

Workgroup Consultation Response Proforma**CMP435: Application of Gate 2 Criteria to existing contracted background**

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:	Helen Snodin	
Company name:	Muir Mhòr Offshore Wind Farm	
Email address:	Helen.snodin@fredolsen.com	
Phone number:	Click or tap here to enter text.	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network <input type="checkbox"/> 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** (*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*

d) *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.

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 type="checkbox"/> B <input checked="" type="checkbox"/> C <input checked="" type="checkbox"/> D	
The proposals as drafted will be a marginal improvement in efficiency of managing the queue, but its hard to say whether it will promote better and more effective competition because the material impact will come in the drafting and application of the CNDM.			
2	Do you support the proposed implementation approach? (See page- 57-58)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
This is a qualified yes, in so far as we do not entirely understand the cut-over arrangements and the distinction between these and transitional arrangements			
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 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 for CMP435? <i>Please note that the application of these elements may be different to CMP434, therefore please answer the questions in respect to CMP435.</i>
Elements 2,4,6,7,12,15,17 and 18 are not part of the CMP435 Proposal and is only part of the CMP434 Proposal. 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 Page 8-10,29)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Whilst we understand concerns of those who want to see some of these methodologies codified, we think on balance that this will be too time-consuming and limit the ability for the methodologies to evolve. However, we are strongly supportive of transparency of the methodologies, as well as a consultation and approval process, with potential for codification at a later stage.</p> <p>We note that first-come-first-served is not in the code nor in an approved methodology, so ESO's proposals are a material improvement in transparency and accountability in that respect. Our support for this is conditional on the methodologies being fully transparent and in ESO being fully accountable to them – we share other working group members concerns around whether this will happen in practice.</p>	
Element 3: Clarifying which projects go through the Primary Process (See pages 10-11,29-31)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Element 5: Clarifying any Primary Process differences for customer groups (See pages 11-12,32)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Yes' relates to the concepts but comments on the application of capacity reservation for offshore provided under Element 10. Supportive of the connection point reservation, but strong concerns about the proposals to reserve capacity and associated queue position. This means that offshore wind will move into Gate 2 as a block, preserving the first come first served queue positions and allowing no re-ordering either within the block or between offshore projects and other technologies. We do not think it is necessary to reserve capacity deep into the system or queue position in order to preserve the integrity of the HND design. The majority of reinforcements in the network are on the basis of least regrets and so by-design are agnostic to the specific projects assigned to these reinforcements. ESO's assertion that the reservation is not against a particular project is academic in the context of an unchanged queue position and offshore lease areas awarded on an exclusivity basis. We think the integrity of the design can be preserved by a much more focused approach which looks at just the 'regrets' investments and which allows for changes in queue position.</p>	
Element 8: Longstop Date for Gate 1 Agreements (See pages 12-13, 32-33)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Click or tap here to enter text.	
Element 9: Project Designation (See pages 14-15, 33-34)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Supportive of the principle but conditional on the detail of the associated methodology / guidance	

	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 16-21, 34-39)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Click or tap here to enter text.	
	Element 13: Gate 2 Criteria Evidence Assessment (See pages 22-23, 39-40)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Supportive of the general approach of self declaration and sample checks. However, it is baffling why ESO has not investigated a 100%-cover digital check on duplicate / overlapping RLBs. This should be a simple and quick exercise. text.	
	Element 14: Gate 2 Offer and Project Site Location Change (See pages 23-24, 40-41)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	This is allowing a new project after Gate 2 and if Gate 1 is optional, then hard to see why this would be allowed. The proposal is reliant on Gate 1 providing connection points that largely do not change, and this is a dangerous assumption that could backfire. In the context of 435, the connection point will only have been known for a matter of months in cut-over arrangements so this would provide these projects with a 12 month window in which they could change their project location which seems unnecessary and arguably an advantage over non-transitional projects.	
	Element 16: Introducing the proposed Connections Network Design Methodology (CNDM) (See pages 24-25, 41-42)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	See comments on Element 1	
	Element 19: Contractual changes (See pages 26-28, 43-46)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Click or tap here to enter text.	
6	Element 20: Cut Over arrangements (See page 28, 47)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	These as well as transitional arrangements need further discussion to aid clarity	
	Are there any elements of the proposed CMP435 solution - as per Q5 - which you believe are not appropriate to include when you consider how to most effectively implement TMO4+ to projects in the existing contracted background (as opposed to the process for new applicants via CMP434)? If yes, please provide supporting justification.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7	Click or tap here to enter text.	
	In relation to Q6, are there any features which you believe are missing in the proposed CMP435 solution that would more effectively facilitate implementation of TMO4+ to the existing contracted background. If yes, please provide details and justification.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	The proposals as they stand do not introduce a first-ready-first-served regime. They introduce a slightly higher bar for entry into a	

	<p>full grid agreement, and one which the majority of wind projects will pass. There has been a theme in the working group discussions that if projects are moving, however slowly, that the status quo should remain and that there will be no change to first-come-first served if projects meet Gate 2. This does not deliver the MVP and it does not deliver “wholesale revision” of connection arrangements nor does it “enable projects that are most ready to progress more rapidly”, to quote the introduction to this Mod. The language is very misleading as the proposals simply do not achieve this.</p> <p>We note from the RFI evidence that some battery and solar projects may not pass through Gate 2, but this is unlikely to have a material impact on the ability of wind projects in Scotland to accelerate</p>	
8	<p>Do you believe any groups of projects should be exempt from the scope of CMP435 or from some elements of the proposed solution? If so, please advise on which groups and elements and provide rationale to why.</p> <p>Click or tap here to enter text.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9	<p>Do you believe that the proposed solution could duly or unduly discriminate against any particular types of projects? If so, do you believe this is justified?</p> <p>Difficult to reflect on this without the detailed methodologies.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No