

# Code Administrator Meeting Summary

## Meeting name: Application of Gate 2 Criteria to existing contracted background (Workgroup 5)

---

Date: 04/06/2024

---

### Contact Details

**Chair:** Elana Byrne, ESO Code Administrator

**Proposer:** Alice Taylor, ESO (CMP435), Steve Baker, ESO (CM096)

---

## Key areas of discussion

### Action review

- Action 2 was proposed to be closed but agreed to be revised because user commitment is in scope but charging methodology is out of scope.
- Action 5 was agreed to be closed.
- Workgroup time has been allocated for Action 6 to be discussed.
- Action 11 was agreed to be closed.
- Action 23 was agreed to be closed.
- Action 24 was agreed to be closed.

### Topics covered as part of workgroup discussion:

- Gate 2 criteria:
  - Overview
  - Secured Land
  - Planning
  - Evidence
- Process update
- Verbal update on the recent meeting between ESO and TOs on Capital Contributions

### Overview

- An ESO Subject Matter Expert (SME) shared the criteria proposed for projects to meet Gate 2 (as shared in CMP434/CM095 Workgroups), i.e., demonstration of secured land for projects, with ongoing compliance requirements relevant as well. It was noted

that consideration of a Gate 2 financial instrument was no longer part of the modifications' proposed solution.

- The ESO SME advised that customers will be required to demonstrate rights to lease/own 100% of the land required for their project, in order to meet Gate 2, with guidance for estimated areas taken from the Energy Density Table created in relation to CMP427:Update to the Transmission Connection Application Process for Onshore Applicants (the table being subject to updates for new technology etc.).
- The ESO SME advised the acceptable length of lease has been debated in CMP434/CM095 but should be a meaningful length to develop a project within.
- It was discussed that the proposal includes customers providing a red line boundary.
- Key differences in the land lease/ownership rights required for different key technology types were shared with the Workgroup in the meeting slides, with a Workgroup suggestion to define solar, offshore wind and onshore wind specifically.
- It was outlined that a phase 2 development of the Letter of Authority is included within CMP434/CM095's proposal to introduce duplication checks when applying for a Gate 2 offer (to identify projects with land claimed across multiple projects). A Connections Delivery Board paper outlining the options under consideration was shared with the Workgroup for reference as part of the meeting papers. It was clarified that these checks would apply to new and existing customers in the queue wishing to meet Gate 2, but not retrospective applications. A suggestion was made by the Workgroup to consider the worth of these checks from an ESO resource perspective.
- It was confirmed that compulsory purchase orders were acceptable to meet the Gate 2 criteria.
- Discussion in the Workgroup raised scenarios for consideration such as completion dates moving to outside existing lease agreements (when out of control of the customer), negotiation with the ESO if technologies don't align with the Energy Density Table (and the suggestion of a technology reduction option at Gate 2), consideration of projects for existing customers being at different stages (therefore land rights having varying relevance) and the treatment of pre-application projects.
- The ESO SME outlined that how changes to the red line boundary were handled were to align with what happens at a DNO level, and broadly align with ENA guidance, however the Workgroup felt there would be differences. The Workgroup expressed views on whether or not optionality for developers to move boundaries was in line with the intent of the modification and the use of CAP150 to reduce capacity if outside red line boundaries.
- The Workgroup discussed whether it was appropriate to the use Capacity Entry Capacity vs Transmission Entry Capacity for this process.
- Ongoing compliance was discussed to avoid projects being adjusted post-Gate 2 offer to the point of effectively being new sites, and a suggestion was made that developers could make a case to the ESO if a planning/permitting authority requires a land change (for developers to substitute land if there's no effect on capacity).
- A suggestion was made as to whether splitting existing projects could be an alternative to automatic capacity reduction if criteria are not met.
- A Workgroup Member suggested consideration of whether the Gate 2 criteria should start from the application for planning.
- The ESO agreed to consider the consequences of the time lag to receive an accelerated connection date after the Gate 2 confirmation date (e.g., lead times required by developers, applications for Contracts for Difference (CfD) projects).

- It was acknowledged by the ESO that the Network Connection Design Methodology will be consulted on but is not part of this modification directly and timings may not align.

### Evidence

- The ESO SME presented an alternative approach to evidencing for Gate 2 criteria with a self-certification approach (options for this are available in the meeting slides).
- The Workgroup discussed a general preference for option 1 to check all self-certifications submitted as the most robust of the options presented, however concerns were raised that no deep dive substantiation checks (even for a sample) were proposed in addition to the self-certification (a Workgroup Member suggesting another option where a sample of submissions have all documentation checked).
- Points raised by the Workgroup for consideration: if self-cert. documents should be notarised, use of the land registry for validation, inclusion of current milestone position, single director sign off vs needing two directors signatures, use of external audit body, uploading evidence to the application portal (e.g. over the following months), the impact on DNO/IDNO customers with this approach (degree of evidence proposed for the scale of customer base), an option to offer a reason that criteria haven't been met, automated review (with lessons from the Capacity Market)/AI review, alignment with other processes such as the CfD qualification window, what documentation will have already been submitted for milestones passed to date.
- The consequences of incorrect/falsely submitted information were questioned.
- A Workgroup Member raised whether the advancement process (as opposed to the continuation process) should be treated separately outside of Implementing Connections Reform (ICR) and Gate 2 modifications, but a Workgroup Member referred to external stakeholders expecting advancement to be part of this change (as referenced in a recent House of Commons Environmental Committee Report).

### Process update

- The ESO SME shared updated slides for the process timeline and an illustrative example of the process from Workgroup 4 which included the self-cert. evidencing.
- A date was requested for when the dispute process will get underway.
- Points discussed by the group:
  - A shortened assessment period, i.e., a later submission date and less time for ESO, DNO/IDNO processing.
  - Self-termination – costs/savings to be considered by the ESO and discussed with TOs
  - What the ESO is using for modelling if those that receive an advancement offer don't want to take it, which the ESO agreed to take away and consider in regard to the Connection Network Design Methodology.

### Any Other Business

- The CMP435 Proposer updated the Workgroup that there had been an initial discussion with TOs about data availability to assess the Capital Contributions element of the proposal, with more details to be shared at the upcoming Workgroups.

**Next Steps**

- Workgroup encouraged to continue reviewing and submitting queries on the query log.
- Workgroup 5 summary and meeting 6 papers to be shared with the Workgroup.

**Actions**

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
1	WG1	AT/SB	Revise Terms of Reference based on Workgroup feedback	To submit to May Panels following discussion and changes made in WG3	WG3	Closed
2	WG1	AT	Document that charging and user commitments will be out of scope for CMP435	Propose to close in WG5 due to updates in the solution re: user commitments/financial instruments	N/A	Open
5	WG1	AT	Clarification of types of projects that will be in/out of scope for CMP435	Scope to be discussed in WG4 to help clarify the situation for different project types	WG4	Closed
6	WG1	EB	Workgroup to discuss the consequences of the SO:DNO contract changes on DNO/IDNO contracts with other parties	<del>Not for the CMP435 solution but WG Report</del> WG time to be allocated to discuss this specifically	Ongoing	Open
7	WG1	Code Admin	Collaboration space – access queries to be explored with IT	Members can also explore this with their IT teams	Ongoing	Open
11	WG2	AT/RW	Discuss Capital Contributions.		WG5	Closed (see action 20)
12	WG2 (amended post WG4)	LH/AC	<del>Discuss possibility of further impact assessment (RFI data).</del> Discuss impact assessments of solution options in terms of effects	ESO have confirmed that they will not pursue the use of consultants at this time	Ongoing	Open

			on the current and future queue.			
14	WG2	AT/PM	Update WG topics	Further updates to be made post WG4	WG5	Open
15	WG2	AT/RW	Clarify process (WG2 slide 2 particularly the yellow box)		WG4	Open
16	WG2	LH	Look into securities for offers		June 2024	Open
19	WG3	PM, MO	Clarification on mod apps where CMP435/CM096 are applicable			Open
20	WG3	RW, AT	TOs and ESO meeting needed to discuss data available to review capital contributions for 2024	Information to be brought back to the WG and discussed in context of transitional arrangements	WG5	Open
21	WG3	ESO Connections Team	When considering transitional arrangements, include guidance for staged projects		WG6	Open
23	WG3	MO	ESO to check the process to avoid both DNO and ESO assessing evidence for Gate progression	There will be no duplication of effort between ESO and I/DNO in relation to checking of evidence in relation to Gate 2.	WG4	Closed
24	WG4	EB	Additional Workgroup meeting arranged pre-WG consultation		WG5	Closed
25	WG4	Proposers, SME, Code Gov	Topics slide – add dates to WG, consider best placement for discussion of impacts on DNO/IDNO, the WG consultation review & timings for DCUSA changes/guidance	Check with KS for DCUSA discussion	WG5	Open
26	WG4	LC	Authority to consider licence obligations and possible penalties for DNOs/IDNOs performing checks on projects		WG5	Open
27	WG4	MO	Updates to the WG4 slides on Scope	For the avoidance of doubt...line, reference to Pt 1 & Pt 2, synch comps in embedded generation, wording around New Grid Supply Point/substation,	WG5	Open

				reference to interconnectors		
28	WG4	PM	Work through different scenarios for progressing/not progressing through the Gates (accept, reject, refer) considering conditions such as restrictions on availability		WG5	Open
29	WG4	RP & KS	Map out the timings for implementation plan (ESO to liaise with ENA)		Ongoing	Open
30	WG4	PM	Review process slides – ongoing compliance pulled out to apply to all scenarios on example slide, consider simplification to manage queue position based on clock start date		WG5	Open
31	WG4	RP	Call to be arranged between RP and JD about the consequences of customers not progressing if part of multi-customer applications (to then progress understanding of this via the ENA SCG groups)		Ongoing	Open
32	WG4	MO	ESO to confirm rationale for 3 month waiting period for refunds		WG5	Open
33	WG4	RE	ESO to consider the analysis available/possible to support the proposal for the Gate 1 Capacity Holding Security	CMP434/CM095 to discuss first	Ongoing	Open
34	WG5	Code Gov, Proposers, SME	Assess the agenda for 16 July (considering time needed to review consultation responses)		Ongoing	Open
35	WG5	RP	Updates shared to the 435/96 WG from the SCG group exploring implementation		Ongoing	Open
36	WG5	Angie	Statement from ESO as to the CAP150 powers and how they are applied /can be applied re: ongoing compliance (include link to		Ongoing	Open

			CAP150 info on ESO website)		
37	WG5	Angie	Consequences for a false declaration on a self-certification letter outlined for CMP435/CM096 (i.e. any other than termination of agreement)	WG6	Open
38	WG5	PM	Amend to the Planning: ongoing compliance slide to remove Gate 2, amend to Process slide to adjust in relation to reordering	WG6	Open
39	WG5	PM	Date for the Gate 2 qualification dispute process could start	Ongoing	Open
40	WG5	RM/LH	RFI recipient to be confirmed for Drax	WG6	Open

**Attendees (excluding Observers)**

Name	Initial	Company	Role
Elana Byrne	EB	Code Administrator, ESO	Chair
Prisca Evans	PE	Code Administrator, ESO	Technical Secretary
Tammy Meek	TM	Code Administrator, ESO	Technical Secretary
Alice Taylor	AT	ESO	Proposer CMP435
Steve Baker	SB	ESO	Proposer CM096
Angela Quinn	AQ	ESO	ESO legal
Paul Mullen	PM	ESO	Subject Matter Expert
Richard Paterson	RP	ESO	Subject Matter Expert
Folashade Popoola	FP	ESO	Subject Matter Expert
Liam Cullen	LC	OFGEM	Authority Representative
Andrew Colley	AC	SSE Generation	Workgroup Member Alternate CMP435
Barney Cowin	BC	Statkraft	Workgroup Member CMP435
Bill Scott	BS	Eclipse Power Solutions	Workgroup Member CMP435
Callum Dell	CD	INV Energy	Workgroup Member CMP435

Claire Hynes	CH	RWE Renewables	Workgroup Member CMP435 &CM096
Clare Evans	CE	Scottish Power Renewables	Workgroup Member Alternate CMP435
Ciaran Fitzgerald	CF	Scottish Power Energy Networks	Workgroup Member Alternate CMP435
Ed Birkett	EB	Low Carbon	Workgroup Member CMP435
Emily Fare	EF	SSEN Transmission (SHET)	Workgroup Member Alternate CMP435
Gareth Williams	GW	Scottish Power Transmission	Workgroup Member CMP435 &CM096
Garth Graham	GG	SSE Generation	Workgroup Member CMP435
Greg Stevenson	GS	SSEN Transmission	Workgroup Member CMP435 &CM096
Gregory Hunt	GH	SSEN	Workgroup Member Alternate CMP435
Helen Snodin	HS	Fred Olsen Seawind	Workgroup Member CMP435
Hooman Andami	HA	Elmya Energy	Workgroup Member CMP435
Jack Purchase	JP	NGED	Workgroup Member CMP435
James Devriendt	JD	UK Power Networks	Workgroup Member CMP435
Joe Colebrook	JC	Innova Renewables	Workgroup Member CMP435 & CM096
Jonathan Hoggarth	JH	EDF Renewables	Workgroup Member CMP435
Kyran Hanks	KH	WWA ltd	Workgroup Member CMP435
Kimbrah Hiorns	KH	EDF Renewables	Workgroup Member CMP435
Mark Field	MF	Sembcorp Energy	Workgroup Member CMP435
Mireia Barenys	MB	Lightsourcebp	Workgroup Member Alternate CMP435
Neil Geddes	NG	Scottish Power Transmission	Workgroup Member CMP435 &CM096
Niall Stuart	NS	Buchan Offshore Wind	Workgroup Member CMP435



Nina Sharma	NSh	Drax	Workgroup Member Alternate CMP435
Nirmalya Biswas	NB	Northern Powergrid	Workgroup Member CMP435
Paul Jones	PJ	Uniper	Workgroup Member CMP435 & CM096
Paul Youngman	PY	Drax	Workgroup Member CMP435
Ravinder Shan	RS	FRV TH Powertek Limited	Workgroup Member CMP435
Richard Woodward	RW	NGET	Workgroup Member CMP435 & CM096
Rob Smith	RS	ENSO Energy	Workgroup Member CMP435
Samuel Railton	SR	Centrica	Workgroup Member CMP435
Steffan Jones	SJ	Electricity North West Limited	Workgroup Member CMP435
Tim Ellingham	TB	RWE Renewables	Workgroup Member Alternate CMP435
Tony Cotton	TC	Energy Technical & Renewable Services	Workgroup Member CMP435