

Workgroup Consultation Response Proforma**CM087: Introducing Connections Process to facilitate Competitively Appointed Transmission Owners**

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@nationalgrideso.com by **5pm on 25 September 2023**. 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 Catia Gomes catia.gomes@nationalgrideso.com or stcteam@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Gareth Williams, Michelle MacDonald Sandison, Richard Woodward	
Company name:	SP Transmission PLC, Scottish Hydro Electric Transmission PLC, National Grid Electricity Transmission PLC	
Email address:	Gareth.williams@scottishpower.com	
Phone number:	N/A	
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 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☐ Confidential

Note: A confidential response will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

For reference the Applicable STC Objectives are:

- efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act
- development, maintenance, and operation of an efficient, economical and coordinated system of electricity transmission
- 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 Workgroup Consultation questions		
1	Do you believe that CM087 Original Proposal better facilitates the Applicable Objectives?	Mark the Objectives which you believe the original solution better facilitates:
		<div>Original</div> <div> <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 checked="" type="checkbox"/>G </div>
		<p>In relation to the CM087 solution as proposed, we have assessed the applicable objectives as being impacted as follows:</p> <p>A) Negative:</p> <p>Whilst we accept that the proposed solution resolves the defect of specifying an STC process to enable CATOs to connect new transmission assets to the NETS, we believe it does so in an inefficient manner. We also believe the proposed solution is contrary to facilitating a 'level playing field' between CATOs and existing Onshore TO licensees (wherever possible).</p> <p>We are wary the proposed changes could increase the inefficiency in discharging our own transmission licensee obligations by over-specifying the interactions for interfaces between CATOs and Onshore TOs (see Q3).</p> <p>We recommend evolutions/extensions of the existing STC baseline to implement CATO connection processes more efficiently (see Q2 and 4 for more info).</p> <p>B) Neutral</p> <p>C) Neutral</p> <p>D) Negative:</p> <p>We believe the proposals increase the potential for risk in the security and quality of supply and safe operation of the NETS by adding complexity to the baseline interface arrangements between transmission licensees.</p> <p>E) Negative:</p> <p>As flagged under (A), we believe the CM087 proposal adds more complexity into the STC than is necessary to</p>

		<p>implement CATO connection processes by applying a 'generator-like' compliance process. These processes are designed under Grid Code for Users purposefully to ensure robust and safe system access for User equipment - not the addition of the NETS by a network owner whose acts should be governed by stringent safety and system design obligations through the transmission licence.</p> <p>F) Neutral</p> <p>G) Positive:</p> <p>The proposal ensures future alignment with the relevant GB legislation introducing the CATO regime.</p> <p>In conclusion, the modification as proposed resolves the defect by providing a solution for CATO connections, but it does so in a way which could be excessive or inefficient which may also have unforeseen consequences when implemented.</p>
2	Do you support the proposed implementation approach?	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>We believe that the existing STC processes could be evolved to specify the CATO connection progress which would more effectively create a level playing field. This would ensure future CATOs have the same roles and responsibilities as existing Onshore TOs. We do not believe there is a need to create bespoke new process or STCPs in relation to facilitating new transmission assets being commissioned.</p> <p>We also believe that the timelines for implementing this modification have been proposed in a way which leaves very little time for adequate consideration of the complexity of the processes proposed. Unlike other CATO modifications which merely seek to define the regime, we do not see any reason to proceed with CM087 until the CATO licence is published, which will ultimately dictate the nature of the obligations which need to be substantiated via CM087.</p> <p>It would be helpful if the ESO could clarify with Ofgem the timelines for implementing changes which define how the regime operates.</p>
3	Do you have any other comments?	<p>Under existing industry practices, the current TO-TO relationship recognises that there are project risks that both parties share, which are dealt with in a co-ordinated way. The proposed change would put additional</p>

		<p>obligations on Onshore TOs (for example requiring TOs as 'Lead Parties' to take all reasonable steps to ensure the CATO milestones are met) and could potentially change the nature of existing TO-TO relationships, which currently work well.</p> <p>During a time of unprecedented regulatory change and the commencement of considerations of the new TO Price Control, we are worried the implementation of the CATO regime in this way may be an excessive burden which is not yet fully understood.</p> <p>There is a risk of industry disruption at a time where transmission investment should be focused on acceleration for net-zero and coordination in a strategically planned way (as proposed under Ofgem's Centralised Strategic Network Plan).</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>We would strongly urge and advise revisiting the workgroup discussions regarding extension or evolution of existing STC provisions for connection of new assets which could consistently be applied to CATOs and existing Onshore TOs alike.</p>

Specific Workgroup Consultation questions

5	Do you believe this modification facilitates the connection of a CATO to the transmission system in the most efficient and economic manner?	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>As per responses above, we do not believe these proposals are the most efficient and economic.</p>
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