

Workgroup Consultation

CMP428: User Commitment liabilities for Onshore Transmission circuits in the Holistic Network Design

Overview: The Authority has designated certain circuits within the Holistic Network Design (HND) to be onshore transmission (reinforcement). This proposal aims to define the User Commitment liabilities for Generators connected via onshore transmission (reinforcement) within the HND. This is to ensure that the purpose and function of circuits classified as onshore transmission (reinforcement) are considered when determining which Users are responsible for the associated liabilities.

Modification process & timetable



Have 5 minutes? Read our [Executive summary](#)

Have 20 minutes? Read the full [Workgroup Consultation](#)

Have 30 minutes? Read the full Workgroup Consultation and Annexes.

Status summary: The Workgroup are seeking your views on the work completed to date to form the final solution to the issue raised.

This modification is expected to have a: **Medium impact** on National Grid ESO and Offshore Generators.

Governance route Urgent modification to proceed under a timetable agreed by the Authority.

Who can I talk to about the change?

Proposer:

Nitin Prajapati

Nitin.Prajapati@nationalgrideso.com

07790970158

Code Administrator Chair:
Claire Goult / Lizzie Timmins

Claire.Goult@nationalgrideso.com /
Elizabeth.timmins@nationalgrideso.com

07902312226 / 07840708429

How do I respond?

Send your response proforma to cusc.team@nationalgrideso.com by 5pm on 21 March 2024

Contents

Contents	2
Executive summary	3
What is the issue?	4
Why change?	4
What is the solution?	5
Proposer’s solution.....	5
Workgroup considerations	6
Draft legal text	11
What is the impact of this change?	12
Proposer’s assessment against Code Objectives	12
When will this change take place?	13
Implementation date	13
Date decision required by	13
Implementation approach	13
Interactions	13
How to respond	14
Standard Workgroup consultation questions	14
Specific Workgroup consultation questions	14
Acronyms, key terms and reference material	15
Annexes	15

Executive summary

The Proposer believes that applying the current definition of Attributable Works to circuits designated by the Authority to be onshore transmission (reinforcement) within the HND, would lead to them being classed as Attributable Works. This would result in Generators connected to an onshore node which is also connected to an onshore transmission (reinforcement) circuit in the HND being responsible for liabilities associated with these circuits which deliver wider system benefit.

This modification proposes that the assets classified as onshore transmission (reinforcement) in the HND or future iterations of the HND by the Authority will not be classified as Attributable Works and therefore not be included in the User Commitment liabilities. This will be achieved by amending the Attributable Works definition in CUSC section 11.

What is the issue?

The current definition of Attributable Works would lead to significant and non-cost reflective User Commitment liabilities associated with onshore transmission (reinforcement) for certain Generators in the HND.

What is the solution and when will it come into effect?

Proposer's solution: The proposed approach is to amend the Attributable Works definition in CUSC Section 11 by creating an exception for circuits deemed by the Authority to be onshore transmission (reinforcement). This would ensure onshore transmission (reinforcement) in the HND is not classified as Attributable Works. A new definition would also be created for "Excepted Works".

Implementation date: 14 June 2024.

What is the impact if this change is made?

This modification will enable circuits classified as onshore transmission (reinforcement) in the HND to not be classified as Attributable Works, ensuring that Generators do not have significant financial liabilities placed upon them. This proposal also future proofs the methodology to accommodate any circuits designated to be onshore transmission (reinforcement) in future iterations of the HND by any further Authority decisions on asset classification.

Interactions

This modification has interactions with [CM094](#), [CMP417](#) and [CMP426](#). See section 'interactions' below for more detail. These interactions are being considered by the Workgroup. A consequential STC modification will be required to ensure alignment of the definition of Attributable Works, as the STC defines how the Attributable Works are calculated by the Transmission Owners for inclusion in the calculation of User liabilities, and these definitions must align between the CUSC and STC.

What is the issue?

The Electricity System Operator (ESO) published the [Holistic Network Design](#) (HND) in July 2022 to develop a coordinated approach to offshore wind connections. The Authority subsequently published a [decision on asset classification](#) for the HND categorising the transmission assets into either onshore transmission, radial offshore transmission or non-radial offshore transmission. Onshore transmission (reinforcement) delivers wider system benefit to transport electricity generated from a congested region behind that boundary onshore, to other parts of the onshore system with a demand bias.

Within the [decision on asset classification](#), the following terms are used to describe onshore transmission, 'Onshore transmission', 'Onshore transmission (reinforcement)' and 'Onshore reinforcement'. In the context of this consultation, we are using the term 'onshore transmission (reinforcement)' to describe onshore transmission.

The current definition of Attributable Works is outlined in CUSC section 11 as follows: 'those components of the **Construction Works** which are required (a) to connect a **Power Station** or **Interconnector** which is to be connected at a **Connection Site** to the nearest suitable **MITS Node**; or (b) in respect of an **Embedded Power Station** from the relevant **Grid Supply Point** to the nearest suitable **MITS Node** (and in any case above where the **Construction Works** include a **Transmission** substation that once constructed will become the **MITS Node**, the **Attributable Works** will include such **Transmission** substation) and which in relation to a particular User are as specified in its **Construction Agreement**;

Applying the current definition of Attributable Works to the HND would lead to certain high-cost onshore transmission (reinforcement) being classed as Attributable Works. This would result in Generators connected to an onshore node which is also connected to an onshore transmission (reinforcement) circuit in the HND being responsible for significant liabilities associated with these circuits which deliver wider system benefit. This acts as a disincentive for these Generators to proceed with their projects and also introduces a distortion as Generators will be affected differently, depending on where their projects are planned to connect to the transmission network.

Why change?

The [asset classification decision](#) confirms the purpose of onshore transmission (reinforcement) in the HND is to reinforce the onshore network and therefore deliver wider system benefit. So, applying the current definition of Attributable Works would lead to unjustifiable and significant financial liabilities for certain developers in the HND.

It would not be cost reflective for these developers to secure works associated with onshore transmission (reinforcement) as they serve a broader purpose for wider Users. Therefore, it is important to review the current methodology to ensure the User Commitment liabilities are cost reflective to continue to incentivise investment where onshore transmission (reinforcement) is a feature of offshore network designs within the HND.

What is the solution?

Proposer's solution

This modification proposes that the User Commitment liabilities for onshore transmission (reinforcement) in the HND or future iterations of the HND will not be classified as Attributable Works. To facilitate this, the proposed approach is to amend the Attributable Works definition in CUSC section 11 by creating an exception for works deemed by the Authority to be onshore transmission. Therefore, it is suggested the definition of Attributable Works in CUSC Section 11 is amended as per the red text below.

'those components of the **Construction Works** which are required (a) to connect a **Power Station** or **Interconnector** which is to be connected at a **Connection Site** to the nearest suitable **MITS Node**; or (b) in respect of an **Embedded Power Station** from the relevant **Grid Supply Point** to the nearest suitable **MITS Node** (and in any case above where the **Construction Works** include a **Transmission** substation that once constructed will become the **MITS Node**, the **Attributable Works** will include such **Transmission** substation) and which in relation to a particular User are as specified in its **Construction Agreement**;' **but excluding in each case any [Excepted Works];'**

A new definition would then be created in CUSC section 11 for 'Excepted Works' as follows.

"Excepted Works" 'Any **Construction Works** which have been designated as "onshore transmission (reinforcement)" by the **Authority** in its decision of 19 October 2022 on the classification of assets included in **The Company's HND1** or in any future decisions by the **Authority** on the classification of assets included in the **HNDFUE** or **tCSNP** or **CSNP**.'

New definitions would then also be created in CUSC section 11 for HND, CSNP, and OTNR as follows.

"HND" The output of the holistic network design process being undertaken under the **OTNR** published in July 2022 (the **"HND1"**) or the subsequent follow up to the **HND1** (the **"HNDFUE"**) or any further development or iteration of the **HND** or approach to **HND**.

"Centralised Strategic Network Plan (CSNP)" 'The centralised strategic network plan being developed by **The Company**, the first version of which (which will include **HND**) (the "transitional" **CSNP** or **"tCSNP"**) is to be published in 2024.'

"OTNR" The Offshore Transmission Network "Review" launched in July 2020 by the UK Energy Minister.'

This would effectively ensure onshore transmission (reinforcement) in the HND or future iterations of the HND are not classified as Attributable Works, avoiding significant financial liabilities being levied on generators in the HND. If Works are not attributable, these should fall into the Transmission Owner's (TO) capital expenditure (CAPEX) forecast and therefore flow into the Wider Cancellation Charge.

Benefits of Solution

The purpose of onshore transmission (reinforcement) to provide wider system benefit is reflected in the User Commitment methodology, enabling cost reflectivity and therefore incentivising development of offshore generation. Both [CMP426](#) and CMP428 evaluate

the treatment of onshore transmission (reinforcement) in the HND and the solutions both aim to ensure cost recovery/liabilities are not placed upon specific Users to provide consistency in approach.

The solution should also future proof the methodology for any HND circuits designated to be onshore transmission (reinforcement) by the Authority. Finally, the approach is fairly simple to implement.

Elements out of scope and further considerations

The following elements are outside the scope of this modification:

1. Consideration of wider works and application of the Wider Cancellation Charge.
2. Consideration of or comparisons to User Commitment liabilities associated with onshore transmission (reinforcement) that fall outside the HND or iterations of the HND.

A consequential STC modification will be raised to align the definition of Attributable Works to the CUSC to ensure consistency across the two codes.

If required, a follow up modification will be raised to consider wider works and the application of the Wider Cancellation Charge in the context of the HND or iterations of the HND.

Workgroup considerations

The Workgroup convened 4 times to discuss the perceived issue, detail the scope of the proposed defect, devise potential solutions, and assess the proposal in terms of the Applicable Code Objectives.

CMP428 was initially joined with the Workgroup for [CMP426](#). Two Workgroups were held, following which, the Proposer requested that the remainder of the modification proceed under an Urgent timeline. At the CUSC Panel on 23 February 2024, the Panel recommended by majority that the remainder of the modification proceeds on an Urgent basis. Nominations were then opened for [CMP428](#) to proceed to a Workgroup separate from [CMP426](#). On 29 February 2024, the Authority published their [Urgency Decision Letter](#), approving the Urgent timeline for CMP428.

Initial consideration of the Proposer's solution

Initial Workgroups were held jointly with the [CMP426](#) Workgroup, however the Chair noted that the two modifications should be treated separately, advising that [CMP428](#) had a shorter timeline with an implementation date of June 2024.

The Workgroup discussed the draft legal text. One Workgroup member noted that 'Holistic Network Design' was not defined within the draft legal text. The Proposer agreed to address this and revised the legal text to include amends to the definitions of Attributable Works and Excepted Works, and new definitions for Holistic Network Design, Centralised Strategic Network Plan and Offshore Transmission Network Review.

One Workgroup member queried whether the draft legal text was drafted to include only what is set out in asset classification or apply to any subsequent works classified in future iterations of the HND. The Proposer clarified that it was for both what is set out in the

[asset classification decision document on 19 October 2022](#) but also further iterations of the HND as well.

There was some discussion regarding how to determine the Wider Cancellation Charge calculation for the affected offshore Generators, taking into account relevant onshore works plus those offshore works that have been classified as wider under [CMP428](#), including whether a specific zone needs to be created for the offshore Generators. There was significant discussion on these points, however it was not clear to the Workgroup what the outcome of this was.

The Workgroup noted that they felt that clarification on the Wider Cancellation Charge had not been addressed and requested clarity on how costs would be reflected in the Wider Cancellation Charge calculation. They also noted that a separate Wider Cancellation Charge may be required at the point where the offshore circuits meet onshore circuits. One Workgroup member requested further clarification on the modification and how it works alongside methodologies already in place. Another Workgroup member requested worked examples for HND for the Workgroup. The Proposer agreed to consider these points and present them to the Workgroup following the Urgency request.

The Proposer noted an interaction with [CM094](#) which aims to allow Transmission Owners (TO) to not pass through any costs for Users to secure against for any strategic transmission reinforcements where Ofgem have approved the needs case for these works.

Consideration of the Proposer's solution following the Urgency decision for CMP428

The Proposer gave the Workgroup an overview of the modification, updating the Workgroup on the background, the defect/methodology challenge, and the proposed solution.

The Proposer detailed how the HND was published in July 2022 to facilitate a more coordinated approach to offshore wind connections. The Authority then published an [asset classification decision](#), classifying HND assets as either onshore transmission, radial offshore transmission or non-radial offshore transmission.

It was explained to the Workgroup that [CMP426](#) was raised in November to propose the TNUoS charges applicable for onshore transmission (reinforcement) in the HND and [CMP428](#) considers onshore transmission (reinforcement) from a User Commitment perspective.

The definition of Attributable Works in CUSC Section 11 was shown to members.

"Attributable Works"

those components of the **Construction Works** which are required (a) to connect a **Power Station** or **Interconnector** which is to be connected at a **Connection Site** to the nearest suitable **MITS Node**; or (b) in respect of an **Embedded Power Station** from the relevant **Grid Supply Point** to the nearest suitable **MITS Node** (and in any case above where the **Construction Works** include a **Transmission** substation that once constructed will become the **MITS Node**, the **Attributable Works** will include such **Transmission** substation) and which in relation to a particular **User** are as specified in its **Construction Agreement**;

The Proposer outlined the methodology challenge to Workgroup members:

- The current definition of Attributable Works would lead to certain onshore transmission (reinforcement) circuits in the HND being classed as Attributable Works.
- This would result in Generators connected to an onshore node which is also connected to an onshore transmission (reinforcement) in the HND being responsible for liabilities associated with these circuits which deliver wider system benefit.
- The purpose of onshore transmission (reinforcement) circuits in the HND are to reinforce the onshore network and therefore deliver wider system benefit, so applying the current definition would mean unjustifiable and significant financial liabilities for certain Generators in the HND.
- This would not be cost reflective as developers would be securing works associated with onshore transmission (reinforcement) which serve a broader purpose for wider Users.
- Therefore, a methodology change is required to ensure the User Commitment liabilities for Generators connected to an onshore node which is also connected to an onshore transmission (reinforcement) circuit in the HND are cost reflective.

A Workgroup Member suggested to consider the wording on the second bullet point for clarification. The member described how currently Generators are not connected directly to onshore transmission (reinforcement) circuits but connects to a substation and then the onshore transmission (reinforcement) circuit leaves the substation. The Proposer took an action away to amend the wording on the second bullet and it is now reworded as follows:

- This would result in Generators connected to an onshore node which is also connected to an onshore transmission (reinforcement) circuit in the HND being responsible for liabilities associated with these circuits which deliver wider system benefit.

A Workgroup member queried why the solution would not look at onshore transmission (reinforcement) on land (outside the HND) to create an overall methodology for all Users. The Workgroup Member also raised their concern regarding removing Attributable Works related to onshore transmission (reinforcement) in the HND for offshore Generators rather than utilising the current User Commitment Methodology as every other customer does. The Proposer highlighted to the Workgroup Member that [CMP428](#) is specifically looking how to deal with assets currently within the HND, with discussions from Workgroup Members agreeing that this is out of scope for this modification.

Workgroup members discussed the definition of Excepted Works and needed clarification on its drafting. A Workgroup member explained that currently offshore transmission assets are not appropriately designated and should not accidentally include Attributable Works that are currently contained in onshore Generators Construction Agreements. The Proposer reassured the Workgroup Member that the legal text has been drafted with the intention to only include reinforcement works within the HND and the legal text was developed with our internal legal team to ensure the wording reflects this.

A Workgroup member noted it would be interesting to see when the HND follow up exercise would be published by the ESO along with the classification of assets by the Authority, and suggested reviewing that document to see how it fits in with the proposed legal text definition. The Authority representative responded to say it is anticipated that the ESO will publish the HNDFUE on Tuesday 19 March 2024. Presuming no delay to this publication, the Authority would expect to publish Ofgem's asset classification decision to follow in very short order (likely no later than the end of March). The Authority representative explained Ofgem will need to align and co-ordinate closely with the ESO on this and therefore is unable to commit to a firm date until the HNDFUE is published.

A Workgroup member queried the use of the word 'HND' within the definition. The Proposer explained it was included to make a distinction between HND1 being the current HND version with 'HNDFUE' being any future versions. It was then queried whether this could be a legal term within the text. The Proposer confirmed HND will become a defined term in the CUSC and that this has been reviewed by the ESO legal team.

The Proposer detailed the benefits of the solution as follows:

- The purpose of the circuit is reflected in the User Commitment methodology, helping with cost reflectivity.
- Both CMP426 and CMP428 evaluate the treatment of onshore transmission (reinforcement) in the HND and the solutions both aim to ensure cost recovery/liabilities are not placed upon specific Users to provide consistency in approach.
- Future-proofs the methodology to accommodate any circuits designated to be onshore transmission (reinforcement) in future iterations of the HND by the Authority in further asset classification decisions.

The Proposer explained to members that there had been significant discussions surrounding wider works and the application of the Wider Cancellation Charge from the initial two Workgroups. The Proposer informed members that consideration was given to the timelines associated with urgency to achieve the implementation date whilst still addressing the defect and therefore the scope of the modification was clarified. So, consideration of wider works and application of the Wider Cancellation Charge is out of scope of the modification. This was agreed by the CUSC panel members and was removed from the Terms of Reference.

The Proposer stated that the Wider Cancellation Charge considerations will not specifically address the defect and furthermore the Wider Cancellation Charge is only applied post trigger date, so this part of the methodology does not need to be addressed immediately. The Proposer, however, felt this feedback was important and wider works and the application of Wider Cancellation Charge will be considered further outside this modification.

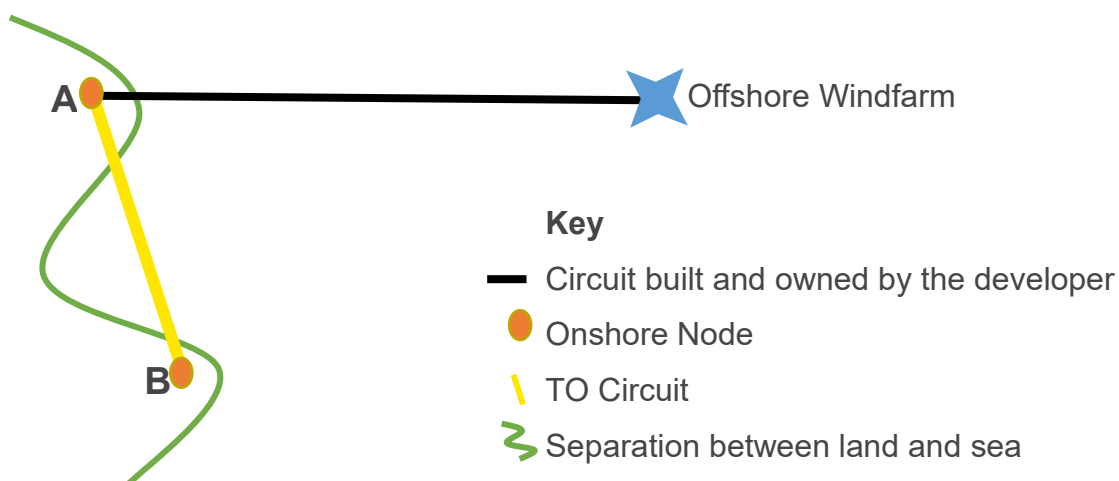
Acknowledging the previous discussion around the Wider Cancellation Charge, the Proposer explained a consequential modification will be raised if required to consider the Wider Cancellation Charge in the context of the HND.

A Workgroup member queried if [CMP428](#) is approved, will the cost of the HND onshore transmission (reinforcement) works be considered when the ESO calculate the existing wider cancellation tariffs. A Workgroup member responded that any works that are being triggered as part of the boundary reinforcement will be included as part of the Wider Cancellation Charge. The member pointed out there is the potential for a consequential modification to remove the Wider Cancellation Charge for the offshore Generator but again reiterated that Wider Cancellation Charges, under this modification, are out of scope.

The Proposer provided further clarification on the modification and how it works alongside the methodologies already in place. The Proposer explained how the [Ofgem decision](#) classified the assets within the HND into three categories, onshore transmission (reinforcement), radial offshore transmission and non-radial offshore transmission. The Proposer went on to confirm that [CMP428](#) relates to onshore transmission (reinforcement), which was defined in the Ofgem decision as assets ‘constructed for the purpose of reinforcement of the existing transmission system.’

The Proposer outlined the classification process as containing three stages, a legislative review, technical review and legal verification and that the proposed legal text for [CMP428](#) aims to incorporate the high level essence of the decision on assets classification for offshore transmission by referring to [the asset classification decision on 19 October](#) and including reference to reinforcement circuits. The Proposer also described the aim to future proof the methodology was hopefully achieved by including references the HND follow up process (HND FUE) and the Central Strategic Network Plan (CSNP) whilst ensuring it is still specific to assets within the HND.

The Proposer provided the Workgroup with a worked example including a diagram to help with the understanding of the defect and proposed solution:



- The diagram above provides an example of an offshore windfarm that is radially connected to an onshore node (point A).
- The circuit between the offshore windfarm and point A will be built and owned by the developer at the time the User Commitment liabilities apply. This circuit will then be transferred to an Offshore Transmission Owner (OFTO) just before offshore windfarm starts generating.

ESO

- Point A is directly connected to an onshore transmission (reinforcement) circuit being utilised as boundary reinforcement to flow energy to another onshore node (point B).
- Point A is not a MITS node and therefore applying the current User Commitment methodology would result in the TO circuit between points A and B being attributable works for the offshore windfarm resulting in significant User Commitment liabilities.
- [CMP428](#) proposes to ensure this TO circuit is not classed as Attributable Works, therefore removing the User Commitment liabilities associated with the circuit between A and B from the offshore windfarm.

A Workgroup member fed back to the Proposer to consider if any Users have any fixed liabilities associated with the HND. The Proposer confirmed that no HND project that [CMP428](#) would affect is on a fixed profile.

A Workgroup member also requested that the Proposer consider the level of risk that will be transferred to the consumer as a result of this modification. The Proposer explained the level of risk transferred to the User will be considered as part of the application of Wider Cancellation Charge and wider works as this will consider how the associated liabilities will be applied and the resulting impact on consumers. However, consideration of wider works and the Wider Cancellation Charge is outside of the scope of the modification.

Terms of Reference

Workgroup Term of Reference
a) Consider EBR implications
b) Consider how to best ensure transparency of the treatment of the 'Excepted Works'

The Workgroup discussed the Terms of Reference a) and unanimously agreed [CMP428](#) did not have any EBR implications. No comments were made regarding Terms of Reference b).

An additional Terms of Reference was proposed by a Workgroup member. The Workgroup member asked if the Workgroup should consider Users already signed up or signing up for fixed liabilities do not continue to secure approved infrastructure newly excluded from Attributable Works for other Users on Actual liabilities. The Proposer suggested that if this was under the context of the HND that this could be considered. However, the Proposer subsequently checked and no HND projects affected by this modification are on a fixed profile, therefore the proposed Terms of Reference does not need to be considered as there are no affected users.

Draft legal text

Draft Legal Text for this modification can be found in Annex 4.

What is the impact of this change?

Proposer's assessment against CUSC Non-Charging Objectives	
Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;	Neutral
(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 This proposal enables circuits classified as onshore transmission (reinforcement) in the HND to not be classified as Attributable Works and therefore not impose significant liabilities on Generators. This in turn will incentivise development of offshore generation which aids competition.
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	Neutral
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive Will provide clarity to the industry on what assets are classified as Attributable Works for Generators in the HND.
*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.	

Proposer's assessment against Code Objectives

Proposer's assessment of the impact of the modification on the stakeholder / consumer benefit categories	
Stakeholder / consumer benefit categories	Identified impact
Improved safety and reliability of the system	Neutral This will not impact the operation of the transmission system.
Lower bills than would otherwise be the case	Positive The clarity of the methodology will help provide offshore developers with greater confidence of what the applicable methodology and resulting User Commitment

	liabilities will be. This will reduce investment risk and the overall costs to consumers.
Benefits for society as a whole	Positive Facilitates the development of an integrated offshore network and the associated consumer cost, security of supply and environmental benefits compared to radially connected projects.
Reduced environmental damage	Positive Facilitates the development of an integrated offshore network and the associated benefits towards achieving Net Zero.
Improved quality of service	Neutral This will not directly impact the quality of service provided by the ESO or offshore Generators.

Standard Workgroup consultation question: Do you believe that CMP428 Original proposal better facilitates the Applicable Objectives?

When will this change take place?

Implementation date

14 June 2024 to ensure developers have visibility of the User Commitment methodology and associated liabilities to aid investment decisions related to Generators connecting in the HND.

Date decision required by

31 May 2024 to ensure developers have the visibility of the methodology to aid investment decisions and ensure implementation by 14 June 2024.

Implementation approach

No systems are impacted through the implementation of this modification.

Standard Workgroup consultation question: Do you support the implementation approach?

Interactions

- | | | | |
|---|---|---|--------------------------------|
| <input type="checkbox"/> Grid Code | <input type="checkbox"/> BSC | <input checked="" type="checkbox"/> STC | <input type="checkbox"/> SQSS |
| <input type="checkbox"/> European Network Codes | <input type="checkbox"/> EBR Article 18 T&Cs ¹ | <input checked="" type="checkbox"/> Other modifications | <input type="checkbox"/> Other |

This modification has interactions with:

¹ If your modification amends any of the clauses mapped out in Exhibit Y to the CUSC, it will change the Terms & Conditions relating to Balancing Service Providers. The modification will need to follow the process set out in Article 18 of the Electricity Balancing Guideline (EBR – EU Regulation 2017/2195) – the main aspect of this is that the modification will need to be consulted on for 1 month in the Code Administrator Consultation phase. N.B. This will also satisfy the requirements of the NCER process.

- [CM094](#) aims to allow Transmission Owners (TO) to not pass through any costs for Users to secure against for any strategic transmission reinforcements where Ofgem have approved the needs case for these works.
- [CMP417](#) is considering the definition of Attributable Works but from a demand Users' perspective.
- [CMP426](#) considers TNUoS Charging, and this modification considers User Commitment arrangements, but both proposals evaluate the treatment of onshore transmission (reinforcement) in the HND. The solutions in both proposals try to ensure cost recovery/liabilities for onshore transmission (reinforcement) are not assigned to a specific user within the context of the HND. CMP426 relates specifically to charging and CMP428 will address Users' liability. Both proposals will be distinct and separate from one and other.

This modification ([CMP428](#)) and [CM094](#) both consider User Commitment liabilities associated with reinforcement works. The scope of this modification is confined to the HND and iterations to the HND, whereas [CM094](#) has a broader remit.

For both [CMP417](#) and [CMP426](#) although there is a degree of interaction, the proposals can be approved and implemented independently.

Finally, for consistency it is important the definition for Attributable Works across CUSC and STC are aligned, therefore a consequential STC modification will be required to ensure alignment.

How to respond

Standard Workgroup consultation questions

1. Do you believe that the Original Proposal better facilitates the Applicable Objectives?
2. Do you support the proposed implementation approach?
3. Do you have any other comments?
4. Do you wish to raise a Workgroup Consultation Alternative request for the Workgroup to consider?

Specific Workgroup consultation questions

5. Does the solution help provide better cost reflectivity for liabilities?
6. Do you agree the title of this modification should be changed to 'User Commitment liabilities for Onshore Transmission (reinforcement) in the Holistic Network Design'?

The Workgroup is seeking the views of CUSC Users and other interested parties in relation to the issues noted in this document and specifically in response to the questions above.

Please send your response to cusc.team@nationalgrideso.com using the response proforma which can be found on the [CMP428 modification page](#).

In accordance with the Governance Rules if you wish to raise a Workgroup Consultation Alternative Request, please fill in the form which you can find at the above link.

If you wish to submit a confidential response, mark the relevant box on your consultation proforma. Confidential responses will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel, Workgroup or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

Acronyms, key terms and reference material

Acronym / key term	Meaning
CAPEX	Capital expenditure
CMP	CUSC Modification Proposal
CSNP	Centralised Strategic Network Plan
CUSC	Connection and Use of System Code
EBR	Electricity Balancing Regulation
ESO	Electricity System Operator
ETYS	Electricity Ten Year Statement
HND	Holistic Network Design
HNDFUE	Holistic Network Design Follow Up Exercise
HVDC	High-Voltage Direct Current (HVDC) circuits
MW	Megawatt
NGESO	National Grid Electricity System Operator
SQSS	Security and Quality of Supply Standards
STC	System Operator Transmission Owner Code
tCSNP	Transitional Centralised Strategic Network Plan
T&Cs	Terms and Conditions
TNUoS	Transmission Network Use of System
TO	Transmission Owner
OFTO	Offshore Transmission Owner
OTNR	Offshore Transmission Network Review

Reference material

- [A Holistic Network Design for Offshore Wind](#)
- [Decision on asset classification](#)
- [CM094: Amendment to Bi-annual estimate provisions](#)
- [CMP417: Extending principles of CUSC section 15 to all users](#)
- [CMP426: TNUoS Charges for transmission circuits identified for the HND as onshore transmission](#)

Annexes

Annex	Information
Annex 1	Proposal Form
Annex 2	Terms of Reference
Annex 3	Urgency Decision Letter
Annex 4	Draft Legal Text