

## What is the solution?

### **Proposer's solution**

In respect of the Proposals within [CMP435](#) there are several notable STC/STCP specific areas of the Proposals as follows:

- To define the touchpoint and timing changes between the ESO and TOs in the STC (and relevant STCPs) so that the ESO can facilitate the Gate 2 to Whole Queue process in the required timescales for in scope projects (Component A).
- The ESO will notify the TOs as to which existing TOCAs are related to projects who have not met the Gate 2 criteria once this is known within the Gate 2 to Whole Queue process (Component A).
- The ESO will notify TOs as to which existing TOCAs are related to developers who have met the Gate 2 criteria (and do not seek connection date advancement) once this is known within the Gate 2 to Whole Queue process (Component A).
- The ESO will notify TOs as to which existing TOCAs are related to developers who have met the Gate 2 criteria (and seek connection date advancement) once this is known within the Gate 2 to Whole Queue process (Component A).
- Once the Gate 2 to Whole Queue network design process has been undertaken the TOs will send updated TOCAs for such Gate 2 projects to the ESO through the standard TOCA update processes (Component A).
- TOCAs related to Gate 1 projects will be suitably addressed by the ESO and TOs on a case-by-case basis once Gate 1 projects are known (Component A).
- As a result of the above, TO Final Sums related changes may be required in the STC and/or STCPs (as appropriate) in relation to invoicing and payment timescales related to any realised abortive costs associated with Gate 1 projects in the event of termination (potentially only where over an upper threshold value) (Component A).

### **Component A: Proposed Process and Timescales, including ESO/TO Obligations**

The following diagram provides a high-level overview of the current intent for the proposed Gate 2 to Whole Queue Process. The appropriate level of codification related to the process 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 process duration, as well as the process steps, under review ~~based on stakeholder feedback to this consultation~~.

Commented [MO(1)]: To Update.

Indicative Process Timeline

Indicative (at the time of this consultation) process timeline

Gate 2 to Whole Queue Process is a One-Off Exercise



**Gate 1 Transition Date**  
From the Authority approved code modification Implementation Date (i.e. anticipated to be 1<sup>st</sup> January 2025) to 31<sup>st</sup> January 2025 (at the time of this consultation) developers will be able to evidence the Gate 2 criteria via a self-declaration route.  
(However, between the Authority Decision Date and the Implementation Date evidence could potentially be informally submitted pending the Implementation Date.)  
On 1<sup>st</sup> February 2025 any developers/projects which have not self-declared that they have met the Gate 2 criteria will become Gate 1 projects via a CUSC change to have this effect.

**Gate 2 Non-Advancement Offers**  
All developers/projects from the contracted background which have self-declared that they have met the Gate 2 criteria and do not request advancement will be provided with an offer to introduce ongoing Gate 2 compliance obligations based on their existing contracted connection date. Ongoing Gate 2 compliance will commence from contract acceptance. This will be done after the completion of the Gate 2 to Whole Queue Design Process to ensure that any reduction/change in transmission reinforcement works, securities, etc. can be included in the Offer. Projects not accepting their Gate 2 Offers will become Gate 1 projects.

**Gate 2 Current Queue Design Process - TOCs and Gate 2 Advancement Offers (including Transitional Updates)**  
Includes developers/projects from contracted background who have self-declared they have met the Gate 2 criteria by the deadline and requested advancement AND those with transitional contracts (subject to derogation approval) who have self-declared they have met the Gate 2 criteria by the deadline. For those who have requested advancement, an Offer will only be provided where such advancement is possible (after the network design process). Ongoing Gate 2 compliance will commence from contract acceptance. Where advancement is not possible (or where not accepted) a Gate 2 Non-Advancement Offer will be provided.

Until a project becomes a Gate 1 project at the Gate 1 Transition Date, or a Gate 2 project upon acceptance of an Offer, as above, the existing contract remains in place. Therefore, User Commitment / Final Sums will continue to be requested / placed based on the contractual position at the time. As and when there is a change to the contractual position, as above, then liability and security will be adjusted accordingly to reflect the updated contractual position at the point it becomes effective. Any surplus security will be returned in a reasonable period of time after the change becomes effective.

Please note that for Distributed Embedded Generators the process principles will be the same. However, because the contractual interface is via the DNO or transmission connected IDNO there will be slight variations in the actual process design.  
Please also note that this simplified chevron diagram remains subject to change through ongoing Work Group and TO Discussions, and Wider Stakeholder Feedback.

ESO

Arrangements will also need to be included in relation to the proposed new methodologies that are planned to be introduced as described in [CMP435](#). 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).

Commented [MO(2)]: To Update.

When will this change take place?

Implementation date

1 January 2025<sup>1</sup>

Commented [MO(3)]: To Update.

Date decision required by

13 December 2024<sup>1</sup>

Commented [MO(4)]: To Update.

Implementation approach

At the time of this WG consultation ~~†~~ The go-live date is anticipated to be 1<sup>st</sup> January 2025, with the deadline for project developers to self-declare that their projects have met the Gate 2 criteria (and if so indicate whether they want an advanced connection date) anticipated to then be 31<sup>st</sup> January 2025. As a result, the ESO will provide the TOs with the status of the in-scope existing projects (i.e. Gate 1, Gate 2 with no advancement, or Gate 2 with advancement) after the deadline (so anticipated to be provided to the TOs by 28<sup>th</sup> February 2025).

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Commented [MO(6)]: To Update.

Commented [MO(7)]: To Update.

The ESO will then provide the TOs with Construction Planning Assumptions (CPA) to facilitate the TOs in undertaking a Gate 2 to Whole Queue network design exercise in accordance with the proposed Connections Network Design Methodology (CNDM).

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

Any new applications or Significant Modification Applications received by the ESO after the cutover date (i.e., 10 Business Days after the Ofgem Decision on CMP434/CMP435) will be processed under the arrangements set out in CMP434 (and CM095), and not under CMP435 and CM096.