

Code Administrator Meeting Summary

Meeting name: Application of Gate 2 Criteria to existing contracted background.

Date: 15/05/2023

Contact Details

Chair: Catia Gomes, ESO Code Administrator

Proposer: Alice Taylor, ESO (CMP435), Steve Baker, ESO (CM096)

Key areas of discussion

The aim of Workgroup 2 was to discuss the following topics:

- Extending the Gate 2 concept to apply to existing connections contracts from planned go live date (01/01/2025).
- Changes to the contractual arrangements for those existing contracted parties that have not met the Gate 2 criteria by the go live date.
- The implementation approach.

The Chair reviewed the action log and the Workgroup agreed to close actions 8,9 and 10.

The Proposer outlined the key points for productive discussion and solution.

- The first part of the solution is extending the Gate 2 concept to apply to existing connections contracts, with all contracts within the connections aiming to meet the Gate 2 criteria which is defined in CMP434.
- The Proposer advised that the current stance is that there should not be any exemptions with the Gate 2 criteria to be applied to all existing contracts. However, the Proposer was keen to understand if the Workgroup believes otherwise and advised that a robust justification for those exemptions should be clearly identified.

Topics/questions raised as part of the Workgroup discussion:

- The process for projects that don't meet Gate 2 including when connection contracts apply and the treatment of existing queue parties that don't meet the Gate 2 criteria relative to new applicants. The Proposer advised that the criteria for Gate 2 is still being discussed as part of CMP434, so the CMP435 Workgroup must be mindful that criteria will be defined elsewhere.

- What the ESO means by “Contract” and whether there is a Construction Agreement and/or Bilateral Connection Agreement (BCA). An ESO representative confirmed that the modification would relate to projects that have not yet completed or have reached Gate 2 and that this is stated in the proposal.
- Whether a reconciliation process or compensation arrangement is needed/in scope of this modification to reimburse securities if a project with a current offer is not deemed to have reached Gate 2 (and whether other costs incurred by a developer should be considered as part of this arrangement).
- A need for ESO to discuss with TOs how this modification could impact capital contributions and the potential cash flow implications.
- Whether the current securities and liability process will change in terms of offers currently being issued and the next planned run for securities and liabilities – considerations are in progress at the ESO with an update to be shared when possible.
- The need for a simple process (wherever possible) including clear communication with customers on when gate statuses are designated and the impact of that on Queue Management milestones and securities (whether that’s in the form of an offer or otherwise).
- Consideration by the ESO of what the Gate 1 offer consists of (Gate 2 offers are currently being expected to look very similar to a full offer).
- Initial views on examples of types of projects/contracts which may be in/out of scope for this modification.
- A suggestion for ESO to consider a waiver letter (as per the Queue Management modification, [CMP376](#)) as a method that could be adopted for this modification.
- Concerns from a Workgroup member about the level of work required to have the process in place for January 2025 should the modifications be approved November 2024, and whether impacted parties will be notified in advance for what would be required from them (ESO noting that CMP434 will define the Gate 2 criteria).
- Plans for Requests for Information (RFI) for current queue customers to establish the status of land rights and planning consent on projects. The ESO is working with Ofgem, the Department for Energy Security and Net Zero, the DNOs and TOs to define the scope of the RFI which would be sent out shortly. It is hoped the RFI will be issued within the next 2 weeks and customers will be given 1 month to complete it.
- Whether longer term impact analysis has been conducted for the impact on the queue should there be limited advancement at Gate 2 (the ESO expecting that the RFI will help build a better picture of the potential impact).
- The legal advice ESO has taken on changing contracts and other items such as connection dates (e.g., consideration of a variation clause in the Connection Agreement if any changes to the CUSC are made).

Next Steps

- WG members who previously could not access collaboration spaces to confirm access.
- Any queries should be sent to code.administrator@nationalgrideso.com
- Chair to circulate relevant material ahead of the next Workgroup meeting.

Actions

For the full action log, [click here](#).

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
1	WG1	AT/SB	Revise Terms of Reference based on Workgroup feedback	To submit to May Panels	WG3	Open
2	WG1	AT	Document that charging and user commitments will be out of scope for CMP435		Ongoing	Open
3	WG1	AT/SB	Proposers for CMP435 and CM096 to confirm the consequential plans in case the Connections Network Design Methodology is not in place/parties have not complied in time		Ongoing	Open
4	WG1	EB	CMP435 - Workgroup discussions to cover whether NESO will designate some projects as Gate 2 (PM to confirm – TOR j can be reviewed for this if needed)		Ongoing	Open
5	WG1	AT	Clarification of types of projects that will be in/out of scope for CMP435		Ongoing	Open
6	WG1	EB	Workgroup to discuss the consequences of the SO:DNO contract changes on DNO contracts with other parties	Not for the CMP435 solution but WG Report	Ongoing	Open
7	WG1	Code Admin	Collaboration space – access queries to be explored with IT	Members can also explore this with their IT teams	Ongoing	Open
8	WG1	Code Admin	Workgroup & Action Review invites – invitees updated & shared		10 May	Closed
9	WG1	Proposers & SMEs	Process for addressing query log agreed		WG2	Closed
10	WG1	Code Admin	Workgroup membership to be updated and shared with Panel		10 May	Closed
11	WG2	AT/RW	Discuss Capital Contributions.		WG3	Open
12	WG2	LH/HS	Discuss possibility of further impact assessment (RFI data)		WG3	Open

13	WG2	AT/RW/GG	Develop scope diagram.	WG3	Open
14	WG2	AT/PM/EB	Update WG topics	WG3	Open
15	WG2	AT/RW	Clarify process (WG2 slide 2 particularly the yellow box)	WG3	Open
16	WG2	LH	Look into securities for offers/July 2024	July 2024	Ongoing
17	WG2	Chair	Include updated process (annex 2 CMP434) in the slide pack for WG meetings	WG3	Open
18	WG2	PM/AT/ Code Admin	Add column to query log for WG members to show support for a particular query, add categories and colour codes	WG3	Open

Attendees (excluding Observers)

Name	Initial	Company	Role
Catia Gomes	CG	Code Administrator, ESO	Chair
Prisca Evans	PE	Code Administrator, ESO	Technical Secretary
David Halford	DH	Code Administrator, ESO	Technical Secretary
Alice Taylor	AT	ESO	Proposer
Angela Quinn	AQ	ESO	ESO legal
Laura Henry	LH	ESO	Subject Matter Expert
Paul Mullen	PM	ESO	Subject Matter Expert
Richard Paterson	RP	ESO	Subject Matter Expert
Liam Cullen	LC	OFGEM	Authority Representative
Salvatore Zingale	SZ	OFGEM	Authority Representative
Barney Cowin	BC	Statkraft	Workgroup Member CMP435
Charles Deacon	CD	Eclipse Power Solutions	Workgroup Member CMP435
Claire Evans	CE	Scottish Power Energy Networks	Workgroup Member CMP435
Claire Hynes	CH	RWE Renewables	Workgroup Member CMP435 & CM096
Deborah MacPherson	DM	Scottish Power Renewables	Workgroup Member CMP435
Ed Birkett	EB	Low Carbon	Workgroup Member CMP435

Emily Rice	ER	SSEN Transmission	Workgroup Member CM096
Gareth Williams	GW	Scottish Power Transmission	Workgroup Member CMP435 &CM096
Garth Graham	GG	SSE Generation	Workgroup Member CMP435
Grant Rogers	GR	Qualitas Energy	Workgroup Member CM096
Greg Hunt	GH	SSEN	Workgroup Member Alternate CMP435
Greg Stevenson	GS	SSEN Transmission	Workgroup Member CMP435 &CM096
Helen Snodin	HS	Fred Olsen Seawind	Workgroup Member CMP435 &CM096
Hooman Andami	HA	Elmya Energy	Workgroup Member CMP435
Jack Purchase	JP	NGED	Workgroup Member CMP435
James Devriendt	JD	UK Power Networks	Workgroup Member CMP435
Joe Colebrook	JC	Innova Renewables	Workgroup Member CMP435 & CM096
Joel Matthews	JM	Diamond Transmission Corporation	Workgroup Member CM096
Jonathan Hoggarth	JH	EDF Renewables	Workgroup Member CMP435
Kyran Hanks	KH	WWA ltd	Workgroup Member CMP435
Mark Field	MF	Sembcorp Energy	Workgroup Member CMP435
Niall Stuart	NS	Buchan Offshore Wind	Workgroup Member CMP435
Nirmalya Biswas	NB	Northern Powergrid	Workgroup Member CMP435
Paul Jones	PJ	Uniper	Workgroup Member CMP435 &CM096
Paul Youngman	PY	Drax	Workgroup Member CMP435
Pedro Rodriguez	PR	Lightsourcebp	Workgroup Member CMP435
Ravinder Shan	RS	FRV TH Powertek Limited	Workgroup Member CMP435
Richard Woodward	RW	NGET	Workgroup Member CMP435 &CM096

Rob Smith	RS	ENSO Energy	Workgroup Member CMP435
Sam Aitchison	SA	Island Green Power	Workgroup Member CMP435 &CM096
Samuel Railton	SR	Centrica	Workgroup Member CMP435
Tony Cotton	TC	Energy Technical & Renewable Services	Workgroup Member CMP435