

Workgroup Consultation Response Proforma

CMP435: Application of Gate 2 Criteria to existing contracted background

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to cusc.team@nationalgrideso.com by **5pm on 06 August 2024**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact cusc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Brian Denvir	
Company name:	Google	
Email address:	bdenvir@google.com	
Phone number:		
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input checked="" 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 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.

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 type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D
Click or tap here to enter text.		
2	Do you support the proposed implementation approach? (See page- 57-58)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>Per response to CMP434, Google supports the overarching intention to move towards a ‘first ready first served’ approach, as this guiding principle can support faster connection timelines for projects which make meaningful progress towards delivery. In our response to CMP434 we outline the elements that we believe to be beneficial, and those which require amendment or clarification.</p> <p>As noted below, under CMP435 we do not support the application of the proposed connection process to contracts already classified as ‘connected,’ regardless of whether or not some project stages are yet to be energised. The objective of the proposal is to ensure that viable projects can connect - connected projects have already demonstrated themselves to be viable. Changing the terms of connection agreements for assets that have already been energised creates uncertainty for investors and would undermine confidence in the connection process.</p>		
3	Do you have any other comments?	
Click or tap here to enter text.		
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section) <input checked="" type="checkbox"/> No
Click or tap here to enter text.		

Specific Workgroup Consultation questions

5	<p>Do you agree with the elements of the proposed solution for CMP435? <i>Please note that the application of these elements may be different to CMP434, therefore please answer the questions in respect to CMP435.</i></p> <p>Elements 2,4,6,7,12,15,17 and 18 are not part of the CMP435 Proposal and is only part of the CMP434 Proposal. Element 10 is proposed to be codified within the STC through modification CM095.</p> <p>Please provide rationale for your answer and any suggestions for improvement to each element?</p>	
	<p>Element 1: Proposed Authority approved methodologies and ESO guidance (see Page 8-10,29)</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>See response to CMP434</p>	
	<p>Element 3: Clarifying which projects go through the Primary Process (See pages 10-11,29-31)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<p>We do not support the application of the proposed connection process to contracts classified as ‘connected,’ regardless of whether or not some project stages are yet to be energised. The objective of the proposal is to ensure that viable projects can connect - connected projects have already demonstrated themselves to be viable. Changing the terms of connection agreements for assets that have already been energised creates uncertainty for investors and would undermine confidence in the connection process.</p>	
	<p>Element 5: Clarifying any Primary Process differences for customer groups (See pages 11-12,32)</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>See response to CMP434</p>	
	<p>Element 8: Longstop Date for Gate 1 Agreements (See pages 12-13, 32-33)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<p>See response to CMP434</p>	
	<p>Element 9: Project Designation (See pages 14-15, 33-34)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<p>See response to CMP434</p>	
	<p>Element 11: Setting out the criteria for demonstrating Gate 2 has been achieved and setting out the obligations imposed once Gate 2 has been achieved (See pages 16-21, 34-39)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<p>As noted under element 3, we do not believe the proposed connection process should apply to contracts classified as ‘connected,’ regardless of whether or not some project stages are yet to be energised.</p> <p>For existing contracts where none of the reservation has yet been energised, Gate 2 compliance requirements must take into consideration the special case of applications with phased project stages. Data centres have a unique</p>	

<p>development model whereby they grow into their power reservation over time as demand for IT services grows. Typically the operator will phase the submission of planning applications for a data centre over time, gradually growing into the total reservation to meet IT demand as it arises. Having a power reservation in place is essential in order to commit to subsequent tranches of investment in the site. This phasing is also for practical reasons, as there are typically constraints on elements such as road access, labour, materials etc. that mean that the development of individual buildings at large data centre sites must be phased. It is essential that the process for ongoing Gate 2 compliance takes this into account for applications with phased project stages. To accommodate such cases it is recommended that the Gate 2 process include the same mechanism set out under element 8, whereby the ESO has discretion to extend the longstop timeframe in Gate 2 for an existing (un-energised) contract if the developer can provide evidence to demonstrate that their project is progressing, even if they have not applied for planning for the entire reservation. Such an approach has recently been adopted in the Netherlands in an update to article 7.18 of its grid code. This amendment recognises that there are specific types of projects with long lead times that grow into their reservation over time, naming data centres as an example. In these cases the power reservation can be retained by the applicant provided they can make the case to the TSO that a longer period is needed. We recommend adopting a similar approach here to ensure that such projects can grow in a phased way.</p>	
<p>Element 13: Gate 2 Criteria Evidence Assessment (See pages 22-23, 39-40)</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No</p>
<p>Element 14: Gate 2 Offer and Project Site Location Change (See pages 23-24, 40-41)</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No</p>
<p>Element 16: Introducing the proposed Connections Network Design Methodology (CNDM) (See pages 24-25, 41-42)</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No</p>
<p>Element 19: Contractual changes (See pages 26-28, 43-46)</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No</p>
<p>Element 20: Cut Over arrangements (See page 28, 47)</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No</p>
<p>6 Are there any elements of the proposed CMP435 solution - as per Q5 - which you believe are not appropriate to include when you consider how to most effectively implement TMO4+ to projects in the existing contracted background (as opposed to the process for new applicants via CMP434)?</p>	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p>

	<p>If yes, please provide supporting justification.</p>	
	<p>We do not support the application of the proposed connection process to contracts classified as ‘connected,’ regardless of whether or not some project stages are yet to be energised. The objective of the proposal is to ensure that viable projects can connect - connected projects have already demonstrated themselves to be viable. Changing the terms of connection agreements for assets that have already been energised creates uncertainty for investors and would undermine confidence in the connection process</p>	
<p>7</p>	<p>In relation to Q6, are there any features which you believe are missing in the proposed CMP435 solution that would more effectively facilitate implementation of TMO4+ to the existing contracted background. If yes, please provide details and justification. See response to CMP434</p>	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p>
<p>8</p>	<p>Do you believe any groups of projects should be exempt from the scope of CMP435 or from some elements of the proposed solution? If so, please advise on which groups and elements and provide rationale to why.</p>	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p>
	<p>We do not support the application of the proposed connection process to contracts classified as ‘connected,’ regardless of whether or not some project stages are yet to be energised. The objective of the proposal is to ensure that viable projects can connect - connected projects have already demonstrated themselves to be viable. Changing the terms of connection agreements for assets that have already been energised creates uncertainty for investors and would undermine confidence in the connection process</p>	
<p>9</p>	<p>Do you believe that the proposed solution could duly or unduly discriminate against any particular types of projects? If so, do you believe this is justified?</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No</p>