

Code Administrator Consultation Response Proforma**CMP376: Inclusion of Queue Management process within the CUSC**

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to cusc.team@nationalgrideso.com by **5pm on 4 May 2023**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact Paul Mullen paul.j.mullen@nationalgrideso.com or cusc.team@nationalgrideso.com.

Respondent details	Please enter your details
Respondent name:	Andrew Colley
Company name:	SSE Generation Ltd.
Email address:	andrew.colley@sse.com
Phone number:	01738 340795

I wish my response to be:

(Please mark the relevant box)

☒ Non-Confidential☐ Confidential

Note: A confidential response will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

For reference the Applicable CUSC (non-charging) Objectives are:

- The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;*
- Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;*
- Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and*
- Promoting efficiency in the implementation and administration of the CUSC arrangements.*

**The Electricity Regulation referred to in objective (c) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.*

Please express your views in the right-hand side of the table below, including your rationale.

Standard Code Administrator Consultation questions					
1	Do you believe that the CMP376 Original proposal and/or WACMs 1-11 inclusive better facilitate the Applicable Objectives?	Mark the Objectives which you believe each solution better facilitates:			
		Original	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM1	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM2	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM3	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C <input type="checkbox"/> D
		WACM4	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C <input type="checkbox"/> D
		WACM5	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM6	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM7	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM8	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C <input type="checkbox"/> D
		WACM9	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C <input type="checkbox"/> D
		WACM10	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM11	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C <input type="checkbox"/> D
		<p>N.B. This response is made on behalf of SSE's energy generation businesses. The views of SSE's network businesses will be provided independently.</p> <p>SSE Generation agrees with the introduction of a Queue Management process within the CUSC to better deliver the required Network capacity and viable developers' projects necessary to meet UK net zero objectives.</p> <p>We believe the Original and WACMs 1, 2, 5, 6, 7 and 10 all better facilitate objectives A, B and D and drive the behaviours necessary to progress contracted offers towards connection.</p> <p>We believe WACMs 3 and 4, which seek to impose the right to terminate for Milestone 3 working forward from the 'ConsAg' date rather than backwards from the completion date, risk being unnecessarily punitive and discriminatory to projects with longer lead times and / or more complex landowner issues to resolve. As such, we do not support WACMs 3 and 4.</p> <p>We do not believe WACMs 8, 9 and 11 would deliver the core objective of CMP376, which is to remove projects from the queue that are showing insufficient signs of</p>			

		<p>progressing in order to give clear investment signals to the transmission networks. As such, we do not support WACMs 8, 9 or 11.</p>
2	Do you support the proposed implementation approach?	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>SSE Generation recognises many of the (historic) problems in the Connections Process and is supportive of the work being done across the industry to improve this.</p> <p>We consider the implementation of robust Queue Management to be key to resolving the current problems and to give clearer investment signals to the transmission networks to enable timely delivery of contracted connections.</p> <p>Indeed, there is a concern that unless the proposed milestones are imposed on those already in the queue (through forced mod apps), the modification will not have the desired effect and developers' projects will remain 'stuck' in unacceptably long queues and clear investment signals to TOs will take longer to filter through.</p> <p>It is for this reason, that we are prepared to give our exceptional support to the imposition of milestones on existing connection offers (as per WACMs 2, 6 and 7).</p> <p>It is important that this is not seen to set a precedent for future Code mods and, in line with long established UK law and regulation, SSE Generation upholds its long-held principle that rule changes must not be retrospectively applied. However, as stated above, we believe the current issues (with both the connection queue and the need to reinforce the network) mean that exceptional measures are required in order to bring about the action needed.</p> <p>Separately, whilst recognising that provisions have been made within the CMP376 solution to allow for exceptional circumstances to be claimed for unavoidable third party delays, we note that (if that scenario came to pass) NGESO has sole discretion in deciding whether such circumstances are acceptable, with potentially little transparency to the wider industry.</p> <p>Therefore, in the implementation of CMP376, we believe it is imperative that NGESO is as transparent as possible</p>

		<p>in terms of both its decision-making process (to allow parties seeking to connect an opportunity to provide what is needed in the timescales available and the opportunity to challenge this if appropriate) and any decisions made (so that if precedents are set, they are visible to all parties). We would strongly encourage NGESO to consider how best it can do this ahead of any modification to the CUSC being implemented.</p>
3	Do you have any other comments?	<p>We are supportive of the work to reform the connections process to ensure it is fit-for-purpose and facilitates delivery of net zero.</p> <p>Given the wider reform that is being considered, we are mindful that any milestones put in place through CMP376 may need to be revisited or reviewed to ensure they remain appropriate.</p>