

Code Administrator Meeting Summary

Meeting name: CMP434 & CM095 Workgroup 11

Date: 25/06/2024

Contact Details

Chair: **Claire Goult** Claire.Goult@nationalgrideso.com

Proposer: **Joe Henry** joseph.henry2@nationalgrideso.com

Key areas of discussion

The key areas for discussion in Workgroup 11 were:

- Gate 2 Offers: Project Site Location Changes
- Significant Changes: Proposal and Principles
- Licence Change Update
- Gate 2 Criteria: Forward Looking QM Milestones and Red Line Boundary Changes

The Chair noted quoracy and began the workgroup.

Gate 2 Offer and Project Site Location Change

The ESO shared a slide explaining how location changes and Gate 2 Offers interact. The ESO advised that they were considering allowing a 12-month time period following Gate 2 offer acceptance where they would allow developers to move their project site closer to the connection point offered at Gate 2, without affecting their queue position. This would only apply to contracts where the connection point offered at Gate 2 is different to what was requested in the application.

Multiple Workgroup members stated that they did not believe this new addition by the ESO was necessary, and that if an applicant does not get their location, they should be put back to Gate 1 if they don't wish to process with that location. A Workgroup member pointed out that this option would not be available to Distribution connected applicants. A Workgroup member stated that Project Site Location Change could lead to gaming of the system. A Workgroup member stated that more information should be contained in Gate 1 Offers so that project site changes should not be necessary. Some Workgroup members stated they would have to see the legal text before they could comment on this idea, as detail is needed to understand the large amount of edge cases surrounding this idea. A Workgroup member stated that 12 months is not enough time to find new land, but that increasing this time would lead to a slowing down of the connection process.

Significant Change

The ESO stated that significant changes will be codified on principles rather than an exhaustive list. The ESO clarified that a significant change would be one which has a considerable impact on either the design or operation of the NETS, or an impact on other Users of the NETS.

ESO

A Workgroup member asked what the ESO considers reasonable belief, the ESO stated that they would use previous experience to determine significant changes. The Workgroup had discussions on what changes should be allowed at each milestone, and what changes would require the ESO to conduct additional system studies. A Workgroup member stated that the ESO should be required to justify what aspect of a proposed change makes it a significant change, so that the ESO cannot make decisions without justification.

Licence Change Update

The ESO advised that there will be changes required to the NESO licence as a result of this modification and noted that they have shared their initial views with the Authority. They advised that licenced offer timescales for the primary process would need to be amended. They also noted that new licence obligations would need to be introduced, relating to the Connections Network Design Methodology (CNDM), Gate 2 Criteria Methodology and NESO Designation Methodology.

Workgroup members asked for the obligations on applicants to be placed in methodologies that are OFGEM approved, rather than in ESO guidance documents, so that the ESO could not change the obligations at will.

Gate 2 Criteria - Forward Looking QM Milestones Part 2

The ESO presented an update to the worked examples of how a project would progress through the queue. A Workgroup member suggested to allow applicants time to reapply for planning, if their planning expires, similar to how the connections process works in Ireland. Multiple Workgroup members stated they would like a hybrid of forward and backwards looking milestones, however several Workgroup members did not agree, advising that this could lead to gaming of the system.

Gate 2 Criteria – Red Line Boundary Compliance Examples

The ESO presented some worked examples on how redline boundary changes will affect an application. Several Workgroup members noted that allowing applicants to build outside of their original redline boundary could lead to gaming of the system, with one Workgroup member noting that the change in red line boundary rules would make the connection more valuable than the project. A Workgroup member stated they did not believe that this aspect of the modification would lead to gaming of the system as other aspects of the modification would have already removed speculative applications from the process. A Workgroup member asked if these redline boundary changes affected habitat management land, the ESO responded by stating that redline boundary changes should only effect land that is used for electrical infrastructure.

Actions

The Chair noted that action 34 could be closed. Action 28 was expanded upon to better reflect the intent of the action.

Any Other Business

A Workgroup member stated that the DFTC methodology contains elements that should be present in the CUSC. The ESO stated that this document is still a work in progress and is not ready to be shared publicly. The ESO stated that appendix G will have to be altered and will be brought to the workgroup for discussion.

Actions

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
11	WG2	All	Add agenda time to respond to papers provided by Workgroup members	Ongoing	WG4	Open
13	WG2	ALL	Workgroup to propose what they think could change in their application between Gate 1 and Gate 2		TBC	Open
15	WG4	JH	Consider alignment of crown estate invitation to tender and auction timing		TBC	Open
16	WG5	RW/GL	Look into where STC changes for CNDM should be located within main body of STC and STCPs	Later WG		Open
17	WG5	FP	Are the duplication checks at Gate 2 against projects who are within the Gate 2 applicants pool of that period, Gate 2 applicants that are yet to accept their offer, or/and applicants who have accepted their Gate 2 offer	Later WG		Open
20	WG6	JN/AQ	Consider legal perspective on NESO designation		TBC	Open
21	WG6	MO	Update/develop slides presented based on Workgroup feedback		TBC	Open
22	WG6	JH	Consider if an impact assessment by the ESO on the proposed solution is achievable within the current timescales		TBC	Open
23	WG7	LH	Clarify the ESO Position as to why the capacity reallocation process is out of scope for CMP434		TBC	Open
24	WG7	MO	Consult ESO legal team to consider using existing legal definitions for clarification (substantial modification) and reconsider terminology being used (material/significant/allowable)		TBC	Open
25	WG7	LH/SG	Update on the Technology Change Policy Paper and consider request to share prior to consultation		TBC	Open
26	WG7	SMEs	Provide a list of policy documents envisaged for TMO4+ and for		TBC	Open

			which details are not within scope of CMP434 (e.g.CNDM). Also provide a list of their contents/principles the documents are using if not available for the WG consultation		
27	WG9	AP/KS	Take Workgroup feedback to ENA regarding the name of the DFTC methodology document – consider renaming to provide clarification	TBC	Open
28	WG9	AP/KS	DFTC document – Provide answers to the following questions – Who approves the document, who can change it, who follows it and who can challenge it (the route to challenge specifically)	TBC	Open
29	WG9	MO/AQ	In terms of the 3 year long stop cancellation of sites/capacity provide detail to what element of the CUSC is being referenced and how this is envisaged to work?	TBC	Open
30	WG9	AQ	To explain how the dispute process will fit into the statutory approach (legal route)	TBC	Open
31	WG9	MO	More detail requested by Workgroup to make a judgement on Connection Point and Capacity Reservation (including offshore)	TBC	New
32	WG10	MO	Clarify TO/ESO in terms of CNDM and what would get into the Gate 1 offer	TBC	Open
33	WG10	KS	To clarify, if the ESO decides not to have forward-looking milestones after M1, would DNO's change there's or will they continue to be forward looking for all the others	TBC	Open
34	WG10	PM	Review the four slides to address points from GG (clarity and colouring of text suggestions) and TC to review the dates are correct	TBC	Closed
35	WG10	AC/AQ	ESO to confirm whether additional uncertainty clauses (which have been appearing in offers recently) will remain	TBC	Open
36	WG10	AC/AQ	ESO to consider doing duplication checks on LoAs given	TBC	Open

			info received today on G1 offers, to avoid buying LoAs off each other.		
37	WG10	AC/AQ	To confirm Gate 1 contracts are formal binding contracts and clarify terminology accordingly	TBC	Open
38	WG11	MO	To expand on licence change conditions/obligations	TBC	New
39	WG11	MO	To share ESO suggested Licensed offer timescales changes from 3 months with the Workgroup	TBC	New
40	WG11	RF	To share licence changes programme timescales with Workgroup	TBC	New

Attendees

Name	Initial	Company	Role
Claire Goult	CG	Code Administrator, ESO	Chair
Lizzie Timmins	LT	Code Administrator, ESO	Chair
Andrew Hemus	AH	Code Administrator, ESO	Tech Sec
Stuart McLarnon	SM	Code Administrator, ESO	Tech Sec
Graham Lear	GL	ESO	Proposer
Joe Henry	JH	ESO	Proposer
Alison Price	AP	ESO	ESO SME
Dovydas Dyson	DD	ESO	ESO SME
Mike Oxenham	MO	ESO	ESO SME
Paul Mullen	PM	ESO	ESO SME
Sabrina Gao	SG	ESO	ESO SME
Lee Wilkinson	LW	Ofgem	Authority Representative
Rory Fulton	RF	Ofgem	Authority Representative
Alex Ikonic	AI	Orsted	Workgroup Member
Andy Dekany	AD	NGV	Workgroup Member
Anthony Cotton	AC	Green Generation Energy Networks Cymru Ltd	Workgroup Member
Barney Cowin	BC	Statkraft	Workgroup Member
Bill Scott	BS	Eclipse Power Networks	Workgroup Member
Callum Dell	CD	Invenergy	Workgroup Member
Ciaran Fitzgerald	CF	Scottish Power Renewables	Workgroup Member

Ed Birkett	EB	Low Carbon	Workgroup Member
Gareth Williams	GW	Scottish Power Transmission	Workgroup Member
Garth Graham	GG	SSE Generation	Workgroup Member
Grant Rogers	GR	Qualitas Energy	Workgroup Member
Gregory Hunt	GH	SSEN	Workgroup Member
Helen Stack	HS	Centrica	Workgroup Member
Hong Dip	HD	UK Power Networks	Workgroup Member
Hooman Andami	HA	Elmya Energy	Workgroup Member
Jackie Thompson	JT	NGED	Workgroup Member
Joe Colebrook	JC	Innova Renewables	Workgroup Member
Jonathon Whitaker	JW	SSEN Transmisson (SHET)	Workgroup Member
Kyran Hanks	KH	CUSC Panel member	Workgroup Member
Mark Field	MF	Sembcorp Energy (UK) Limited	Workgroup Member
Mireia Barenys	MB	Lightsourcebp	Workgroup Member
Mpumelelo Hlophe	MH	Fred Olsen Seawind	Workgroup Member
Paul Jones	PJ	Uniper	Workgroup Member
Paul Youngman	Py	Drax	Workgroup Member
Ravinder Shan	RS	FRV TH Powertek Limited	Workgroup Member
Richard Woodward	RW	NGET	Workgroup Member
Rob Smith	RS	Enso Energy	Workgroup Member
Sam Aitchison	SA	Island Green Power	Workgroup Member
Simon Lord	SL	Engie	Workgroup Member
Steffan Jones	SJ	Electricity North West Limited (ENWL)	Workgroup Member
Wendy Mantle	WM	Scottish Power Energy Networks	Workgroup Member
Zivanayi Musanhi	ZM	UK Power Networks	Workgroup Member

