

Workgroup Consultation Response Proforma

CMP330: Allowing new Transmission Connected Parties to build Connection Assets greater than 2km in length & CMP374: 'Extending contestability for Transmission Connections.

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 17 January 2022**. 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 Ren Walker Lurrentia.Walker@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details
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For reference the Applicable CUSC (charging) Objectives are:

- a. *That compliance with the use of system charging methodology facilitates effective competition in the generation and supply of electricity and (so far as is consistent therewith) facilitates competition in the sale, distribution and purchase of electricity;*
- b. *That compliance with the use of system charging methodology results in charges which reflect, as far as is reasonably practicable, the costs (excluding any payments between transmission licensees which are made under and accordance with the STC) incurred by transmission licensees in their transmission businesses and which are compatible with standard licence condition C26 requirements of a connect and manage connection);*
- c. *That, so far as is consistent with sub-paragraphs (a) and (b), the use of system charging methodology, as far as is reasonably practicable, properly takes account of the developments in transmission licensees' transmission businesses;*
- d. *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency; and*
- e. *Promoting efficiency in the implementation and administration of the system charging methodology.*

**Objective (d) 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 CMP330/CMP374 Original Proposal better facilitates the Applicable Objectives?	Yes, we believe that the CMP330/374 original proposal better meets the applicable objectives.
2	Do you support the proposed implementation approach?	Yes
3	Do you have any other comments?	This CMP will increase competition and is likely to increase speed of build of connections for new generation.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	We have already raised an alternative within the workgroup to only apply the solution to 132kV voltage levels. We have no further alternatives to propose.
Modification Specific Workgroup Consultation questions		
5	Do you agree with the proposed solution that one offer with two options (contestable/non-contestable) would represent the best approach?	We support the proposal that connection offers with contestable and non-contestable parts as separate options should be used. It is important that consistency with distribution is maintained and stakeholders should be able to see the cost of the contestable elements as a separate item. This allows the connectee to make an informed decision whether to proceed with a contestable connection and assists in obtaining a quote for the contestable works from an ICP.
6	Should there be a process to allow subsequent applicants to take over the contestable build already negotiated with the TO? If so, should this process have a 'point of no return' where this option is restricted?	We think it would be reasonable to have a process to allow this. However, we do not think that this scenario will occur often. If the first connectee has decided to go down a contestable route, they are only likely to withdraw and allow the second connectee to take over the works if there is a material benefit. If this process is implemented a reasonable point of no return would be once construction has commenced.
7	Are the proposed intervention criteria sufficient? Are there any additional criteria that should be	We believe that the proposed intervention criteria capture the necessary criteria. We would like to

	considered? Please provide your views.	ensure that the legal text used to implement these criteria does not distort the principles and that a connectee has the ability to dispute an intervention if they believe it to be unreasonable. This dispute process should be quick to ensure the timelines for a connection are not unduly impacted.
8	Do you agree that no additional safeguards are required for the delivery of non-shared Infrastructure Assets via contestable works? If not, what protections would you wish to see?	We believe that the intervention criteria and adoption process should offer sufficient safeguards for the TO. We also believe that the ICP should be Lloyds accredited, but this requirement could be built into the adoption agreement rather than the CUSC.
9	Do you agree with the principles of what needs to be included in the Adoption agreement as set out in Annex 4.	Yes, we agree with the principles set out in Annex 4.
10	A potential alternative solution is that the contestability could be limited to just 132kV in Scotland, which in the Proposer's view is in line with treatment of 132kV in England and Wales. Do you think this is appropriate? Please provide justification for your views.	We believe this is appropriate as it removes a distortion in connections across GB where it is possible to have a contestable connection at 132kV in England and Wales but not in Scotland.
11	Are there any issues for stakeholders to extend contestability to building assets above 132kV.	It is currently relatively common to build contestable assets at 132kV in England and Wales. It therefore seems reasonable to extend this into Scotland as stakeholders and ICPs have experience of building these assets themselves. As contestability does not currently exist at 275kV or 400kV, there may be a greater risk for TOs in allowing third parties to construct these assets.
12	Will the CMP330/374 Original Proposal / possible alternatives impact your business. If so, how?	Yes. Energiekontor are connecting new windfarms many of which are at 132kV in Scotland. We believe that we are able to connect these windfarms more quickly if we could build the 132kV network required to connect contestably. This will assist in the decarbonisation policy of the UK and help transition to a low carbon economy.

13	Do you think this change will benefit your organisation, other organisations, or end consumers? Please provide evidence and/or examples to support this.	As stated above, this modification will allow us to connect windfarms to the GB network more quickly. For several of our windfarms we expect the windfarms to be energised several years earlier than would be the case under the current baseline. We have at least 9 sites of 50MW+ each which would benefit from this, we could use our own consenting team and an ICP which could accelerate the timescales. This is ultimately beneficial to consumers. The windfarms will be zero carbon and help move the UK towards the legally binding net zero targets by 2050. Furthermore, given the current high wholesale prices that currently persist, windfarms with a zero marginal cost will run at the bottom of the merit order therefore displacing higher priced generation plant and leading to lower wholesale prices.
14	Do you believe this proposal brings forward any additional risks of the Onshore TO's, other than those already identified? Do you think a license change is required to mitigate the risks fully?	We do not think any additional risks are placed upon the TO through this mod. The TO is protected by the intervention strategies and the adoption agreement.