By email: connections.consultation@energysecurity.gov.uk

Uniper UK Limited

Compton House
2300 The Crescent
Birmingham Business Park
Birmingham B37 7YE
www.uniper.energy

Uniper

Registered in
England and Wales
Company No 2796628

Registered Office
Compton House
2300 The Crescent
Birmingham Business Park
Birmingham B37 7YE

Response to: Accelerating electricity network connections for strategic demand
15 April 2026

About Uniper

Düsseldorf-based Uniper is a European energy company with global reach and activities in more than 40 countries. With approximately 8,000 employees, the company makes an important contribution to security of supply in Europe, particularly in its core markets of Germany, the UK, Sweden and the Netherlands.

Uniper's operations encompass power generation in Europe, global energy trading, and a broad gas portfolio. Uniper procures gas—including liquefied natural gas (LNG)—and other energy sources on global markets. The company owns and operates gas storage facilities with a total capacity of more than 7 billion cubic meters.

Uniper intends to be completely carbon-neutral by 2040. Uniper aims for its installed power generating capacity to be more than 80% zero-carbon by the early 2030s. To achieve this, the company is transforming its power plants and facilities and investing in flexible, dispatchable power generating units. Uniper is already one of Europe's largest operators of hydropower plants and is helping further expand solar and wind power, which are essential for a more sustainable and secure future. The company is progressively expanding its gas portfolio to include green gases like hydrogen and biomethane and aims to convert to these gases over the long term.

Uniper is a reliable partner for communities, municipal utilities, and industrial enterprises for planning and implementing innovative, lower-carbon solutions on their decarbonisation journey. Uniper is a hydrogen pioneer, is active worldwide along the entire hydrogen value chain, and is conducting projects to make hydrogen a mainstay of the energy supply.

About Uniper in the UK

In the UK, Uniper owns and operates a flexible generation portfolio of six power stations, a fast-cycle gas storage facility, two high pressure gas pipelines, and significant regasification capacity at the Grain LNG terminal in Kent. We're also progressing CCS and hydrogen projects and expanding our onshore wind and solar portfolio, to further support energy security in the UK.

Consultation response:

We have set out below our answers to the consultation questions. Our views in summary:

- There needs to be a clear definition of what qualifies as a strategically important project;
- The process for designating a classification of "Strategic Demand" for projects outside of Connection Accelerator Service (CAS) and AI Growth Ones (AIGZ) is not clear; and
- The proposal could, therefore, adversely affect important projects that need a timely connection to meet government timescales, for example hydrogen projects- especially those that have been shortlisted or selected through the government's Hydrogen Allocation Round process.

Our views in full:

Proposals

Introducing prioritisation mechanisms

1. **We propose to introduce mechanisms to reserve future capacity, reallocate released capacity, and prioritise Government-identified strategic demand projects within transmission network design batches. To what extent do you agree that these proposals would be an effective approach to enabling faster access to the electricity network for strategic demand projects?**

   a Strongly agree
   b. Agree
   c. Neither agree nor disagree
   d. Disagree
   e. Strongly disagree
   f. I don't know

   Please explain your reasoning and provide any relevant evidence.

We neither agree nor disagree.

We agree that the proposed mechanisms could enable faster access to the electricity network for strategic demand projects.

However, despite Annex B being titled "Definition of Strategic Demand", the consultation document does not provide a clear definition of what qualifies as a strategically important project.

The document suggests that projects within the Connection Accelerator Service (CAS) will be designated as strategically important, alongside those in the AI Growth Zones (AIGZ). It is not clear, however, what the process would be for projects outside CAS and AIGZ to receive the designation of "strategically important". This approach would result in skewed outcomes by prioritising data centres at the expense of other strategic growth initiatives.

Finally, while we agree with the references to AIGZ, EV charging hubs, and the electrification of manufacturing hubs as examples of strategically important projects, we

consider that there is also a strong case for hydrogen projects to benefit from this designation.

The case for being designated as strategically important is strongest for projects that have been shortlisted or selected through government's Hydrogen Allocation Round (HAR) process.

Apart from hydrogen production, we would also expect other hydrogen projects (such as hydrogen storage) to also benefit from an automatic designation should they also be selected for government support through future competitive selection processes.

Strategic Alignment of data centre connections

2. **Government is exploring aligning data centre connections to regional infrastructure targets set out in a future data centre strategy. Do you agree that this would be an effective approach to Objectives A, B, and C, set out above?**

   a. Strongly agree
   b. Agree
   c. Neither agree nor disagree
   d. Disagree
   e. Strongly disagree
   f. I don't know

   Please explain your reasoning and provide any relevant evidence.

We agree with the government's intention to explore aligning data centre connections to regional infrastructure targets set out in a future data centre strategy. This approach should help to combine government's ambitions in the AI space, with balancing the needs of the system. It should also ensure protection for viable data centre projects in advanced stages of development.

3. **Are there any alternative approaches we should consider to achieving the policy objectives laid out in this consultation?**

No response.

4. **Do you agree Government should consider the use of flexible connection agreements, particularly for data centres, to support system operability and accelerate connections while protecting consumers from unnecessary costs? Please explain your reasoning and provide any relevant evidence.**

Flexible connection agreements may provide some benefits, however, a demand flexibility requirement may be unsuitable for some demand projects. This requirement would be in contradiction with the current structure of the Hydrogen Production Business Model, for example, which aims to incentivise high utilisation.

5. **What are your views on the technical, commercial and operational feasibility of: (i) mandatory or incentivised flexible connection requirements for data centres/very large demand, and (ii) incentivised voluntary flexible connections for other demand projects? Please explain your reasoning and provide any relevant evidence.**

As stated previously, flexible connection requirements- whether they are mandatory or voluntary- are not suitable for every type of demand project.

In particular, flexible connection agreements are not appropriate for electrolytic hydrogen projects due to the emerging nature of the hydrogen market. Without large-scale, dedicated hydrogen networks and storage infrastructure, imposing mandatory flexibility would introduce significant risks to electrolytic hydrogen projects and their offtakers.

Such requirements could discourage fuel-switching further lowering demand for early-stage electrolytic production initiatives and slowing the overall development of the sector.

6. **Do you foresee any risks of implementing flexible connection arrangements either for individual projects or the wider system as a whole? Please explain your reasoning and provide any relevant evidence.**

   In your answer, please comment on whether the risks differ depending on the type of flexibility sought, including

   a) Flexibility activated only during system stress events and scarcity events.
   b) Flexibility activated during winter peak days, within defined parameters.
   c) Flexibility applied more broadly during normal operational periods.
   d) Any other risks.

See our response to questions 4 and 5 above.

7. **Do you see a role for auctions in the reservation or reallocation of capacity for strategic demand projects? Please explain your reasoning and provide any relevant evidence.**

The use of a competitive process for queue management could, in principle, help with removing stalled projects and speculative applications.

However, with regard to the auction method proposed, there is a risk that it could be perceived as favouring developers with greater financial resources to the detriment of other considerations such as fit with broader strategic objectives.

Analytical Annex

8. **To what extent do you agree with the rationale for intervention and the market failures we have identified?**

   a. Strongly agree
   b. Agree
   c. Neither agree nor disagree
   d. Disagree
   e. Strongly disagree
   f. I don't know

   Please explain your reasoning and provide any relevant evidence.

We agree.

We support the rationale for intervention set out in the consultation. With demand for grid connections rising in recent years, the current allocation process is inadequate.

In particular, the increase of early-stage, speculative demand projects, combined with the absence of strategic value consideration when assessing and allocating connections, could result in real demand projects being stuck behind applications that will not materialise. This, in turn could create uncertainty for some demand projects which are strategically important, urgent and deliverable.

Such uncertainty can negatively impact the viability of those projects which may be important in order to meet government's policy objectives in other areas.

9. **To what extent do you agree with the impacts that have been identified?**

   a. Strongly agree
   b. Agree
   c. Neither agree nor disagree
   d. Disagree
   e. Strongly disagree
   f. I don't know

   Please explain your reasoning and provide any relevant evidence.

We agree with the impacts described in Annex A and consider the proposed measures important for tackling the issue of unrealistic demand connection queues. Nevertheless, as mentioned in our responses to question 1, it is essential that the new process benefits a wide range of projects identified as "strategic demand," rather than unintentionally giving preference to AI Growth Zones.

We assume that prioritisation will take into account the impact that a project will have on the network, in order to limit the cost impacts and improve deliverability. Therefore, the proximity of projects to networks, including to existing connection sites, should be considered as part of this assessment.

10. **Do you think there are other impacts that have not been identified?**

    a. Yes
    b. No

    If yes, please describe these impacts and provide any relevant evidence.

No.

11. **Are there any groups you expect would be uniquely impacted by these proposals, such as small and micro businesses, or any groups of people sharing a particular protected characteristic?**

    a. Yes
    b. No

    If yes, please describe these groups and provide any relevant evidence.

No.

Changes to Methodologies, Licences, Codes

12. **To what extent do you agree that the textual changes to methodologies, licences and codes proposed in Annex C would achieve the intended effects, as described in the Proposals section of this document?**

    a. Strongly agree
    b. Agree
    c. Neither agree nor disagree
    d. Disagree
    e. Strongly disagree
    f. I don't know

    Please explain your reasoning and provide any relevant evidence.

We agree that the textual changes to methodologies, licences and codes proposed in Annex C would achieve the intended effects, as described in the Proposals section of the consultation document.

13. **Can you foresee any unintended consequences of making the proposed textual changes?**

    a. Yes
    b. No

    Please explain your reasoning and provide any relevant evidence.

No.

14. **If you would suggest any alternative textual changes to achieve the intended policy effects, please describe them.**

No response.