

CUSC Alternative Form – Non Charging

CMP434 Alternative Request 25: Obligation to Codify the Methodologies and Guidance Documents under Connection Reform

Overview: Obligation on the ESO to raise a code change to codify the appropriate methodologies that are core to the new transmission connection process no later than 18 months after '*go live*' of the new transmission connection process.

Proposer: Claire Hynes, RWE Renewables & RWE Supply & Trading

I/We confirm that this Alternative Request proposes to modify the non - charging section of the CUSC only

What is the proposed alternative solution?

This proposal requires the ESO to have in place for the purposes of transparency, published methodology and guidance documents listed under CMP434 for 'go live' of the new transmission connection process as verbally agreed with the Working Group.

A full year is provided following 'go live' to give the ESO a first run through of the new transmission connection process and a further 6 months to carry out lessons learnt before being obliged to raise a code change to codify the appropriate methodologies and guidance documents under the CUSC.

What is the difference between this and the Original Proposal?

The methodologies and guidance documents give the ESO an unprecedented level of control over the makeup of the connection queue and how the connection process works, whilst leaving developers with little/no input into a methodology which significantly affects their projects. This relative imbalance of power in the long term could provide additional risk to project development due to changes unchecked by industry experts in their field which may then translate to increased consumer cost.

This pragmatic proposal places an obligation on the ESO to raise a code change to codify the appropriate methodologies that are core to the new transmission connection process no later than 18 months from 'go live' of the new transmission connection process.

The System Operator will carry out a dry run of the new 12 month connection process and conduct lessons learnt over a six month period before raising a code change to codify the appropriate methodologies and guidance. This process should produce more effective and efficient codified methodologies and guidance to assist the ESO with administering these new connection arrangements. It also introduces a road map to codifying the methodologies that may give some reassurance to parties.

Ofgem's Open letter on the '*Reformed Regulatory Framework on Connections*'

On the 16th of September, Ofgem published its Open letter on the '[Reformed Regulatory Framework on Connections](#)' which advised that the proposed governance arrangements under the licence for the three core methodologies to be suitable.

We maintain that this alternative option was not on the table for Ofgem's consideration at the time of the publication of this letter and that it did not preclude any of the methodologies being moved under open governance in the CUSC at a later date.

Whilst the ESO may be required to maintain, develop and consult on these methodologies under the licence, once the solution is fully formed, it may be deemed appropriate for certain methodologies such as the Gate 2 methodology which is core to the User's experience of the new transmission connection process to sit under open governance in the CUSC.

What is the impact of this change?

This pragmatic proposal acts like a derogation to give the ESO sufficient time to not just create a skeleton transmission connection process to implement in to the CUSC arrangements. By allowing the methodologies and guidance documents to sit outside of the CUSC during its development timeframe, first run through of the new transmission connection process and lessons learnt, this proposal ensures the most efficient version of the connection process is codified.

Proposer’s Assessment against CUSC Non-Charging Objectives	
Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;	Positive: This proposal will ensure that the appropriate methodologies and guidance are codified under a single code allowing the ESO to better manage the full range of connection arrangements under 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;	<p>Positive. From the date of the codification of the methodologies and guidance under open governance arrangements in the CUSC, this proposal will reduce the ability for changes unchecked by industry experts to the methodologies that significantly impact upon a projects investment and strategy with no recourse to appeal or ability to propose an open governance change.</p> <p>Codification also ensures that new participants to the market will be able to more easily track their CUSC obligations to the relevant methodologies and guidance under a single code, enabling better competition in the market.</p>
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	None: We are not aware of this change having any impact on

	<p>compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.</p>
<p>(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.</p>	<p>Positive: This proposal simplifies the new transmission connection process by ensuring the obligations linked to this myriad of guidance documents and methodologies are held under one code for simplicity and provide new market entrants with the support of an open governance framework throughout every aspect of the connection process, thus promoting the efficiency in the implementation and administration of the CUSC arrangements.</p>
<p>*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.</p>	

When will this change take place?

Implementation date:

Same date as the Original change proposal.

Implementation approach:

Same as the original change proposal.

Acronyms, key terms and reference material

Acronym / key term	Meaning
TO	Transmission Owner
ESO	Electricity System Operator

Reference material:

[Open letter on the reformed regulatory framework on connections \(ofgem.gov.uk\)](#)