

Question	Response
please could we have slides.	We'll share the slides, the recording and any questions we miss today after the call
Is the consultation in Demand for Constraints a formal consultation?	No, not formal Article 18 consultation. This informal consultation will be part of our engagement prior to service approval and handover to the delivery team who would conduct the formal consultation.
Would the payment structure also consider flexible offers (e.g. ANM or inter trip) which have been issued to customers for managing transmission constraints or would this only encompass those providing services in a CMM market ?	The payment structure would be for providing CMM services only. Existing or alternative constraint management services will operate their own process for determining optimal payment structure. As part of the CMM design choices we will consider interactions with payment structures for other services.
Do you see constraint markets as being part of a revenue stack or being the main 'anchor' revenue stream for new assets? This will dictate much around the prices/payment structure questions.	For both DFC and CMM variants we expect the constraint payment to be part of an asset's revenue stack/value proposition. For the example DFC asset types: hydrogen electrolysis, electrification of heat and data centres, the assets will have a primary capacity for delivering value. The DFC payments should support siting decisions and demand usage to benefit constraints. For long term and short term CMMs therefore we would be less focussed on siting decisions and new assets, instead seeking to make use of existing opportunities for flexibility.
How is the short run costs associated with constraint avoidance going to be valued against the straight site	This is a balance we will continue to consider as we develop our evidence cases and look to conduct further CBAs. We

<p>location (ie.e the TNUoS question drives siting of generation and demand</p>	<p>will share our thinking on this as it develops however if you have any suggestions or input please reach out and share this with us.</p>
<p>I can see the need for a value on location but wonder if this might be covered by contracted hours given the higher prevalence of curtailment at the more northern boundaries? Perhaps this means that more hours can be offered further north at least up to a certain volume?</p>	<p>This is certainly a convenient option we will consider.</p>
<p>Could CMMs be stacked with DSO flex services, around DTU & GTD?</p>	<p>Stacking of CMMs with other flex services is certainly something we will consider given the intention for CMM payments to be part of a revenue stack. However given the potential for CMM actions to impact DSO regions and networks we anticipate the optimal solution would be to create and use primacy rules to allow one action to be taken either by one SO to manage overlapping requirements where possible.</p>
<p>Based on Alex's comment on how utilisation would be managed if the asset is already delivering for the specified constraint - Just wondering if it's worth discussing baselining, as to how this would be designed for different technology types?</p>	<p>Baselining is going to be a key component in each of the CMMs. We will be continuing to think about this over the next few months and sharing our thoughts. If you have any views on options that could work please reach out to us and we'll put it on the list as a topic for further discussion with stakeholders in future.</p>
<p>So you don't expect CMM to drive any new generation/storage assets on its own.</p>	<p>DFC is primarily seen as the option to drive siting/investment in new assets whereas the CMM design we have been considering has the potential to incentivise</p>

	disadvantageous siting decisions. Ultimately we will aim to use the best service for the timescale as part of our overall portfolio.
Should really get Ofgem to remove the cap on negative charges in TNUoS for demand that was introduced and would have a good network cost benchmark	Thank you for this suggestion. Whilst our project is focussed on identifying potential market based solutions we can also identify and flag any key challenges which fall outside of this remit.
Simon Gill's original CMM proposal had both a ST market and LT CM-like auction. Has this been ruled out completely?	None of the CMM design elements have been finalised or ruled out. Currently (as above) we are investigating the option for DFC to provide the longer term investment signal whilst CMM can provide short terms signal for existing assets which would be less likely to need long term certainty. If supported by evidence we will consider benefits of mid term certainty through CMM
You have mentioned learnings form LCM a few times, are these shared anywhere?	Learnings have not been formally published but have been communicated through LCM workstream updates and incorporated in to LCM updates and CMM design.
Would you offer constraint market - Offer Up (generation turn up, demand turn down) in the South East as if the Scottish Boundary is constrained sometime it combines with SC1 boundary constraint and interconnector flows, so need to bring plants on in the South as cant do it above SC1 boundary?	As part of the service design we will aim to ensure that the procurement areas align with locations where assets can practically deliver.

<p>Will there be a formal/or informal consultation on the CMM options? Or are these webinars a replacement of this process.</p>	<p>At this stage we are undertaking informal engagement for CMM and DFC which is a combination of 1-2-1 discussions, webinars and informal consultations.</p>
<p>Explicit interconnectors (energy and capacity sold separately) should fit into a CMM fairly easily, but implicit ones (Moyle, Norway) will be more difficult as CMM prices would have to be taken into account in the capacity allocation algorithm.</p>	<p>Thank you for this input. We will be continuing to consider this over the coming weeks and will share our thinking as this develops.</p>
<p>How many houses in Scotland are designed for heat pumps?</p>	<p>This is not a statistic tracked by our team however there are a number of sources which report on current rates of heat pump installations as well as future projections.</p>
<p>It would be good to have a written update from ESO on where the tCCP work is in terms of your internal thinking. Have come away from this with useful snippets on where your thinking is leading to, Q's to look at, international examples etc. This is in addition to the formal written update as to the timing stage of the project more broadly.</p> <p>(Apologies if I've missed this)</p>	<p>Thank you for the feedback. We provided our formal project report in July 2024 and are planning to provide interim updates via webinars and slides until the conclusion of our phase 2 of the project.</p>
<p>Sorry correction about my Volts cost point - they spent more on Volts this week than before (not more than Thermal constraints) 24% vs normal 8-110%</p>	<p>Thank you for this clarification.</p>

Good to get steer from OFgem on when TLC reforms they consulted on are coming our as price will be dictated by that (or fined) in reality if they expand to all balancing services

Thank you for highlighting this.