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| **Alternative Request Proposal Form** | At what stage is this document in the process? |
| Modification potential alternative submitted to: *(complete modification number this alternative is being submitted to)*  CMP320:  Mod Title: Island MITS Radial Link Security Factor | 01  Proposed Alternative  02  Proposed Workgroup  Alternative |
| **Purpose of Alternative:** To ensure the defect is rectified in a non-geographically-discriminatory way, that does not treat islands differently other than insofar as principles and connection topology may dictate*.* | |
| ***Date submitted to Code Administrator: 01.11.2019***  ***You are: A Workgroup member***  ***Workgroup vote outcome: tbc***  *(Should your potential alternative become a formal alternative it will be allocated a reference)* | |

***Guidance on the use of this Template:*** *Please complete all sections unless specifically marked for the* ***Code Administrator.*** *Green italic text is provided as guidance and should be removed before submission. Contact us:* ***The Code Administrator is available to help and support the drafting of any Alternative modifications, including guidance on completion of this template and the wider modification process. If you require any advice on how to fill in this form please contact the Panel Secretary e-mail:*** [grid.code@nationalgrid.com](mailto:grid.code@nationalgrid.com)

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| Contact:  **Code Administrator** |
| **Description: Description: email_us_go_onlineemail address** |
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# Alternative proposed solution for workgroup review

***Mandatory for the Alternative Proposer to complete*** *Please outline your proposed alternative to the modification defect outlined within the Original Proposal*

Amend the original solution so that it doesn’t only apply on island, but to any comparable topology on the mainland, provided that adjacent generators at a more peripheral location than the piece of non-redundant circuit in question, have signed a transmission related agreement i.e. are not enjoying financially-firm (i.e. constraint-compensated) connection rights (note, for the only mainland circuit that the ESO has identified which is relevant to this WACM, the ESO has confirmed that this is the case – they do not enjoy such rights, and have signed the TRA).

# Difference between this proposal and Original

***Mandatory for the Alternative Proposer to complete.*** *Please provide as much information as possible as to why this proposed solution is different to the Original solution proposed*

This potential WACM would, if adopted as a WACM, amend the original CMP320 solution so that it doesn’t only apply on island, but to any comparable topology on the mainland, provided that adjacent generators at a more peripheral location than the piece of non-redundant circuit in question, have signed a transmission related agreement i.e. are not enjoying financially-firm (i.e. constraint-compensated) connection rights (note, for the only mainland circuit that the ESO has identified which is relevant to this WACM, the ESO has confirmed that this is the case – they do not enjoy such rights, and have signed the TRA).

CMP320 shouldn’t be based on geography in a manner that is explicitly discriminatory other than as the facts require it. The CMP320 defect doesn’t describe an error that is only able to manifest on islands. Islands are merely the identified example, none other being up to 8th October, know of to the proposer or the workgroup. As we now know that there are identified circuits onshore (the ESO out of the 1.8 calculation too, just as when the came circumstance arises on an island. This is subject to adjacent generators connected in a more distant location, i.e. north of the sole example, not having a financially-secure connection; ESO has confirmed that for its example, everything north of it has a transmission-related agreement and so does not enjoy a financially-secure connection. There is no basis in the CUSC and its objective for unjustified (undue) discrimination by geography, except insofar as a proper consideration the facts and application of non-discriminatory logic in the application of the CUSC, happens to incidentally take us there.

# Justification for alternative proposal against CUSC Objectives

***Mandatory for the Alternative Proposer to complete.*** Please delete the CUSC Objectives that are not applicable.

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| Impact of the modification on the Applicable CUSC Objectives (Charging): | |
| Relevant Objective | Identified impact |
| (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; | This WACM has a positive impact on competition in that it removes material economic distortions in the calculation of remote island TNUoS, and any other non-redundant MITS circuit where the global security factor of 1.8 is being applied contrary to the nature of the connection and the financially non-firm connection rights. Because the mod doesn’t entail unjustified geographic discrimination, it better ensure fair and level competition than the discriminatory original. |
| (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 C26 requirements of a connect and manage connection); | Positive impact – the WACM stops redundancy costs being wrongly applied in TNUoS calculations to ALL relevant connections, without undue discrimination, that do not enjoy redundancy |
| (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; | Positive. At this time there are no transmission links by subsea cables to remote islands. The WACM addresses the need to incorporate these developments (along with any other non-redundant relevant transmission links( in a cost-reflective manner. |
| (d) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency. These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1 \*; and | No impact |
| (e) Promoting efficiency in the implementation and administration of the CUSC arrangements. | neutral |
| \*Objective (d) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER). | |

# Impacts and Other Considerations

This potential WACM would, if adopted as a WACM, amend the original CMP320 solution so that it doesn’t only apply on island, but to any comparable topology on the mainland, provided that adjacent generators at a more peripheral location than the piece of non-redundant circuit in question, have signed a transmission related agreement i.e. are not enjoying financially-firm (i.e. constraint-compensated) connection rights (note, for the only mainland circuit that the ESO has identified which is relevant to this WACM, the ESO has confirmed that this is the case – they do not enjoy such rights, and have signed the TRA).

CMP320 shouldn’t be based on geography in a manner that is explicitly discriminatory other than as the facts require it. The CMP320 defect doesn’t describe an error that is only able to manifest on islands. Islands are merely the identified example, none other being up to 8th October, know of to the proposer or the workgroup.

I don’t know of any ***extra*** cross-code impacts for this potential WACM in excess of those (STC data transfer clauses ?) that arise for CMP320 original.

#### Consumer Impacts

Consumers will benefit as generators will face more cost reflective charges which promotes fairer competition. The impact on consumers is very similar to the original proposal. I do not know the extra impact on the TDR of correctly treating the one relevant mainland circuit in charging – only the ESO can model that.

The change will level the playing field between relevant Island circuits and relevant mainland circuits. It wouldn’t be desirable for relevant generators connected to relevant mainland circuits to be unfairly handicapped due to inadvertent discrimination creeping into the CUSC.

Implementation

Implementation will be pretty much as per the original – I can’t see why not.

Legal Text – I use my right to leave it to the ESO to produce the altered legal text.

*Please provide legal text where possible to support the proposed solution.*