






Alternative Request Proposal Form		At what stage is this document in the process?
<h1>CMP345 WACM8:</h1> <p>Original, with deferral to 2022/23</p>		<div>01 <b>Proposed Alternative</b></div> <div>02 <b>Proposed Workgroup Alternative</b></div>
<p><b>Purpose of Alternative:</b> To extend the period, by one Charging Year, of the deferral year from 2021/22 (in the Original) to 2022/23 Charging Year.</p>		
<p><b>Date submitted to Code Administrator:</b> 5<sup>th</sup> June 2020</p>		
<p><b>You are:</b> A Workgroup Member</p>		
<p><b>Workgroup vote outcome:</b> Formal alternative</p>		

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## 1 Alternative proposed solution for workgroup review

This alternative is identical to the Original in all respects except for the Charging Year of the deferral (of Covid related costs from 2020/21) which would be 2022/23 (instead of 2021/22 with the Original).

## 2 Difference between this proposal and Original

This alternative is identical to the Original in all respects except for the Charging Year of the deferral (of Covid related costs from 2020/21) which would be 2022/23 (instead of 2021/22 with the Original).

Having read the Workgroup Consultation responses and following the review of those responses at the 4<sup>th</sup> June 2020 Workgroup meeting together with the detailed discussions around the various alternative options being considered by the Workgroup it is appropriate that the option for a one Charging Year extension of the deferral year, as set out in the Original, is taken forward as this (i) is better than baseline (for the reasons noted in Section 3 below) and (ii) it allows the Authority to consider wider consumer impacts that may warrant an extra Charging Year deferral (from 2021/22 with the Original) to 2022/23.

### 3 Justification for alternative proposal against CUSC Objectives

#### Impact of the modification on the Applicable CUSC Objectives (Standard):

Relevant Objective	Identified impact
a. That compliance with the use of system charging methodology facilitates effective competition in the generation and supply of electricity and (so far as is consistent therewith) facilitates competition in the sale, distribution and purchase of electricity;	Positive
b. That compliance with the use of system charging methodology results in charges which reflect, as far as is reasonably practicable, the costs (excluding any payments between transmission licensees which are made under and accordance with the STC) incurred by transmission licensees in their transmission businesses and which are compatible with standard licence condition C26 requirements of a connect and manage connection);	Neutral
c. That, so far as is consistent with sub-paragraphs (a) and (b), the use of system charging methodology, as far as is reasonably practicable, properly takes account of the developments in transmission licensees' transmission businesses;	Positive
d. Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency. These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1 *; and	Neutral
e. Promoting efficiency in the implementation and administration of the CUSC arrangements.	Neutral

\*Objective (d) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

As per the Original this proposal will be positive in terms of Applicable Objective (a) as it will ensure that BSUoS paying market participants are not adversely impacted by the costs incurred by the ESO to manage the transmission system during the Covid event

and thus this will facilitate effective competition in the generation and supply of electricity and (so far as is consistent therewith) facilitates competition in the sale, distribution and purchase of electricity.

This proposal is neutral in terms of Applicable Objective (b).

This proposal will be positive in terms of Applicable Objective (c) as it will ensure that the BSUoS methodology properly takes account of the developments in transmission licensees' transmission businesses arising from the unprecedented Covid event.

This proposal is neutral in terms of Applicable Objective (d).

This proposal is neutral in terms of Applicable Objective (e).

## 4 Impacts and Other Considerations

As per the Original.

### Consumer Impacts

As per the Original.

## 5 Implementation

As per the Original.

## 6 Legal Text

As per the Original, but with the deferral Charging Year changed to '2022/23' (from the '2021/22' in the legal text for the Original).