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Code Administrator 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@nationalenergyso.com by **5pm GMT on 26 November 2024**. Please note that any responses received after the deadline or sent to a different email address will not be accepted.

Please be aware that late responses will not be accepted.

If you have any queries on the content of this consultation, please contact elana.byrne@nationalenergyso.com and catia.gomes@nationalenergyso.com or cusc.team@nationalenergyso.com

Respondent details	Please enter your details	
Respondent name:	Blesson Thomas	
Company name:	Clearstone Energy	
Email address:	Blesson.thomas@clearstoneenergy.com	
Phone number:	Click or tap here to enter text.	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" 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 Panel or the industry for further consideration)

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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.

Standard Code Administrator Consultation questions		
1	Please provide your assessment for the proposed solution(s) against the Applicable Objectives?	Mark the Objectives which you believe the proposed solution(s) better facilitates:
		Original <input type="checkbox"/> a <input type="checkbox"/> b <input checked="" type="checkbox"/> c <input type="checkbox"/> d
		WACM1 <input type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input type="checkbox"/> d
		Seeking Member Input
2	Do you have a preferred proposed solution?	<input type="checkbox"/> Original <input checked="" type="checkbox"/> WACM1 <input type="checkbox"/> Baseline <input type="checkbox"/> No preference Click or tap here to enter text.
3	Do you support the proposed implementation approach?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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		<p>Our concerns align with those of CMP434. The tight deadlines do not consider the current consultation timelines, and this issue has not been sufficiently considered. In particular, this proposal jeopardises existing generation users who are "ready to connect," which could undermine investor confidence until Gate 2 is reached. This situation will lead to further delays in achieving the goals of the CP30 plan and impede the progress of serious users.</p> <p>As part of the consultation, we agree that all contracts from the Go Live date (2025) need to include Queue management and User commitment milestones to allow monitoring of progress and removal if no commitment or progress is made. This will be sufficient for all existing projects rather than requesting all users from 2025-2028 to go through Gate 2 criteria, which is not efficient and economical to undertake.</p> <p>TMO4—Queue Management should provide confidence for any sufficiently advanced existing project delaying any postponement to comply with Gate 2 requirements. The threshold for this exemption applies to projects planned up to 2028 that have obtained planning consent and can demonstrate a route to market. The financial routes could be CFD or CM markets, in this case, or even parties that are hedging against an energy arbitrage market.</p> <p>Any proposals related to connection reform must ensure they do not hinder the delivery of viable projects that have already shown a commitment to build and can provide evidence of this commitment. This principle should be applied consistently across both transmission and distribution parties to ensure that all relevant stakeholders are considered. This approach will help accelerate progress and reduce the need for heavy infrastructure spending based on inaccurate forecasts and insufficient oversight of current network needs. For instance, particularly in distribution, a lot of new embedded generation is being recorded, resulting in requiring new SGTs at every node. These are driven by DNOs' lack of power to terminate or monitor the progress of their customers and allow them to stay in the queue without any impact.</p> <p>The current benefits highlighted in this proposal are very limited, and at this stage, it is not very clear or transparent.</p>
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		Applying Gate 2 to the existing connection will accelerate quicker and more efficiently.
4	Do you have any other comments?	Queue management and User commitment milestones should aid in projects to accelerate and exclude speculative users who have no aspiration to connect. Not related, Queue management milestones need to be aligned with the user-committed programme from suppliers rather than the standard runways proposed.
5	Do you agree with the Workgroup's assessment that the modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		This will delay progressive users to get on the system to manage the balancing of the system with clean energy.