

CMP376 Workgroup 6

21 October 2022

Online Meeting via Teams

WELCOME



nationalgridESO



Objectives and Timeline

Paul Mullen - National Grid ESO Code Administrator

Proposed Revised Timeline for CMP376

Milestone	Date	Milestone	Date
Workgroup Nominations (15 working days)	Closed	Panel sign off that Workgroup Report has met its Terms of Reference	24 February 2023
Workgroups 1 – 5	28 October 2021, 13 December 2021, 28 January 2022, 6 September 2022 and 27 September 2022	Code Administrator Consultation (15 Working Days)	27 February 2023 to 20 March 2023 (5pm)
Workgroup 6 – Agree the Milestone timings; Agree how Modification Applications impact on the Milestones set out in the Construction Agreement; Clarify the Original proposal and confirm if any possible alternatives; Review updated version of Legal Text; and Note possible questions to be raised as part of the Workgroup Consultation	21 October 2022	Draft Final Modification Report (DFMR) issued to Panel (5 working days)	23 March 2023
Workgroup 7 – Clarify solutions to be consulted upon, check in on Transmission vs Distribution differences, finalise Legal Text, finalise Workgroup consultation (including agreeing Workgroup Consultation questions), check in on progress vs Terms of Reference	17 November 2022	Panel undertake DFMR recommendation vote	31 March 2023
Workgroup Consultation (20 Working Days)	25 November 2022 to 23 December 2022 (5pm)	Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	4 April 2023
Workgroups 8 and 9 - Assess Workgroup Consultation Responses, further review of Original and alternatives (including legal text) and carry out Alternative Vote	9 January 2023 and 26 January 2023	Final Modification Report issued to Ofgem	12 April 2023
Workgroup 10 - Finalise solution(s) and legal text, agree that Terms of Reference have been met, Review Workgroup Report and hold Workgroup Vote	8 February 2023	Ofgem decision	TBC
Workgroup report issued to Panel (5 working days)	16 February 2023	Implementation Date	10 working days after Authority Decision

Actions from last meeting

Paul Mullen - National Grid ESO Code Administrator

Actions from last meeting

Action Number	Owner	Action	Due by	Status
1	Paul Mullen	Timeline - Share updated timeline with Workgroup	3 October 2022	Closed
2	Paul Mullen	Ofgem - Bring Ofgem up to speed on current developments and where we need their support	7 October 2022	Closed – met Matthew Patrick 4 October
3	Workgroup	Milestones - apply their own project (including Transmission Owners) timelines to the proposed Milestones and feedback any alternative thoughts on Milestone durations.	7 October 2022	Closed – feedback received and issued to ESO to consider
4	ESO	Milestones - Consider Workgroup feedback on milestone timings and confirm what timings are proposed to be in the CMP376 Original	14 October 2022	Closed – see slide 11
5	ESO	Milestones - On the Milestones table, the date for a milestone appears to be set according to the time period from the date the offer is made and the offered contracted Completion Date. Consider measuring the time period from either a) the date of acceptance by the User or b) the effective date of the agreements, instead of from the offer date	14 October 2022	Closed – time period is from contracted Completion Date to effective date of the agreements
6	ESO	Milestones - On the Milestones table, consider removing the column “5 years and above from contracted Completion Date” and change the previous column to “4 years + from the contracted Completion Date”	14 October 2022	Closed – Proposer leaving as “5 years and above from contracted Completion Date”

Actions from last meeting

Action Number	Owner	Action	Due by	Status
7	ESO	Milestones – Consider if Milestone 6 should be “Submit Construction Plan” rather than “Agree Construction Plan”	14 October 2022	Closed - Proposer leaving as “Submit Construction Plan” but will add “to Transmission Owner”
8	ESO	Milestones - Ensure any differences between the Transmission and Distribution milestones are clearly shown	10 November 2022	Open – note that M4 has been taken out as the ESO would not terminate on this milestone.
9	ESO	Milestones - Consider Workgroup Member feedback on only applying the termination rights to Milestones M1 to M3 until planning and land consents obtained	14 October 2022	Closed – Not to be included in Proposer’s Original. Workgroup can consider alternative proposal
10	ESO	Milestones and Modification Applications - Consider Workgroup Member feedback to allow Modification Applications to move back Milestones M7 and M8	14 October 2022	Closed - Not to be included in Proposer’s Original; however, revised milestone durations may mitigate this

Actions from last meeting

Action Number	Owner	Action	Due by		Status
11	ESO	Modification Applications - Confirm process for Modification Applications that increase Transmission Entry Capacity for a current Construction Agreement where the original Construction Agreement has not yet been completed	14 2022	October	Closed – could be separate Construction Agreements and different milestones apply to each “stage”
12	ESO	Modification Applications - Confirm process for Modification Applications that do not seek a change to the contracted Completion Date	14 2022	October	Closed – Milestones will be added
13	ESO	Legal Text - Issue updated version of Legal text (based on comments at Workgroup Meeting* and those sent in advance by a Workgroup Member) *Evidence needs to be included in body of CUSC rather than the Exhibit; Clarify the evidence required for Milestone 6	14 2022	October	Open – ESO to issue revised legal text on 14 October 2022

Transmission and Distribution consistency

All Workgroup

Update on Proposer's Solution:

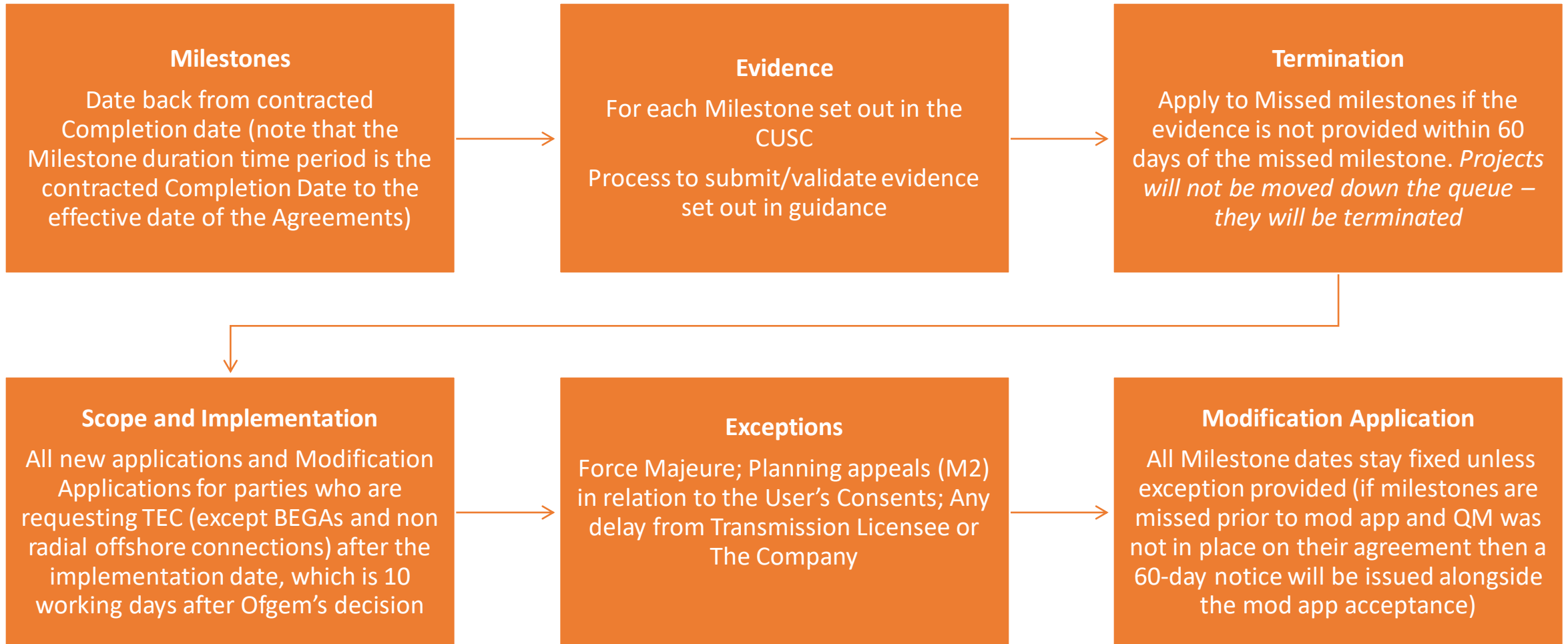
Laura Henry / Kavita Patel / Rein de Loor / Paul Mott – ESO

Updated Transmission Milestones Proposal

Retained Distribution
Milestone Names for
consistency

	1 year from requested Completion date	2 years from requested Completion date	3 years from requested Completion date	4 years from requested Completion date	5 years and above from requested Completion date (including EIA, DCO)
Milestones:	All durations referenced from contracted Completion Date				
M1 - Initiate Planning Consent	Bilaterally negotiated	18 months	24 months	36 months	48 months
M2 - Secure Consent		12 months	18 months	24 months	30 months
M3 - Land Rights		21 months	30 months	39 months	48 months
M4	N/A for transmission (referenced to provide consistency to distribution)				
M5 - Contestable Design Works Submission	Bilaterally negotiated	18 Months	24 months	36 months	48 months
M6 - Agree Construction Plan		9 Months	12 months	15 months	18 Months
M7 - Project Commitment		6 Months	9 months	12 months	15 Months
M8 - Project Construction		3 months	6 Months	9 months	12 months

Summary of Proposal



Discussion on potential alternatives

All Workgroup

Legal Text Review

Rein de Loor / Paul Mott – ESO

Workgroup Consultation approach and questions to ask

All Workgroup

Next Steps

Paul Mullen - National Grid ESO Code Administrator

Annex 1 - Terms of Reference

Paul Mullen - National Grid ESO Code Administrator

CMP376 Terms of Reference V2

Workgroup Term of Reference

- a) Consider EBR implications.
- b) Consider how the ESO communicates its acceptance (or not) of the evidence of milestone completion provided by the User.
- c) Consider how the ESO will monitor User compliance, verify evidence provided by Users, and when action is taken to enact any termination rights.
- d) Consider interaction with other provisions in the CUSC, Construction Agreements and Connection Agreements that deal with project delays and termination of agreements (e.g. Quarterly Updates).
- e) Consider how this is enacted when a User seeks to delay beyond their originally contracted milestone dates i.e. does this lead to automatic termination of any Construction Agreement or is there any scope to delay connection dates. Consider previous work on CAP150 in this regard.
- f) Consider requirement to ensure Construction Agreement Milestones (Appendix J) responsibilities are clearly defined specifically with respect to consents and land rights.
- g) Consider any strategic or regulatory driver behind reallocation of capacity following a termination e.g. Electricity System Restoration Standard.
- h) Consider the route to align Transmission and Distribution agreements for same User connections, including consideration of whose milestones take priority for User compliance.
- i) Consider how other CUSC arrangements may need to change as a result of promoting Users up the queue following a termination of another User (e.g. User Commitment for those Users, who are allowed to advance their connection date).
- j) Clarify any enduring interaction between the CUSC legal text and the ENA Queue Management guidance document.