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Code Administrator Consultation Response Proforma

CM095: 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 stcteam@nationalenergyso.com by **5pm GMT on 26**

November 2024. Please note that any responses received after the deadline or sent to a different email address will not be accepted.

If you have any queries on the content of this consultation, please contact stcteam@nationalenergyso.com

Respondent details	Please enter your details	
Respondent name:	Andy Dekany	
Company name:	National Grid Ventures	
Email address:	andy.dekany@nationalgrid.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 Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input checked="" 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 Panel or the industry for further consideration*)

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For reference the Applicable STC Objectives are:

- a) *efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act*
- b) *development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission*
- c) *facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity*
- d) *protection of the security and quality of supply and safe operation of the national electricity transmission system insofar as it relates to interactions between transmission licensees*
- e) *promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC.*
- f) *facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system;*
- g) *compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.*

Please express your views in the right-hand side of the table below, including your rationale.

Standard Code Administrator Consultation questions						
1	Please provide your assessment for the proposed solutions against the Applicable Objectives?	<p>Mark the Objectives which you believe the proposed solutions better facilitate:</p> <table border="1"> <tr> <td>Original</td> <td><input type="checkbox"/>a <input type="checkbox"/>b <input type="checkbox"/>c <input type="checkbox"/>d <input type="checkbox"/>e <input type="checkbox"/>f <input type="checkbox"/>g</td> </tr> <tr> <td>ASM1</td> <td><input type="checkbox"/>a <input type="checkbox"/>b <input type="checkbox"/>c <input type="checkbox"/>d <input type="checkbox"/>e <input type="checkbox"/>f <input type="checkbox"/>g</td> </tr> </table> <p>We are not a direct party to the STC and do not feel we can properly assess the proposed solutions against the STC objectives. However, we have no specific reason to disagree with the proposer's assessment of the impact upon the STC objectives.</p> <p>As a developer of interconnectors and offshore hybrid assets, we recognise the importance of CM095 in supporting the broader connections reform agenda, and our position is therefore supportive and aligned with our responses to the associated CUSC modifications.</p> <p>However, we note that unresolved issues regarding capacity reservations and node-related reservations could create operational challenges. These concerns are particularly relevant to CM095's implementation and must be clarified to ensure the effective coordination between NESO and Transmission Owners (TOs). We expect these details to be addressed as part of the ongoing review and refinement processes.</p>	Original	<input type="checkbox"/> a <input type="checkbox"/> b <input type="checkbox"/> c <input type="checkbox"/> d <input type="checkbox"/> e <input type="checkbox"/> f <input type="checkbox"/> g	ASM1	<input type="checkbox"/> a <input type="checkbox"/> b <input type="checkbox"/> c <input type="checkbox"/> d <input type="checkbox"/> e <input type="checkbox"/> f <input type="checkbox"/> g
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ASM1	<input type="checkbox"/> a <input type="checkbox"/> b <input type="checkbox"/> c <input type="checkbox"/> d <input type="checkbox"/> e <input type="checkbox"/> f <input type="checkbox"/> g					

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		<p>Structured review and codification:</p> <p>ASM1 proposes to introduce a review process to refine methodologies based on practical application and codify these methodologies for consistency and transparency. We do not support a commitment to codify, since this is a decision that does not need to be taken at the point.</p> <p>However, the element of ASM1 that relates to the TO's sharing of information, NESO review and publishing of that detail should be considered as essential to the success of the Connections Reform process. We support continual ongoing review rather than the timescale suggested in ASM1.</p>
2	Do you have a preferred proposed solution?	<p><input checked="" type="checkbox"/> Original</p> <p><input type="checkbox"/> ASM1</p> <p><input type="checkbox"/> Baseline</p> <p><input type="checkbox"/> No preference</p> <p>We support the Original proposal as set out in question 1.</p>
3	Do you support the proposed implementation approach?	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>We neither agree nor disagree with implementation approach.</p> <p>The implementation approach for CMP434, CM435, and CM095 are interlinked and should be considered together.</p> <p>These are complicated 'urgent' changes which were developed over a compressed timeline. There are a number of areas where detail is missing or partially complete, and there is an aggressive timescale that NESO and TOs have available to make changes to every connection agreement and many construction agreements. We can foresee that there may be difficulties for NESO and TO teams during the implementation.</p>

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4	Do you have any other comments?	<p>Connection Point and Capacity Reservation</p> <p>Missing Detail: It is not entirely clear where all of the process sits (STC or CUSC), and there are some missing details e.g., how the bilaterally agreed minimum contractual reservation period will be agreed, and the criteria for subsequent annual review at the end of this minimum period. If this cannot be agreed, what arbitration / challenge is possible rather than the wholly inappropriate situation where NESO merely withdraws Reservation? We outlined in our initial consultation response precisely why this could be up to 8.25 years for IC/OHA projects (subject to the final Gate 2 Criteria Methodology).</p> <p>It will be the responsibility of NESO administration teams to ‘apply’ the changes, but there should be a process to identify gaps and ensure there is a flexible approach until these are resolved.</p> <p>Nodes: There is no clarity on the handling of ‘nodes’. We would welcome confirmation of the approach. Since Reservation includes the setting up of contractual agreements between NESO and TO (but not the developer), this would infer that ‘nodes’ cannot be part of a Connection Point and Capacity Reservation process. We accept that this may not always be possible, but it would seem reasonable for NESO and TOs to commit to clarifying any node related reservations within as short a timescale as possible e.g. 6-12 months.</p>
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