

Code Administrator Consultation Response Proforma**CMP331: Option to replace generic Annual Load Factors (ALFs) with site specific ALFs**

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 May 2023**. 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 Paul Mullen paul.j.mullen@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Ryan Ward	
Company name:	ScottishPower Renewables	
Email address:	Ryan.Ward@scottishpower.com	
Phone number:	07818538595	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network <input type="checkbox"/> Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body	<input type="checkbox"/> Interconnector <input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

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:

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

***The Electricity Regulation referred to in objective (d) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.*

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

Standard Code Administrator Consultation questions		
1	Please provide your assessment for the proposed solution against the Applicable Objectives?	<p>Mark the Objectives which you believe the proposed solution(s) better facilitates:</p> <p>Original <input checked="" type="checkbox"/>A <input checked="" type="checkbox"/>B <input type="checkbox"/>C <input type="checkbox"/>D <input type="checkbox"/>E</p> <p>Objective A & B – Positive</p> <p>The use of site specific ALFs could better align a generator's TNUoS charge in the first 3 years of operation with their expected export, and use of the wider transmission network.</p> <p>A more cost reflective charge could be provided by reflecting the generators individual characteristics, rather than generic. This will improve upon the charging principles within CUSC 4.4.2.2</p> <p><i>CUSC 4.4.2.2 - "charges shall be "cost reflective" ie. Based and founded upon the actual or estimated costs directly incurred or to be uncured by the user for the purpose of providing the service or capability concerned."</i></p> <p>Objectives C, D & E – Neutral</p>
2	Do you support the proposed implementation approach?	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>The proposed implementation date of 1st of April 2024 seems reasonable.</p>
3	Do you have any other comments?	<p>It would be beneficial for industry if the ESO were to provide a clear and transparent guidance / timeline for submitting and potentially disputing a site specific ALFs. This would help prevent any confusion or delays.</p> <p>If approved, the ESO may wish to consider providing an 'approved' or 'recommended' list of independent third parties to forecast customers site specific ALFs.</p> <p>For deciding if the potential benefit of reconciling the generic ALF against site specific, evidence should be provided in support of the decision within the annex of the workgroup report. This would help the CUSC panel assess if the potential benefit outweighs the admin burden.</p>