

**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](mailto: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](mailto:cusc.team@nationalgrideso.com)

Respondent details	Please enter your details	
<b>Respondent name:</b>	Jingling Sun	
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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 <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 type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D Click or tap here to enter text.
2	Do you support the proposed implementation approach? (See page- 57-58)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No While we acknowledge the need for reform, we have some concerns about the proposed implementation approach. The January 31, 2025, deadline for submitting the Gate 2 Self-Declaration Letter is acceptable for the stakeholders.
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 <a href="#">Workgroup Consultation Section</a> ) <input checked="" type="checkbox"/> No Click or tap here to enter text.

Specific Workgroup Consultation questions	
5	<p>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 <a href="#">CMP434</a>, therefore please answer the questions in respect to CMP435.</i></p> <p>Elements 2,4,6,7,12,15,17 and 18 are not part of the CMP435 Proposal and is only part of the <a href="#">CMP434</a> Proposal. Element 10 is proposed to be codified within the STC through modification <a href="#">CM095</a>.</p> <p>Please provide rationale for your answer and any suggestions for improvement to each element?</p>

<b>Element 1:</b> Proposed Authority approved methodologies and ESO guidance (see Page 8-10,29)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>The approach of having Authority-approved methodologies provides a good balance of flexibility and governance, allowing the connections process to adapt to changes in the energy market. The light codification in the ESO's transmission licence ensures that the high-level concepts are maintained while allowing for detailed methodologies to be developed and updated as needed. We are happy for implementation to be prioritised, and for codification to occur during and post the implementation process. It would be better if there would be opportunity for industry to propose Alternatives or to raise their own modifications to the proposed Authority approved Methodologies.</p>		
<b>Element 3:</b> Clarifying which projects go through the Primary Process (See pages 10-11,29-31)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Yes, we agree with Element 3 of the proposed solution for CMP435. Clarifying which projects need to go through the Gate 2 to Whole Queue Process ensures transparency and fairness.</p>		
<b>Element 5:</b> Clarifying any Primary Process differences for customer groups (See pages 11-12,32)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Click or tap here to enter text.		
<b>Element 8:</b> Longstop Date for Gate 1 Agreements (See pages 12-13, 32-33)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>We agree with Element 8 of the proposed solution for CMP435. The introduction of a longstop date of three years from the acceptance of the Gate 1 offer strikes a necessary balance between providing adequate time for developers to progress and ensuring that projects do not stagnate in the connection queue. The discretion for extending this period is a sensible approach, allowing for flexibility in cases where developers are actively progressing but might face delays due to factors beyond their control. This element should help in improving network planning efficiency and reducing unnecessary delays in the queue.</p>		
<b>Element 9:</b> Project Designation (See pages 14-15, 33-34)		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>We do not fully agree with Element 9 of the proposed solution for CMP435. While prioritizing critical projects is important, the concept of Project Designation could potentially disadvantage other legitimate projects and create issues with fairness in the queue. The lack of a clear dispute resolution process and the potential for designation criteria to impact system constraints are also concerning. We believe alternative approaches should be considered to ensure a more equitable system.</p>		
<b>Element 11:</b> 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
<p>Yes, we agree with Element 11 of the proposed solution for CMP435, but with some reservations. The approach outlined seems comprehensive and addresses</p>		

the main concerns effectively. However, We believe that the implementation could be enhanced by including more detailed timelines and resource allocations to ensure that all aspects of the plan are executed efficiently. Ensuring that there is a clear mechanism for monitoring progress and addressing potential issues as they arise would strengthen the proposal further.	
<b>Element 13:</b> Gate 2 Criteria Evidence Assessment (See pages 22-23, 39-40)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We generally agree with Element 13, but there are a few areas of concern. The self-declaration approach is a reasonable method for managing the Gate 2 criteria, but the reliance on sample checks rather than full verification may impact the robustness of the process. It's crucial that the minimum percentage of applications to be sample-checked is defined clearly to maintain consistency and reliability.	
<b>Element 14:</b> Gate 2 Offer and Project Site Location Change (See pages 23-24, 40-41)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We agree with the core idea of Element 14 but believe it requires some modifications. Allowing developers to change their project site location within a 12-month period provides flexibility and can help address connection point issues. However, we think there should be more stringent measures to prevent misuse and ensure that the process is transparent. For instance, detailed checks and balances could be introduced to avoid potential gaming of the system. To avoid gaming the system, it could be better if there will be a limitation applied to the location of the red line boundary used to enter into Gate 2, relative to the original application point, i.e. max x km away. Obviously this limitation would not need to apply if an alternative connection point is provided.	
<b>Element 16:</b> Introducing the proposed Connections Network Design Methodology (CNDM) (See pages 24-25, 41-42)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We generally agree with Element 16 but have some concerns. The CNDM's framework for capacity management is promising, but the lack of codification for the reallocation mechanism could lead to uncertainty. Clear, codified rules would ensure fair implementation.	
<b>Element 19:</b> Contractual changes (See pages 26-28, 43-46)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Yes, we agree with Element 19 of the proposed solution for CMP435. The approach of categorizing existing projects into four distinct groups and adjusting their agreements accordingly seems practical and clear. It ensures that projects not meeting Gate 2 criteria are appropriately transitioned to Gate 1, while those meeting the criteria can retain or modify their existing agreements as needed. This method provides a structured way to handle the contractual changes and maintains fairness for all parties involved.</p> <p>We have a question that seems unclear among the documents: Will the distribution projects that have gone through project progression be offered the same opportunities to self-declare that they meet Gate 2 criteria at the start of the connection reform?</p>	
<b>Element 20:</b> Cut Over arrangements (See page 28, 47)	<input checked="" type="checkbox"/> Yes

		<input type="checkbox"/> No
	We support the idea of a cutover period to manage the transition effectively; however, we have concerns about the timing. The period between the Authority's decision and the start of the new process seems acceptable, especially with the need for all offers to be signed by January 31, 2025.	
6	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 <a href="#">CMP434</a> )? If yes, please provide supporting justification.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Click or tap here to enter text.		
7	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.  <u>We have a query that doesn't seem to be addressed in the documents: Will customers be allowed to give back some capacity for some of their existing projects?</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8	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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Click or tap here to enter text.		
9	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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
We believe the proposed solution is justified.		