CUSC Modification Proposal Form	At what stage is this document in the process?
# CMP330 ## Mod Title: Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length	01 Proposal Form 02 Workgroup Consultation 03 Workgroup Report 04 Code Administrator Consultation 05 Draft CUSC Modification Report 06 Final CUSC Modification Report

Purpose of Modification: To amend the definition of Connection Assets in section 14 of the CUSC to allow cable and overhead line lengths over 2km to be contestable where agreed between the Transmission Owner and the User.

✓	**The Proposer recommends that this modification should be:** • assessed by a Workgroup and determined by the Authority This modification was raised 28 November 2019 and will be presented by the Proposer to the Panel on 13 December 2019**.** The Panel will consider the Proposer's recommendation and determine the appropriate route.
!	**High Impact**:
!	**Medium Impact:** New Transmission connected sites; Transmission Owners
!	**Low Impact:**

 © 2016 all rights reserved

Contents

1	Summary	4
2	Governance	5
3	Why Change?	5
4	Code Specific Matters	5
5	Solution	6
6	Impacts & Other Considerations	6
7	Relevant Objectives	6
8	Implementation	7
9	Legal Text	7
10	Recommendations	7

Timetable

The Code Administrator will update the timetable.

The Code Administrator recommends the following timetable:

Initial consideration by Workgroup	dd month year
Workgroup Consultation issued to the Industry	dd month year
Modification concluded by Workgroup	dd month year
Workgroup Report presented to Panel	dd month year
Code Administration Consultation Report issued to the Industry	dd month year
Draft Final Modification Report presented to Panel	dd month year
Modification Panel decision	dd month year
Final Modification Report issued the Authority	dd month year
Decision implemented in CUSC	dd month year

Any questions?

Contact:
Paul Mullen

paul.j.mullen@nationalgrideso.com

07794537028

Proposer:
Lambert Kleinjans

Lambert.Kleinjans@energiekontor.co.uk

07415 793 367

National Grid ESO Representative:

Jon Wisdom

jon.wisdom@nationalgrideso.com

07929 375010

 © 2016 all rights reserved

Proposer Details

Details of Proposer: (Organisation Name)	Energiekontor UK Ltd
Capacity in which the CUSC Modification Proposal is being proposed: (i.e. CUSC Party, BSC Party or "National Consumer Council")	CUSC Party
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	 Andrew Pace Energy Potential 0788 184 0007 andy.pace@energy-potential.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	 Lambert Kleinjans Energiekontor UK Ltd 07415 793 367 Lambert.Kleinjans@energiekontor.co.uk
Attachments (Yes/No): No **If Yes, Title and No. of pages of each Attachment:**	

Impact on Core Industry Documentation.

Please mark the relevant boxes with an "x" and provide any supporting information

BSC	
Grid Code	
STC	X
Other	

This change modification may have an impact on the TO Construction agreement within the STC. The working group should consider whether any changes should be made to the STC.

 © 2016 all rights reserved

1 Summary

Defect

The definition of Connection Assets in the CUSC limits the length of cable and overhead lines to 2km or less. This restriction places an artificial constraint on connectees when the length of the Connection Assets required is in excess of 2km as the Transmission Owner would then need to undertake the works. Restricting connectees to procuring cable and overhead only up to or equal to a length of 2km prevents the connectee from contracting with a third party who may be able to provide the Connection Assets at a potentially lower cost and faster timeline than the Transmission Owner.

A further issue with the 2km restriction is that it is not applied consistently across GB. This is because the restriction applies at all transmission voltages which includes 132kV in Scotland but 132kV is not a transmission voltage in England and Wales.

What

For a new connection to a transmission network, some elements of the work are contestable and can be constructed by the connectee. This creates competition in connections for the contestable elements and ensures the connectee is able to connect at the lowest cost and as quickly as possible.

CUSC section 14.7 states that the construction of some Connection Assets are able to be undertaken by the Connectee (i.e. this work is contestable). The definition of Connection Assets and therefore what work is contestable is set out in CUSC section 14.2.6 which states:

14.2.6 Connection assets are defined as all those single user assets which:

a) for Double Busbar type connections, are those single user assets connecting the User's assets and the first transmission licensee owned substation, up to and including the Double Busbar Bay;

b) for teed or mesh connections, are those single user assets from the User's assets up to, but not including, the HV disconnector or the equivalent point of isolation;

c) for cable and overhead lines at a transmission voltage, are those single user connection circuits connected at a transmission voltage equal to or less than 2km in length that are not potentially shareable.

Part (c) of this section restricts the definition of connection assets to less than 2km which leads to the defect.

Why

This change modification proposes to remove the 2km restriction to enable greater competition in contestable connections and lower cost and faster connections for connectees. The removal of this limit will require agreement from both the Transmission Owner and User and therefore will only apply to connections where the user requests and the Transmission Owner agrees to not apply the 2km limit.

The proposer notes that for the connection they are considering, the ability to construct the Connection Assets themselves allows for the connection to be completed several

 © 2016 all rights reserved

years earlier than if the Transmission Owner undertook the connection. This has a material impact on their business plan.

How

It is proposed to remove the 2km restriction where requested by the connectee and approved by the Transmission owner to allow for more connectees to benefit from contestability on the Connection Assets required to connect their site.

2 Governance

Justification for Normal Procedures

This modification should follow the normal governance procedure.

Requested Next Steps

This modification should:

- be assessed by a Workgroup

3 Why Change?

The limitation of allowing contestability for only 2km of cable and overhead lines is limiting competition by preventing new connectees from procuring and constructing these assets in the most efficient manner. Contestability is a common principle in the provision of new networks to enable new connections and is used widely at transmission and distribution. It should be noted that Independent Connection Parties frequently construct 132kV network in England and Wales (where this voltage level is defined as distribution).

4 Code Specific Matters

Technical Skillsets

N/A

Reference Documents

N/A

 © 2016 all rights reserved

5 Solution

The proposed solution is to amend the 2km limit in section 14.2.6 (c) with proposed wording set out in section 9 (Legal Text) of this Proposal Form.

6 Impacts & Other Considerations

This change will impact all new transmission connections and potentially result in faster and lower cost connections to the benefit of those connectees.

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

We do not expect this change to impact on the network access and forward-looking charges SCR.

Consumer Impacts

We do not expect this modification to directly impact on consumers although there is likely to be some overall cost savings across GB which should ultimately benefit consumers if connectees are potentially able to access quicker and cheaper connections.

7 Relevant Objectives

Impact of the modification on the Applicable CUSC Objectives (Connection):

Relevant Objective	Identified impact
(a) the efficient discharge by the licensee of the obligations imposed upon it under the Act and by this licence;	Positive
(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;	Positive
(c) compliance with the Electricity Regulation and any relevant legally	Neutral
(d) promoting efficiency in the implementation and administration of the CUSC arrangements,	Neutral
*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).	

This modification better meets charging objectives (a) and (b) by enabling new connectees to the transmission network to source a cheaper and/or quicker connection by opening up more Connection Assets to contestability. It also reduces a market

 © 2016 all rights reserved

distortion at 132kV where connectees in England and Wales do not face a restriction on the length on cable and overhead lines that they are able to construct.

The modification is neutral against objectives (c) and (d).

8 Implementation

The proposal should be implemented as soon as possible following approval by the Authority.

9 Legal Text

The proposed solution is to amend the 2km limit in section 14.2.6 (c) as follows:

14.2.6 Connection assets are defined as all those single user assets which:

a) for Double Busbar type connections, are those single user assets connecting the User's assets and the first transmission licensee owned substation, up to and including the Double Busbar Bay;

b) for teed or mesh connections, are those single user assets from the User's assets up to, but not including, the HV disconnector or the equivalent point of isolation;

c) for cable and overhead lines at a transmission voltage, are those single user connection circuits connected at a transmission voltage ~~equal to or less than 2km in length that~~ which are not potentially shareable and:

(i) equal to or less than 2km in length, unless

(ii) the relevant Transmission Owner, The Company and the User all agree that this limit should be revised, and that the asset specified should be defined as a Connection asset. Such agreement should not be unreasonably withheld.

10 Recommendations

Proposer's Recommendation to Panel

Panel is asked to:

- Agree that Normal governance procedures should apply
- Refer this proposal to a Workgroup for assessment.

 © 2016 all rights reserved