

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 cusc.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 cusc.team@nationalgrideso.com

| Respondent details | Please enter your details | |
|--|---|--|
| Respondent name: | Richard Knights | |
| Company name: | Evolution Power Limited | |
| Email address: | Richard.knights@evolutionpower.co.uk | |
| Phone number: | 07808682050 | |
| 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 checked="" 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:

- a) *The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;*
- b) *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;*
- c) *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and*
- d) *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 | | |
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| 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 type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D |
| | We do not consider the Original proposal better facilitates the Application Objectives. | |
| 2 | Do you support the proposed implementation approach? (see pages 59-61) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| | This is a major change to an already complicated and transient process. We understand there is an urgency to implement the changes and see the benefits. It is our opinion that the change process is occurring at an excessive pace for an arbitrary commencement date. The date in particular gives developers wishing to apply a very limited period interrupted by Christmas to prepare for the new process. We would not wish to see implementation delayed, but suggest that even delaying implementation to 1st March would give ESO and developers a welcome space to adjust. We therefore would prefer to see a brief delay to allow a smooth start for all parties early in 2025. | |
| 3 | Do you have any other comments? | |
| | No | |
| 4 | Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider? | <input type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section) <input checked="" type="checkbox"/> No |
| | Click or tap here to enter text. | |

| Specific Workgroup Consultation questions | |
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| 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? |

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| <p>Element 1: Proposed Authority approved methodologies and ESO guidance (see pages 9-10, 55)</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>As a relatively new signatory to the CUSC through our accepting of transmission offers we are starting to gain an understanding of how it works and is modified. From our “new signatory” perspective retaining both guidance and methodologies in the CUSC would be welcomed.</p> | |
| <p>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)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>The process appears reasonable and is clearly defined.</p> | |
| <p>Element 3: Clarifying which projects go through the Primary Process (see pages 11-12, 35-36)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>The process appears reasonable and is clearly defined.</p> | |
| <p>Element 4: Significant Modification Applications concept, including the proposed criteria and the proposed level of codification (see pages 12-13, 36-39)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>The process appears reasonable and is clearly defined.</p> | |
| <p>Element 5: Clarifying any Primary Process differences for customer groups (see pages 13-14, 35-36)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>The process appears reasonable and is clearly defined.</p> | |
| <p>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)</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>An application window of January to mid February is a difficult period following immediately after Christmas, particularly in the first year. March to mid April would be better.</p> | |
| <p>Element 7: Fast Track Disagreement Resolution Process (de scoped from this modification – see pages 16, 58)</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>It is a disappointment that there is to be no appeal process. From our experience over the last year this is an essential feature.</p> | |
| <p>Element 8: Longstop Date for Gate 1 Agreements (see pages 16, 40-41)</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>Whilst the process appears reasonable and is clearly defined, any project should be able to meet the three year time period. Projects in technologies with low energy land densities should be able to meet a shorter longstop date even down to one year. We consider that the longstop date period should be technology related.</p> | |

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| <p>Element 9: Project Designation (see pages 17-18, 48-49)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>The process appears reasonable and is clearly defined.</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 checked="" type="checkbox"/> No</p> |
| <p>The process appears reasonable and is clearly defined. However, the planning dates require considerable nuance. DNO’s allow longer for planning if an EIA is needed, this approach is worth including. For planning dates to be good milestones the following needs to be included in determining them:</p> <ul style="list-style-type: none"> 1 – planning type 2 – acceptance date 3 – connection date 4 – design, procurement and construction period <p>This requires both a forward and a backward assessment and appreciation of the scale and complexity of the construction. This is impossible to codify and a better and fairer approach would be to require a programme from developers with an acceptance of Gate 2 offers. Developers want to get planning timing right, i.e. not too early and not too late so are the best party to propose milestone dates.</p> <p>The table in the proposal includes a column assuming land and planning work is undertaken in parallel. Since Gate 2 requires 100% land there should be no need for land and planning work to be undertaken in parallel.</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 checked="" type="checkbox"/> No</p> |
| <p>The process appears reasonable and is clearly defined.</p> <p>On a matter of clarity, we interpret the description of the Gate 2 offer as confirming the physical connection point, (i.e. the GSP, but not necessarily the specific bay). If this is not the intention, one the proposal is unclear, and two we would not be able to agree with the proposal. Under no circumstances should a developer be expected to commence planning until a physical connection point is provided.</p> | |
| <p>Element 13: Gate 2 Criteria Evidence Assessment (see pages 26-27, 47-48)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>The process appears reasonable and is clearly defined.</p> | |

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| | <p>Element 14: Gate 2 Offer and Project Site Location Change (see pages 28, 46)</p> | <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <p>It is difficult to understand why if an offer location meets SSQS 20km circuit distance there should be a viability problem. There an underlying implication that offers may not meet SSQS this is a concern.</p> <p>However, if a project needs to relocate then the effort to do so is directly proportional to land take. Scheme scale and technology should be used as variables to adjust the 12month period to up to 36months.</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> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>The process appears reasonable and is clearly defined.</p> | | |
| | <p>Element 16: Introducing the proposed Connections Network Design Methodology (CNDM) (see pages 29, 53-55)</p> | <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <p>The process appears reasonable and is clearly defined. However, there has previously been indication that technology types and the relative difficulty and timescales of developing different technologies would be taken into account. Is this the means for so doing, if not what is the means?</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> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>As a developer of distribution and transmission connected schemes we would wish to see equity. The current definition of Large Generating Station appears to provide a good measure of this equity.</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> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>The process appears reasonable and is clearly defined.</p> | | |
| <p>6</p> | <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</p> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

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| | <p>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>Click or tap here to enter text.</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 <input type="checkbox"/> No</p> |
| <p>There does not appear to be any process for taking account of the development differences for different technologies or different scales of project. This should be included.</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>Whilst in principle being able to enter the Gate 2 process three times annually is helpful for developers it disadvantages technologies that have high energy land density, particularly solar. This is due to the extreme length of time it takes to identify and negotiate with often multiple landowners who are also conducting their normal business activities (mainly farming which is weather and season dependent). Gate 2 is effectively a land requirement gate. A mechanism that balances the strategic need for different technologies is severely lacking in the overall proposal. Perhaps it is part of the Connections Network Design Methodology but if not it appears to be absent and the outcome will be more low energy land density technologies and less high energy land density technologies including solar – is that what is required? We also note that having a technology agnostic timeframe for relocating a site in the event of a non viably connection location is discriminatory against larger energy land density technologies. The period should either be extended to 2 years or better still made technology specific.</p> | | |
| 9 | <p>Do you believe that the proposed Gate 1 and Gate 2 process could duly or unduly discriminate</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |

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| | <p>against any types of projects? If so, do you believe this is justified?</p> |
| <p>During the various presentations as TMO4+ was developed the desire to be technology agnostic was expressed several times. This needs to be placed alongside the need for a strategic balance of generating and storage technologies to provide an operationally viable net zero carbon system. We have not seen anything within CMP434 which addresses either of these needs.</p> <p>The use of land as the primary mechanism for Gate 2 acceptance directly discriminates against high energy land density technologies. This is because schemes needing larger land areas inevitably require land from multiple landowners which severely complicates site acquisition. Low energy land density technologies which require small land use will usually have a single landowner to deal with and often a small proportion of their land holding. The impact is that schemes with high energy land density will on average take longer to meet Gate 2 and therefore be later in the queue and later connecting.</p> <p>This matter could be addressed by a strategy for technology types which influences Gate 1. Whether this is intended to be part of CNDM is not stated. Our view is that the Gate 2 process discriminates against high energy land density technologies compared to low energy land density technologies. We do not consider this to be justified, and we consider it will hinder the timely connection of the right balance of projects to meet net zero.</p> | |
| <p>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).</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>There are several related matters here:</p> <p>1 - Developers expending significant funds for obtaining planning consent that have a deadline for commencing construction but no redress should the grid connection be late.</p> <p>2 - TOs aligning their works, consenting, design, construction with connection dates not dates associated with developers' consenting, design, procurement and construction.</p> <p>3 – Developers not being in control of all aspects of planning submission.</p> <p>Option a - essentially a forward and backward looking approach as it must consider connection date.</p> <p>Option b - unworkable as the cost for consenting is vastly lower than the cost for construction, it would essentially require construction to be started earlier than it is required.</p> | |

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| | <p>Option c - adds considerable cost and delay to commencing consenting without a connection location. However, since Gate 2 provides a location it is unclear how this applies.</p> <p>Option d – the current arrangement of backward looking dates don't currently consider, design, procurement and construction timeframes adequately and are not fit for purpose. Any backward looking scheme must consider technology and scale to determine the date needed for planning submission. For instance, under the existing arrangement we have planning milestones years after the date we need to submit.</p> <p>Option e – this option does not consider the additional time and expense that it would take to resubmit as all ecological surveys will be out of date and require redoing from scratch and changes in environmental situations may require additional ecological and environmental work.</p> <p>Any solution that accepts that a developer could be in a situation where their planning consent has lapsed is a failure of process. It will make it more difficult for developers to secure funds and ultimately slow progress to net zero.</p> <p>The party most able to programme consenting is the developer, as they want to obtain consent in line with design, procurement, construction and TO works. Developers should be asked to provide a programme as part of acceptance of Gate 2. This could be reviewed and agreed and used as milestones.</p> <p>It should be noted that developers should never be expected to commence planning activities until a physical location of connection is provided.</p> | |
| <p>11</p> | <p>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)</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| | <p>We don't have a view on this matter. However, as a developer of distribution and transmission connected schemes we would wish to see equity. The current definition of Large Generating Station appears to provide a good measure of this equity.</p> | |
| <p>12</p> | <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> |

As a relatively new signatory to the CUSC through our accepting of transmission offer we are starting to gain an understanding of how it works and is modified. From our “new signatory” perspective retaining both guidance and methodologies in the CUSC would be welcomed.