Published on 25 July 2024

# **Workgroup Consultation**

# CM095: Implementing Connections Reform

**Overview:** The current connections process is not enabling the timely connection of projects to meet net zero. A wholesale revision is needed to the connections process to meet those targets and the needs of project developers and consumers. This proposal introduces new processes and definitions that will update the existing processes and enable projects that are most ready to progress more rapidly, to achieve connection.

### Modification process & timetable<sup>1</sup>

Proposal Form 19 April 2024

Workgroup Consultation 25 July 2024 - 06 August 2024

Workgroup Report

3 20 September 2024

5

6

Code Administrator Consultation 26 September 2024 - 10 October 2024

Draft Final Modification Report 16 October 2024

Final Modification Report 22 October 2024

Implementation 01 January 2025

Have 10 minutes? Read our Executive summary

Have 60 minutes? Read the full Workgroup Consultation

Have 90 minutes? Read the full Workgroup Consultation and Annexes.

**Status summary:** The Workgroup are seeking your views on the work completed to date to form the final solution to the issue raised.

This modification is expected to have a: High impact on Transmission Owners and Electricity System Operator

[It is anticipated that CM095 could indirectly impact the following parties: Interconnectors, Generators (including embedded generators), Demand, Distribution Network Operators and Independent Distribution Network Operators as detailed in <a href="CMP434">CMP434</a>.]

Governance route	Urgent modification to proceed under a timetable agreed by the Authority (with an Authority decision)	
Who can I talk to about the change?	Proposer: Graham Lear, ESO graham.lear@nationalgrideso.com 07709835895	Code Administrator Chair: Lizzie Timmins elizabeth.timmins@nationalgrideso.com 07840708429
How do I respond?	Send your response proforma to sto 5pm on 06 August 2024	cteam@nationalgrideso.com by

<sup>&</sup>lt;sup>1</sup> This represents the current proposed timeline for this modification (as of 25 July 2024), which is pending Authority approval.



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# **Executive summary**

This code modification was raised under the ESO's Connections Reform programme, with proposals to reform the electricity transmission connections process as set out in the STC.

#### What is the issue?

The current Great Britain (GB) transmission connections process is not enabling the timely connection of projects to meet net zero. A wholesale revision is needed to the connections process to meet those targets and the needs of project developers and consumers. Changes to the STC (and STCPs) are required to faciliate such wholesale revision.

#### What is the solution and when will it come into effect?

**Proposer's solution:** To facilitate CUSC modification <u>CMP434</u>, this proposal outlines the following:

- The obligations and timing changes between the ESO and TOs so that the ESO can facilitate the Gate 1 and Gate 2 processes in the required timescales for in scope projects.
- The process and content of data by which the ESO will submit the relevant Gate 1 and Gate 2 applications/offers (and DFTC submission) to the TO.
- The proposed Connections Network Design Methodology in respect of both the Gate 1 and Gate 2 processes.
- An extension of the existing bay reservation process to allow the ESO to reserve connection (or interface) points and/or capacity in the Gate 1 and Gate 2 processes in specific circumstances.

Implementation date: 01 January 2025

## What is the impact if this change is made?

The impact on the ESO/TOs in the context of the STC/STCPs is that a reformed connections process (with different process timescales and policies) will be in place to facilitate new connection applications and significant modification applications being submitted to the ESO from developers.

#### **Interactions**

This code modification directly interacts with a change to the Connection and Use of System Code, CMP434.

There are also interactions with the separate (but related) modifications addressing Application of Gate 2 criteria to existing contracted background: CMP435 and CM096.

When completing your Workgroup Consultation Responses, we suggest you read the documents in the following order:

- 1. CMP434 Implementing Connections Reform
- 2. CMP435 Application of Gate 2 Criteria to existing contracted background
- 3. CM095 Implementing Connections Reform (this document)
- 4. CM096 Application of Gate 2 Criteria to existing contracted background



### What is the issue?

The current connections process is not enabling the timely connection of projects to meet net zero. A wholesale revision is needed to this process, including arrangements between the ESO and TOs which facilitate it - to meet those targets and the needs of project developers and consumers. This proposal introduces new processes that will update the existing processes and enable projects that are most ready, to connect more efficiently. Changes to the STC (and STCPs) are required to facilitate this wholesale revision (which is as proposed here and within the <a href="CMP434 Workgroup Consultation">CMP434 Workgroup Consultation</a>).

#### Scope

The scope of this proposal is to facilitate, through the STC (and STCPs), the proposal set out in the <a href="Mailto:CMP434 Workgroup Consultation">CMP434 Workgroup Consultation</a>. This is proposed to be done by amending the relevant ESO/TO processes within the STC (and STCPs) in relation to connections, and with a Minimum Viable Product approach to doing so.

# Why change?

The overall reason for changing the connections process can be found within the <a href="MP434"><u>CMP434</u></a>
<a href="Morkgroup Consultation"><u>Workgroup Consultation</u></a>. The reason for changing the STC (and STCPs) specifically is to allow the ESO and TOs to faciliate the delivery of the reformed connections process proposals as set out within the <a href="MP434"><u>CMP434 Workgroup Consultation</u></a>. Without the changes to the STC and STCP set out in this proposal the reformed connections process cannot be delivered (due to the importance of ESO/TO processes in the overall connections process).

#### What is the solution?

# **Proposer's solution**

In respect of the Proposals within <u>CMP434</u> there are several notable STC specific areas of the Proposals as follows, which are further explained in the sections below.

- To define the obligations and timing changes between the ESO and TOs in the STC and relevant STCPs so that the ESO can facilitate the Gate 1 and Gate 2 processes in the required timescales for in scope projects (Component A).
- The process and content of data by which the ESO will submit the relevant Gate 1 and Gate 2 applications/offers (and DFTC submission) to the TOs (Component A).
- To proposed Connections Network Design Methodology in respect of both the Gate 1 and Gate 2 processes (Component B).
- The existing bay reservation process is proposed to be extended/expanded with associated provisions included within STC Section D on the high-level arrangements / process by which the ESO can reserve connection (or interface) points and/or capacity in the Gate 1 and Gate 2 processes in specific circumstances (Component C).

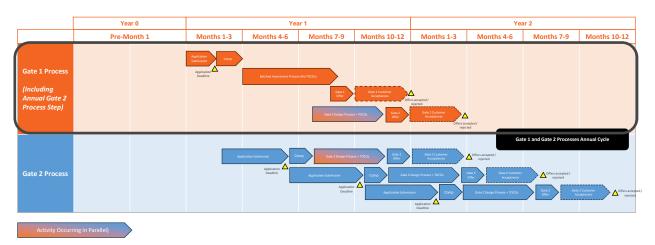


# Component A: Proposed Reformed Connections Process and Timescales, including ESO/TO obligations

Under the new proposed Primary Process, the ESO will work with the TOs to carry out a batched assessment after each Gate 1 window closes which, amongst other things, considers all valid (i.e. those meeting application window entry criteria) applications received within that Gate 1 application window and the DFTC submissions to develop an associated coordinated network design. Once the Gate 2 criteria have been met, an applicant within the Gate 2 process will be given a project specific queue position.

The following diagram (found in Annex 4) provides a high-level overview of the current intent for the proposed Gate 1 Process and Gate 2 Process. The appropriate level of codification related to frequency and duration of such processes remains to be confirmed, but as the current codified process timescales are derived from the ESO and TO transmission licences this will in part depend upon changes to licence. The Proposer therefore plans to keep the frequency and duration of the process, as well as the process steps, under review based on stakeholder feedback to this consultation.

Indicative Process Timeline (as set out in Annex 4)



There will be, at least in the first instance, an annual Gate 1 application window, which at the time of this consultation is anticipated to open for applications on 1<sup>st</sup> January 2025 and close Mid-February 2025 (this is when TOs may start to receive data related to the Gate 1 process), and the frequency and duration of these application windows will be subject to regular review. In the event a project has met the Gate 2 criteria for their project at the point of their application into a Gate 1 application window, this will also need to be evidenced at that point in time if the developer wishes to receive a Gate 2 offer, instead of a Gate 1 offer, within that application window.

There will not be a requirement for TOs to create individual TOCOs for Gate 1 projects, and the associated design will not be broken down into project specific works. However, there would still be the potential for any anticipatory investment identified as a result of the connections process to trigger a non-developer specific TOCO.

It is the current intention to consider applications for Gate 2 in groups at regular intervals (with frequency to be confirmed<sup>2</sup> and Annex 4 showing a proposed overall process)

<sup>&</sup>lt;sup>2</sup> It is currently suggested that there will be three such tranches per year as set out in Annex 4.



throughout the year, with one of those each year being aligned with the relevant Gate 2 design stage of the annual application window.

As the Gate 2 offers from the ESO to in-scope developers will contain confirmed connection dates and connection points, the provision of a full TOCO will be provided to the ESO from the TO.

For the avoidance of doubt, as per the existing arrangements, where a User wishes to apply for User-choice connections, they will do this as part of their Gate 2 application (to the ESO), and this will be communicated to the TO by the ESO.

The Proposer's initial view on timescales for each part of the Primary Process is that there will need to be a change to the current codified/licence application and offer timescales to align with the Primary Process timescales (e.g. a move away from applying at any time and three months for making licenced offers).<sup>3</sup>

Arrangements will also need to be included in relation to the proposed new methodologies that are planned to be introduced as described further in Element 1 of the <u>CMP434 Workgroup Consultation</u>. This will also require ESO (and potentially TO) licence changes, which are expected to be consulted upon by Ofgem in due course (and ahead of 'go-live', which is, at the time of the consultation, anticipated to be 1<sup>st</sup> January 2025).

## Component B: Connections Network Design Methodology

This Proposal will require the development of a new proposed ESO/TO CNDM, to set out how connections network design will be undertaken in relation to Gate 1 and Gate 2 processes in the future. As well as the proposed CNDM setting out how capacity will be allocated, the Proposer is also expecting to include within the proposed CNDM a new "capacity reallocation mechanism" to determine how capacity released by terminated projects will be reallocated.

The Proposer intends that this new proposed CNDM (and thus its contents) should not be codified within the STC, other than at a high-level to set out the relevance in the context of the process. This is on the basis/assumption that the Authority introduces a licence obligation for ESO/TOs to have this proposed Methodology in place that they must comply with, and that the Authority also set out in licence the consultation, governance and approvals process(es) in relation to such a proposed CNDM. Further information on this is set out in Element 1 of the CMP434 Workgroup Consultation.

#### **Component C: Connection Point and Capacity Reservation**

It is proposed to extend the existing STCP bay reservation process currently utilised by ESO Network Services Procurement (previously referred to as Pathfinders) processes. The reason being to avoid potential situations where connection points and capacity which the ESO would otherwise require for a specific purpose (as set out below) being allocated to projects which have met the Gate 2 criteria within the Gate 2 process.

This concept would be extended to cover connection points (which may not necessarily be a bay in all cases) and capacity, and to extend the potential usage to include network

<sup>&</sup>lt;sup>3</sup> More indicative detail on the Gate 1 and Gate 2 Process timescales are set out in Annex 4. As currently proposed it is expected that the shortest time period from submission of a Gate 1 application to signature of a Gate 2 offer is around 46 weeks.



competition (i.e. in relation to CATOs, where strictly speaking it would actually be an interface between different parts of the transmission system rather than being for a connection to the transmission system) and also in relation to offshore co-ordination i.e. to protect the integrity of any ESO co-ordinated offshore network design<sup>4</sup>, such as in relation to the Holistic Network Design Follow-up Exercise.

Whilst it is the ESOs intention that this will only be used in limited circumstances it will ensure that network related to the facilitation of competition or co-ordinated offshore network design in such circumstances can be protected on a time-limited basis by the ESO, prior to either being allocated on an enduring basis or released.

For the avoidance of doubt, an offshore project in respect of co-ordinated network design, or a developer in respect of Network Services Procurement, will still be required to follow the Gate 1 and Gate 2 processes, i.e. reservation of a connection point and/or capacity by the ESO does not absolve the developer of its obligation to follow the Primary Process once the outcome of a competition/lease is known.

In addition, in respect of the offshore process difference for interconnectors and OHAs (Element 5 of the <a href="CMP434 Workgroup Consultation">CMP434 Workgroup Consultation</a>), this process would be used to reserve a connection point and capacity for such projects for a limited time (i.e. as set out in Element 8 of the <a href="CMP434 Workgroup Consultation">CMP434 Workgroup Consultation</a>) pending those projects achieving the Gate 2 criteria. In the Proposer's view this is required to avoid a circularity where such projects are unable to reasonably meet the Gate 2 criteria until they know their confirmed connection point (more so than any other project type due to the nature of such projects and the large number of possible connection points) and are unable to know their connection point until they have met the Gate 2 criteria.

In summary, the circumstances the Proposer foresees Connection Point and Capacity Reservation potentially occurring are as follows:

- To protect (through the Gate 2 process) the integrity of any Network Competition (as and where required) associated with CATOs and the ESOs Network Services Procurement processes. For example, to reserve a connection/interface bay at two different points on the transmission system to provide to a CATO once they have been appointed via a network competition and to avoid those points (required for the 'to be appointed' CATO) being allocated to connect in-scope projects which have met the Gate 2 criteria.
- To protect (through the Gate 1 Process) the integrity of more co-ordinated network design (as and where required) associated with offshore projects. This includes the aforementioned offshore process difference for Interconnectors and OHAs whereby a connection point and capacity are reserved as part of the Gate 1 Process, subject to those projects accepting a Gate 2 offer (having applied once they have met the Gate 2 Criteria) by the longstop date described in Element 8 of the <a href="CMP434">CMP434</a> Workgroup Consultation. For example, the ESO co-ordinated network design processes may indicate the preferred connection point for an interconnector and the preferred interface point for future co-ordinated offshore transmission associated

<sup>&</sup>lt;sup>4</sup> Due to the approach taken to co-ordinated network design for offshore projects and the significant design optionality when assessing offshore projects and their connection/interface to the transmission system (relative to onshore projects) the design process and the recommended design could be undermined in the event a reservation process were not available.



with seabed to be leased to offshore wind farms (as part of the Gate 1 process). Those connection/interface points and the associated capacity will then be reserved by the ESO. This will be to avoid those connection/interface points and the associated capacity (which is required for a co-ordinated connection of the interconnector and offshore wind farms) being allocated to connect in-scope projects which have met the Gate 2 criteria.

# Workgroup considerations

The Workgroup convened 16 times to discuss the perceived issue, detail the scope of the proposed defect, devise potential solutions and assess the proposal in terms of the Applicable Code Objectives.

#### Consideration of the proposer's solution

Discussions on the context of the Proposer's solution relating to CUSC modification <a href="Mailto:CMP434">CMP434</a> can be found within the Workgroup Considerations section of the <a href="CMP434">CMP434</a> <a href="Workgroup Consultation">Workgroup Consultation</a>. The below section outlines the discussions specific to the STC that have been discussed within the Workgroups.

The Proposer advised that CM095 is looking at the same defect and solution associated with CUSC modification <u>CMP434</u>. The Proposer also advised that the scope of CM095 is broadly the same as <u>CMP434</u>, however the STC modification focuses mostly on timings and communications between the ESO and TOs, to facilitate the <u>CMP434</u> proposal.

#### Connections Network Design Methodology

The Proposer outlined that the CNDM is the proposed process by which the ESO and TOs will assess connection applications and define the roles and responsibilities of the ESO and TOs in conducting these activities.

The Proposer initially noted that they believe the following should be codified in relation to the CNDM:

- The requirement for the ESO and the TOs to have a CNDM;
- An obligation on the ESO to publish the CNDM; and
- An obligation to engage with industry on the content of the CNDM.

The Proposer subsequently confirmed to the Workgroup that the requirements for CNDM need to be first set out in the licence and accordingly it was not intended at this moment in time to codify these three items.

Workgroup members supported these points being codified. In addition one Workgroup member noted that they believed it was a legal requirement, in respect of connections, to be codified as the Authority need to approve the content of the document.

Multiple Workgroup members expressed concerns about the Proposer's intention not to codify the proposed new capacity reallocation mechanism, instead including it in the non-codified CDNM document.

Multiple Workgroup members stated their view that capacity reallocation mechanism is so central to this proposal that, if the Proposer was not proposing to codify it, then, in their



opinion, there would be good arguments for the Authority to reject or send back this Modification, which would delay the entire Connections Reform programme.

The Proposer noted that they do not anticipate changes to the current exchange of data between the ESO and TOs, as CPAs and TOCOs will still be part of the connections arrangements. One Workgroup member noted that there would be changes required within the STC and STCPs to outline the CNDM requirements.

#### **Connection Point and Capacity Reservation**

The Proposer outlined that the STC currently has provision for substation bay reservation under STCP 16-1 4.3.4. The Proposer noted that they plan to continue to use this right under these proposals, separate to the Gate 2 criteria, and in limited circumstances e.g. planned to be to facilitate Network Service Procurement (previously known as Pathfinders), future network competition processes and offshore co-ordination activities. However, the Proposer noted that they planned to extend the bay reservation approach to become a broader connection point and capacity reservation approach within these proposals.

Several Workgroup members highlighted that the change to STCP 16-1 to include 4.3.4 under PM0121 was not intended for this extended purpose (as outlined in the Ofgem letter at the time<sup>5</sup>) and noted that a change to how this is used should be done under the appropriate Governance route, with approval from the STC Panel. The Proposer noted that they will consider changes to legal text within both the STC and STCPs when legal text drafting commences to ensure the proposal is appropriately reflected in the code via CM095. Workgroup members noted that this approach should come under a separate modification, rather than being within CM095, and other Workgroup members noted that the ESO should be transparent as to the reasoning and evidence the purpose for which things are reserved.

The Proposer noted that the Gate 2 criteria would continue to apply to any project which is allocated a connection point (and capacity) which had previously been reserved, and that anything unallocated would be released for reallocation. Several Workgroup members noted that they had concerns with this process happening at or before Gate 1 and requested further information to address their concerns. Several Workgroup members queried the Governance process regarding this change, however the Proposer noted that although the change would be required within an STCP, they would also reflect the change within the STC to allow the decision on this part of the solution to be made by the Authority (as STCPs are often approved through the STC Panel).

The Proposer advised that offshore projects may have bays and capacity reserved to allow for coordinated design to take place, based on offshore applications in a relevant batch. Several Workgroup members noted that The Crown Estate and The Crown Estate Scotland should not have unlimited powers to effectively reserve bays or capacity via the ESO as this could influence other projects. One Workgroup member noted that they thought that OHAs with generating assets in GB waters should be excluded from these provisions.

<sup>&</sup>lt;sup>5</sup> <u>Direction to relieve National Grid Electricity Transmission Limited of obligation to comply with Section D Part 2 of the SO-TO Code for Pathfinder connections (ofgem.gov.uk).</u>



Several Workgroup members agreed with the expressed concern that this proposal would unfairly discriminate against onshore projects, as offshore projects would in effect be able to reserve queue position for four years in advance of those offshore projects meeting the Gate 2 criteria, whereas onshore projects would not. The member noted that, under this proposal, an onshore generator could meet Gate 2 criteria, but be stuck behind an offshore project that was then given up to four years to meet Gate 2 (one year to process and accept a Gate 1 offer, and 3 years for the Gate 1 longstop). Workgroup members questioned whether this discrimination is justified and highlighted the risk of delaying onshore projects that are ready to progress, especially in the context that both the onshore and offshore networks are intended to be coordinated, not just the offshore network.

Workgroup members supported this concern, suggesting that the Proposer could narrow its proposal to only reserve Connection Points and/or Capacity at substations and/or on circuits that are specifically designed to benefit offshore wind projects (rather than a combination of onshore and offshore projects). A Workgroup member felt there are different concerns which are not reflected fully i.e. 1) competition, 2) transparency, 3) equity of process, 4) efficiency for the consumer and 5) a level playing field for investment.

Workgroup members expressed the concern that the inclusion of Competitively Appointed Transmission Owners (CATOs) as part of network competition is not a customer connection and therefore should be out of the scope of this proposal.

The Proposer confirmed the intention that the ESO would reserve connection points and/or capacity for specific requirements and the connection point and/or capacity could be reallocated to another project by the ESO releasing the connection point and/or capacity and following the capacity reallocation methodology in the proposed CDNM.

In respect of codifying the ESO's enhanced capacity/bay reservation right, a Workgroup member stressed the importance of progressing the identified amendments to STCP 16-1 (and any other necessary STCP changes to facilitate CM095 and CMP434 proposals) in a timely manner (as this cannot be done via CM095). Whilst they acknowledged that the STC main body text supersedes the STCPs where there is any contradiction/confusion, they raised the importance to STC Parties of the procedures for specifying operational detail. They also flagged the STCP Governance requirements to consider materiality. As the Workgroup member believed the changes to be 'material' (potentially requiring Ofgem approval instead of the Panel's), they recommended that the Proposer consider what can be done proactively. This could include pre-emptive proposal drafting and/or seeking direction from STC Panel and Ofgem for consideration on approval (e.g. within the package of modification proposals for TMO4+). The Proposer agreed to consider this and agreed to inform the Workgroup prior to the end of the Workgroup phase.

#### **Legal Text Discussions**

The Proposer presented a list of Sections within the STC they thought may potentially need to change, as follows: Sections D and J, and Schedules 5, 6, 7 and 13. The ESO confirmed that legal text will be drafted and finalised following the Workgroup Consultation. The ESO and TOs conducted a legal text mapping exercise. High level details of the anticipated affected sections of legal text can be found in Annex 5.

One Workgroup member queried the extent of the proposed legal text changes, to clarify if they were the only obligations being put on Transmission Owners. The ESO confirmed



that some obligations may be defined within the ESO and TO licences and not within the STC. One Workgroup member believed that all obligations should be captured within the STC and not within the ESO and TO licences.

# **Draft legal text**

Legal text will be drafted after the Workgroup Consultation has been completed.

# What is the impact of this change?

# **Proposer's assessment against Code Objectives**

Proposer's assessment against STC Objectives	5
Relevant Objective	Identified impact
(a) efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act	Positive Includes a gated process that prioritises readie and/or more viable projects enabling us to help the government to meet its Net Zero targets. Currently, project developers are waiting too long to connect and this is hindering progress to deliver Net Zero.
(b) development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission	Positive  More efficient and coordinated future planning of the network, with the benefits further enhanced with the proposed future introduction of the Strategic Spatial Energy Plan (SSEP) and Centralised Strategic Network Plan (CSNP). We believe our proposed solutions are materially aligned with the plans for CSNP and SSEP and as such will deliver increased benefits for customers and consumers.
(c) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity	Positive Quicker connections for viable projects needed to deliver Net Zero. Currently, project developers are waiting too long to connect, and this is hindering progress to deliver Net Zero.
(d) protection of the security and quality of supply and safe operation of the national electricity transmission system insofar as it relates to interactions between transmission licensees	Neutral
(e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC	Positive The more coordinated and efficient network design for connections also delivers benefits for customers and consumers as allocates capacity more efficiently to projects that are ready to proceed and studying connections applications in batches should lead to lower overall costs





(f) facilitation of access to the national electricity	Positive
transmission system for generation not yet	Prioritises readier and/or more viable projects
connected to the national electricity transmission	
system or distribution system;	
(g) compliance with the Electricity Regulation and	Neutral
any relevant legally binding decision of the	
European Commission and/or the Agency.	

**Standard Workgroup consultation question:** Do you believe that the Original proposal better facilitates the Applicable Objectives?

# When will this change take place?

Implementation date

1 January 2025

Date decision required by

13 December 2024<sup>6</sup>

Implementation approach

The implementation approach can be summarised as follows:

- Any new applications from in scope projects submitted to the ESO (and so the ESO to the TOs) on or after the go-live date (anticipated to be 1st January 2025 at time of consultation) will need to be submitted within a Gate 1 Process.
- Any Significant Modification Applications submitted to the ESO (and so the ESO to the TOs) from in scope projects on or after the go-live date (anticipated to be 1st January 2025 at time of consultation) will need to be submitted within a Gate 1 Process or a Gate 2 Process (as appropriate).
- Any projects with existing connection contracts which do not meet the Gate 2 criteria
  and become Gate 1 projects under <u>CMP435</u> will need to submit an application to
  the ESO (and so the ESO to the TOs) within a future Gate 2 Process (if and when
  those projects meet the Gate 2 criteria).
- The above anticipated (at the time of this WG consultation) go live date also assumes relevant licence changes and new methodology approvals have occurred in timescales which allow go-live to occur from such date for new applications and Significant Modification Applications.
- STCP changes required as a result of CM095 (and <u>CMP434</u>) will be raised once there is further certainty on the determination of the Connections Reform changes.

**Standard Workgroup consultation question:** Do you support the implementation approach?

Interactions			
□Grid Code □European Network Codes	□BSC ⊠Other modifications	<ul><li>⊠CUSC</li><li>⊠Other –</li><li>Transmission</li><li>Licence Changes</li></ul>	□SQSS

<sup>&</sup>lt;sup>6</sup> This represents the current proposed timeline for this modification (as of 25 July 2024), which is pending Authority approval.



This modification directly interacts with <u>CMP434</u>. There are also interactions with the modifications addressing Application of Gate 2 criteria to existing contracted background: <u>CMP435</u> and <u>CM096</u>.

Changes will be required to the ESO licence to facilitate this modification; the ESO have been engaging with the Authority regarding this.

The Proposer does not foresee the need for Grid Code changes for their Minimum Viable Product and they have verified this with industry.

# How to respond

# Standard Workgroup consultation questions

- Do you believe that the Original Proposal better facilitates the Applicable Objectives?
- 2. Do you support the proposed implementation approach?
- 3. Do you have any other comments?
- 4. Do you wish to raise a Workgroup Consultation Alternative request for the Workgroup to consider?

## **Specific Workgroup consultation questions**

- 5. Do you agree with the components of the proposed solution? Please provide rationale for your answer and any suggestions for improvement to each component. [Please see the CM095 Workgroup Consultation response proforma (Annex 6) or the Proposer's solution above for details of Components A-C.]
- 6. Do you agree that the Proposer has fully identified the high-level impacts (subject to legal text drafting) on the STC and STCPs as a result of the <a href="CMP434">CMP434</a> Proposal? If you do not agree, what else do you think is impacted and/or needs to change?
- 7. In your consideration of the CM095 proposal, are there any potential risks for implementation which might also impact the <u>CMP434</u> or <u>CMP435/CM096</u> proposals?

The Workgroup is seeking the views of STC Users and other interested parties in relation to the issues noted in this document and specifically in response to the questions above. Please send your response to <a href="mailto:stcteam@nationalgrideso.com">stcteam@nationalgrideso.com</a> using the response proforma which can be found on the <a href="mailto:CM095">CM095</a> modification page.

In accordance with Governance Rules if you wish to raise a Workgroup Consultation Alternative Request, please fill in the form which you can find at the above link.

If you wish to submit a confidential response, mark the relevant box on your consultation proforma. Confidential responses will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel, Workgroup or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

# Acronyms, key terms and reference material

Acronym / key term	Meaning
BEGA	Bilateral Embedded Generation Agreement
BELLA	Bilateral Exemptible Large Licence Exempt Generator Agreement
BSC	Balancing and Settlement Code
CATO	Competitively Appointed Transmission Owner



CMP	CUSC Modification Proposal
CNDM	Connections Network Design Methodology
CPA	Construction Planning Assumptions
CSNP	Centralised Strategic Network Plan
CUSC	Connection and Use of System Code
DCUSA	Distribution Connection and Use of System Agreement
DESNZ	Department for Energy Security and Net Zero
DFTC	Distribution Forecasted Transmission Capacity
DNO	Distribution Network Operator
EBR	Electricity Balancing Regulation
ESO	Electricity System Operator
iDNO	Independent Distribution Network Operator
MVP	Minimum Viable Product
NESO	National Energy System Operator
NETS	National Electricity Transmission System
OHAs	Offshore Hybrid Assets
SSEP	Strategic Spatial Energy Plan
STC	System Operator Transmission Owner Code
STCP	System Operator Transmission Owner Code Procedures
SQSS	Security and Quality of Supply Standards
TMO4+	The Reformed Connections Process Proposals
TOCO	Transmission Owner Construction Offer
T&Cs	Terms and Conditions

# Annexes

Annex	Information
Annex 1	Proposal documents
Annex 2	Terms of reference
Annex 3	Urgency letters
Annex 4	Indicative Process Timeline
Annex 5	Anticipated legal text changes
Annex 6	Workgroup Consultation Response Proforma