

CMP376

Friday 28 January 2022

Online Meeting via Teams

WELCOME



nationalgridESO

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Objectives and Timeline

Paul Mullen – National Grid ESO Code Administrator

Timeline for CMP376 V3 as at 13 December 2021

Milestone	Date	Milestone	Date
Workgroup Nominations (15 working days)	Closed	Panel sign off that Workgroup Report has met its Terms of Reference	24 June 2022
Workgroup 1 - Understand proposal and solution, note the scope and identify any possible alternative solutions, agree timeline, agree and review terms of reference, agree next steps	28 October 2021	Code Administrator Consultation (15 Working Days)	27 June 2022 to 5pm on 18 July 2022
Workgroup 2 - Following Panel, Ofgem and Open Networks views, understand proposal and solution, note the scope and identify any possible alternative solutions, agree timeline, agree and review terms of reference, agree next steps	13 December 2021	Draft Final Modification Report (DFMR) issued to Panel (5 working days)	21 July 2022
Workgroup 3, 4 and 5 - Review solution(s) including potential alternatives, Legal Text, understand STC changes, finalise Workgroup consultation (including agreeing Workgroup Consultation questions)	28 January 2022 (12-3pm), 28 February 2022 and 23 March 2022	Panel undertake DFMR recommendation vote	29 July 2022
Workgroup Consultation (15 Working Days)	4 April 2022 to 5pm on 27 April 2022	Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	2 August 2022
Workgroup 6 and 7 - Assess Workgroup Consultation Responses, further review of Original and alternatives (including legal text) and carry out Alternative Vote	9 and 24 May 2022	Final Modification Report issued to Ofgem	10 August 2022
Workgroup 6 - Finalise solution(s) and legal text, agree that Terms of Reference have been met, Review Workgroup Report and hold Workgroup Vote	7 June 2022	Ofgem decision	TBC
Workgroup report issued to Panel (5 working days)	16 June 2022	Implementation Date	10 working days after Authority Decision

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Workgroup Responsibilities

Paul Mullen – National Grid ESO Code Administrator

Expectations of a Workgroup Member

Contribute to the discussion

Be respectful of each other's opinions

Language and Conduct to be consistent with the values of equality and diversity

Do not share commercially sensitive information

Be prepared - Review Papers and Reports ahead of meetings

Complete actions in a timely manner

Keep to agreed scope

Your Roles

Help refine/develop the solution(s)

Bring forward alternatives as early as possible

Vote on whether or not to proceed with requests for Alternatives

Vote on whether the solution(s) better facilitate the Code Objectives

Update on actions from last meeting

Paul Mullen – National Grid ESO Code Administrator

Actions – 13 December 2022

Number	Action	Owner	Status
1	Paul Mullen/Ruth Roberts to send to the Workgroup the 2018 & 2019 consultation on development of Queue Management Policy through Open Networks.	Paul Mullen/Ruth Roberts	Closed
2	Keren Kelly to compile legal text for review at next Workgroup	Keren Kelly	Open
3	Paul Mullen to update next workgroup date to 28 January and produce a new timeline to reflect the additional Workgroups agreed.	Paul Mullen	Closed
4	Keren, Richard, and Will to work together to produce examples of how cumulative delay works ready for next Workgroup	Keren Kelly, Richard Woodward & Will Bowen	Open
5	Richard Woodward to complete a draft proposal of the consequential STC mod to be raised and present at next Workgroup for review	Richard Woodward	Open

Understanding the Original Solution

Legal Text walkthrough (does this address Workgroup concerns on consistency, provide sufficient clarity on what is an exceptional circumstance and the evidence requirements) **(Keren Kelly)**

Examples of how Cumulative delay works in practice **(Keren Kelly/Richard Woodward/Will Bowen)**

CMP376: Inclusion of Queue Management process within the CUSC

WG3 28th January 2022
Keren Kelly NGENSO



CMP376 Legal Text Review

Draft legal text was produced when CMP376 was originally raised and can be found [here](#)

Please note that this version of legal text is not the ESO's final solution

WG2 Action 4

Produce examples of how cumulative delay works

Keren Kelly (NGESO)

Richard Woodward (NGET)

Will Bowen (UKPN)

Explaining milestone Tolerance Periods

- Queue Management milestones are visible in the ENA User Guide and will (pending outcome of this modification) be visible in CUSC.
- The existing contracting process requires a set of milestones and dates only. There is no tolerance period, meaning compliance to milestones is a binary concept (i.e. compliant or not).
- The milestones are contractually agreed with the intent of being achieved by all parties through proactive project management and readiness at the point of contract acceptance.
- Network companies recognise that Users may experience some delays. Occurrences outside the User's control will be ignored for the purposes of monitoring milestone compliance (e.g. force majeure).
- For other situations, the tolerance period concept provides a mechanism for managing these. A tolerance period removes the 'cliff edge' of a milestone only approach, providing a reasonable time buffer for User's to rectify issues without the risk of termination

Explaining Cumulative Delay

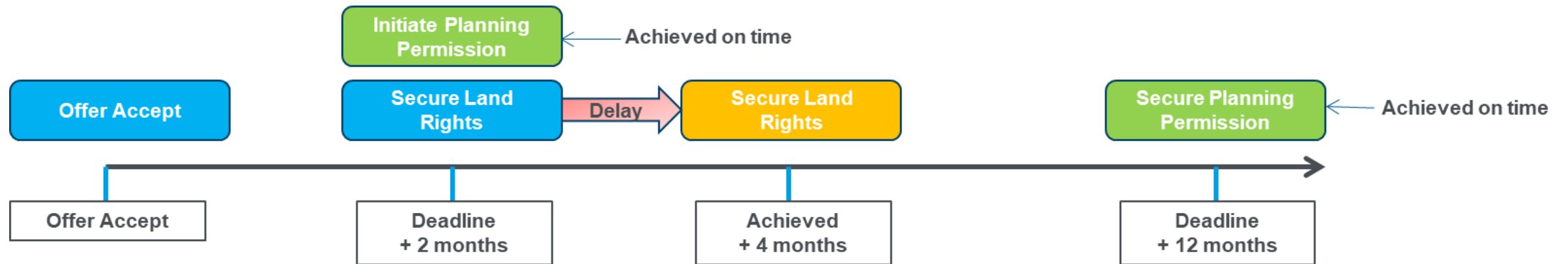
➤ Cumulative Delay:

- Delay against the early milestones is accumulated and compared to the relevant tolerance period
- This allows the tolerance period to be applied to a single milestone or applied across multiple milestones
- If a User's project is delayed against more than one milestone concurrently, the delay from one of the milestones would be considered for tolerance and Cumulative Delay
- This approach affords User's greater flexibility and discretion to manage their own projects within a defined period
- Cumulative Delay is preferable to milestone-specific tolerance periods which cannot reasonably be set as to provide sufficient time for Users to rectify issues for milestones in isolation
- This also discourages persistent delays across the early milestones to ensure projects are managed as effectively as possible from the start

➤ This revised Queue Management approach attempts to encourage proactive planning and communication between Users and Network Companies so issues can be dealt with collaboratively and swiftly.

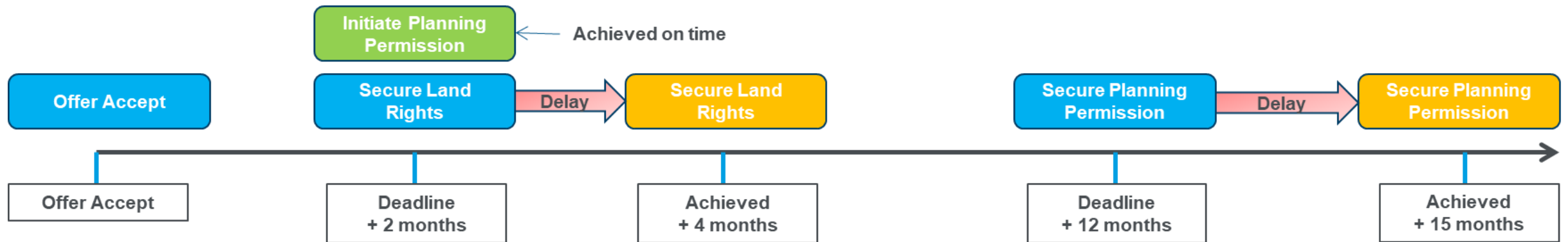
Queue Management – Cumulative Delay

- Example 1 is an HV projects with:
 - No EIA requirement; and
 - No transmission interface (M4) required.
- Secure Land Rights is delayed by 2 months which is 'Within tolerance' of the allowed 3 months.



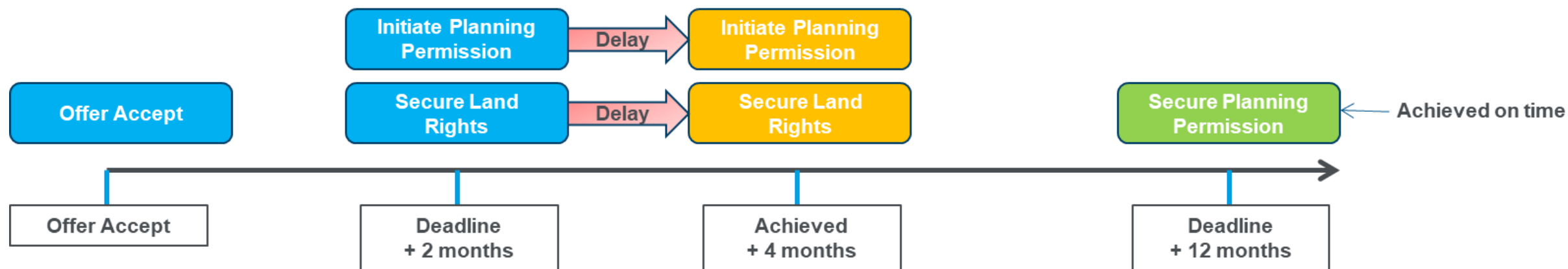
Queue Management – Cumulative Delay

- Example 2 is an HV projects with:
 - No EIA requirement; and
 - No transmission interface (M4) required.
- Secure Land Rights delayed by 2 months, Secure Planning Permission is delayed by 3 months.
- Project has exceeded the allowed tolerance and the project status is 'Termination'



Queue Management – Concurrent Delay

- Example 3 is an HV project with:
 - No EIA requirement: and
 - No transmission interface (M4) required.
- Initiate Planning Permission is delayed by 2 months and Secure Land Rights is delayed by 2 months.
- Delays are concurrent so the overall delay remains at 2 months and their project is 'Within Tolerance' of the allowed 3 months.



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Potential Workgroup Alternatives?

Workgroup

CMP376 – Can I vote? and What is the Alternative Vote?

To participate in any votes, Workgroup members need to have attended at least 50% of meetings

Stage 1 – Alternative Vote

- Vote on whether Workgroup Alternative Requests should become Workgroup Alternative CUSC Modifications.
- The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.
- **Should the majority of the Workgroup OR the Chair believe that the potential alternative solution may better facilitate the CUSC objectives than the Original then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative CUSC modification (WACM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.**

Cross Code Impacts?

Workgroup

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Workgroup Consultation Questions

Paul Mullen – National Grid ESO Code Administrator

Next Steps

Paul Mullen – National Grid ESO Code Administrator

For Reference

- Terms of Reference

CMP376 – Terms of Reference

Workgroup Term of Reference	Location in Workgroup Report
a) Consider EBR implications	
b) Consider how the ESO communicates it's acceptance (or not) of the evidence of milestone completion provided by the User	
c) Consider what would happen if the ESO and Transmission Owner do not agree in terms of the evidence provided.	
d) Consider interaction with other provisions in the CUSC, Construction Agreements and Connection Agreements that deal with project delays and termination of agreements (e.g. Quarterly Updates)	
e) Consider whether a delay beyond tolerance means that that the Construction Agreement is terminated or is there still provision to delay connection date. Consider previous work on CAP150 in this regard	
f) Consider requirement to ensure Construction Agreement Milestones (Appendix J) responsibilities are clearly defined specifically with respect to consents and land rights	
g) Consider what, if any, steps can be taken to prioritise allocation of freed capacity to projects needed to comply with the Electricity System Restoration Standard	
h) Consider requirement for contractual link between Transmission and Distribution agreements for same connections where a decision to terminate triggered from one agreement affects the other (including consideration of associated termination/cancellation costs)	
i) Consider the process for how User Commitment will change for those Users, who are allowed to advance their connection date	
j) Consider what should be codified in the CUSC and what should be incorporated into the ENA guidance document	