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Workgroup Consultation Response Proforma

CMP446: Increasing the lower threshold in England and Wales for Evaluation of Transmission Impact Assessment (TIA)

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@nationalenergyso.com by **5pm** on **13 February 2025**. 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 milly.lewis@nationalenergyso.com or cusc.team@nationalenergyso.com

Respondent details	Please enter your details	
Respondent name:	Daniel Clarke	
Company name:	National Grid Electricity Transmission	
Email address:	Daniel.Clarke@nationalgrid.com	
Phone number:	07972921502	
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 type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input checked="" 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)

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For reference the Applicable CUSC (non-charging) Objectives are:

- a) *The efficient discharge by the Licensee of the obligations imposed on it by the Act and by this licence*;*
- b) *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;*
- c) *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.*

* See Electricity System Operator Licence

**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 and/or any potential alternatives better facilitate the Applicable Objectives?	Mark the Objectives which you believe each solution better facilitates:										
		<table border="1"> <tr> <td>Original</td> <td><input checked="" type="checkbox"/> A</td> <td><input type="checkbox"/> B</td> <td><input type="checkbox"/> C</td> <td><input type="checkbox"/> D</td> </tr> <tr> <td>Alternative Request 1</td> <td><input type="checkbox"/> A</td> <td><input type="checkbox"/> B</td> <td><input type="checkbox"/> C</td> <td><input type="checkbox"/> D</td> </tr> </table>	Original	<input checked="" type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	Alternative Request 1	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D
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		Alternative Request 1	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D						
<p>As the Transmission Owner responsible for building and maintaining network infrastructure in England and Wales, we support the intent of CMP446 to apply a more proportionate consideration of potential network impacts for England & Wales embedded connection applications.</p> <p>The existing 1MW TIA threshold has resulted in a combination of inefficient outcomes for embedded customers, relevant DNOs, as well as NGET. The volume of c.1MW applications at distribution is already significant, but when coupled with the unprecedented volume of connection applications and Modification Applications pre-Reform which require TO input, the consequence is an almost unmanageable volume of study and contract work for NGET.</p> <p>The proposal to increase the TIA threshold ensures that embedded customers can avoid the added complexity of pursuing a TIA with NGET, which may/may not lead to substantive works, whilst enabling NGET to deploy its engineering and contracting resource in a more effective manner. Consequently, we believe in this particular context the modification to be positive in respect of applicable Objective A.</p>												

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		<p>However, we do believe that there are some potential consequential impacts of applying the modification which could be negative - not least the link to the Clean Power 2030 action plan as outlined later in our response to Q3 – which can be monitored and mitigated but should be adequately considered by the workgroup before final submission to the Authority. As a result, we currently assess Objective B, C, and D as neutral, but are wary this could change.</p> <p>In respect of the potential alternative proposal (which refers to Export Capacity instead of Registered Capacity for the TIA level) – we believe this could have a negative consequence on the facilitation of the applicable objectives. We believe that it will have a greater consequence on the transmission system as Embedded Power Stations with installed capacity greater than the threshold will not be included within the fault level assessments and this could lead to under-investment or sub-optimal timing of investments.</p>
2	Do you support the proposed implementation approach?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>The modification proceeding with urgency is important such that implementation coincides with the likely approval of the package of modification and methodologies to support Connection Reform ('TMO4'). We believe that CMP446, if approved, should align with these timescales to ensure that the benefits we envisage for customers and networks alike the change can be realised swiftly – not least in conjunction with the application of TMO4+ to the existing queue via CMP435.</p> <p>In respect of how the CMP446 solution is applied to Users, we are conscious that the interaction with Technical Limits and retrospective application needs to be carefully considered. We have provided further views on this aspect in our responses to Q4 and Q15.</p>
3	Do you have any other comments?	<p>We note the explicit link now established between the TIA threshold across GB and the minimum scope for compliance to Clean Power 2030 ('CP30') regional capacity limits, as per the Action Plan Connection Reform Annex document:</p> <p><i>"...it is important that smaller projects are treated proportionately and are not unduly caught up in transmission processes. Projects connecting to the distribution network that are below regional thresholds for Transmission Impact Assessment (TIA) will not be constrained by the capacity ranges set out in this plan. Currently, the lower threshold for TIA is 1 MW in England and Wales, 200 kW in mainland Scotland, and 50 kW in the Scottish Islands"</i></p> <p>Whilst the Action Plan document does anticipate CMP446 being raised and considers the likely direction of travel for the proposed solution (as per CPAG/CDB presentations in Q4 2024), we do not believe explicitly linking of minimum scope levels for CP30 and the TIA level was comprehensively assessed or consulted on in advance.</p> <p>Has developer behaviour been adequately anticipated in relation to this change by DESNZ and NESO? Removing the requirement for</p>

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		<p>generators between 1-5MW to be aligned to CP30 capacity limits is surely likely to lead to a proliferation of applications at distribution level. Could this create potential capacity management or network operability challenges for transmission and distribution network owners? Is this a role for CMP446 to mitigate, or CP30?</p> <p>At the very least, we believe the implementation of the CMP446 proposal (if approved) needs careful monitoring by NESO, NGET and applicable DNOs - potentially via Grid Code process (e.g. the development of GC0139 proposals) – such that further policy intervention can be taken if system operation challenges or other wider impacts (e.g. adverse distribution charging/securities signals) are observed. NESO/DNO monitoring of levels of embedded generation at sub-5MW levels seems a minimum starting point for this.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<p><input type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section)</p> <p><input checked="" type="checkbox"/> No</p> <p>We don't presently have an alternative we wish to raise; however, we have flagged in our response to Q15 a potential element of the CMP446 solution in relation to treatment of Technical Limits which we may need to consider dealing with via an alternative.</p>
5	Does the draft legal text satisfy the intent of the modification?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Click or tap here to enter text.</p>
6	Do you agree with the Workgroup's assessment that the modification does not impact the European Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Click or tap here to enter text.</p>

Specific Workgroup Consultation questions

7	Do you believe that a codification of Scotland threshold is required for CMP446?	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>
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		<p>For the reasoning presented in the “TIA Threshold Position Paper” (Annex 04) we don’t believe that codification of a Scotland threshold is required for CMP446, as per:</p> <p><i>“However, it is the view of this working group that reclassifying the 132kV network in Scotland at this point in time, given the significant development of the Scottish networks, would be extremely challenging and provide disproportionately limited benefits to customers.”</i></p>
8	Is it clear that the change in threshold is cumulative not incremental?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
		<p>The existing TIA process as per the baseline applies to the cumulative size of a Relevant Embedded Power Station (REPS) and this proposal does nothing to change that. Therefore, it is clear it still applies to the cumulative total of an Embedded Power Station.</p>
9	Do you believe 5MW is the correct threshold and if not why and to what threshold level should it be? (Providing rationale and justification for any alternative MW threshold)	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
		<p>We believe that the increase from 1MW to 5MW is a sensible first step in reviewing which Embedded Power Stations are more likely to have an impact on the Transmission Network. We support the proposal to keep this threshold under review by tracking and monitoring the sub 5MW connections queue of embedded generation.</p>
10	Are there any other generic scenarios (over and above those shown in Figure 2 and Figure 3 (Annex 7) that need to be considered by the Workgroup, please provide details of them and explain why they are relevant?	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>
		<p>We believe that the range of scenarios covered in these Figures are extensive enough to cover Embedded Power Stations in and outside of scope of the TIA process.</p>
11	It is intended that where there is a fault level headroom that is less than 1kA or zero as stated by NGET at a GSP, then a project is required to go through the TIA irrespective of the change in threshold (from 1MW to 5MW) – do you agree with this and if not, why?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
		<p>As Transmission Owner in England and Wales we are seeing a larger impact on short circuit levels at the boundary interface between transmission and distribution caused by generation customers. If not properly assessed, the potential impacts have huge implications and NGET have a duty of care to maintain high safety standards and to protect our personnel and the general public.</p>

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12	Do you agree that the Workgroup has identified the relevant risks if CMP446 is approved. If not, what further risks haven't been identified yet, and why are they relevant?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		<p>Whilst we believe that the Workgroup have identified the relevant risks, we do not believe that sufficient mitigations have been proposed via CMP446 to reduce either the likelihood of them occurring or the impact that they could happen. We have considered this further in our response to Q14.</p> <p>We would suggest that this is developed further in the Workgroup and considered in the final modification report.</p>
13	Do you believe that as consequence of CMP446 there will be an increase in <5MW projects which is likely to have an impact on the Transmission Network? If so, what kind of projects could drive this?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		<p>We believe that this is something that could happen and that this reiterates the importance of tracking projects of this size and ensuring that the proposal is based on a MW size linked to the Registered Capacity of the Embedded Power Station.</p> <p>We are keen to understand the views of DNOs in their response to this question.</p>
14	Do you have any suggestions for any additional mitigation measures for the identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		<p>We believe that there are three specific additional mitigation measures for NESO to consider:</p> <ol style="list-style-type: none"> 1. NESO to publish a total combined embedded register that covers all DNO regions in England and Wales. 2. DNOs to publish their live Appendix G and the information contained within it on their websites or via the ENA website. 3. DNOs to develop and apply consistent lines to take to existing and new embedded power station developers on the newly proposed way of working following the implementation of CMP446. <p>Additionally, there may be routes via the development of Grid Code modification GC0139 and the implementation of TMO4+ via CMP434 (re. whole queue publication) which may also support the mitigation of risk.</p>
15	Do you understand that as a consequence of CMP446 that the curtailment assumptions for an	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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	accepted Technical Limits offer could be impacted?	<p>This is a complex area. The NESO's intention to apply CMP446 retrospectively to existing not-yet-connected Embedded Power Stations less than 5MW or those that chose to modify their capacity requirements to be lower than the new threshold, that curtailment assumptions would be impacted. However, if NESO applied the Technical Limit component of the solution (if this is indeed in the scope of CMP446 and not a distinct defect/requirement?) to new entrants only this potential issue would not be the case.</p> <p>Either way, we believe it is appropriate for NESO to analyse the impact of applying the CMP446 solution in this context and share with the Workgroup before proceeding as this may require an alternative proposal to be brought forward.</p>
16	Is the timeline of interactions understood?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Click or tap here to enter text.</p>
17	Do you believe it is appropriate/ within scope of CMP446 for the Workgroup to consider this further, and if so why?	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>We do not believe this consideration to be within the scope of the CMP446 defect or solution. Additionally, we believe that such a proposal could introduce undue discrimination or impact competition by favouring connections to <11kV.</p>