

Code Administrator Consultation Response Proforma**CMP427: Update to the Transmission Connection Application Process for Onshore Applicants**

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 16 February 2024**. 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 catia.gomes@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Richard Woodward	
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Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input checked="" type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

I wish my response to be:

(Please mark the relevant box)

☒ **Non-Confidential** (*this will be shared with industry and the Panel for further consideration*)

☐ **Confidential** (*this will be disclosed to the Authority in full but, unless specified, will not be shared with the Panel or the industry for further consideration*)

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	Please provide your assessment for the proposed solution(s) against the Applicable Objectives?	Mark the Objectives which you believe the proposed solution(s) better facilitates:
		Original <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D
		WACM1 <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D
		WACM2 <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D
		WACM3 <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D
		<p>The Original and WACM1 would help raise the entry requirements for transmission applications compared to the baseline. In doing so, they could potentially provide a better level of confidence to enable Transmission Owners to make better investment choices to deliver connections more economically and efficiently (Objective A), supporting better facilitation of market competition (Objective B).</p> <p>We do however believe the LoA concept should be enhanced through a follow-on modification ASAP to realise these benefits more fully. We expand on this point further in our response to Q3.</p> <p>Regarding WACM2, we are wary that this option appears at odds with the direction of the CAP, which clearly seeks to “raise entry requirements”. Had the proposal tied the proposed 50% capacity threshold to projects requiring the consent of two or more landowners – which we acknowledge can be logistically challenging – there would have potentially been merit in this option.</p> <p>However as proposed, WACM2 in our view could erode any meaningful benefits provided by the Original (from which it derives). We do however accept that the LoA process needs to consider the challenges for developers of liaising with multiple landowners. This aspect should be dealt further as part of a future modification (see Q3).</p>

		We do support the inclusion of WACM3 though, which provides Ofgem the broadest choice of solutions which could be implemented if CMP427 is approved.
2	Do you have a preferred proposed solution?	<input checked="" type="checkbox"/> Original <input checked="" type="checkbox"/> WACM1 <input type="checkbox"/> WACM2 <input type="checkbox"/> WACM3 <input type="checkbox"/> Baseline <input type="checkbox"/> No preference
		We support the proposed changes as per the Original or WACM1 as explained in Q1.
3	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		We support the proposed implementation approach. We would though encourage the ESO to take proactive steps to draft the supporting guidance for the LoA process and publish ASAP to enable swifter implementation into BAU.
4	Do you have any other comments?	<p>As per our response to Q1, in our view the CMP427 solution satisfactorily establishes the LoA concept in CUSC arrangements. However, we are wary that this 'minimum viable product' solution will have only a moderate effect in improving the viability of projects applying to connect at transmission.</p> <p>In our view the LoA process should be evolved to:</p> <ul style="list-style-type: none"> i) Ensure that project developers retain the consent of landowners in an enduring manner; e.g. from application through to compliance with the Land Rights milestone under the Queue Management policy. ii) Prevent multiple project developers applying for connections on the basis of access to the same land package (i.e. exclusivity). iii) Clarify an effective process for developers who have to seek the consent of multiple landowners (akin to WACM2), without eroding necessary compliance levels whilst maintaining relative consistency in approach for all customer projects. <p>We are keen to see a timetable and plan from the ESO to address/resolve these topics at the earliest opportunity. We would also encourage ESO and Ofgem to liaise to understand the consequences of any Authority determination on CMP427 (plus any subsequent LoA modifications) that might interact with ESO's final</p>

		proposals for Connections Reform – specifically the gated approach – to ensure any decision on either proposal doesn't lead to the other being unnecessary or contradictory.
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