

**Workgroup Consultation Response Proforma****CMP427: Update to the Transmission Connection Application Process for Onshore Applicants**

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 26 January 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 Catia Gomes [catia.gomes@nationalgrideso.com](mailto:catia.gomes@nationalgrideso.com) or [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☐ 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 Workgroup Consultation questions		
1	Do you believe that the Original Proposal better facilitate the Applicable Objectives?	<p>Mark the Objectives which you believe each solution better facilitates:</p> <p>Original      <input checked="" type="checkbox"/>A   <input checked="" type="checkbox"/>B   <input type="checkbox"/>C   <input type="checkbox"/>D</p> <p>Yes.</p> <p>Objective a) – This change could reasonably be considered to reduce the total number of applications that the ESO receives to connect to the transmission network. The reduction in workload will allow the ESO to better discharge its license obligations. The improved understanding of where users will build projects will allow better network design and better network planning.</p> <p>Objective b) - The use of a Letter of Authority (LoA) increases the confidence of a specific project being developed and eventually participating in the market. The use of an LoA increases the likelihood that viable projects will not be stuck behind unviable or slow-to-develop projects, therefore increasing the number of projects being energised.</p>
2	Do you support the proposed implementation approach?	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>The code modification will only impact new applications for new projects and therefore I see no reason why this cannot be implemented on the day Ofgem provides a decision.</p>
3	Do you have any other comments?	None.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<p><input type="checkbox"/>Yes <input checked="" type="checkbox"/>No</p> <p>N/A</p>

### Specific Workgroup Consultation questions

5	Do you believe that the proposed LoA meets the objectives set out by Ofgem and DESNZ in CAP? If not, please provide your rationale.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Yes
6	Do you believe that an LoA should have a validity period? If so, please provide a timescale and your rationale.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  6 months' validity would be reasonable to ensure the conversations with the landowner are valid and still represent the current situation.  The LoA will need to be signed before time is spent preparing an application. It can take 6 weeks or more to prepare a connection application, submit it and wait for it to be reviewed and finally clock started.  For clarity Innova understand the LoA is only a requirement to submit an application, and once the application is clock started there will be no further checks to confirm the LoA is still valid and even if it was to be found that the landowner no longer supported the project this would not be grounds for the ESO to terminate the connection offer (unless Queue Management Milestone M3 was not achieved).
7	Do you agree, in principle, with the concept of an Energy Land Density table? If not, please provide your rationale.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Yes. Innova thinks it is important to make it clear to all stakeholders that these are <u>maximum energy</u> density values, and this would stop the connection applicant from using more land and developing a site with a lower energy density (i.e. more acres per MW).  The workgroup should make it clear to impacted parties that the ESO can still accept a connection application that has a higher energy density (less acres per MW), but this is entirely at their discretion, and they have a right to ask the connection applicant to justify the higher energy density.  The working group needs to agree on a clear appeals process if NGENSO considers an LoA to not be valid.
8	Do you agree with format and the	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	categories proposed in the Energy Land Density table? If not, please provide your rationale.	No comment.
9	Do you have different values that you can provide for the Energy Land Density table? If so, please provide your rationale.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  The minimum acres per MW for PV Array (Photo Volatic/ Solar) should be lowered to 2.0 acres.  Innova believes a solar farm with a perfectly rectangular farm can currently be designed to achieve 2.22 acres per MW. We should be considering the theoretical minimum as the minimum value as there is a clear rationale to assume all viable solar farms will be less dense than a perfect solar farm. The energy density of solar farms has been increasing over the last few decades and this trend can be expected to continue, and therefore a lower value would future-proof this guidance table.
10	Do you believe that the LoA should be in the form of a standard template? If not, please provide your rationale.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  It is sensible to use a standard template (given the simplicity of what the document does) that reflects the approach adopted by DNOs and ESO on all their other standard contractual documents (e.g. connection offers, Bilateral Connection Agreement (BCAs), Construction Agreements).  Occasionally land agents (representatives) have wanted to change things, e.g. limit the type of development, or place a time limit on how long it will be valid to submit a connection application. Some Landowner representatives want it in their name which we wouldn't agree to. Typically requests to change don't normally constitute a material impact on what we are aiming to achieve and therefore we support the use of templates to reduce administration burden and provide clarity and consistency to all stakeholders.
11	Do you believe the use of the word "authorise" within the LoA, could have adverse legal consequences? If so, please provide your rationale.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  We believe authorise is the right term to use.

12	Do believe the proposed LoA template is suitable for all jurisdictions (England & Wales, and Scotland)? If not, please provide your rationale.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  It is suitable for all jurisdictions. The letter is not a legal document (it is expressly stated not to be one) so this is not relevant.
13	Do you believe that the technology type should be included in the LoA template? If you not, please provide your rationale.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Innova believes the LoA should mirror or cover what is included in the connection application as this is all you can develop within the terms of the Bilateral Connection Agreement (BCA). If you wished to change the technologies within the BCA you would need a new LoA which could include the change in technologies, and reflect this has been discussed with the landowner. 'It is unlikely that you would have got to the stage of signing a LoA without having to specify what you are going to develop, at least in terms of a broad technology, to the landowner and the commercials attached to it.
14	Do you consider the exemption approach to deal with exceptional circumstances appropriate? If not please provide your rationale.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  It is unlikely a connection applicant would be in the position at the point of application of knowing they had to use a Compulsory Purchase Order (CPO) to acquire the land, it may only become clear once you have started a Development Consent Order (DCO) and there is land that is required which perhaps you did not appreciate from the outset.  The applicant would not engage with the Secretary of State (SoS) until a DCO reaches the submission and examination stage, and therefore the connection application would come a long time before the SoS would usually become aware of the DCO. At the point of application, the SoS would have no way to know if a connection applicant is actually going to submit a DCO and use a CPO to acquire land, and therefore would, in theory, have to sign the LoA exemption by default. The signing of the exemption would not be public knowledge and therefore could not be challenged, and Innova are concerned the exemption process could be used as a loophole to avoid an LoA.  Typically CPOs would only be used for cable routes across third-party land, as opposed to the main development site. If a project relies on a CPO to secure

		<p>the entirety of the land needed for the development, then this is not considered good industry practice. Innova does not think it is reasonable for developers to use an exemption to avoid the need for a LoA if a Landowner for the main development site (cable routes excluded) doesn't want to engage with them.</p>
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