

CUSC Workgroup Consultation Response Proforma**CMP334: Transmission Demand Residual – consequential definition changes (TCR)**

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@nationalgrideso.com by **5pm on 15 April 2020**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Workgroup.

If you have any queries on the content of this consultation please contact Paul Mullen at paul.j.mullen@nationalgrideso.com or cusc.team@nationalgrideso.com.

Respondent details	Please enter your details
Respondent name:	Karl Maryon
Company name:	Haven Power
Email address:	karl.maryon@havenpower.com
Phone number:	075 1342 7447

For reference the applicable CUSC objectives are:

Relevant Objective
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;
(b) 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;
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.
*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

Please express your views regarding the Workgroup Consultation in the right-hand side of the table below, including your rationale.

Standard Workgroup Consultation questions		
1	Do you believe that the CMP334 Original Proposal better facilitates the Applicable CUSC Objectives?	<p>Yes. This modification better facilitates relevant objectives a) and d).</p> <p>Positive for a) as this supports the efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence.</p> <p>Positive for d) as this promotes efficiency in the implementation and administration of the CUSC arrangements.</p>
2	Do you support the proposed implementation approach for CMP334?	Yes. Whilst we support the intent of this modification, we have concerns about the proposed implementation date as highlighted in Q3.
3	Do you have any other comments?	<p>Ofgem recently consented to CMP 332 being withdrawn and replaced with a new modification to deliver the reforms to the Transmission Demand Residual charges but with a new implementation date of 1st April 2022.</p> <p>The reasons for this withdrawal centred around the limited amount of notice for new indicative tariffs and the risks associated with the very short timescale to all parties and Customers.</p> <p>As we fix some of our contracts for 5 years and in light of the above events surrounding CMP 332 we believe it sensible to align CMP 334 (and DCP 359) with the new implementation date of the successor to CMP 332.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	No, not at this time.
Specific CMP334 Workgroup Consultation questions		
5	Based on the mapping table in Annex 3, does the proposed CMP334 solution deliver Ofgem's TCR SCR Direction? Please	We believe further analysis of the mapping table is required to confirm if it is fully compliant with Ofgem's TCR Direction.

	identify any areas you believe need to be addressed?	
6	Do you agree with the proposed definition of “Single Site”? If not, why not.	<p>Yes.</p> <p>We believe the definition of a ‘Single Site’ should be kept as simple as possible.</p> <p>As the CUSC/Grid Code definition already references the Connection Agreement any move away from that rationale would mean that residual and forward-looking charges would differ.</p>
7	Do you agree with the proposed definition of “Final Demand Site”? If not, why not.	<p>Yes.</p> <p>We support the Working Groups definition of Final Demand Site as “A Single Site that has any metered Final Demand”. We do not support the alternative approach of defining a threshold for a Final Demand Site because it is overly complex and prone to error. Final Demand means “electricity which is consumed other than for the purposes of generation or export onto the electricity network” so we agree that a site that has a generator that uses electricity solely to support the operation of the generator should not be treated as Final Demand Site. We agree believe that parties should be able to declare a site is not a Final Demand Site.</p>
8.	Do you believe the Certification process described in the legal text is fit for purpose? If not, why not?	<p>Whilst the definitions are included within the legal text within the Consultation document, we believe the Certification process has not been fully defined.</p>