

Public

# STC Alternative and Workgroup Vote

## CM095: Implementing Connections Reform

**Please note:** To participate in any votes, Workgroup members need to have attended at least 50% of meetings.

### Stage 1 - Alternative Vote

If Workgroup Alternative Requests have been made, vote on whether they should become Alternative STC Modifications.

### Stage 2 - Workgroup Vote

2a) Assess the Original solution and Alternative STC Modifications (if there are any) against the STC objectives compared to the baseline (the current STC).

2b) If Alternative STC Modifications exist, vote on whether each Alternative STC Modification better facilitates the Applicable STC Objectives better than the Original Modification Proposal.

2c) Vote on which of the options is best.

### Terms used in this document

Term	Meaning
Baseline	The current STC (if voting for the Baseline, you believe no modification should be made)
Original	The solution which was firstly proposed by the Proposer of the modification
Alternative STC Modification	An Alternative Solution which has been developed by the Workgroup

### The Applicable STC Objectives are:

(a) efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act

(b) development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission

## Public

(c) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity

(d) protection of the security and quality of supply and safe operation of the national electricity transmission system insofar as it relates to interactions between transmission licensees

(e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC.

(f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system;

(g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

## Workgroup Vote

### Stage 1 – Alternative Vote

Vote on Workgroup Alternative Requests to become Alternative STC Modifications.

*The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.*

*Should the majority of the Workgroup OR the Chair believe that the potential alternative solution would better facilitate the STC objectives (against Baseline or the Proposer’s modification) then the potential alternative will be fully developed by the Workgroup with legal text to form Alternative STC Modifications and submitted to the Panel and Authority alongside the Proposer’s Modification for the Panel Recommendation vote and the Authority decision.*

Workgroup Member	Alternative 1 (NESO, Obligation to codify methodologies and guidance)
Allan Love	Y
Charles Yates (Alternate for Helen Snodin)	Y
Claire Hynes	Y
Garth Graham	Y
Graham Lear	Y
Greg Stevenson	Y
Joe Colebrook	Y
Kyran Hanks	Y

Public

Paul Jones	Y
Richard Woodward	Y
Tony Cotton	Y
<b>Alternative STC Modification?</b>	<b>ASM1</b>

“Y” = Yes

“N” = No

“-“ = Neutral (*Stage 2 only*)

“Abstain”

Public

### Stage 2a – Assessment against objectives

To assess the Original and Alternative STC Modifications against the STC objectives compared to the baseline (the current STC).

You will also be asked to provide a statement to be added to the Workgroup Report alongside your vote to assist the reader in understanding the rationale for your vote.

ASO = Applicable STC Objective

ASM = Alternative STC Modifications

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Allan Love – Scottish Power Transmission								
<b>Original</b>	Y	Y	-	-	Y	Y	-	Y
<b>ASM1</b>	Y	Y	-	-	Y	Y	-	Y

#### Voting Statement:

I feel the Original best meets the applicable STC objectives. However, WASTM 1 is entirely dependent on CMP434 WACM 6, which for the avoidance of doubt we support only if CMP434 WACM 6 is chosen by the Authority.

The proposal only facilitates the introduction of the gated process by CMP434, which is required to raise barriers to entry and increase coordination within the network design process. However, most consequential changes sit within the Methodologies.

The proposal must be supported by a comprehensive and progressive STCP (not considered alongside this proposal). The changes associated with facilitating CMP434 do nothing to ease the administrative burden on our teams or address insufficient licence timescales. Instead, a move from a continuous to batched application process risk making this worse unless fully considered and solutions found.

Our evaluation against the applicable STC objectives.

a, Positive: The proposal will introduce a gated process, with a batched network design, that will allow projects to be prioritised based on readiness. This will facilitate the design of a more coordinated system and potentially free up network capacity for projects proven to be progressing helping to deliver Clean Power 2030 and Net Zero ambitions.

b, Positive: The proposal introduces the gated design process, facilitated through the Connections Network Design Methodology and Project Designation Methodology.

## Public

c, Neutral: The proposal facilitates the CMP434 proposal, which introduces the gated process.

d, Neutral.

e, Positive: The introduction of a gated process facilitates higher barriers to entry which will ensure the Network is designed and built for those most ready to connect. The introduction of the Methodologies and additional Guidance is welcome and will add further clarity to the revised connections process.

f, Positive: The proposal facilitates access to the readiest projects through higher barriers to entry, the potential for coordination in connection design and the ability to prioritise/reserve for those projects which could have a high system impact.

g, Neutral.

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
	Anthony Cotton – Green Generation Energy Networks Cymru							
<b>Original</b>	N	N	N	N	N	N	N	N
<b>ASM1</b>	N	N	N	N	N	N	N	N

### Voting Statement:

Whilst I support in principle changes to the connections process and reform of the queue, and fully support the achievement of Clean Power 2030 and the Net Zero ambition, I do not see how the Original or Alternative modification to the Code meets the objectives. This is principally because the key changes of substance are in the Methodologies which are not codified in either the STC or CUSC, rather the changes being voted on would confirm this position. Whilst such changes may be expeditious for future development of the arrangements, and the key features of the Gate 2 Methodology were raised in the working group, other than this, members of the Working Group have had no opportunity to review, discuss or challenge the NESO on the Methodologies. Similarly, there has been little detailed debate on how the new arrangements will impact embedded generation. I consider that there are serious risks to the investment climate for new projects seeking to connect to and use the Transmission System and there has been no quantitative assessment of the costs, benefits and risks associated with this change (or at least none that has been shared with or discussed by the workgroup).

## Public

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Charles Yates – Fred Olsen Seawind								
<b>Original</b>	N	N	N	N	N	N	N	N
<b>ASM1</b>	Y	Y	Y	Y	Y	Y	Y	Y
<b>Voting Statement:</b>								
<p>The applicable STC objectives are best met by rules which are as clear, simple and transparent as possible. This provides all parties with greater clarity and hence facilitates the needed rapid development of an efficient transmission network. Providing projects with more information and an opportunity to refine their decisions in the light of Clean Power 2030 will encourage investment and rapid progress towards Clean Power in 2030 and beyond.</p>								

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Claire Hynes – RWE Renewables								
<b>Original</b>	Y	Y	-	-	Y	Y	-	Y
<b>ASM1</b>	Y	Y	-	-	Y	Y	-	Y
<b>Voting Statement:</b>								
<p>Both the Original and ASM 1 better facilitates the objectives. The new transmission connection process batches 'ready' projects in a co-ordinated network design that links with strategic planning. This new approach should lead to more reliable signals for future investment which will help to ensure that the transmission works are delivered more efficiently in line with Objective (a) (b), (e) and (f).</p> <p>Our overall preference is for ASM 1 which reflects CMP434 WACM 6 in the STC. WACM 6 ensures that the obligations linked to the final version of the guidance documents and methodologies are reviewed and formally recommended by experts in the CUSC Modification Panel for the appropriate documents to be codified at a future date. The lessons learnt should result in better more robust processes sitting under the STC if deemed appropriate.</p>								

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Garth Graham – SSE Generation								
<b>Original</b>	Y	Y	Y	-	Y	Y	-	Y

Public

<b>ASM1</b>	Y	Y	Y	-	Y	Y	-	Y
<b>Voting Statement:</b>								
No voting statement provided.								

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Graham Lear – NESO								
<b>Original</b>	Y	Y	Y	-	Y	Y	-	Y
<b>ASM1</b>	Y	Y	Y	-	Y	Y	-	Y

**Voting Statement:**

The Original Proposal and ASM1 both facilitate the STC applicable objectives better than the baseline, particularly in the context of changes proposed under CUSC Modification CMP434. My preferred option of these is the Original Proposal.

Both the Original Proposal and ASM1 introduce process changes for applications leading to greater coordination in the production of TO Construction Offers. Greater coordination is also reflected in the design process which utilises the Connection Network Design Methodology to bring about a more efficient and coordinated design of the transmission network. They facilitate the work carried out under CUSC modification CMP434 which itself facilitates effective competition in the generation and supply of electricity. Both introduce a route for reserving connection/interface points and capacity for new applicants.

Where the Original Proposal and ASM1 differ is with respect to treatment of Methodologies going forward. I believe that the Transmission License should set out the appropriate expectations for a review and the process for revising the Methodologies rather than the STC, due to the fact the Methodologies have derived from the Transmission License. I also feel that the ultimate intention of ASM1 would be to codify the Methodologies, which would hinder NESO’s ability to make efficient and decisive changes and impact its ability to comply with the current and future obligations more broadly. For these reasons, I believe the Original Proposal is better than ASM1. It should also be noted that ASM1 should only be considered if CUSC Modification CMP434 WACM6 is the preferred option in that code modification.

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Greg Stevenson – SSEN Transmission								
<b>Original</b>	Y	Y	Y	-	Y	Y	-	Y

## Public

<b>ASM1</b>	N	Y	N	N	Y	N	-	N
<b>Voting Statement:</b>								
I believe that the Original solution better facilitates Applicable STC Objectives A, B, C, E & F.								
Objective A								
I believe that the move to a gated connections process will allow Transmission Owners (TOs) and NESO to effectively discharge obligations imposed on them. The reformed connections process will enhance the viability of connections projects entering the connections process that will allow TOs greater clarity when creating Transmission Owner Construction Offers (TOCOs).								
Objective B								
I believe that the Original proposal will allow TOs and NESO to develop the National Electricity Transmission System (NETS) in a more coordinated way under the new process with batched network assessments and reduction in speculative applications. This will lead to clearer identification of what works are required to connect a customer as well as provide greater certainty of Transmission Reinforcement works which will strengthen long-term investment plans. This change will also take on a more strategic planning approach to electricity connections by aligning with Clean Power 2030 and then the first Strategic Spatial Energy Plan (SSEP) which I view as a positive change for future coordination of the NETS.								
Objective C								
I believe that the proposal will better facilitate competition by allowing viable projects that are needed and ready to connect.								
Objectives E & F								
I believe that the Original will promote and improve industry practice under STC arrangements, as the proposed changes will enhance coordination of connection applications and strengthen network assessments carried out by TOs. The move away from first come first served is much needed and will enable connection of projects required to meet Scottish & UK Government Net Zero targets, potentially with an earlier date than they would receive under the Baseline.								

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
	Joe Colebrook – Innova Renewables							
<b>Original</b>	Y	Y	Y	-	Y	Y	-	Y
<b>ASM1</b>	Y	Y	Y	-	Y	Y	-	Y

## Public

### **Voting Statement:**

I agree that the Original is better than the Baseline and is positive for Objectives a), b) c), e) and f). However, the ability to understand the full impact of the STC modification has been made difficult due to the lack of visibility of the Three Methodologies the NESO is proposing to introduce. I will engage fully with the consultation on the Methodologies which should mitigate many of my concerns. It has been confirmed that the Authority will consider CM095 together with the final Methodologies which should ensure any misalignment is fully considered.

Objective a) - The new gated process with windows, and ongoing construction milestones, will allow for greater coordination and efficiency in the production of Transmission Owner Construction Offers.

Objective b) - Greater coordination in the development of the transmission system through the coordinated application and offer windows, and utilisation of the Connection Network Design Methodology.

Objective c) - Facilitates CMP434 which will introduce an application based and gated connections process that is able to prioritise readier and/or more viable projects. The changes proposed in the Original should increase the number of generators connecting each year and bring forward the connection of many viable projects. The Original should clarify the Transmission connections process and connection rules, providing certainty to the industry to allow investment. There is a risk that the implementation timeline pauses investment in projects for 12 months which could reduce the competitiveness of electricity supply in the short term. Overall, these changes will improve the competitiveness of generation and supply of electricity.

Objective d) - no impact on the security and quality of supply and safe operation of the national electricity transmission system insofar as it relates to interactions between transmission licensees.

Objective e) - More coordination and efficiency through new gated process and utilisation of Connection Network Design Methodology.

Objective f) - I believe the Original provides a more coordinated approach to processing Transmission Owner Construction Offers (TOCOs) relating to new and existing applicants. The Original provides a route for reserving connection/interface points and capacity for new applicants which can facilitate connections for strategically significant projects which require certainty at an early stage.

Objective g) - I am not aware of any impact on compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

For the reasons outlined above I believe ASM1 will be better than the Baseline and will be positive for objectives a), b) c), e) and f), although I have provided additional comments on ASM1 below.

## Public

ASM1 - my understanding is this ASM1 is required to implement CMP434 WACM7 and therefore I believe ASM1 is better than the original id CMP434 WACM7 is approved, but in all other scenarios the Original is better than ASM1.

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Kyran Hanks – WWA Ltd								
<b>Original</b>	Y	Y	Y	-	-	Y	-	Y
<b>ASM1</b>	Y	Y	Y	-	-	Y	-	Y

### Voting Statement:

The proposals seek to address the connections queue. As such, they are to be supported. I believe that the changes are consistent with the relevant objectives. I consider that the proposals should be codified and hence support ASM1.

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Paul Jones – Uniper								
<b>Original</b>	Y	-	-	-	Y	-	-	Y
<b>ASM1</b>	Y	-	-	-	Y	-	-	Y

### Voting Statement:

Original: Facilitates implementation of CMP434 original and associated WACMs

ASM1: Facilitates implementation of CMP434 WACM7

On my decision about which one is better: No preferred solution between the original and ASM1, as the appropriate solution should be chosen to facilitate the matching CMP434 solution.

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Richard Woodward – NGET								
<b>Original</b>	Y	Y	Y	-	-	Y	-	Y
<b>ASM1</b>	-	Y	Y	-	N	Y	-	Y

## Public

### Voting Statement:

The original CM095 solution provides the minimum necessary changes to NESO-to-TO processes in STC to facilitate the proposed changes under CUSC via CMP434.

The solution though, as the proposer acknowledges, is dependent on additional operational detail being set out in the STC Procedures (STCPs). I am wary that the proposed drafting for these STCP changes has not yet been shared by the proposer. Consequently, I am unable to fully assess the full impact of the changes at this stage, which is not desirable given the significance of the TMO4+ proposals.

I trust that NESO will bring forward these STCP changes ASAP, and work collaboratively with the Transmission Owners to agree solutions which are workable for all. In my view the STCP changes will be 'material', so therefore must be submitted to Ofgem for decision. This should occur in good time to allow their final determination to consider the totality of code changes needed to implement TMO4+.

Regarding ASM1; the benefits of this solution derive, in my view, completely from those facilitated by the original proposal. Whilst I agree with the underlying principle of transparent accountability of NESO (and to a lesser extent TOs) on performance of the new TMO4+ process, I believe the intention of the alternative can be facilitated much more efficiently without codification.

Of the 11 votes, how many voters said this option was better than the Baseline.

Option	Number of voters that voted this option as better than the Baseline
Original	9
Alternative STC Modification 1	9

### Stage 2b – Alternative STC Modification Vote (If required)

Where one or more Alternative STC Modifications exist, does each Alternative STC Modification better facilitate the Applicable STC Objectives than the Original Modification Proposal?

Workgroup Member	Company	ASM1 better than Proposer's solution Y/No
Allan Love	Scottish Power Transmission	N
Anthony Cotton	Green Generation Energy Networks Cymru Ltd	N

## Public

Charles Yates	Fred Olsen Seawind	Y
Claire Hynes	RWE Renewables	Y
Garth Graham	SSE Generation	Y
Graham Lear	ESO	N
Greg Stevenson	SSEN Transmission (SHET)	N
Joe Colebrook	Innova Renewables	N
Kyran Hanks	WWA Ltd	Y
Paul Jones	Uniper	N/A
Richard Woodward	NGET	N

## Stage 2c – Workgroup Vote

Which option is the best? (Baseline, Original Proposal, Alternative STC Modification 1 or Alternative STC Modification 2)

Workgroup Member	Company	Industry Sector	BEST Option?	Which objective(s) does the change better facilitate? (if baseline not applicable)
Allan Love	Scottish Power Transmission	Transmission	Original	A, B, E, F
Anthony Cotton	Green Generation Energy Networks Cymru Ltd	Other / Consultant	Baseline	N/A
Charles Yates	Fred Olsen Seawind	Generator	ASM1	A, B, C, D, E, F, G
Claire Hynes	RWE Renewables	Generator	ASM1	A, B, E, F
Garth Graham	SSE Generation	Generator	ASM1	A, B, C, E, F
Graham Lear	NESO	System Operator	Original	A, B, C, E, F

## Public

Greg Stevenson	SSEN Transmission (SHET)	Onshore Transmission Licensee	Original	A, B, C, E, F
Joe Colebrook	Innova Renewables	Generator	Original	A, B, C, E, F
Kyran Hanks	WWA Ltd	Other / Consultant	ASM1	A, B, C, F
Paul Jones	Uniper	Generator	No preference	N/A
Richard Woodward	NGET	Onshore Transmission Licensee	Original	A, B, C, F