

Workgroup Consultation Response Proforma**CMP298: Updating the Statement of Works process to facilitate aggregated assessment of relevant and collectively relevant embedded generation**

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@nationalgrideso.com by **5pm on 10 September 2021**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Workgroup.

If you have any queries on the content of this consultation, please contact Paul Mullen paul.j.mullen@nationalgrideso.com or cusc.team@nationalgrideso.com.

Respondent details	Please enter your details
Respondent name:	Gareth Hislop
Company name:	SP Energy Networks (SPEN)
Email address:	ghislop@scottishpower.com
Phone number:	Click or tap here to enter text.

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, the Workgroup or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

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

- The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;*
- 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;*
- Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and*
- Promoting efficiency in the implementation and administration of the CUSC arrangements.*

**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).*

Please express your views regarding the Workgroup Consultation in the right-hand side of the table below, including your rationale.

Standard Workgroup Consultation questions		
1	Do you believe that the CMP298 Original Proposal better facilitates the Applicable Objectives?	Yes
2	Do you support the proposed implementation approach?	The consultation would suggest that the transition period will move all DNOs over to the new contractual arrangements, however the introduction of the Transmission Impact Assessment (TIA) is not mandatory for DNOs and should only be implemented by agreement and where there is clear network and embedded customer benefit. In order to implement the arrangements, it will be subject to agreement with the TOs and any STC Panel approval of any corresponding STC changes that are identified as required. SPEN were a leading party in the development of the Transmission Impact Assessment under the ENA Open Networks Project and remain supportive of the changes and benefits that the Transmission Impact Assessment arrangements will offer as an alternative to the SoW Process.
3	Do you have any other comments?	<p><u>Impact on Larger DER Scotland</u> SPEN are still of the view that the TIA process will be particularly discriminatory to large generators in Scotland where the 'large' threshold is 30MW for SPD/SPT and 10MW for SSEPD/SHET. The TIA process provides a means for the assessment of the physical impact on the transmission network, not the use of system requirements of the connecting generator. We are of the view that large generator should form part of the TIA and be included in the contracted background but the obligation to contract with the ESO for the required BEGA/BELLA UoS Agreement should remain.</p> <p><u>Appendix G – Schedule 1</u> We would ask the that table under Part 1 be updated to include details of whether or not the generator has elected to be "Fixed or Actual" under the User Commitment Arrangements.</p> <p><u>User Commitment Arrangements</u> Whilst DNOs will be able to provide their customers with an indication of the Wider Liability Charge that will apply as part of their offer to their customer, they will not be able to provide detail of any attributable amount that may</p>

		apply. As this can only be confirmed by the ESO once they are notified via Appendix G updates, a short grace period with no termination penalty should apply to the DNO customers should they subsequently terminate following confirmation of the full User Commitment Liability and associated security requirements.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	No
Modification Specific Workgroup Consultation questions		
5	Do you believe it is appropriate for the ESO to approve/reject the changes to Appendix G proposed by the Distribution Network Operators or is it sufficient that such changes are deemed to be accepted with a disputes process by exception? Please provide the rationale for your response.	The principle of the TIA rests upon providing the DNO with visibility of any available capacity or the identified transmission impact which they can reflect in the offers they make to their customers without subsequent referral to the ESO. The DNO is bound by the T&Cs of the BCA and therefore should not offer terms that conflict with the BCA. The intent of the revised approach allows for the DNO to make offers and for those offers to be accepted, in the majority of cases, without referral to the ESO for a SoW for example. Once the offer is accepted it forms part of the App G in the BCA and therefore should not be subject to further review/approval by the ESO. In doing so this would introduce conditionality and uncertainty for the DNOs and their customers. This would undermine the benefits of the revised approach.
6	Do you believe it is appropriate for the ESO to charge the Distribution Network Operators an application fee and/or a validation fee for their data to ensure the requirements of the Transmission Impact Assessment are met?	Yes – full consideration needs to be given to an appropriate fee structure which the TO, and ESO, can apply for the work undertaken in respect of the TIA process. As consequence, DNOs will also need to fully consider how the fee is recovered and applied to those connecting to their networks. Where a DNO wishes to convert from SoW over to the TIA arrangements however, much of this has already been done for many DNOs, at no fee, under the ESO Regional Development Plans. Therefore, to ensure consistent and fair application across GB, this approach should be adopted to any DNOs still wishing to transition to the new arrangements. Once the new arrangements are in place however, fees should apply to any relevant activity under the defined process.
7	The CMP298 Workgroup have proposed that the ESO	Yes we would support a central list published by the ESO, however DNOs and TOs may choose to do something independently for their connecting customers.

	<p>should publish a central list of which GSPs are on Statement of Works/ Confirmation of Project Progression and which are on Transmission Impact Assessment. They have also suggested what should be included and set a minimum timescale. Do you agree that this data should be centralised and hosted by the ESO and if so, do you have any comments on the proposed content and timing? Please provide the rationale for your response.</p>	<p>As ultimately the register is for the benefit of connecting customers, it is important the information published best meets their requirements. For example we would suggest the register includes details of latest date for connection along with an indication of any transmission works required to connect at a particular GSP or if there is available capacity.</p>
8	<p>Will the CMP298 Original Proposal impact on your business. If so, how?</p>	<p>Yes – there will be of particular impact to our Transmission business. As indicated in the consultation, any transition cross to the new arrangements from SoW will involve data provision, system studies and the creation of a new commercial agreements along with updates to Connection Site Specification documents between the TO and ESO.</p>