

CUSC Code Administrator Consultation Response Proforma**CMP335 & CMP336 - Transmission Demand Residual, billing and consequential changes to CUSC**

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 **22 September 2020**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Panel.

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

Respondent details	Please enter your details
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CMP335

For reference the applicable CUSC non-charging objectives are:

- The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;*
- 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;*
- Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and*
- 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).*

CMP336

For reference the applicable CUSC Charging objectives are:

- 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;*
- 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);

- 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;*
- 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*
- e. Promoting efficiency in the implementation and administration of the use of system charging methodology.*

**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).*

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

CMP335 - Standard Code Administrator Consultation questions		
1	Do you believe that the CMP335 Original solution better facilitates the Applicable CUSC Objectives?	Yes, we believe CMP335 is better against Applicable CUSC Objectives A and D as it supports the successful implementation of Ofgem's TCR Direction in to the CUSC.
2	Do you support the proposed implementation approach for CMP335?	Yes, we support the proposed implementation approach to ensure the benefits set out in Ofgem's decision begin to be realised and the ESO's license obligations are met.
3	Do you have any other comments for CMP335?	Not at this time

CMP336 - Standard Code Administrator Consultation questions		
1	Do you believe that the CMP336 Original solution, WACM1 or WACM2 better facilitates the Applicable CUSC Charging Objectives?	All of the options presented by CMP336 will support delivery of Ofgem's TCR Direction and the associated benefits of the direction. They will also update the existing CUSC arrangements to be compatible with the new methodology (delivered by CMP343) described in Ofgem's direction. As a result, all options are positive against Applicable CUSC Objectives A, B, C and E whilst they have no impact on Applicable CUSC Objective D.

		Between the options, we believe WACM1 (Sept Review) provides the most benefit (compared to the Original and WACM2) in respect of ACO A as it avoids any opportunities for gaming which may be introduced with WACM2 whilst also ensuring that any especially large/small sites are correctly assigned to the correct band (which wouldn't happen under the Original).
2	Do you support the proposed implementation approach for CMP336?	Yes, we support the proposed implementation approach to ensure the benefits set out in Ofgem's decision begin to be realised and the ESO's license obligations are met.
3	Do you have any other comments for CMP336?	Not at this time