

Code Administrator Consultation Response Proforma**CMP376: Inclusion of Queue Management process within the CUSC**

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 4 May 2023**. 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 Paul Mullen paul.j.mullen@nationalgrideso.com or cusc.team@nationalgrideso.com.

Respondent details	Please enter your details
Respondent name:	James Jackson
Company name:	Ørsted
Email address:	jamjc@orsted.com
Phone number:	07768288836

I wish my response to be:

(Please mark the relevant box)

☒ Non-Confidential

☐ Confidential

Note: A confidential response will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

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*
- 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	Do you believe that the CMP376 Original proposal and/or WACMs 1-11 inclusive better facilitate the Applicable Objectives?	<p>Mark the Objectives which you believe each solution better facilitates:</p> <table border="1"> <tbody> <tr> <td>Original</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> <tr> <td>WACM1</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> <tr> <td>WACM2</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> <tr> <td>WACM3</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> <tr> <td>WACM4</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> <tr> <td>WACM5</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> <tr> <td>WACM6</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> <tr> <td>WACM7</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> <tr> <td>WACM8</td> <td><input checked="" type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input checked="" type="checkbox"/>D</td> </tr> <tr> <td>WACM9</td> <td><input checked="" type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input checked="" type="checkbox"/>D</td> </tr> <tr> <td>WACM10</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> <tr> <td>WACM11</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> </tr> </tbody> </table> <p>Click or tap here to enter text.</p>	Original	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	WACM1	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	WACM2	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	WACM3	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	WACM4	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	WACM5	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	WACM6	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	WACM7	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	WACM8	<input checked="" type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D	WACM9	<input checked="" type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D	WACM10	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	WACM11	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D
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2	Do you support the proposed implementation approach?	<p><input type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>Ørsted supports the implementation approach for those WACMs that better facilitate the Applicable Objectives. However, as noted in our previous response, connection agreements and contracts should not be pre-emptively amended prior to modification approval.</p>																																																												
3	Do you have any other comments?	<p>As stated in our response to the workgroup consultation, Ørsted understands the need case for the modification and appreciate what it is aiming to achieve. However, we remain concerned that several elements – namely milestones associated with consent and land rights, as well as inflexibility around ModApps – could lead to nationally significant projects having their agreements terminated and not being realised as a result.</p> <p>Beyond the comments we have previously provided, we would like to raise additional points in relation to the WACMs considered within the code administrator consultation:</p>																																																												

		<p>Dynamic Queue management:</p> <ul style="list-style-type: none"> ▪ Ørsted supports, and can see the merit, in the principle of dynamic queue management (WACM 8/9). We view these WACMs as the optimal solutions from those put forward. ▪ In general, we support flexibility around later milestone dates given that it's likely that projects will have been 'de-risked' by this point. This would be particularly valuable if implemented in conjunction with dynamic queue management. <p>Milestone requirements:</p> <ul style="list-style-type: none"> ▪ Regarding flexibility, it's important to note that projects could be delayed for valid reasons but still be capable of progressing. We have significant concerns that a blanket approach to termination – particularly of projects where delays may be beyond their control – could impede the transition to Net Zero. ▪ While we understand the reasoning behind differences in milestones for distribution and transmission, we are concerned that it could lead to different treatment across distribution (SoW / BEGA / BELLA) and transmission projects and would encourage NGESO to keep an ongoing review of this. ▪ Ørsted maintain concerns relating to mandated timescales to secure consent, as a significant portion of the process falls outside of the hands of developers and proposed milestones do not account for appeals or public inquiry. We note that on average, Scottish onshore wind projects have taken ~3 years to get a planning decision (not including appeal process). ▪ As previously states, the milestones proposed do not account for disparity in development timescales between different technologies. This is particularly impactful for offshore wind, as well as when considering, for example, onshore wind vs solar. We are concerned that such projects will be treated discriminatorily without bespoke arrangements. ▪ Ørsted supports the use of “the Contracted Completion Date back to the date the Offer becomes effective”, as the period by which the milestone durations should be benchmarked from. We note that this should be from the point that the offer is signed by the User and counter-signed by
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		<p>the ESO. However, we would question the justification for the durations determined by the look-up table. A large number of projects will face Completion Dates driven by widescale system reinforcements rather than developers requesting those dates.</p> <p>Evidence requirements:</p> <ul style="list-style-type: none"> • The evidence proposed for meeting milestone M2 is fairly clear but could consider a 'logic test' for milestone M3 on the land secured and how feasible it is for the grid connection it is being applied for. <p>Implementation process</p> <ul style="list-style-type: none"> ▪ In principle, Ørsted supports the implementation approach outlined in WACM7 but believes that there firstly needs to be further consideration on how this is done in practice. The full benefits of this proposal will only be realised if it is applied to all projects currently in the queue (ensuring <i>all</i> stalled projects are captured), though we appreciate the challenge this would come with. We would therefore suggest during the 6-month window that Users have to exercise their option, bilateral discussions are held with NGESO and the User to determine best course of action (ModApp or ATV, or a mini-TEC Amnesty or similar process could also be considered). ▪ We agree with the concept of having a live example list of exceptions as these should be laid out as clearly as possible. <p>Appeals:</p> <ul style="list-style-type: none"> ▪ We agree that the appeals process should be timebound and have some concerns about suspending connections works while appeals process in ongoing – if suspended, in case the appeal is in favour of the user, they could be further delayed <u>and</u> potentially also face delay charges. Whereas securities/liabilities should already be in place protect TO investment. As previously stated, we see merit in this being considered on a case-by-case basis. <p>Broader considerations:</p> <ul style="list-style-type: none"> ▪ Interaction of this proposal with the GB Connections Reform project needs to be
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		<p>considered further – we would hope to see a review of this process and dependencies once a final recommendation has been made for Connections Reform.</p> <ul style="list-style-type: none">▪ Similarly, consideration should be given to interaction with the Two Step Offer Process – these milestones should not be applied until this is completed, and projects have their Second Offer.▪ With regard to co-located sites and potential exceptions: the proposal suggests they will have separate Appendix Q's; in the case that one technology does not progress, such that this results in a change of connection works required for the remaining technology, it remains unclear as to whether this would qualify as an exception.
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