

Workgroup Consultation Response Proforma

CMP420: Treatment of BSUoS Revenue Recovery, and creation of a BSUoS Fund

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 19 April 2024**. 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 Lizzie Timmins Elizabeth.timmins@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Daniel Parry	
Company name:	Shell Energy UK Ltd.	
Email address:	Click or tap here to enter text.	
Phone number:	Click or tap here to enter text.	
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 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** (this will be shared with industry and the Panel for further consideration)

☐ **Confidential** (this will be disclosed to the Authority in full but, unless specified, will not be shared with the Workgroup, Panel or the industry for further consideration)

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 Workgroup Consultation questions		
1	Do you believe that the Original Proposal better facilitates the Applicable Objectives?	<div>Mark the Objectives which you believe the Original solution better facilitates:</div> <div>Original <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input checked="" type="checkbox"/> E</div> <div>Click or tap here to enter text.</div>
2	Do you support the proposed implementation approach?	<div><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</div> <div>Click or tap here to enter text.</div>
3	Do you have any other comments?	Click or tap here to enter text.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<div><input type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section) <input checked="" type="checkbox"/> No</div> <div>Click or tap here to enter text.</div>

Specific Workgroup Consultation questions	
5	Do you believe an obligation on the ESO to report forecasting of comparing Fixed Tariff

	Revenue vs Costs reporting should be codified? If so, do you think these obligations that traditionally fall within Section 3, should be added to Section 14 of the CUSC and why?	We believe this should be codified to formalise it as an industry parties' requirement and to avoid any uncertainty of the continuation of this report in the future. We do not have any strong preference on whether this should be added to Section 3 or 14.
6	Do you believe a Guidance Note could be an appropriate method of providing sufficient confidence to industry regarding reporting and forecasting? If so, what do you believe should be included in it?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>Whilst a guidance note is better than none, we do not believe it is an appropriate method of providing sufficient confidence to the industry compared to a codified solution. A guidance document would not put any obligation on the ESO and they may or may not decide to operate as per guidance note, which would create ambiguity on relevant industry participants.</p>