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Code Administrator Consultation Response Proforma

CMP434: Implementing Connections Reform

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.

If you have any queries on the content of this consultation, please contact cusc.team@nationalenergyso.com

Respondent details	Please enter your details	
Respondent name:	Helen Stack	
Company name:	Centrica	
Email address:	helen.stack@centrica.com	
Phone number:	07979 567785	
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 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*)

For reference the Applicable CUSC (non-charging) Objectives are:

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- 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 solutions against the Applicable Objectives?	Mark the Objectives which you believe the proposed solutions better facilitate:	
		Original	<input checked="" type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input checked="" type="checkbox"/> d
		WACM1	<input checked="" type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input checked="" type="checkbox"/> d
		WACM2	<input checked="" type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input checked="" type="checkbox"/> d
		WACM3	<input checked="" type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input checked="" type="checkbox"/> d
		WACM4	<input checked="" type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input checked="" type="checkbox"/> d
		WACM5	<input checked="" type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input checked="" type="checkbox"/> d
		WACM6	<input checked="" type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input checked="" type="checkbox"/> d
		WACM7	<input checked="" type="checkbox"/> a <input checked="" type="checkbox"/> b <input type="checkbox"/> c <input checked="" type="checkbox"/> d
		Centrica believes that the Original and all WACMs better facilitate CUSC objectives a), b) and d) compared to the Baseline. In the face of an exponential rise in connection applications the Baseline no longer provides an effective solution, meaning there is a need for radical and urgent reform.	

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		<p>The Original and all WACMs better meet objectives a) and d) by ensuring only viable projects that are ready to progress, and are needed, pass Gate 2 (subject to Ofgem's approval of the linked NESO Methodology documents and licence conditions). In combination with 'batching', this has the potential to allow the Licensee to provide faster and more cost-efficient connection of generation assets, compared with the current situation.</p> <p>The Original and all WACMs also better meet objective b), given that the Baseline is effectively 'broken' and is not allowing new generation projects to enter the market in a timely manner.</p> <p>We remain concerned that the Original and all WACMs fail to address issues at the transmission-distribution interface that can disadvantage embedded generation relative to directly connecting projects. This is because these issues were not included in the final scope of CMP434.</p>
2	Do you have a preferred proposed solution?	<p> <input type="checkbox"/> Original <input type="checkbox"/> WACM1 <input checked="" type="checkbox"/> WACM2 <input type="checkbox"/> WACM3 <input type="checkbox"/> WACM4 <input type="checkbox"/> WACM5 <input type="checkbox"/> WACM6 <input type="checkbox"/> WACM7 <input type="checkbox"/> Baseline <input type="checkbox"/> No preference </p> <p>The case for WACM2</p> <p>Centrica prefers WACM2, although we also see merit in several of the other solutions.</p>

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		<p>Of all the WACMs, we believe that this is the most needed for go-live.</p> <p>The need for an obligation on DNOs to submit Gate 2 evidence on time was put forward by multiple stakeholders in the Workgroup Consultation.</p> <p>Alternative 8, which became WACM2, was originally put forward by Renewable UK on behalf of its members.</p> <p>WACM2 will help ensure small and medium embedded generation projects that provide valid evidence of meeting Gate 2 requirements do not miss inclusion in that Gate 2 batch because the DNO/iDNO fails to submit within the CMP434 time frame.</p> <p>Of all the WACMs, WACM2 addresses the defect in the original that needs addressing most urgently. There is no alternative route to achieve this that can be delivered on time for the first Gate 2.</p> <p>If a project misses Gate 2 due to DNO/iDNO failure to submit, it is forced to wait until the following window. This puts project economics at risk, harms CP30 delivery and is discriminatory relative to transmission-connected projects who are not reliant on DNO-submission.</p> <p>The Original places a “reasonable endeavours” requirement on DNOs to submit Gate 2 evidence. Centrica does not believe this is sufficient in light of:</p> <ul style="list-style-type: none"> a) the extensive and protracted delays most developers have faced waiting for DNOs to submit Project Progression and b) the reluctance of DNOs and the ENA to collectively agree a voluntary commitment to submit Project Progression within a standard timeframe. <p>In response to DNO concerns about a mandatory requirement to submit G2 evidence on behalf of their customers we point to several mitigations that make WACM2 a reasonable and balanced approach:</p> <ol style="list-style-type: none"> 1. The WACM2 mandatory obligation only applies to applications where the Gate 2 Criteria for readiness have been met. 2. 17.6.7 requires developers to notify Gate 2 readiness the DNO/iDNO as soon as reasonably practicable.
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3	Do you support the proposed implementation approach?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Centrica is generally supportive of the implementation approach set out by NESO in the consultation document.</p> <p>Subject to any movement to Ofgem's decision date, industry will need clarity asap on what will happen when.</p> <p>Further work is needed to clarify interactions with distribution network connections processes for embedded customers. If NESO and network parties have not started addressing these (in a way that is transparent to stakeholders) by the time of Ofgem's decision, the Ofgem should require NESO/networks to do so.</p>
4	Do you have any other comments?	<p>NESO, the regulated networks and Ofgem will need to work together to provide clarity to embedded generation customers on Connections Reform areas outside of the scope of CMP434 that interact with TMO4+. For example, Technical Limits.</p>

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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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		Click or tap here to enter text.