

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. CMP335 is expected to have a positive impact against the non-charging CUSC applicable objectives (A) and (D). For objective (A), CMP335 ensures that the CUSC remains in line with the Transmission Licence obligations following the Authority's TCR decision. For objective (D), CMP335 creates a process for the efficient integration of site data in timescales consistent with Ofgem's TCR decision together with a disputes process.
2	Do you support the proposed implementation approach for CMP335?	<p>Although we support this approach in general, given the impacts of COVID-19, we do have concerns regarding implementing the TCR in April 2022. Given the unforeseen and ongoing impacts of COVID-19, our business customers will find it difficult to manage TCR implications within these timescales and so we would strongly recommend a TCR implementation date of April 2023.</p> <p>We also note the concerns in the workgroup report of potential interactions with CMP317 / CMP327 and the necessity to raise future modifications. For this reason, it would be more appropriate and efficient for the implementation date of CMP317 / CMP327 to be aligned with those proposed for CMP335 and CMP336, i.e. April 2023.</p>
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?	<p>We believe that the CMP336 Original solution better facilitates the Applicable CUSC Charging Objectives. CMP336 Original is expected to have a positive impact against CUSC charging objectives a, b, c and e as the proposal ensures the CUSC remains in line with implementation of the Authority's TCR decision.</p> <p>WACM1 proposes to review material cases where the Charging Band has been determined using a 12 month mean average of all Consumption from all NETS connected Final Demand Sites. However, we favour the simplicity of the Original Solution and would question the need for a specific review given that there are currently less than 70 transmission sites to be monitored by NGESO on an ongoing basis.</p> <p>Under WACM 2, where no data is available, the User provides an estimate for the Final Demand Site to be used for the purposes of allocating the site to a Charging Band. This carries a potential risk of error/gaming and is inefficient because the Company will need to monitor the actual metered data from the Final Demand Site to confirm that the estimate provided by the User is accurate and may potentially need to raise an intervention.</p>
2	Do you support the proposed implementation approach for CMP336?	<p>Although we support this approach in general, given the impacts of COVID-19, we do have concerns regarding implementing the TCR in April 2022. Given the unforeseen and ongoing impacts of COVID-19, our business customers will find it difficult to manage TCR implications within these timescales and so we would strongly recommend a TCR implementation date of April 2023.</p> <p>As per our response to CMP335, the implementation dates for CMP317 and CMP327 should be aligned with those proposed for CMP335 and CMP336, i.e. April 2023.</p>
3	Do you have any other comments for CMP336?	Not at this time.