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# CUSC Alternative and Workgroup Vote

## CMP417: Extending principles of CUSC Section 15 to all Users

**Please note:** To participate in any votes, Workgroup members need to have attended at least 50% of meetings.

### Stage 1 – Alternative Vote

If Workgroup Alternative Requests have been made, vote on whether they should become Workgroup Alternative CUSC Modifications (WACMs).

### Stage 2 – Workgroup Vote

2a) Assess the original and WACMs (if there are any) against the CUSC objectives compared to the baseline (the current CUSC).

2b) Vote on which of the options is best.

## Terms used in this document

Term	Meaning
<b>Baseline</b>	The current CUSC (if voting for the Baseline, you believe no modification should be made)
<b>Original</b>	The solution which was firstly proposed by the Proposer of the modification
<b>WACM</b>	Workgroup Alternative CUSC Modification (an Alternative Solution which has been developed by the Workgroup)

## For reference the Applicable CUSC (non-charging) Objectives are:

- i. *The efficient discharge by the Licensee of the obligations imposed on it by the Act and by this licence\*;*

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- ii. *Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;*
- iii. *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency \*\*; and*
- iv. *Promoting efficiency in the implementation and administration of the CUSC arrangements.*

\* See *Electricity System Operator Licence*

*\*\*The Electricity Regulation referred to in objective (iii) 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.*

## Workgroup Vote

### Stage 1 – Alternative Vote

No Alternatives were raised for this modification.

### Stage 2a – Assessment against objectives

To assess the original against the CUSC objectives compared to the Baseline (the current CUSC).

You will also be asked to provide a statement to be added to the Workgroup Report alongside your vote to assist the reader in understanding the rationale for your vote.

ACO = Applicable CUSC Objective

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Workgroup Member	Better facilitates ACO (i)	Better facilitates ACO (ii)	Better facilitates ACO (iii)	Better facilitates ACO (iv)	Overall (Y/N)
	Charles Deacon - Eclipse Power Networks				
<b>Original</b>	Y	Y	Neutral	Y	Y
<b>Voting Statement:</b> We support this because it levels the playing field between demand and generation, which would make it more efficient to apply securities across all Users.					

Workgroup Member	Better facilitates ACO (i)	Better facilitates ACO (ii)	Better facilitates ACO (iii)	Better facilitates ACO (iv)	Overall (Y/N)
	Gareth Williams – SP Energy Networks				
<b>Original</b>	Neutral	Y	Neutral	Y	Y
<b>Voting Statement:</b> We believe that applicable objectives two and four are better facilitated by the original proposal. This clarifies the financial securities and liabilities that Users must provide, making it fairer to demand customers. This should also make it simpler to administer the CUSC arrangements if there is just one security methodology.					

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Workgroup Member	Better facilitates ACO (i)	Better facilitates ACO (ii)	Better facilitates ACO (iii)	Better facilitates ACO (iv)	Overall (Y/N)
	Harriet Eckweiler – Sottish Hydro Electric Transmission				
<b>Original</b>	<i>Neutral</i>	<i>Y</i>	<i>Neutral</i>	<i>Y</i>	<i>Y</i>
<b>Voting Statement:</b> None provided.					

Workgroup Member	Better facilitates ACO (i)	Better facilitates ACO (ii)	Better facilitates ACO (iii)	Better facilitates ACO (iv)	Overall (Y/N)
	Kirsty Dawson – Statkraft UK				
<b>Original</b>	<i>Y</i>	<i>Y</i>	<i>Neutral</i>	<i>Y</i>	<i>Y</i>
<b>Voting Statement:</b> We support the Original solution for CMP417, because it puts securities and liabilities for demand and generation on a level basis and makes it fairer for demand customers. The objectives are better facilitated because this solution clarifies liabilities and securities and it makes them easier to apply, because there is one methodology across demand and generation.					

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Workgroup Member	Better facilitates ACO (i)	Better facilitates ACO (ii)	Better facilitates ACO (iii)	Better facilitates ACO (iv)	Overall (Y/N)
	Martin Cahill – NESO				
<b>Original</b>	<i>Neutral</i>	<i>Y</i>	<i>Neutral</i>	<i>Y</i>	<i>Y</i>
<b>Voting Statement:</b> Extending Section 15 to all users provides a more level playing field for demand Users. In the existing methodology it is possible to have disproportionately high securities because there is no process to apply sharing factors for reinforcement works which are required by more than one user. The Original Proposal would apply the User Commitment principles to demand, meaning that securities and liability more accurately reflect the 'share' of works triggered by a project. It is also more efficient to have all users on the same methodology, and means any possible changes to the securities regime in the future can be done so against a consistent starting point.					

Workgroup Member	Better facilitates ACO (i)	Better facilitates ACO (ii)	Better facilitates ACO (iii)	Better facilitates ACO (iv)	Overall (Y/N)
	Matthew Paige-Stimson – Nation Grid Electricity Transmission				
<b>Original</b>	<i>Neutral</i>	<i>Neutral</i>	<i>Neutral</i>	<i>Y</i>	<i>Y</i>
<b>Voting Statement:</b> None provided.					

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Workgroup Member	Better facilitates ACO (i)	Better facilitates ACO (ii)	Better facilitates ACO (iii)	Better facilitates ACO (iv)	Overall (Y/N)
	Jack Purchase – National Grid Electricity Distribution				
<b>Original</b>	Y	Y	Neutral	Y	Y
<b>Voting Statement:</b> None provided.					

Workgroup Member	Better facilitates ACO (i)	Better facilitates ACO (ii)	Better facilitates ACO (iii)	Better facilitates ACO (iv)	Overall (Y/N)
	Steve Halsey – UK Power Networks				
<b>Original</b>	Neutral	Neutral	Neutral	Y	Y
<b>Voting Statement:</b> UK Power Networks supports the principle of extending a single financial liability methodology to both demand and generation Users. Having a single methodology provides benefits across the industry, not least through simplifying the administration of CUSC. A consistent and a single methodology will likely improve understanding and reduce complexity for customers.					

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Workgroup Member	Better facilitates ACO (i)	Better facilitates ACO (ii)	Better facilitates ACO (iii)	Better facilitates ACO (iv)	Overall (Y/N)
	Tim Ellingham – RWE Supply & Trading GmbH				
<b>Original</b>	<i>Neutral</i>	<i>Y</i>	<i>Neutral</i>	<i>Neutral</i>	<i>Y</i>
<b>Voting Statement:</b> We believe this removes the disparity between distribution and generation and the financial burden on demand users. The same process as Generation may simplify admin but the new process is ultimately more complex to calculate than final sums liability.					

Of the 9 votes, the following number of voters said this option was better than the Baseline:

Option	Number of voters that voted this option as better than the Baseline
<b>Original</b>	9

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## Stage 2b – Workgroup Vote

Which option is the best? (Baseline, Proposer solution (Original Proposal))

Workgroup Member	Company	Industry Sector	BEST Option?	Which objective(s) does the change better facilitate? (if baseline not applicable)
Charles Deacon	Eclipse Power Networks	Network Operator	Original	i, ii, iv
Gareth Williams	SP Energy Networks	Transmission Owner	Original	ii, iv
Harriet Eckweiler	Sottish Hydro Electric Transmission	Onshore Transmission Licensee	Original	ii, iv
Kirsty Dawson	Statkraft UK	Generator	Original	i, ii, iv
Martin Cahill	NESO	Proposer	Original	ii, iv
Matthew Paige-Stimson	National Grid Electricity Transmission	Onshore Transmission	Original	iv
Ollie Easterbrook	National Grid Electricity Distribution	Network Operator	Original	i, ii, iv
Steve Halsey	UK Power Networks	Network Operator	Original	iv
Tim Ellingham	RWE Supply & Trading GmbH	Generator	Original	ii