

**Workgroup 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@nationalgrideso.com](mailto: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](mailto:cusc.team@nationalgrideso.com)

Respondent details		Please enter your details	
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<b>Which best describes your organisation?</b>	<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 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.

**Please express your views in the right-hand side of the table below, including your rationale.**

Standard Workgroup Consultation questions		
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 type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D
Whilst we do have some concerns regarding some areas of the proposal, some items not in scope and potential unintended consequences, overall we believe the Proposal to introduce TMO4+ better facilitates the Applicable Objectives than the Original Proposal.  A - Positive B - Negative C - Neutral D - Positive		
2	Do you support the proposed implementation approach? (see pages 59-61)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
SPR recognise and support the need for connections reform given the scale of the connections queue and the problems facing developers. Whilst supportive of the implementation approach as summarised on Page 60, we do have some concerns given the scale of change being proposed, the now delayed CUSC Modification timescales, and the impact this has had on the revised date by which Ofgem will make its decision. With the date now expected as late as 13 <sup>th</sup> December, which as the consultation rightly highlights as being just prior to the festive season, this leaves very little time for the ESO to ensure that stakeholders can fully engage in any supporting guidance and engagement that may be available to them. We would further express concern that there has been indication given by the ESO that the proposed reforms may not go far enough to deliver the envisaged queue benefits and that further reform measures will be required post implementation. Such an approach will introduce further risk and uncertainty for the development of projects which are at present trying to adapt to the not yet implemented proposed arrangements. Industry has already witnessed earlier attempts to reform the queue (5-Point Plan) (and 2 step-offer process?) only for further changes to be introduced before the benefits of any initiative could be fully realised. Whilst we recognise the rationale for what has happened in the past, we would urge that the ESO and Ofgem		

	<p>implement a reformed process that is fully assessed to work and deliver the required benefits without the need for further adjustments down the line. A consultation on such significant proposed changes to the connections process, comprising of 18 Elements, and open for such a short period of time (9 working days) and at a time when many in industry are on holiday, will most likely have an impact on the ability for industry to fully engage in an informed manner. We suggest that further work is needed as part of the implementation approach to inform and fully prepare the industry.</p>	
3	<p><b>Do you have any other comments?</b></p> <p>As noted in our response to Q1 above, we believe the proposal does not fully consider the potential for unintended consequences and additional measures of in scope items.</p> <p>We would also refer to the work undertaken by RUK and supported and developed by RUK members - Issues Log and Unintended Consequences which will accompany their response.</p>	
4	<p><b>Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?</b></p>	<p><input checked="" type="checkbox"/> Yes (the request form can be found in the <a href="#">Workgroup Consultation Section</a>)</p> <p><input type="checkbox"/> No</p>
<p>As per discussions points raised by SPR and other working group members, we do not believe that Gate 1 should be a mandatory step in order to progress to Gate 2. Whilst noting that the proposal allows for a Gate1/Gate 2 application to be made, such an approach means limiting developers to a single window opportunity where they choose to develop their project ahead of any application. If the benefit to applying for Gate 1 is to give the NGESO/TOs visibility of what projects may progress, the proposed approach doesn't provide this in circumstances where developers elect to apply for Gate 2 at the same time. We believe it would be a reasonable alternative to allow the Gate 1 application as optional as opposed to a mandatory step in the process.</p>		

<p><b>Specific Workgroup Consultation questions</b></p>		
5	<p><b>Do you agree with the elements of the proposed solution?</b>                  Element 7 has been de-scoped and Element 10 is proposed to be codified within the STC through modification <a href="#">CM095</a>.                  Please provide rationale for your answer and any suggestions for improvement to each element?</p>	
<p><b>Element 1:</b> Proposed Authority approved methodologies and ESO guidance (see pages 9-10, 55)</p>		<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p>We agree that in certain instances, it is reasonable to develop methodology documentation on the basis that such methodologies are subject to a consultation and approval process outwith CUSC to ensure that such methodologies cannot be amended at any time at the discretion of the ESO. We do however note that the extent of documentation proposed under Element 1 to be somewhat limited in its scope. At</p>		

<p>the time of this consultation, none of the methodologies and guidance referenced are available for review or comment, making it very difficult to consider if such an approach is appropriate or not. It is for this reason we cannot support the proposed solution.</p> <p>The development of separate methodology documents should be done to ensure that each methodology is easy to understand and accessible to all stakeholders, ensuring that any rules, criteria and policy are clearly understood.</p> <p>We do however believe further consideration should be given to expanding the scope of "Authority approved Methodology" to include other key documentation such as Significant Modification Application Guidance (given the intention to codify the concept of "Significant Modification Application"), Material Technology Change Guidance and Letter of Authority Guidance to ensure interpretation and application of each is not at risk of being applied on a discretionary basis by the ESO/TOs or amended without due process and engagement.</p>	
<p><b>Element 2:</b> Introducing an annual application window and two formal gates, which are known as Gate 1 and Gate 2 (i.e. the Primary Process) (see pages 11, 35-36)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>We agree there are benefits to operating under an application window where there is a clear commitment and obligation on the ESO to ensure that the Construction Planning Assumptions are fully up to date. Whilst such an approach should provide greater certainty around the basis of an offer, this does impact greatly on the flexibility for submission of applications (and Modification Applications) and timescale to receive an offer.</p> <p>We do however have some concerns regarding the ability for the ESO and TOs to manage the process in terms of being adequately resourced. Whilst the proposals are designed to stop the flow of new applications and projects joining an ever-growing connections queue, the scale of work and effort involved cannot be underestimated. We have already witnessed delays to offers that were part of the 2-Stage Offer process introduced in E&amp;W. There can be no similar delays faced to projects due to any new process introduced under the Connections Reform.</p>	
<p><b>Element 3:</b> Clarifying which projects go through the Primary Process (see pages 11-12, 35-36)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>We agree that the scope of projects listed represents the principal project types that should go through the Primary Process. We do however believe that consideration should be given to directly connected projects which trigger works on the DNO network and how the impact of such connections will be considered under the TMO4+ process. Whilst we note CUSC Modification CMP 328 "Connections triggering Distribution Impact Assessment" has been sent back to the working group by the Authority, we believe the TMO4+ arrangements must fully consider the impact of such connection types.</p>	
<p><b>Element 4:</b> Significant Modification Applications concept, including the proposed criteria and the proposed level of codification (see pages 12-13, 36-39)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<p>Whilst we do agree with the base principles of what defines a “Significant Modification Application” we believe the scope should be expanded to include changes that result in “considerable impact on the design of the distribution system”, “considerable impact to the operation of the distribution system” and the “considerable impact of any directly connected generation connection on users of the distribution system”.</p>	
<p><b>Element 5:</b> Clarifying any Primary Process differences for customer groups (see pages 13-14, 35-36)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p>We believe further consideration should be given to the primary process difference for customer groups. For example, we have concerns regarding the proposed approach to the DFTC which will govern the relevant embedded small and medium power stations. We believe there is risk to ensuring embedded customers are treated fairly and equitable under the new proposed arrangements. The current proposals, along with detail as to how the ESO/DNO interface will operate is lacking at this time.</p> <p>We also believe further consideration should be given to a previous proposal which considered the option of Crown Estate to secure future leasing rounds as part of Gate 1. Such an approach could lead to a more efficient process in the co-ordinated development of offshore connections. Given the problems experienced over the past few years as a consequence of the HND process and lessons should be learned from this.</p>	
<p><b>Element 6:</b> Setting out the process and criteria in relation to Application Windows and Gate 1, including introducing an offshore Letter of Authority equivalent as a Gate 1 application window entry requirement for offshore projects (see pages 15-16, 39-40)</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p>
<p>We agree with the process and criteria in relation to the Application Windows and Gate 1. Whilst we note Element 6 describes the frequency and duration of the application windows will be subject to regular review, we believe a firm commitment should be incorporated into the proposals to do so with a view to improving on the timescales post implementation and operational. Whilst out of scope of this modification proposal, whilst noting that an application fee will apply to Gate 1 Applications, the fee should be reflective of the fact that the offers are effectively a budget quote. We also believe there is merit in a site plan required to accompany the Gate 1 applications to fully stop the speculative applications.</p>	
<p><b>Element 7:</b> Fast Track Disagreement Resolution Process (de scoped from this modification – see pages 16, 58)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p>Whilst noting that the Fast Track Disagreement Resolution Process has been removed from scope, there remains concern regarding the process for parties who are not direct CUSC contracted parties, such as relevant embedded projects and what disadvantaged position they are placed in as a consequence. This again highlights the issue of not having the ESO and DNO interface in terms of processes, roles and responsibilities not clearly defined in the context of the proposed CMP434 arrangements and potential for unintended consequences.</p>	

<p><b>Element 8:</b> Longstop Date for Gate 1 Agreements (see pages 16, 40-41)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>We agree that it is a reasonable proposal to introduce a longstop date for Gate 1 Agreements. Whilst we welcome the proposal for NGESO to have the discretion to extend this timeframe in certain circumstances, we would argue that such an approach will require supporting published guidance setting out the level of supporting evidence required in order to demonstrate sufficient progress is being made. Guidance on evidence required and basis upon which extension shall be granted is essential to ensure all decisions made are done so on a fair and equitable basis. Such discretion should presumably also extend to DNOs/IDNOs when managing any customers impacted by the process.</p> <p>As a leading developer of renewable projects we develop, construct and operate our sites, which means we negotiate and secure all necessary land agreements to a high standard. As a consequence, this can, on occasions, mean that the timescales to conclude can take longer. It does however ensure that the project can be developed fully with all necessary land agreements in place post Gate 2. In our experience, we have seen that other developers, especially companies with no intention of constructing and operating the sites, take a different approach and will secure minimal requirements with respect to land agreements resulting in many terms requiring to be re-negotiated at a later date or the site being sold to another developer who is also likely to renegotiate the terms – this would occur post Gate 2. Whilst we support the proposed criteria, we do believe it will incentivise unhelpful behaviours by some (both landowners/ their agents and developers) to secure a hollow land right expressly to fulfil Gate 2 criteria.</p> <p>For offshore development however, 3 years may not always be sufficient without work arounds or exceptions. Given there are multiple interacting elements to this proposal, with aspects yet to be fully defined, we would suggest the approach for offshore projects is given further consideration.</p>	
<p><b>Element 9:</b> Project Designation (see pages 17-18, 48-49)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>We recognise the benefits of such approach, and the need for the ESO to meet their licence obligations with respect to security of supply, system operation and the reduction of system and network constraints. The proposal to introduce the concept of Project Designation is a sensible means to facilitate their licence obligations, however the governing methodology must provide absolute clarity and transparency of the principles of how it will be applied to ensure no repeat of the problems encountered with respect to the approach adopted for Pathfinder Projects.</p>	
<p><b>Element 10:</b> Connection Point and Capacity Reservation (proposed to not be codified within the CUSC, but is intended to be codified within the STC through modification <a href="#">CM095</a> – see pages 18-20 and the <a href="#">CM095 Workgroup Consultation</a>, pages 6-10 <a href="https://www.nationalgrideso.com/document/322801/download">https://www.nationalgrideso.com/document/322801/download</a>)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

No Comments	
<b>Element 11:</b> 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 20-24, 42-46)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>We agree with the criteria for demonstrating that Gate 2 has been achieved. As a leading industry developer, we would not consider signing an option period shorter than 3 years, so this is a good starting point. Option periods however could be different for each site which will depend on the grid connection date with the lease trigger date aligning with the grid date (assuming planning is already secured).</p> <p>With regards to submitting planning, we would suggest the 'typical timescales based on views of some Workgroup Members' to be more appropriate. For example, for most new windfarm projects, we are required to carry out 2 years of bird surveys before you can submit a planning application.</p>	
<b>Element 12:</b> Setting out the general arrangements in relation to Gate 2 (see pages 25-26, 47)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>Whilst we agree with most of the general arrangements in relation to Gate 2, we do not agree with the proposal that in order to meet Gate 2 criteria, projects must have met Gate 1 criteria in the first instance. For projects that choose to develop their project to the extent they already meet Gate 2 Criteria, this would result in applications being delayed simply to wait for the Gate 1 window. The proposer has suggested that this is a requirement as the studies undertaken at Gate 1 will be used to assess whether any transmission investment can be progressed on an anticipatory basis to meet likely future system needs. However, the detail on how this will work and the resulting output of Gate 1 studies vs Gate 2 studies is unclear. It is also unclear how this will link to other network design processes such as CSNP and SSEP, which will be provided in the Connections Network Design Methodology (CNDM) but is being developed outside of the code change process.</p> <p>On this basis it is unclear what benefit, if any, Gate 1 will have for projects or TO signals for investment. In light of the current proposals, we would suggest that Gate 1 should be an option step, allowing projects that are Gate 2 ready to apply directly to any Gate 2 window.</p> <p>At the time of this consultation being published, it remains unclear as to the treatment of staged connections and those with mixed technologies. Such a build approach is becoming more common for development of projects therefore clear guidance on the treatment is required.</p>	
<b>Element 13:</b> Gate 2 Criteria Evidence Assessment (see pages 26-27, 47-48)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>In principle, we agree with Gate 2 Criteria Assessment, however we do have some concerns with regards to the submission of copies of option/lease agreements. The</p>	

<p>ESO must ensure that any copies of option/lease agreements submitted as evidence are held in a secure location with no ability for information to be accessible by anyone unless they have the authority to do so. This information cannot under any circumstance be made public.</p> <p>Whilst it is expected that projects will be required to submit evidence, such as option/lease agreements, most lease agreements are likely to require landowner approval prior to sharing with a third party. It may also be necessary to redact some aspect of the agreements.</p> <p>Whilst the current proposal is for all projects to submit evidence, such as option/lease agreements, most lease agreements for existing projects are likely to require landowner approval prior to sharing with a third party. It may also be necessary to redact some aspect of the agreements. If we are able to share agreements, we would question if an NDA is required to be put in place to govern the exchange of sensitive data. It is also not clear at this stage if any of the documentation will require to be redacted in some areas. Depending upon the answers to these questions, this may take some time before the relevant documentation can be submitted as evidence. This will need to be factored into any new landowner negotiations going forward.</p> <p>It is difficult to fully take a view on this Element given the methodology which will govern the Gate 2 Criteria assessment which is still to be developed and approved.</p> <p>The successful implementation of Gate 2 will very much depend on the ESO being adequately resourced to support the process and checks along with the development of necessary systems to be in place ahead of implementation.</p>	
<p><b>Element 14:</b> Gate 2 Offer and Project Site Location Change (see pages 28, 46)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p>We do not agree with the principles set out within Element 14 with respect to the Gate 2 Offer and Project Site Location Change. Whilst we would hope such an outcome would be rare, this would present significant risk to the project and creates multiple land and planning risks. Projects cannot simply move the project to a different connection point at Gate 2 stage. If the TO becomes aware of the need likelihood of the indicative connection point changing if a project were to meet their Gate 2 criteria, the impacted developer(s) should be notified as soon as possible to allow for the impact to be fully assessed. In the event the new proposed connection point is not acceptable, this could result in the project becoming unviable. For example, if additional landowners are required and they subsequently refuse to engage. We believe such a change could lead to planning risks of moving site boundaries that could infringe on other consenting risks such as proximity to properties and other environmental constraints. The proposed period of 12 months is most likely too short in our opinion and consideration of a longer time period should be given.</p>	
<p><b>Element 15:</b> Changing the offer and acceptance timescales to align with the Primary Process timescales (e.g. a move away from three months for making licenced offers) (see pages 29, 42-46)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p>In light of the proposed new process, we recognise the need to amend the current licensed timescales for making an offer. Noting the extended timescales for offers</p>	

<p>being received, whilst noting the rationale for this, anything longer would not be acceptable.</p>	
<p><b>Element 16:</b> Introducing the proposed Connections Network Design Methodology (CNDM) (see pages 29, 53-55)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>Element 16 sets out that the CNDM should not be codified, although this is on the assumption that the Authority introduces a licence obligation for the ESO/TO to have the methodology in place and set out the processes etc for the CNDM. It is essential that this process is transparent and subject to appropriate scrutiny to ensure fairness across all projects.</p> <p>Whilst we agree with the proposal to introduce the concept of a Connections Network Design Methodology and agree this should be an Authority approved methodology. However, given the lack of detail on what the CNDM will include and what outputs it will deliver for Gate 1 studies versus Gate 2 studies, we believe this information is crucial to ensuring the final solution is robust and delivers the intended benefits. As the CNDM is linked to other elements in the proposal, and the timing of the CNDM being available remains unclear, a successful implementation it. Given several other Elements are linked to the CNDM, it is unclear from the proposal how proposed implementation can succeed without a complete or significantly complete methodology.</p>	
<p><b>Element 17:</b> Introducing the concept of a Distribution Forecasted Transmission Capacity (DFTC) submission process for Distribution Network Operators (DNOs) and transmission connected Independent Distribution Network Operators (iDNOs) to forecast capacity on an anticipatory basis for Relevant Embedded Small Power Stations or Relevant Embedded Medium Power Stations aligned to the Gate 1 Application Window (see pages 30-33, 51-53)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Whilst we support the introduction of the concept of a DFTC for DNOs, we do however believe the methodology to support it should be approved and available ahead of implementation. Noting however that DFTC is simply a forecast and as such is not securing capacity, it is unclear if this will lead to unintended consequences for DNOs and their customers. There is not enough information at this stage to fully consider this potential impact, but it could lead to barriers for those seeking to connect via the DNO. We have expressed concern during the working group, as have other workgroup members, regarding the lack of scope development for the DNO interface. We do not believe there is sufficient information available to industry at this time to make a fully informed assessment on DFTC.</p>	
<p><b>Element 18:</b> Set out the process for how DNOs and transmission connected iDNOs notify the ESO of Relevant Embedded Small Power Stations or Relevant Embedded Medium Power Stations which meet Gate 2 criteria (see pages 33-34, 51-53)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>As stated in our response to Element 17, we believe the interface between the ESO and DNOs has not been fully considered or developed to ensure there are no unintended consequences following implementation of CMP434. It is of concern that the proposer does not envisage any changes being required with respect to the</p>	

	<p>process which considers the impact of relevant embedded generation and the interface between the DNOs/IDNOs and ESO and that Gate 2 criteria will be based on current arrangements. The current arrangements for assessing transmission impact on embedded generation has gone through a number of changes in recent years, none of which have been implemented or applied on a consistent basis between DNOs. This has resulted in a continued problematic process for embedded customers impacted by an often-discriminatory process. The disconnect between small/medium and large embedded customers, again leads to potential discrimination between customer types.</p> <p>The process which governs how embedded projects can secure their project in Gate 2 must for part of a codified process between the ESO/DNO and for the DNOs and their customer to ensure management of the interface is undertaken on a consistent basis and the arrangements and obligations on all parties is fully transparent.</p>	
6	<p>Are there any elements of the proposal which you believe should not be included as part of this proposed solution, which the Proposer believes represents the 'Minimum Viable Product' reforms required to the connections process? If not, why not? (Please note the element number in each of your responses if applicable)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
	<p>No Comments</p>	
7	<p>As per question 6, are there any additional features which you believe should be included as part of Minimum Viable Product reform to the connections process?</p> <p>As noted in our response to Q1, we are aware of additional measures under consideration which has been presented to CDB members. It is difficult to provide a definitive response here in absence of knowing the full details of what the additional measures may look like, however it would make sense that the working group are given the opportunity to consider what these are and if they should be taken forward as MVPs under this modification, as opposed to further changes post implementation.</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
8	<p>Do you agree that the Gate 1 process should be a mandatory process step, or do you think Gate 1 should be an optional process step with projects being able to apply straight into the Gate 2 process if the project meets both the relevant Gate 2 and Gate 1 criteria?</p> <p>We do not believe the Gate 1 process should be a mandatory step in order to apply into the Gate 2 process. Whilst the consultation notes that Gate 1 applications will be considered as part of the background assessment by the TOs when undertaking a more co-ordinated network design process, the TOs have indicated they will not be providing a TOCO to NGENSO as part of the process. With the Gate 1 offer set out as being an indicative one and with the added risk of the connection point provided at Gate 2 as being different to that indicated in Gate 1, it would therefore make more sense to allow developers the option to apply direct to any of the Gate 2 windows when in a position to do so allowing the offer issued as being confirmed in respect to the works, connection point, costs programme etc.</p> <p>It has been indicated that studies at Gate 1 will be used to assess whether any transmission investment can be progressed on an anticipatory basis to meet likely future system needs. However, the value of the Gate 1 and associated studies</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>

	<p>compared to the Gate 2 studies is difficult to fully consider when the detail on this (and how it links to other network design processes such as CSNP and SSEP), which will be governed as part of the Connections Network Design Methodology (CNDM) and the detail of which is being developed outside of this code change process.</p>	
<p>9</p>	<p>Do you believe that the proposed Gate 1 and Gate 2 process could duly or unduly discriminate against any types of projects? If so, do you believe this is justified?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p>
	<p>We do believe there is a material risk that the proposed process could lead to the unintended consequence of discriminating on technology types and project size. For example, securing land for a battery energy storage project is typically less onerous than that for a wind farm project, or a smaller scale solar project for example with less landowners will fair far better via the proposed process than a large windfarm capable of achieving much larger MWs, and larger net zero impact. BESS projects for example may only have 1 landowner but a typical windfarm will have circa 4-5. We have experience where projects can range from having a single landowner to one where 19 leases were required across the main site. It is clear on this basis, one project would fair more favourably under the proposals compared to others.</p>	
<p>10</p>	<p>Please provide your views on the proposed options ((a) to (e) on page 45) to mitigate the risk of requiring a developer to submit their application for planning consent earlier than they would in their development cycle (with the risk this consent could expire and any extension from the Planning Authority is not automatic).</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No</p>
	<p>The biggest risk and factor for consideration comes down to what the connection date is. The planning submission/determination timescales are not relevant if the connection date is 12-15 years away for example. There is no consent process that extends to cover that time period. With the key focus on land, it is important that any grid offer timescales dictate what option lengths a developer needs to negotiate (not the other way round) as long as the grid offer timescales are reasonable as 10-year options would be extremely difficult to archive.</p> <p>Our views on the proposed options (a) to (e) to mitigate the risk of requiring a developer to submit their application for planning consent earlier than they would in their development cycle are set out as follows:</p> <p>(a) We are of the view this is complicated, unless a very conservative view of timescales is taken (decision timescales can be significantly longer than expected). We would further question how this would be enforced with planning authorities and Scottish Government for example.</p> <p>(b) - We do not agree with the proposal of a 10% developer spend route as being reasonable. It is unlikely at that early stage a developer will have fully placed their EIA contract which would be the first major lump of spend on a project aside from smaller scale feasibility/bird survey costs etc. It is also unclear what approach would be taken by NGENSO with respect to how they would expect developers to provide evidence of spend at this stage of the project. Typically, projects can only demonstrate circa 10% spend once a project is at the point of having gained consent, after FID, and is being prepped for passing over to Construction.</p>	

	<p>(c) We agree that, if implemented, a forward looking M1 milestone date must not be counted from a point in time where the TO is yet to confirm the location of their substation. Further flexibility may also be required to extend M1 period where any changes are made, by the TO, to the location or arrangement of the substation that have a planning/environmental assessment implication.</p> <p>(d) We are supportive of this proposal and appears the most logical option, with X being 6-years away.</p> <p>(e) We do not consider that this mitigates the issue of developers being forced to undertake their planning process far in advance of when the project programme would require it. There is significant risk and cost required to extend planning permission periods or re-secure planning permission. The M1 milestone should be set at an appropriate time relative to the contracted connection date to avoid unacceptable risk of prematurely advancing planning and potentially abortive costs.</p>	
11	<p>Do you agree that DFTC should be included as part of CMP434? If not, do you believe that the reformed connections process can function without DFTC? Please justify your answer. (see pages 30-34, 51-53)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<p>We agree that DFTC should be included as part of CMP434. It is important that the ENA methodology for DFTC is approved and in place ahead of the implementation date. Whilst DFTC is a DNO forecast and not intended to reflect a project-by-project submission, it is noted that the intent is to allow DNOs to continue to make offers to their customers (and receive acceptances) which would be considered as the equivalent of a Gate 1 offer. However, the proposer has suggested that embedded projects will not have the option to apply for a Gate 2 offer at the time of the DFTC submission – an option only available to directly connected parties which suggests discriminatory treatment of one customer group. It is noted also that large, embedded power stations (based on their current definitions) are out of scope of DFTC. This again has the potential to lead to a different treatment of a particular customer group.</p>	
12	<p>The Proposer intends to set out supporting arrangements for TMO4+ via a combination of guidance and methodologies (e.g. DFTC, CNDM, Project Designation, Gate 2 Criteria). Do you anticipate any issues with having these outside of Code Governance? (see Pages 9-10, 55)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<p>The rationale for the development of guidance and methodologies outside of code governance is understood and has precedent with documents such as Queue Management, Interactivity etc. There are benefits of such an approach to ensure that guidance and or methodologies are written in a clear and understood manner as opposed to CUSC language which forms part of the legal framework. However given the scale of change being proposed and the requirements on projects going forward, it is essential all supporting methodologies are subject to a robust consultation and authority approval process. The current proposals are limited in scope in terms of what guidance and methodologies will form part of the suite of documents that will sit outside of the code governance, however there is a risk the scope could be expanded at any time to include additional requirements.</p>	

Whilst noting the methodologies and guidance will sit outside of code governance, we would expect the process by which they will be developed, consulted upon and approved by the authority to be documented along with circumstances that would direct the documents to be re-opened and amended.