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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:	Michelle MacDonald Sandison	
Company name:	SSEN Distribution	
Email address:	Michelle.macdonaldsandison@sse.com	
Phone number:	01738 342183	
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 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 checked="" type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input type="checkbox"/> d
		WACM1 <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 have a preferred proposed solution?	<input checked="" type="checkbox"/> Original <input type="checkbox"/> WACM1 <input type="checkbox"/> Baseline <input type="checkbox"/> No preference

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		<p>SSEN Distribution have been one of the many parties calling for a reform to the connections process. We have been an active participant in the CUSC modification and the wider changes in industry to support a new, reformed connections process which is fit for purpose for years to come.</p> <p>We are key supporters of the reforms as proposed by NESO, as these are vital to change the as-is process and move us away from the stagnated connections process. To achieve the greatest success at a reform that works for now and for future, we believe the best option to achieve this is the Original proposal.</p>
3	Do you support the proposed implementation approach?	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>We note the change of implementation approach from the workgroup consultation to the current code administrator consultation. We were critical of the implementation approach in the workgroup consultation due to the overly ambitious timescales originally set out. Therefore, we welcome the revised timeline as proposed by NESO, and whilst we believe there to be a significant amount of work required to set networks up for success in a reformed process. Whilst the timelines have improved, we remain greatly concerned that NESO have not fully considered the feedback provided by the network organisations, specifically in light of the most recent TWR exercise that provided insight into timescales and complexity of carrying out extensive review of contracted connections and associated network re-study., This leads us to believe that enough time has not yet been allocated to the reordering of the queue exercise that is required.</p> <p>We continue to recommend an implementation date that is aligned to being able to incorporate the additional concepts being discussed, such as CP2030</p>

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		<p>and alignment of the TMO4+ process with FES and SSEP to support delivery of CP2030, to enable a fully formed solution that delivers a more needs-based approach to connections that is also strategic and enduring.</p>
4	<p>Do you have any other comments?</p>	<p>SSEN Distribution remain concerned that the proposed changes under CMP435 are being driven from a Code Modification and are not currently supported by legislation or a mandate from Ofgem or the Department for Energy Security and Net Zero. At present, the public lack of support from these parties leads us to believe there is a significant risk of legal challenge of the current proposal which could undermine the process of re-organisation of the queue to ensure the first ready, first needed, first connected principle is successfully introduced to the oversubscribed connections queue.</p> <p>SSEN Distributions views on elements 1-18 can be found within our response to CMP434. Below we have included our commentary on Elements 19 and 20 which are specific to CMP435.</p> <p>SSEN Distribution is very supportive of applying the Gate 2 criteria to the whole queue. This proposal will have the most significant effect on reducing the size of the existing queue and allowing those first ready, to connect to the electricity network. However, the contractual changes (Element 19) required will prove extremely challenging in the timescale provided. This can create the conditions for legal challenge, due to not having sufficient time to notify customers of the changing requirements and the changes to their contracts.</p> <p>To add to this point, SSEN Distribution owns and operates the distribution network in two licence areas. In our north of Scotland area, the threshold for a transmission impact assessment is significantly lower than in England and Wales, at just 200kW on the</p>

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		<p>mainland, and 50kW on the Scottish islands. This means the quantity of projects affected by CMP435 is greater than elsewhere in GB. With the timescales proposed, we will have to amend over 500 contracts in the north of Scotland. This significant quantity of projects requiring assessment and subsequent contract updates will require a substantial quantity of time to ensure it is done right.</p> <p>We agree with the introduction of cutover arrangements (Element 20), and we think it is fair and reasonable for a date to be announced in which offers must be signed in order to be classed as 'existing'. A line must be drawn somewhere to allow NESO and network organisations to begin work on realigning the connections queue with the Gate 2 criteria. We support that this element applies to both embedded and transmission connections from the same date, however we would appreciate a number of additional days for DNOs to pass this information through to NESO. We would welcome the additional time to be in line with their proposals for the application window in CMP434, where DNOs are granted an additional 15 working days to complete the paperwork and pass this to NESO.</p>
5	<p>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?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <hr/> <p>Click or tap here to enter text.</p>