

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:	Sam Railton	
Company name:	Centrica	
Email address:	Samuel.Railton@centrica.com	
Phone number:	07557610745	
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 checked="" type="checkbox"/> Storage <input checked="" type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input checked="" 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:

- The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;*
- 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;*
- 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?	<p>Mark the Objectives which you believe the Original solution better facilitates:</p> <p>Original <input checked="" type="checkbox"/>A <input checked="" type="checkbox"/>B <input type="checkbox"/>C <input checked="" type="checkbox"/>D</p> <p>The Original Proposal is likely to result in some improvement to current circumstances. The Original Proposal should shorten the queue as some projects move back to Gate One, with successful projects having the option to advance their connection date. This would have some positive impact on objectives A, B and D.</p> <p>The extent to which these objectives would be addressed remains unclear. It is unlikely that the Original Proposal would significantly reduce the size of the queue as only a minority of projects may fail to meet these criteria, and therefore the opportunity to accelerate remaining projects may be limited. Further, it is unclear whether the proposal will disadvantage embedded generation projects as opposed to those directly connecting to the network, when issuing accelerated offers to existing projects that meet the criteria, and wish to progress.</p>
2	Do you support the proposed implementation approach? (See page- 57-58)	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>We support the proposed approach, in that it recognises the urgent need to address the existing queue size and looks to ensure that 'ready' projects can have connection dates accelerated, as soon as reasonably possible. We agree that reforms need to be implemented quickly so that projects that meet criteria can be progressed.</p> <p>We recognise the need to factor in timings of the implementation of CMP434. As for the response to the consultation on CMP434 we do not think the timeline set out by the proposer is credible as currently set out, and recognise a need to provide industry with a more realistic schedule.</p>
3	Do you have any other comments?	
	No	

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
We do not wish to raise such a request for CMP435.		

Specific Workgroup Consultation questions

5	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> 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 . Please provide rationale for your answer and any suggestions for improvement to each element?	
Element 1: Proposed Authority approved methodologies and ESO guidance (see Page 8-10,29)		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
As for the response to CMP434, we would prefer to see obligations on the ESO to engage with industry prior to formal external consultations, with all relevant documentation being published, in order for us to support Element 1.		
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
No issues to raise concerning which projects go through the Gate 2 to Whole Queue Process, as set out in the consultation document.		
Element 5: Clarifying any Primary Process differences for customer groups (See pages 11-12,32)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
No comments to raise on the clarification set out in the consultation document.		
Element 8: Longstop Date for Gate 1 Agreements (See pages 12-13, 32-33)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We support the introduction of the longstop date, commencing at the point at which a contract becomes a Gate 1 contract. The ESO should publish for DNOs on application of any extension to the date for relevant embedded projects.		

Element 9: Project Designation (See pages 14-15, 33-34)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>As for the response to CMP434 we think there is not enough clarity on how this process would take place, and uncertainty for projects as the methodology is proposed to be non-codified.</p> <p>It is not clear that this element is necessary for application of Gate 2 criteria to the existing queue, as we are not aware of any project in the current queue that would clearly meet all the criteria set out in the consultation, and would benefit from an accelerated connection date. For example, GW scale nuclear may meet the proposed criteria, though current projects wouldn't benefit from a prioritised queue position.</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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
No further comment.	
Element 13: Gate 2 Criteria Evidence Assessment (See pages 22-23, 39-40)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>We support in principle the proposed approach to the Gate 2 criteria evidence assessment, including the proposal for developers to self-assess. We agree it would be beneficial to provide a standard template for self-assessments, consistent across transmission and distribution. We don't believe gaming risks are significant but recognise sample checking as a proportionate way to manage such risk.</p> <p>While we support the principle of this element, given the size of the queue ESO may want to consider whether proposed timelines correspond with DNOs capacity to assess the evidence, and what impact may be on their ability to carry out existing responsibilities without undue delay (for example project progression for existing projects).</p>	
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
No further comment.	
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
As for our response on 434, we agree with this proposal in principle, though cannot comment further until more detail is provided on the form and content for the CNDM.	
Element 19: Contractual changes (See pages 26-28, 43-46)	<input checked="" type="checkbox"/> Yes

		<input type="checkbox"/> No
	<p>We are supportive of the general approach to contractual changes outlined in the consultation. As touched upon in our response for Element 13, it is uncertain how quickly the relevant parties could issue contractual changes – in particular where this is carried out by the DNOs.</p> <p>As set out earlier in this response, as currently proposed we recognise a significant portion of projects in the current queue are likely to pass Gate 2, and of these we would expect a majority would request an accelerated offer, leading us to question the overall impact on the size of the queue and potential to accelerate projects. Regarding the reordering of queue for projects that do wish to accelerate, the proposal to base this on when a project met gate 2 criteria is appropriate.</p>	
	Element 20: Cut Over arrangements (See page 28, 47)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<p>We agree cut over arrangements are necessary for CMP 435. We are minded to support the scope of these arrangements and outline process outlined in the consultation, though recognise further information is needed on details of the process, and how it may be impacted by a delay to the existing timeline proposed by the ESO.</p>	
6	<p>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>If yes, please provide supporting justification.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<p>There are no elements we wish to highlight.</p>	
7	<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.</p> <p>If yes, please provide details and justification.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8	<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>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<p>We do not believe that any group of projects should be exempt from the scope of CMP435. Any exemptions would have the effect of lessening the impact of the proposal in addressing the size of the queue, conflicting with the relevant Applicable Objectives.</p>	
9	<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>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	Nothing to raise.
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