and floor regime where justified. These requests are designed to address any specific project characteristics or risks not fully captured in the standard regime design while continuing to support consumer benefit and value for money. They are assessed alongside the default regime assumptions as part of the Financial Assessment.
QA-127	What specific evidence would Ofgem need to conclude that a targeted floor variation is the minimum necessary to enable FID while remaining value for money for consumers?	Projects were required to provide robust quantitative evidence that finance would not be forthcoming at the administrative floor rate of return and that an uplift was essential. The fact that expected floor utilisation may be limited or high does not alter the evidential requirements for a variation request. We set out our assessment and reasoning in the bilateral letter provided to the project, including our consideration of whether the overall regime package was capable of supporting investment, informed by experience from the interconnector cap and floor regime.
QA-128	What consumer-impact sensitivities would Ofgem expect to see to assess that position - for example downside revenue cases, inflation sensitivities, floor utilisation analysis, or floor-level sensitivity analysis?	Refer to page 37 of the Minded-to Decisions consultation publication. The Financial Framework establishes a regime with standardised parameters set by Ofgem and limited flexibility for projects to propose changes to regime duration, residual value or, in exceptional cases, regime variation (see pages 2.27 to 2.37). The default parameters include a 25-year regime duration, zero residual value, and indicative default rates of return of 4.47% at the floor and 7.48% at the cap, both expressed in CPIH-real terms. Projects could make Regime Requests to seek limited changes to certain parameters of the cap and floor regime where justified. These requests are designed to address any specific project characteristics or risks not fully captured in the standard regime design while continuing to support consumer

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		benefit and value for money. They are assessed alongside the default regime assumptions as part of the Financial Assessment.
QA-129	On financeability/investability evidence, would Ofgem expect additional lender evidence, equity investor evidence, further modelling, or a combination of these to address its concerns?	Refer to paragraphs 2.27-2.37 of the Financial Framework Decision. Projects seeking a variation were required to provide robust quantitative evidence addressing the criteria set out in paragraph 2.33. We assessed each request against those criteria and set out our project-specific assessment and reasoning in the bilateral letter provided to the project.
QA-130	Please explain the basis of calculation of the real time flexibility score. Please provide and explain the values used for short-term power capability above continuous capacity, and explain the basis for differentiation among battery technologies in relation to short-term power capability above continuous capacity. (Consultation document, paras 5.44-5.47)	Refer to page 28 of the Minded-to Decisions consultation publication. The consultation explains that a qualitative assessment of the evidence submitted by developers was undertaken to identify whether project characteristics could lead to material differences in real-time flexibility. Projects were assessed on whether short-term power capability above continuous capacity could be sustained over a defined short-term duration, with greater weight applied to discharge capability.
QA-131	Our understanding of the Consultation document is that: (a) the risk of cost overruns did not factor into the scenario analysis; and (b) location did not factor into the diversity assessment. Please confirm whether this is correct, and if not, please provide the data and methodology showing	Refer to pages 52–53 of the Minded-to Decisions consultation publication. The consultation states that "the pessimistic cost sensitivity was produced and considered independently but we decided not to include it in this aggregate score." The consultation also states that "in addition to the modelling set out in NESO's September 2025 methodology, NESO has undertaken additional zonal sensitivity analysis to assess the impact of different locations on redispatch costs. We

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	how each factor was taken into account. (Consultation document, paras 7.5 and 7.14)	considered this analysis as part of the wider evidence base on locational impacts. However, given its project-agnostic nature and the fact that it was designed to provide a broad zonal comparison, we did not consider it a sufficient basis for adjusting the proposed portfolio."
QA-132	A detailed revenue breakdown, showing amount projected across ancillary services, balancing mechanism, capacity market, wholesale temporal arbitrage, re-optimisation	We have provided a further breakdown of revenue components to individual projects.
QA-133	Will Ofgem provide the same additional information Ofgem provided Interconnector Window 3 applicants, including: 1) Annual results for all projects for both the system impacts and market modelling 2) Annual constraint costs by boundary for all scenarios 3) System marginal prices 4) Annual raw PLEXOS outputs for the market modelling If Ofgem is not planning on providing exactly this information, can Ofgem confirm what additional modelling outputs, input assumptions and relevant supporting data it plans to	In our judgement, it would not be appropriate to replicate information provided in other application windows or under different schemes within the Minded-to Decisions consultation publication. Ofgem considers that the published information provides sufficient detail for stakeholders to understand the basis on which the minded-to decisions were reached.

No.	Question	Answer
	release and when, to allow participants to fully understand the basis of Ofgem's decision and provide robust representations in the Minded-to consultation?	
QA-134	How and when does Ofgem propose to provide System Operability scores for all projects, broken down by service and assessment dimension? If Ofgem does not intend to provide this breakdown, what alternative information will it provide to allow participants to understand the calculation of System Operability scores, the basis on which System Operability was assessed, and the impact of those scores on project rankings and selection outcomes?	We are providing the unscaled monetised and non-monetised assessment scores in Appendix 1 of this Q&A. In our judgement, the information contained in the published documentation is sufficient to understand how decisions were made.
QA-135	How did Ofgem assess procurement maturity and procurement status when assessing submitted costs, and what methodology, assumptions and evidence were used when determining any adjustments to project costs?	Refer to section 4.1.1 (pg. 10) of the Cost Assessment Guidance. The guidance explains that the Cost Assessment would assess projects' submitted costs and claimed class of Cost Estimate (per the AACE International Cost Estimate Classification System), taking into account the maturity of reported costs and our assessment of the maturity and quality of the submission. Refer also to section 4.4 (pg. 17) of the Minded-to Decisions consultation publication. The consultation explains that the Cost Assessment

No.	Question	Answer
		required the interpretation of project-submitted data, supported by evidence such as supplier quotations, third-party reports and quantitative cost and schedule risk assessments, where provided. This evidence informed our assessment of procurement maturity and cost estimate maturity. This approach supported fair and comparable treatment of costs across all projects and addressed differences in submitted costs and assumptions. Refer also to section 4.7 (pg. 18) of the Minded-to Decisions consultation publication which explains that adjustments were made as necessary for inappropriate contingency provisions. Where contingency allowances were assessed as insufficient relative to the relevant AACE estimate class, adjustments were made using the midpoint of the contingency range associated with that estimate class.
QA-136	How did Ofgem assess RTF, including the assessment criteria, evidence relied upon, scoring methodology, assumptions, adjustments and project-level scoring outputs? Given that the relevant application guidance may have been interpreted differently by applicants, how did Ofgem satisfy itself that submitted evidence allowed for a like-for-like comparison across comparable projects? Where differences in interpretation were identified or suspected,	Refer to page 28 of the Minded-to Decisions consultation publication. The consultation sets out the approach taken to the Real-Time Flexibility (RTF) assessment, including the assessment criteria, evidence considered and the basis on which projects were comparatively assessed. Refer also to page 14 of the Minded-to Decisions consultation publication. The consultation explains that a Supplementary Questions (SQ) process was undertaken to clarify information provided by projects. As part of the SQ process, clarifications were sought where necessary to support a common interpretation of particular inputs used within the assessment of real-time flexibility.

No.	Question	Answer
	did Ofgem seek clarifications from applicants or apply any normalisation to ensure the criteria were applied consistently?	
QA-137	How and when does Ofgem propose to provide the technical data, benchmark reports, methodologies, underlying calculations and other supporting material relied upon in its assessment, so that participants can understand the level of scrutiny, validation and independent challenge applied to the technical assumptions underpinning the MtD? If Ofgem does not intend to provide this material, what alternative information will it provide, and when, to explain how those assumptions were tested, validated and challenged before being relied upon in the assessment?	In our judgement, the published documentation provides sufficient detail for stakeholders to understand the basis on which the minded-to decisions were reached.
QA-138	Can Ofgem explain the basis on which it relied on the NESO revenue forecasts despite materially higher third-party forecasts? Specifically, what adjustments were made, how were they derived,	Refer to Section 6 of the Minded-to Decisions consultation, particularly paragraphs 6.16-6.40. These sections set out the methodology, assumptions and inputs used in the Financial Assessment, including the treatment and standardisation of revenue estimates. A consistent methodology was applied across projects to support comparability and assess relative

No.	Question	Answer
	and were comparable adjustments applied consistently across all projects?	consumer risk, rather than to produce project-specific revenue forecasts.
QA-140	By modelling BM bid and offer prices using the cost of round-trip efficiency losses only, how much did NESO reduce project's forecast revenues relative to submitted forecasts? Please quantify the impact and provide the underlying assumptions used.	Refer to Section 6 of the Minded-to Decisions consultation, particularly paragraphs 6.16-6.40. These sections set out the methodology, assumptions and inputs used in the Financial Assessment, including the treatment and standardisation of revenue estimates. A consistent methodology was applied across projects to support comparability and assess relative consumer risk, rather than to produce project-specific revenue forecasts.
QA-141	What level of portfolio attrition has Ofgem assumed within the minded-to portfolio, and what evidence gives Ofgem confidence that the selected portfolio can still deliver against its 2030 objectives under those attrition assumptions? If Ofgem has not undertaken a quantified attrition assessment, can Ofgem explain how portfolio deliverability risk was otherwise assessed?	Refer to page 8 of the Minded-to Decisions consultation publication. Our minded-to decision on capacity is to include a total of 7,645MW, just below the upper limit of the advised range (7,700MW). This provides headroom for a reasonable degree of attrition while also ensuring that, if all projects proceed, the total capacity awarded remains within the recommended capacity range. We consider this approach reflects a sensible balance between the risk of under-procurement, in the event of attrition, and over-procurement, if excessive capacity is supported at consumer expense.
QA-142	Why did Ofgem not re-assess project eligibility, and how did Ofgem satisfy itself that the projects selected for the minded-to portfolio continued to meet the intent of the eligibility requirements? In	Eligibility Assessment and Project Assessment were separate stages of the Window 1 process. Projects that passed the Eligibility Assessment proceeded to Project Assessment, where eligible projects were assessed in accordance with the Multi-Criteria Assessment (MCA) Framework. Ofgem reserved the right to revisit eligibility where

No.	Question	Answer
	particular, did Ofgem undertake any additional due diligence or assessment of deliverability for projects with pending grid connection, planning consent or other material development dependencies, and did Ofgem quantify the elevated delivery risk associated with those projects?	there had been a material change to the evidence underpinning an eligibility decision. Refer to page 52 of the Minded-to Decisions consultation publication, which explains how Ofgem considered project deliverability as part of the Project Assessment and sets out the outcomes of that assessment.
QA-143	Can Ofgem explain how portfolio deliverability, project maturity and potential attrition were considered when determining the composition of the minded-to portfolio? Given that Ofgem decided not to include the pessimistic cost sensitivity produced through the Scenario Analysis, were any other sensitivities undertaken to assess how alternative assumptions on project maturity, deliverability and attrition would have changed the composition of the minded-to portfolio? If not, how did Ofgem satisfy itself that the selected portfolio is	Refer to page 55 of the Minded-to Decisions consultation publication. The Strategic Assessment produced assessment outputs for each project. We applied judgement to combine these outputs into an overall assessment of the likelihood of these deliverability risks not being mitigated following a cap and floor award using a red, amber and green rating. We do not consider that the current evidence justifies excluding projects solely on these risks – where a pathway to timely delivery remains open and where the projects otherwise perform strongly overall.

No.	Question	Answer
	sufficiently robust and deliverable?	
QA-144	'What was the rationale for using a rolling 7-day optimisation window, when optimisers and the market generally consider the outlook beyond two days to be highly uncertain? What assessment was undertaken of the sensitivity of results to alternative optimisation horizons, and how will Ofgem provide participants with sufficient information to understand the impact of this modelling choice on project outcomes?	Refer to page 33 of the LDES Final Methodology, which sets out the PLEXOS modelling structure used in the assessment. The Minded-to Decisions consultation publication sets out the basis on which Ofgem reached its minded-to decisions. We welcome consultation responses on the minded-to decisions and the assessment process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-145	Can Ofgem explain how technical and cost inputs were assessed on a like-for-like basis across projects, particularly where inputs were provided by some applicants but not others, or were calculated using different assumptions or interpretations of the application questions? For example, how did Ofgem treat variable O&M costs and ramp rates where these were included only where provided by applicants, as noted in the LDES Final	Refer to page 21 of the Minded-to Decisions consultation publication. Projects submitted a range of evidence used within the Economic Assessment through Data Submission Forms. In some instances, particularly for inputs used for modelling, project submitted data was refined or derived to support comparability across projects. This included standardising key inputs where submitted values were not directly comparable or were assessed as not credible.

No.	Question	Answer
	Methodology.pdf? How did Ofgem treat RTE, given its sensitivity to assumptions regarding plant operation?	
QA-146	RTE is highly sensitive to assumptions regarding how the facility operates. Can Ofgem clarify the methodology, assumptions and operating profile that applicants were expected to use when calculating and submitting RTE? Can Ofgem also explain how it assessed RTE and whether a consistent methodology was applied across projects?	Refer to page 14 of the Minded-to Decisions consultation publication. The consultation explains that the Project Assessment was undertaken using information drawn from project submissions, including the Data Submission Form (DSF) and supporting evidence submitted by applicants. Projects were assessed on the basis of their submitted characteristics across the Economic, Financial and Strategic Assessments. Refer also to paragraph 5.6 of the Minded-to Decisions consultation publication. The consultation explains that round-trip efficiency (RTE) inputs were reviewed and refined as part of the assessment and were derived from project submitted technical inputs. For projects whose RTE values were not capped in accordance with paragraph 5.6, RTE was calculated using the charge efficiency and discharge efficiency values submitted by projects.
QA-147	Can Ofgem provide further information on how System Operability scores were derived, including the weighting applied to each assessment dimension (Capability, Availability, Quantity and Location) and each service assessed? Can Ofgem also comment on the relationship between project duration and	Refer to page 26 of the Minded-to Decisions consultation publication that sets out the structured scoring methodology used for the System Operability Assessment. Ofgem considers that the published information sufficiently explains the assessment methodology and the basis on which Minded-to Decisions were made.

No.	Question	Answer
	System Operability scores?	
QA-148	Can Ofgem explain why System Operability was normalised by cost, whereas Security of Supply and ARC were normalised on a MW basis? How did Ofgem satisfy itself that these different normalisation approaches produced a fair and comparable assessment across projects, and what information will Ofgem provide to allow participants to test that conclusion?	Refer to page 32 of the Minded-to Decisions consultation publication. Certain non-monetised impacts have been normalised by discharge capacity rather than cost. The MCA Framework indicated cost-based normalisation; however, we have modified that to a discharge capacity-based approach which has been applied to Security of Supply and Avoided Renewable Curtailment. This supports comparison across projects while reflecting differences in scale and duration within the assessment framework. We welcome consultation responses on the minded-to decisions and the assessment process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-149	How were System Operability scores incorporated into the Financial Assessment, and what impact did they have on project revenues and overall assessment outcomes? Can Ofgem provide the underlying calculation or methodology showing the link between System Operability scores and revenue allocation?	Refer to page 41 of the Minded-to Decisions consultation publication. Ancillary Services revenues: Revenues are informed by the System Operability assessment (paragraph 5.31) using outputs as a proxy for relative capability and to allocate a share of total revenues. Service-level revenue pools are derived from NESO's estimates of system-wide balancing costs, alongside assumptions on the share expected to be captured by projects. Revenues are then allocated to projects in proportion to their relative scores. Ofgem considers that the published information sufficiently explains the assessment methodology

No.	Question	Answer
		and the basis on which Minded-to Decisions were made.
QA-150	Can Ofgem explain the role of Avoided Renewable Curtailment ("ARC") within the Economic Assessment, including: (i) the rationale for the weighting applied to ARC; (ii) why RTE was not incorporated into the methodology; (iii) which benefits ARC captures that are not already reflected elsewhere in the Economic Assessment; and (iv) whether Ofgem has quantified any overlap between ARC and other assessment dimensions? If overlap has not been quantified, how did Ofgem satisfy itself that the ARC methodology did not overstate benefits or double-count value already captured elsewhere in the Economic Assessment?	Refer to page 29 of the Minded-to Decisions consultation publication. The consultation explains that the Economic Assessment combines the monetised assessment with the six non-monetised components (including ARC) to produce a final ranking. This was undertaken using a swing weighting approach. Swing weighting allows the relative importance of each component to be determined by considering three factors: • a priori importance of the metric in achieving the objectives of the regime; • certainty of the assessment, based on available evidence; and • materiality of differences between projects. It also explains that the components (including ARC) were then comparatively assessed, and relative weights were assigned based on their importance against the factors above. These weightings were based on structured judgement, informed by the evidence across the assessment, rather than through a mechanistic calculation. Refer also to page 15 of the Final Methodology publication. This explains the project-specific technical inputs used in the Plexos system benefit modelling, including that charge and discharge efficiency were used. Finally, refer to page 22 of the MCA Framework. This explains the rationale for ARC being a non-monetised quantified impact.
QA-151	Within the economic assessment, were any sensitivity analyses undertaken to assess how alternative weighting or normalisation approaches would have changed	The alternative rankings and sensitivities referenced in the question were not produced as part of the Project Assessment. Ofgem considers that the published information sufficiently explains the approach taken in the economic assessment, including the rationale for the approach taken to weighting and normalisation.

No.	Question	Answer
	project rankings and portfolio selection outcomes? If so, how and when will Ofgem provide the outputs of those sensitivity analyses? If not, how did Ofgem satisfy itself that the project rankings and portfolio selection outcomes are robust to methodological choices within the MCA framework?	We welcome consultation responses on the minded-to decisions and the assessment process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.
QA-152	How did Ofgem assess WESI, including the assessment criteria, evidence relied upon, scoring methodology, assumptions, adjustments and project-level scoring outputs? Given that the relevant application guidance may have been interpreted differently by applicants, how did Ofgem satisfy itself that submitted evidence allowed for a like-for-like comparison across comparable projects? Where differences in interpretation were identified or suspected, did Ofgem seek clarifications from applicants or apply any normalisation to ensure the criteria were applied consistently?	Refer to page 27 of the Minded-to Decisions consultation publication. The consultation explains the "structured qualitative framework using evidence submitted through Data Submission Forms and supporting material". It also explains that "Projects were scored against each criterion on a three-point scale (0 / + / ++), based on the strength of evidence provided" and that "Scores were combined using a weighted approach to produce an overall WESI score." We welcome consultation responses on the minded-to decisions and the assessment process. Refer to page 9 of the Minded-to Decisions consultation publication. We will consider consultation responses carefully before reaching a final decision. In particular, we will consider whether any representation identifies a material methodological issue, evidential error, inconsistency in the application of the assessment framework, or other relevant matter that may justify further analysis, correction or adjustment before final decisions are made.

Window 1: Minded-to decisions – Long Duration Electricity Storage – Question and Answers

No.	Question	Answer
QA-153	Can Ofgem provide further information on how Green / Amber deliverability scores were derived?	Refer to page 55 of the Minded-to Decisions consultation publication. Delivery risks were assessed across components such as contingency, grid connections, supply chain, planning and information technology. The likelihood of these deliverability risks not being mitigated has been assessed using a red, amber and green rating. Green (low likelihood of risks not being mitigated), Amber (medium likelihood of risks not being mitigated), Red (high likelihood of risks not being mitigated).
QA-154	Please provide the revenue stack per MW for all successful projects.	We have provided a further breakdown of revenue components to individual projects. We are not publishing a revenue stack per MW for all successful projects. In our judgment, disclosure of this information could enable inferences to be drawn regarding commercially sensitive project information. Ofgem considers that the published information, together with information provided to individual projects, sufficiently explains how the Financial Assessment informed the minded-to decisions.
QA-155	Please provide results from the zonal sensitivity analysis. (NESO, pp. 25 and 40)	Refer to page 53 of the Minded-to Decisions consultation publication. In addition to the modelling set out in NESO's September 2025 methodology, NESO has undertaken additional zonal sensitivity analysis to assess the impact of different locations on redispatch costs. We considered this analysis as part of the wider evidence base on locational impacts. However, given its project-agnostic nature and the fact that it was designed to provide a broad zonal comparison, we did not consider it a sufficient basis for adjusting the proposed portfolio.
QA-156	Region: Please confirm which plexos zone each project has been modelled in.	Refer to page 16 of the LDES: Final Methodology. Each project was assigned to a Plexos zone using the best available locational information. The preferred source was the substation provided in the DSF. Where this was not sufficient, the connection application was used where

No.	Question	Answer
		applicable. If neither of these provided a clear mapping, the project's Easting and Northing information from the DSF was used to determine the appropriate Plexos zone.
QA-157	Capacity and duration: What values were used in the assessment?	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document.
QA-158	Regime duration: Please provide evidence justifying the regime duration minded-to decisions. What other adjustments were made to reflect these decisions change?	Refer to page 39 of the Minded-to Decisions consultation publication. We are minded-to reject the requested variation to regime duration as it did not meet the evidential bar for departure from the default regime. The submission did not provide sufficient quantitative evidence to support a longer regime duration. In particular, it did not demonstrate that the default 25-year regime is inappropriate, that it would not support delivery, or that an extension is necessary to achieve value for money. Insufficient evidence was provided on consumer impacts. While a reduction in the first-year floor was identified, the project did not assess how costs would evolve over time or the cumulative impact on consumers, including intergenerational fairness. The submission also referenced an asset life exceeding the default regime duration. Evidence based solely on asset life or depreciation is not sufficient where it does

No.	Question	Answer
		not account for the effects of an inflation linked regime structure over time. Refer also to page 40 of the Minded-to Decisions consultation publication. Where a request is rejected, the default parameters are used instead.
QA-159	Deliverability: Please explain the factors taken into account in assessing deliverability. What were the criteria for green, amber, red? How were the differing ratings factored into assessment?	Refer to page 55 of the Minded-to Decisions consultation publication. Projects are assessed as largely having a credible pathway to delivery, noting external uncertainties. Delivery risks were assessed across components such as contingency, gate connections, supply chain, planning and information technology. The likelihood of these deliverability risks not being mitigated has been assessed using a red, amber and green rating. Green (low likelihood of risks not being mitigated), Amber (medium likelihood of risks not being mitigated), Red (High likelihood of risks not being mitigated).
QA-160	Scenario analysis - Electric engagement/Falling behind/W1990/W1997: How was this derived?	Refer to page 51 of the Minded-to Decisions consultation publication. As set out in the MCA Framework, scenario analysis is structured around two complementary elements: flexibility across scenarios and the risk of cost overruns. The first examines how sensitive a project's relative position is to alternative system conditions, including different Future Energy Scenarios (FES) pathways and weather years. The second considers how stable outcomes remain when project costs differ from the Base Case. As such, results vary by project.
QA-161	MWh (per section 5.6): How has this number been used?	Refer to page 15 of the Final Methodology publication. This explains the project-specific technical inputs used in the Plexos system benefit modelling, including storage capacity.
QA-162	Head/tail tank min volume: Has the min volume also been considered as available energy in line with "The	Refer to page 15 of the Final Methodology publication. This explains the project-specific technical inputs used in the Plexos system benefit

No.	Question	Answer
	minimum and maximum states of charge were assumed to be 0% to 100%, respectively, for all assets. Again, this was to ensure that storage availability was represented consistently across projects.", pg 16 LDES Final Methodology (NESO) i.e. not excluded from the available MWh	modelling, including how storage capacity was determined. For PSH projects, the calculation took account of the minimum volumes of the head and tail tanks, as submitted in the DSF, when determining the maximum usable storage volume.
QA-163	Discharge capacity: What information was used to determine discharge capacity?	Refer to page 14 of the Minded-to Decisions consultation publication. The consultation explains that the Project Assessment was undertaken using information drawn from project submissions, including the Data Submission Form (DSF) and supporting evidence submitted by applicants. Discharge capacity was determined using the discharge power capacity submitted in DSFs.
QA-164	Cycle limit: How was it treated when there are no cycling restrictions?	Refer to page 17 of the Final Methodology publication. The methodology explains that: "Where no cycling constraint was specified, no explicit cap was applied to the number of charge-discharge cycles. In these cases, cycling behaviour was determined endogenously by the optimiser, based on prices, system needs and other binding technical constraints."
QA-165	Cycle limit period: How was it treated when there are no cycling restrictions?	Refer to page 17 of the Final Methodology publication. The methodology explains that: "Where no cycling constraint was specified, no explicit cap was applied to the number of charge-discharge cycles. In these cases, cycling behaviour was determined endogenously by the optimiser, based on prices, system needs and other binding technical constraints."

Window 1: Minded-to decisions – Long Duration Electricity Storage – Question and Answers

No.	Question	Answer
QA-166	Consumer SEW: Please provide a breakdown of the assumptions and calculations for this number	Refer to page 22 (Monetised Impacts) of the Minded-to Decisions consultation publication.
QA-167	Producer SEW: Please provide a breakdown of the assumptions and calculations for this number	Refer to page 22 (Monetised Impacts) of the Minded-to Decisions consultation publication.
QA-168	LDES SEW: Please provide a breakdown of the assumptions and calculations for this number	Refer to page 22 (Monetised Impacts) of the Minded-to Decisions consultation publication.
QA-169	Carbon Externality reduction: Please provide a breakdown of the assumptions and calculations for this number	Refer to page 22 (Monetised Impacts) of the Minded-to Decisions consultation publication.
QA-170	Project costs: Please provide a breakdown of the assumptions and calculations for this number	Refer to page 23 of the Minded-to Decisions consultation publication.
QA-171	Year 1 cap: Please explain adjustments made to increase this number.	Refer to page 40 of the Minded-to Decisions consultation publication. Following this assessment, projects proceed to the Financial Assessment on the basis of the applied regime parameters. For projects proposing an alternative floor, regime duration or a non-zero residual value, those parameters are assessed through the Financial Assessment and reflected in the cap and floor levels generated through the CFFM. Where a request is rejected, the default parameters are used instead.

No.	Question	Answer
		Also refer to page 41 of the Minded-to Decisions consultation publication. The Financial Assessment also draws on assessed cost information from the Cost Assessment. This reflects project-submitted estimates that have been subject to a proportionate assessment and, where appropriate, adjustment using Ofgem's cost assessment methodologies. These inputs are used to determine project specific cap and floor levels and to compare expected revenues with the floor level.
QA-172	Year 1 floor: Please explain adjustments made to increase this number.	Refer to page 40 of the Minded-to Decisions consultation publication. Following this assessment, projects proceed to the Financial Assessment on the basis of the applied regime parameters. For projects proposing an alternative floor, regime duration or a non-zero residual value, those parameters are assessed through the Financial Assessment and reflected in the cap and floor levels generated through the CFFM. Where a request is rejected, the default parameters are used instead. Also refer to page 41 of the Minded-to Decisions consultation publication. The Financial Assessment also draws on assessed cost information from the Cost Assessment. This reflects project-submitted estimates that have been subject to a proportionate assessment and, where appropriate, adjustment using Ofgem's cost assessment methodologies. These inputs are used to determine project specific cap and floor levels and to compare expected revenues with the floor level.
QA-173	Total Adj Revenue (£m): Please provide breakdown of revenue calculation including individual components.	We have provided a further breakdown of revenue components to individual projects.

Window 1: Minded-to decisions – Long Duration Electricity Storage – Question and Answers

No.	Question	Answer
QA-174	Can you please provide clarity on what the 0.6 metric refers to (where you have used 1.0 as the Floor returns over the lifetime of the project, what does 0.6 actually equate to?)	Refer to page 45 of the Minded-to Decisions consultation publication. We have elected to make adjustments to our Economic Assessment ranking for projects with Financial Assessment scores that demonstrate materially elevated risk profiles. Projects below a score of 0.60 have been identified, through analysis of the distribution of scores, as having comparatively higher downside risk. This was not a pre-determined threshold, but a judgement applied in the round, reflecting a clear separation in the data. Although not fixed in advance, this threshold has been applied consistently across projects as a proportionate proxy for materially elevated risk of floor reliance, rather than as a standalone decision rule. This approach to setting the threshold also has regard to the wider strategic benefits offered by some projects, acknowledging that a trade-off may be justifiable where particular benefits offset a lower Financial Assessment score.
QA-175	Can you provide the actual results of the Financial Assessment for each project and the project ranking.	Refer to page 45 of the Minded-to Decisions consultation publication. Table 3 presents the Economic Assessment ranking alongside the Financial Assessment results. The Financial Assessment (FA) score is shown alongside the Submitted FA score for comparison and is presented as either above or below the threshold. Individual project Financial Assessment scores are considered commercially sensitive.
QA-176	Can you provide the lifetime monetary Floor support cost to Consumers that came out of your assessment for each project.	Refer to page 45 of the Minded-to Decisions consultation publication. Table 3 presents the Economic Assessment ranking alongside the Financial Assessment results. The Financial Assessment (FA) score is shown alongside the Submitted FA score for comparison and is presented as either above or below the threshold. Individual project Financial Assessment scores are considered commercially sensitive.

Window 1: Minded-to decisions – Long Duration Electricity Storage – Question and Answers

No.	Question	Answer
QA-177	Can you provide the lifetime monetary contributions to Consumers for projects that trigger Cap payments	Refer to page 45 of the Minded-to Decisions consultation publication. Table 3 presents the Economic Assessment ranking alongside the Financial Assessment results. The Financial Assessment (FA) score is shown alongside the Submitted FA score for comparison and is presented as either above or below the threshold. Individual project Financial Assessment scores are considered commercially sensitive.
QA-178	The above (see QA-174 to QA-177) for each of the Scenarios used in the Strategic Assessment.	Refer to page 54 of the Minded-to Decisions consultation publication. Removal of Financial Assessment alternative revenue scenarios: As described in paragraph 6.34 of the Minded-to Decisions consultation publication and in light of the changes made to revenue estimation for the Financial Assessment, we have not included alternative revenue-based scenarios within the Strategic Assessment. This means that scenario testing does not include alternative FES pathways, weather years, or high and low revenue sensitivities for Financial Assessment scores, as was originally contemplated under the MCA Framework.
QA-179	The Cap and Floor Cost Assessment Guidance document indicates a “Project Assessment Update” period will occur shortly after the Initial Decision List. Please provide details on the timings and overall process for how to make these updates should they be required. We are conscious that if we do not submit any updates, the Ofgem adjusted values will be taken as the base case. This was not mentioned on during the	Refer to page 17 of the Minded-to Decisions consultation publication. Section 4.2 of the Cost Assessment Guidance describes the Project Assessment Update process. We previously intended to undertake further cost assessment following our minded-to decisions – we now expect to undertake this process in line with the delivery requirements following our final cap and floor regime award in Autumn 2026. This will allow us to use more mature project data to set the relevant values in the Facility-Specific Parameter Register for the project.

No.	Question	Answer
	Public Information session and so it is unclear whether this step of the process is still planned.	
QA-180	How does the system operability assessment interact with the Long Term Services 2029 tender by NESO? Is there potential that projects are double-awarded by both the LDES C&F scheme and the LT29 tender given how this is considered within the scoring?	The Minded-to Decisions consultation publication does not address how participation in the LDES cap and floor regime may interact with the Long-Term Services 2029 (LT29) process. Questions relating to the interaction between the LDES cap and floor regime and other market or procurement arrangements fall outside the scope of the Minded-to Decisions consultation. This consultation relates to Ofgem's minded-to decisions on the outcome of the Project Assessment for Window 1 of the LDES cap and floor regime. Refer also to the consultation on the proposed Special Licence Conditions, published on 21 July 2026 and available on our website.
QA-181	Please provide the values of expected energy unserved over time in the counterfactual scenario. (NESO, p. 53)	Ofgem considers that the published information provides sufficient detail on the assessment methodology to understand how Ofgem reached its Minded-to Decisions and does not currently plan to publish additional information beyond that already published or otherwise provided.
QA-182	Please provide the wholesale price variation which emerges from the PLEXOS simulations, including, for example, the distribution of price outcomes modelled. (NESO, p. 43)	Ofgem considers that the published information provides sufficient detail on the assessment methodology to understand how Ofgem reached its Minded-to Decisions and does not currently plan to publish additional information beyond that already published or otherwise provided.
QA-183	Submitted FA score: Please explain how Submitted FA is scored.	Refer to page 43 of the Minded-to Decisions consultation publication. Financial Assessment scores are calculated by comparing estimated

No.	Question	Answer
	Please provide the submitted score.	project revenues against each project's floor level over the regime duration. The Submitted FA score was calculated using the same methodology as the Assessed FA score, but using project-submitted revenue forecasts. The Submitted FA score is presented alongside the Assessed FA score for comparison only.
QA-184	Assessed FA score: Please explain how the assessed FA score was calculated and is graded in the project assessment	Refer to page 43 of the Minded-to Decisions consultation publication. Financial Assessment scores are calculated by comparing estimated project revenues against each project's floor level over the regime duration. The resulting score provides a normalised indicator of expected revenues relative to the floor, allowing comparison of potential reliance on floor payments across projects of different scales. Table 3, in the Minded-to Decisions consultation publication, presents the Economic Assessment ranking alongside the Financial Assessment results. The Financial Assessment (FA) score is shown alongside the Submitted FA score for comparison and is presented as either above or below the threshold.
QA-185	Scheme assessed: Please confirm for each of the relevant PSH projects: the project capacity, duration, energy capacity and water storage volume used by Ofgem in the Economic Assessment.	Refer to page 34 of the Minded-to Decisions consultation publication. Table 2 outlines the capacity and duration information for all projects in the project assessment process. Also refer to page 21. Energy capacity (MWh) inputs used within the System Benefit Modelling were calculated using each project's continuous discharge capacity, discharge duration and efficiency assumptions (subject to any caps imposed, as described below), to reflect the storage capability committed by each project. These parameters determine the extent to which a project can discharge at rated power over the required duration. For the purposes of the assessment, energy capacity was treated as a fixed project characteristic over the asset life. Minimum and maximum state of charge assumptions were

No.	Question	Answer
		also standardised, so that submitted energy capacity values were assessed on a comparable basis.
QA-186	Scheme assessed: Please confirm for each of the relevant PSH projects: Whether those assumptions correspond to the Assessed Scheme Designs reflected in Table 1 of the Minded-to Decisions consultation publication and the key project inputs in Appendix 1 of the Minded-to Decisions consultation publication.	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document.
QA-187	Scheme assessed: Please confirm for each of the relevant PSH projects: Whether those same scheme designs and assumptions were also used for the Financial Assessment and Strategic Assessment.	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document.
QA-188	Scheme assessed: Please confirm for each of the relevant PSH projects: If	Refer to page 15 of the Minded-to Decisions consultation publication. Across all components, we have sought to ensure that inputs are treated on

No.	Question	Answer
	different assumptions were used for different parts of the Assessments, what those differences were and why they were adopted.	a consistent and comparable basis. This includes project-submitted cost, technical and modelling inputs, as well as standardisation of key assumptions. These approaches have been applied across projects or groups of projects and are reflected in the outputs of each assessment. The Project Assessment has been undertaken in line with the published MCA Framework. As set out in that document, we retained discretion to make targeted amendments to the process or methodology where necessary in light of the evidence available, including to address material issues of data quality, modelling or comparability. Any material amendments are identified and explained in the relevant sections of this document.
QA-189	Planning / consenting status: Please identify the planning, consenting and environmental-permitting status which Ofgem understood to apply to each of the relevant PSH projects when reaching its minded-to decision, including: Whether Ofgem understood the relevant PSH projects to have consent, to be awaiting consent, to be subject to appeal or determination, or to require a variation, amendment, new consent or further consent.	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document. Information on project specific submissions is not being provided publicly.
QA-190	Planning / consenting status: Please identify the planning, consenting and environmental-permitting status which Ofgem	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for

No.	Question	Answer
	understood to apply to each of the relevant PSH projects when reaching its minded-to decision, including: The information on which Ofgem relied for that understanding, including any applicant submissions, adviser analysis, planning materials, regulator correspondence or other external sources.	supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document. Information on project specific submissions is not being provided publicly.
QA-191	Planning / consenting status: Please identify the planning, consenting and environmental-permitting status which Ofgem understood to apply to each of the relevant PSH projects when reaching its minded-to decision, including: How that planning / consenting status was reflected in the Deliverability Assessment, including the basis for the deliverability rating assigned to each relevant PSH project.	Refer to page 52 of the Minded-to Decisions consultation publication. The assessment focused on delivery risk factors that we consider material at this stage of project development and that are commonly associated with large-scale infrastructure delivery. These were: schedule contingency and overall delivery timeline assumptions; grid connection arrangements and readiness; planning and consenting status; proposed IT and Operational Technology (OT) security measures; and supply chain availability, informed by both project submissions and external technical advice. The assessment produced assessment outputs for each project. We applied judgement to combine these outputs into an overall assessment of the likelihood of these deliverability risks not being mitigated following a cap and floor award using a red, amber and green rating
QA-192	Planning consent and scheme design: Please confirm, for each of the relevant PSH projects: Whether the Assessed Scheme Design is the	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23

No.	Question	Answer
	same as the Planning Scheme Design. If not, the nature and scale of any difference, including any difference in capacity, duration, energy capacity, reservoir configuration, water use, abstraction, impoundment, transfer or discharge arrangements, and environmental effects.	September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document. A comparison of Scheme Design and Planning Scheme Design is outside the scope of the Minded-to Decisions consultation publication.
QA-193	Planning consent and scheme design: Please confirm, for each of the relevant PSH projects: Whether Ofgem assessed whether any revised, enlarged or otherwise different Assessed Scheme Design would require a new planning consent, variation or amendment of an existing consent, further environmental assessment, further environmental permit, water-resource consent, abstraction authorisation or equivalent approval, or any other regulatory approval. If Ofgem did assess those matters, what conclusions it reached and how those conclusions affected the minded-to decision.	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document. A comparison of Scheme Design and Planning Scheme Design is outside the scope of the Minded-to Decisions consultation publication.

No.	Question	Answer
QA-194	Deliverability and technical feasibility: For each relevant PSH project, where the Assessed Scheme Design differs from the Planning Scheme Design, please explain: What information Ofgem considered about: (i) the technical feasibility of the Assessed Scheme Design; and (ii) the deliverability of that Assessed Scheme Design within the assumed timetable.	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document. A comparison of Scheme Design and Planning Scheme Design is outside the scope of the Minded-to Decisions consultation publication.
QA-195	Deliverability and technical feasibility: For each relevant PSH project, where the Assessed Scheme Design differs from the Planning Scheme Design, please explain: Whether Ofgem assessed the risk that the Assessed Scheme Design may not be capable of being consented, permitted or delivered in that form. if so, how those risks were reflected in: (i) the deliverability rating; (ii) any Strategic Assessment adjustment;	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document. A comparison of Scheme Design and Planning Scheme Design is outside the scope of the Minded-to Decisions consultation publication.

No.	Question	Answer
	(iii) any assessment of project attrition risk; (iv) any portfolio-level assessment; and (v) any proposed post-award conditions, milestones or delivery requirements	
QA-196	Deliverability and technical feasibility: For each relevant PSH project, where the Assessed Scheme Design differs from the Planning Scheme Design, please explain: In particular, the basis on which the relevant PSH projects were assigned their deliverability rating, including how Ofgem assessed any planning, consenting, environmental-permitting, design-change or water-resource risks associated with the relevant PSH projects.	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document. A comparison of Scheme Design and Planning Scheme Design is outside the scope of the Minded-to Decisions consultation publication.
QA-197	Shared water resource: Please identify what information Ofgem considered in relation to shared water resource constraints affecting Loch Ness, with specific reference to: The cumulative effects of multiple pumped storage hydro projects using Loch	Refer to page 54 of the Minded-to Decisions consultation publication. We also considered whether material interdependencies exist between projects that could affect deliverability or the effectiveness of the portfolio. Based on project submissions and supporting evidence, most projects did not identify material interdependencies. A small number of potential interdependencies were identified, most notably where projects may interact through shared natural resources, such as water availability for

No.	Question	Answer
	Ness or connected water bodies.	pumped storage hydro projects. In those cases, resolution is subject to external processes, including planning and environmental permitting decisions by the relevant authorities. This analysis has informed our consideration of interdependencies within the Strategic Assessment and has been taken into account alongside other portfolio level factors as part of our overall approach. While interdependencies may give rise to delivery risks in a limited number of cases, we have considered these risks at a portfolio level, including through our consideration of potential project attrition in setting the capacity limit. Projects will need to manage any relevant interdependencies as part of delivery, including securing the necessary consents and approvals.
QA-198	Shared water resource: Please identify what information Ofgem considered in relation to shared water resource constraints affecting Loch Ness, with specific reference to: Whether Ofgem considered water availability, abstraction, impoundment, transfer, discharge, reservoir operation or other water resource constraints.	Refer to page 54 of the Minded-to Decisions consultation publication. We also considered whether material interdependencies exist between projects that could affect deliverability or the effectiveness of the portfolio. Based on project submissions and supporting evidence, most projects did not identify material interdependencies. A small number of potential interdependencies were identified, most notably where projects may interact through shared natural resources, such as water availability for pumped storage hydro projects. In those cases, resolution is subject to external processes, including planning and environmental permitting decisions by the relevant authorities. This analysis has informed our consideration of interdependencies within the Strategic Assessment and has been taken into account alongside other portfolio level factors as part of our overall approach. While interdependencies may give rise to delivery risks in a limited number of cases, we have considered these risks at a portfolio level, including through our consideration of potential project attrition in setting the capacity

No.	Question	Answer
		limit. Projects will need to manage any relevant interdependencies as part of delivery, including securing the necessary consents and approvals.
QA-199	Shared water resource: Please identify what information Ofgem considered in relation to shared water resource constraints affecting Loch Ness, with specific reference to: How any such constraints were reflected in the Economic Assessment, Financial Assessment, Strategic Assessment, Deliverability Assessment and/or overall portfolio assessment.	Refer to page 54 of the Minded-to Decisions consultation publication. We also considered whether material interdependencies exist between projects that could affect deliverability or the effectiveness of the portfolio. Based on project submissions and supporting evidence, most projects did not identify material interdependencies. A small number of potential interdependencies were identified, most notably where projects may interact through shared natural resources, such as water availability for pumped storage hydro projects. In those cases, resolution is subject to external processes, including planning and environmental permitting decisions by the relevant authorities. This analysis has informed our consideration of interdependencies within the Strategic Assessment and has been taken into account alongside other portfolio level factors as part of our overall approach. While interdependencies may give rise to delivery risks in a limited number of cases, we have considered these risks at a portfolio level, including through our consideration of potential project attrition in setting the capacity limit. Projects will need to manage any relevant interdependencies as part of delivery, including securing the necessary consents and approvals.
QA-200	Curtailment and operational assumptions: Please confirm, in relation to the relevant PSH projects: Whether Ofgem assumed any operational curtailment, limitation or reduced output arising	Refer to page 14 of the Minded-to Decisions consultation publication. Information used in the assessment was drawn from project submissions, through the Data Submission Form (DSF), and from external sources. The DSFs and requirements for supplementary information were published on 23 September 2025. Completed DSFs and supporting information were required to be submitted by 18 November 2025. A Supplementary Questions (SQ) process was undertaken to clarify information

No.	Question	Answer
	from use of a shared water resource; and if so: (i) what curtailment, limitation or operational assumptions were applied; (ii) whether those assumptions took account of other existing, consented, applied-for or reasonably foreseeable Loch Ness pumped storage hydro projects; (iii) whether those assumptions took account of cumulative water resource effects; (iv) how those assumptions affected the Benefit Cost Ratio, Economic Assessment score, project ranking, Financial Assessment and overall portfolio assessment; (v) whether any sensitivity analysis was undertaken to test the impact of different curtailment, water resource or operational assumptions; (vi) if no such curtailment or operational limitation was assumed, please explain why Ofgem considered that assumption appropriate.	provided. It did not provide an opportunity for projects to submit new information after the deadline. Updated DSFs reflecting this clarification process were shared with projects on 10 December 2025 to confirm accuracy. Any adjustments to submitted data are explained in the relevant sections of this document. We did not make assumptions about operational curtailment, limitation or reduced output arising from use of a shared water resource.

Appendix 1 Economic Assessment pre-normalisation outputs

A1.1 The table below presents the outputs from the Economic Assessment, as presented in Table 9 of the Minded-to Decisions consultation publication, before they were normalised on a scale from 0 to 100.

Table 1: Economic Assessment pre-normalisation outputs

Project	BCR	SoS	ARC	SO	WESI	RTF	OV
Aberthaw Energy	0.32	120.15	2.18	28.31	0.00	-	0
Al Boum Photo	0.31	136.87	2.17	32.34	0.13	-	1
Bellmoor Energy Park	0.28	121.81	3.26	39.59	0.30	-	2
Branxton BESS	0.64	115.05	2.44	56.44	0.00	-	2
Caithness BESS	0.31	122.88	2.96	40.85	0.00	-	1
Canner's Lane	0.31	119.51	3.36	45.56	0.30	-	1
Chessington BESS	0.45	127.00	3.13	27.07	0.18	-	1
Chickerell Storage	0.54	116.80	2.56	33.15	0.45	-	1
Coire Glas Hydro	1.21	188.82	7.87	40.21	0.78	-	0
Connahs	0.36	118.64	3.40	39.35	0.48	-	1
Dalby Energy Storage	0.28	123.04	3.19	47.23	0.18	-	2
Deeside Power	0.21	111.37	4.92	6.78	0.68	-	1
Didcot Parkway	0.47	115.18	2.45	29.58	0.13	-	2

Project	**BCR**	**SoS**	**ARC**	**SO**	**WESI**	**RTF**	**OV**
Drakelow (Innova)	0.42	123.86	2.34	59.22	0.38	0.33	1
Earba PSH	0.87	149.56	4.68	38.39	0.80	-	0
East Claydon Storage	0.52	133.27	3.20	54.44	0.45	-	2
Enderby (Innova)	0.36	123.86	2.30	39.05	0.38	0.33	1
Exeter Storage	0.60	113.79	2.62	37.93	0.45	-	2
Field Fyrish	0.58	142.61	5.07	42.71	0.55	0.25	0
Field Long Stratton	0.57	152.41	3.45	39.54	0.55	0.25	0
Field Netherton	0.68	144.36	4.80	44.84	0.55	0.25	0
Field New Deer	0.66	148.44	5.68	38.28	0.43	0.25	0
Field Rigifa	0.52	145.57	5.83	46.31	0.55	0.25	0
Frontier Astwood	0.37	117.16	4.97	32.13	1.35	-	0
Frontier Ayr	0.32	117.24	4.97	26.87	1.35	-	0
Frontier Botley	0.38	116.92	4.99	33.93	1.35	-	0
Frontier Bramford 1	0.37	117.08	4.97	32.21	1.35	-	0
Frontier Bramford 2	0.37	117.08	4.97	32.52	1.35	-	0
Frontier Busby	0.29	115.82	5.09	29.24	1.35	-	0
Frontier Grange Lane	0.45	115.01	5.14	20.02	1.35	-	0

Project	BCR	SoS	ARC	SO	WESI	RTF	OV
Frontier Hockcliffe	0.37	116.92	4.99	32.03	1.35	-	0
Frontier Legacy	0.56	114.47	5.22	19.89	1.35	-	0
Frontier Market	0.37	116.92	5.01	32.61	1.35	-	0
Frontier Navenby	0.38	116.92	4.99	31.81	1.35	-	0
Frontier Norwich	0.28	120.29	3.93	28.20	1.35	-	0
Frontier Pelham	0.37	117.16	4.97	32.63	1.35	-	0
Frontier Weaver	0.41	115.11	5.17	21.07	1.35	-	0
Frontier Willington	0.22	114.93	5.15	31.50	1.35	-	0
Frontier Wymondley	0.37	116.92	4.99	32.31	1.35	-	0
Glenmuckloch	0.49	120.48	6.81	20.54	0.75	-	0
Gretna	0.63	115.05	2.47	36.45	0.00	-	2
Hagshaw	0.27	118.08	4.39	24.60	1.13	-	1
Hawthorn Pit	0.33	120.09	3.34	39.16	0.30	-	2
Hunterston	0.13	182.55	6.96	27.55	1.00	-	1
Killingholme 1	0.15	182.55	6.94	10.36	1.00	-	1
Kincardine	0.89	115.05	2.35	34.41	0.00	-	2
Lapwing	0.38	130.39	3.24	23.46	0.00	-	1

Project	BCR	SoS	ARC	SO	WESI	RTF	OV
LDES Barry	0.35	119.15	4.25	13.64	1.13	-	1
LDES Roosecote	0.27	119.15	4.23	15.14	1.13	-	1
Loch Kemp Storage	1.52	154.81	8.66	47.36	0.93	0.01	0
Loch na Cathrach	0.49	120.54	3.89	28.32	1.05	-	0
Middleton BESS	0.42	115.05	3.10	39.89	0.00	-	0
Mossmorran	0.70	115.05	2.37	38.86	0.00	-	2
Mowbray Energy Park	0.36	117.20	3.49	38.80	0.30	-	1
Navenby Energy Park	0.29	121.98	3.24	46.46	0.30	-	1
Neilston BESS 2	0.72	125.76	3.20	24.54	0.00	-	0
Neilston BESS 3	0.61	127.69	3.15	44.88	0.00	-	1
Nexus 1	0.33	124.57	2.87	32.26	0.35	0.14	1
Ocker Hill BESS	0.76	117.27	2.27	52.70	0.00	-	2
Old Rides	0.29	121.14	3.28	39.35	0.30	-	1
Plumpton Energy Park	0.29	123.04	3.19	53.55	0.18	-	1
Rayleigh BESS	0.57	117.59	2.29	43.07	0.00	-	2
Solomons Farm BESS	0.45	127.00	3.13	26.98	0.00	-	1
Spirebush	0.28	119.12	4.24	14.06	1.00	-	1

Project	BCR	SoS	ARC	SO	WESI	RTF	OV
Springwell	0.51	131.58	2.80	58.91	0.13	-	0
Sundon Storage	0.48	121.53	2.34	72.75	0.45	-	2
Swinford Energy Park	0.27	121.62	3.26	42.69	0.30	-	2
TeesCAES	0.49	156.91	14.39	24.51	1.18	-	1
Thornton BESS 2	0.73	124.09	3.23	31.33	0.00	-	1
Thorpe Marsh (Fidra)	0.37	123.65	2.78	43.01	0.13	-	2
Thorpe Marsh 1 (Innova)	0.34	125.90	2.24	53.97	0.13	0.33	1
Thorpe Marsh 2 (Innova)	0.31	134.56	1.54	63.89	0.13	0.33	1
Westport Energy Storage	0.46	127.15	3.48	27.24	0.20	-	1