

**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](mailto: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](mailto:paul.j.mullen@nationalgrideso.com) or [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com).

Respondent details	Please enter your details
<b>Respondent name:</b>	Tim Forrest
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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.**

<b>Standard Workgroup Consultation questions</b>		
1	Do you believe that the CMP334 Original Proposal better facilitates the Applicable CUSC Objectives?	No, the CMP334 Original Proposal does not implement the TCR Decision specifically in relation to the definition of Final Demand Site plus the other defects noted below
2	Do you support the proposed implementation approach for CMP334?	No comment
3	Do you have any other comments?	
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	No
<b>Specific CMP334 Workgroup Consultation questions</b>		
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?	No there has not been full consideration of private wire and complex sites and the proposed solution does not deal with them fairly, or in a manner consistent with the TCR Decision
6	Do you agree with the proposed definition of "Single Site"? If not, why not.	No, the TCR Decision stated that a Single Site should be defined in relation to physical assets and the reference to a Connection Agreement is completely different, particularly in the case of private wire and complex sites where the customers in question may not be referred to in the Connection Agreement and will in most cases be in completely different sites (at least, according to the definition proposed by Ofgem). Also the proposed definition does not work where there are two connection agreements for a location with both generation and a demand customer, and where the imports for the customer can be met by either of the two agreements (typically, one of the agreements will be

		a “standby” arrangement used by the customer when its usual imports via the generator is not available), under the proposed definition there would be double charging of the customer demand.
7	Do you agree with the proposed definition of “Final Demand Site”? If not, why not.	As we disagree with the definition of “Single Site” it follows that we cannot agree the definition of “Final Demand Site”. In addition, there is clearly a risk that generators imports for its own activities will be classed as Final Demand, contrary to the TCR Decision.
8.	Do you believe the Certification process described in the legal text is fit for purpose? If not, why not?	No, there is no dispute process if a User disagrees with any decision by The Company as to the validity of a Certificate. Furthermore, for any project with a customer connected to it by private wire, additional settlement metering will be required before a User could certify that it has an Eligible Facility, specifically, it will require Metering Systems that only measure its exports and imports, and not of its customer. No assessment has been made of the cost and timescale involved for Users who have to install such metering systems to avoid all of their demand being classed as Final Customer Demand and subject to residual charges, contrary to the TCR Decision