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Workgroup Consultation Response Proforma

CMP432: Improve “Locational Onshore Security Factor” for TNUoS Wider Tariffs

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@nationalenergyso.com by **5pm** on 07 March 2025. 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@nationalenergyso.com

Respondent details	Please enter your details	
Respondent name:	Tom Palmer	
Company name:	Zenobe Energy	
Email address:	Tom.palmer@zenobe.com	
Phone number:	07760 128 046	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" 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 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:

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- 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 C11 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 and the ISOP business*;*
- 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.*

* See Electricity System Operator Licence

**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 and better facilitates the Applicable Objectives?	<p>Mark the Objectives which you believe the Original 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 type="checkbox"/> E</p> <p>Click or tap here to enter text.</p>
2	Do you support the proposed implementation approach?	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>We do not believe that the working group has provided enough information and breakdown analysis by technology has not been presented. This means that we are unable to make a recommendation, as it is not possible to assess the impact on different technologies,</p>

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		such as battery energy storage. We do agree that the wider proposed approach is logical though.
3	Do you have any other comments?	<p>There is not enough information to fully evaluate the full consequences and impacts of the proposal, specifically for the battery storage projects that we develop.</p> <p>Technologies other than wind (a 45% intermittent generator), such as battery storage or other alternatives, are not adequately presented. Additionally, the databook in the Annexes is insufficient and lacks the necessary dynamism to assess different technologies and their load factors. We recommend that for all code modification consultations, a dynamic workbook of impacts for the proposal and modifications must be provided, to enable developers to assess the impact holistically across their portfolio of projects.</p> <p>Given the interaction with other modifications and their timing (such as CMP444 and future modifications after REMA) it is challenging to assess the code modification in isolation. We would propose a combined consultation and impact for CMP444 and CMP432 before making a decision to ensure transparency and provide comprehensive information.</p>
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>
5	Do you agree with the Workgroup's assessment that the modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code?	Yes

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Specific Workgroup Consultation questions		
6	Do you think there are any other approaches to reflecting the cost of security or is there a value other than 1 or 1.76 that is more appropriate. If you have any supporting evidence, please provide this?	Nothing proposed
7	Do you believe price signals should reflect average existing cost, incremental cost, a combination of the 2, or something else?	Given that the CUSC states that price signals should reflect incremental cost, any deviation from this approach would need a clear justification. Based on the consultation information provided, we do not have sufficient clarity to determine whether an alternative approach would be appropriate.
8	Do you have a view on whether the SECULF model is appropriate? Is enough information available to market participants?	There is insufficient information available to market participants to assess whether the SECULF model is appropriate. More clarity and detail are needed to enable a well-informed evaluation.