

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: | Daryn Lucas | |
| Company name: | Green Generation Energy Networks Cymru Ltd | |
| Email address: | Daryn.Lucas@GreenGENCymru.com | |
| Phone number: | 02922 944 618 | |
| Which best describes your organisation? | <input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input checked="" 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 | | |
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| 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 checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | | Click or tap here to enter text. |
| 3 | Do you have any other comments? | <i>As a Transmission connected IDNO, Green GEN Cymru is concerned that many of the relevant aspects of the wider proposals for connections reform have been progressed in meetings convened by ENA to which IDNOs were not invited. This has resulted in certain decisions being made (such as excluding embedded demand from scope, what generation is included in the DFTC, and details pertaining to the DFTC) which has limited what can be discussed in CMP435 and more general uncertainty about how the proposal would work in practice for IDNOs especially those connecting directly to the Transmission System. That is not to say that these are the “wrong” decisions but not all Users of the Transmission System have been able to input. Whilst ENA have recently commenced a dialogue with all IDNOs via their representative body (Independent Networks Association), convened meetings and shared certain documents with them, there remains limited detailed discussion of the issues, and the relevant working groups established by ENA remain closed to Transmission connected IDNOs who have not paid to join the ENA. We hope that the position for IDNOs will continue to improve as the proposals are finalised and that appropriate and inclusive governance arrangements are adopted.</i> |
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| 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 |
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| | Click or tap here to enter text. |
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Specific Workgroup Consultation questions

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| 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> | | |
| | <table border="1" style="width: 100%;"> <tr> <td style="width: 75%;">Element 1: Proposed Authority approved methodologies and ESO guidance (see Page 8-10,29)</td> <td style="width: 25%; text-align: right;"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> </table> | Element 1: Proposed Authority approved methodologies and ESO guidance (see Page 8-10,29) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Element 1: Proposed Authority approved methodologies and ESO guidance (see Page 8-10,29) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| | Click or tap here to enter text. | | |
| | <table border="1" style="width: 100%;"> <tr> <td style="width: 75%;">Element 3: Clarifying which projects go through the Primary Process (See pages 10-11,29-31)</td> <td style="width: 25%; text-align: right;"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> </table> | Element 3: Clarifying which projects go through the Primary Process (See pages 10-11,29-31) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Element 3: Clarifying which projects go through the Primary Process (See pages 10-11,29-31) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| | Click or tap here to enter text. | | |
| | <table border="1" style="width: 100%;"> <tr> <td style="width: 75%;">Element 5: Clarifying any Primary Process differences for customer groups (See pages 11-12,32)</td> <td style="width: 25%; text-align: right;"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> </table> | Element 5: Clarifying any Primary Process differences for customer groups (See pages 11-12,32) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Element 5: Clarifying any Primary Process differences for customer groups (See pages 11-12,32) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| | Click or tap here to enter text. | | |
| | <table border="1" style="width: 100%;"> <tr> <td style="width: 75%;">Element 8: Longstop Date for Gate 1 Agreements (See pages 12-13, 32-33)</td> <td style="width: 25%; text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> </table> | Element 8: Longstop Date for Gate 1 Agreements (See pages 12-13, 32-33) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Element 8: Longstop Date for Gate 1 Agreements (See pages 12-13, 32-33) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| | <p><i>We are concerned about the proposed obligation on DNOs and Transmission connected IDNOs to terminate customer agreements following a specified period of time. Whilst such a provision could be introduced for new customer contracts following approval of the proposed CUSC changes, for existing Distribution customers, introducing retrospective termination rights will be legally and commercially challenging. A better solution would be to use the Distribution equivalent of the CUSC User Progression Milestone M1 date (Secure Land Rights) introduced by CMP376, as the date by which customers have to demonstrate compliance with the Gate 2 criteria. Such provisions will already be in place for Distribution customer contracts and is a more reasonable and proportionate change rather than imposing an arbitrary three year period from Distribution offer acceptance to Gate 2 offer acceptance. We are in fact unsure what this means in practice (as presumably it will be the DNO or IDNO that accepts a Gate 2 offer from ESO) but for Transmission Users it means a period of just over two years from when existing contracts are converted to Gate 1 contracts to when they have to meet the Gate 2 criteria). The wider question is whether a longstop date is needed at all, this is addressed in our response to the CMP434 consultation.</i></p> | | |

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| | Element 9: Project Designation (See pages 14-15, 33-34) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | Click or tap here to enter text. | |
| | 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) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| | Click or tap here to enter text. | |
| | Element 13: Gate 2 Criteria Evidence Assessment (See pages 22-23, 39-40) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | Click or tap here to enter text. | |
| | Element 14: Gate 2 Offer and Project Site Location Change (See pages 23-24, 40-41) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | Click or tap here to enter text. | |
| | Element 16: Introducing the proposed Connections Network Design Methodology (CNDM) (See pages 24-25, 41-42) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | Click or tap here to enter text. | |
| | Element 19: Contractual changes (See pages 26-28, 43-46) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | Click or tap here to enter text. | |
| | Element 20: Cut Over arrangements (See page 28, 47) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | Click or tap here to enter text. | |
| 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)? If yes, please provide supporting justification. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| | Click or tap here to enter text. | |
| 7 | 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. <i>Whilst not exactly a missing “feature” of the proposed CMP435, further and more detailed consideration is needed of the implications on the existing cancellation liability and security requirements arising as a consequence of CMP435. This is particularly so for GSPs or other connection sites where there is a mixture of generation and demand, and thus a “mixture” of Generator User Commitment and Final Sums Liability. We understand that in the absence of clear CUSC obligations various</i> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

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| | <i>different arrangements have been adopted as to how different parties face liabilities and thus security obligations. ESO should be working with affected parties to clarify the arrangements that would follow implementation of CMP435.</i> | |
| 8 | 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. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Click or tap here to enter text. | | |
| 9 | 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? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Click or tap here to enter text. | | |