

**Code Administrator Consultation Response Proforma****CMP376: Inclusion of Queue Management process within the CUSC**

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](mailto:cusc.team@nationalgrideso.com) by **5pm on 4 May 2023**. 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 Paul Mullen [paul.j.mullen@nationalgrideso.com](mailto:paul.j.mullen@nationalgrideso.com) or [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com).

Respondent details	Please enter your details
<b>Respondent name:</b>	Precious Nwokoma
<b>Company name:</b>	Fred.Olsen Seawind
<b>Email address:</b>	Precious.nwokoma@fredolsen.com
<b>Phone number:</b>	07721344851

**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:**

- 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.*

*\*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 Code Administrator Consultation questions						
1	Do you believe that the CMP376 Original proposal and/or WACMs 1-11 inclusive 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
		WACM1	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D
		WACM2	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D
		WACM3	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D
		WACM4	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D
		WACM5	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D
		WACM6	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D
		WACM7	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D
		WACM8	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D
		WACM9	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D
		WACM10	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D
		WACM11	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D
<p>For efficient use of available capacity and to offer consumers the best value for infrastructure, it is imperative the transmission capacity is well managed. Queue management will solve this problem and provide much needed direction for projects that are not progressing. The initial proposal of termination projects due to missed milestones in construction phase did not provide clarity and was seen as harsh.</p> <p>The overall tone seems to have moved away from severe punitive measures of expressly terminating projects to considering what milestones have been achieved prior to termination. Measures such as losing queue position and how many times exceptions can be used (2 times), show a softening of stance and consideration to procurement, supply chain and other practical challenges faced by OWF projects, given their scale and complexity.</p> <p>While the need to apply dynamic queue management is a welcome development and termination of stalling project cannot be over-emphasized to free up capacity and achieve net zero targets; it is necessary that such 'rights' are only exercised when necessary. The WACMs have made it clear and open as to when this termination can</p>						

		occur; especially WACM 8 which details the application of queue management to existing contracts, Mod Apps and allows up to 6 months from authority decision before implementing the change.
2	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  The proposal will have a positive impact in the use and allocation of grid capacity and achieving net zero faster. It also gives assurance that project that have secured funding and or made investment decisions will not unjustly be terminated without due consideration to exceptional/extenuating circumstances.
3	Do you have any other comments?	<p>Whilst it is agreed that a project will lose its position in the queue if it is not progressing against set milestone, it is not clear what position that project will now take in the queue. Will it fall to the level below or to the lowest position behind every other project that has past the milestone it has failed?</p> <p>The brief says, no other projects will be disadvantaged by the loss of a queue position by a non-progressing project without giving a scenario example of how the situation described above will work in practice. It is our opinion that the example provided in the consultation CMP376, does not cater to the scenario described. The risk of such up and down movement in the queue has not been fully accessed and could have the potential of causing more harm than good to a project.</p> <p>Our view is that WACM 5 &amp; 6 offer a good option to ensure no projects are terminated at such a late stage in a project where a great deal of investment and development has taken place – no project should be terminated for missing construction milestones and if they are – we would suggest it is probably by agreement and for good reason.</p>