

**Code Administrator Consultation Response Proforma****CMP415: Amending the Fixed Price Period from 6 to 12 months**

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 **13 September 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 [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com)

Respondent details	Please enter your details	
<b>Respondent name:</b>	Harry Hailwood	
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<b>Phone number:</b>	02045133774	
<b>Which best describes your organisation?</b>	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network <input type="checkbox"/> Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input checked="" type="checkbox"/> Supplier <input type="checkbox"/> System Operator <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 (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.*

*\*The Electricity Regulation referred to in objective (c) 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	<p>Please provide your assessment for the proposed solution(s) against the Applicable Objectives?</p> <p>Mark the Objectives which you believe the proposed solution(s) better facilitates:</p> <table border="1"> <tr> <td>Original</td> <td><input type="checkbox"/>A <input checked="" type="checkbox"/>B <input type="checkbox"/>C <input type="checkbox"/>D</td> </tr> <tr> <td>WACM1</td> <td><input type="checkbox"/>A <input checked="" type="checkbox"/>B <input type="checkbox"/>C <input type="checkbox"/>D</td> </tr> </table> <p>(b) With the combined 15-month tariff, from CMP408 &amp; CMP415 WACM1 or original proposal, all suppliers would be passing BSUoS to customers on similar prices if not the same prices.</p>	Original	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D	WACM1	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D
Original	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D				
WACM1	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D				
	<p>Do you have a preferred proposed solution?</p> <p><input type="checkbox"/>Original  <input checked="" type="checkbox"/>WACM1  <input type="checkbox"/>Baseline  <input type="checkbox"/>No preference</p> <p>Having a longer notice period would ultimately result in more price certainty for suppliers, thus less or no risk premium charged to customers which ultimately would result in savings for the consumer.</p> <p>However, we do understand that a 9-month period does run the risk of the tariff being set to be over/under priced. Thus, we believe that if the 15-month combined fixed and notice period is maintained suppliers, whether this would be through a 9-month notice period with a 6-month fixed tariff or a 3-month notice period with a 12-month fixed period with two seasonal tariffs which would continue to maintain their price certainty and avoid increasing the cost by inserting risk premium.</p> <p>However, if the notice period was to be reduced to 3 months, we would opt to go for WACM1. The reason for this is given that the summer tariff introduced by modification codes CMP 361 and CMP 362 has already been published, suppliers would have already priced contracts that would reflect this, so by implementing the original modification and having one fixed tariff for a 12 month period, we would expect this tariff to be potentially adjusted slightly higher to reflect the winter period as well, which runs the risk of overwriting the current published tariff resulting in a potential cost to suppliers and/or consumers.</p>				

3	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		We would support WACM 1 if implemented.
4	Do you have any other comments?	We would reiterate that we would only support implementation CMP415 WACM1, if CMP408 is passed.