

**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](mailto: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](mailto:cusc.team@nationalgrideso.com)

Respondent details	Please enter your details	
<b>Respondent name:</b>	Stephen McKellar	
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<b>Which best describes your organisation?</b>	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input checked="" 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.**



Scottish Renewables endorses the response submitted by RenewableUK to this consultation attached below. Scottish Renewables has been actively involved and engaged with our colleagues at RenewableUK during the CUSC working group phase and the subsequent consultation period. Our close engagement has enabled Scottish Renewables to provide feedback and reflect the views of our members within RenewableUK’s final response. Where the document refers to ‘RUK members’, this term can be viewed as also encompassing the views of SR members within this endorsement.

As mentioned in RenewableUK’s response given the breadth of membership, several views presented are not unanimously agreed with the most notable differences in opinion outlined.



This response is provided on behalf of RUK Members (referred to as “members” throughout the document). The response has been produced following several workshops and offline review cycles during the consultation window and the preceding weeks. Given the breadth of membership, several views presented are not unanimously agreed with most notable differences in opinion outlined.

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 type="checkbox"/> C <input type="checkbox"/> D
<p><u>CMP434 &amp; CMP435 Combined Response</u> – The majority of members believe the proposal set out within the consultation document (issued Thursday 25th July 2024) <b>has the potential to better facilitate the Applicable Objectives</b> when compared to the present approach.</p> <p>There are challenges to some of the elements proposed and concerns over other aspects not covered by or to be delivered as part of CMP434 or CMP435, including but not limited to: Data Provision, Material Technology Change Guidance, Interactivity Guidance and Securities.</p> <p>There are numerous key documents not presented at the time of consultation. For most members, CNDM and Gate 2 Criteria Methodology are the most critical, with Project Designation Methodology, Material Technology Change Guidance and DFTC Guidance also perceived to be important for success. Several of our members strongly support the requirement for all of the most important documentation, not just methodologies, are presented for industry consultation. As presented later within this response, there is</p>		

concern about a number of the documents referred to within the proposal sitting outside of codes and / or a formal approval process with industry consultation. Members ask for a programme with specific dates outlining the route to robust versions of the supporting documents, including those referred to within the proposal that may not be led or drafted by the ESO.

**Importantly, RUK members have a range of views on implementation with some proposing a managed postponement with others recommending no delay to MPV implementation (as far as practicable given Ofgem licensing timelines).** There are other suggestions in between where members question whether a split approach is taken with CMP434 applied, tested and refined ahead of implementation to the existing queue under CMP435 (noted the existing queue is the barrier, but a split approach considered as a balance).

Further comments are provided against each objective as follows:

- **Objective A** – There appears to be limited evidence to verify and validate that the intended changes will meet this objective and our members have significant questions on how timely connection dates would be achieved, and whether a coordinated and efficient network design can be produced under the proposed process. Several members question the proposed timescales for modelling by the TO and whether it is viable under all likely scenarios, particularly when combining the proposed annual cycle presented in CMP434 Annex 4 and proposed "Gate 2 to Whole Queue" process presented in CMP435 Annex 4. Several members support further testing and modelling of various representative scenarios, perhaps in an interactive face to face environment. This would de-risk implementation and ensure there are mitigations for unintended consequences and the less visible issues are identified and logged.
- **Objective B** – Given the breadth of the proposal, members believe Objective B is potentially better facilitated by the proposal in some cases but not all. Importantly, certain aspects of the proposal are perceived as conflicting with the objective.
  - While the proposal seeks to reduce the queue and by doing so increase effective competition in the market, the proposals could decrease investor confidence and unintentionally create barriers to distribution connected customers and embedded demand.
  - We have raised specific concerns in Question 5 against Elements 5, 17 and 18 regarding the fair and equitable treatment of embedded generators, which unless mitigated, risk restricting competition in the generation market.
  - A notable consequence of the CMP435 proposal could be an unintentional impact on projects presently contracted that could not meet Gate 2 at implementation. Certain technology types maybe more adversely impacted, and / or the consequences may be more significant. This could include emerging technologies and parties with or seeking contracts through Government backed schemes (inc. Offshore Wind CfDs, CCUS, Hydrogen HAR rounds, Long Duration Energy Storage and Industrial Decarbonisation initiatives) or schemes that could impact the wider economy outside of the energy industry such as Industrial Decarbonisation and Datacenters / AI.
  - While Project Designation could be a solution, the present level of definition does not allow for a complete review of the risks. Currently a number of

	<p>members believe Project Designation could impede competition and therefore conflict with the objective.</p> <ul style="list-style-type: none"> <li>• <b>Objective C</b> – No notable comment. Similar outcome expected, yet the detail is key which is missing in many Elements.</li> <li>• <b>Objective D</b> – It is not agreed by all contributing members that the proposal in its presented format better meets this objective. When all elements are combined, there are interdependencies not fully mapped out with a reliance on guidance and policy which in many cases are yet to be drafted. Thus, there is concern that the proposed may not promote efficiency in the implementation and administration of CUSC arrangements. Much of this objective depends on material not presented at the time of consultation.</li> </ul>	
2	<p>Do you support the proposed implementation approach?                  (see pages 59-61)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p><u>CMP434 &amp; CMP435 Combined Response</u> – The need for reform is understood and generally agreed. Notable progress has been made by the Proposer, Workgroup Members and wider industry yet the scale of the proposed modifications is significant with a number of methodologies, processes and policy that underpin the proposal currently incomplete or undrafted. The timeline beyond the close of the consultation is not set at the time of drafting, with Transitional Arrangements presented to CPAG and CBD not widely known and understood.</p> <p>A Consultation on a proposal comprising 20 Elements, open for 9 working days during the School Holiday period will restrict accessibility of the key information. More work is needed as part of the implementation approach to inform and prepare the industry.</p> <ul style="list-style-type: none"> <li>• <b>Timeline</b> – Looking ahead, any decision from the Authority (based on the indicative timeline) will come just ahead of the Festive Season, resulting in very little time for the industry to respond, particularly in the case of existing projects seeking to confirm a Gate 2 status. It should be noted that to pass Gate 2 and effectively commit to planning within a given window will require input from outside the core industry. Licence Changes and other modifications required to enable CMP434 and / or CMP435 are also a factor, with the proposal not clearly defining an approach to meet a 01 January 2025 implementation. Thus, most members do question whether the proposed implementation approach does meet the objectives and facilitate a process which enables delivery of viable projects to increase security of supply and system operation while supporting decarbonisation and growth of the sector. Reduction in the present queue numbers and volume is perhaps an outcome of a successful process rather than an aim. Initiatives such as the 2 Step offer, revised CPAs, QM Milestones and TEC amnesty were unable to alter the present situation in the short to medium term, hence the need for wider reform. Thus, many members agree it is very important to achieve the optimum balance with change well defined (if not complete in all cases), refined through modelling of scenarios and a robust impact assessment. The implementation approach appears to assume a manageable number of alternatives raised as part of the consultation and subsequently by Workgroup</li> </ul>		

	<p>Members. Yet there is no float shown within the timelines and no alternative path which many parties would perhaps expect in a programme with several inputs and a very serial / continuous process.</p> <p><b>Importantly, RUK members have a range of views on implementation. Therefore, while all agree more work is required to reduce risk and unintended consequences ahead of implementation, opinion differs when it comes to the timeline. Yet members do generally agree that work to resolve the high priority issues and mitigate possible unintended consequences is progressed at pace.</b></p> <ul style="list-style-type: none"> <li>• <b>Post Implementation Changes</b> – It is recognised that the CDB and its members are considering additional factors, such as technology or technical aspects. While the details are not available to be reviewed, the concept is a general concern to many, bringing into question whether the present MVP is still suitable. Introducing further requirements in the first year or two of implementation could have a notable impact on investor confidence and negatively impact the industry. Note, it is not expected by members that all aspects of the required reform are delivered within CMP434 and CMP435, yet any proposed separate modifications such as those relating to Technology Limits, Securities or Project Designation (if it were to be removed from CMP434 scope) are aligned.</li> </ul>		
3	<p><b>Do you have any other comments?</b></p> <p><u>CMP434 &amp; CMP435 Combined Response</u> – Please see further question responses. In addition, a supporting Log Table outlining Issues and Unintended Consequences has been developed in parallel to WG meetings by RUK and its members through specialist consultancy support (see <i>RUK Connections Reform – Key Issues and Unintended Consequences Log R9</i>). This is intended to support CMP434 and CMP435, but also call out a number of other key topics believed vital to a successful outcome.</p>		
4	<table border="1" style="width: 100%;"> <tr> <td style="width: 35%; vertical-align: top;"> <p><b>Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?</b></p> </td> <td style="vertical-align: top;"> <p><input checked="" type="checkbox"/> <b>Yes</b> (the request form can be found in the <a href="#">Workgroup Consultation Section</a>)</p> <p><input type="checkbox"/> <b>No</b></p> </td> </tr> </table>	<p><b>Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?</b></p>	<p><input checked="" type="checkbox"/> <b>Yes</b> (the request form can be found in the <a href="#">Workgroup Consultation Section</a>)</p> <p><input type="checkbox"/> <b>No</b></p>
<p><b>Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?</b></p>	<p><input checked="" type="checkbox"/> <b>Yes</b> (the request form can be found in the <a href="#">Workgroup Consultation Section</a>)</p> <p><input type="checkbox"/> <b>No</b></p>		
	<p><u>CMP434 &amp; CMP435 Combined Response</u> – RUK members are proposing alternatives. In addition to formal alternatives, those considered but opposed by some members are included within the <i>RUK Connections Reform – Key Issues and Unintended Consequences Log R9</i> for reference and wider discussion where relevant.</p>		

Specific Workgroup Consultation questions	
5	<p><b>Do you agree with the elements of the proposed solution?</b></p> <p>Element 7 has been de-scoped and Element 10 is proposed to be codified within the STC through modification <a href="#">CM095</a>.</p> <p>Please provide rationale for your answer and any suggestions for improvement to each element?</p>

<p><b>Element 1:</b> Proposed Authority approved methodologies and ESO guidance (see pages 9-10, 55)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p><u>CMP434 &amp; CMP435 Combined Response</u> – The present level of "Methodology" definition is very limited, making it difficult to agree with Element 1 (note "Methodology" previously referred to as "Key Documentation").</p> <p>Visibility of key documentation underlying principles are required to determine whether the proposed approach is suitable or presents an undue barrier to normal project development. There is concern that proposing only the Considerable Impact Criteria be codified, leaves the door open for future additional requirements (such as Gate 1 Red Line Boundary allowable changes which has been discussed in WG meetings but is not included within the present proposal). There are no CNDM or Gate 2 Criteria Methodology documents available at the time of consultation, with many members classing these as critical and recommending that they are substantially complete and have passed an approval process, including industry consultation, ahead of implementing the proposed (under CMP434 and CMP435). We strongly request that any formal or informal consultations on documents such as methodologies or guidance are open to all industry stakeholders and not only to elected groups or boards.</p> <p>Additionally, the Extent of "Methodology" documentation is presently limited. There are several high impact documents missing from the list presented under Element 1. Documents such as "Material Technology Change Guidance" and "Significant Modification Application Guidance" are not to be defined in code, resulting in process and requirements being open to change without consultation and / or Authority approval.</p>	
<p><b>Element 2:</b> 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><u>CMP434 Response</u> – Overall, there is general support for the concept of Element 2. However, there are a few points to consider:</p> <ul style="list-style-type: none"> <li>• <b>Annual Window</b> – Some members question the need for a single window. It is recognised that this was initially set to facilitate batched assessment, yet what is the expected level of TO assessment at Gate 1 based on what is now proposed?</li> <li>• <b>Straight to Gate 2</b> – There is a risk that Gate 1 provides little value to Users, resulting in a project making an application when they are ready to meet the Gate 2 criteria. We noted a developer could apply for both Gate 1 and Gate 2 in the annual application window. Only one application would need to be submitted and a combined application would result in an earlier issuing of a Gate 2 offer (vs separate Gate 1 and Gate 2 applications) which could benefit the developer as they would have a queue position assigned quicker vs two separate applications. However, there has not been much in the Proposers solution on exactly how this will work in practice and the impact on TO and ESO visibility which would make forecasting much more complicated.                  Separately, it is noted that under Project Designation, there is provision for a move straight to Gate 2 where a project can meet the criteria and is time critical. While understood, why could this not be extended to all Users?</li> <li>• <b>Queue Position</b> – "The intention is that a specific queue position for a developer will be based upon the time at which the Gate 2 criteria is met by each project</li> </ul>	

within the respective Gate 2 batch. " The Proposer clarified that the Gate 2 queue positions for applications submitted within the same Gate 2 Window are proposed to be based on the time at which the Gate 2 criteria is met by each individual project, within the respective Gate 2 batch; i.e. if Project A obtains its land on 1st July 2024 and Project B on 2nd July 2024, then Project A would be placed ahead of Project B in the queue. However, it was later confirmed by the Proposer that their Proposal now intends that queue position allocation would be set out in the proposed Gate 2 Methodology and / or proposed CNDM, rather than being specific within the CUSC. This is a significant risk as if the signed Gate 2 Offer date drives the milestones and a yet to be confirmed date setting the queue position, this makes assessment of the risk and indeed validity of the proposal challenging. Note the point also made in relation to Element 6.

- **DNO Process** – Applying the same basic process set out within Element 1 to DNOs is understood, yet an unintended consequence is when only a percentage of projects under a given Modification Application reach Gate 2. It would not be fair to pass on costs and all liabilities to those committing spend and progressing to Gate 2 but passing onto the DNO may also not be feasible given there is no provision under the present regulatory framework. This is an unintended consequence of the proposed transmission process that could impact the wider market. An impact assessment specifically aimed at embedded customers (including embedded demand triggering or contributing to transmission works) and parallel modifications to address the possible impacts on embedded customers could go some way to alleviate.

Additionally, members note the pending decision from Ofgem in relation to GC0117. If the embedded large threshold is set to 10MW as per the original proposal, members perceive some impact or unintended consequences if not considered as part of CMP434.

**Element 3:** Clarifying which projects go through the Primary Process (see pages 11-12, 35-36)

Yes  
 No

CMP434 & CMP435 Combined Response – It is appreciated there has been notable Working Group discussion on Element 3 and which projects go through the Primary Process. While most members agree with what does go through the Primary Process, the exclusion of embedded demand in its entirety is questioned. There is also a potential gap given the proposal only expects DNO customers to trigger Transmission Works, not Transmission customers triggering Distribution Works.

- **Embedded Demand** – All distribution connected demand is excluded. However, what if new demand triggers transmission works? Section 6.5 of the CUSC is designed for generation and not demand, yet there are examples where a Transmission Impact Assessment / Mod App is being stated in DNO offers for ‘significant’ demand only connections. The mechanism is perhaps questionable, but the concern here is a possible unintended consequence. Additionally, there are cases where a relatively small addition of solar PV onto a historically demand only site trigger transmission works. While perhaps these cases could be classed as de-minimis currently, excluding without exploration of the impact and potential conflicts is a concern. Noted as an area to be investigated post implementation, yet excluding now could place

<p>projects of significance outside the energy market at significant risk. There is also an issue given the classification of 132kV is not consistent across GB. So, a factory decarbonising and requiring a 132kV connection in England would not have to follow TMO4+ while the same scenario in Scotland would be due to being directly connected.</p> <ul style="list-style-type: none"> <li>• <b>Transmission Projects Triggering Distribution Works</b> – While expected to be managed through CMP328, there is a potential gap for direct connected projects that trigger works on the DNO networks under CMP434 and CMP435. This could be catered for within the Connections Network Design Methodology yet given this is not to be drafted or consulted on ahead of implementation, there is a perceived gap. Recorded under Element 3 as believed the closest fit at the time of drafting.</li> </ul>	
<p><b>Element 4:</b> 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"/> <b>Yes</b>  <input type="checkbox"/> <b>No</b></p>
<p><u>CMP434 Response</u> – While general support for Element 4, ensuring Modification Applications made to adjust the Completion or Back Energisation dates during the construction or delivery phase are not negatively impacted, it is noted that the proposed wording is yet to be set.</p> <p>The tight timing of this code modification is understood, yet it is preferred that industry are given the opportunity to consult on the actual wording proposed. A comment relevant to a number of Elements proposed.</p>	
<p><b>Element 5:</b> Clarifying any Primary Process differences for customer groups (see pages 13-14, 35-36)</p>	<p><input type="checkbox"/> <b>Yes</b>  <input checked="" type="checkbox"/> <b>No</b></p>
<p><u>CMP434 &amp; CMP435 Combined Response</u> – Element 5 is not unanimously supported as presented within the consultation proposal. Suggested additions or considerations are as follows:</p> <ul style="list-style-type: none"> <li>• <b>Future Offshore Leasing Rounds</b> – It is agreed that alternative arrangements are needed to facilitate Offshore Projects. Under Element 5, the primary process does not currently include a mechanism for the Crown Estate to request provision for future offshore leasing rounds to be considered under Gate 1. This appears to be a missed opportunity for future offshore leasing rounds, which could either lead to multiple individual prospective projects submitting Gate 1 applications for a single potential lease area (as has happened in the past) or could prevent projects being considered in the Gate 1 co-ordinated design exercise.</li> <li>• <b>Capacity Reservation</b> – It was noted that the proposal introduces the concept of a Gate 1 offer that confirms a connection date and connection point for interconnectors and hybrid offshore assets, reserving the connection points and capacity until Gate 2 is met or the Longstop Date is met. Under Element 10, Page 19, it can be interpreted that the same could apply more generally to any offshore projects, yet this is not clear to all members across Element 5 and Element 10 of CMP434 and CMP435. The diagram on Page 20 appears to combine aspects of Element 5, Element 9 and Element 10 without a clear description of which mechanism proposed is being utilised in each of the four cases presented.</li> </ul>	

Some members had concern that this overcomplicates the process and could negatively impact the wider market. One recommendation is that a study is undertaken, perhaps as part of a wider assessment, to understand the impacts of reserving capacity at Gate 1 for applicable projects (where “Reservation and Project Designation Interactions” diagram within Element 10, Page 20 could apply) over a 3-year period and the capacity this could equate to, based on forecasts such as the latest Future Energy Scenarios.

This study should also consider the additional impact of queue position reservation, noting this is yet to be defined under the Gate 2 Criteria Methodology, given several members believe that this detail could have a significant impact on the effectiveness of the proposed reforms.

- **Embedded** – Fair and equitable treatment of embedded customers is not a certainty based on the present proposal. The proposed Q1 2025 implementation potentially conflicts with the principle of fair and equitable treatment of embedded customers if related DNO initiatives are not introduced within the same timeframe. Noted the DNOs and ENA are working closely with the Proposer, yet the proposal and documentation in the public domain does not currently cover a number of potential unintended consequences of CMP434 and in particular CMP435. For embedded customers, the greatest risk is during the cut over period and initial implementation as the present queue is reordered.

Points to consider and queries raised include but are not limited to:

- Integration with Existing and Proposed DNO Approaches (e.g. Project Progression, Mod App, Appendix G, Technical Limits, DFTC, ENA QM Milestones).
- Can the TOs and ESO process Project Progression / Appendix G / Mod App within the proposed Gate 2 timeframe? What will be the DNO guaranteed standards? Past performance in this area has been far from the timescales proposed so while a particular process outside of TMO4+ (but triggered by it) may work in isolation, there is presently no strategy or evidence on how they will work in practice.
- Where there are several embedded users under a single DNO / TO transaction (Mod App) what would happen if not all move forward in a similar timescale? Perhaps unfair for customer and / or DNO to take on the increased risk. The process is not presently written.
- Process to apply Gate 2 to existing embedded projects when there may be a mix of relevant small, medium and large generators (latter with a BELLA or BEGA), Appendix G in place for export and known demand and fault level constraints. While TMO4+ facilitates re-ordering of the transmission access queue, the DNO also must account for their own network conditions. So, the level of effort required to re-assess could be very significant, particularly given the DNOs are not moving to a windowed model.
- Management of reinforcement works, and connection delivery queue given uncertainty and extent of change could be more significant for DNOs. Could be assessed to better determine the extent of the impact based on RFI feedback.
- Securities and Capital Contributions (inc. SGT charging).
- Reallocation of capacity equitable for Transmission and Distribution Users.

<p><b>Element 6:</b> 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 type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p><u>CMP434 Response</u> – While Gate 1 offers would be “indicative”, there seems to be uncertainty between the ESO and TO as to what work is required to pull together these offers and therefore how credible they would be. The following concerns have been raised by members:</p> <ul style="list-style-type: none"> <li>• While it is recognised that some level of increased risk is anticipated through the initial implementation of TMO4+, some members are concerned with the level of modelling to be undertaken by TOs ahead of a Gate 1 offer. If similar to an DNO Budget Estimate, the value to the developer may be low with the level of risk difficult to assess.</li> <li>• At the CMP434 meeting on 20 June 2024 confirmed that while it was intended that Gate 1 would provide a latest date for enabling works and a breakdown of 'worst case' estimated date for each set of enabling works. This has been removed from scope. There is concern that in reality Gate 1 could be of little value to the applicant if the key information within is only ever indicative.</li> <li>• If Gate 1 does not enable TO investment as initially intended, the connection timeline presented within the Gate 2 offer could be driven by the Enabling Works which have not progressed due to insufficient certainty at Gate 1.</li> </ul> <p>Hence, we are not clear from the proposal what benefit Gate 1 provides to either the applicant or TO. If this is simply a vehicle to manage existing connections, please see response to CMP434 Question 8.</p>	
<p><b>Element 7:</b> Fast Track Disagreement Resolution Process (de scoped from this modification – see pages 16, 58)</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No</p>
<p><u>CMP434 Response</u> – Noted Fast Track Disagreement Resolution Process has been removed from scope with the present CUSC Section 7 provision to be utilised where a dispute cannot be resolved through a version of the present escalation process.</p> <p>However, as discussed within several responses, we are concerned about the impact on embedded projects.</p> <p>Relevant projects without a BELLA or BEGA could raise a dispute through their DNO, yet it is the DNO who is the CUSC party and not the project raising the disagreement. While there is no change to the existing arrangements proposed, implementation of Connections Reform will trigger the need for additional data. If the processes between the DNOs and ESO are not well defined, with obligations on the DNO (and ESO) not set, this could result in unintended consequences with disagreement resolution becoming a barrier.</p>	
<p><b>Element 8:</b> Longstop Date for Gate 1 Agreements (see pages 16, 40-41)</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No</p>

CMP434 & CMP435 Combined Response – It is noted that some bar to entry and / or remaining at Gate 1 is sensible. Longstop Date and the previously considered Holding Fee are two options of many.

However, members do have opposing views on the inclusion of a Longstop Date of Gate 1 at time of implementation. Some members believe a Longstop Date should be included, albeit potentially as an interim with stronger measures to follow, while others feel it is not necessary for the MVP and could therefore be considered post implementation.

Differences may be partly dependant on the members’ perceived value of Gate 1 and the subsequent impact of having to reapply. There is also some challenge to the Longstop date end being based on the Gate 2 Offer Acceptance, given this could effectively force users into accepting offers that are sub-optimal or disputed. Hence, a discussed alternative would be the ending of the Longstop upon meeting of the Gate 2 Criteria and requesting of a Gate 2 Offer. Note, suggested this is considered alongside the Gate 2 related dates that will set milestones and be used to allocate queue position as while they may not need to be the same, they may lead to unintended consequences if not considered in parallel.

For members not supporting the Longstop Date as proposed, the following are examples of perceived unintended consequences:

- **Offshore Wind** – Timelines for previous leasing rounds have been reviewed. While timelines would depend on the criteria for offshore LoAs, a comparison was prepared by a member to highlight how projects could reach their Longstop Date based on past processes.

Noted this is based on the announcement date from The Crown Estate (TCE) and Crown Estate Scotland (CES). It does not consider any Gate window cut off dates.

	Round 4	Scotwind	Celtic Sea
Leasing round "announced"	September 2019	June 2020	July 2022
Gate 1 Application Submission (earliest date)	Q1 2020	Q1 2021	Q1 2023
Gate 1 Offer and Acceptance	Q3 2020	Q3 2021	Q3 2023
Longstop Date (3 years)	Q4 2023	Q4 2024	Q4 2026
Seabed Lease Signed (CES/TCE confirmation)	January 2023	November 2022	Q3 2025*
Gate 2 Application Submission (earliest date)	Q2 2023	Q4 2022	Q4 2025
Gate 2 Offer and Acceptance	Q1 2024	Q4 2023	Q4 2026

\* Expected date for illustrative purposes only.

While CMP435 seeks to address the Celtic Sea case, the above illustrates that 3 years may not always be sufficient without work arounds or exceptions. Given there are multiple interacting elements to this proposal, with aspects yet to be fully defined, some members request the approach for offshore projects is more clearly defined. Similar comment noted under Element 5.

- **Existing Contracts** – If the Longstop Date were to be applied to all existing contracted projects, some members foresee a detrimental impact on viable projects that were not designed to timelines proposed under CMP434 and CMP435. Thus, as part of CMP435, some members suggest an alternative timeframe from the suggested 3-years. Recommended that this timeframe is set based on evidence from existing contracted parties. Not anticipated to detrimentally impact the queue given the other measures, yet this could be modelled to draw out possible scenarios and their impact on the effectiveness of TMO4+.

- **Long Lead Projects** – For a development seeking connection say 10 years in the future (potentially in line with external timelines such as CCUS, Hydrogen, Offshore Bids, Industrial Decarbonisation Incentives or Penalties, etc) the 3-year Longstop Date could become a barrier. A Gate 1 offer may be needed, yet the project would not be able to commit to Gate 2 if this were 7 years ahead of required capacity. Perhaps lower volume but could be of high national significance.
- **Embedded** – Linked to the feedback relating to DNO obligations. The timeframes can largely be outside a developer’s direct control, with notable variations across DNO Licence Areas and even GSPs. Thus, there could be obligations on the DNO and exception clauses associated with the Longstop Date.

Additionally, noted that if an embedded project were to reach the longstop and be required to re-apply, the impact is not equitable to directly connected transmission projects due to the distribution connection element, reliance on the DNO (where there is no BELLA or BEGA) and the complexity of multiple projects downstream of a DNO Mod App.

The proposal as CMP434 Page 33 is vague, so while there is a right to terminate, it is unclear which date starts the clock and how this will be managed. Note the CMP435 layout to Element 8 is preferred, allowing the position for Relevant Small and Medium Embedded Generators to be reviewed in the same place.

**Element 9:** Project Designation (see pages 17-18, 48-49)

Yes  
 No

CMP434 & CMP435 Combined Response – The concept of an alternative to a fair and equitable queue for specific reasons is understood yet not universally supported, particularly in present form. While some members believe inclusion of Project Designation in some form will mitigate certain unintended and potentially unforeseen impacts on particular User groups in the future, others recommend removing as part of the MVP and instead progress under a separate code modification once there is greater Strategic Spatial Energy Plan definition. Contributing members commented their views were based on significant uncertainty due to current definition and unmapped influencing factors.

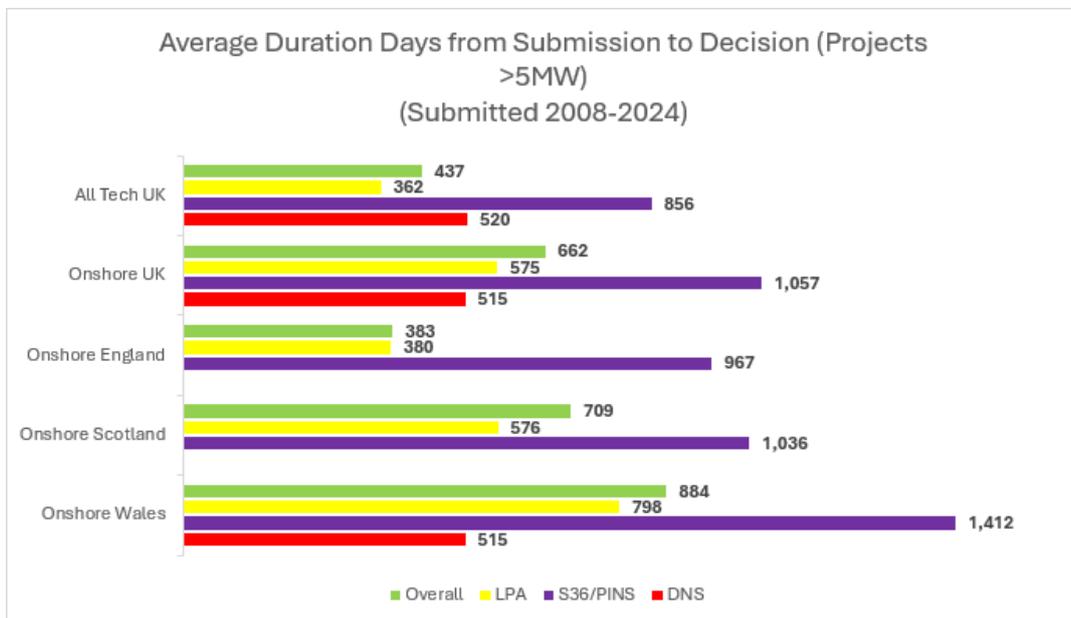
Irrespective of position, most members are concerned with Project Designation being defined through an associated non-codified “Methodology” (proposed to be approved by the Authority). **Until fully developed and consulted upon the unintended consequences cannot be fully considered.**

On projects critical to Security of Supply and System Operation: "Materially reduce system or network constraints" is perceived by some members as very open and could lead to a number of unintended consequences and challenge. The definition of the word "materially" in this context is key, as is the legal mechanism. Does NESO have powers under Section 163 to implement as proposed? We understand that legislation does not cover security of supply powers for connections, thus there is uncertainty not only to the detailed definition and mechanism, but also uncertainty as to the administering body.

A future methodology based on what has been discussed to date could also be subject to gaming and / or increase the influence short term political drivers has on the queue. Hence, we recommend the impact of possible gaming and political drivers is modelled to

<p>understand the impact. This may be minimal, or amendments could be made to close any loopholes, yet this would only be understood from testing of the concept and methodology. Separately, it is noted that under Project Designation, there is provision for a move straight to Gate 2 where a project can meet the criteria and is time critical. While understood, why could this not be extended to all Users?</p>	
<p><b>Element 10: Connection Point and Capacity Reservation</b> (proposed to not be codified within the CUSC, but is intended to be codified within the STC through modification <a href="#">CM095</a> – see pages 18-20 and the <a href="#">CM095 Workgroup Consultation</a>, pages 6-10)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p><u>CMP434 Response</u> – See Element 5.</p> <p>Some members feel the capacity reservation section could be improved through additional examples given Page 19 and Page 20 of CMP434 refers to Element 5, Element 9, Element 10 and to a lesser extent Element 8. Noted interpretation has not been consistent.</p> <p>Another recommendation is that a study is undertaken, perhaps as part of a wider assessment, to understand the impacts of reserving capacity at Gate 1 for applicable projects (where “Reservation and Project Designation Interactions” diagram within Element 10, Page 20 could apply) over a 3-year period and the capacity this could equate to, based on forecasts such as the latest Future Energy Scenarios.</p> <p>This study should also consider the additional impact of queue position reservation, noting this is yet to be defined under the Gate 2 Criteria Methodology, given several members believe that this detail could have a significant impact on the effectiveness of the proposed reforms.</p>	
<p><b>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</b> (see pages 20-24, 42-46)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p><u>CMP434 &amp; CMP435 Combined Response</u> – Element 11 is very significant and has by received several varied comments. While several aspects are generally supported by members, there are too many challenges to provide overall support as proposed.</p> <p>The key points to note are presented as follows:</p> <ul style="list-style-type: none"> <li> <p><b>Planning Milestone</b> – A key issue is the validity of the approach for projects with connection dates very far into the future that cannot be brought forward or do not wish to be accelerated. This would require work arounds to extend and evidence from DNO milestones that this approach for long connection dates can be problematic and potentially put otherwise very valid projects at risk. Various options available, with one simply that a forward looking M1 milestone is set only if the connection date is &lt;X years ahead. Another is a forward looking M1 with backward looking clause allowing a project that is given a connection date say 7 years+ from the Gate 2 offer, it can introduce a delay to M1 and in turn M2.</p> </li> </ul>	

Additionally, most members support the Workgroup Members proposed timescales over the Proposal as set out on Page 24 (CMP434), but importantly flag that there should be alignment across Scotland and England for Section 36 & 37, with a timescale in line with a DCO. If consenting an onshore development in Scotland, it could feasibly require the same length of time as a DCO. An analysis of RenewableUK EnergyPulse database shows associated with projects seeking planning between 2008 and 2024 that are >5MW. The following chart presents the results:



Section 36 is shown to take considerably longer than Town and Country Planning, thus aligning the two as proposed is not deemed to be equitable or based on evidence. Note, this does not include additional delays due to appeals.

Given there are also other planning types (such as Outline Planning) it is suggested the planning types and timescales are expanded and reviewed with the support of planning experts. This could also support the development of more definitive timescales for Offshore projects.

Note Nuclear developments have been removed for the consultation, yet the inclusion of exception clauses could be considered to cater for such projects, including other technology types given completion dates at Gate 2 which would make entering planning uneconomic and an inefficient use of the planning system.

Important members do have varying views given the significance of the ongoing Gate 2 compliance on projects against the importance of milestones creating a high enough bar to radically change the present queue.

- **Red Line Boundary Rule – Terminology and Proposed 50% Rule:**
  - Terminology – Element 11.3 introduces the term "Original Red Line Boundary" which is perhaps misleading given Element 11.1 states "Note that this does not have to correspond to the red line boundary set out in the Letter of Authority submitted at Gate 1, provided the difference is an allowed change within the planned ESO's Significant Modification Application guidance." Thus there is a Red Line Boundary which precedes

the "Original". Recommend this is amended or clarified within the Workgroup Report.

- Proposed 50% Rule – A number of members recognise the work done by the ESO and Workgroup to reach what is set out under Element 11.3 and the change in ESO position from no allowable change to a more complicated set of rules which recognise the need for boundary changes within a typical development process. There are mixed views on whether a % change based option set out by the proposer is preferred over no red line boundary compliance requirements. TEC and land take is not always a linear relationship, so if we took the case of a Compressed Air Storage System that exported to the network via a single synchronous machine while stored energy underground, is the calculation based on the location of the turbine or the full facility? In such cases a hard limit could render a project uneconomic, particularly for the emerging technologies.

Therefore, if there were to be a limit of 50% as suggested and presented in the three examples, would there be exceptions or an option to bilaterally negotiate ahead of a TEC reduction? Alternatively, if the volume of projects seeking to change their red line boundary is predicted to be relatively low, would an acceptable alternative be a bilateral negotiation approach with some generally accepted exceptions as guidance (so long as a change to the red line would have no impact on the network)? If leading to a TEC reduction the process would need to be legally robust, yet setting a rule to cater for a broad suite of technologies and numerous reasons for requiring a change is unlikely to account for all permutations. We recommend considering the modelling the risk of no restriction or bilateral negotiation vs the risk of project failure. Re-application for a percentage of TEC at the next Gate 1 window is not necessarily efficient for any party, with some members concerned whether feasible given it is assumed the remaining TEC would need to proceed in line with the milestones and commit to planning within a specific timeframe.

- **Gate 2 Planning Criteria** – The “first ready, first served” principle does not go far enough for some members. Projects that meet Gate 2 criteria and also have consent should be given the opportunity of an earlier connection (if wanted). Otherwise permitted projects can be forced to wait behind other qualifying Gate 2 projects which are just submitted for planning (where permissions could still be 2-5 years away). Member highlights this is especially so for offshore projects where the ‘holding offers’ do not have CMP 376 backwards milestones in their contracts. Opportunity to extend the criteria to ensure projects that are well progressed are not penalised. Relevant to both CMP434 and CMP435.
- **TEC or Installed Capacity** – Members highlight that TEC is contractual and does not generally align with the capacity of the assets being installed. So, Element 11 assumes a 1:1 relationship between TEC and Installed Capacity within a red line boundary.
- **Red Line Boundary Changes Gate 1 to Gate 2** – The developer would need to provide a red line boundary for their project site showing the land they have secured at Gate 2. While the proposal outlines that this does not have to

correspond to the red line boundary set out in the Letter of Authority submitted at Gate 1 this is only permissible provided the difference is an allowed change within the planned ESO's Significant Modification Application guidance.

It is understood ESO are proposing that the Considerable Impact Criteria that will be codified, should allow restrictions at Gate 1 to be introduced through future guidance. However, given the ESO's Significant Modification Application guidance is as yet unwritten with no final position on Gate 1 Red Line Boundary changes, this is a notable risk to developers. A number of members are most concerned with retrospective application of new requirements, potentially introducing restrictions that were not in place at time of Gate 1 application and obtaining of an LoA.

Given the topic is only covered once within the proposal under Element 11.1 Gate 2 Criteria, there is a likelihood some reviewers will have missed this point. Hence, recommend the Working Group Report sets out the possibility of restrictions in red line boundary changes between Gate 1 and Gate 2, if indeed these modifications are to facilitate future implementation via guidance.

- **Land Option Term** – A 7-year term is generally seen as unrealistic. While there has been much discussion, the WG members that have actively contributed do only represent a very small portion of Users. Members land experts flag that an exclusivity agreement can be drafted with an 'option' term incorporated. Their feedback is on the terminology used with the present proposal seen to leave the door open for option agreements to be developed that are not option agreements as intended. Recommended land experts are consulted to ensure the legal text is robust and any loopholes are understood.
- **Outline Planning** – For certain Users, Outline Planning may be an option. While outside of CMP434, its introduction could make the definition of submitted planning more critical.
- **TO Uncertainty Clauses in TOCOs** – Introduced due to the batched approach. With the new Gate 2 offers, if these were not removed it could impact investor confidence as while the User is required to increase commitment, the TO would maintain the ability to make significant change. The majority of members support the removal of such uncertainty clauses for Gate 2 offers.

**Element 12:** Setting out the general arrangements in relation to Gate 2 (see pages 25-26, 47)

**Yes**  
 **No**

CMP434 & CMP435 Combined Response – Members do not agree that this Element is as complete, yet on balance the concept is generally agreeable to most members. Note separate comments relating to Gate 1 under Element 2 and Element 6. In addition, recommend the following is considered:

- **Gate 2 Window Complexity and Overlap** – Currently, the proposed Gate 2 Design Process + TOCOs process' would run in parallel to acceptances, yet what if a number of these projects to not accept the Gate 2 offer?  
 CNDM marked as part of the solution. However, what are the limits of each individual window? If only a lite version of CNDM were in place for implementation, is more than one window for Gate 2 in 2025 (under CMP434) achievable? If found to not be achievable following implementation, the impact on developments and

<p>Connections Reform in general could be highly significant. The Two Step Offer process, HND and HNDFUE are good examples of where the level of effort and complexity was underestimated.</p> <ul style="list-style-type: none"> <li>• <b>Staged Developments</b> – It is noted that at the time of consultation, the proposer is not able to confirm the arrangements for staged connections and whether they would be treated separately as present arrangements.</li> </ul> <p>Given many members moving forward expect to build out staged projects, be that as a staged development of one technology or a mix of technologies, a clear proposal for industry to consult on is recommended. Expect CMP434 and CMP435 to take separate approaches given some existing contracts are complicated. As an example, TEC may be split into say two stages, but the Connection W+K21orks and User Works may not, meaning that from a TO perspective there is one stage of works while two stages in terms of capacity. There will also be cases of say three stages with three technologies and connection via two physical bays. Hence, suggest several scenarios are drawn out to facilitate Workgroup discussion and formulation of a proposed approach.</p> <p>There is no Alternative proposed due to the proposal not yet defining an approach to consider improving. However, given this will impact several projects upon implementation recommend this is fully defined ahead of seeking Authority approval.</p>	
<p><b>Element 13: Gate 2 Criteria Evidence Assessment</b>                  (see pages 26-27, 47-48)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> <b>No</b></p>
<p><u>CMP434 &amp; CMP435 Combined Response</u> – While specific points are limited, members cannot agree with the element as drafted due to the Gate 2 criteria evidence assessment to be set out in the Gate 2 Criteria Methodology which is not yet available. Concept may be agreeable, but the next levels of detail are required. Specific points to consider:</p> <ul style="list-style-type: none"> <li>• <b>Self-certification Auditing</b> – Self-certification of compliance with Gate 2 is comparable to other industry processes, yet the level of auditing needs to be clearly defined with a robust approach to carrying out checks ahead of implementation.</li> <li>• <b>Directors Letter</b> – A company Director will be required to confirm compliance with the Gate 2 criteria through signature. Ahead of implantation, clear rules around a perceived false claim are necessary to limit gaming but also ensure honest mistakes are fairly treated.</li> <li>• <b>Inter-network Systems and Processes</b> – The ESO, DNOs and TOs must ensure internal and inter-network systems are in place to process the evidence efficiently to avoid projects missing entry to the next Gate 2 assessment.</li> </ul>	
<p><b>Element 14: Gate 2 Offer and Project Site Location Change</b>                  (see pages 28, 46)</p>	<p><input checked="" type="checkbox"/> <b>Yes</b>  <input type="checkbox"/> No</p>
<p><u>CMP434 &amp; CMP435 Combined Response</u> – Under Element 14, it is possible to alter the site location within the 12 months following Gate 2 offer acceptance, but only if the connection point offered / contracted at Gate 2 is different from the preferred / requested</p>	

location within the Gate 2 application. While most members appear to accept the concept, there are a few unintended consequences that could be addressed:

- **Revised Offer** – It is proposed that the developer will be required to inform the ESO of the need to move the site location in "a reasonable period of time" to allow the additional clauses to be inserted into the connection offer via a re-issue. Recommend this timescale is defined. If the ESO fails to deliver within their timescale, can the offer validity be extended? Note this concept of extension was removed under the initial concept, but in this case what would be the outcome? An alternative would be to simply include the clauses within all offers, including a timescale in which a customer can enact them (where applicable).
- **Timeframe** – 12 months is perhaps a reasonable baseline, but what if the criteria were not met? Are there exceptions and / or an option to bilaterally agree an extension?
- **Connection Point Change** – Understood in concept, yet in a number of cases where the connection will be at a new substation more recent offers simply refer to a node name that will differ from the actual Substation Name and importantly has no set location. Hence, there could be cases where the connection point itself does not change, but the location does or was not available at the time of the application submission. Therefore, suggest the legal text accounts for such cases.

**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)

**Yes**  
 **No**

CMP434 Response – While there are comments on the Primary Process, there are no specific comments on the proposed alignment under Element 15.

**Element 16:** Introducing the proposed Connections Network Design Methodology (CNDM) (see pages 29, 53-55)

**Yes**  
 **No**

CMP434 & CMP435 Combined Response – While the concept of a CNDM is generally supported, Element 16 itself cannot be supported given the CNDM and Interactivity Guidance are not available for review as part of this consultation. Given several other Elements are linked to the CNDM, it is unclear from the proposal how proposed implementation can succeed without a complete or significantly complete methodology. Several members see a comprehensive CNDM and Gate 2 Criteria methodology as a minimum requirement for implementation, thus there is an ask for a programme with specific dates outlining the route to robust versions.

Noted there is a proposed process for "Methodology", previously referred to as "Key Documentation" approval from Ofgem following industry consultation, which included the CNDM, yet this process would first have to be approved and put in place before an industry consultation on any applicable documents could take place. Thus, unclear of the timeline for CNDM and how the Proposer plans to develop, consult and gain Authority approval ahead of the proposed 1st January 2025 implementation date.

Given Element 1 states "If either proposed Gate 2 Criteria Methodology or the proposed CNDM were not approved by the Authority (as is proposed) by the date at which they

would be required to facilitate the new connections process from go-live (currently proposed to be 1 January 2025) then the go-live date would need to be adjusted accordingly to ensure that these proposed Methodologies were available at the right time to proceed with the new process.", it is not evident from the proposal how the 1st January 2025 will be achieved.

**Importantly, RUK members have a range of views on implementation with some proposing a managed postponement with others recommending no delay to MPV implementation (as far as practicable given Ofgem licensing timelines). Yet members do generally agree that work to resolve the high priority issues and mitigate possible unintended consequences is progressed at pace.**

In addition, it is noted the proposal includes the concept of interactivity. For several members, a benefit of the primary process was the removal of interactivity. Based on the following extract from the consultation document, there is some concern with the topic remaining open with no definitive solution. Similar to other points presented, pushing such aspects into CNDM, which itself is not proposed to be delivered under these modifications or ahead of implementation, is perceived as a significant risk. Risk to Users and investors, but also to the success of Connections Reform in being able to not only reduce the scale of the queue, but also remove barriers to connection of viable projects.

"As a consequence of the introduction of the proposed CNDM the Interactivity Guidance Policy would also likely need to be updated by the ESO, to reflect the fact that first come first served capacity allocation will no longer be applicable. Therefore, interactivity policy will need to be different (if even remaining applicable) to reflect the capacity allocation and reallocation approach developed/approved within the proposed CNDM."

**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)

- Yes
- No

CMP434 Response – Noted the DFTC document itself sits outside of CMP434, thus the question relates to the concept of its inclusion. Some members are supportive of its inclusion yet believe DFTC must be at approved Version 1 stage ahead of CMP434 implementation. Other members question the need to incorporate within CMP434 given the capacity is not contracted and reliance upon a guidance document (presently in draft and not being consulted upon within the CMP434 Workgroup Consultation) is perhaps a complication. DFTC is understood to be a forecast, therefore is essentially an extension of Week 24 which does not form part of CMP434.

As a forecast and the capacity is not contracted, it could be notably more difficult for an embedded project to forecast the opportunity and risk ahead of Gate 2. This could result in barriers for relevant medium and small embedded projects in particular as they may have to advance a project to meet Gate 2 in advance of readiness in order to gain some certainty. Some members do not believe the DNO interface is adequately covered to

	<p>ensure fairness, with DNO and ESO interface management not being consistently delivered to a satisfactory standard.</p> <p>DFTC has not been communicated particularly widely at the time of drafting, resulting in CMP434 and CMP435 perhaps making some assumptions on its impact. Note, while DFTC is currently proposed to only account for generation, CPAG (19 June 2024) did feedback that it should also account for demand.</p> <p>Separately, it is questioned whether the DFTC could be extended for Transmission. We note there are other data provisions proposed, yet some alignment in terms and approach between DNOs and TOs (coordinated via the ENA and ESO) is generally welcomed.</p>	
	<p><b>Element 18:</b> 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>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
	<p><u>CMP434 Response</u> – For members with embedded projects, there are potentially hugely damaging unintended consequences of the Element 18 opening statement: "The process for how DNOs and transmission connected iDNOs notify the ESO of Relevant Embedded Small/Medium Power Stations which meet the Gate 2 criteria is largely based around BAU as it is today."</p> <p>The Embedded Project Progression/Mod App process used today by DNOs to notify the ESO of embedded generation is widely considered to be flawed, untimely, and discriminatory as it remains at the discretion of an individual network operator when they chose to submit the relevant notifications to the ESO. There are no license conditions or guaranteed standards that apply and therefore network operators themselves have acknowledged that this activity is often de-prioritised compared to license activities. The result can be periods well in excess of 12 months between embedded projects accepting a DNO connection offer and the ESO being notified via the relevant Project Progression or Mod App process. This leads to the embedded generator being placed behind transmission generators that applied up to 12-18 months later than they did. This issue has been highly controversial. It affects several thousand distribution projects and as such this issue could undermine the Gate 2 concept and associated queue position.</p> <p><b>Members recommend CMP434 introduce a codified requirement on DNOs to ensure submission of individual embedded projects into the Gate 2 window immediately following the project notifying the DNO that they meet the criteria.</b> This could be underpinned by ENA guidance but to avoid differing approaches (as seen with past Best Practice Guides) a DNO Guaranteed Standard for Gate 2 would be required.</p>	
<p>6</p>	<p>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</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No</p>

<p>connections process? If not, why not? (Please note the element number in each of your responses if applicable)</p>	
<p><u>CMP434 Response</u> – While not all points are unanimously agreed by all members, some do question the need for the following to be included due to it not being perceived to represent the MVP:</p> <ul style="list-style-type: none"> <li> <p><b>Long Stop Date</b> – Several members suggest the Long Stop Date as defined is not suitable for various project types and scenarios. Given there would be little impact if excluded during the first few years following implementation, it is questioned whether a Long Stop Date does represent the MVP. However, not all members agree with some preferring that the Long Stop Date be retained given no bar upon implementation would conflict with the overall objective.</p> <p>More generally, members do support consideration of the potential challenges for certain Users or project types of a 3-year timeframe as raised within this response and by other stakeholders. Many members also support consideration of evidence-based alternatives and / or additions post implementation.</p> </li> <li> <p><b>Project Designation</b> – Not unanimously agreed, with some parties preferring to include but perhaps better define the rules, while others believe it is a topic that deserves its own Code Modification and exclusion would not detract from the original objectives.</p> </li> <li> <p><b>DFTC</b> – Some members feel that if Gate 1 is of low value and DFTC is an effective extension of Week 24 then there is a question of whether it contributes to the MVP. This is linked to the question of whether small and medium generation (as presently defined, noting GC0117) can go straight to Gate 2 in the MVP given the project must first seek a DNO connection. If allowable, some members believe this could justify removal of DFTC from CMP434, allowing it to be transparently developed with interested industry stakeholders. However, other members are concerned that removal could negatively impact the DNO and ESO interface exacerbating points made on Element 18.</p> </li> </ul>	
<p>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?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p><u>CMP434 Response</u> – It is recognised that the CDB and its members are considering additional factors. While the details are not able to be reviewed at this time it does bring into question whether the present MVP is still suitable. Could any of the measures proposed be included as part of the MPV now to reduce the need for further measures to be introduced in the first year or two of implementation?</p> <p>RUK members have a range of views on implementation with some proposing a managed postponement with others recommending no delay to MPV implementation (as far as</p>	

	<p>practicable given Ofgem licensing timelines). Yet members do generally agree that work to resolve the high priority issues and mitigate possible unintended consequences is progressed at pace.</p> <p>Note, it is not expected that all aspects of the required reform are delivered within CMP434 and CMP435, yet any proposed separate modifications such as those relating to Securities or Project Designation (if it were to be removed from CMP434 scope) are aligned.</p>	
8	<p>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?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p><u>CMP434 Response</u> – From a developer’s perspective, most parties agree that projects should be able to apply straight into the Gate 2 process if the project meets both the relevant Gate 2 and Gate 1 criteria. This would perhaps remove some concerns associated with the value of Gate 1 and aspects such as the Long Stop Date. However, Gate 1 was intended to aid forecasting and what is the impact of a significant portion of projects being unsighted until meeting Gate 2 requirements?</p> <p>Similarly, recommend the impact on embedded customers is considered. An embedded project may be ready to achieve Gate 2, but it would first have to go through a DNO connection process and then be led by DNO associated timescales before entering a Gate 2 window. The date which defines queue position is very important, particularly in such cases. If there is a discrepancy in the timeline, is there a possibility of projects being assessed out of step and conflicts created? Please also see responses to Element 18 and Question 11.</p> <p>This risk is present under the original proposal but could be increased as an unintended consequence of Gate 1 being optional.</p>		
9	<p>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?</p>	<p><input checked="" type="checkbox"/> <b>Yes</b>  <input type="checkbox"/> No</p>
<p><u>CMP434 Response</u> – As described elsewhere within this response, embedded connections could be discriminated against unintentionally. The first reason is driven by the reliance on BAU processed between DNOs / IDNOs and ESO with no guaranteed standards of performance. Given the methodology for defining queue position is not</p>		

	<p>currently set, this could also more heavily impact embedded connections than other user groups if not considered alongside present / proposed DNO processes.</p> <p>Additionally, embedded demand is excluded from the primary process. However, what if new demand triggers transmission works? Section 6.5 of the CUSC is designed for generation and not demand, yet there are examples where a Transmission Impact Assessment / Appendix G is being stated in DNO offers for 'significant' demand only connections. The mechanism is perhaps questionable, but the concern here is a possible unintended consequence. While perhaps these cases could be classed as de-minimis currently, excluding without exploration of the impact and potential conflicts is a concern. Noted as an area to be looked into post implementation, yet excluding now could place projects of significant outside the energy market at significant risk. There is also an issue given the classification of 132kV is not consistent across GB. So, a factory decarbonising and requiring a 132kV connection in England would not have to follow TMO4+ while the same scenario in Scotland would due to being directly connected.</p>	
<p>10</p>	<p>Please provide your views on the proposed options ((a) to (e) on page 45) to mitigate the risk of 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><input type="checkbox"/> Yes  <input type="checkbox"/> No</p>
<p><u>CMP434 Response</u> – Responses have been provided to each mitigation by members, yet some have challenged the concept given the risk of diluting proposed measures. Very varied views, but the majority do agree that mitigations should be used sparingly if at all.</p> <p>Please see notes for each 'mitigation' presented:</p> <p>a) General challenge is the need to know the connection point in order to prepare for and later submit planning efficiently. Some members highlight the significant discussion through CMP376 and reasons why it implemented backward looking. We note the situation has perhaps changed, but for a forward looking M1 milestone the level of information at Gate 1 is key (i.e. a connection point that has a geographical location, noting some new Substations would be subject to change) alongside the protection of later connecting projects. Some feel developers are in one hand being encouraged to develop early but are then penalised when the connection is unavailable for a significant period of time. Hence while the proposal would take into account expected decision times, which is generally supported in principle, it is not believed from the detail presented that this would be sufficient for the case where a project is given a connection date relatively far into the future.</p>		

	<p>One potential alternative could be a forward looking M1 with backward looking clause. If a project is given a connection date say 7 years+ from the Gate 2 offer, it can introduce a delay to M1 and in turn M2.</p> <p>b) Most members feel this is optically not the right messaging. The Capacity Market FCM or SCM would be a similar option, but generally these are all much later and during the delivery phase. Unclear from the proposal whether the Proposer is suggesting a reduction in the front loading of requirements on Users. Generally, not supported in present format.</p> <p>c) One observation is the definition of 'substation location'. In offers today a number of more generic node names are provided with no clear sight of geographical location. It is also understood that for a new substation, location is subject to change until the project is consented, hence this would need to be taken into account should this 'mitigation' be developed further. Note the proposed difference for projects in England and Wales vs Scotland, yet it should be recognised that the TO does not consent the circuit in all cases, so a consistent rule is recommended.</p> <p>Members also flag that this 'mitigation' does not account for the connection date given. It also does not consider the wider pre-requisites for planning which when including offshore assets can be considerable and time critical. Bird surveys may only be able to be conducted within a three month window annually and need to be repeated if the timing between survey and works is over a certain period. Thus, most parties believe this option does not provide a full mitigation.</p> <p>d) Some mixed opinions from members. Offshore developers in particular are generally most in favour, but this is not true across the board given the breadth of membership and active contribution.</p> <p>e) Members believe we should not design a solution which requires this type of mitigation: it goes against the wider proposed planning reform, introducing inefficiencies and substantial costs that could be designed out.</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><u>CMP434 Response</u> – Please see response to Question 6 and Element 18 alongside the following response:</p> <p>Members do not all align, but those who do support the removal of DFTC challenge the relevance under CMP434, or their agreement to removal would be dependent on all embedded generation being able to avoid the Gate 1 application window as part of the MPV. Members who support the inclusion are concerned that removal could negatively impact the DNO and ESO interface exacerbating points made on Element 18. Note some members do not feel strong enough either way.</p>

	<p>Irrespective of position, members generally agree that removal does not mean it is not necessary. Partly driven by the detail offered at Gate 1 and its credibility. If the embedded customer were to gain only an indication with significant uncertainty until they and any other project associated with the triggered works reach Gate 2, then it could be perceived as supporting data. DFTC could support the facilitation of equitable treatment of embedded users but is not believed to be the sole solution as outlined within this response.</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"/> <b>Yes</b>  <input type="checkbox"/> No</p>
<p><u>CMP434 Response</u> – Please see response to Element 1.</p> <p>There is concern that proposing only the Considerable Impact Criteria be codified, leaves the door open for future additional requirements (such as Gate 1 Red Line Boundary allowable changes which has been discussed in WG meetings but is not included within the present proposal). There is no CNDM or Gate 2 Criteria Methodology documents available at the time of consultation, with many members classing these as critical and recommending that they are substantially complete and have passed an approval process, including industry consultation, ahead of implementing the proposed (under CMP434 and CMP435).</p> <p>It is generally appreciated that an alternative approval process may be necessary as presented for the "Methodologies", with the code governance process not necessarily the optimum route. Yet several members believe any alternative needs to be robust and allow for industry wide consultation. Some members do question how light an approval process can get before industry involvement is diluted, narrowing the breadth of input. In terms of guidance and policy, the majority of members do not support these being introduced outside of a suitable approval process, perhaps similar to that proposed for "Methodologies".</p> <p>Additionally, the Extent of "Methodology" documentation is presently limited. There are several high impact documents missing from the list presented under Element 1. Documents such as "Material Technology Change Guidance" and "Significant Modification Application Guidance" are not to be defined in code or follow any approval process with the Authority that includes consultation, resulting in process and requirements being open to change, potentially without forewarning.</p> <p>While accepted many aspects of the present BAU process are not codified, the majority of members do not believe this should set the baseline for the future given the industry is</p>	

	seeking to facilitate decarbonisation, economic growth and energy security which require stable investment.
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