

# CMP376

## 26 January 2023

Online Meeting via Teams



# WELCOME







# **Workgroup Responsibilities**

**Paul Mullen – National Grid ESO Code Administrator**



## Expectations of a Workgroup Member

Contribute to the discussion

Be respectful of each other's opinions

Language and Conduct to be consistent with the values of equality and diversity

Do not share commercially sensitive information

Be prepared - Review Papers and Reports ahead of meetings

Complete actions in a timely manner

Keep to agreed scope

## Your Roles

Help refine/develop the solution(s)

Bring forward alternatives as early as possible

Vote on whether or not to proceed with requests for Alternatives

Vote on whether the solution(s) better facilitate the Code Objectives





## Objectives and Timeline

Paul Mullen - National Grid ESO Code Administrator



# Timeline for CMP376 as at 3 October 2022

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





# **Confirm CMP376 Original**

## **Rein de Loor – National Grid ESO**





**Review any comments on CMP376 Original  
Legal Text**

**All**





## **Workgroup Alternatives**

- Review potential alternatives**
- Review Legal text for potential alternatives**

**All**



# List of Alternatives agreed at Meeting 9 January 2023

Alternative Component	Reference	Comments
Milestone M6 to say “submit” rather than “agree”	Alternative 1	Raised
Milestone M3 to have a blanket 3 months after offer acceptance for all columns	Alternative 2	Raised
Milestone M7 and M8 to be bilaterally negotiated	Alternative 3	Raised
Milestones M5 to M8 inclusive to be bilaterally negotiated	n/a	Not being raised – confirmed with Sarah Graham
Proportionate Milestones (where the time between Offer sent and Completion Date is between columns on the Milestone Duration table, the actual milestone duration is calculated proportionately between the 2 column values	Alternative 4	Not yet received
Implementation - existing User agreements accommodate the proposed CUSC changes within two years of CMP376 implementation	Alternative 5	Raised
Dynamic queue management for milestones M5 to M8 - ESO’s right of termination is removed for milestones M5 to M8 and replaced with the permanent reassignment of queue position	Alternative 6	Raised



# List of Other Alternatives raised

Alternative Component	Reference	Comments
Implementation - also apply to all existing Construction Agreements which have a Completion date of 2 years or more from the CMP376 implementation date	Alternative 7	Raised (similarities between this and Alternative 5 and it may be that one of Alternative 5 or 7 is taken forward)
Include “government/political decision ongoing” as an exception for all milestones	Alternative 8	Raised (Alternative proposer did note they would raise this if ESO did not include in their list of exceptions in Original)
Introduce a queue management process that provides ESO with the <u>right</u> to terminate small scale contracted projects of 2+, 3+ and 4+ years under a different application of exceptions and evidence provision than large scale contracted projects (5+ years) which are not progressing against agreed milestones.	Alternative 9	Raised (this was referred to in the alternative proposer’s consultation response but not specifically flagged as to be raised at meeting on 9 January)





## **Workgroup Alternative Vote**

**Paul Mullen - National Grid ESO Code Administrator**



# Can I vote? and What is the Alternative Vote?

To participate in any votes, Workgroup members need to have attended at least 50% of meetings

## Stage 1 – Alternative Vote

- Vote on whether Workgroup Alternative Requests should become Workgroup Alternative CUSC Modifications.
- The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.
- **Should the majority of the Workgroup OR the Chair believe that the potential alternative solution may better facilitate the CUSC objectives than the Original then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative CUSC modification (WACM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.**





## **Terms of Reference**

**- Have we addressed them all?**

**All**



# 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.





## **CMP376 STC Modification?**

**All**





## Impacts on Timeline?

Paul Mullen - National Grid ESO Code Administrator



# Timeline for CMP376 as at 3 October 2022

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





## **Any Other Business**

**Paul Mullen - National Grid ESO Code Administrator**





## Next Steps

Paul Mullen – National Grid ESO Code Administrator