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CUSC Alternative Form – Non Charging

CMP434 Alternative Request 32: Combination of WACM1, WACM3 and WACM4

Overview: This Alternative Request combines the aspects that are in WACM1, WACM3 and WACM4 together in combination.

Proposer: Joe Colebrook, Innova Renewables

☒ I/We confirm that this Alternative Request proposes to modify the non - charging section of the CUSC only

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What is the proposed alternative solution?

The proposed alternative combines the proposals that are defined in the following three WACMs:

- **WACM1: Clarification of Embedded Definition**
- **WACM3: Capacity Reallocation Codification**
- **WACM4: Codifying restrictions on changes to project site location – “Red Line Boundary” (RLB) – post-Gate 2**

What is the difference between this and the Original Proposal?

This option is in line with the Original Proposal, except for:

- Changing the definition of Embedded schemes that are covered by the Primary Process to be defined by capacity rather than referencing Relevant Small, Medium and Large Power stations; and
- Codifying a Capacity Reallocation mechanism to allow terminated capacity to be offered to the next contracted project that has passed Gate 2 and is able to utilise the released capacity. This would remove NESO’s ability to utilise Project Designation or Connection Point and Capacity Reservation in respect of reallocating terminated capacity.
- Codifying the proposed restrictions on changes to project Red Line Boundary post-Gate 2, rather than housing the restrictions in the proposed Gate 2 Criteria Methodology.

What is the impact of this change?

Proposer’s Assessment against CUSC Non-Charging Objectives

Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;	Positive: Improves clarity for CUSC Parties reducing increasing the likelihood of connections in the queue being viable. This ensures TOs and NESO will not waste resources on work that facilitates projects which will never connect to the Transmission or Distribution network.

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<p>(b) Facilitating effective competition in the generation and supply of electricity, and (so far as consistent there-with) facilitating such competition in the sale, distribution and purchase of electricity;</p>	<p>Positive: Contributes to facilitating quicker connections for readier and more viable projects. Currently, project developers are waiting too long to connect, and this is hindering progress to deliver net zero. Provides clarity to stakeholders and therefore reduces the barriers to entry and increases competition in the supply of electricity.</p>
<p>(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and</p>	<p>None: No Impact</p>
<p>(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.</p>	<p>Positive: Would introduce clear rules and definitions for CUSC Parties to follow. The clarity provided will encourage developers to leave the queue if they are not able to comply with the rules and reduce the risk of challenge and disputes when decisions negatively impact CUSC Parties.</p>
<p>*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.</p>	

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When will this change take place?

Implementation date:

Same as Original proposal

Implementation approach:

Same as Original proposal

Acronyms, key terms and reference material

Acronym / key term	Meaning
NESO	National Energy System Operator
RLB	Red Line Boundary
WACM	Workgroup Alternative CUSC Modification