

Workgroup Consultation Response Proforma**CMP434: Implementing Connections Reform**

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 06 August 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 cusc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Duncan Hughes	
Company name:	Zenobe Energy	
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Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input checked="" 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** (this will be shared with industry and the Panel for further consideration)

☐ **Confidential** (this will be disclosed to the Authority in full but, unless specified, will not be shared with the Workgroup, Panel or the industry for further consideration)

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 facilitates the Applicable Objectives?	Mark the Objectives which you believe the Original solution better facilitates: Original <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input checked="" type="checkbox"/> C <input checked="" type="checkbox"/> D The proposed process offers an improved way of allowing projects that are ready to build to progress in the connections queue.
2	Do you support the proposed implementation approach? (see pages 59-61)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Implementation of CMP435 alongside this proposal is vital to maximising effectiveness.
3	Do you have any other comments? Click or tap here to enter text.	
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section) <input checked="" type="checkbox"/> No Click or tap here to enter text.

Specific Workgroup Consultation questions		
5	Do you agree with the elements of the proposed solution? Element 7 has been de-scoped and Element 10 is proposed to be codified within the STC through modification CM095 . Please provide rationale for your answer and any suggestions for improvement to each element?	
	Element 1: Proposed Authority approved methodologies and ESO guidance (see pages 9-10, 55)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	We agree that specific guidance does not have to be codified. However, it is vital that this guidance, particularly that related to Gate 2 requirements for developers and ESO's proposed discriminatory powers under Elements 9, 11. And 16) are unambiguous and consulted on appropriately.	

Element 2: Introducing an annual application window and two formal gates, which are known as Gate 1 and Gate 2 (i.e. the Primary Process) (see pages 11, 35-36)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>We support the window concept for new applications. However, restricting Mod Apps to the window could be problematic for M&A processes where transaction timescales could be extended if a sale / purchase depends on the outcome of a mod app. It should be possible to submit Mod apps for existing connections or projects that have already passed Gate 2 at any time.</p>	
Element 3: Clarifying which projects go through the Primary Process (see pages 11-12, 35-36)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>As per our comment on Element 2, it should be possible to submit Mod apps for existing connections or projects that have already passed Gate 2 at any time to avoid unnecessary delays in M&A transactions.</p>	
Element 4: Significant Modification Applications concept, including the proposed criteria and the proposed level of codification (see pages 12-13, 36-39)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Examples of “considerable impact” should be included in any guidance materials or codified as necessary to ensure equal treatment of all cases. We note that the proposed definitions of “significant” would mean that a change to date, TEC, or technology type may not be classed as “significant”. We would support this.</p>	
Element 5: Clarifying any Primary Process differences for customer groups (see pages 13-14, 35-36)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>We have no materials comments to make on this element</p>	
Element 6: Setting out the process and criteria in relation to Application Windows and Gate 1, including introducing an offshore Letter of Authority equivalent as a Gate 1 application window entry requirement for offshore projects (see pages 15-16, 39-40)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>While we support the general principle of this element, we note the following:</p> <p>The Gate 1 criteria should take account of the credibility of the land vs the proposed connection point e.g. a developer should not be able to secure land 100km away from a connection point simply to allow them to pass Gate 1 and then Gate 2.</p> <p>The content of Gate 1 offers will have indicative connection locations only. This lack of detail makes it very hard for developers to identify land and progress development towards meeting the Gate 2 requirements. We propose that TOs are required to provide some level of indicative information to developers e.g. location withing Xkm radius to allow development work to progress.</p>	
Element 7: Fast Track Disagreement Resolution Process (de scoped from this modification – see pages 16, 58)	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Not applicable</p>	

Element 8: Longstop Date for Gate 1 Agreements (see pages 16, 40-41)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We support the implementation of a long-stop date and view 3-years as reasonable.	
Element 9: Project Designation (see pages 17-18, 48-49)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
While we support this element in principle, this support is dependent on there being strict guidance as to when a project would qualify for “designation”. There should be minimal opportunity for ESO to designate projects on any subjectively basis. We believe ESO should not use this approach as a first option for bringing forward specific project types. Rather, ESO should continue their use of more transparent processes such as Pathfinders.	
Element 10: Connection Point and Capacity Reservation (proposed to not be codified within the CUSC, but is intended to be codified within the STC through modification CM095 – see pages 18-20 and the CM095 Workgroup Consultation , pages 6-10)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
We believe the currently proposal is too vague. There is a risk that CATOs and OFTO could mis-use this process to “bank” connection bays. We believe bays should be reserved only by ESO for the purposes of specific processes such as Pathfinders.	
Element 11: Setting out the criteria for demonstrating Gate 2 has been achieved and setting out the obligations imposed once Gate 2 has been achieved (see pages 20-24, 42-46)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Generally, we support this Element. However, we do not believe the forward timescales mechanism to be appropriate given some projects could pass Gate 2 whilst still having a connection date in the far future. We propose the back-calculated mechanism is retained.	
Element 12: Setting out the general arrangements in relation to Gate 2 (see pages 25-26, 47)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Generally, we support this Element. We would propose that a minimum of at least 3 windows are made available annually to ensure this does not become a barrier to project progress.	
Element 13: Gate 2 Criteria Evidence Assessment (see pages 26-27, 47-48)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We support the proposal.	
Element 14: Gate 2 Offer and Project Site Location Change (see pages 28, 46)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Generally we support this element. However, we note that the 12-month period is challenging and is not likely to result in 100% success rate. We are concerned that developers could have to spend material sums to achieve Gate 2 and then be required to pay again in order to benefit from having passed the Gate.	

	Element 15: Changing the offer and acceptance timescales to align with the Primary Process timescales (e.g. a move away from three months for making licenced offers) (see pages 29, 42-46)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Click or tap here to enter text.		
	Element 16: Introducing the proposed Connections Network Design Methodology (CNDM) (see pages 29, 53-55)	<input type="checkbox"/> Yes <input type="checkbox"/> No
We support this Element but note the importance of ensuring this is developed and consulted upon ASAP to allow industry to provide fully informed feedback on the overall connection process.		
	Element 17: Introducing the concept of a Distribution Forecasted Transmission Capacity (DFTC) submission process for Distribution Network Operators (DNOs) and transmission connected Independent Distribution Network Operators (iDNOs) to forecast capacity on an anticipatory basis for Relevant Embedded Small Power Stations or Relevant Embedded Medium Power Stations aligned to the Gate 1 Application Window (see pages 30-33, 51-53)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Click or tap here to enter text.		
	Element 18: Set out the process for how DNOs and transmission connected iDNOs notify the ESO of Relevant Embedded Small Power Stations or Relevant Embedded Medium Power Stations which meet Gate 2 criteria (see pages 33-34, 51-53)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Click or tap here to enter text.		
6	Are there any elements of the proposal which you believe should not be included as part of this proposed solution, which the Proposer believes represents the 'Minimum Viable Product' reforms required to the connections process? If not, why not? (Please note the element number in each of your responses if applicable)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Click or tap here to enter text.		
7	As per question 6, are there any additional features which you believe should be included as part	<input type="checkbox"/> Yes <input type="checkbox"/> No

	of Minimum Viable Product reform to the connections process?	
Click or tap here to enter text.		
8	Do you agree that the Gate 1 process should be a mandatory process step, or do you think Gate 1 should be an optional process step with projects being able to apply straight into the Gate 2 process if the project meets both the relevant Gate 2 and Gate 1 criteria?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Projects able to meet Gate 2 criteria should be able to move directly to that stage.		
9	Do you believe that the proposed Gate 1 and Gate 2 process could duly or unduly discriminate against any types of projects? If so, do you believe this is justified?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Projects that are currently in possession of agreements that offer connection at undefined "nodes" (i.e. agreements received under the temporary 2-stage process) are disadvantaged in terms of being able identify and progress suitable land. This disadvantage may continue once Gate 2 is passed, as the only opportunity for accelerated connection is likely to come via connection at a different location, this could mean incurring development costs all over again to identify alternative land within the 12-month time allowance.		
10	Please provide your views on the proposed options ((a) to (e) on page 45) to mitigate the risk of requiring a developer to submit their application for planning consent earlier than they would in their development cycle (with the risk this consent could expire and any extension from the Planning Authority is not automatic).	<input type="checkbox"/> Yes <input type="checkbox"/> No
Click or tap here to enter text.		
11	Do you agree that DFTC should be included as part of CMP434? If not, do you believe that the reformed	<input type="checkbox"/> Yes <input type="checkbox"/> No

	connections process can function without DFTC? Please justify your answer. (see pages 30-34, 51-53)	
	Click or tap here to enter text.	
12	The Proposer intends to set out supporting arrangements for TMO4+ via a combination of guidance and methodologies (e.g. DFTC, CNDM, Project Designation, Gate 2 Criteria). Do you anticipate any issues with having these outside of Code Governance? (see Pages 9-10, 55)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	Click or tap here to enter text.	