

Code Administrator Consultation

CM094 Amendment to Biannual estimate provisions

Overview: This modification seeks to allow TOs not to pass on costs associated with ASTI, MPR, HND or LOTI funded Transmission Reinforcement Works that have received approval by the Authority under the price control mechanisms/under the Transmission Licence of the needs case for specific Transmission Construction Works which are not or are no longer dependent upon connection of any given party

Modification process & timetable

Proposal Form 16 January 2024

Workgroup Consultation

09 February 2024 - 14 February 2024

Workgroup Report

3 12 March 2024

Code Administrator Consultation

15 March 2024 - 20 March 2024

Draft Modification Report

25 March 2024

Final Modification Report

27 March 2024

Implementation

ASAP

5

6

Have 5 minutes? Read our Executive summary

Have 60 minutes? Read the full Code Administrator Consultation

Have 90 minutes? Read the full Code Administrator Consultation and Annexes.

Status summary: The Workgroup have finalised the proposer's solution. We are now consulting on this proposed change.

This modification is expected to have a: High impact: Generators, Demand Users.

Low Transmission Owners

Governance route Urgent modification to proceeding under a timetable agreed by the Authority Who can I talk to Proposer: **Code Administrator Chair:** about the change? Neil Bennett Milly Lewis Neil.Bennett@sse.com Milly.Lewis@nationalgrideso.com 07437176084 Phone: 07811036380 How do I Send your response proforma to stcteam@nationalgrideso.com by 5pm on 20 March 2024 respond?



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Executive summary

The requirement for securities when network infrastructure already has Authority approval is negatively impacting the connection of viable low carbon generation. This modification allows Transmission Owners (TOs) not to pass on costs associated with ASTI, MPR, HND or LOTI funded Transmission Reinforcement Works that have received approval by the Authority under the price control mechanisms/under the Transmission Licence of the needs case for specific Transmission Construction Works which are not or are no longer dependent upon connection of any given party.

What is the issue?

Securities associated with large strategic Transmission Reinforcement Works are acting as a barrier to Users, who are often required to place substantial securities against early termination of their contracts.

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

Proposer's solution: Where the Authority¹ has approved the need for strategic Transmission Reinforcement Works via the price control framework, then Customers should no longer securitise for those specific works. Customers securities would only be released post the reinforcement needs case being approved by the Authority. Customers will continue to secure up to this point and will still be required to securitise against any connection assets, sole use works, any shared Enabling Works, as well as any wider work securities that are not approved by the Authority.

Implementation date: ASAP

Workgroup conclusions: The Workgroup concluded unanimously that the Original better facilitated the Applicable Objectives than the Baseline.

What is the impact if this change is made?

It is expected to have a high impact on Generators and Demand Users as the value of securities that will be required to be provided by these Users could be significantly reduced.

It is expected to have a low impact to TOs based on procedural changes to Bi-annual Estimate submission, but without the implementation of wider Connection Reform there could be efficiency impacts from the reduction to barriers to entry.

Interactions

The Workgroup believes there is interaction between <u>CMP428: User Commitment</u> <u>liabilities for Onshore Transmission circuits in the Holistic Network Design</u> and CM094.

¹ The Authority referred to within this document is Ofgem, the Office of Gas and Electricity Markets



What is the issue?

The Proposer has received feedback from a range of their Customers; generation and demand, transmission and distribution connected; that the current securities regime is acting as a barrier due to the high costs of securing these works. One recurring issue is that securities associated with large strategic Transmission Reinforcement Works are acting as a barrier to Users, who are often required to place substantial securities against early termination of their contracts.

This is deemed by the Proposer to be inappropriate in circumstances where Authority approval of the network need has been granted.

Using only SSEN T2 LOTI projects as an example up to 33.5GW of renewable generation, across over 80 Customers, would see a benefit in reduced securities. The impact on individual Customers will vary however across all Customers this would result in an overall reduction in securities of c.£3bn.

Why change?

By acting now to address the issue, it will:

- minimise further delay to construction works for Authority approved investments, ensuring supply chain can be locked in in a timely manner.
- facilitate the creation of significant socioeconomic benefit to communities.
- help meet net zero targets of both the Scottish and UK Governments by enabling additional renewable development and unlocking the potential for future development of marine energy technologies.
- progressing with reform now will ensure that the securities regime is fit for purpose to support timely connection to projects associated with Accelerated Strategic Transmission Investment (ASTI) and future Centralised Strategic Network Plan (CSNP) works and any other works which are approved by the Authority

What is the solution?

Proposer's solution

To accelerate the connection of viable Customer connections, the proposal makes changes to Section 9 and Section J of the STC that will allow TOs not to pass on costs associated with strategic Transmission Reinforcement Works that have received Authority approval. In these instances, the TO will also not recover these costs on termination of the TO Construction Agreement through the ESO.

Where the Authority has approved the need for strategic Transmission Reinforcement Works via the price control framework, then Customers should no longer securitise for those specific works. The Proposal refers to this approval as a:

"Construction Approval" ² the approval by the Authority pursuant to a Transmission Licence of the initial needs case, or in the absence of an initial needs case the final needs case, for specific Transmission Construction Works;

² For simplicity this proposed new defined term will be used throughout the Workgroup Consultation



The costs which will no longer be included in the Bi-annual Estimate has been defined as:

"Excludable Costs" cumulative actual and forecast cost of Transmission Construction Works which have Construction Approval and which are:

- i) subject to approval by the Authority under the Accelerated Strategic Transmission Investment, Major Project Regime, Holistic Network Design or Large Onshore funding mechanism[s] as such terms are/ will be defined in the relevant Transmission Licensee's Licence, and
- ii) limited exclusively to Transmission Construction Works upon Transmission circuits and any substation works required for the connecting of such Transmission circuits;

Customers securities would only be released in the next Security Period, where the Construction Approval has been received no less than 20 Business Days before the TO submits the next Bi-annual Estimate to the ESO.

Customers will continue to secure up to this point and will still be required to securitise against any connection assets, sole use works, any shared Enabling Works, as well as any wider work securities that are not approved by the Authority.

Workgroup considerations

The Workgroup convened 5 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.

Consideration of the Proposer's solution

Below captures the key discussion points of the two Workgroup meetings prior to the Workgroup Consultation.

Which Works are Captured under 'Construction Approval'

The Proposer confirmed that the modification does not differentiate on size of reinforcement it is only where a needs case has been approved by the Authority and there are no dependencies on any conditions, excluding the highly unlikely event of a significant change to the needs case.

When initially considering the type of approval required by the Authority, the Workgroup discussed whether funding was appropriate and the differences between pre-construction and construction funding. However, the Workgroup agreed the Construction Approval definition should be based on the needs case approval would be more beneficial as it is earlier in the process than funding approval, whilst still being low risk to the TO.

Explanation of Securities

The purpose of securities is that if a developer terminates their connection offer or reduces capacity, then that security will be used to cover any aborted costs spent to date on facilitating their connection by the TO. This protects consumers and TOs from having to cover the cost.



The Workgroup agreed that Customers should securitise to protect consumers and TOs. However, at the point where the Authority has approved the need for reinforcement works then the risk of construction not proceeding is greatly reduced. It is highly unlikely that a Customer's cancelled connection would stop the reinforcement proceeding.

The Proposer's solution means that where the Authority has approved the need for strategic transmission reinforcement works via the price control framework, Customers should no longer securitise for those specific works. In these instances, the TO also waives the right to recover these costs on termination of the TO Construction Agreement.

Customers securities would only be released at the point that the reinforcement is approved by the Authority. Customers will continue to secure up to this point and will still be required to securitise against any connection assets, sole use works, any shared Enabling Works as well as any wider work securities that are not approved by the Authority.

The Workgroup discussed whether there would be any advantages or disadvantages to a Customer based on when they contracted because of the CM094 proposed changes to the STC.

Where works have not been approved by the Authority any Customers contracted at those early stages would need to securitise the works. Customers who contracted after the Construction Approval would not have to securitise against the same works.

The estimated amounts required by the Customer to secure prior to Construction Approval would be relatively low because of the TO's economic and efficient spend ahead of the needs case being met. As the securities for the specific works would no longer be required by existing Customers post Construction Approval, alongside the advantages gained by being higher in the queue the Workgroup deemed the order in which Customers were contracted to be not material.

Final Sums versus Attributable Works

For Final Sums the TO provides all the reinforcement works that are, or will be, under construction and their associated costs that have been incurred so far. Construction Works may be Attributable Works to some Customers but not others.

The Workgroup considered whether the definition of Attributable Works needed to be amended. Whilst the Attributable Works definition is not proposed to be changed, the estimate of Attributable Works Capital Cost within the provisions of Attributable Works by the TO (Section 9 within Annex 1) proposes to exclude any Attributable Works that have received a Construction Approval.

A Workgroup member proposed that for there to be consistency across all types of works, Wider Works securities should also be included within the solution. Larger strategic schemes would be more likely to have the majority of investment upstream of the existing MITS Nodes, with such works being Non-Attributable Works and otherwise uplifting the Wider Cancellation Charge.

As a result, the Workgroup reviewed the Wider Cancellation Charge Information definition and agreed the proposed changes to ensure that securities could be removed for Wider Works that have received Construction Approval (Section J within Annex 1).



Mitigating the Risk to Consumers

The Proposer believes that the risk to consumers is minimal. Customers will still be required to securitise against any connection assets, sole use works, any shared Enabling Works, and wider work securities and will continue to securitise against large transmission reinforcement works until the next security period, where reasonable, after Construction Approval has been received. Up until this point, costs spent on the reinforcement works will likely only be pre-construction development spend. On the receipt of the Construction Approval for reinforcements it is extremely unlikely that TOs will not progress with the specified construction works.

The Workgroup agreed that this strikes an appropriate balance between ensuring that developers are liable should they cancel their project whilst reducing the overall scale of those securities to ensure that reinforcements do not pose a barrier to connections proceeding.

Notifications to ESO post Construction Approval

Ahead of Workgroup discussion the Proposer had received feedback that notifying the Authority prior to the TO waiving their right to include costs in the relevant works would be required. An Authority Representative stated that there was no clear need for a notification to be sent to them, however they did see the need for a notification from the TO to the ESO.

It was agreed that 20 Business Days (as defined in the STC) would allow sufficient time for checks on expenditure and liaising with the ESO.

Interactions with Ongoing Connection Reform and Other Modifications

The Proposer attended the Connections Process Advisory Group (CPAG) in advance of raising the modification as they believe securities reform should be a key priority within the Connections Action Plan (CAP).

There was general support for the modification, and considering the newly introduced reforms which will improve certainty of Customer progression, the modification would facilitate timely connection of viable renewables projects by reducing the overall financial burden on Customers. The Workgroup discussed interactions with CUSC modifications specifically referenced in the Workgroup Terms of Reference (Annex 3).

The Workgroup agreed that there was no interaction with CMP417: Extending principles of CUSC Section 15 to all Users and CM093: Extending the principles of the User CMP417 as CM094 would impact both generation and demand Customers regardless of the CUSC methodology that is used for securities which these modifications are seeking to resolve.

The Workgroup agreed that there is interaction with <u>CMP428: User Commitment liabilities for Onshore Transmission circuits in the Holistic Network Design.</u>

Both modifications defects focus on removing security provisions where the Authority has approved works but at different points in the process.

<u>CMP428</u> looks to ensure that there is no liability/security for transmission works classified as onshore reinforcement under HND once they have been classified by the Authority.



CM094 looks to ensure that securities are removed after the Authority has approved a needs case (i.e., a Construction Approval) for any onshore reinforcement.

The Workgroup were supportive of the Authority's request for the timelines to coincide so that they can decide on both modifications at the same time.

The Workgroup does not believe that CM094 impacts any other industry codes or modifications, to ensure Generator and demand Users feedback is captured all future industry communication on the modification will be shared with the CUSC and Grid Code mailing lists held by the ESO Code Administrator.

Consideration of other options

The Proposer detailed that ahead of raising the modification they had considered several other options including proposing a CUSC modification. They opted for a STC modification as a pragmatic solution that could see changes implemented within months, due to not altering any of the CUSC charging methodologies which would be a more complex modification to deliver.

Workgroup Consultation Summary

The Workgroup held their Workgroup Consultation between 09 February 2024 and 14 February 2024 and received 11 responses. The full responses and a summary of the responses can be found in Annex 5.

Key findings are summarised below:

- 11 Respondents comprised of 6 Generators, 3 Transmission Owners, 1 System Operator and 1 Other.
- 10 Respondents believed that CM094 better facilitated 1 or more the STC Applicable Objectives.
- 9 Respondents were supportive of the implementation approach.
 - Concerns raised by those who were not supportive were around the cross-code impacts and felt that the issue would be better resolved within a CUSC methodology change.
- 10 Respondents agreed that the Construction Approval should be based on the needs case approval rather than funding approval.
 - o The remaining Respondent stated that they had no view at this stage.
- 8 Respondents agreed that it was non material when Customers contract.
 - Concerns raised by those who did not agree were around Customers needing to have liabilities being made clear from pre-application to Completion Date; the solution needing to be clear on which costs will be excluded from the Bi-Annual Estimates; and a Respondent not having enough information to form a view.
- 9 Respondents agreed that the next security period is a reasonable time for the change.
 - Those who did not agree felt that the legal text could be clearer, and a Respondent would only support if the benefit applied to all Customers at the same time.
- 10 Respondents agreed that it was clear that prior to Construction Approval (needs case) that Customers still needed to provide securities for construction works.
 - o The remaining respondent stated that they had no view at this stage.

ESO

- 8 Respondents agreed that the legal text satisfied the intent of the modification in improving the security process in a transparent way (however 2 of the respondents did state that they had not completed a full legal text review).
 - Concerns raised by those who did not agree were around ambiguity around whether it was the initial or final needs cases and what was meant by TOs 'waives its rights' within the new Section 9; that there should be a definition of what works would be excluded in a Construction Approval; and reiteration that the change should be part of a CUSC modification.

Post Workgroup Consultation Discussions

At Workgroup meetings 3, 4 and 5, the Workgroup reviewed and discussed the consultation responses to address issues that had been raised.

Ambiguity within the Legal Text

Based on requests the Workgroup updated the legal text to provide clarity:

Needs Case Approval

The Construction Approval definition is based on the needs case for specific Transmission Construction Works which are not or are no longer dependent upon connection of any given party. Following the Workgroup Consultation this has been updated to confirm that it is the initial needs case, or in the absence of an initial needs case the final needs case, which is required.

The Workgroup agreed on initial needs case as this is the point when, although final overall cost of the works have not been approved, certainty over the requirements of the project have been approved by the Authority and therefore initial costs at that point will be funded. Overall cost for the works will be approved at a later stage and were the final needs case not approved the TO would be able to recover additional costs through TNUoS.

Transmission Construction Work Costs removed post Construction Approval
To address the concerns that there was a lack of clarity around which costs would be
excluded on receipt of the Construction Approval a new definition of Excludable Costs
was introduced which references the specific cumulative actual and forecast costs.

The below diagram demonstrates how this would work in practice.

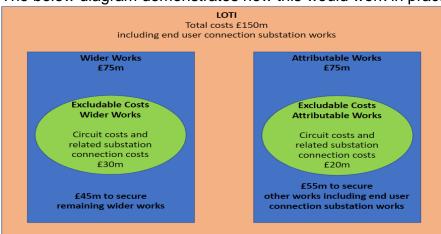


Figure 1. Worked example of Excludable Costs



Obligations and timescales after receipt of the Construction Approval
The legal text was updated to direct that the TO will remove the Excludable Costs
following the receipt of the Construction Approval.

The Workgroup had previously discussed and agreed the 20 Business Day period would allow for the TO to remove the Excludable Costs from the Bi-annual Estimate ahead of submitting the Bi-annual Estimate to the ESO. The Workgroup reworded the legal text to add clarity.

To support the understanding of when this would come into effect post implementation, the table below³ shows the last day a Construction Approval would need to be received by the TO (A) for the Excludable Costs to be removed from the next security period (C).

The TO receives the initial needs case approval, or in the absence of an initial needs case the final needs case, which constitutes a Construction Approval (A), they remove the Excludable Costs from the Bi-annual Estimate and provide it to the ESO (B), the submitted Bi-annual Estimate is effective between the TO and the ESO (C), the next day the Security Period is effective between the ESO and the User (D).

A) Construction Approval	B) Provision of the Bi-annual	C) Bi-annual	D) Security
received by the TO and	Estimate from the TO to	Estimate Effective	Period Effective
notified to the ESO	ESO	Date	From
A is no less than 20 Business Days before B	B no less than 82 days before C	Repeated annually	Day after C
07/12/2023	09/01/2024	31/03/2024	01/04/2024
12/06/2024	10/07/2024	30/09/2024	01/10/2024

Table 1: Construction Approval timelines

Interaction with the CUSC Methodologies

Several Respondents called out concerns that the proposed changes to the STC should be accompanied or replaced by CUSC Modifications.

As acknowledged by the Respondents the STC defines the relationship between the TO and the ESO. This includes provision of liabilities by the TO to the ESO for the ESO to calculate its cancellation charges and securities.

The CUSC is the contractual framework for connecting to and using the National Electricity Transmission System (NETS) between the ESO and Users. With CUSC Section 15 – User Commitment Methodology sets out the framework for cancellation charges and securities for Generators.

The Workgroup acknowledged that there could be ways of achieving a similar result via the CUSC, however all those changes would still require a STC change. The Workgroup agreed that as it is the TOs liabilities which are proposed to be changed as part of this modification there was no requirement to change the Charging Methodologies in CUSC, nor any need to change definitions.

³ There are additional stages taken by the ESO and the User between B and D which are captured under the CUSC.



The Workgroup walked through the current and proposed process to ensure that there would be no unintended consequences. The diagram shows the current process (in grey) and the proposed changes (in red), which confirmed that no CUSC change was required to enact the solution as the Excludable Costs are removed ahead of the Bi-annual Estimate being sent from the TO to the ESO.

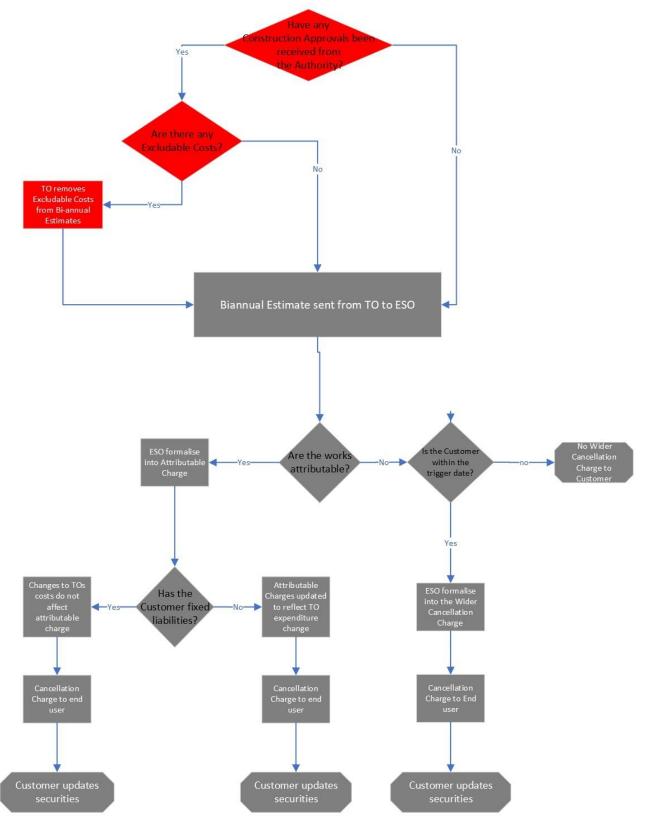


Figure 2: Bi-annual Estimate through to Customer Securities Process Flow



Fixed Liabilities and Contracting

It was confirmed that as of 23 February 2024 there were 257 Customers with Fixed securities that could potentially be impacted by this modification⁴.

The ESO Representative confirmed that within CUSC Section 15.6.2 it prevents a User who has elected for Fixed Cancellation Charges to revert to an Actual Attributable Works Cancellation Charge. The Workgroup saw the potential merit in a one-off recalculation for existing Fixed Liabilities, to be conducted in a similar way as the previous Transmission Entry Capacity (TEC) amnesty, however due to when the fixed liabilities were set there is no guarantee that moving to variable would be in the best commercial interest of the Customer as other costs may have increased (overhead line costs, transformer cost, etc.).

The Workgroup agreed that there should be no market distortion because of the modification as if approved, excluding those on fixed liability, it would be applicable to all Customers who would need to be able to make an informed decision around whether they wanted to go fixed or variable based on commercial decisions.

The Workgroup reaffirmed its position that there should be minimal impact dependent on when a Customer contracted as under the current arrangements the later a Customer contracts the less likely they are to be advanced as there are others earlier in the queue.

Communication of Change

The Workgroup discussed that were the modification approved it was likely that the TOs CRM teams would receive a lot of queries from Customers. To ensure that there was consistent messaging the ESO confirmed they would work with the TOs to produce guidance on the ESO website or messaging (Newsletters, webinars) to facilitate the change.

Potential Impacts on Authority Initial Needs Case

There was not further support for the concerns raised by the Workgroup Member whose organisation had raised the concern that there could be a risk that where Customers have a reduced financial commitment applied via the removal of Excludable Costs in the Bi-annual Estimates this could inadvertently undermine investment needs cases.

As put to the Workgroup there is the potential that, by removing large costs of liabilities this may lead to this having an impact on the commercial decision on where Customers may wish to connect their project, given that the exclusion of costs is binary depending on whether an investment breaches the level requiring needs case approval. it was highlighted that Customers would still require to securitise against their TCA and sole use works as well as other wider works liabilities and reinforcements that are attributable but not covered by Construction Approval and would therefore still be securing a reasonable level. The Workgroup consider this strikes an appropriate balance between ensuring that developers are liable should they cancel their project whilst reducing the overall scale of those securities to ensure that reinforcements do not pose a barrier to connections proceeding.

Subsequent Modifications

The Workgroup agreed that other parties might wish to raise modifications in the future, but they were comfortable that the solution addressed the urgent defect.

Legal text

The legal text for this change can be found in Annex 1.

⁴ The data when anonymised provided very little value, therefore it has been shared only with the Authority.



What is the impact of this change?

The impact of the change would be across the onshore GB transmission network so the national reduction would be well in excess of the £3bn referenced within the 'What is the Issue?' section at earlier in the document.

Proposer's assessment against Code 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	Neutral
(b) development, maintenance, and operation of an efficient, economical, and coordinated system of electricity transmission	Neutral
(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
(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
(e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC	Neutral
(f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system;	Positive It is likely that an increasing number of Customer connections will be realised by reducing the number of unnecessary securities required by Generators/demand Customers.
(g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.	Neutral

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	
Lower bills than would otherwise be the case	Facilitate the creation of significant socioeconomic benefit to communities. For example, benefit to the Orkney and Scottish economies, through enabling community-owned wind farm developments and utilising both local Orcadian and Scottish supply chain content. Currently there is a HVDC link proposed that is high cost and thus high securities to the Customers there. Removing this cost removes barriers to connecting these Customers which provides the socioeconomic benefits.	



	 Help meet net zero targets of both the Scottish and UK government by enabling additional renewable development. Progressing with reform now will ensure that the securities regime is fit for purpose to support timely connection to projects associated with ASTI and future CSNP works
Benefits for society as a whole	Neutral
Reduced environmental damage	Neutral
Improved quality of service	Neutral

Workgroup vote

The Workgroup met on 07 March 2024 to carry out their workgroup vote. The full Workgroup vote can be found in Annex 6. The table below provides a summary of the Workgroup members view on the best option to implement this change. The Applicable STC Objectives are:

- a) efficient discharge of the obligations imposed upon transmission licensees by Transmission Licences and the Act
- b) development, maintenance, and operation of an efficient, economical, and coordinated system of electricity transmission
- 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
- 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
- e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC.
- f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system;
- g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

The Workgroup concluded unanimously that the Original better facilitated the Applicable Objectives than the Baseline.

Option	Number of voters that voted this option as better than the Baseline
Original	4

Workgroup Member	Company	Industry Sector	Best Option	Which objective(s) does the change better facilitate?
Neil Bennett	Scottish and Southern Electricity Networks Transmission	Transmission Owner	Original	f
David Halford	ESO	System Operator	Original	c and f
Matthew Paige- Stimson	National Grid Electricity Transmission	Transmission Owner	Original	c and f
Gareth Williams	Scottish Power Transmission	Transmission Owner	Original	f



When will this change take place?

Implementation date

ASAP and applicable to existing works with 'Construction Approval'

Date decision required by

ASAP

Implementation approach

There are not believed to be any additional system requirements from the proposed changes.

Interactions			
□Grid Code □European Network Codes	□BSC □ EBR Article 18 T&Cs ⁵	□CUSC □Other modifications	□SQSS □Other

Whilst the Workgroup have agreed there are interactions with CMP428, CM094 is progressing independently.

How to respond

Code Administrator Consultation questions

- Please provide your assessment for the proposed solution against the Applicable Objectives?
- Do you have a preferred proposed solution?
- 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 **20 March 2024** 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
ASTI	Accelerated Strategic Transmission Investment
BSC	Balancing and Settlement Code
CAP	Connections Action Plan
CM	Code Modification
CPAG	Connections Process Advisory Group
CSNP	Centralised Strategic Network Plan
CUSC	Connection and Use of System Code

⁵ If the modification has an impact on Article 18 T&Cs, it will need to follow the process set out in Article 18 of the Electricity Balancing Regulation (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.



ESO	Electricity System Operator
HND	Holistic Network Design
LOTI	Large Onshore Transmission Investment
SQSS	Security and Quality of Supply Standards
SSEN	Scottish and Southern Electricity Networks Transmission
STC	System Operator Transmission Owner Code
T2	RIIO-T2 period
TO	Transmission Owners
TORI	Transmission Owner Reinforcement Instruction

Reference material

- CMP417: Extending principles of CUSC Section 15 to all Users
- CM093: Extending the principles of the User Commitment Methodology to Final Sums Methodology as a consequence of CUSC Modification CMP417
- CMP428: User Commitment liabilities for Onshore Transmission circuits in the Holistic Network Design

Annexes

Annex	Information
Annex 1	Legal Text
Annex 2	Proposal Form
Annex 3	Terms of reference
Annex 4	Urgency Letters
Annex 5	Workgroup Consultation Responses and Summary Spreadsheet
Annex 6	Workgroup vote
Annex 7	Action Log
Annex 8	Attendance Record