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CUSC Alternative and Workgroup Vote

CMP435: Application of Gate 2 Criteria to existing contracted background

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

Stage 1 - Alternative Vote

If Workgroup Alternative Requests have been made, vote on whether they should become Workgroup Alternative CUSC Modifications (WACMs).

Stage 2 - Workgroup Vote

2a) Assess the original and WACMs (if there are any) against the CUSC objectives compared to the baseline (the current CUSC).

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

Terms used in this document

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

The applicable CUSC 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.

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*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.

Workgroup Vote

Stage 1 – Alternative Vote

Vote on Workgroup Alternative Requests to become Workgroup Alternative CUSC Modifications.

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

Should the majority of the Workgroup OR the Chair believe that the potential alternative solution may better facilitate the CUSC objectives than the Original proposal, then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative CUSC modification (WACM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.

“Y” = Yes

“N” = No

“-“ = Neutral (Stage 2 only)

“Abstain”

Workgroup Member	Alternative 9 (ENSO, Energy)	Alternative 1 (EDF)	Alternative 7 (SSE)	Alternative 10 (Statkraft)
Alice Taylor	Y	N	N	N
Andy Dekany	N	N	Y	Abstain
Antony Cotton /Hugh Morgan	Abstain	Abstain	Abstain	Abstain
Barney Cowin/ Andrew Yates	Y	Y	Y	Y
Charles Deacon	Y	X	X	X
Claire Hynes / Tom Steward	Y	Y	Y	Abstain
Deborah MacPherson / Ciaran Fitzgerald	Y	Y	Y	Y

Public

Ed Birkett/ Ben Adamson	Abstain	N	Abstain	N
Gareth Williams	N	N	N	Abstain
Garth Graham	Y	Y	Y	Y
Grant Rogers	Y	N	N	Abstain
Greg Stevenson / John	N	N	N	N
Helen Snodin /Charles Yates	Y	N	N	N
Hooman Andami	Y	N	Abstain	Abstain
Jack Purchase	Abstain	N	Abstain	N
Joe Colebrook	Y	N	N	Y
Jonathon Lee Hoggarth / Kimbrah Hiorns	N	Y	N	Abstain
Kyran Hanks	X	X	X	X
Mark Field	Y	Y	Y	Y
Michelle MacDonald Sandison / Ross	N	N	N	N
Niall Stuart	Abstain	N	Abstain	N
Nirmalya Biswas	N	N	N	N
Paul Jones	Y	N	N	Abstain
Paul Youngman	X	X	X	X
Pedro Javier Rodriguez	X	X	X	X
Ravinder Shan	Y	N	N	Y
Richard Woodward	Y	N	N	Y
Rob Smith	Y	X	X	X
Ross Thompson	Abstain	N	N	Abstain
Sam Aitchison	Y	N	Y	Y
Samuel Railton	Y	N	Abstain	N

Public

Steffan Jones	N	N	N	Abstain
Wendy Mantle /Claire	N	N	N	Abstain
WACM?	WACM1			

Stage 2a – Assessment against objectives

To assess the original and WACMs against the CUSC objectives compared to the baseline (the current CUSC).

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

ACO = Applicable CUSC Objective

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
	Alice Taylor – NESO				
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y

Voting Statement:

The original proposal overall better facilitates the applicable objectives (a), (b) and (d). The Original Proposal allows a new queue to be made up of readier and more viable projects to enable delivery of government's net zero targets. The proposal contributes to the facilitation of quicker connections for those projects that are ready and viable by removing speculative and stalled projects from the connections queue. The one-off exercise to apply Gate 2 to the Whole Queue provides the foundation for the improved enduring process, enabling the development of a coordinated and efficient network design for connections, delivering benefits to both customers and consumers.

WACM 1 seeks to add an additional process step through an industry pause for market self-regulation. Whilst I can see some limited value through creating additional transparency to enable facilitation of competition, overall, I feel that WACM 1 would elongate the process and add unnecessary complexity to the Original Proposal. Therefore, whilst I consider WACM 1 better than the baseline, I do not believe it is better than the Original Proposal.

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Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Antony Cotton– Green Generation Energy Networks Cymru Ltd					
Original	N	N	N	N	N
WACM 1	N	N	N	N	N

Voting Statement:

Whilst I support in principle changes to the connections process and reform of the queue, and fully support the achievement of Clean Power 2030 and the Net Zero ambition, I do not see how the Original or Alternative modification to the Code meets the objectives. This is principally because the key changes of substance are in the Methodologies which are not codified in the CUSC, rather the change being voted on would confirm this in the CUSC. Whilst such a change may be expeditious for future development of the arrangements, and the key features of the Gate 2 Methodology were raised in the working group, other than this, members of the Working Group have had no opportunity to review, discuss or challenge the NESO on the Methodologies. Similarly, there has been little detailed debate on how the new arrangements will impact embedded generation. That means that the practical impact on parties in the queue is not currently known. Indeed NESO confirmed in workgroup discussion that it was possible (albeit unlikely) that projects post FID and/or in construction could have their confirmed Completion Dates and site of connection removed or changed to “indicative” effectively preventing connection as planned. I consider that there are serious risks to the investment climate for both existing and new projects seeking to connect to and use the Transmission System and there has been no quantitative assessment of the costs, benefits and risks associated with this change (or at least none that has been shared with or discussed by the workgroup).

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Andy Dekany– NGV					
Original	Y	-	-	Y	Y
WACM 1	Y	-	-	Y	Y

Voting Statement:

I believe the Connections process within the current Baseline is in need of significant reform, and appreciate the considerable efforts made by NESO to address a very wide range of differing perspectives. I consider that the Original proposal does better

Public

facilitate the Applicable CUSC Objectives since it should improve co-ordinated network design in harmony with strategic network design, and the very first batched processes are necessary to allow the changes in CMP434 to subsequently lead to more efficient administration and allocation of capacity. However, I have some reservations:

a) The Original includes a gated process designed around 'Land Rights' (which is not uniformly suitable as a measure of project progress/status);

b) The final package (CMP435, associated Methodologies, plus potential financial instruments) is not being assessed by the Workgroup, so it must be assumed that some key areas will be adequately addressed (e.g. that the Methodologies will ultimately provide a clear pathway for projects relying upon compulsory purchase powers, and ensuring those projects are allocated a fair queue position). Additionally, whilst the final package may meet objectives it may also create a 'shock' within the industry that ultimately leads to viable and needed projects choosing to not to proceed – additional impact analysis as essential;

c) An inbuilt reliance upon NESO to correctly assess large complex projects developed over extended timeframes e.g. decisions regarding Connection Point and Capacity Reservation, and associated bilateral discussions around the Gate 1 Expiry Date within the 'conditional clause'.

I assess WACM1 as slightly better than the Original at facilitating effective competition.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
	Alex Rohit – Statkraft				
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y
Voting Statement:					

Public

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
	Charles Deacon – Eclipse Power				
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y

Voting Statement:

The Original proposal better facilitates the CUSC objectives by facilitating a one-off re-ordering of the queue, which will prioritise projects that are further developed and ready to go. This will hopefully unblock the queue and enable more progressed projects to connect earlier. This is crucial to meet national targets and those laid out in Clean Power 2030. This will result in more efficient transmission investment, holistically planned around a batch of projects that carry more certainty. It will also help facilitate competition by introducing additional competitive pressures to developers to progress their projects quicker. The Gate 1 holding phase allows any projects that a less progressed to remain on the radar of network operators to assist in future planning.

WACM1 is better than the Original as it provides additional data for developers to make an informed decision. Under the Original, advancement requests are made “blind”, which could result in abortive work for the network operators, should Gate 2 offers come back unfeasible or undesirable. WACM1 at least provides visibility of projects at a particular node, so that the developer can take a risk-based assessment on the chances of success of advancement (and/or Clean Power 2030 quotas) to make the request with some confidence. I would prefer to go even further and share more data on the projects in the EA Register, including planning status and triggered works, to facilitate more open data (as is an industry aim) and open accountability amongst the developer community.

Finally, I have some concerns about the Methodologies and the application of these processes to embedded projects, which I will address in the consultation.

Public

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Charles Yates – Fred Olsen Seawind					
Original	N	N	N	N	N
WACM 1	Y	Y	Y	Y	Y
Voting Statement:					
<p>The applicable CUSC objectives are best met by rules which are as clear, simple and transparent as possible. This provides all parties with greater clarity and hence facilitates the needed rapid development of an efficient transmission network. Providing projects with more information and an opportunity to refine their decisions in the light of Clean Power 2030 will encourage investment and rapid progress towards Clean Power in 2030 and beyond.</p>					

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Ciaran Fitzgerald – Scottish Power Renewables					
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y
Voting Statement:					
<p>In our view, the original proposal provides a viable solution to address the defect and is an improvement on the baseline. We recognize the need for significant change to the connections process and believe that the original proposal provides an appropriate structure, which can facilitate the further changes required to achieve the ultimate aims of TMO4+. As has been discussed by workgroup members during the workgroup meetings and in the report, it should be highlighted that the detailed processes and procedures that will sit within the new structure will be housed within the methodologies, and as such are not being assessed as part of this consultation.</p> <p>WACM 1 - We support this proposal, primarily for its benefits within the 435 process. We believe this proposal will benefit users in ensuring transparency of the potential queue and allow users to make more informed investment decisions. It will also minimize wasted efforts by NESO and the network businesses by facilitating the reduction of the queue at an earlier stage, and prior to the gated design process.</p>					

Public

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Claire Hynes– RWE Renewables					
Original	Y	-	-	Y	Y
WACM 1	Y	-	-	Y	Y

Voting Statement:

The barriers introduced to remove speculative projects from the connection queue and alignment of the treatment of the existing connection queue with the new transmission connection arrangements should lead to a more efficient administration of the CUSC arrangements and the licence obligations under Objective (a) and (d) for both the original and WACM 1.

Our overall preference is for WACM 1 which proposes a ‘pause’ period which we consider is beneficial for promoting greater efficiency in the implementation and administration of these arrangements than the original.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Gareth Williams – Scottish Power Transmission					
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	N	Y

Voting Statement:

The original proposal will allow NESO to prioritise projects more ready to progress, over stalled projects. This should result in quicker connections to the grid for projects that will support the goal of net zero. By addressing the existing queue and removing stalled projects, this will allow the new CMP434 BAU process to work in an environment where stakeholders have a better understanding of the connections queue.

The proposal contributes to the ability of competitive and ready projects to be able to connect to the grid more quickly and removes poorly designed or stalled projects. If a project does not meet the Gate 2 Criteria, it does not mean they are unable to

Public

progress, it just means that they will have to become more advanced in their project planning and delivery to get a connection.

By removing specific projects from the connections queue, who have not met Gate 2, this will free up industry participants to focus on delivering those projects more ready to proceed. This promotes the efficiency of TOs and NESO to focus on those projects who are going to be delivered more quickly.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
	Garth Graham – SSE Generation				
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y

Voting Statement:

Before assessing the two options (the Original and the WACM) I wish to make the following general observations, which pertain to the Original. However, as the WACM is based upon the Original (with differences) these general observations are also relevant to the WACM as well.

Legal conformance - I am mindful that significant aspects of the totality of the changes, to the terms and conditions for connection (at transmission and distribution) are, it is intended (by the NESO) to be contained within the three proposed new methodologies (as listed, in the proposer's part of the Workgroup report).

As I noted to the Workgroup at some of the initial meetings, there is a requirement to be mindful of the legal framework within which the CUSC and the NESO Transmission Licence and, in particular the Third Package and the European Network Codes.

Suffice to say I have concerns, as to the possible legal uncertainty of the proposed approach, especially with respect to the housing of terms and conditions for connecting parties (primarily generation, demand and interconnectors) within the methodologies; comes from this perspective of this background. In this respect I also note the wording in the third paragraph of the CMP435 Workgroup report draft issued on 1st November, starting "The legal enforceability...", and especially the statement, in the last sentence that "parties are contractually obligated to ...comply with the Methodologies". I am not certain, within the wider European Network Codes framework, that this is legally correct.

Capital contributions – despite my asking about this, it is not clear what, if anything is to be refunded (and, if so, when such a refund would take place: for example, upon

Public

acceptance of the Gate 1 Offer?). It is important to note that parties have paid, in good faith, what was due to be paid (contributed) not least because without such payment then their connection application / contractual agreement would not be progressed by the NESO / TO.

This has created a legitimate expectation, on the part of the generators etc., and it would, of course, be of concern if those relevant capital contributions (for defined / known assets) were not to be refunded in a timely manner where the User's existing contract was changed to a Gate 1 Offer / Accepted agreement.

Transparency - On numerous occasions during the Workgroup meeting I have flagged up opportunities for the Proposer to amend their original solution to ensure transparency to, in particular, parties seeking to connect to the transmission and distribution systems in GB.

RfG Article 7 (3) (b) "When applying this Regulation, [F47the regulatory authority] and system operators shall: ...(b) ensure transparency" [emphasis added]

[this wording is from the updated version, post Brexit, on the UK Legislation website, where the regulatory authority is GEMA]

In addition to this legal obligation, in terms of transparency, I am also mindful that the UK Government and Ofgem established the Energy Data Taskforce. I flagged up the Taskforce work during numerous Workgroup meetings, and that "The government and Ofgem have endorsed the Energy Data Taskforce's recommendations." Modernising Energy Data - GOV.UK

In this respect, as noted in the Introduction to the Taskforce report:

"At the core of the Taskforce recommendations are the principles that the sector should be Digitalising the Energy System and that in order to maximise value, Energy System Data should be Presumed Open" [emphasis added]

As the Energy Minister noted, in the Forward to the Taskforce report:

"Data is fundamental to the future of our economy, which is why it is the focus of one of the Grand Challenges in our Modern Industrial Strategy. In the power sector, it is the key to unlocking system and consumer benefits and managing the fast-approaching challenges of flexibility, resilience and costs in the most efficient way" [emphasis added]

In terms of the types of data that the NESO has access to, the Taskforce noted that:

"Energy System Data that has value to the wider system and has been generated by monopoly or consumer subsidy should be available for the benefit of the 'system as a whole'." [emphasis added]

In summary the Taskforce identified many benefits from data transparency,), examples of which include:

Public

(i) Improving operation of the system, (ii) Optimising operation of the system, (iii) Optimising across energy vectors (iv) Unlocking the flexibility market [which given the NESO's 'High Renewables / High Flexibility' pathway, for CP30 purposes, may be of particular relevance to CMP434/CMP435?], (v) Enabling clarity across the multiple actors in the system, (vi) Securing the new Energy System, (vii) Regulatory oversight and risk assessment, (viii) Optimising procurement and cost reduction, (x) Opening the system to new markets and better price discovery, (xi) Data visibility creates opportunity for all, and (xii) Attracting new players to the sector.

The Taskforce helpful also identified the detrimental effect of following the NESO's approach (of not publishing the items identified in the CMP434 and CMP435 discussions) examples of which include:

(a) Slower more expensive transformation, (b) Fragmented datasets reducing efficiency, (c) Increased risk to system stability, and (d) Reduced innovation.

The negative effects, from a lack of energy data transparency, was summarised by the Taskforce, in the following terms:

"The value of data is not being maximised: innovation is being stifled, the system is less efficient, and the consumer is worse off"

In light of the above, it is beyond contestation that the publication of information (held, or produced, by the NESO as a result of its actions arising from CMP434 / CM095 and CMP435) results in a better network outcome and lower costs to consumers. Accordingly, it is disappointing that the NESO, as proposer of CMP434 / CM095 and CMP435 has been unable to maximise transparency of all this connections related information arising from these Modifications.

Of the three options, WACM1 is, in my view, 'Best' as it in improves upon the Original (and both are better than the Baseline).

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Hannah Sharratt – Electricity North West Limited (ENWL)					
Original	Y	Y	-	-	Y
WACM 1	Y	Y	-	N	Y

Voting Statement:

The Original Proposal will facilitate a more efficient connection to the network for schemes that are in a position to connect (thus allowing NESO to more efficiently

Public

discharge its obligations to connect customers to the network and facilitate competition within the industry).

As 435 is a one off process and is not enduring, the additional administration is a negative and the pause during the Gate 2 window review does not add sufficient value and adds unneeded delay to the process.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
	Jack Purchase – NGED				
Original	Y	Y	Y	Y	Y
WACM 1	N	N	N	N	N

Voting Statement:

DNOs are subject to stricter laws around the sharing of customer data. As such WACM 1 represents a complex set of legal challenges for DNOs and cannot be supported by NGED.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
	Joe Colebrook – Innova Renewables				
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y

Voting Statement:

I agree that the Original is better than the Baseline and is positive for Objectives a), b) and d). However, the ability to understand the full impact of the CUSC modification has been made difficult due to the lack of visibility of the Three Methodologies the NESO is proposing to introduce. I will engage fully with the consultation on the Methodologies which should mitigate many of my concerns. It has been confirmed that the Authority will consider CMP435 together with the final Methodologies which should ensure any misalignment is fully considered.

Objective a) - Currently, project developers unable to progress viable projects in a timely manner, and this is hindering progress to deliver net zero. This solution will enable a connections process that is able to prioritise readier and/or more viable projects enabling the industry to help the government to meet its net zero targets and

Public

is future proofed to support more strategic network planning activities. A one-off exercise to apply Gate 2 to the Whole Queue will provide the foundation for the improved enduring process but also provide greater clarity for network companies and industry parties on a queue made up of readier and more viable projects relative to the status quo.

Objective b) - The original facilitates quicker connections for readier and more viable projects which are needed to deliver net zero, especially by removing projects without land and other nonviable and stalled projects from the connections queue. Currently, project developers are waiting too long to connect, and this is hindering progress to deliver net zero. Allocating network capacity and connection locations to Gate 2 projects is expected to result in more and earlier connections. The changes proposed in the Original should increase the number of generators connecting each year and bring forward the connection of many viable projects. There is a risk that the implementation timeline pauses investment in projects for 12 months which could reduce the competitiveness of electricity supply in the short term. These changes will improve competitiveness of generation and supply of electricity.

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

Objective d) - The Gate 2 to Whole Queue process provides CUSC Parties, including network companies, with greater clarity and ability to plan by providing full/confirmed offers to readier and more viable projects. Fewer industry resources will be invested into facilitating connections for projects which will not be built.

For the reasons outlined above I believe all the WACMs will be better than the Baseline and will be positive for objectives a) b) and d), although I have provided additional comments on each WACM below.

WACM1 - this WACM facilitates CMP434 WACM7 and therefore I believe WACM1 is better than the original if CMP434 WACM7 is approved, but in all other scenarios the Original is better than WACM1.

Public

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
	Jonathan Hoggarth – EDF Renewables UK & Ireland				
Original	N	N	-	-	N
WACM 1	N	N	-	-	N

Voting Statement:

I support the overall aims of the original connections reform programme, and acknowledge the existing issues with the size of the connection queue and the ability of the network operators to deliver it. I also agree with the urgent need for connection reform due to the challenges facing the industry, however, I cannot support this proposal in the form put forward by the Proposer.

My key concerns are:

1. In flight project risk – The draft methodologies as shared to the workgroup, and enabled by this modification, could lead to the loss of confirmed connection rights for projects currently in construction or otherwise substantially mature. This is an unacceptable risk to the overall generation development market, and we strongly encourage the proposer to consider whether this uncertainty and disturbance is supportive of the good-value and low cost of capital generation market necessary for consumers. Meeting the defined Gate 2 criteria does not result in a secure connection for a project under the current methodologies, which is a significant change to the narrative in the earlier stages of the proposal.

2. Unintended consequences – The methodologies have not yet been finalised for public consultation, and I believe both industry and NESO need more time to fully work through the implications of the proposals and minimise the risk of unintended consequences from an expedited process. I have already identified the issue above on in-flight project risk.

3. Lack of final codification – The scale of the challenge, the speed in which the reforms are being implemented, and the inevitable mistakes arising from that, means that the proposed route of using methodologies outside of the CUSC process is potentially the appropriate balance between flexibility to make any necessary rapid changes and providing industry with some oversight. After the initial disruption of these reforms, I believe that legal certainty should be gained by codifying the methodologies within the CUSC. It would be potentially disruptive to industry’s long-term investments to allow NESO to change the methodologies with reduced oversight as per the current proposed format.

Public

4. Insufficient transition period – There is now renewed uncertainty on the proposed implementation date and therefore the deadline for project self-certification against the Gate 2 criteria, however in any case the NESO has made clear this time period will be short. As the Gate 2 criteria have not yet been consulted on, I consider this short transition period representing a material risk to otherwise viable projects securing compliant land agreements if the requirements are further modified in the coming months, which the proposer cannot guarantee.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Jonathan Whitaker – SSEN Transmission (SHET)					
Original	Y	Y	-	Y	Y
WACM 1	N	N	-	Y	N

Voting Statement:

The Original solution better facilitates Applicable Objectives A, B & D. Applying the gated criteria to the current contracted connections queue is a step forward in reforming the queue. It will help facilitate effective competition by progressing readier to connect and needed projects in line with a focus on strategic planning, some Users will also have the potential to accelerate their connection date and/or reduced enabling works. This proposal will create efficiencies in the in the implementation and administration of CUSC arrangement by ensuring that only viable and needed projects remain in the queue; secondly it will ensure that those viable projects are progressing; and thirdly there will be an opportunity for some projects to accelerate their connection date.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Kyran Hanks – WWA Ltd					
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y

Voting Statement:

CMP435 is seeking to reduce the connection queue. As such, I support its implementation. I do not believe that the legal vires has been established for picking winners in the connection queue, so NESO will need to be convinced that it can

Public

discriminate in this way. I do consider that the methodologies should be codified, and hence my support for the WACM. I do not trust Ofgem to direct NESO in a sensible way and hence codification seems one way to mitigate this risk.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Nirmalya Biswas – Northern Powergrid					
Original	Y	Y	-	-	Y
WACM 1	Y	Y	-	-	Y

Voting Statement:

The original proposal is advantageous as it streamlines the connection process by addressing the backlog of connection requests through the introduction of the “Gate 2” criteria. WACM1 aims to ensure transparency within the queue, allowing both customers and network operators to make informed decisions about improving their queue position and investment in technology.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Paul Jones – Uniper					
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y

Voting Statement:

For both original and WACM1: “New CMP434 arrangements being applied to the existing queue too should help to ensure that the most ready projects are prioritised when connection offers are made. This should assist competition in the wholesale market, and for the provision of balancing and ancillary services.”

I know I said I didn’t have a preference between original and WACM1 earlier. If you really want to have something recorded, I would go with WACM1 as it matches up with CMP434 WACM7.

Public

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
	Paul Youngman – Drax				
Original	-	N	-	N	N
WACM 1	-	Y	-	-	Y

Voting Statement:

As well as the applicable objectives there is support for improvements to the connections process that:

- Ensure firm capacity rights and the integrity of existing investments are not put at risk
- Do not unduly increase barriers to project development
- Do not increase overall the complexity of the connection process

The original proposal offers minimal evidence as to the quantitative benefits of the approach taken in the original proposal and the Applicable CUSC Objectives (ACO) have been assessed accordingly.

Against ACO (a) very little evidence has been submitted as to how the approach will materially impact projects and investments. It was encouraging that the RFI data that was asked for was presented, however debate or assessment of the original proposal against the RFI was not addressed. Therefore the outcome for ACO(a) is Neutral. For ACO (b) the analysis was focussed on the impact from a procedural and modelling basis for the NESO. In contrast, there has been limited quantitative analysis on the impact on competition. Particularly if any distortion of competition is due distortion, or un-due distortion. Without quantitative evidence it is considered that the original proposal is negative against ACO(b) it is not clear if any distortion because of the methodologies is merited and proportionate. As the substantive measures of the reform have been removed from the CUSC modification and placed in methodologies it is considered that both ACO(c) and ACO(d) are neutral.

The WACM may enable a positive outcome under ACO(b) by facilitating a pause to enable the market to self-regulate. This is a better outcome then continuing with the baseline or the original proposal as it may mitigate or limit adverse impacts on projects and investments.

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Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Ravinder Shan – FRV TH Powertek Limited					
Original	Y	Y	Y	Y	Y
WACM 1	N	-	-	N	N
Voting Statement:					
<p>We support the Original CMP 435 in principle as it provides certainty to developers and reduces speculation that can lead to efficient design of the Network, achievement of Net Zero objectives and boost investor confidence. In light of the draft CNDM shared recently, we do not think WACM 1 would be better in facilitating the current objectives.</p>					

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Richard Woodward – NGET					
Original	Y	Y	-	-	Y
WACM 1	Y	Y	-	-	Y
Voting Statement:					
<p>The original CMP435 solution delivers the minimum necessary changes to CUSC to apply the new TMO4+ arrangements (introduced by CMP434) to the existing contracted background. This is vital to ensure that the full benefits of Connection Reform can be realised to address the defect.</p> <p>I believe that CMP435 will not only better facilitate effective competition (objective B), alongside the entry of new applicants via CMP434, but the ability for the networks companies to plan their investment with much more certainty (objective A). This in turn will better enable the network licensees to deliver timely and economic connections for developers as compared to the baseline.</p> <p>However, I believe these benefits can only be realised in conjunction with a strong Gate 2 criteria methodology - which not only factors project readiness but system 'need' for the project, in the context of credible strategic energy policy directives. Strong Queue Management enforcement is also necessary post-offer to ensure that projects that are allocated firm capacity/queue positions under TMO4+ progress as anticipated to completion.</p>					

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WACM1 also provides benefits compared to the baseline by deriving substantively from the original. It might also potentially improve effective competition (objective b) by prompting developers to better consider the future of their projects before proceeding. However, these benefits are intangible/theoretical at this stage, and based on developer behaviour which cannot be accurately foreseen ahead of TMO4+ implementation. It is also unclear whether the pause in timeline, and added administrative effort for NESO, are sufficiently offset by these benefits.

Finally, the original and WACM proposals are both dependent on consequential changes to the STC Procedures (STCPs). I am wary that the proposed drafting for these STCP changes has not yet been shared by NESO. Consequently, I am unable to fully assess the full impact of the changes at this stage, which is not desirable given the significance of the TMO4+ proposals.

I trust that NESO will bring forward these STCP changes ASAP, and work collaboratively with the Transmission Owners under appropriate governance to agree solutions in a timely manner which are both workable and facilitate CMP435 (if approved).

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Rob Smith – Enso Energy					
Original	Y	-	-	-	Y
WACM 1	Y	-	-	Y	Y

Voting Statement:

Objective A

All the proposals better meet objective A in so far as they allow the proposer to more effectively meet its Net Zero objectives. However, whether this is done in an effective and non discriminatory manner is difficult to assess given the detail of how this will be achieved is captured outside of the CUSC documentation.

Objective B

It is not clear that the proposal better meets objective B. It is not clear that it will promote the projects best placed to meet Net Zero and seems more focused on slimming down the number projects and capacity of projects in the queue to better meet objective A. This is given weight by the fact that CP2030 has subsequently been proposed to meet the 2030 Net Zero target.

Public

WACM1 provides greater market information at an earlier stage in the process than the original and as such allows existing agreement holders to make better, more informed choices on how to progress their projects

Objective D :

It is perplexing that, given past commentary from the regulator, most industry parties academics and commentators, that there are too many separate codes and associated documents governing the industry, that the proposer would seek to increase that number. How they have drawn the conclusion that fragmentation rather than consolidation better facilitates CUSC objective D, and allows applicants to better, and more speedily, navigate this complex administrative process and deliver their much needed zero carbon projects appears to be missing from the discourse.

The rationale seems to have been predominately focused on how the proposer can more easily change the rules to meet its objectives, absent the same level of scrutiny that the CUSC modification process affords the market. In doing so it forgoes the opportunity of robust evaluation of a change, by industry members with considerable knowledge of the market, to assess its practicability, benefit and risk of unintended consequences.

These current connection reform CUSC modifications, afforded urgent status, have been undertaken at pace. They demonstrate that the CUSC process can deliver timely change on significant scale if needed. If the process is not working effectively then it should be amended, as is the philosophy of code open governance, rather than dispersing the information across multiple codes and methodologies that create greater complexity for the commercial parties that will need to accurately abide by them to transact their business or risk considerable costs.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
	Sam Aitchison – Island Green Power				
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y
Voting Statement:					

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Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Samuel Railton – Centrica					
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	Y	Y
Voting Statement:					
<p>Both the Original and WACM1 are likely to be more effective in achieving the CUSC objectives (specifically a, b, and d,) when compared to the Baseline. Applying Gate 2 Criteria to the existing queue will contribute to ensuring only viable projects remain in the queue and provide opportunity to accelerate some projects. On balance, WACM1 is better than the Original, as it allows for Gate 2 qualified applicants to consider the viability of their projects with new information, including the possible impact of spatial requirements that may emerge through the Clean Power Plan for 2030. The benefits of this outweigh any additional administration requirements introduced by the pause.</p>					

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Steve Halsey – UK Power Networks					
Original	Y	-	-	Y	Y
WACM 1	Y	-	-	Y	Y
Voting Statement:					

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Overall (Y/N)
Wendy Mantle – Scottish Power Energy Networks					
Original	Y	Y	-	Y	Y
WACM 1	Y	Y	-	N	Y
Voting Statement:					

Public

Although both the Original and WACM are better overall, I believe the Original best meets the applicable CUSC objectives.

Reasoning for the votes is as following:

For Original proposal, consider Objectives A, B and D are better facilitated as the proposal will enable projects ready to progress to be prioritised which should result in quicker connections for projects that will support and help deliver net zero. Addressing the existing queue and removing stalled projects is an important step in this process.

For WACM1, Objectives A and B are considered to be better facilitated for the same reasons as the original proposal. It is not considered to necessarily improve efficiency therefore negative for Objective D.

For Objective C, this is considered neutral for both original and WACM1 as industry participants already comply with the relevant legislation and will continue to do so.

Of the 26 votes, how many voters said this option was better than the Baseline.

Option	Number of voters that voted this option as better than the Baseline
Original	22
WACM1	21

Stage 2b – Workgroup Vote

Which option is the best? (Baseline, Proposer solution (Original Proposal) or WACM1)

Workgroup Member	Company	Industry Sector	BEST Option?	Which objective(s) does the change better facilitate? (if baseline not applicable)
Alice Taylor	NESO	System Operator	Original	a), b) and d)
Antony Cotton	Green Generation Energy	iDNO	Baseline	N/A

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	Networks Cymru Ltd			
Andy Dekany	NGV	Interconnector	WACM1	a) and d)
Alex Rohit	Statkraft	Generator	WACM1	a), b) and d)
Charles Deacon	Eclipse Power	Network Operator	WACM1	a), b) and d)
Charles Yates	Fred Olsen Seawind	Generator	WACM1	a), b), c) and d)
Ciaran Fitzgerald	Scottish Power Renewables	Generator	WACM1	a), b) and d)
Claire Hynes	RWE Renewables	Generator	WACM1	a) and d)
Gareth Williams	Scottish Power Transmission	TO	Original	a), b) and d)
Garth Graham	SSE Generation	Generator	WACM1	a), b) and d)
Hannah Sharratt	Electricity North West Limited (ENWL)	Network Operator	Original	a) and b)
Jack Purchase	NGED	Network Operator	Original	a), b), c) and d)
Joe Colebrook	Innova Renewables	Generator	Original	a), b) and d)
Jonathan Hoggarth	EDF Renewables UK & Ireland	Generator	Baseline	N/A
Jonathan Whitaker	SSEN Transmission (SHET)	TO	Original	a), b) and d)
Kyran Hanks	WWA Ltd	CUSC Panel Member	WACM1	a), b) and d)
Nirmalya Biswas	Northern Powergrid	Network Operator	Original	a) and b)
Paul Jones	Uniper	Generator	N/A	a), b) and d)
Paul Youngman	Drax	Generation/supply	WACM1	b)
Ravinder Shan	FRV TH Powertek Limited	Generator	Original	a), b), c) and d)

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Richard Woodward	NGET	TO	Original	a) and b)
Rob Smith	Enso Energy	Generator	WACM1	a) and d)
Sam Aitchison	Island Green Power	Developer	WACM1	a), b) and d)
Samuel Railton	Centrica	Generator	WACM1	a), b) and d)
Steve Halsey	UK Power Networks	Network Operator	Original	a) and d)
Wendy Mantle	Scottish Power Energy Networks	Network Operator	Original	a), b) and d)