

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
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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>We believe the Proposal is facilitates the Applicable CUSC Objectives as follows;</p> <ul style="list-style-type: none"> a) Positive as creating these definitions were part of Ofgem's Direction and so documenting these definitions will support NGESO meet the terms of the direction. b) Neutral c) Neutral d) Positive as the modification will improve the efficiency of the CUSC arrangements by defining terms which will be used as part of the TNUoS Residual methodology and ensuing alignment with DCUSA.
2	Do you support the proposed implementation approach for CMP334?	<p>Yes we support the proposed implementation approach as it will;</p> <ul style="list-style-type: none"> • Support the DNOs in meeting their direction • Ensure alignment in these definitions between CUSC and DCUSA • Provide certainty to industry of what a 'Final Demand Site' is before the methodology that uses these definitions is created. <p>We do not believe the withdrawal of CMP332 will have any material impact on the implementation of this modification other than delaying when the definitions will be effective from.</p>
3	Do you have any other comments?	<p>We believe the CUSC and DCUSA workgroups still need to address the following areas;</p> <ol style="list-style-type: none"> 1. How parties connected to two networks would be charged (e.g. a DNO network and the transmission network) – in this instance we believe the Final Demand Site should be subject to two charges (one from each network). 2. Whether commissioning and decommissioning of 'Eligible Facilities' should be considered as Final Demand or not 3. If/what a certification process would like for Eligible Facilities connected to the distribution networks.

		<p>4. Whether there needs to be any special consideration for Electric Vehicles (EV) and if dedicated EV charging facilities would be considered as Final Demand or not.</p> <p>5. Whether there needs to be any special consideration for which only (and will only ever) provide Ancillary Services to ESO or DNOs.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	No, we are satisfied with the original proposal.
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 identify any areas you believe need to be addressed?	We believe the mapping table highlights all the areas that need to be delivered to fulfil the terms of the direction. The mapping table also shows which CUSC modifications will be responsible for delivering the respective part of the direction; therefore we believe all the requirements of the direction will be delivered.
6	Do you agree with the proposed definition of "Single Site"? If not, why not.	Yes we agree with the definition of 'Single Site' as it is consistent with the DCUSA-equivalent (i.e. connection agreement).
7	Do you agree with the proposed definition of "Final Demand Site"? If not, why not.	<p>Yes, we broadly agree with the definition of Final Demand Site as it meets the requirements of Ofgem's direction whilst ensuring some parties who do not currently pay charges continue not to do so, however there are some areas still to be addressed;</p> <p>One point to be considered is the use of 'Single Site' within point 2 as a Bilateral Embedded Generation Agreement will not have a 'Connection Site' as it is not Transmission Connected.</p> <p>As per our response to question 3, currently it seems commissioning and decommissioning of an Eligible Facility is not captured but it can be easily added by revising 1c as follows; <i>...the purposes of commissioning, operating or decommissioning an Eligible Facility...</i></p>
8.	Do you believe the Certification process	Yes, we believe the certification process is suitable as for those with a direct relationship with the ESO.

	described in the legal text is fit for purpose? If not, why not?	Due to the far higher volume of sites, we accept this would not be suitable for the DNOs.
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