

Workgroup Consultation Response Proforma

CMP427: Update to the Transmission Connection Application Process for Onshore Applicants

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 26 January 2024**. 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 cusc.team@nationalgrideso.com.

Respondent details	Please enter your details	
Respondent name:	Alex Ikonic	
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Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" 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 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 CUSC (non-charging) Objectives are:

- a) *The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission 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.*

*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 Workgroup Consultation questions		
1	Do you believe that the Original Proposal better facilitate the Applicable Objectives?	Mark the Objectives which you believe each solution better facilitates: Original <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D Click or tap here to enter text.
2	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No We agree that urgent action is needed to reduce the number of speculative applications being submitted, and support the modification being implemented as soon as possible. Given this is a step change in requirements from the status quo, we would also like to highlight the importance of ESO engaging with industry – for example, publishing the guidance document ASAP and holding a webinar / Agora on this topic shortly following the Authority Decision.
3	Do you have any other comments?	We fully support the overall principle behind this modification and believe that the introduction of an LoA requirement will constitute a positive change to the current process by reducing the number of new speculative applications entering the queue. However, we believe it is important to strike a balance between this and not being too burdensome of a barrier to viable projects. We would also like to note we believe this modification alone will not solve the full problem and that raising of a further modification as soon as possible, to cover issues such as duplication checks and retrospectively applying these requirements to the existing queue is imperative. While queue management milestones will help to remove speculative / non-viable projects from the existing queue, it is important to note that with connection dates well into the late 2030s, many projects will not see their first milestone for many years from now.
4	Do you wish to raise a Workgroup	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<p>Consultation Alternative Request for the Workgroup to consider?</p>	<p>Click or tap here to enter text.</p>
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Specific Workgroup Consultation questions

<p>5</p>	<p>Do you believe that the proposed LoA meets the objectives set out by Ofgem and DESNZ in CAP? If not, please provide your rationale.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Click or tap here to enter text.</p>
<p>6</p>	<p>Do you believe that an LoA should have a validity period? If so, please provide a timescale and your rationale.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>In line with objectives set out in CAP, we understand that the purpose of this LoA is to reduce the rate of speculative connection applications being submitted and that it is only a “snapshot in time” of the status at the time of application. We do not believe there should be an ongoing validity check of the LoA following Clock Start as part of this modification. In principle, we would support extending the validity period of the LoA but believe this would need further detailed thought, particularly on treatment of changes to redline boundaries (considering the difference in scale between distribution / transmission), and differences in impact between connections in England / Wales and Scotland. We encourage exploring the potential link between the LoA and M3 milestone in later mods which are due to be raised to “strengthen” these proposals. Within the scope of CMP 427, we believe that having a LoA signed within the last 12 months, as is standard practice with distribution LoAs, would be beneficial and would provide comfort to the ESO on the validity of the project.</p>
<p>7</p>	<p>Do you agree, in principle, with the concept of an Energy Land Density table? If not, please provide your rationale.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Yes, in principle we strongly support the concept of an energy density table as there needs to be a “sense-check” of the land compared to the capacity being applied for, and that without this, the robustness of LoA would be very limited. However, we note that the scale of transmission connected projects often mean that they will be spread over multiple landholdings. We have concerns that requiring LoAs for all landholdings (i.e. to cover the</p>

		<p>full registered capacity) may create distortions between the scale of projects and that larger projects, which <i>are</i> viable, may be disadvantaged as it may not be feasible to secure LoAs from all relevant landowners within the timeframes required for application. Additionally, some landowners may be unwilling to meaningful engage with developers when connection dates are unknown or 10+ years in the future. We see this problem potentially being exacerbated following Connections Reform, where the proposed time to submit an application within a window is fairly limited. Instead, we would propose that the LoA covers a percentage of the land required, for example; 20 – 33%.</p>
8	<p>Do you agree with format and the categories proposed in the Energy Land Density table? If not, please provide your rationale.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Click or tap here to enter text.</p>
9	<p>Do you have different values that you can provide for the Energy Land Density table? If so, please provide your rationale.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Click or tap here to enter text.</p>
10	<p>Do you believe that the LoA should be in the form of a standard template? If not, please provide your rationale.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>We agree that the introduction of a standard template (with a sufficiently clear disclaimer to clarify the landowner would not be liable for any costs/etc. related to the application) would be most robust and efficient. This would allow for equal treatment between Users and minimise resource issues for the ESO when processing applications. We note that in light of Connections Reform and proposed annual application windows, use of a standard LoA template should reduce the risk of an application being rejected due to a LoA being insufficient (where the consequences of delay to Clock Start are much more severe than today).</p>
11	<p>Do you believe the use of the word “authorise” within the LoA, could have adverse legal consequences? If so,</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>We do not believe this would have adverse legal consequences, as more robust wording would be needed to make the LoA binding for example, use of the word</p>

	<p>please provide your rationale.</p>	<p>“consent” rather than agree / authorise / accept. We believe this wording can be re-visited in further modifications whose purpose is to strengthen (and therefore potentially make binding) the LoA. We have no preference as to the use of agree, authorise, accepting, and believe this could be chosen by the landowner / agent when completing the form.</p>
<p>12</p>	<p>Do believe the proposed LoA template is suitable for all jurisdictions (England & Wales, and Scotland)? If not, please provide your rationale.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>For sites in Scotland, we would propose adding a reference to the “Land Register of Scotland” rather than the “Land Registry”, which would ask for a Title Number. We note that a large portion of land in Scotland is unregistered and would be on the General Register of Sasines. We also note that any such template should adhere to Requirements of Writing (Scotland) Act 1995. Template B puts quite an onus on the developer to collate the information, which could include a large number of files if the land is on the General Register of Sasines and would be resource intensive for the ESO to check. We would instead suggest rewording this to these documents being provided “upon request”.</p>
<p>13</p>	<p>Do you believe that the technology type should be included in the LoA template? If you not, please provide your rationale.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>We believe that the inclusion of the technology type(s) in the LoA would increase the robustness of the LoA and confirm that discussions have taken place between the landowner and the developer on a project of a particular certain technology / mix. Without this, there is an element of risk for Users to ‘game the system’; potentially allowing non-viable projects to enter the queue which could lead to inefficient TO network planning. We note that while this is not required for distribution LoAs, they are made robust in other ways (for example, they endure throughout the project lifetime, and there is a concept of “allowable changes” to DNO applications with regards to technology type / mix).</p>
<p>14</p>	<p>Do you consider the exemption approach to deal with exceptional circumstances appropriate? If not please provide your rationale.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Click or tap here to enter text.</p>

