Chapter Question

# 3. Foundational Design Options

1. Do you generally agree with our overall initial positions on each of the foundational design options and key variations? Are there any foundational design options or key variations that we should have also considered?

**EDF Response:** A more rigorous management of the connection process, which includes batching of applications, gates, and letter of authority as an early-stage land agreement with a corresponding check for duplicates, should help to prevent non-viable projects from joining or progressing in the queue. However, care must be taken to ensure that credible and important projects are not jeopardized. In the proposed process the second gate should control the queue based on credibility of achieving connection dates. A project with a long development and construction timescale should not be moved within a queue only on the basis that it has a longer process for achieving consents etc.

It is important that legitimate delays to large projects, where there is significant role for Government, do not create unintended outcomes. Any reforms must avoid material changes to developer risk because this could lead to increased project costs and potentially affect progress towards Net Zero or risk security of supply.

A key part of the design that should have been considered would be to incorporate a plan that sets out what needs to be built, where, and when. Significant network investment is needed, whatever reforms are progressed with the connection queue, and this investment will always be essential to the achievement of Net Zero. Added to this, it is evident that for some technologies, increased coordination and strategic planning is needed. For example, with offshore wind, where there is a clear Government target with limited seabed areas. The auction of the seabed could be better coordinated with network development planning. This would mean that it is only necessary to design the network for the expected GW development in any area and provide connection offers only to successful developers. This would be linked to a spatial assessment for large GW development to help assess realistic scope for development, in alignment with the proposal, in the National Grid Delivery 2035 document, for the establishment of a 'Strategic Spatial Energy Plan' by 2025.

2. Do you agree with our initial view that the current issues with the connections process could potentially be addressed on an enduring basis through other, less radical, and lower risk means than the introduction of capacity auctions?

**EDF Response:** Agreed. Any reforms must avoid material changes to developer risk because this could lead to increased project costs and potentially affect progress towards Net Zero. Auctions for grid capacity would be an example of a change to connection processes that should be avoided for this reason. In any case, these challenges are here today, and reforms are needed now. Introducing radical changes such as capacity auctions would come too late to address these challenges.

3. Do you agree with our initial view that the reformed connections process should facilitate and enable efficient connection under either a market-based (i.e. locational signals) or 'centralised' deployment approach (or an approach somewhere between the two), but not mandate which approach to follow?

**EDF Response:** The reformed process should incorporate a plan that sets out what needs to be built, where, and when. Significant network investment is needed, whatever reforms are progressed with the connection queue, and this investment will always be essential to the achievement of Net Zero. Added to this, it is evident that for some technologies, increased coordination and strategic planning is needed. For example, with offshore wind, where there is a clear Government target with limited seabed areas. The auction of the seabed could be better coordinated with network development planning. This would mean that it is only necessary to design the network for the expected GW development in any area and provide connection offers only to successful developers. This would be linked to a spatial assessment for large GW development to help assess realistic scope for development, in alignment with the proposal, in the National Grid Delivery 2035 document, for the establishment of a 'Strategic Spatial Energy Plan' by 2025.

### 4. Pre-Application Stage

- 4. Do you agree with our initial recommendation that TMA A to TMA C should all be progressed, irrespective of the preferred TMO?
- 5. Do you agree with our initial recommendation on the introduction of a nominal Pre-Application Stage fee, discounted from the application fee for customers which go on to submit an application within a reasonable time period?
- 6. Do you agree with the importance of the TMA A 'Key Data'? Please provide suggestions for any other key data that you suggest we consider publishing at Pre-Application Stage.

### 5. Key Target Model Add-ons

- 7. Do you agree with our initial recommendation with regard to TMA D (requirements to apply)? EDF Response: Agreed with recommendation to apply TMAs D1-D4, which require a Letter of Authority as an early-stage land agreement and a corresponding check for duplicates.
- 8. Do you agree with our initial recommendation with regard to TMAE (determination of enabling works), including that it is right to wait until the impact of the 5-Point Plan is known before forming a view on whether further changes to TMA E are required?
- 9. Do you agree with our initial recommendation with regard to TMA F (criteria for accelerating 'priority' projects)?
- 10. Do you agree with our initial recommendation with regard to TMA G (queue management)?

### 6. Target Model Options

- EDF Response: See Q28 response below.11. Do you agree these four TMOs present a reasonable range of options to consider for a reformed connections process?
- 12. Do you think any of the four TMOs could be materially improved e.g. by adding, removing or changing a specific aspect of the TMO? If so, what and why?
- 13. Are there any important TMOs we have missed?
- 14. Do you think 'Submit Consent' is too early for Gate 2 in TMO2 to TMO4? If so, what milestone should be used instead and why?

Chapter		Question
7. Recommended TMO	15.	Do you agree that TMO4 should be the preferred TMO?
	16.	Do you agree with our design criteria assessment of the four TMOs? If not, what would you change any why?
	17.	What are your views on the stated benefits and key challenges in relation to TMO4?
	18.	Do you think that there is a better TMO than TMO4? Whether that be TMO1 to TMO3, as presented, a materially different option, or a refined version of one of the four TMOs we have presented?
8. Key Customer and Technology Type Adjustments	19.	Do you agree with our views on DNO Demand in respect of the TMOs
	20.	Do you have any views on the appropriate mechanism to incentivise accurate forecasting of requirements and avoid more RDC than is necessary being requested by DNOs?
	21.	Do you agree with our views on the process under which DNOs apply to the ESO on behalf of relevant small and medium EG that impact on or use the transmission system, including that (under TMO4):
T/D Interface		
		i) DNOs should be able to request RDC via application windows to allow them to continue to make offers to EG interwindow; and
		ii) resulting offers should be for firm access until relevant EG has reached Gate 2 (at which point they can request advancement and an earlier non-firm connection date)?
Directly Connected Demand	22.	Do you agree that directly connected demand should be included within TMO4 and that the benefits and challenges are broadly similar as for directly connected generation?
	23.	Do you agree that TMO1 to TMO3 would require a separate offshore process, and that this would result in material disbenefits?
Offshore		Do you agree that TMO4 is the most aligned to the direction of travel for offshore projects? If not, why? <b>EDF Response:</b> Increased coordination and strategic planning, over and above TM04, is needed. With offshore wind, where there is a clear Government target with limited seabed areas. The auction of the seabed could be better coordinated with network development planning. This would mean that it is only necessary to design the network for the expected GW development in any area and provide connection offers to successful developers. process?

### **ESO Connections Reform Consultation June 2023**

# **EDF Energy Response 14 July 2023**

- 24. Other than the Letter of Authority differences are there any other TMAs which have specific offshore considerations?
- 25. Do you agree with our views on network competition in the context of connections reform, including that TMO4 is the option which is most aligned with network competition as it includes the most design time at an early stage in the end-to-end

of the timeline for substantially reducing the queue, but it is likely to be much later than the timeline for implementing this new process i.e., mid-2025 completion. This appears challenging. It will take very careful planning and management

process. As we state in response to Q1 and Q30, a reformed system should incorporate a plan that sets out what needs to be built, where, and when. This plan should be the priority activity and be allocated the appropriate

of resource and code modification processes to both manage the existing 300GW queue and introduce the new

27. Do you agree with our initial recommendation related to each of the TMAs within this chapter? If so, why? If not, what would you change and why?

28. Do you agree with our current views in respect of the implementation period?

29. Do you agree with our current views in respect of the implementation period?

29. Do you agree with our current views in respect of the implementation period?

20. Do you agree with our current views in respect of the implementation period?

21. Do you agree with our current views in respect of the implementation period?

22. EDF Response: The Transmission Connection queue is currently over 300GW. The current Queue Management Reforms (CMP376 CUSC Modification awaiting Ofgem decision) are integral to reducing the current queue and preparing the ground for this new process. As stated in this proposal it may take 5 years or more to insert queue management milestones and clauses under CMP376 into all existing connections contracts. There is no estimate

resource.

29. Do you agree with our current views in respect of transitional arrangements? What are your views on how and when we should transition to TMO4

**EDF Response:** The extent that some, or all, of the process might be applied retrospectively to projects with existing connection agreements, has not yet been addressed. It is not reasonable that the over 300GW of projects in the existing queue have this uncertainty in the implementation period. It would be important to address and resolve any retrospective application of reform at the code modification stage of the proposal.

The proposal states that: "there is a need to ensure that User Commitment arrangements are aligned with the reformed connections process, and we will further explore this in the implementation period to ensure alignment between these arrangements." Our preference is that proposed changes to User Commitment arrangements are identified at an early stage and prior to implementation of the reformed process. It is important that reforms avoid material changes to developer risk because this could lead to increased project costs and potentially affect progress towards Net Zero.

30. What further action could Government and/or Ofgem take to support connections reform and reduce connection timescales, including in areas outside of connections process reform?

**EDF Response:** A reformed system should incorporate a plan that sets out what needs to be built, where, and when. Significant network investment is needed, whatever reforms are progressed with the connection queue, and this investment will always be essential to the achievement of Net Zero. Added to this, it is evident that for some technologies, increased coordination and strategic planning is needed. For example, with offshore wind, where there is a clear Government target with limited seabed areas. The auction of the seabed could be better coordinated with network development planning. This would mean that it is only necessary to design the network for the expected GW development in any area and provide connection offers to successful developers. This would be linked to a spatial assessment for large GW development to help assess realistic scope for development, in alignment with the proposal, in the National Grid Delivery 2035 document, for the establishment of a 'Strategic Spatial Energy Plan' by 2025.