

Workgroup Consultation Response Proforma

CMP434: Implementing Connections Reform

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to usc.team@nationalgrideso.com by **5pm on 06 August 2024**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact usc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Grant Rogers	
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Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

I wish my response to be:

(Please mark the relevant box)

☒ **Non-Confidential** (this will be shared with industry and the Panel for further consideration)

☐ **Confidential** (this will be disclosed to the Authority in full but, unless specified, will not be shared with the Workgroup, Panel or the industry for further consideration)

For reference the Applicable CUSC (non-charging) Objectives are:

- The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;
- Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;
- Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and
- Promoting efficiency in the implementation and administration of the CUSC arrangements.

*The Electricity Regulation referred to in objective (c) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.

Please express your views in the right-hand side of the table below, including your rationale.

Standard Workgroup Consultation questions		
1	Do you believe that the Original Proposal better facilitates the Applicable Objectives?	Mark the Objectives which you believe the Original solution better facilitates: Original <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D Click or tap here to enter text.
2	Do you support the proposed implementation approach? (see pages 59-61)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Click or tap here to enter text.
3	Do you have any other comments? Click or tap here to enter text.	
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input checked="" type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section) <input type="checkbox"/> No Relevant forms attached to response.

Specific Workgroup Consultation questions		
5	Do you agree with the elements of the proposed solution? Element 7 has been de-scoped and Element 10 is proposed to be codified within the STC through modification CM095 . Please provide rationale for your answer and any suggestions for improvement to each element?	
	Element 1: Proposed Authority approved methodologies and ESO guidance (see pages 9-10, 55)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
It must be stressed that this response is heavily influenced by the proposed timescale. It should be stressed that more time to codify more of the proposals, not just the overarching principles, and time to review and consult on the associated guidance, would be the preference and far more beneficial. However, in light of this option not being available then agreement that the level of proposed codification		

may be workable assuming the associated guidance and policies are worked through correctly and thoroughly.	
Element 2: Introducing an annual application window and two formal gates, which are known as Gate 1 and Gate 2 (i.e. the Primary Process) (see pages 11, 35-36)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Largely agree with the gated process however strongly disagree with the lack of clarity around the DNO/iDNO process and also the reference to DFTC utilisation for DNO/iDNO process – simpler more relevant methods are applicable. Alternative raised via WG in light of this.	
Element 3: Clarifying which projects go through the Primary Process (see pages 11-12, 35-36)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
However as previously noted DFTC to forecast requirements for DNO/iDNO at Gate 1 is not agreed and alternative proposed.	
Element 4: Significant Modification Applications concept, including the proposed criteria and the proposed level of codification (see pages 12-13, 36-39)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Largely agree however raised an alternative to suggest codification and evidence as to why this is important.	
Element 5: Clarifying any Primary Process differences for customer groups (see pages 13-14, 35-36)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Disagree that Offshore Hybrid and Interconnectors require a different approach. If applying for the purposes of generation the process should be aligned and not favour a particular type of connection.	
Element 6: Setting out the process and criteria in relation to Application Windows and Gate 1, including introducing an offshore Letter of Authority equivalent as a Gate 1 application window entry requirement for offshore projects (see pages 15-16, 39-40)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Alternative raised regarding removing DFTC from the process however outside of this agree with the Gate 1 Criteria.	
Element 7: Fast Track Disagreement Resolution Process (de scoped from this modification – see pages 16, 58)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Click or tap here to enter text.	
Element 8: Longstop Date for Gate 1 Agreements (see pages 16, 40-41)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Click or tap here to enter text.	
Element 9: Project Designation (see pages 17-18, 48-49)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<p>Whilst the principle of allowing rare, system benefit, projects to be designated this needs to be codified. Without doing so will undermine the connection process and also opens a host of questions on fair and equal/unbiased treatment of all Customers. Suggest this needs clear methodology at the very least but reality is this needs to be codified as it has such wide reaching implications.</p>	
<p>Element 10: Connection Point and Capacity Reservation (proposed to not be codified within the CUSC, but is intended to be codified within the STC through modification CM095 – see pages 18-20 and the CM095 Workgroup Consultation, pages 6-10)</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Click or tap here to enter text.</p>	
<p>Element 11: Setting out the criteria for demonstrating Gate 2 has been achieved and setting out the obligations imposed once Gate 2 has been achieved (see pages 20-24, 42-46)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Click or tap here to enter text.</p>	
<p>Element 12: Setting out the general arrangements in relation to Gate 2 (see pages 25-26, 47)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Click or tap here to enter text.</p>	
<p>Element 13: Gate 2 Criteria Evidence Assessment (see pages 26-27, 47-48)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Self declaration and sample checking is not enough. All applicants need to be checked against the same criteria with ongoing compliance being reviewed by the ESO team leading the project. Sample selection is not sufficient and self declaration without follow up checks leaves a lottery of who makes it through on merit and who makes it through on risk. If self declaration is to be utilised then a follow up check must be carried out on each application claiming adherence to Gate 2.</p>	
<p>Element 14: Gate 2 Offer and Project Site Location Change (see pages 28, 46)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Fundamentally disagree and alternative raised.</p> <p>Under Element 14 the Proposal introduces the concept of wholesale movement of the land as a result of Gate 2 Offer outcome. It is our view that this fundamentally undoes the work of the the reform and further pushes the, incorrect, view of capacity as a commodity instead of projects being the focus - this will lead to high speculation and significantly reduce the potential positive impact intended by the Proposal. Without land there is no project. If the point of connection to the ESO network given at Gate 2 does not work with the applied for land then that project is not viable. New land necessitates a new project, fundamentally. Additional, Element 14 contradicts the concept of adding firmer application requirements within the Proposal. The Proposal (outside of Element 14), correctly, requires developers to carry out due diligence on land utilised as the project land in the application. This requirement is completely undone by then allowing wholesale change of the land post Gate 2. Implementing element 14 will lead to a host of</p>	

<p>unwanted outcomes and gaming while adding zero benefit to real development. With this lack of benefit and high risk of negative outcomes as a result of its inclusion it is suggested this be removed from the Proposal.</p>	
<p>Element 15: Changing the offer and acceptance timescales to align with the Primary Process timescales (e.g. a move away from three months for making licenced offers) (see pages 29, 42-46)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Click or tap here to enter text.</p>	
<p>Element 16: Introducing the proposed Connections Network Design Methodology (CNDM) (see pages 29, 53-55)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>The CNDM should be codified however agree with the Proposal as a result of the current timescales and under the understanding that, as per the proposal, the Authority introduces a licence obligation for ESO/TOs to have this proposed Methodology in place, and that the Authority also set out in licence the consultation, governance and approvals process(es) in relation to such a proposed CNDM,</p>	
<p>Element 17: Introducing the concept of a Distribution Forecasted Transmission Capacity (DFTC) submission process for Distribution Network Operators (DNOs) and transmission connected Independent Distribution Network Operators (iDNOs) to forecast capacity on an anticipatory basis for Relevant Embedded Small Power Stations or Relevant Embedded Medium Power Stations aligned to the Gate 1 Application Window (see pages 30-33, 51-53)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Disagree. Alternative raised via the WG. DFTC is not relevant for forecast capacity where other existing data sets can achieve this. The DFTC process for Gate 1 capacity is flawed as there can be, and likely will be, acceptances on the DNO network that fall foul of the DFTC process but these should still be considered in forecasting. Furthermore forecasting capacity at Gate 1 is not a requirement of the proposal and will likely further burden the DNO's to no viable positive over and above the existing methodologies for FES and forecasting that are not part of the proposal (e.g. demand forecasting already carried out as Week 24 data).</p>	
<p>Element 18: Set out the process for how DNOs and transmission connected iDNOs notify the ESO of Relevant Embedded Small Power Stations or Relevant Embedded Medium Power Stations which meet Gate 2 criteria (see pages 33-34, 51-53)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Strongly disagree. The existing processes are not fit for purpose as evidenced by the realities of the Transmission/Distribution interface as it stands (PP process etc). This needs to be codified to ensure there is a clear commitment to timely information transfer between DNO and ESO and that the timescales required of</p>	

	<p>DNO Customers to submit the data to them for a Gate 2 deadline to the ESO are clear across all DNO's.</p> <p>Failure to have this clarity will risk the existing issues to be perpetuated across to the new process as a result of the Proposal.</p> <p>This issue must be addressed for there to be any chance of clarity between the DNO and TO process and to ensure clear and timely data transfer that applicants can trust.</p> <p>Alternative raised.</p>	
6	<p>Are there any elements of the proposal which you believe should not be included as part of this proposed solution, which the Proposer believes represents the 'Minimum Viable Product' reforms required to the connections process? If not, why not? (Please note the element number in each of your responses if applicable)</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
	<p>Element 14 should not be included and does not represent MPV. Element 14 adds not benefit to the proposal however it adds a high risk of increased speculation and gaming of the new process that risks completely undermining the positive impact of the Proposal. Removal of element 14 does not diminish the effect of the proposal or negatively effect MPV in any way.</p>	
7	<p>As per question 6, are there any additional features which you believe should be included as part of Minimum Viable Product reform to the connections process?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
	<p>A clear and codified DNO Gate 2 process is MVP for this process to work. Without this the existing issues seen across all DNO's will be migrated to the new process and could cause the entire process to fail.</p>	
8	<p>Do you agree that the Gate 1 process should be a mandatory process step, or do you think Gate 1 should be an optional process step with projects being able to apply straight into the Gate 2 process if the project meets both the relevant Gate 2 and Gate 1 criteria?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>

	I believe there is merit in allowing projects that meet Gate 2 to move straight to that position. This is purely on the basis that making Gate 1 Mandatory limits applicants to 1 window a year and may encourage applicants to apply for Gate 1 without the relevant commitment to the project just to ensure they have a chance at one of the three yearly Gate 2 gates.	
9	Do you believe that the proposed Gate 1 and Gate 2 process could duly or unduly discriminate against any types of projects? If so, do you believe this is justified?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Click or tap here to enter text.		
10	Please provide your views on the proposed options ((a) to (e) on page 45) to mitigate the risk of requiring a developer to submit their application for planning consent earlier than they would in their development cycle (with the risk this consent could expire and any extension from the Planning Authority is not automatic).	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>No option selected as this is not a yes/no question.</p> <p>Option e) would be the most simple outcome that would still create the required confidence for ESO that the site is committed while giving the applicant confidence that, should planning expire, they are able to re submit.</p> <p>This does create significant risk for the developer compared to the current standard however developer processes will likely adapt – many sites currently get their planning very early and risk this outcome at DNO level.</p> <p>Option a) would be secondary but difficult to police/monitor and apply across the board.</p> <p>Options b, c and d will have a lesser impact in terms of determining projects that can progress.</p>		
11	Do you agree that DFTC should be included as part of CMP434? If not, do you believe that the reformed connections process can function without DFTC? Please justify your answer. (see pages 30-34, 51-53)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have raised an alternative on the WG to remove the DFTC from the proposal. DFTC simply indicates the amount of applications the DNO has, data that is		

	<p>already widely available from DNO's within the ESR and reported data on connections applications.</p> <p>The DFTC process creates another burden for the same data with little to no positive impact.</p> <p>The capacity at Gate 1 is not contracted therefore there is no real need for the DFTC process.</p> <p>DFTC is being referred to for wider system modelling which falls outside the remit of the proposal. If data is required for wider system modelling the existing data sets can be used and where required, if more detailed data is required this can be codified separate to the Proposal.</p> <p>It is understood that no capacity will be earmarked as a result of the DFTC. Therefore utilising existing data, e.g. connection applications received (and associated tech, locations and capacity) as available in the ECR would be sufficient for the ESO to take a view on what capacities the DNO are seeing on their network that are relevant to Gate 1.</p>	
12	<p>The Proposer intends to set out supporting arrangements for TMO4+ via a combination of guidance and methodologies (e.g. DFTC, CNDM, Project Designation, Gate 2 Criteria). Do you anticipate any issues with having these outside of Code Governance? (see Pages 9-10, 55)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Already detailed in prior responses above.</p>		