

Code Administrator Consultation Response Proforma**CMP308: Removal of BSUoS charges from Generation**

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 31 August 2021**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact Joseph Henry at joseph.henry2@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Grace March
Company name:	Sembcorp Energy UK
Email address:	Grace.march@sembcorp.com
Phone number:	07554439689

I wish my response to be:

(Please mark the relevant box)

☒ Non-Confidential☐ Confidential

Note: A confidential response will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

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);*
- 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;*
- 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 system charging methodology.*

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

Standard Code Administrator Consultation questions		
1	Do you believe that the CMP308 Original Proposal better facilitates the Applicable Objectives?	Yes, it better facilitates ACOs a), b) and e).
2	Do you support the proposed implementation approach?	<p>Yes. Whilst we recognise the wish to align implementation of this mod and CMP361 (fixing BSUoS with a notice period) in order to avoid increased risk to Suppliers, we believe the benefits to competition between generation (between GB generators and European, and between transmission-connected and embedded) would outweigh any short-term risk should CMP361 be delayed. We therefore believe CMP308 should be implemented in 2023, irrespective of any proposed implementation date of CMP361.</p> <p>We believe 2023 will give suppliers time to prepare to mitigate the majority of the increased risk, the wholesale market to adjust, so lower prices will largely be passed onto consumers. It should also give the ESO time to implement the changes and any one-off adjustments required to the Pricing Cap methodology, as this has been in discussion with Ofgem for some time.</p>
3	Do you have any other comments?	N/A