

Workgroup Consultation Response Proforma

CM095: 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 stcteam@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 stcteam@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Richard Woodward	
Company name:	National Grid Electricity Transmission	
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Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input 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 checked="" 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 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*
- 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.*

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 type="checkbox"/> D <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> G
<p>We support the intent of CM095, in tandem with CMP434, to implement a new and improved connections process.</p> <p>Whilst the package of proposals is primarily articulated via CMP434, in assessing the STC applicable objectives we recognise the marginal improvement to objectives A and C.</p> <p>We believe that a robust gated process, and the application of the TMO4+ to the existing queue, should enable some level of rationalisation of the contracted background to enable better allocation of network capacity and queue position. Additionally, the supporting CNDM methodology should provide a more consistent process for ESO and TOs to form more optimised connection solutions for Users in comparison to the baseline.</p> <p>However, we have raised concerns regarding the effectiveness of some aspects of the wider TMO4+ proposal (e.g. the Gate 2 criteria; application window timetable) to achieve our desired outcomes for Connection Reform. Consequently, we wish to flag that the improvements to the STC baseline we cite in our assessment above are purely contingent on adequate mitigations for the concerns we've raised in other responses.</p>		
2	Do you support the proposed implementation approach? (see page 12)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Whilst we support the intent to implement TMO4+ ASAP, we are wary the existing timetable for implementation is extremely compressed given the significant changes to process for all industry stakeholders.</p> <p>We urge the ESO to work with us proactively to ensure everything is in place for STC, not least the CNDM and other methodologies, in good time for day one.</p>		
3	Do you have any other comments?	
<p>As Transmission Owner for England and Wales, we develop the network infrastructure that economically and efficiently meets the evolving needs of our customers, while accelerating the transition to a net zero future.</p>		

Whilst we agree that reforming the connections process is essential, it is important to recognise that without building the necessary network infrastructure to physically connect customer projects, these proposals will not be effective in meeting energy policy aims.

Strategic planning of network infrastructure, aligned with expected network and societal requirements, is vital to drive value for end consumers and deliver meaningful change. This includes earlier engagement with the supply chain and communities to ensure efficient delivery of new infrastructure.

Delivering against these principles also compliments the ambition of the new Government to set out an industrial strategy to kick start growth, which will see widespread electrification of the economy whilst unlocking the industries of the future.

Currently we do not believe the package of proposals to implement TMO4+, including CM095, adequately consider this wider strategic context. We are therefore concerned that the proposals merely re-frame the baseline inefficiency of the transmission connections arrangements via a gated process. We do not see tangible proposals to manage an ever-increasing and unconstrained contracted background, which is permitted under TMO4+ via the limited criteria for firm offers to be made for projects applying at Gate 2.

A supporting executive summary has been provided which elaborates on these points and possible solutions.

We also wish to flag that CM095 has been given limited development time in isolation from CMP434. We acknowledge the challenging timeline that urgency represents to the ESO and industry, and that the ESO collaborates with STC Parties via other forums. We would however strongly recommend that due care and attention is provided to implementing TMO4+ in the STC via CM095. There is a risk of challenges or differences of opinion between parties surfacing late in the day otherwise.

<p>4 Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?</p>	<p><input type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section) <input checked="" type="checkbox"/> No</p>
<p>Click or tap here to enter text.</p>	

Specific Workgroup Consultation questions

<p>5</p>	<p>Do you agree with the components of the proposed solution? Please provide rationale for your answer and any suggestions for improvement to each component.</p>
<p>Component A: Proposed Reformed Connections Process and Timescales, including ESO/TO</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>

<p>obligations (see pages 5-6)</p>	
<p>In the main, the scope of these changes are compatible with what is needed to implement the CMP434 proposals, but perhaps need further refinement when articulated in legal text. In particular, the Gate 1 process - where the extent of TO involvement appears to be minimal at best but is somewhat confusing as currently set out in the consultation.</p> <p>There also appears to be a lack of general provisions on the ESO to reasonably and timely coordinate with the TOs in anticipation of the kick-off of application windows, i.e. to consult/agree on their timing and frequency.</p>	
<p>Component B: Connections Network Design Methodology (see pages 6, 8-9)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>We not only await further development of CNDM at a working level (in good time for consideration alongside recommendation voting on TMO4+), but also how the proposer intends to define it within STC. As the proposer knows, CNDM is a vital element of the CMP434 proposal which leans heavily on ESO and TO processes.</p>	
<p>Component C: Connection Point and Capacity Reservation (see pages 6-10)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>We support the inclusion in the proposal, but expect to see more detail from the proposer as to how it will operate in practice in the STC. We expect a transparent and consultative process to be conducted in a timely manner with relevant STC Parties. This might therefore necessitate the creation of a dedicated STC Procedure (STCP).</p>	
<p>6 Do you agree that the Proposer has fully identified the high-level impacts (subject to legal text drafting) on the STC and STCPs as a result of the CMP434 Proposal? If you do not agree, what else do you think is impacted and/or needs to change? (see page 3)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>At a high level the proposer has mapped across the key components of the TMO4+ solution which need STC codification or which have interaction with ESO-to-TO processes.</p> <p>As flagged above, more work is needed to understand precise detail of these changes, perhaps via draft legal text, as compared to baseline STC. Only then will the full impact on STC Parties will be known.</p>	

7	In your consideration of the CM095 proposal, are there any potential risks for implementation which might also impact the CMP434 or CMP435/CM096 proposals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>Any lingering risks in our view primarily relate to the broader TMO4+ proposal under development at CMP434, or the application of TMO4+ to the whole queue as implemented by CMP435/CM096. We have raised such points in our responses to these consultations.</p> <p>We again urge the ESO to make sufficient progress on drafting the supporting methodologies (e.g. CNDM, Bay Reservation, Project Designation) in sufficient time to be well understood ahead of implementation. Ideally these should be finalised before workgroups conclude, but certainly before Panel recommendation votes.</p>		