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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:	Nina Sharma	
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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 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)

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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:				
		Original	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D
		Alternative Request 1	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D
		We are supportive of changing the lower threshold to support more timely connections to the grid.				
		More specifically, we agree that both the original proposal and alternative proposal have the potential to reduce administrative burden due to connection applications with <5MW not requiring a TIA, thus satisfying Applicable Objective AO (a).				
		The original proposal and alternative proposal have the potential to reduce the costs and complexity of connection for smaller generators however, the differential treatment between England and Wales and Scotland could limit the potential benefit and is arguably distortive. On balance, both proposals marginally better facilitate AO (b).				
		The original proposal better facilitates the AO (d) as it will remove a proportion of connection applications from the requirement of a Transmission Impact Assessment and enable				

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		<p>efficiency for applications wishing to connect to the grid in a timely manner.</p> <p>We prefer the alternative proposal over the original proposal. It is our view that the use of export capacity would be better suited to support the Applicable Objectives in comparison to the use of registered capacity. The use of export capacity within this change would incentivise generators to maximise their actual output and lead to more efficient use of the grid.</p>
2	Do you support the proposed implementation approach?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>While we understand and support the rationale for implementing this change in advance of the Gate 2 application window opening, the NESO must ensure that there is capacity for the number of applications that will enter Gate 2 in addition to projects that will satisfy the <5MW threshold.</p>
3	Do you have any other comments?	<p>We would prefer a nationally applicable process embedded within the CUSC. This could be based on consistent GSP analysis/ identification (including fault level headroom) applied across all regions with set levels of permissible development (down to 200kv as applicable currently across all of Scotland). TIA's would apply where proposals exceed the applicable threshold level. Where there is an excess of availability of capacity on the grid, the threshold can be raised accordingly. This would balance the risk of projects skipping the TIA while considering grid capacity and enable timely connections of projects. Importantly, it would be applied nationally avoiding potential undue discrimination and limiting distortive impacts. However, such a solution would appear outside the scope of this defect and the analysis and impact assessment necessary would exceed beyond the time constraints of this Urgent modification.</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 would support an alternative that would implement a national scheme as outlined above but believe it is out of scope of the modification proposal defect.</p>
5		<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>

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	Does the draft legal text satisfy the intent of the modification?	No further comments.
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No No further comments.

Specific Workgroup Consultation questions

7	Do you believe that a codification of Scotland threshold is required for CMP446?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No It is our view that a codification of Scotland threshold is required for CMP446. Codification of Scotland threshold would enable certainty for developers and enable a level playing field for developers across Scotland and England and Wales. The codification of the threshold set in Scotland would be a positive step for the development of electricity generation in Scotland in addition to supporting the changes to the threshold proposed in CMP446.
8	Is it clear that the change in threshold is cumulative not incremental?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The modification proposal makes clear that the change in threshold is cumulative and not incremental.
9	Do you believe 5MW is the correct threshold and if not why and to what threshold level should it be? (Providing rationale and	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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	justification for any alternative MW threshold)	The proposed lower threshold increase to 5MW appears to be proportionate and is supported by the proposer's evidence.
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No No additional comments.
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No As noted in our response to question 3, this is perhaps the basis for a national based risk-based assessment approach. However, it seems out of scope of this urgent modification defect which was to simply codify the 5MW level across the whole of England and Wales, not to apply another criterion. If it is to be taken forward it should apply to England, Scotland and Wales.
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 No additional comments.
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 It is likely that the consequence of CMP446 could include an increase in >5MW projects connecting to the distribution network, therefore impacting the transmission network. While the modification looks to facilitate connections below 5MW, the reduced barrier to entry does not mitigate the risk of projects potentially building to the limit of this threshold. This could lead to inefficient outcomes.

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14	Do you have any suggestions for any additional mitigation measures for the identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		A consistent risk-based approach to assess the necessity for TIA applicable across Scotland England and Wales would mitigate this risk however it appears out of scope of this urgent modification.
15	Do you understand that as a consequence of CMP446 that the curtailment assumptions for an accepted Technical Limits offer could be impacted?	<input type="checkbox"/> Yes <input type="checkbox"/> No
		The impact of this is not clear in the report. The point we think that is being made is that sub 5MW generation connections would not be considered in planning assumptions by DN's and TOs as TIA assessments would not have been completed. Consequently, any non-firm offers made by the DNO would be non-firm for longer as the reason to invest in TO infrastructure had not been identified through the TIA.
16	Is the timeline of interactions understood?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		The consultation makes clear that there is a need for CMP446 to be implemented in line with the timeline set out in CMP434 or before the Gate 2 application window opens in Q3 2025.
17	Do you believe it is appropriate/ within scope of CMP446 for the Workgroup to consider this further, and if so why?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		This question refers to specifying the voltage levels the CMP446 solution should apply to. We do not believe this is necessary as the driver of urgency for the modification is to be implemented prior to connection reform.