ESO

Connections Process Advisory Group

Meeting 9 DRAFT Minutes

Date:	22/07/2024	**Location:**	MS Teams

Participants

Attendee	Attend/Regrets	Attendee	Attend/Regrets
Merlin Hyman, Regen, CHAIR	Attend	Grant Rodgers	Attend
Neil Bennett, SSEN Transmission	Attend	Jessica Savoie, The ADE	Attend
David Boyer, ENA	Attend	Andrew Scott, SSE Distribution	Regrets
Lynne Bryceland, SPT	Regrets	Annette Sloan, SSENT	Attend
Chris Clark, Emtec Group	Regrets	Patrick Smart, RES Group	Attend
Catherine Cleary, Roadnight Taylor	Attend	Kyle Smith, ENA	Attend
Liam Cullen, Ofgem	Attend	Ian Thel, Department for Energy Security and Net Zero	Regrets
Arjan Geveke, EIUG	Attend	Spencer Thompson, INA	Regrets
Ben Godfrey, National Grid Electricity Distribution	Regrets	Matt White, UKPN	Regrets
Garth Graham, SSE Generation	Attend	Jonathan Whitaker, SSE	Attend
Paul Hawker, Department for Energy Security and Net Zero	Attend	Michelle Young, Scottish Government	Attend
Frank Hodgson, Regen	Attend	Salvatore Zingale, Ofgem	Attend
Greg Hunt, SSE Distribution	Attend	Atia Adrees, ESO	Attend
Claire Hynes, RWE	Attend	Camille Gilsenan, ESO	Regrets
Jade Ison, National Grid Electricity Transmission	Attend	Robyn Jenkins, ESO	Attend
Allan Love, SPT	Attend	Ruth Matthew	Attend
Holly Macdonald, Transmission Investment	Attend	James Norman, ESO	Attend
David McGonigal, Ofgem	Attend	Mike Oxenham, ESO	Regrets
Alasdair MacMillan, Ofgem	Regrets	Folashadé Popoola, ESO	Attend
Deborah, MacPherson, ScottishPower Renewables	Regrets	Mike Robey, ESO (Tech Sec to CPAG)	Attend
Zivanayi Musanhi, UKPN	Attend	Djaved Rostom, ESO	Attend
Graham Parnell, BayWa r.e.	Attend	Neil Copeland, ESO	Observe
Jennifer Pride, Welsh Government	Regrets	Alex Curtis, ESO	Observe
Ellie Ritchie, Ofgem	Attend	Sabrina Gao, ESO	Observe

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Agenda

1.	Welcome and introductions	Merlin Hyman, Regen
2.	Minutes and actions from meeting 8	Mike Robey, ESO
3.	TMO4+ progress update	James Norman, ESO
4.	Summary of Request for Information responses	Ruth Matthew, ESO
5.	Transitional arrangements	Alex Curtis, ESO
6.	Package 2 update	Djaved Rostrom, ESO Atia Adrees, ESO
7.	Bay Sharing Policy	Folashadé Popoola, ESO
8.	Next steps	James Norman
9.	Any Other Business	Merlin Hyman

Discussion and details

#	Minutes from meeting, including online meeting group text chat during meeting, where referenced as "[*From online chat*]"

1. Welcome and Matters arising

- The Chair welcomed participants and introduced the meeting's agenda.
- A DESNZ representative noted the new government's ministerial team and stated that both connections and network development were high on the government agenda. They shared a link to the government's announcement of the appointment of Chris Stark as Head of Mission Control for Clean Power 2030.

2. Minutes and actions from meeting 8

- ESO proposed to close the action for ESO to consider pre-recording one or more agenda items. This had been raised when the volume of papers and agenda items was high, but the volume of content has appeared more manageable for recent meetings. CPAG accepted this.
- **Decision 8.2.1:** CPAG approved the meeting 8 minutes.
- **Action 8.2.1:** ESO to publish meeting 8 minutes.

3. TMO4+ progress update

- ESO advised that the four code change workgroup consultations for TMO4+ will be published later this week.
- ESO referred to the three key methodologies within TMO4+ (Gate 2 criteria, the connections network design methodology (CNDM) and Designated Projects (previously referred to as NESO designation)). The proposed changes will see these referred to within the codes and Licence and the details of each methodology will be consulted upon in separate methodology documents, require approval by Ofgem and be published. Gate 2 is included in detail within the workgroup consultations, whilst the CNDM and NESO designation are included at a high-level.
- ESO noted Clean Power 2030 and stated that the TMO4+ timeline beyond the workgroup consultations will consider this once there is more clarity on Clean Power 2030.
- A member asked whether sending the workgroup consultation out later than originally planned would delay the implementation date.
    - ESO's connections reform team has shared a timetable with Code Admin that shows the Final Modification Reports being submitted 21 October, later than the original September date.
- A member who is also on the CUSC panel and modification workgroups advised:
    - The CUSC Panel's 12 July letter proposed an Ofgem / Authority decision by 13 December, with go-live still planned for 01 January 2025.

- The member expressed concern about the limited engagement time between the decision and go-live date and suggested draft guidance materials are developed now and stakeholders consulted in parallel to the codes process.
  - For the existing queue, the proposed deadline for submission of evidence of land rights has moved from 31 December 2024 to self-certifying evidence by 31 January 2025.
  - They emphasised that the three methodologies and guidance documents are still required before go-live.
  - They understood that the Licence decision would also be on 13 December (followed by a 56-day standstill period).
- A member asked whether the consultation due to start at the end of this week will include the code modifications and the methodologies.
  - ESO stated the consultations on the three methodologies will come later. The code workgroup consultations will address the principle and purpose of the methodologies. ESO also reiterated that the workgroup consultations will include a lot of content on Gate 2 as this is fundamental to the code modifications.
- A member expressed concern that the methodologies will have significant content relevant to project investability compared to a codified approach which enable full engagement and the opportunity for stakeholders to propose alternative approaches.
- A member expressed concern with NESO designation of priority projects. They were concerned that NESO would have complete control of capacity reallocation and reordering the queue. They felt that if all the detail stays in methodology rather than in codes open governance process there is a risk of deviance from the interests of industry. They expressed keenness to see an obligation on ESO to bring the methodologies into code, even if this is at a later date. They stated that they didn't want a separate process just for ESO, TOs and Ofgem to agree.
- Another member supported these concerns. They highlighted a difference between guidance and the methodologies. The approach proposes that the methodologies must be consulted on and then secure Ofgem approval, but no alternatives will be proposed. In contrast guidance documents may be consulted on and are not subject to formal approval. They suggested that code modifications could be done quickly.
- ESO responded that they feel their proposal is appropriate and that it is agile and future-proofed. ESO does not want repeated lengthy code modification processes. ESO noted that guidance already supports the connection process conceptually, such as for the Letter of Authority requirement.
- For embedded projects, the Distribution Forecasted Transmission Capacity (DFTC) approach will be guidance. The workgroup consultations do include considerations for embedded customers and the ENA SCG will return CPAG with DFTC guidance once the CNDM has been developed.
- A member expressed the need to see the CNDM and emphasised the need for the CNDM to properly consult distribution consultees, particularly as the move from TMO4 to TMO4+ broke the original concept for DFTC.
- A member asked for clarification of the approach for embedded projects in the existing queue.
  - ENA SCG confirmed that DFTC relates to Gate 1, for new applications. Projects in the existing queue will need to demonstrate they have achieved Gate 2.
  - The member reflected there is a misunderstanding amongst some stakeholders that DFTC is relevant to the existing queue.
- A member noted the four workgroup consultations in total will run to about 150 pages. They believed the timing would see the consultation starting on Thursday 25 July until Tuesday 06 August. They suggested that if members were only able to review one consultation, then they recommended choosing CMP434.
  - [From online chat: Members discussed and confirmed the workgroup consultations will be published on Thursday 25 July and will close on Tuesday 06 August.
- The Chair concluded the discussion noting two main themes of concern: what is inside and outside the codes and the need for more detail on the impact for embedded projects. The Chair noted that WACM's are expected for the code modifications with the final decisions resting with Ofgem.
- **Action 9.3.1** ESO to circulate the workgroup consultations once published.

4. **Summary of Request for Information responses**

- ESO shared a high-level summary of the responses from the existing connection queue to the recent Request for Information (RFI). The responses suggest 184GW on Transmission and 53GW of Distribution projects could achieve Gate 2 now (from 59% and 24% response rates respectively). This brings a challenge of what view to take on the Gate 2 readiness of non-responding projects (at this stage ESO has not made assumptions for those projects).

- A member speculated on what responders to the RFI were stating regarding Gate 2. For example, their project may have secured land rights, but may not be ready to submit their planning application.
  - ESO agreed and noted that planning approaches vary between different technology types. ESO is undertaking some further work to investigate the planning status of projects.

- ESO noted a lower response rate from distribution-connection projects and a member suggested a proportion of these projects were less engaged in industry communications.

- A member asked what the RFI responses will influence.
  - ESO advised that the analysis of RFI responses will be shared at the 01 August CDB meeting to inform a discussion on whether there is a need to do more on connections reform. For example, should there be more intervention through inclusion of a technology lens.

- A member shared the view that the responses looked inflated on the readiness of projects. They felt that lots of projects had secured TEC but had no chance of getting land. They thought that some developers may have submitted a more positive response to the RFI than their project's actual status in the hope that it might help them progress.

- A member queried whether the proposed approach is for a forward-looking planning milestone to be applied at Gate 2. They emphasised that ESO's 'minded to' position needed to be clearly expressed within the consultation.
  - ESO confirmed this is part of the code modification ESO is proposing (a forward-looking milestone date for submission of a planning application, with this milestone being included once a project has met Gate 2). They said the consultation will be clear on this.

- A member highlighted that there may be limited expert planning resource to handle a surge in existing queue projects seeking to progress sufficiently to certify they are Gate 2-ready.

5. **Transitional arrangements**

- ESO and the three Transmission Owners have written a joint letter to the Authority seeking a derogation to adopt a transitional approach (estimated at time of the meeting to be from 07 August). This will apply to new connection applications for Transmission-connected projects. ESO noted that it had wanted to also include Distribution-connected projects and modification applications but issues with unintended consequences had prevented this.

- This will apply to new connection applications, with projects receiving a new Bilateral Connection Agreement and Construction Agreement, but with the rest of the usual contract appendices, queue management milestones and securities not being populated. The offer will state an indicative Connection point and completion date, but these will need to be reviewed at Gate 2, where all appendices will then be updated.

- A member sought clarification that the Authority would respond, rather than Ofgem. They noted that a previous derogation request had received a response from Ofgem, rather than the Authority.

- ESO advised that a second derogation letter will be submitted to address the approach to Modification Applications and Distribution-connected projects and the cutover period from the current connection approach to the TMO4+ reformed connections process.

6. **Package 2 Update**

- ESO provided an update on progress with improvements to the consideration of Enabling Works, Fault Level Assumptions and Construction Planning Assumptions.

- On Enabling Works, ESO believes the MITS substation is still relevant when considering to limit Enabling Works. At a meeting on Friday 19 July it had been agreed with all Transmission Owners to move forward on that basis.
- ESO's Charging Team is reviewing for any impact on charging and user commitment and an associated code modification will only be considered if there is no impact on these.
- A member expressed concern that applying this through a guidance note may not be robust enough and a code change may be required.
  - ESO advised that it was reviewing CUSC and what is included and what is not. They noted that guidance is already in use and the plan was primarily to refresh the existing guidance and ensure consistency. ESO will continue to discuss this with the TOs.
- A member expressed support for this work and sought clarification of where this would be applied within the connections process. They asked whether the MITS node map (included within the Electricity Ten Year Statement) would be updated. They reflected that the guidance sounds like the Connect & Manage text from ten years ago.
  - ESO clarified that the Enabling Works discussion was considering MITS substations and not MITS nodes.
- On Fault Level Assumptions the updated approach aims to provide more realistic Construction Planning Assumptions to the TOs. ESO noted that the effectiveness of Gate 2 will be key (in terms of improving the accuracy of what is forecast to actually connect to the electricity system). ESO is considering what attrition factor to apply to projects that have achieved Gate 2 and noted that one approach is to apply the latest version of the Future Energy Scenarios (FES) 2024, considering the four pathways within it.
- On Construction Planning Assumptions, the current work is on track and making good progress. It is seeking to improve the certainty within CPAs. The CPAs will align with the latest version of FES.
- The Chair thanked ESO for the updates and highlighted the critical importance of having an accurate understanding of the network.

7. Bay sharing

- ESO advised that the circulated Bay Sharing Policy documents set out current practice by the Transmission Owners. The Policy may require an update in due course to align with the final connections reform approach.
- [From online chat: A member noted that they would provide a few technical comments offline to ESO on the paper.]
- The Chair encouraged members to review and respond to the Policy. The Chair suggested a smaller group of members could convene to provide feedback if that would be helpful.
- **Action: 9.7.1** CPAG members to review and respond to the circulated Bay Sharing Policy.

8. Next steps

- ESO noted that the Connections Delivery Board will review the outcome of the Request for Information and consider the potential for reforms to go further on technology and financial considerations. Both of these considerations had emerged quite strongly from Ofgem's open letter in May (if too many projects were felt to be passing the Gate 2 milestone). The CDB discussion on these themes will seek a steer on whether to consider further options, not a decision.
- A member noted that without an August CPAG meeting, any new approaches emerging from 01 August CDB member would have to wait until 12 September for CPAG, which would leave the timetable very tight if there was to be an impact on the existing code change workgroups. They suggested an email circulation to CPAG members to share updates.
  - ESO agreed to share an update after CDB has met. ESO noted that it shouldn't be assumed that the discussion would affect the current TMO4+ code change workgroups.
  - **Action 9.8.1:** ESO to update CPAG members after the 01 August CDB meeting
- The Chair reflected that the current plan should be followed to see the reforms through.

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Decisions and Actions

Decisions: Made at last meeting

ID	Description	Owner	Date
9.2.1	Meeting 8 minutes agreed	Merlin Hyman	22/07/2024

Action items: In progress and completed since last meeting

ID	Description	Owner	Due	Status	Date
9.2.1	ESO to publish the minutes of meeting 8	Mike Robey	29/07/2024	Complete	25/07/2024
9.3.1	ESO to share the revised code modification timeline with CPAG once confirmed	Mike Oxenham	11/07/2024	To share when available	
9.7.1	CPAG members to review and respond to the circulated Bay Sharing Policy	All	16/08/2024	Open	
9.8.1	ESO to update CPAG members after the 01 August CDB meeting	James Norman and Merlin Hyman	09/08/2024		
8.4.1	ENA / SCG to return to CPAG once the network design methodology is clearer to share an update on the DFTC approach.	Kyle Smith	tbc	Subject to progress with the NDM.	
7.3.3	ESO to continue discussion with Ofgem and to confirm if/how queue management implementation will be affected through the transition towards TMO4+	Laura Henry	19/06/2024	Ongoing	
7.3.4	SCG to return to CPAG to share details (on Charging Reform proposals) after options have been presented to CDB	Su Neves e Brooks	11/07/2024	Ongoing	

Action Item Log - Action items: Previously completed.

ID	Description	Owner	Due	Status	Date
8.7.1	ESO to share further details of transitional arrangements at the next CPAG meeting	Alex Curtis	22/07/2024	Complete	22/07/2024
8.8.1	ESO to cancel the August meeting	Mike Robey	19/06/2024	Complete	26/06/2024
8.8.2	ESO will share a high-level summary of responses to the Request for Information to the current queue at the July CPAG meeting	Ruth Matthew	22/07/2024	Complete	22/07/2024
7.2.1	ESO to publish minutes of meeting 6	Mike Robey	17/05/2024	Complete	14/05/2024
7.3.1	ESO to share a timeline for TMO4+ with CPAG	Mike Robey	19/06/2024	Share at next CPAG	19/06/2024
7.3.2	ESO to share the draft RFI with CPAG members for comment	Mike Robey	10/05/2024	Complete	10/05/2024

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7.4.1	SCG will share the DFTC rulebook at the next CPAG meeting	Ben Godfrey & Kyle Smith	19/06/2024	Complete	19/06/2024
7.5.1	SCG to organise a stakeholder meeting and to invite interested CPAG members and to report back to CPAG	Kyle Smith & Paul Glendinning	05/06/2024	Complete	19/06/2024
7.10.1	ESO to reschedule June meeting	Mike Robey	17/05/2024	Complete	19/06/2024
6.2.1	The Strategic Connections Group to return to CPAG with a paper on the implications for embedded customers.	Ben Godfrey	09/05/2024	Complete	09/05/2024
6.2.2	ESO to publish minutes of meeting 5	Mike Robey	25/04/2024	Complete	14/05/2024
6.3.1	ESO to submit CUSC and STC code modifications on Friday 19 April	Paul Mullen	19/04/2024	Complete	19/04/2024
6.4.1	ESO to provide further clarification to CPAG on MITS definitions, and implication of potential impacts on Charging and User Commitment.	Djaved Rostom	09/05/2024	Complete	09/05/2024
6.5.1	ESO and TOs to develop formal bay sharing policy	Folashade Popoola	28/06/2024	Complete	22/07/2024
5.2.1	ESO to publish the minutes of meeting 4	Mike Robey	21/03/2024	Complete	21/03/2024
5.3.1	The Gate 2 approach will be taken to the March CDB for their steer.	James Norman	21/03/2024	Complete	21/03/2024
5.4.1	ESO and DNO to consider the revised proposals within DFTC discussion	ESO & DNOs	25/04/2024	Ongoing and moved to DFTC updates	09/05/2024
5.4.2	ESO to take Package 3.1 recommendation to the March CDB meeting.	James Norman	21/03/2024	Complete	21/03/2024
5.5.1	DFTC to come back to CPAG to reflect how it would work if Gate 2 were applied to the whole queue.	Ben Godfrey	25/04/2024	Complete	25/04/2024
5.6.1	ESO to take its disincentivising mod apps recommendation to the March CDB meeting.	James Norman	21/03/2024	Complete	21/03/2024
5.7.1	ESO to take its paper on the single digital view CAP action to CDB for their steer	Adam Towl	21/03/2024	Complete	21/03/2024
5.8.1	ESO to schedule CPAG meetings beyond April 2024	Mike Robey	28/03/2024	Complete	28/03/2024
4.1.1	ESO to look into sending papers in more than one batch, if this allows at least some to be circulated earlier.	Mike Robey	29/02/2024	Ongoing	04/03/2024
4.1.2	ESO to trial pre-recording some presentations to introduce topics in advance of the meeting.	Mike Robey	04/03/2024	Closed	22/07/2024
4.2.1	ESO to publish Minutes of meeting 3	Mike Robey	29/02/2024	Complete	26/02/2024
4.3.1	ESO to return to CPAG to share its updated recommendation for Package 2.	Djaved Rostom	04/04/2024	Complete	18/04/2024
4.4.1	ESO will take forward the options Packages 3.1, 4.4 and 5 for more detailed discussion.	Mike Oxenham	07/03/2024	On agenda 07 March	07/03/2024
4.6.1	ESO to return to CPAG to discuss disincentivising mod apps	Ruth Matthew	07/03/2024	On agenda 07 March	07/03/2024
3.2.1	ESO to publish the minutes of meeting 2	Mike Robey	22/02/2024	Complete	16/02/2024
3.5.1	ESO agreed to look into holding a targeted workshop on Gate 2 to gather more views	Paul Mullen	28/02/2024	Scheduled	28/02/2024
3.7.1	ESO will bring fuller details on packages 3, 4 and 5 to the next CPAG meeting, providing clear links to the Connections Action Plan	Mike Oxenham	22/02/2024	Complete	22/02/2024

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3.7.2	ESO to re-issue slides to address a typo on slide 36	Mike Robey	08/02/2024	Complete	08/02/2024
2.2.1	ESO to publish Terms of Reference	Mike Robey	08/02/2024	Complete	08/02/2024
2.2.2	ESO to publish minutes of meeting 1	Mike Robey	08/02/2024	Complete	08/02/2024
2.3.1	ESO to scope code defects and bring them to a future CPAG meeting	Paul Mullen	07/03/2024	On agenda 07 March	07/03/2024
2.4.1	ESO to bring update on queue position allocation to the 08 February CPAG meeting	Paul Mullen	08/02/2024	Complete	08/02/2024
2.5.1	ESO to bring bay re-allocation and standardisation back to CPAG	Shade Popoola	22/02/2024	Complete	22/02/2024
1.2.1	ESO to circulate the updated Terms of Reference document	Mike Robey	25/01/2024	Complete	22/01/2024
1.3.1	ESO to share its analysis of the impact of CMP376 on the existing TEC queue.	Kav Patel	08/02/2024	Quarterly updates to be provided	Ongoing
1.4.1	ESO to look at how and when details of the outcome of the ongoing transmission works review can be shared	Robyn Jenkins	08/02/2024	Update shared	08/02/2024
1.4.2	Technical secretary to follow-up liaison and co-ordination with CDB	Mike Robey	25/01/2024	In place	24/01/2024
1.4.3	ESO to confirm how much detail of code mods will be taken to CPAG before going to code mod working groups.	Paul Mullen	25/01/2024	Discussed 25 January	25/01/2024

Decision Log – Decisions previously made

ID	Description	Owner	Date
8.2.1	Minutes of meeting 7 approved for publication	Merlin Hyman	22/07/2024
7.2.1	Minutes of meeting 6 approved for publication	Merlin Hyman	19/06/2024
6.2.2	Minutes of meeting 5 approved for publication	Merlin Hyman	18/04/2024
5.2.1	Minutes of meeting 4 approved for publication	Merlin Hyman	07/03/2024
4.2.1	Minutes of meeting 3 approved for publication	Merlin Hyman	22/02/2024
3.2.1	Minutes of meeting 2 approved for publication	Merlin Hyman	08/02/2024
2.1.1	Terms of Reference v2 approved for publication	Mike Robey	25/01/2024
2.2.1	Minutes of meeting 1 approved for publication	Mike Robey	25/01/2024