

CUSC Workgroup Consultation Response Proforma**CMP334: Transmission Demand Residual – consequential definition changes (TCR)**

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to cusc.team@nationalgrideso.com by **5pm on 15 April 2020**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Workgroup.

If you have any queries on the content of this consultation please contact Paul Mullen at paul.j.mullen@nationalgrideso.com or cusc.team@nationalgrideso.com.

Respondent details	Please enter your details
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For reference the applicable CUSC objectives are:

Relevant Objective
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;
(b) Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.
*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

Please express your views regarding the Workgroup Consultation in the right-hand side of the table below, including your rationale.

Standard Workgroup Consultation questions		
1	Do you believe that the CMP334 Original Proposal better facilitates the Applicable CUSC Objectives?	Yes.
2	Do you support the proposed implementation approach for CMP334?	<p>Yes, on the premise that consistency is achieved with related changes to the Distribution Connection and Use of System Agreement ('the DCUSA'), where required and appropriate, and as outlined by the Authority in the respective TCR Directions.</p> <p>We recognise that this is the rationale for progressing as a joint workgroup with DCUSA change proposal (DCP) 359 '<i>Ofgem Targeted Charging Review (TCR) Implementation – customers: who should pay?</i>', and that there may be justification for rightly being inconsistent.</p>
3	Do you have any other comments?	No.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	No, not at this time and specifically not whilst there is appropriate consistency between the CUSC and DCUSA.
Specific CMP334 Workgroup Consultation questions		
5	Based on the mapping table in Annex 3, does the proposed CMP334 solution deliver Ofgem's TCR SCR Direction? Please identify any areas you believe need to be addressed?	In isolation no. CMP334 will only deliver part of the requirements set out in the TCR Direction, specifically defining the necessary terms that will determine which 'site' is eligible for a residual fixed charge.
6	Do you agree with the proposed definition of "Single Site"? If not, why not.	In relation to transmission-connected sites, yes. However, we believe the definition may benefit from explicitly recognising distribution-connected sites, and referencing the DCUSA in such instances; similar to the definition of Final Demand Site.
7	Do you agree with the	In relation to transmission-connected sites, yes.

	proposed definition of “Final Demand Site”? If not, why not.	<p>However, for distribution-connected sites, whilst the definition of Final Demand Site arguably works independently of defining Single Site in this context, it would arguably be cleaner to amend “... <i>all other parties...</i>” to “...<i>all other Single Site(s) connected to the distribution network...</i>”, in the third part of the definition.</p> <p>We presume this would capture ‘all other parties’, but this would ensure that it is very clear as to where the DCUSA definitions are applicable, and retains consistency in terminology used.</p>
8.	Do you believe the Certification process described in the legal text is fit for purpose? If not, why not?	Yes, however it should clearly recognise that certification for a distribution-connected Single Site is as per the DCUSA.