

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: | Helen Snodin | |
| Company name: | Muir Mhòr Offshore wind farm | |
| Email address: | Helen.snodin@fredolsen.com | |
| Phone number: | Click or tap here to enter text. | |
| 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:

- 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 | | |
|---|---|--|
| 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 checked="" type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input checked="" type="checkbox"/> D |
| | Whether the proposal better facilitates the Objectives is hard to judge without the detailed methodologies. On the basis of the proposals discussed in the Working Group, there will be a slightly higher bar for new applicants and this should promote some efficiencies in processing offers. However, the real impact on efficiency and resolving the existing queue will be through CMP 435 – and we do not believe the proposals discussed will materially impact the existing queue. | |
| 2 | Do you support the proposed implementation approach? (see pages 59-61) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | This is a qualified yes, in so far as we do not entirely understand the cut-over arrangements and the distinction between these and transitional arrangements. | |
| 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 type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section) <input type="checkbox"/> No |
| | Click or tap here to enter text. | |

| 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 |

| | |
|--|---|
| <p>Whilst we understand concerns of those who want to see some of these methodologies codified, we think on balance that this will be too time-consuming and limit the ability for the methodologies to evolve. However, we are strongly supportive of transparency of the methodologies, as well as a consultation and approval process, with potential for codification at a later stage. We note that first-come-first-served is not in the code nor in an approved methodology, so ESO’s proposals are a material improvement in transparency and accountability in that respect. Our support for this is conditional on the methodologies being fully transparent and in ESO being fully accountable to them – we share other working group members concerns around whether this will happen in practice.</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>Click or tap here to enter text.</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>Click or tap here to enter text.</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>Support conditional on the final guidance and what constitutes “significant”.</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>‘Yes’ relates to the concepts but comments on the application of capacity reservation for offshore provided under Element 10.</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>Click or tap here to enter text.</p> | |
| <p>Element 7: Fast Track Disagreement Resolution Process (de scoped from this modification – see pages 16, 58)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>Click or tap here to enter text.</p> | |
| <p>Element 8: Longstop Date for Gate 1 Agreements (see pages 16, 40-41)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>Click or tap here to enter text.</p> | |

| | |
|--|---|
| <p>Element 9: Project Designation (see pages 17-18, 48-49)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>Supportive of the principle but conditional on the detail of the associated methodology / guidance</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 checked="" type="checkbox"/> No</p> |
| <p>Supportive of the connection point reservation, but strong concerns about the proposals to reserve capacity and associated queue position. This means that offshore wind will move into Gate 2 as a block, preserving the first come first served queue positions and allowing no re-ordering either within the block or between offshore projects and other technologies. We do not think it is necessary to reserve capacity deep into the system or queue position in order to preserve the integrity of the HND design. The majority of reinforcements in the network are on the basis of least regrets and so by-design are agnostic to the specific projects assigned to these reinforcements. ESO’s assertion that the reservation is not against a particular project is academic in the context of an unchanged queue position and offshore lease areas awarded on an exclusivity basis. We think the integrity of the design can be preserved by a much more focused approach which looks at just the ‘regrets’ investments and which allows for changes in queue position.</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>Supportive of the general approach of self declaration and sample checks. However, it is baffling why ESO has not investigated a 100%-cover digital check on duplicate / overlapping RLBs. This should be a simple and quick exercise.</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>This is allowing a new project after Gate 2 and if Gate 1 is optional, then hard to see why this would be allowed. The proposal is reliant on Gate 1 providing connection points that largely do not change, and this is a dangerous assumption that could backfire.</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>Developers need to be able to assess and reasonably predict outcomes, especially so in the first cut of the existing queue and the first applications for acceleration. Otherwise a year+ is a long time to wait, blind to whether a new connection date is feasible. Consider introducing a series of mid-app meetings.</p> | |
| <p>Element 16: Introducing the proposed Connections Network Design Methodology (CNDM) (see pages 29, 53-55)</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>This needs to provide sufficient detail to allow developers to assess and predict their ability to accelerate.</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 type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>Not formed strong views on this, understand the concerns expressed by distribution-connected parties.</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>Click or tap here to enter text.</p> | |
| <p>6 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> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>Within Element 1 ESO states that implementation date will be delayed if the methodologies are delayed. We do not support this on / off approach and believe</p> | |

| | | |
|----|---|--|
| | that there is a subset of the methodologies – specifically Gate 2 criteria – that need to be in place by go-live but that other methodologies can be developed in parallel to go-live. | |
| 7 | 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? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | The proposals as they stand do not introduce a first-ready-first-served regime. They introduce a slightly higher bar for entry into a full grid agreement, and one which the majority of wind projects will pass. There has been a theme in the working group discussions that if projects are moving, however slowly, that the status quo should remain and that there will be no change to first-come-first served if projects meet Gate 2. This does not deliver the MVP and it does not deliver “wholesale revision” of connection arrangements nor does it “enable projects that are most ready to progress more rapidly”, to quote the introduction to this Mod. The language is very misleading as the proposals simply do not achieve this. We note from the RFI evidence that some battery and solar projects may not pass through Gate 2, but this is unlikely to have a material impact on the ability of wind projects in Scotland to accelerate. | |
| 8 | 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? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| | Gate 1 should be optional, its hard to understand why it wouldn't be. | |
| 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 type="checkbox"/> No |
| | Unclear at this stage | |
| 10 | Please provide your views on the proposed options ((a) to (e) on page 45) to mitigate the risk of | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| | | |
|---|---|---|
| | <p>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>Given the emphasis on encouraging developers to apply when nearing readiness to connect, it is difficult to understand why there is a need for mitigations for projects that aren't ready to connect. This needs some worked examples to understand why developers would need to secure a date far in advance of connection, rather than apply when the project is further progressed. The original rationale of CMP 434 is based on giving a grid connection date and location <i>in order that</i> a project can then apply for planning permission. This is what the timescales for planning milestones are based upon. Why would the proposer then develop proposals which encourage developers to apply to bag a connection well in advance of when the project will be ready – surely this is what the proposer is trying to avoid, not encourage?</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>Content to let distribution-connected parties respond to this.</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> |
| <p>See response to Element 1</p> | | |