

Workgroup Consultation Response Proforma**CMP330: Allowing new Transmission Connected Parties to build Connection Assets greater than 2km in length**

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 16 February 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 Ren Walker Lurrentia.Walker@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Andy Causebrook
Company name:	Vattenfall Wind Power
Email address:	Andrew.causebrook@vattenfall.com
Phone number:	07814903565

For reference the Applicable CUSC (charging) Objectives are:

- 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;*
- 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);*
- 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;*
- 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 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 Original Proposal better facilitates the Applicable Objectives?	Yes, it will allow generators to connect more quickly and at lower cost than under current arrangements. This would facilitate competition and lower the cost to the consumer and enable earlier reduction in carbon emissions (for clean energy generators) by earlier generation export.
2	Do you support the proposed implementation approach?	Yes, April 2022 is the earliest realistic implementation date. Given the significant further detailed considerations and issues that need to be addressed to make the process, clear, fair and transparent it may be necessary to delay implementation to ensure that this is achieved.
3	Do you have any other comments?	Although we support the proposal we believe that there are many complexities that are not covered in the consultation paper. There are fundamental differences between contestability at distribution and transmission levels. Competition in Connection at distribution took several years to implement and develop to a point where it was effective. Ofgem played an important facilitating role in its development and had to intervene on more than one occasion to ensure that DNOs were actively facilitating a process in a transparent manner. Currently there is no clear framework for the limited contestability in transmission that currently exists and our experience is that the process is currently poorly facilitated.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	No
Modification Specific Workgroup Consultation questions		

5	What, if any role should Ofgem have in this proposed new process?	Given that contestability is evidently contrary to the TO's interests there needs to be a strong regulatory framework and statement of intent by Ofgem to ensure strong facilitation by the TOs. The TOs must provide design requirements and relevant specifications to the User in a timely manner. This process is likely to require active support from Ofgem in a similar manner to that which was applied to CinC at distribution level in the first few years after implementation.
6	Should there be a clearer limit on the length of a Connection Asset construction?	There doesn't appear to be any threshold or logical limit to the length. We therefore propose that no limit is set.
7	Can you identify/list scenarios in which this agreement shouldn't be given?	No
8	<p>The Workgroup is considering what the length beyond 2km might be appropriate and would welcome views as to whether it should be prescribed as</p> <ul style="list-style-type: none"> i) as a set length; or ii) to the nearest economic point of connection to the NETS; or iii) be unlimited; or iv) another option (if so please explain). <p>Which of these four options do you believe is appropriate and in respect of option 1 do you have a view as to what the set length should be?</p>	Unlimited, for the reason above.
9	Should there be a clearer limit on the length of a Connection Asset construction?	
10	Should the 2km cap be removed or a new cap be put in place. Please justify a new cap and to what level?	Click or tap here to enter text.
11	Should the commercial charging boundary limitation of 2km vary from one connection to another	

	dependent on basis of construction choices of a User?	
12	Should the cap on length of Connection Assets be removed or revised?	
13	Should approval be required from the Transmission Owner and NGESO for connections in excess of 2km? Please provide rationale as to on what basis the approval would be denied?	We can't foresee any circumstance in which approval should be denied. If any right of refuse were vested with the TO then the TO should be required to justify that refusal with reference to pre-defined criteria.
14	Should additional costs incurred over and above the cost the TO would have incurred be fully paid for by the User concerned? Are there any circumstances where the TO should fund some/all of these costs?	The consultation paper does not clearly define how a reference cost/value is derived and therefore it is difficult to clarify the basis for "additional costs". We believe that defining an objective asset value at time that a decision is made by the User to build the asset is very challenging and will need careful consideration. The cost of installing a circuit is site specific and depends on many factors that are difficult to evaluate at the outset. However, any costs incurred by the User to accelerate the works should certainly be paid for by User.
15	Where a Transmission Connection Asset has been capitally contributed and a second Party wishes to connect to those Assets, it is proposed to re-classify those assets as infrastructure assets. It is proposed to implement arrangements similar to the second comer rule for the capitally contributed element. Do you agree with this suggestion?	We agree that the second-comer rule is a helpful model to refer to in deriving an appropriate arrangement in this case. However, we don't not believe that a 10 year limit is necessary or appropriate for transmission connection assets and propose that no time limit is applied.
16	Do you foresee any legal or regulatory barriers or introducing a second comer rule equivalent into the CUSC for this purpose?	No