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Code Administrator Consultation Response Proforma

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

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@nationalenergygyso.com by **5pm** on **17 March 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@uk.nationalenergygyso.com or cusc.team@nationalenergygyso.com

Respondent details	Please enter your details	
Respondent name:	Drew Johnstone	
Company name:	Northern Powergrid	
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Phone number:	0113 2415241	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input checked="" 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 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 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 Code Administrator Consultation questions			
1	Please provide your assessment for the proposed solution(s) against the Applicable Objectives?	Mark the Objectives which you believe the proposed solution(s) better facilitates:	
		Original	<input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM1	<input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM2	<input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D
		WACM3	<input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D
		WACM4	<input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D
		WACM5	<input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D

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		We believe that the original proposal along with WACM1, WACM2 & WACM5 will positively impact applicable objectives (a) and (b). However, all five proposals are neutral concerning Applicable Objective (c).
2	Do you have a preferred proposed solution?	<p> <input type="checkbox"/> Original <input type="checkbox"/> WACM1 <input type="checkbox"/> WACM2 <input type="checkbox"/> WACM3 <input type="checkbox"/> WACM4 <input checked="" type="checkbox"/> WACM5 <input type="checkbox"/> Baseline <input type="checkbox"/> No preference </p> <p>We believe the original proposal will positively contribute to the applicable objectives. However, we see WACM5 as the most effective overall solution for the following reasons.</p> <p>WACM1 builds on the original proposal by emphasizing Export Capacity, which we believe better represents the potential network effects on existing systems in determining whether a TIA is necessary.</p> <p>WACM2 also improves upon the original by enhancing transparency around GSP data, leading to more efficient network use. However, it relies on Registered Capacity instead of our preferred Export Capacity, as seen in WACM5</p> <p>WACMs 3 & 4 are identical apart from the use of Registered Capacity versus Export Capacity. While they address potential risks of customer behaviour i.e. the carving up of larger projects by capacity to meet the threshold, they impose an arbitrary</p>

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		<p>threshold that due to the urgency of this proposal, has not been fully considered and may negatively impact objective A.</p> <p>WACM5 offers a more flexible approach by allowing NESO to adjust thresholds at each GSP. This flexibility mitigates potential negative customer behaviour changes, unlike the fixed cap in WACMs 3 & 4.</p> <p>In summary, WACM5 is our preferred solution as it combines the strengths of WACM1 and WACM2 while also addressing their limitations. It emphasizes Export Capacity, which better reflects network impacts, enhances transparency, and provides flexibility by allowing NESO to adjust thresholds at each GSP. This adaptability should help to mitigate any potential carving up of larger connections projects, in our view making WACM5 the most comprehensive and effective solution.</p>
3	Do you support the proposed implementation approach?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>We support this implementation approach prior to the proposed Gate 2 window in CMP435 to allow the existing 1-5MW DG currently in the queue to benefit as connections reform is implemented.</p>
4	Do you have any other comments?	<p>Further consideration of the use of incremental capacity rather than total capacity should be considered post implementation of CMP446 to ensure no detriment for existing connections seeking to increase their existing export capacity.</p> <p>Specifically, existing industrial or large commercial connections seeking to decarbonise their operations with small increases to their existing generation capacity already contained within week 24 data.</p>

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5	Do you agree with the Workgroup's assessment that the modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <div>Click or tap here to enter text.</div>
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