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CMP435 & CM096 Workgroup 26 Meeting Summary

CM434 & CM095 Workgroup Meeting 24

Date: 29/10/2024 **Location:** Teams
Start: 10:00 AM **End:** 3:00 PM

Participants

Name	Initial	Company	Role
Catia Gomez	CG	Code Administrator, NESO	Chair
Prisca Evans	PE	NESO	Technical Secretary
Ella Darby	ED	SHMA	Technical Secretary
Alice Taylor	AT	NESO	Proposer CMP435
Angela Quinn	AQ	NESO	NESO Lawyer (Legal text)
Michael Oxenham	MO	NESO	Subject Matter Expert
Paul Mullen	PM	NESO	Subject Matter Expert
Richard Paterson	RP	NESO	Subject Matter Expert
Steve Baker	SB	NESO	Proposer CM096
Andy Dekany	AD	NGV	Workgroup Member CMP435
Alex Rohit	AR	Statkraft	Workgroup Member Alternate CMP435
Andrew Colley	AC	SSE Generation	Workgroup Member Alternate CMP435
Charles Yates	CY	Fred Olsen Seawind	Workgroup Member Alternate CMP435
Ciaran Fitzgerald	CF	Scottish Power	Workgroup Member Alternate CMP435
Clare Evans	CE	Scottish Power Energy Networks	Workgroup Member Alternate CMP435
Claire Hynes	CH	RWE Renewables	Workgroup Member CMP435

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Gareth Williams	GW	Scottish Power Transmission	Workgroup Member CMP435
Garth Graham	GG	SSE Generation	Workgroup Member CMP435
Greg Stevenson	GS	SSEN Transmission	Workgroup Member CMP435
Jack Purchase	JP	NGED	Workgroup Member CMP435
Joe Colebrook	JC	Innova Renewables	Workgroup Member CMP435
Jonathan Hoggarth	JH	EDF Renewables UK & Ireland	Workgroup Member CMP435
Jonathan Whitaker	JW	SSEN Transmission	Workgroup Member Alternate CMP435
Mark Field	MF	Sembcorp Energy (UK) Limited	Workgroup Member CMP435
Muhammad Madni	MM	NGV	Workgroup Member Alternate CMP435
Mpumelelo Hlophe	MH	Fred Olsen Seawind	Workgroup Member Alternate CMP435
Niall Stuart	NS	Buchan Offshore Wind	Workgroup Member CMP435
Paul Jones	PJ	Uniper	Workgroup Member CMP435
Ravinder Shan	RS	FRV TH Powertek Limited	Workgroup Member CMP435
Richard Woodward	RW	NGED	Workgroup Member CMP435
Rob Smith	RS	Enso Energy	Workgroup Member CMP435
Ross O'Hare	RO	SSEN	Workgroup Member Alternate CMP435
Ross Thompson	RT	UK Power Networks	Workgroup Member Alternate CMP435
Salvatore Zingale	SZ	Ofgem	Authority Representative
Sam Aitchison	SA	Island Green Power	Workgroup Member CMP435
Samuel Railton	SR	Centrica	Workgroup Member CMP435
Steffan Jones	SJ	ENWL	Workgroup Member CMP435
Tim Ellingham	TE	RWE Renewables	Workgroup Member Alternate CMP435
Tony Cotton	TC	Energy Technical & Renewable Services Ltd	Workgroup Member Alternate CMP435

Agenda

Topics to be discussed

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1.	Timeline	Chair
2.	SME Updates – SCG and TMO4+ / CM096	NESO
3.	Scene Setting – Workgroup 25	Proposer
4.	Finalise Workgroup Report	All
5.	Agree ToR	All
6.	Workgroup Vote Run Through	Chair
7.	Action Log	All
8.	Any Other Business	All
9.	Next Steps	Chair

Discussion and details

Timeline

The Chair stated that the timeline remains the same as outlined in Workgroup 25. The meeting today is focussed on reviewing CMP435 Legal text and WACMI Legal text. The meeting on Thursday 31 October 2024 (Workgroup 27) will be focussed on finalising any outstanding points, and the Workgroup Vote.

The Chair expressed that although the meeting on Thursday 31 October is scheduled for half a day, it may be necessary to allow for a full day in order to finalise all points, highlighting that there are Alternative Requests that need to be presented, voted on by the Workgroup, and then develop legal text.

The Chair will update the Workgroup as soon as practicable on the required of Thursday's meeting, depending on the Alternative Requests.

SME Updates

The CM096 Proposer updated the group on the status of CM096, stating that as anticipated, they have issued instructed Code Governance to withdraw. The justification for doing so being that the decision to use a new STCP procedure renders CM096 unnecessary. NESO will be engaging with industry throughout the process of designing STCP Procedure for the capturing of Gate 2 to Whole Queue process into the STCP. STC Panel has been informed.

Another NESO member stated that, following on from a Workgroup member's comments from yesterday a sentence has been added to the Draft Gate 2 Methodology confirming that large embedded generators need to speak to their DNO to check that they can request acceleration.

Workgroup Chair stated that, due to the time restraints, the slides that the SME shared, they shall be added as part of the Workgroup Report in an Annex rather than being turned into any sort of diagram or process flow.

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Scene Setting

The Chair outlined that the focus of the meeting is to review CMP435 and WACMI Legal text. Aiming to have it mostly finalised by the end of this Workgroup, focussing on material changes at this point, rather than typographical ones.

It was then intended to return to the Workgroup Report, focussing on important material changes rather than typographical ones.

Draft methodologies have been shared with Workgroup members, and they are not for discussion. They have been provided for information only.

Finalise CMP435 Legal text and WACMI Legal text

The Workgroup started by looking at the legal text, specifically CUSC Section 18. The Chair reminded Workgroup that once the changes have been made to the legal text, a clean, updated version of the document will be shared to Workgroup members.

This discussion around Section 18 began by letting the Workgroup know that changes made to the document were to ensure it is in line with the latest position on CMP434, and to address the comments and proposed drafting changes that were proposed during the last Workgroup.

The Chair began going through comments on the Legal text which had not yet been resolved. Section 18.10 'Checking the Readiness Declaration' was a point of discussion. The Workgroup checked whether a member's comment had been resolved and provided clarification on the duplications process in 18.10.1.2. A point was made on applicability of the word 'relevant' in this context, it was stated by a member that some mention of the word 'relevant' in the legal text should be removed, and clarity should be provided on which Embedded Power stations are being referred to here. The Chair made changes were made to the wording in Section 18.10.1.1 live during the Workgroup, clarifying that the 'relevant' embedded power stations mean a "Relevant Embedded Small Power Station or Relevant Embedded Medium Power Station with a BEGA". A small question surrounding whether to use "Embedded medium" definition. A comment was added for NESO Regulatory Lawyer to double check on wording and make the necessary changes. This will be revisited during Thursdays Workgroup.

A member raised the more general point that because the checks are set out in the Gate 2 criteria, the DNO/transmission connected iDNO may not always be the correct party to carry checks out. A Workgroup member posed that it would be better to set out in the legal text that checks will be performed by DNO where so required under the Methodologies. The argument being this would align the Legal text with the Methodologies, and if the Methodologies require a check which DNO cannot do, it should be done by NESO. Member believes legal text should set out those obligations.

One Workgroup member highlighted that the DNO section 18.10.1 does not reflect the "reasonable endeavours" element which applies to NESO. The member expressed a need for fairness between NESO and DNOs. This comment was accepted and will be added to the legal text, mirroring what is already in the Methodology.

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A member questioned the legal enforceability of the NESO Methodologies on the parties who are not subject to the Licence changes for Connection Reform. It was highlighted that there is nothing in the legal text binding certain groups, i.e., Interconnector/Generator/Demand/Embedded iDNO etc. to comply with Methodologies, whereas NESO does, as it is in their Licence. Clarity was provided that despite this, parties are contractually obligated to doing so, so long as the legal text places an obligation to comply with the Methodology on those not subject to the Licence changes.

The Proposer briefly brought up the percentages of declaration checks, which had been subject of discussion in a previous Workgroup, stating they have moved closer to what Workgroup wanted through changing the wording. As an Alternative Request may be raised in relation to this, the Proposer wanted to highlight the changes made and see if there is still a need to raise an Alternative. After a brief run through of the changes, the Chair asked the member if they still wished to bring an Alternative Request. The member who wished to bring an Alternative Request stated that the updated legal text in relation to 100% of the checks is moving closer to what they were asking for, but needs to double check and see if they still wish to bring an Alternative.

Brief discussions of the wording 'reasonable endeavours' being too lenient for NESO, a member stated there is not enough accountability as NESO could be protected by legal text in many circumstances if they do not do the checks. A member suggested a compromise: if NESO publish number of declarations being checked monthly in percentages, to provide accountability and maintain confidence, then this could be flagged to Ofgem, removing the potential for using "reasonable endeavours" as a loophole to justify underperformance. This was seen as potentially reasonable mitigation but needs further thought and discussion after the Workgroup.

In relation to 18.10.2, it was noted that it needs to be clear that those who meet Gate 2 in a batch submission will remain, and those that do not will fall away. To reflect this change, the Workgroup opted to move the sentence about EA Requests to the end of the paragraph. NESO's legal representative amended the section and agrees to tidy this section up after the call.

The Workgroup went through the changes made to 18.13 Legal text, and NESO Regulatory team explained the changes made, and why they were needed. No member raised issue with the changes made, and so these comments were resolved.

The rest of the changes made to the legal text were minor changes to formatting, spelling, word choice and punctuation for the sake of clarity and consistency, i.e. adding 'or' removing square brackets.

After reviewing the entirety of Section 18 Legal text, the Workgroup Chair clarified the outstanding points to be addressed, which include: 18.7. to be tidied up in relation to terminations, to tidy up the wording for 18.10.2 and more generally for NESO's legal representative to ensure the changes made for Small / Medium embedded power stations are consistent throughout the text.

The Workgroup then began looking at Schedule 2 Exhibit 3. The first comment questioned where the process is located to bilaterally agree the expiry and bilaterally annually review after that date. Context was provided that the legal text for this is contained within CMP434, and there is nothing CMP435 specific. The latest version of CMP434 will be circulated. Chair said as this is not part of CMP435 we will not look at it in this Workgroup.

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WACMI Legal text:

Typographical errors were corrected during a discussion of WACMI.

Two new definitions were created: "EA Information" and "EA Register".

There was some confusion around the Pause and timelines of the WACM proposal. It was questioned whether it would be related to CMP434 or CMP435, or whether the competency check for both CMP434 and CMP435 would be done at the same time. However, it was established that the two have now been separated and therefore the WACM is correct.

This was then clarified as there are two gated processes going on, however they are not happening in parallel but sequentially. After clarification that the CMP435 window will open after the CMP434 window closes, the Workgroup agrees that the WACMI is fine as it is.

There were questions surrounding why the EA register was being used, and not the TRC register, it was raised that this register is slightly messy, and that the EA register would better capture this discreet point in time. It is clarified that the TEC register will be updated to include whether a project is Gate 1 or Gate 2. Workgroup in agreement that it is neater to include this in the EA register.

The Workgroup was happy with WACMI and concluded that it would require a short revisiting in the last Workgroup. If there are concerns, they were to be flagged before the final Workgroup meeting.

Alternative Request

The Chair asked for an update on whether the Alternative Request is still going to be raised. The member confirms that after discussions in the Workgroup this morning, the Alternative Request will be going ahead.

Workgroup Report:

The Chair added a comment to the Report to check with CMP434, so that read speed is consistent.

The Workgroup reviewed the Implementation section of the Report, as some additional changes were made by a Workgroup member during the break. The Workgroup member highlighted that this is one of the key sections of the document that needs to be easy to follow and grasp quickly.

The implementation date is dependent on when Ofgem decide the implementation date – it is assumed that it will be 56 days, not 10 days. For clarity, the Workgroup changed the wording in the "Implementation date into the CUSC" section of the report to say "an assumed 56 calendar days after an authority decision" to reflect the current reality.

Small typographical errors have been amended, and the contents have been updated to reflect changes made since last Workgroup, for example footnote 56 has been updated to reflect that CM096 has been withdrawn (pending closure of the withdrawal window on 05 November and ratification by Panel on 08 November).

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Chair lets the Workgroup know that the Annex will be updated to include the slide discussed in Workgroup 25.

Footnote 58 was added to make it clear that an existing contracted connection date and connection point also applies to accepted offers that have been issued by NESO that arise from the transitional Arrangements that came into effect in September 2024 as set out in Element 19.

It was confirmed during this Workgroup that, following on from the discussions in Workgroup 22, the legal text does not hold liability and security figures between the point in which a project becomes a Gate 1 Project and the point where an ATV is signed and effective, however the Proposer also confirmed that they (NESO) would expect to be able to manage this risk in other ways.

The Chair then moved on to the table of Alternatives and updated the Workgroup on the current position. The Chair updated the table to remove the Alternative that has been withdrawn. The Chair then stated that if the previously mentioned Alternative is going to be raised in the last Workgroup, then the table will be updated to reflect this. At the time of the Workgroup, it was yet to be confirmed whether the ENWL Alternative relating to CMP434 is going to go ahead. The table would be updated after the final meeting once the relevant individuals who expressed that they would be raising Alternatives have been contacted for an update.

It was mentioned that the WACM discussions should feature sooner in the Report and required some more expansion. It was agreed that this would be updated after Workgroup 26, to include the discussions surrounding DNOs and where their information is coming from/permissions etc.

Next steps:

The Chair confirmed that they will circulate a clean version of the Workgroup Report to the members of the Workgroup later today, so it is easier to identify what needs reviewing and adjusting for the final Workgroup.

Legal text would be updated for circulation ready for the final Workgroup.

There is only one action left for ENWL.

Chair confirmed that it is likely the previously mentioned Alternative Request will be brought forward for discussion at the next Workgroup.

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Action Log

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
21	WG3	AC / FP	When considering transitional arrangements, include guidance for staged projects	To be covered in more detail under Phase 2 which is not in scope of Proposal	Ongoing	Closed
84	WG11	PM/HS	To discuss how to make Offshore projects holding offers in scope of the modification	Ongoing discussions between Connections and Offshore Coordination team and have spoken to HS	Ongoing	Closed
89	WG14	MO	STC solution to expand on intended process and contract changes (particular importance for TOs)	This was part of WG21 discussion.	Ongoing	Closed
96	WG15	PM	CNDM team to be asked how existing projects not meeting Gate 2 will be factored into the CNDM (in case of any consequential issues for removing the Gate 1 longstop)	This is related to CNDM we are not intending on bringing this into WG discussion.	Ongoing	Closed
98	WG15	PM	To check if TEC reduction will still mean projects are open to liabilities	To be covered as part of CMP435 legal text	Ongoing	Closed

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100	WG15	RM	Will timescales for submitting offers change with changes in programme timelines	Cannot be provided until revised programme available, including revised implementation and go-live dates.	Ongoing	Closed
101	WG15	RM	Workgroup require timings for the further updates on Element 19	The Proposal is being amended to remove specific timescales in respect of Element 19 and Implementation Approach (other than Implementation Date and Minimums).	Ongoing	Closed
107	WG17	AC	Clarify the process for transitional accepted offers in relation to 434 and/or 435 processes	Transitional offers will be managed by 435, as per Element 19 , the fourth group, talks about how transitional accepted offers will be managed.	Ongoing	Closed
108	WG17	AQ	Come back with a clarificatory position on application routes where GSPs are involved	Addressed in Section 18 of the legal text to be clear for EG.	Ongoing	Closed
111	WG18	MO	NESO and Ofgem to discuss expectations re: TOR i) and feedback to Workgroup.	NESO have confirmed their view that Annex B relates to TMO4+ and the wider connection reform program and have outlined the intention of impact assessments and RFI in WG22.	TBC	Closed



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112	WG18	RM	Underlying RFI data to be supplied in Excel format as per WG17	The further analysis that was requested has been shared as part of WG22	Ongoing	Closed
114	WG19	MO	NESO to provide an update on the Swim lane diagram - ref dates and Ofgem letter	The proposal is being amended to remove specific timescales in respect of Element 19 and Implementation Approach (other than Implementation Date and Minimums).	Ongoing	Closed
115	WG20	RM/AC	NESO to provide an update on Phase 2 & Cutover Arrangements	Updates on transitional arrangements will be provided in the general update as and when available	Ongoing	Closed
116	WG21	MO/AQ	Diagram (e.g. flow chart) of the timeline for the earliest date an offer would be made if a mod app is submitted that falls into transitional arrangement, or a user wishes to mod app as part of CMP435 (and go through two separate windows)	Mod Apps (out of the scope of those within CMP435) will need to be submitted before any transitional arrangement restrictions are in place in relation to them (if and when in place), or else they will need to wait until the first CMP434 application window. We are therefore not intending on providing a diagram on this.	TBC	Closed
117	WG21	MO	in the solution of the WG Report clearly outline the mod app process, the accepted criteria for requested changes for a mod app submitted for CMP435 Gate 2 and	This forms part of Element 19 and intention is to have made this clear when looking at the WG Report in today's meeting.	TBC	Closed

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instances where fees are applicable (if not on the suggested timeline diagram)

118	WG21	MO/PM/AQ	Define installed capacity. Will it be possible to reduce installed capacity as part of 435 Gate 2, what is the relationship to developer capacity and TEC, it is user-defined and needs to match with value in EA?	<p>1) Installed capacity will be defined in CMP434 legal text and will refer to this definition in 435.</p> <p>2) There is no concept of reducing installed capacity as they just need to provide an installed capacity appropriate for their TEC/Developer Capacity when they self-declare they have met Gate 2.</p> <p>3) There is no relationship between Installed Capacity and TEC/Developer other than if installed capacity becomes a number lower than TEC/Developer Capacity then TEC/Developer Capacity reduces too. It is user defined as it is provided by as part of self-declaration. Whatever they state is their installed capacity defines the land acreage they need for each technology (calculation per technology is Installed Capacity in MW x Minimum acre per MW registered. Calculation is in 427 Guidance as we referred to on Friday.</p>	TBC	Closed
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<https://www.neso.energy/document/308911/download>

119	WG21	MO/AQ	Confirm the consequences for not accepting an accelerated Gate 2 offer if date/GSP is not as requested (with a rationale for any changes on this position since the WG Consultation). CG to review WG consultation and post-consultation proposal slides.	Explanation provided in WG22.	TBC	Closed
120	WG21	PM	Confirm where the need to meet minimum acreage requirements for each technology to reach Gate 2 was outlined in the solution for the WG consultation.	In our proposal section (Section 11.1, page 17 and note that the 427 guidance itself sets out the calculation where there is more than 1 technology. Going forward these details will be housed in Gate 2 Criteria Methodology.	TBC	Closed
121	WG21	RP/MO	NESO to update the Workgroup on project timescales for the submission of data	The Proposal is being amended to remove specific timescales in respect of Element 19 and Implementation Approach (other than Implementation Date and Minimums).	TBC	Closed
122	WG21	RM/AC	ESO to provide an update on Phase 2 & Cutover Arrangements	This is a duplication - see action 115	TBC	Closed

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123	WG21	RM/AC	ESO to provide an update on Phase 2 & Cutover Arrangements	As per updates presented in WG24	Ongoing	Closed
124	WG21	SB	NESO to confirm the course of action for CM096/STCP progression ASAP to the Workgroup and whether a Special STC Panel meeting would be required.	Duplication of action 123	TBC	Closed
125	WG23	RP	Create process diagram for Workgroup report	Considered and now within updated WG Report Proposal.	TBC	Closed
126	WG22	MO/AQ	To provide confirmation that the securities and liabilities will be held at the same level as to when the Gate 2 application is submitted	Nothing added to proposal in this regard – ways to avoid it being an issue in practice without amends to the Proposal.	TBC	Closed
127	WG22	MO/AQ	NESO to check that 18.12.2 (continuation of works) applies to Gate 1 projects only, not Gate 2 projects (adding clarity to the clause if needed)	Checked and waiver only refers to Gate 1 Projects.	TBC	Closed
128	WG22	MO	Check with the CNDM team for the process of reassigning connection points if necessary (pre-engagement with developer for	Question shared with CNDM team for consideration in relation to methodology drafting process.	TBC	Closed



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			suitable relocation) and dealing with acceleration in areas where technology caps may be reached.			
129	WG22	AQ/AC	To confirm the period for securities to be paid back	NESO will work to as soon as reasonable, but the long stop is 6 weeks	TBC	Closed
130	WG22	ENWL	ENWL to check if an equivalent Alternative is required to their CMP434's Alternative.		TBC	Open
131	WG23	MO	List of documents/event slides to be added to the WG Report for suggestions to industry for what to review along with the CMP435 CAC (methodologies, TMO4+ overview, CP30 updates)	Added to the WG Report	TBC	Closed
132	WG23	RP	Share clarity on how an embedded connection with a BEGA/BELLA is put forward to Gate 1 or Gate 2, i.e. via the Distribution or Transmission routes.	Included in SME update and within WG24 slide pack	24/10	Closed
133	WG23	MO	Revisit wording in CMP434 and CMP435 proposal sections to be clear that the solution would provide the mechanism to update	This was already in there but it has been made clearer	TBC	Closed



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a connecting party's contract as a result of the CNDM.

134	WG24	RP	To provide a process flow in relation to 18.8.4	Provided as part of WG 25	TBC	Closed
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