ESO

Code Administrator Consultation

CM092:		Modification process & timetable	
		1 2 3	Proposal Form 22 August 2023
Schedule 9: TO			Code Administrator Consultation
Construction Terms			07 September 2023- 27 September 2023
Updates			Draft SG Modification Report 17 October 2023
Overview: Updates to the terms contained in Schedule 9 to more accurately reflect current working practices with NGESO and to avoid any potential for misinterpretation.		4	Final SG Modification Report 07 November 2023
		5	Appeals Window 07 November 2023 - 28 November 2023
		6	Implementation 05 December 2023
Status summary:	We are now consulting on t	his pr	
Governance route	Self-Governance modification to proceed to Code Administrator		
Who can I talk to about the change?	Consultation Proposer: Sam Grant <u>Sam.Grant@nationalgrid.com</u>		Code Administrator Contact: Deborah Spencer Deborah.spencer@nationalgrideso.com
	07970373193		07752 466421
How do I respond?	Send your response proforma to <u>stcteam@nationalgrideso.com</u> by 5pm on 27 September 2023		

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Executive summary

CM092 is seeking to make updates to the terms contained in Schedule 9 to reflect current working practices more accurately with NGESO and to avoid any potential for misinterpretation.

What is the issue?

The Baseline is not clear and there is potential for ambiguity.

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

Proposer's solution:

In the Proposer's view the changes to the TO Construction Terms can be summarised as:

- A change to make clear the best endeavours obligations on Transmission Owners (TO) to obtain Consents does not extend to circumstances where a User is obtaining those Consents on behalf of a TO, in which case NGESO shall use best endeavours to ensure that the User shall obtain those specific Consents for the TO.
- 2. A change to clarify that when Schedule 9 confirms "all dates...are subject to ... obtaining Consents" this allows each Transmission Owner to make changes to the charges and dates in the Construction Programme to reflect any delays, as well as the Transmission Construction Works (the TCW variation rights are already specifically called out in the text). This realigns the position with what is understood to already be in the NGESO Construction Agreements.
- 3. A change to make clear that whilst a Transmission Owner will be the "client" under the Construction (Design and Management) Regulations 2015 when that TO is carrying out the Transmission Construction Works itself, if the User elects to carry out some of the these works under the contestability / user self-build principles, the User will then be the "client" under CDM for the purposes of these works.

Implementation date:

As soon as possible.

What is the impact if this change is made?

The impact of the change will set a better standard for contracting for connections between NGESO and Onshore TOs and remove any potential for ambiguity in the baseline.

Interactions

This is some interaction with the Construction Agreements under CUSC, however as it is understood that most / all changes above are already included in the Construction Agreements so no further changes would be needed.

What is the issue?

Why change?

In the Proposer's view the change will reflect the existing position under the contracts in practice and/or to reflect the perceived intent behind certain terms and/or to reflect the position under the NGESO Construction Agreements to confirm flow-through / mirroring of terms.

What is the solution?

Proposer's solution

The changes to the TO Construction Terms can be summarised as:

- A change to make clear the best endeavours obligations on Transmission Owners (TO) to obtain Consents does not extend to circumstances where a User is obtaining those Consents on behalf of a TO, in which case NGESO shall use best endeavours to ensure that the User shall obtain those specific Consents for the TO.
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- 3. A change to make clear that whilst a Transmission Owner will be the "client" under the Construction (Design and Management) Regulations 2015 when that TO is carrying out the Transmission Construction Works itself, if the User elects to carry out some of the these works under the contestability / user self-build principles, the User will then be the "client" under CDM for the purposes of these works.

Legal text

Please see Annex 3

What is the impact of this change?

The proposed solution of CM092 will set a better standard for contracting for connections between NGESO and Onshore TOs and remove potential for ambiguity in the baseline.

Proposer's assessment against the Applicable Objectives

Proposer's assessment against STC Objectives		
Relevant Objective	Identified impact	
(a) efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act	Positive	

	Sets a better standard for contracting for connections between NGESO and Onshore TOs.
(b) development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission	Neutral N/A
(c) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity	Neutral N/A
(d) protection of the security and quality of supply and safe operation of the national electricity transmission system insofar as it relates to interactions between transmission licensees	Neutral N/A
(e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC	Positive Removes potential for ambiguity in the baseline
(f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system;	Neutral N/A
(g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.	Neutral N/A

When will this change take place?

Implementation date

As soon as possible.

Date decision required by

As soon as possible.

Implementation approach

N/A

Interactions

- □Grid Code □European Network Codes
- □BSC □Other modifications

⊠CUSC □Other This is some interaction with the Construction Agreements under CUSC, however as detailed above it is understood that most / all changes above are already included in the Construction Agreements so no further changes would be needed.

How to respond

Code Administrator consultation questions

- Please provide your assessment for the proposed solution against the Applicable Objectives.
- Do you support the proposed implementation approach?
- Do you have any other comments?

Views are invited on the proposals outlined in this consultation, which should be received by **5pm** on **27 September 2023.** Please send your response to

stcteam@nationalgrideso.com using the response pro-forma which can be found on the modification page.

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 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	
BSC	Balancing and Settlement Code	
СМ	Code Modification	
CUSC	Connection and Use of System Code	
STC	System Operator Transmission Owner Code	
SQSS	Security and Quality of Supply Standards	
NGESO	National Grid Electricity System Operator	

Annexes

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Annex 1	Proposal form
Annex 2	Self-Governance statement
Annex 3	Legal Text