

## Ofgem Connections Delivery Board

### May 2024 Meeting Minutes

Thursday 23 May 2024 – 13:00 – 15:00

MS Teams Meeting

### Attendees

Role Category	Representative	Organisation
Chair	Jack Presley-Abbott	Ofgem
Technical Secretariat	David Boyer	Energy Networks Association
	Kyle Smith	Energy Networks Association
	Allan Boardman	PA Consulting
	Reece Claire	PA Consulting
Electricity System Operator	James Norman	Electricity System Operator
	David Wildash	Electricity System Operator
Chair of SCG T/D interface group	Andy Scott	SSE Distribution and Chair of the SCG
Distribution Network Operators	Mark Adolphus	UK Power Networks
	Ben Godfrey	National Grid Electricity Distribution
	Amanda Le Brocq	National Grid Electricity Distribution
	Paul Glendinning	Northern Powergrid
UK Government	Lily Furber	No. 10
	Paul Hawker	Department for Energy Security and Net Zero
	David Hamson	Office for Investment
	Paul van Heyningen	Department for Energy Security and Net Zero
	Ian Thel	Department for Energy Security and Net Zero
CPAG Chair	Merlin Hyman	Independent Chair of Connections Process Advisory Group (CPAG)
Connections Customer Representatives	Charles Wood	Energy UK
	Eddie Proffitt	Major Energy Users Council
	Peter McCrory	Renewable UK
	Chris Hewett	Solar Energy UK
National Governments	Lorna Finlayson	Scottish Government
	Eleanor Hoare	Welsh Government
Transmission Owners	Christianna Logan	Scottish Hydro Electricity Transmission
	Gareth Hislop	Scottish Power Energy Networks
	Allan Love	Scottish Power Transmission
	John Twomey	National Grid Electricity Transmission
Energy Regulator	Shabana Akhtar	Ofgem
	Tessa Hall	Ofgem
	Klaudia Starzyk	Ofgem
	Lee Wilkinson	Ofgem
	Alasdair MacMillan	Ofgem
	Liam Cullen	Ofgem
	Jon-Paul Bignold	Ofgem
	James Macauley	Ofgem
Ellie Ritchie	Ofgem	
HM Treasury	Cameron McArdle	HM Treasury
	Oscar Williamson	HM Treasury

## Apologies

Role Category	Representative	Organisation
Electricity System Operator	Milly Lewis	Electricity System Operator
	Deborah Spencer	Electricity System Operator
	Mike Robey	Electricity System Operator
Distribution Network Operators	Graham Halladay	NG Distribution Operations Director
	Steffan Jones	Electricity North West
	Sue Neves e Brooks	SSE Distribution
	Dan Randles	Electricity North West
	Kester Jones	National Grid Electricity Distribution
UK Government	Freddie Saunders	Department for Energy Security and Net Zero
	Amber Woodward	No. 10
	Oliver Dixon	Office for Investment
	Nadya Thorman	No. 10
	Daniel Boorman	Department for Energy Security and Net Zero
Transmission Owners	Annette Sloan	SSE Distribution
	Scott Mathieson	Scottish Power Transmission
	Paul Lowbridge	National Grid Electricity Transmission
Energy Regulator	Peter Bingham	Ofgem
	Salvatore Zingale	Ofgem
	Gillian Capewell	Ofgem
National Governments	Jasmine Killen	Scottish Government
	Jennifer Pride	Welsh Government
CPAG	Catherine Cleary	Connections Process Advisory Group (CPAG)
Connections Customer Representatives	Barnaby Wharton	Renewable UK
	Graham Panell	BayWa r.e. UK
	S Turner	Global Infrastructure Investment Bank
Code Panels	Trisha McAuley	Chair - CUSC/ Grid Code Panel
Consumer Representatives	Andy Manning	Citizens Advice

## Key Summary

The May meeting of the Connection Delivery Board (CDB) commenced with a note from the chair concerning the upcoming elections. There was a discussion on how the CDB would function during the General Election period. Ofgem is expected to confirm whether the next CDB meeting will need to be cancelled, although it is currently assumed that it will proceed as planned.

The conversation then shifted towards a new discussion centred on TMO4+. Notable highlights from this discourse included updates from Ofgem on LLCCG (Legislation Licence and Code Change Groups) meetings and ESO's acknowledgment of industry interest alongside challenges in managing large group discussions as part of the code modification process. Suggestions were made to establish an issue register for concentrated attention. Concerns surfaced from some members regarding the effectiveness of TMO4+ and the necessity for strategic planning, with an emphasis placed on timely strategic solutions, the management of rapid developments, and the provision of clear incentives for developers. For example incorporating financial milestones at Gate 2 was mentioned and engaging independent consultants for consistency, while DESNZ underscored the eventual need for additional

## Strategic Connections Group

measures regarding TMO4+ in order to align with strategic planning. Ofgem advocated for the elevation of "WACMS" for decision-making purposes. The principal outcome of the meeting was the proposition of a possible additional monthly session dedicated to TMO4+.

Following the TMO4+ discussions, the focus shifted to the CAP action summary update. The conversations arose because all, but one CAP action displayed a green RAG rating. The primary takeaway from the discussion was the need to revise the RAG rating definitions.

Four papers were presented to the membership, comprising of 2 papers for steer, 1 paper for information and 1 paper for update.

ESO delivered a verbal update on transitional arrangements with the objective of minimising offer rework and inefficiencies. Following a brief discussion, it was concluded that a further update would be necessary at the June CDB meeting.

The ESO Package 2 project plan was introduced for steer. In response to an action from the previous CDB meeting, ESO had been assigned the task of developing this plan. The discussion revolved around the ongoing progress towards late summer or autumn, with the aim of reaching an agreement however disagreements on certain technical details were present. The primary outcome of this deliberation was the request for ESO to include an impact assessment as part of any future proposal for decision to Ofgem.

ESO presented a paper for information on the Landowner Letter of Authority (LoA) phase 2. The paper proposed not to retroactively apply the letter of authority at gate one, as a duplicate check will already be conducted at gate two. Implementing this measure at gate one was deemed to require significant effort with minimal reward compared to prioritising other initiatives. The overarching aim is to eliminate duplicates in the queue, and this approach is deemed to align with that objective. The discussion was generally viewed as a positive step forward, with the main takeaway being that the code modification working groups will continue to consider all three possible options.

SCG presented a paper for information regarding the potential impact of current reform proposals (TMO4+) on distribution queue management. The discussion centred on the progress made in initiating work groups on queue management. However, it was acknowledged that TMO4+ might hinder some of the progress achieved by these groups.

The CDB overall POAP was discussed, with an emphasis on its new monthly publication in Appendix A of the minutes. Following this, standing items on the data dashboard and outstanding actions were addressed. Members inquired about the development timeline for the published data dashboard to incorporate information on benefits, such as the total gigawatts accelerated, removed, and released to date.

Several AOB items were discussed, including confirmation of the June CDB meeting schedule. An update on SCG Transmission charging for distribution customers in March, not previously covered in the minutes, was mentioned. It was noted that this work is being progressed by the ENA SCG transmission charging working group. Ofgem provided clear guidance, recommending an initial focus on short-term options. It was further noted that the March minutes didn't include the note on the SGT action, so for completeness, Ofgem provided an update that this is being pursued as part of the SCG Transmission charging work group. Finally, an update to the roles and responsibilities outlined in the CDB terms of reference was circulated via email on Tuesday. There was overall agreement, but a deadline of 28th May was set for members to submit any comments.

### Key dashboard highlights (data correct to end-April 2024):

SCG T&D Dashboard Summary:

- Overall, the growth in the queue and the rate of new applications continue to be high, with 712GW currently in the queue; 48GW being demand and 664GW from export and storage. In April 11.55GW of new connections offers were accepted.
- The queue continues to be dominated by renewables (349GW, 49% of the queue) and storage (227GW, 32% of the queue) far exceeding GB energy needs for net zero.
- Networks are connecting customers at a greater pace than ever before.

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- There remains significant capacity that networks can accommodate without delay, including over 60GW of distribution connecting customers that have no dependency on transmission works, and 38.5GW of transmission connecting projects that have been offered connection dates in the next three years. Actual connection of these projects will be subject to customer timelines, milestone management, attrition rates and other factors (e.g. supply chain).
- However, the significant (and growing) queue continues to result in connection delays for customers:
  - 17% of transmission offers in April met the requested connection date, with an average difference between offered and requested connection date at transmission of 68 months for the month of April.
  - 63.7% of distribution capacity contracted is dependent on or being assessed for transmission reinforcements.

### CDB Impacts Dashboard Summary:

- Accelerated Connection Dates: Progress has been made in accelerating connection dates for projects, primarily through technical limits at distribution and offers at transmission. 7.4 GW cumulative capacity across Transmission and Distribution (T&D) accelerated by an average of six years, with much more expected to follow.
  - Capacity Released: Reforms, particularly for storage at distribution, have enabled more efficient use of network capacity, reducing the reinforcement needed and allowing more customers access to the network. 17.6 GW cumulative capacity released across T&D.
  - Removal of Non-Progressing Projects: The queue management measures already agreed and in place have effectively removed over 9.6 GW of non-progressing projects across T&D from the queue, enhancing the efficiency of the connection process.
- Customer Service: There has been a decrease in meeting requested connection dates, particularly at transmission, emphasising the need for continued focus on improving the connection process. 17% of transmission connections were offered their requested connection date as of April 2024. The average delay for the 83% of applications did not offer their preferred date is currently approximately 68 months for the month of April only.

### Decisions & key actions agreed at the meeting:

- In the Welcome and Update from the Chair, a key action that was noted was for the chair to confirm if the next CDB meeting will proceed as planned and provide feedback in case of any changes due to the elections.
- Within the CAP area summary updates, actions agreed were (1) ESO to host a walkthrough of connx360 for DESNZ and OfI, (2) Ofgem and Technical Secretary to discuss the best way forward to have TMO4+ focused discussions and if another meeting is required, (3) ESO to give an update in the next CDB in terms of the overarching position of where ESO are in terms of CM376 implementation, (4) Ofgem to bring a paper setting out recommendations for where Ofgem think the regulatory framework could be improved to drive better connection behaviour and outcomes to the next CDB, (5) SCG to bring a paper on a single digital view of network data for connection customers to the next CDB, (6) ESO to provide a walkthrough to Alasdair MacMillan and confirm the launch date and to ensure communication to all stakeholders upon the tool's launch, (7) ESO to speak with James Macauley on what the ESO's plans, and capacity are and what would be feasible in the near term in regard to approach longer term strategic reform and (8) CDB Secretariat to review the definitions of the RAG ratings before the next CDB meeting and report back to the membership.
- Concerning the ESO's Transitional Arrangements paper, a specific action was given for ESO to provide a paper on transitional arrangements for next CDB with a plan included on timelines.
- Regarding the ESO's LOA Phase 2 paper, the ESO were happy with the steer received, contending that the discussion was seen as a positive step. A specific action was noted for the ESO to have an offline conversation on exploring different scenarios of LOA Phase 2 with Andrew Scott.
- Concerning the SCG's Integrated queue management update post "Gate 2", no actions were recorded, with further updates expected in due course from the SCG.

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- Regarding the ESO's Package 2 project plan paper, the ESO were happy with the steer received. The board was happy to provide guidance if there's continued misalignment between parties to ensure progress in this area continues. Actions agreed were (1) The chair to raise a query about the right principles and outcomes to a senior level for discussion within the wider strategic conversations that occur across the department, Ofgem, and other relevant parties, (2) ESO to clarify whether "CUSC modification submitted" in the timeline refers to the initiation of a working group for a code modification or the point at which a final recommendation for a modification is expected to be sent off and (3) ESO to follow up on what's driving the September timeline for the project plan on Package 2.

## Meeting Notes and Actions

1. Welcome & Update from Chair			JPA
<p>Ofgem opened the call by outlining the agenda and thanking participants for their good attendance. The agenda was reviewed, and it was noted that item 2 might require additional time, to which there were no objections. Two AOBs were raised: one concerning a March SGT update and the other a minor CDB ToR update.</p> <p>A monthly context was provided, highlighting that last month 1.93GW (Gigawatts) were connected, bringing the queue to 712GW – a 5GW increase. Although the queue continues to grow, it is not expanding at the same rate as earlier in the year. The 712GW queue comprises 664GW of generation and storage, and 48GW of demand.</p> <p>It was also highlighted that the announcement of an election on 22nd May has left Ofgem awaiting Cabinet Office guidance. Consequently, the current meeting is proceeding as planned. Ofgem noted that once more guidance is received, any necessary adjustments for future meetings will be made accordingly.</p> <ul style="list-style-type: none"> <li>• <b>Action</b> – The chair to confirm if the next CDB meeting will proceed as planned and provide feedback in case of any changes due to the elections.</li> </ul> <p>Ofgem raised the extensive reform work underway, which requires changes to codes and licences; and noted that whilst this work is ongoing, it is currently constrained by the pre-election period. Ofgem committed to providing updates via email or notifying stakeholders of any significant changes as soon as possible.</p> <p>Ofgem further discussed the reform work, specifically the TMO4+ and the working group that commenced two weeks ago. Later in the meeting, there would be an opportunity to hear about the progress of this group. It was emphasised that this is a pivotal month for the group, as it will see the development of proposals and the consideration of alternatives. The team is keen to ensure that the ambition and scale of the changes are appropriate.</p>			
<b>New Actions</b>			
1	The chair to confirm if the next CDB meeting will proceed as planned and provide feedback in case of any changes due to the elections.	As soon as aware (by 12th June at latest)	Chair

2. CAP Action Area Summary Update and POAP			JPA, Board
<p>The summary of each CAP area was given, noting that full detailed reports were shared in the meeting pack. Summary information included:</p> <ul style="list-style-type: none"> <li>• Status updates</li> <li>• Plan on Page</li> <li>• Initiatives in design, implementation, and benefit stages</li> <li>• KPIs and tracking</li> <li>• Any major decisions required.</li> </ul> <p>Summaries were provided, with detailed status reports taken as read. Attention was therefore focused on exceptions, particularly initiatives where the RAG status was flagged as red or amber, indicating blockers or delays to actions, respectively. It was noted that, with all but one CAP action flagged as green, there was a need to reassess the confidence in the RAG rating definitions. Questions were raised about whether the outcomes will indeed be achieved given the predominantly green status and, if not, what gaps or missing elements need to be addressed.</p>			



## 2. CAP Action Area Summary Update and POAP

JPA, Board

There was a more in-depth discussion on the newly added TMO4+ status report as this was the first time it was presented at CDB. Discussions (per CAP action area) included:

### Connections Reform – “TMO4+”

Ofgem mentioned that they were being kept up to date with the weekly LLCCG (Legislation Licence and Code Change Group) meetings and code processes. A question was directed to the ESO asking if they had any comments on the progress observed in the working groups and impact assessments. The ESO responded positively, noting the high level of interest and representation from across the industry. However, they acknowledged the challenge of working within a very large group, with difficulties having every voice heard.

The ESO highlighted that many discussions delved into details beyond the current code framework, meaning they did not always have the necessary answers or level of detail. They emphasised the need to be realistic about the outcomes, recognising that not everything is codified within the existing framework.

The discussion was then opened to members for feedback from anyone who had attended or represented their organisation in the LLCCG or Code Modification panel.

- It was suggested that introducing an issue register in the meeting would greatly enhance clarity and purpose. With the accelerated process, delivering outcomes becomes challenging when discussions are unfocused. Therefore, prioritising the resolution of key issues is crucial.

Some concerns were raised by some members about the effectiveness of TMO4+ in delivering necessary advancements. Those members emphasised the need to explore and align on alternative options, given the risk of basing conclusions on potentially inadequate solutions. Further debate from the membership included:

- Another point raised was the issues with the potential technology mix under the current approach. Ongoing discussions aim to avoid favouring faster-progressing technologies. It was also discussed that the working group would need to be cautious about adding layers to the process due to potential delays. The need for near-term improvements was stressed, emphasising the importance of avoiding unintended consequences and providing meaningful solutions for customers, while balancing short-term gains with long-term effectiveness.
- The membership came into agreement that whilst TMO4+ is helpful it may not fully address the queue or ensure optimal asset placement. Effective strategic planning and coordination with market signals were classified as crucial. There were concerns about the delay in the SSEP Commission, especially with the upcoming election. The membership emphasised the need for timely, strategic solutions and highlighted the challenge of avoiding repeated adjustments. Interim solutions may be needed to manage current application volumes efficiently.
- The membership also stated the industry's struggle to keep up with rapid developments. The Industry Working Group's chair noted that specialists lacked the capacity to respond to an open letter, underscoring the challenge. Despite the push for acceleration, there's a need to balance speed with careful reflection to avoid counterproductive outcomes.

The subsequent question raised pertained to the timeframe within which Ofgem's next opportunity for alternatives to be raised – it was confirmed that the deadline for WACMS is aligned with the working group report being sent to the panel, which is scheduled for 13th August. The query centred on whether there is a prevailing consensus that certain issues should be addressed through the code process or if the general sentiment is to wait until after this timeframe for resolution.

ESO highlighted a mechanism within the code process regarding technology differences post-Gate 2, aiming to balance progression speeds for different technologies. This mechanism is under consideration and addresses concerns not fully explored in current discussions. Additionally, ESO mentioned CR 3.6, focusing on longer-term approaches, which complements ongoing efforts. While there's a potential for overlap, practical changes from CR 3.6 mean that material progress is unlikely in the near term. There's uncertainty regarding whether an SSEP will define the optimal technology mix, as well as whether there's a consensus on what this mix should be. Assumptions about technology mix and the SSEP's role need unpacking and testing, considering the absence of an SSEP Commission.

It was also suggested to send signals informally between NESO and DSOs regarding the expected technology mix, aiming to guide market behaviour. This approach could discourage unnecessary entries into the queue, as developers would see transparently where their projects stand and adjust accordingly. While this

## 2. CAP Action Area Summary Update and POAP

JPA, Board

mechanism may not currently exist, government or relevant authorities could provide clear indications about the desired technology mix, fostering a more efficient market. However, a discussion took place on understanding the financial commitments required at different stages of the process. Ensuring the process works for developers necessitates clear incentives for all involved parties, such as TOs and DNOs. Developers require assurance that counterparties will face consequences for delays or failures, ensuring accountability throughout the process.

NGED emphasised the need for better calibration of the barrier to entry to ensure only shovel-ready projects proceed. Currently, there's concern that too many projects enter the queue without readiness. NGED proposed adding financial milestones to Gate 2 to demonstrate commitment, aiming to accelerate projects efficiently. Commonality of approach across ESO and DNOs in evaluating evidence at Gate 2 is crucial, suggesting the possibility of an independent panel to ensure consistency. NGED proposed the involvement of independent consultants to review evidence at Gate 2, ensuring consistency in assessment across Transmission and Distribution.

DESNZ voiced that there's a recognition that achieving a perfect solution immediately with TMO4+ might not be feasible, given complexities like aligning connection processes with strategic planning. The absence of a strategic plan at national or regional levels poses a challenge. Delays in the SSEP commissioning aren't the sole issue. Concerns remain about the impact of TMO4+ details, especially regarding financial measures and potential distinctions between technologies. Further measures post-TMO4+ are deemed necessary.

A couple points were emphasised, this being highlighting the gap in T&D coordination alignment across distribution, especially concerning non-firm distribution connections under TMO4+ and acknowledging potential impacts from external factors like upcoming government changes and planning reform on the process, emphasising the need to consider broader actions beyond the group's control. It was highlighted the need to understand how the benefits case develops as well as how much TMO4+ actually accelerates connections or how much is the benefit of TMO4+ to better sort the queue to enable better decision making.

It was then expressed the concern that the current mods feel too restrictive to accommodate feedback from open letter responses, proposing to focus on strengthening agreed-upon themes like gate criteria and technology gaps. A suggestion was providing guidance to the code mod process to ensure it evaluates these areas effectively. The second concern was emphasising the need to shift focus from simply reducing the queue size to connecting customers more quickly and reducing the delta to six months. It was recommended adjusting language and metrics to align with the overarching goal of expedited connections.

To summarise the discussion Ofgem acknowledged the importance of the current code mod process for raising ideas, especially variations on the TMO4+ theme and responses to the open letter. Ofgem encouraged participants to raise "WACMS" to provide options for decision-making later. The consideration of possibility an additional CDB session focused on TMO4+ to discuss any last-minute ideas before the June deadline was mentioned.

- **Action** – Ofgem and Technical Secretary to discuss the best way forward to have TMO4+ focused discussions and if another meeting is required.

### CAP 3.1 – Raise Entry Requirements

- There was no discussion around this CAP area, for actions are either on track, complete or included within the scope of the TMO4+ proposal.

### CAP 3.2 – Removing Stalled Projects

- For CAP action CAP3.2.1 (*CM376 implementation*), it was discussed that for the CMP376 implementation and Q milestones, there are approximately 850 projects that haven't responded to the notice. Clarification was sought on whether these projects are genuinely on track and willing to have milestones inserted as is, or if they are considered "zombie projects." Ofgem wanted to know what the analysis was that was conducted by ESO on these projects, it was stated that it is crucial for maximising the impact of CMP376 before TMO4+. Additionally, it was asked which projects have near-term connection dates for prioritisation.
- ESO responded by mentioning that many pre-November 2025 projects have modified their timelines, but some are still under review to confirm their viability. No imminent projects have been terminated. The triage process continues with external partners, and efforts to add milestones to all CMP376



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projects are ongoing to ensure they are genuine and progressing. ESO also mentioned they would give an update on the next CDB.

- **Action** – ESO to give an update in the next CDB in terms of the overarching position of where ESO are in terms of CM376 implementation.

### CAP 3.3 – Better Utilise Existing Network

- There was no discussion around this CAP area, for actions are either on track, complete or included within the scope of the TMO4+ proposal however one question was raised from Ofgem to check NGET's perspective on whether the TWR work would be delayed due to the extension to two step or is the TWR still progressing as planned.
- NGET responded by stating the TWR work has been impacted because of the two-step process, leading to an extension. However, NGET are now planning to proceed as previously agreed. They mentioned they need to review this with Ofgem and possibly DESNZ regarding the available capacity and implications, as it involves conditional capacity for certain types of projects.
  - **Action:** NGET to book a meeting with Ofgem and DESNZ to discuss TWR

### CAP 3.4 - Better Allocate Available Network Capacity

- There was no discussion around this CAP area, for actions are either on track, complete or included within the scope of the TMO4+ proposal.

### CAP 3.5 – Improve Data & Processes; Sharpen Obligations & Incentives

- For CAP action CAP 3.5.2 (*Undertake review of connection incentives, obligations and requirements*) – Ofgem gave an update that the end-to-end review is progressing as planned, with a paper outlining recommendations for improving the regulatory framework for better connection behaviours and outcomes. Ofgem plan to present this at the next CDB meeting in June, focusing on high-level recommendations while welcoming further discussion for more detailed insights. They also mentioned how they aim to consult holistically on proposed changes impacting licenses, codes, engineering standards, and price control frameworks during the summer, with ongoing efforts to maintain momentum despite potential election-related impacts.
  - **Action** – Ofgem to bring a paper setting out recommendations for where Ofgem think the regulatory framework could be improved to drive better connection behaviour and outcomes to the next CDB.
- For CAP action CAP 3.5.1 (*A single digital view of network data for connection customers* – there was a query about the timeline for this CAP action. It's emphasised that keeping momentum on the single digital view of connections is vital, given its potential to address crucial recommendations in the pre-application phase. While a paper is expected in June, there was a request for a verbal update to stay informed on the progress.
- SCG responded by stating the plan is to present the data publication proposal for the distribution level in a paper in June. This will be followed by a discussion at CPAG to gather more customer input on the data details.
  - **Action** – SCG to bring a paper on a single digital view of network data for connection customers to the next CDB.
- From the ESO's perspective, internal governance processes are underway for the geospatial tool aimed at enhancing transparency at the transmission level ("connections 360"). Data cleansing is ongoing, and the tool is expected to be available for developers within the next month. It was asked when this would go live and start to be useful to developers in which ESO responded next month.
  - **Action** – ESO to provide a walkthrough to Alasdair MacMillan and confirm the launch date and to ensure communication to all stakeholders upon the tool's launch.
- ESO were asked by OfI and DESNZ for a walk-through of connections360.
  - **Action** – ESO to host a walkthrough of connections360 for DESNZ and OfI

### CAP 3.6 – Longer-term models; align with strategic planning.

- Ofgem gave an update on the initial workshop, which was in early May with ESO, Ofgem and DESNZ, the workshop was centred around how to approach longer term strategic reform with 5 other workstreams represented (spatial energy planners, regional energy planners, CSMP, REMA and price controls). The meeting covered mapping dependencies, clarifying objectives for Horizon 2, and

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<p>discussing preliminary ideas for strategic alignment with the SEP. The emphasis was on exploring possibilities without pre-empting decisions. Moving forward, the plan is to engage as feasibly as possible in parallel with TMO4+ work, recognising the interconnectedness of these efforts. It was discussed what was feasible in the near term, ESO mentioned they would speak to James Macauley on what would be feasible.</p> <ul style="list-style-type: none"> <li>○ <b>Action</b> – ESO to speak with James Macauley on what the ESO’s plans, and capacity are and what would be feasible in the near term in regard to approach longer term strategic reform.</li> <li>○ <b>Action</b> – Board to review the CAP 3.6 slide to see if ‘green’ is the most appropriate rating</li> </ul> <p><u>CAP Actions AOB</u></p> <p>Ofgem stated the need for a consensus to review the definition of the RAG rating colours to better reflect whether actions are delayed or materially contributing to the desired outcomes. There was a suggestion to focus more on the benefits realised, which might result in more amber ratings. This approach aims for a more accurate reflection of progress and outcomes achieved. Further input from others on this matter was asked for.</p> <p>There was a suggestion to consider measuring the strength of actions in terms of benefits and the timing of when these benefits are realised. This would involve mapping out the effectiveness of actions over time. Additionally, a plan to ensure that future RAG assessments not only focus on progress but also on delivery and impact.</p> <ul style="list-style-type: none"> <li>● <b>Action</b> – CDB Secretariat to review the definitions of the RAG ratings before the next CDB meeting and report back to the membership.</li> </ul> <p><u>The plan on a page (POAP):</u></p> <ul style="list-style-type: none"> <li>● There was a discussion around the plan on a page and whether it could be published. No objections were raised so the POAP will be published every month in the CDB. Please see Appendix A for the POAP.</li> </ul>			
<b>New Actions</b>			
2	Ofgem and Technical Secretary to discuss the best way forward to have TMO4+ focused discussions and if another meeting is required.	June CDB	Ofgem
3	ESO to give an update in the next CDB in terms of the overarching position of where ESO are in terms of CM376 implementation.	June CDB	ESO
4	NGET to book a meeting with Ofgem and DESNZ to discuss TWR	June CDB	NGET
5	Ofgem to bring a paper setting out recommendations for where Ofgem think the regulatory framework could be improved to drive better connection behaviour and outcomes to the next CDB.	June CDB	Ofgem
6	SCG to bring a paper on a single digital view of network data for connection customers to the next CDB.	June CDB	SCG

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7	ESO to provide a walkthrough to Alasdair MacMillan and confirm the launch date and to ensure communication to all stakeholders upon the tool's launch.	June CDB	ESO
8	ESO to host a walkthrough of connections360 for DESNZ and OfI	June CDB	ESO
9	ESO to speak with James Macauley on what the ESO's plans, and capacity are and what would be feasible in the near term in regard to approach longer term strategic reform.	June CDB	ESO
10	Board to review the CAP 3.6 slide to see if 'green' is the most appropriate rating	June CDB	CDB
11	CDB Secretariat to review the definitions of the RAG ratings before the next CDB meeting and report back to the membership.	June CDB	Technical Secretary

### 3. Specific Updates from the 6 CAP areas (papers)

DW, JN, PG,  
Board

#### Transitional arrangements – For Update

ESO mentioned how this was just an update and a further discussion will follow in next month's CDB meeting. They went on to say how there's a need to address the growing queue and efficiently transition to TMO4+ or its variants. The focus is on minimising rework and inefficiencies to ensure projects can move smoothly through the process, potentially considering options to streamline the transition. There's also a consideration for the lessons learned from the two-step process. The group will continue working on these aspects and provide updates next month. ENA pointed out that they were happy to support by helping convene DNO/TOs to input into the transitional arrangements paper.

The board then questioned the planned timing on the transition arrangements. ESO responded by stating there's a plan in progress to transition to the new system by January 1st, but there's a need to ensure its seamless and efficient. ESO believe a plan will be ready in the next couple of weeks for review and refinement.

- **Action** – ESO to provide a paper on transitional arrangements for next CDB with a plan included on timelines and consideration for developers' views

#### CAP 3.1.1 – LOA Phase 2 – Paper for Steer

ESO began the discussion by giving some background context on the paper. It was discussed that the paper proposes to not apply the letter of authority retrospectively at gate one, as there will already be a duplicate check at gate two. Implementing this measure at gate one would require significant effort with minimal reward compared to focusing on other priorities. The ultimate goal is to ensure there are no duplicates in the queue, and this approach aligns with that objective.

Concerns/clarifications raised:

- A participant expressed concerns regarding the duplicate checks taking place at Gate 2. There was apprehension that a developer with a promising project could encounter setbacks if they discover a letter of authority shared at Gate 2, potentially derailing viable projects. The preference is for duplicate checks to occur at Gate 1 or for mechanisms allowing arbitration between projects before Gate 2.  
ESO responded by asking whether the due diligence should be with the ESO or should be with the project developer in terms of the land that is available. It was then discussed the concern revolving around how well understood the duplicate checks process will be by landowners and the potential challenges they may face in navigating this aspect.
- Participants believed that exploring scenarios where a landowner who applies for transmission connection and distribution connection separately might be worthwhile. This could lead to a situation where the distribution connection customer sits in the DQ before passing gate two in the transmission queue.
  - **Action** - ESO to have an offline conversation on exploring different scenarios of LOA Phase 2 with Andrew Scott
- There was scepticism from one participant regarding the recommended approach outlined in the paper, particularly concerning the evidence provided for the conclusions. Option 3, which involves retrospective LOA at gate one and removing duplicates, was viewed as having greater benefits. The suggestion was for ESO to present all three options at the workgroup to allow for a comprehensive consideration of each, weighing them against the financial holding charge which ESO has proposed.

Overall, the discussion was seen as a positive step, with potential for further refinement.

#### CAP 3.4.1 – Integrated queue management update post “Gate 2” – Paper for information

The discussion began with an outlining of the paper and it was noted that progress had been made in initiating work groups on queue management. However, it was acknowledged that TMO4+ may impede some of the progress made by these groups. Therefore, there is a need to collaborate with the TMO4+ team to assess the impact and determine the way forward.

### 3. Specific Updates from the 6 CAP areas (papers)

DW, JN, PG,  
Board

Additionally, there were discussions regarding the alignment of milestones and findings from early work groups, particularly concerning distribution and transmission operations. It was recognised that there are challenges in the sequencing of milestones and the management of missed milestones, which require further attention. Despite these considerations, no significant announcements or changes were brought forward to the board at this time. The focus remains on refining the code for distribution business nodes and contributing to ongoing projects, with further updates expected in due course.

#### ESO Package 2 – Project plan – For steer

From the previous CDB meeting ESO were actioned to come back with a plan for Package 2. The discussion highlighted the ongoing progress towards late summer or autumn, with the aim of reaching an agreement. While there are still some points of contention with the transmission owners, productive conversations are continuing. Currently, the plan remains aligned with this timeline. However, if there are any indications of deviation from the plan, the team is committed to promptly flagging any risks and exploring necessary interventions to address them.

It was noted that while there is alignment on the overall intent, there are disagreements on certain technical details at present. The concern arises if these technical discrepancies hinder the actual delivery of the intended outcome. In such a scenario, the team would seek guidance on prioritising between resolving technical issues and ensuring the delivery of the desired outcome in a pragmatic manner.

There was acknowledgment that prioritising progress over perfection may be necessary, but it was emphasised that the situation has not reached that point yet. However, if it does, ESO is prepared to seek steer on how best to proceed.

#### Concerns/clarifications

- It was emphasised that the decision at hand on enabling works scope is significant within the broader context of the overall action plan. There was a call to understand the implications of the decision on constraint costs, particularly the trade-off between accelerating customer connections and potentially increasing pressure on constraint costs. It was highlighted that clarity is needed regarding any non-negotiable limits in this regard.
- Furthermore, the discussion touched upon the linkages with and the implications of the proposed changes on existing regulations and licenses. While there is a strong commitment to the plan and recognition of its potential to expedite customer connections, it was stressed that careful consideration must be given to the repercussions. For instance, if the substation build becomes a critical path item, it could impact connection timeframes and necessitate adjustments to infrastructure planning to avoid bottlenecks down the line. Hence, it was underscored that the decision extends beyond its immediate implications and requires a holistic assessment of its interplay with other challenges in the pipeline.
- It was also discussed that the alignment on the principles and desired outcomes driving this decision was deemed essential, with acknowledgment that there are likely to be non-negotiable boundaries on both sides of the discussion. The focus was on balancing the imperative to accelerate customer connections with the necessity to manage constraint costs effectively.
  - **Action** – The chair to raise a query about the right principles and outcomes to a senior level for discussion within the wider strategic conversations that occur across the department, Ofgem, and other relevant parties.
- ESO highlighted that the decision shouldn't be seen as a binary choice between accelerating connections and increasing constraint costs. Instead, there's a need to develop a separate process, potentially within the CSNP methodology or separately, to systematically evaluate various options. This process would involve economic analysis tools to assess solutions such as non-network build options or network expansion. The aim is to find the most efficient approach to address any additional constraint cost risks while considering all factors involved.
- It was questioned whether "CUSC modification submitted" in the timeline refers to the initiation of a working group for a code modification or the point at which a final recommendation for a modification is expected to be sent off. ESO suggested to consult with the team that prepared the proposal to confirm the next steps.

### 3. Specific Updates from the 6 CAP areas (papers)

DW, JN, PG, Board

- **Action** – ESO to clarify whether "code modification submitted" in the timeline refers to the initiation of a working group for a code modification or the point at which a final recommendation for a modification is expected to be sent off.
- It was mentioned that Ofgem has begun internal discussions about the initiative, recognising the involvement of teams beyond connections, such as charging and engineering. Like past processes, a clear justification exercise will be conducted soon to inform all parties, including transmission owners, about the necessary inputs and principles for the work.
- A point was highlighted about how constraint costs related to new generation connections, this implied that connecting new generation may increase constraint costs, necessitating consideration. However, this logic might suggest delaying building until the network is complete, which may not be practical or desirable. In response, a point was raised about a shift in methodology for enabling works, aiming to limit them to MITS substations rather than extending beyond. This change could facilitate earlier customer connections but might lead to higher constraints as some works may not be finished when customers connect. This raises questions about the balance between connecting projects ahead of network investment and the necessary infrastructure for customer connections.
- ESO added a point that Connect and Manage usually stops enabling works at MITS substations, but exceptions can extend works beyond them. ESO proposes to retain this principle but offer clearer guidance on defining exceptional circumstances and when they apply. This doesn't rule out enabling works beyond MITS substations but aims for clarity on what qualifies as exceptional.
- A clarification question about the plan was raised, what the rationale behind the September timeline, considering there's overlap between activities, and the first significant network design exercise won't be until April 2025, when these plans will be put into practice was asked. ESO responded by stating they would take the query back to the team, they mentioned they are not sure what's driving the timeline, but it's clear it needs to be ready well before October to be used from Q1 of next year onwards for preparing the Connections Design Methodology and aligning assumptions.
  - **Action** – ESO to follow up on what's driving the September timeline for the project plan on Package 2

Overall, the steer was successful, it was highlighted that the membership would need to test the question about constraints and connections as a foundational principle. It was mentioned that the board was happy to provide guidance if there's continued misalignment between parties to ensure progress in this area continues.

#### New Actions

12	ESO to provide a paper on transitional arrangements for next CDB with a plan included on timelines and consideration for developers' views.	June CDB	ESO
13	ESO to have an offline conversation on exploring different scenarios of LOA Phase 2 to Andrew Scott	Before June CDB	ESO
14	The chair to raise a query about the right principles and outcomes to a senior level for discussion within the wider strategic conversations that occur across the department, Ofgem, and other relevant parties.	Before June CDB	The Chair
15	ESO to clarify whether "code modification submitted" in the timeline refers to the initiation of a working group for a code modification or the point at which a final recommendation for a modification is expected to be sent off.	Before June CDB	ESO



3. Specific Updates from the 6 CAP areas (papers)			DW, JN, PG, Board
16	ESO to follow up on what's driving the September timeline for the project plan on Package 2	June CDB	ESO

#### 4. Review of KPI development and monitoring

DB

The discussion on KPI development and monitoring comprised a run through of two main slides, the SCG developed joint T&D dashboard highlighting key data trends and the updated CDB dashboard containing the impacts of various reforms across the connection process.

SCG T&D Dashboard Summary:

- Overall, the growth in the queue and the rate of new applications continue to be high, with 712GW currently in the queue; 48GW being demand and 664GW from export and storage. In April 11.55GW of new connections offers were accepted.
- The queue continues to be dominated by renewables (349GW, 49% of the queue) and storage (227GW, 32% of the queue) far exceeding GB energy needs for net zero.
- Networks are connecting customers at a greater pace than ever before.
- There remains significant capacity that networks can accommodate without delay, including over 60GW of distribution connecting customers that have no dependency on transmission works, and 38.5GW of transmission connecting projects that have been offered connection dates in the next three years. Actual connection of these projects will be subject to customer timelines, milestone management, attrition rates and other factors (e.g. supply chain).
- However, the significant (and growing) queue continues to result in connection delays for customers:
  - 17% of transmission offers in April met the requested connection date, with an average difference between offered and requested connection date at transmission of 68 months for the month of April.
  - 63.7% of distribution capacity contracted is dependent on or being assessed for transmission reinforcements.

CDB Impacts Dashboard Summary:

- Accelerated Connection Dates: Progress has been made in accelerating connection dates for projects, primarily through technical limits at distribution and offers at transmission. 7.4 GW cumulative capacity across Transmission and Distribution (T&D) accelerated by an average of six years, with much more expected to follow.
- Capacity Released: Reforms, particularly for storage at distribution, have enabled more efficient use of network capacity, reducing the reinforcement needed and allowing more customers access to the network. 17.6 GW cumulative capacity released across T&D.
- Removal of Non-Progressing Projects: The queue management measures already agreed and in place have effectively removed over 9.6 GW of non-progressing projects across T&D from the queue, enhancing the efficiency of the connection process.
- Customer Service: There has been a decrease in meeting requested connection dates, particularly at transmission, emphasising the need for continued focus on improving the connection process. 17% of transmission connections were offered their requested connection date as of April 2024. The average delay for the 83% of applications did not offer their preferred date is currently approximately 68 months for the month of April only.

It was queried regarding the positive numbers and noteworthy achievements, where do the membership stand on publishing the benefits, are there plans to incorporate them into the monthly dashboard alongside other key metrics and having a single source of truth to showcase the meaningful impact of CAP actions is crucial and something worth publicising extensively. It was discussed that the group still has reservations about presenting the overall dashboard without narrative articulation. However, there have been discussions about highlighting key stats or headlines within it, accompanied by appropriate narrative, for regular sharing. This direction of thinking is under consideration and will be taken back to the group for further discussion.

It was then mentioned how in addition to publishing the size of the queue, it would be beneficial to demonstrate the positive impacts of the plan, even at a high level. Combining this with narrative would effectively convey that we're not just observing the numbers increase; rather, the initiatives are making a meaningful difference.

**Action** – Technical Secretariat to come forward with a plan for how to effectively communicate positive impacts from the data dashboard before the next CDB.

**Action** – Technical Secretariat to publish SCG T&D Dashboard summary slides alongside Minutes and PoaP

**Action** - Technical Secretariat to include Ofgem communication lead Gill Capewell when discussing the narrative that would be published alongside the data.

**New Actions**

<b>17</b>	Technical Secretariat to come forward with a plan for how to effectively communicate positive impacts from the data dashboard before the next CDB.	June CDB	Technical Secretariat
<b>18</b>	Technical Secretariat to publish SCG T&D Dashboard summary slides alongside Minutes and PoaP	Before June CDB	Technical Secretariat
<b>19</b>	Technical Secretariat to include Ofgem communication lead Gill Capewell when discussing the narrative that would be published alongside the data.	June CDB	Technical Secretariat

**5. Outstanding actions from the previous meeting**

DB

The segment on outstanding actions began with a review of the progress made on previously identified actions. It was noted that no outstanding actions were marked as red, indicating critical attention was not required immediately. However, it was noted due to the large volume of actions the Technical Secretariat would conduct a review and cleanse of the completed actions to ensure a more focused list moving forward.

**Action** - Technical Secretariat to conduct a review and cleanse of the completed actions to ensure a more focused list moving forward for next CDB meeting

**New Actions**

<b>20</b>	Technical Secretariat to conduct a review and cleanse of the completed actions to ensure a more focused list moving forward for next CDB meeting	June CDB	Technical Secretariat
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**6. AOB, CDB Schedule, and date of next meeting**

JPA, SA, TH

There were few AOB topics:

- Meeting Schedule and Agenda for Next Meeting – There was confirmation of the date and time of the next CDB meeting.
- An update on the SCG cost approach to networks in March was mentioned, which was not covered in the previous minutes. It was noted that the work is being progressed by the ENA SCG transmission charging working group, with a paper presented at the CDB meeting on the progress. A clear steer was given by the CDB, recommending a focus on short-term options initially. However, it was argued that the steer was from Ofgem and not unanimous from the CDB. There was discussion regarding an agreement to prioritise short-term options, despite some pushback from the board as this was not part of the TOR.
- It was emphasised that the transmission charging piece is managed through the SCG, while the short-term aspect is examined through the CDB. Both long and short-term aspects remain priorities for the membership, with continued commitment to advancing them. Engagement with Ofgem and stakeholders will persist to drive progress on these initiatives.
- It was highlighted that an update to the terms of reference for the CDB membership via email on Tuesday was circulated. The highlighted points in yellow were entirely new and were proposed by Ofgem seniors following internal and external discussions between Ofgem and DESNZ. The aim was to clearly outline roles and responsibilities, it was opened to the membership to discussing it further and welcoming any comments or feedback. There was overall agreement however a deadline of the 28<sup>th</sup> May was given for the membership to send in any comments to the ENA email.
- The chair advised minutes would be published as usual, but the CDB chair blog would not be published during the General Elections period.

The chair thanked the board for attendance and closed the meeting.

7. Appendix A

**Plan on a Page - May 2024**

**Owner** SCG, ESO, DESNZ, Ofgem

Action Area	Owner	Initiative	2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CAP 3.1 - Raise Entry Requirements	ESO	3.1.1 - Introduce letter of authority at transmission (LoA)	Design	Voluntary + Phase 1 Mod					Implementation and Benefits						
	ESO	3.1.2 - Identify, assess, bring forward proposals to strengthen entry requirements							Included in TMO4+						
	SCG	3.1.2 - Identify, assess and bring forward proposals to strengthen entry requirements			Design				Implement		Benefits				
CAP 3.2 - Remove Stalled Projects	ESO	3.2.1 - CMP376 Implementation - transmission queue management	Design	Implement						Benefits					
	SCG	3.2.2 - Monitor application of queue management at distribution	Design	Implement						Benefits					
	ESO	3.2.3 - Bring forward recommendations to improve certainty and progression of customers holding capacity							Included in TMO4+						
CAP 3.3 - Better Utilise Existing Network	ESO	3.3.1 - Forward recommendations to optimise existing network capacity	Design	5-point plan: Implement acceleration for non-firm storage and where revised network modelling allows							Benefits				
	SCG	3.3.1 - Forward recommendations to optimise existing network capacity	Design	Implement						Benefits					
	ESO	3.3.2 - Review scope for improvements in CPAs for optimised planning		Design						Detailed design / prepare to implement from January 2025					
	ESO	3.3.3 - Review the scope of enabling works		Design						Detailed design / prepare to implement from January 2025					
CAP 3.4 - Better allocate available network	ESO	3.4.1 - Effectively allocate capacity released in short-term							Included in TMO4+						
	SCG	3.4.1 - Effectively allocate capacity released in short-term				Design									
	ESO	3.4.2 - Approach to allocate capacity with strategic planning							Included in TMO4+						
CAP 3.5 - Improve Data and Processes	SCG	3.5.1 - A single digital view of network data for connection customers	Design					Implement			Benefits				
	SCG	3.5.2 - Process for T Impacts of D connections		DFTC Design						detailed design		Prepare to go Live from January 2025			
	SCG	3.5.3 - Agreed 'technical limits' across identified GSPs		Implement						Benefits & Further implementation for Phase 2 and Scotland.					
	SCG	3.5.4 - Identify and resolve inconsistencies			Design					Implementation and further design on additional areas					
	Ofgem	3.5.5 - Review incentives, obligations and requirements		Undertake review of connection incentives, obligations and requirements											
CAP 3.6	ESO / DESNZ / Ofgem	Develop Longer-term Connection Process to align with strategic planning, transmission build acceleration and future market reforms including REMA		Ongoing											
TMO4+ - first ready, first connected process reform	ESO	TMO4+ proposal development and implementation	TMO4 to TMO4+ design				Proposal		End-to-end process - detailed design, SOPs, training						
	ESO	CUSC and STC code modifications for TMO4+	Design			Proposal			Workgroups		Report	Decision			
	ESO	Light touch offers			Design				Set-up		Implement				