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CUSC Alternative Form – Charging

CMP445 Alternative Request 1:

Pro-rating permanent changes in TNUoS TEC values for Network Connected Generators.

Overview: This Workgroup Alternative Connection and Use of System Code (CUSC) Modification (WACM) proposes that Transmission Network Use of System (TNUoS) charges for Generators be pro-rated, not only from the date of connection (as in the original CMP445 proposal), but also up to the date of disconnection or Transmission Entry Capacity (TEC) reduction. This ensures that Generators are charged only for the period during which they are physically connected and using the Transmission System in their first year and final year of operation.

Proposer(s): Stephen Dale and Sean Nugent, National Energy System Operator (NESO)

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

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What is the proposed alternative solution?

This proposed WACM enhances fairness and cost-reflectivity by ensuring that Generators are not overcharged during periods when they are not connected or have ceased operations. It aligns with the principles of efficient network charging and supports new and retiring Generators by reducing financial barriers. This approach also mitigates over-recovery risks in negative charging zones and improves alignment with actual system usage.

What is the difference between this and the Original Proposal?

The Original CMP445 solution proposed by Angus Armstrong of Ocean Winds focuses on pro-rating TNUoS charges only during the first year of a Generator's connection based on the Charging Date, and is framed as a high-impact modification under standard governance. In contrast, our WACM proposal broadens the scope to cover both commissioning and decommissioning phases, ensuring charges are pro-rated based on actual firm TEC used throughout the year.

Our revised alternative modification introduces the concept of a "relevant charging date" to allow for multiple entry and exit points, and is assessed as medium impact

While both proposals follow the standard governance route, our WACM reflects a more flexible, lifecycle-based approach to charging, with ongoing consultation on whether daily or monthly pro-rating is most appropriate.

What is the impact of this change?

Proposer's assessment against CUSC Charging Objectives

Relevant Objective	Identified impact
(d) That compliance with the use of system charging methodology facilitates effective competition in the generation and supply of electricity and (so far as is	Positive Our view is that the proposal better facilitates charging and competition

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consistent therewith) facilitates competition in the sale, distribution and purchase of electricity;	by aligning charges with the benefit Generators receive from their connection to the network both in terms of charges or payments.
(e) 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 System Operator Transmission Owner Code (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);	Positive We believe the proposal better meets the objective of cost reflectivity.
(f) That, so far as is consistent with sub-paragraphs (d) and (e), 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 Independent System Operator and Planner (ISOP) business*;	Positive We believe the growth in phased developments and competition is better facilitated by the approach outlined in the proposal. The approach should facilitate connections aligned to the developer's implementation schedule rather than charging cycles. A benefit of this could be an incentive to smooth out demand and ease congestion in demand from Transmission Owners (TOs) and connections teams.
(g) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency **; and	Neutral We do not envisage any impacts.
(h) Promoting efficiency in the implementation and administration of the system charging methodology.	Positive We believe charging for TNUoS during the initial and final periods represents an improvement in the approach and will provide more accurate forecasting of revenues/costs for impacted parties.

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	It should negate the need for developers to build in costs to cover charging for periods during which no benefit is gained from the connection. The potential for smoothing out the peaks in demand associated with current charging principles should provide administrative improvements.
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* 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.

When will this change take place?

Implementation date:

The modification will affect charging and will need to take effect from the start of the charging year. If the decision is received after September 2025 the implementation will not be possible for 2026 and so we propose that the changes will be implemented prior to April 2027 and take effect in the 2027 charging year.

Implementation approach:

We propose the alternative will follow the standard approach.

Acronyms, key terms and reference material

Acronym / key term	Meaning
CUSC	Connection and Use of System Code
ISOP	Independent System Operator and Planner
NESO	National Energy System Operator
STC	System Operator Transmission Owner Code

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TEC	Transmission Entry Capacity
TNUoS	Transmission Network Use of System
TO	Transmission Owner
WACM	Workgroup Alternative CUSC Modification

Reference material:

1. CMP445 - <https://www.neso.energy/industry-information/codes/cusc/modifications/cmp445-pro-rating-first-year-tnuos-generators>