

Code Administrator Consultation Response Proforma**CMP425: Billing Demand Transmission Residual By Site**

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 29 November 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 Ren Walker lurrentia.walker@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Marianne Costigan	
Company name:	Pivoted Power LLP	
Email address:	marianne.costigan@edf-re.uk	
Phone number:	07899 06 2534	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input checked="" type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input checked="" type="checkbox"/> Other (<i>Private Wire Network</i>)

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);*

- 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 better facilitates:</p> <p>Original <input checked="" type="checkbox"/>A <input checked="" type="checkbox"/>B <input type="checkbox"/>C <input type="checkbox"/>D <input checked="" type="checkbox"/>E</p> <p>This change better facilitates these objectives by reflecting the Ofgem Targeted Charging Review principles with Demand Transmission Residual to be billed by site rather than by BMU. In particular, it enables competition in the distribution of electricity by allowing an alternative to the DNO to provide a competitive offering to its customers.</p>
2	Do you support the proposed implementation approach?	<p><input type="checkbox"/>Yes <input checked="" type="checkbox"/>No</p> <p>We support the proposed solution but not the implementation date. As we and our customers had always expected Demand Transmission Residual to be billed by site, it is essential that this change should be applied from 1st April 2023, in line with the introduction of the Transmission Demand Residual Charge.</p> <p>Please note that we did not respond to the first consultation as my policy colleagues were not aware that this would affect existing customers immediately in charging year 2023-2024 and I was not aware of the issue.</p>

3	Do you have any other comments?	<p>Section 14.17.13 of the CUSC states charges are applied to Final Demand Sites and this aligns completely with Ofgem's decision for the Targeted Charging Review. We note that the relevant section within the CUSC has the potential to be interpreted ambiguously however the intent of a charge per site has always been clearly defined. A relatively simple change to the Legal Text can resolve this issue.</p> <p>Pivoted Power LLP operates a transmission-connected private wire network site at Cowley with three electric vehicle charge point operator customers, each with its own separate Balancing Mechanism Unit.</p> <p>The site's total consumption is not evenly shared by the operators. We and they had expected them to pay their share of the Site Residual charge proportionally to their usage.</p> <p>Instead they are being charged multiples of the amount they had expected to pay. It is therefore essential and urgent that this modification is applied to the current charging year 2023/24 and thereafter.</p> <p>We will be connecting fourth and fifth customers to the network in the next 6 months. It is essential that we have clarity on TNUoS charges for all parties before these additions.</p> <p>The interpretation and subsequent billing of Transmission Demand Residual Charges by the ESO to transmission connected sites where multiple BMUs exist has significant and detrimental impacts to commercial arrangements with these customers. If you feel a meeting to discuss this further would be helpful please contact me and we can arrange a meeting.</p>
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* Extract from:

Transmission connected sites residual charging bands

Published 2 Nov 2023

Site reference	Residual charging Band	BMUs		
S253	TRN1	T_COWBD-1	T_COWBD-2	T_COWBD-3