

Annex 20 – Panel Vote

At the CUSC Panel meeting on 31 July 2020 the Panel voted on CMP317/327 against the Applicable CUSC Charging Objectives.

The CUSC Panel recommended by majority that, of the Original and WACMs 1 – 83, the following better facilitated the CUSC Objectives than the Baseline:

WACMs 7, 8, 14, 15, 49, 50, 52, 53, 56, 57, 59, 60, 70, 71, 73, 74, 77, 78, 80 and 81

For reference the Applicable CUSC Charging Objectives are;

(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;

(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 license condition C26 requirements of a connect and manage connection);

(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;

(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. License under Standard Condition C10, paragraph 1; and

(e) Promoting efficiency in the implementation and administration of the system charging methodology.

Vote 1: Does the Original or WACMs 1-83 facilitate the objectives better than the Baseline?

Panel Member: Andy Pace

	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Better facilitates ACO (d)?	Better facilitates ACO (e)?	Overall (Y/N)
Original	Yes	Yes	Yes	Yes	Neutral	Yes
WACM1	Yes	Yes	Yes	Yes	Neutral	Yes
WACM2	Yes	Yes	Yes	Yes	Neutral	Yes
WACM3	Yes	Yes	Yes	Yes	Neutral	Yes
WACM4	Yes	Yes	Yes	Yes	Neutral	Yes
WACM5	Yes	Yes	Yes	Yes	Neutral	Yes

WACM6	Yes	Yes	Yes	Yes	Neutral	Yes
WACM7	Yes	Yes	Yes	Yes	Neutral	Yes
WACM8	Yes	Yes	Yes	Yes	Neutral	Yes
WACM9	Yes	Yes	Yes	Yes	Neutral	Yes
WACM10	Yes	Yes	Yes	Yes	Neutral	Yes
WACM11	Yes	Yes	Yes	Yes	Neutral	Yes
WACM12	Yes	Yes	Yes	Yes	Neutral	Yes
WACM13	Yes	Yes	Yes	Yes	Neutral	Yes
WACM14	Yes	Yes	Yes	Yes	Neutral	Yes
WACM15	Yes	Yes	Yes	Yes	Neutral	Yes
WACM16	Yes	Yes	Yes	Yes	Neutral	Yes
WACM17	Yes	Yes	Yes	Yes	Neutral	Yes
WACM18	Yes	Yes	Yes	Yes	Neutral	Yes
WACM19	Yes	Yes	Yes	Yes	Neutral	Yes
WACM20	Yes	Yes	Yes	Yes	Neutral	Yes
WACM21	Neutral	No	Neutral	No	Neutral	No
WACM22	Neutral	No	Neutral	No	Neutral	No
WACM23	Neutral	No	Neutral	No	Neutral	No
WACM24	Neutral	No	Neutral	No	Neutral	No
WACM25	Neutral	No	Neutral	No	Neutral	No
WACM26	Neutral	No	Neutral	No	Neutral	No
WACM27	Neutral	No	Neutral	No	Neutral	No
WACM28	Neutral	No	Neutral	No	Neutral	No
WACM29	Neutral	No	Neutral	No	Neutral	No
WACM30	Neutral	No	Neutral	No	Neutral	No
WACM31	Neutral	No	Neutral	No	Neutral	No
WACM32	Neutral	No	Neutral	No	Neutral	No

WACM33	Neutral	No	Neutral	No	Neutral	No
WACM34	Neutral	No	Neutral	No	Neutral	No
WACM35	Neutral	No	Neutral	No	Neutral	No
WACM36	Neutral	No	Neutral	No	Neutral	No
WACM37	Neutral	No	Neutral	No	Neutral	No
WACM38	Neutral	No	Neutral	No	Neutral	No
WACM39	Neutral	No	Neutral	No	Neutral	No
WACM40	Neutral	No	Neutral	No	Neutral	No
WACM41	Neutral	No	Neutral	No	Neutral	No
WACM42	Neutral	No	Neutral	No	Neutral	No
WACM43	Neutral	No	Neutral	No	Neutral	No
WACM44	Neutral	No	Neutral	No	Neutral	No
WACM45	Neutral	No	Neutral	No	Neutral	No
WACM46	Neutral	No	Neutral	No	Neutral	No
WACM47	Neutral	No	Neutral	No	Neutral	No
WACM48	Neutral	No	Neutral	No	Neutral	No
WACM49	Neutral	No	Neutral	No	Neutral	No
WACM50	Neutral	No	Neutral	No	Neutral	No
WACM51	Neutral	No	Neutral	No	Neutral	No
WACM52	Neutral	No	Neutral	No	Neutral	No
WACM53	Neutral	No	Neutral	No	Neutral	No
WACM54	Neutral	No	Neutral	No	Neutral	No
WACM55	Neutral	No	Neutral	No	Neutral	No
WACM56	Neutral	No	Neutral	No	Neutral	No
WACM57	Neutral	No	Neutral	No	Neutral	No
WACM58	Neutral	No	Neutral	No	Neutral	No
WACM59	Neutral	No	Neutral	No	Neutral	No

WACM60	Neutral	No	Neutral	No	Neutral	No
WACM61	Neutral	No	Neutral	No	Neutral	No
WACM62	Neutral	No	Neutral	No	Neutral	No
WACM63	Neutral	No	Neutral	No	Neutral	No
WACM64	Neutral	No	Neutral	No	Neutral	No
WACM65	Neutral	No	Neutral	No	Neutral	No
WACM66	Neutral	No	Neutral	No	Neutral	No
WACM67	Neutral	No	Neutral	No	Neutral	No
WACM68	Neutral	No	Neutral	No	Neutral	No
WACM69	Neutral	No	Neutral	No	Neutral	No
WACM70	Neutral	No	Neutral	No	Neutral	No
WACM71	Neutral	No	Neutral	No	Neutral	No
WACM72	Neutral	No	Neutral	No	Neutral	No
WACM73	Neutral	No	Neutral	No	Neutral	No
WACM74	Neutral	No	Neutral	No	Neutral	No
WACM75	Neutral	No	Neutral	No	Neutral	No
WACM76	Neutral	No	Neutral	No	Neutral	No
WACM77	Neutral	No	Neutral	No	Neutral	No
WACM78	Neutral	No	Neutral	No	Neutral	No
WACM79	Neutral	No	Neutral	No	Neutral	No
WACM80	Neutral	No	Neutral	No	Neutral	No
WACM81	Neutral	No	Neutral	No	Neutral	No
WACM82	Neutral	No	Neutral	No	Neutral	No
WACM83	Neutral	No	Neutral	No	Neutral	No

Voting Statement

This modification improves the cost reflectiveness of generation TNUoS by removing or reducing the application of the residual. Overall, we believe that WACMs 1 to 20 are all better than baseline as they result in greater cost reflectivity than the baseline.

However, although we have voted in favour of these WACMs, a subset of these are based on a principle that we do not agree with. WACMs 2-6, 9-13 and 16-20 all target an average level of TNUoS for transmission connected generation and this approach reduces the cost reflectivity of the price signal that is generated from the investment cost related pricing (ICRP) model. We believe that the underlying price signal created by ICRP should be the principle charge for transmission connected generation as this will drive the most efficient behaviour and ultimately result in the best outcome for consumers and GB as a whole. Any adjustment to the charges to keep within the Limiting regulation should be the minimum change necessary to achieve compliance and ensure no further market distortions are introduced into the charging arrangements. As the overall impact of these WACMs is to reduce the residual we have still voted them as better than baseline. WACMs 1 to 20 all improve competition by reducing the distortion between the application of TNUoS for generation connected at transmission and distribution and therefore better meets charging objective (a). These WACMs also reduce or remove the level of the residual as recommended under the TCR which results in more cost reflective charges and better meets charging objective (b). Finally, WACMs 1 to 20 all better meet charging objectives (c) and (d) by ensuring future TNUoS complies with the limiting regulation and implements Ofgem's direction under the TCR.

WACMs 21 to 83 all bring in an element of BSC and/or constraint costs and we do not believe a clear case has been made that these costs should be considered under the limiting regulation or which elements (particularly of congestion costs) should be considered. These options would therefore not better meet charging objective (b) or (e) as they do not result in more cost reflective charges or improve the efficiency in the implementation and administration of the CUSC arrangements.

Overall, we believe that WACM 7 is the best option as it does not apply a target range (which distorts the cost reflectiveness of the locational charges), applies an error margin (which reduces the number of reconciliations required and therefore increases predictability), does not have a phased implementation (it implements the solution in April 2021 as has long been signalled to transmission connected generators) and applies the definition of generator only spurs (which meets our interpretation of the definition of assets for connection).

Although we have stated a preference for the best option, we would like to highlight that there are a large number of alternatives that we believe would be acceptable and better than baseline. Selecting the best option is difficult given that many of these options have a similar impact and the key criteria around the definition of "assets for connection" is dependent on the legal definition that may be applied to ensure consistency with the limiting regulation. We therefore would like to caveat that our preferred option is based on our interpretation of the EU regulation and that a full legal review may have led to Citizens Advice selecting a different preferred option. We recommend that the Authority undertakes its own legal due diligence when reviewing the options for this modification.

Panel Member: Cem Suleyman

	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Better facilitates ACO (d)?	Better facilitates ACO (e)?	Overall (Y/N)
Original	No	Neutral	Neutral	No	Neutral	No
WACM1	Neutral	Neutral	Neutral	No	Neutral	No
WACM2	Neutral	Neutral	Neutral	No	Neutral	No
WACM3	Neutral	Neutral	Neutral	No	Neutral	No
WACM4	Neutral	Neutral	Neutral	No	Neutral	No
WACM5	Neutral	Neutral	Neutral	No	Neutral	No
WACM6	Neutral	Neutral	Neutral	No	Neutral	No
WACM7	No	Neutral	Neutral	No	Neutral	No
WACM8	Neutral	Neutral	Neutral	No	Neutral	No
WACM9	Neutral	Neutral	Neutral	No	Neutral	No
WACM10	Neutral	Neutral	Neutral	No	Neutral	No
WACM11	Neutral	Neutral	Neutral	No	Neutral	No
WACM12	Neutral	Neutral	Neutral	No	Neutral	No
WACM13	Neutral	Neutral	Neutral	No	Neutral	No
WACM14	No	Neutral	Neutral	No	Neutral	No
WACM15	Neutral	Neutral	Neutral	No	Neutral	No
WACM16	Neutral	Neutral	Neutral	No	Neutral	No
WACM17	Neutral	Neutral	Neutral	No	Neutral	No
WACM18	Neutral	Neutral	Neutral	No	Neutral	No
WACM19	Neutral	Neutral	Neutral	No	Neutral	No

WACM20	Neutral	Neutral	Neutral	No	Neutral	No
WACM21	No	Neutral	Neutral	No	Neutral	No
WACM22	Neutral	Neutral	Neutral	No	Neutral	No
WACM23	Neutral	Neutral	Neutral	No	Neutral	No
WACM24	Neutral	Neutral	Neutral	No	Neutral	No
WACM25	Neutral	Neutral	Neutral	No	Neutral	No
WACM26	Neutral	Neutral	Neutral	No	Neutral	No
WACM27	Neutral	Neutral	Neutral	No	Neutral	No
WACM28	No	Neutral	Neutral	No	Neutral	No
WACM29	Neutral	Neutral	Neutral	No	Neutral	No
WACM30	Neutral	Neutral	Neutral	No	Neutral	No
WACM31	Neutral	Neutral	Neutral	No	Neutral	No
WACM32	Neutral	Neutral	Neutral	No	Neutral	No
WACM33	Neutral	Neutral	Neutral	No	Neutral	No
WACM34	Neutral	Neutral	Neutral	No	Neutral	No
WACM35	No	Neutral	Neutral	No	Neutral	No
WACM36	Neutral	Neutral	Neutral	No	Neutral	No
WACM37	Neutral	Neutral	Neutral	No	Neutral	No
WACM38	Neutral	Neutral	Neutral	No	Neutral	No
WACM39	Neutral	Neutral	Neutral	No	Neutral	No
WACM40	Neutral	Neutral	Neutral	No	Neutral	No
WACM41	Neutral	Neutral	Neutral	No	Neutral	No
WACM42	No	Neutral	Neutral	No	Neutral	No
WACM43	Neutral	Neutral	Neutral	No	Neutral	No
WACM44	Neutral	Neutral	Neutral	No	Neutral	No
WACM45	Neutral	Neutral	Neutral	No	Neutral	No
WACM46	Neutral	Neutral	Neutral	No	Neutral	No

WACM47	Neutral	Neutral	Neutral	No	Neutral	No
WACM48	Neutral	Neutral	Neutral	No	Neutral	No
WACM49	No	Neutral	Neutral	Yes	Neutral	No
WACM50	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM51	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM52	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM53	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM54	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM55	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM56	No	Neutral	Neutral	Yes	Neutral	No
WACM57	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM58	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM59	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM60	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM61	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM62	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM63	No	Neutral	Neutral	No	Neutral	No
WACM64	Neutral	Neutral	Neutral	No	Neutral	No
WACM65	Neutral	Neutral	Neutral	No	Neutral	No
WACM66	Neutral	Neutral	Neutral	No	Neutral	No
WACM67	Neutral	Neutral	Neutral	No	Neutral	No
WACM68	Neutral	Neutral	Neutral	No	Neutral	No
WACM69	Neutral	Neutral	Neutral	No	Neutral	No
WACM70	No	Neutral	Neutral	Yes	Neutral	No
WACM71	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM72	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM73	Neutral	Neutral	Neutral	Yes	Neutral	Yes

WACM74	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM75	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM76	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM77	No	Neutral	Neutral	Yes	Neutral	No
WACM78	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM79	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM80	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM81	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM82	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM83	Neutral	Neutral	Neutral	Yes	Neutral	Yes

Voting Statement

There are a number of important considerations associated with CMP317/327. Firstly, large transfers of costs between Generation and Demand at short notice should be avoided to prevent windfall gains and losses. Therefore, options which implement no target within the range and do not have phasing attached do not better facilitate Applicable CUSC Objective (ACO) (a). Options which have a target within the range or have phasing attached to the no target within the range approach have a neutral impact on ACO (a). This is because those options which target a lower point in the range will tend to better facilitate cross border competition but have a negative impact on competition between transmission and distribution connected generation in GB. The counter effect occurs with options which do not have a target within the range i.e. better for competition between transmission and distribution connected generation in GB, detrimental to competition between GB and EU generators. It is difficult to determine from the evidence presented which of these two countervailing effects carries the greatest weight, so I have determined that each effect carries equal weight explaining why there is an overall neutral impact on ACO (a).

Secondly, the definition employed with all local circuits and substations is too wide capturing unapplicable costs and so being unlikely to better facilitate ACO (d). The other two definitions appear reasonable and in line with previous regulatory decisions and thus better facilitate ACO (d). I have a slight preference for the Generator only Spurs method as it appears to be the simpler option of the two.

Thirdly, while ideally the issues surrounding BSC costs and Congestion costs should be dealt with under the BSC and BSUoS charging arrangements respectively, in the absence of any other regulatory change proposals there are strong grounds for these issues to be taken account of as part of CMP317/327. Options which take account of BSC and Congestion costs better facilitate ACO (d). However, options which only take account of Congestion costs and not BSC costs also better facilitate ACO (d), albeit to a lesser extent. This is because BSC costs in totality are far less significant compared to Congestion costs. Ideally, a two-step approach should be employed to test the impact of

BSC and Congestion costs, but it isn't essential.

Overall based on the assessment above I believe that WACMs 50-55, 57-62, 71-76 and 78-83 better facilitate the ACOs. All other WACMs and the Original do not better facilitate the ACOs. The Best option marginally is WACM76. This is because it takes account of BSC and Congestion costs in a two-step process, employs the simpler Generator only Spurs definition and targets the middle of the range which possibly best balances the need to encourage efficient competition amongst transmission connected, distribution connected and EU based generators.

Panel Member: Garth Graham

	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Better facilitates ACO (d)?	Better facilitates ACO (e)?	Overall (Y/N)
Original	No	No	No	No	No	No
WACM1	No	No	No	No	No	No
WACM2	No	No	No	No	No	No
WACM3	No	No	No	No	No	No
WACM4	No	No	No	No	No	No
WACM5	No	No	No	No	No	No
WACM6	No	No	No	No	No	No
WACM7	No	No	No	No	No	No
WACM8	No	No	No	No	No	No
WACM9	No	No	No	No	No	No
WACM10	No	No	No	No	No	No
WACM11	No	No	No	No	No	No
WACM12	No	No	No	No	No	No
WACM13	No	No	No	No	No	No
WACM14	No	No	No	No	No	No
WACM15	No	No	No	No	No	No
WACM16	No	No	No	No	No	No
WACM17	No	No	No	No	No	No

WACM18	No	No	No	No	No	No
WACM19	No	No	No	No	No	No
WACM20	No	No	No	No	No	No
WACM21	No	No	No	No	No	No
WACM22	No	No	No	No	No	No
WACM23	No	No	No	No	No	No
WACM24	No	No	No	No	No	No
WACM25	No	No	No	No	No	No
WACM26	No	No	No	No	No	No
WACM27	No	No	No	No	No	No
WACM28	No	No	No	No	No	No
WACM29	No	No	No	No	No	No
WACM30	No	No	No	No	No	No
WACM31	No	No	No	No	No	No
WACM32	No	No	No	No	No	No
WACM33	No	No	No	No	No	No
WACM34	No	No	No	No	No	No
WACM35	No	No	No	No	No	No
WACM36	No	No	No	No	No	No
WACM37	No	No	No	No	No	No
WACM38	No	No	No	No	No	No
WACM39	No	No	No	No	No	No
WACM40	No	No	No	No	No	No
WACM41	No	No	No	No	No	No
WACM42	No	No	No	No	No	No
WACM43	No	No	No	No	No	No
WACM44	No	No	No	No	No	No

WACM45	No	No	No	No	No	No
WACM46	No	No	No	No	No	No
WACM47	No	No	No	No	No	No
WACM48	No	No	No	No	No	No
WACM49	No	Yes	Yes	Yes	Neutral	Yes
WACM50	No	Yes	Yes	Yes	Neutral	Yes
WACM51	Yes	Yes	Yes	Yes	Neutral	Yes
WACM52	Yes	Yes	Yes	Yes	Neutral	Yes
WACM53	Yes	Yes	Yes	Yes	Neutral	Yes
WACM54	Yes	Yes	Yes	Yes	Neutral	Yes
WACM55	Yes	Yes	Yes	Yes	Neutral	Yes
WACM56	No	Yes	Yes	Yes	Neutral	Yes
WACM57	No	Yes	Yes	Yes	Neutral	Yes
WACM58	Yes	Yes	Yes	Yes	Neutral	Yes
WACM59	Yes	Yes	Yes	Yes	Neutral	Yes
WACM60	Yes	Yes	Yes	Yes	Neutral	Yes
WACM61	Yes	Yes	Yes	Yes	Neutral	Yes
WACM62	Yes	Yes	Yes	Yes	Neutral	Yes
WACM63	No	No	No	No	No	No
WACM64	No	No	No	No	No	No
WACM65	No	No	No	No	No	No
WACM66	No	No	No	No	No	No
WACM67	No	No	No	No	No	No
WACM68	No	No	No	No	No	No
WACM69	No	No	No	No	No	No
WACM70	No	Yes	Yes	Yes	Neutral	Yes
WACM71	No	Yes	Yes	Yes	Neutral	Yes

WACM72	Yes	Yes	Yes	Yes	Neutral	Yes
WACM73	Yes	Yes	Yes	Yes	Neutral	Yes
WACM74	Yes	Yes	Yes	Yes	Neutral	Yes
WACM75	Yes	Yes	Yes	Yes	Neutral	Yes
WACM76	Yes	Yes	Yes	Yes	Neutral	Yes
WACM77	No	Yes	Yes	Yes	Neutral	Yes
WACM78	No	Yes	Yes	Yes	Neutral	Yes
WACM79	Yes	Yes	Yes	Yes	Neutral	Yes
WACM80	Yes	Yes	Yes	Yes	Neutral	Yes
WACM81	Yes	Yes	Yes	Yes	Neutral	Yes
WACM82	Yes	Yes	Yes	Yes	Neutral	Yes
WACM83	Yes	Yes	Yes	Yes	Neutral	Yes

Voting Statement

Having reviewed the Code Administrator Consultation responses and the Workgroup Report whilst also taking into account the associated requirements of EU law (including, in particular, Regulation 838/2010 and the Clean Energy Package) along with the decision of the CMA from February 2018 (including the information provided by the Authority and the ESO to the CMA, as referenced in that decision) together with my time as a Workgroup member, I come to the following conclusion on the 84 proposals (the Original and 83 WACMs).

In undertaking this vote for each of the 84 options; as I did when I was a member of the CMP317/327 Workgroup; I have found it necessary (as with CMP213/Project Transmit previously) to look individually at the component elements that are then included (or not, as the case may be) within each of the 84 proposals.

In so doing I've also been mindful of the intent of the CMP317 and CMP327 proposals as expressed by the Proposer (the ESO) which is to ensure CUSC legal compliance with Regulation 838/2010 as, for example, was set out within the 'purpose of the modification' on the first page of the CMP317 proposal and in particular its reference to establishing a methodology for maintaining compliance:

- "To define, for the purposes of EU regulation 838/2010, which specific elements of generator TNUoS pertain to assets required for connection, which specific elements should therefore be excluded when considering whether generator TNUoS charges fall within the stipulated range of €0-2.50/MWh and to establish a methodology for maintaining compliance in charge setting on an ex ante and an ex post basis." [emphasis added]

Similarly, with respect to CMP327, the Proposer noted the direction from the Authority in the following terms:

- “To achieve this the Authority, on 21st November 2019, directed the ESO to “....modify the Use of System Charging Methodology, Section 14 of CUSC to set the TGR to £0, subject to ensuring ongoing compliance with EU Regulation No 838/2010 (in particular, the requirement that average transmission charges paid by producers in each Member State must be within prescribed ranges – which for Ireland, Great Britain and Northern Ireland is 0 to 2.50 EUR/MWh).” [emphasis added]

Given the stated objective of CMP317 and CMP327, I consider Applicable Objective (d) to be the *primus inter pares* of the Applicable CUSC Objectives for CMP317 and CMP327 - each of the 84 proposals needs to meet this requirement first and foremost.

In my view if “Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency” is not achieved in respect of any of the 84 proposals then (for each such proposal) this:

- does not facilitate competition (as GB generators pay higher than legally permissible charges which, with Project TERRE / Project MARI / EBGL etc., affects not just cross border trade but also within GB and UK electricity trading) so is not better in terms of Applicable Objective (a);
- does not result in cost reflective charges (as GB generators pay higher than legally permissible annual average transmission charges) so is not better in terms of Applicable Objective (b);
- does not facilitate a use of system charging methodology that takes account of developments (as the GB charging methodology is incompatible with the legal requirements for the level of annual average transmission charges) so is not better in terms of Applicable Objective (c); and
- does not promote efficiency in the implementation and administration of the CUSC (as the code includes elements that are incompatible with the law, which cannot be efficient) so is not better in terms of Applicable Objective (e).

Equally, if any of the 84 proposals do better facilitates Applicable Objective (d) then they do, in principle, better facilitate the other Applicable Objectives (a), (b), (c) and (e) for the equal and opposite reason noted under the respective bullet point(s) above.

In respect of ensuring legal compliance with Regulation 838/2010 it is (as the Workgroup Report and some of the Code Administrator Consultation response have identified) important, in particular, to take account of (i) the annual average transmission charges paid by generators in GB and (ii) the exclusions listed in paragraph 2 of Part B concerning charges paid by generators in GB for physical assets required for connection to the system as well as charges paid by generators in GB related to ancillary services.

There are, accordingly, two core elements contained (or not, as the case may be) within each of the 84 proposals which are highly relevant to EU law compliance; namely (i) the treatment of the charges paid for physical assets required for connection to the system; and / or (ii) the treatment of congestion management costs in terms of the exclusion of charges paid for ancillary services.

In respect of the treatment of physical assets required for connection to the system it is clear from the CMA’s decision of February 2018, at paragraph 5.82, that a European

law interpretation must be applied to what is the ‘transmission system’ for the purposes of determining the ‘annual average transmission charges paid by generators in GB’ and that, in this respect, as the CMA noted:

- “The parties [GEMA, National Grid, SSE and EdF] agreed that the interpretation of an EU instrument could not ordinarily depend on the approach taken in domestic law. We were referred to the Monsanto judgment of the CJEU, in which it was said that:

The need for the uniform application of Community law and the principle of equality require that the terms of a provision of Community law which...makes no express reference to the law of the Member States for the purpose of determining its meaning and scope must normally be given an autonomous and uniform interpretation throughout the Community, which must take into account the context of that provision and the purpose of the legislation in question (see, to that effect, in particular Case C287/98 Linster [2000] ECR I-6917, paragraph 43).” [emphasis added]

Given this, along with the case made by the Authority (supported by National Grid as an intervenor) to the CMA as to (1) the ‘but for test’ and (2) what are ‘generator only spurs’ it therefore follows, in my view, that the ‘transmission system’ for the purposes of determining the ‘annual average transmission charges paid by generators in GB’ is the NETS (and not, for the avoidance of doubt, the MITS) as this is the only definition that conforms with the Monsanto legal principle.

The use of a solution which is based on the GB charges paid for the physical assets required to connect to the system being ‘All Local Circuits and Substations Charges’ is thus incompatible with the Monsanto legal principle as it does not recognise the system as being the NETS, but rather the MITS.

On the other hand ‘Local Charges which relate to a Generator Only Spur’ or ‘Charges that relate to all local circuits & local substations except for pre-existing assets and shared assets’ are solutions which are based on the GB charges paid for the physical assets required to connect to the system being the NETS (not MITS) and thus are compatible with the Monsanto legal principle.

In respect of the treatment of congestion management in terms of the ancillary services exclusion I’m mindful, in particular, of the Workgroup deliberations as set out in paragraphs 9.3.8-9.3.15 along with the associated papers presented to the Workgroup by RWE that is contained in the Annexes of the Draft Final Modification Report.

Given the changes introduced recently by the Clean Energy Package in respect of the Third Package (including in regards to Regulation 714/2009, as set out in Regulation 838/2010) I am of the view that the component parts within the current (GB) BSUoS charge that could be considered to be “congestion management”, according to the Clean Energy Package, should not be excluded (according to paragraph 2(2) of Part B of Regulation 838/2010) when determining the annual average transmission charges paid by generators in GB.

Accordingly, any of the 84 proposals that does not conform with (i) the ‘but for test’ / ‘generator only spurs’ requirement (as the Authority set out to the CMA) concerning charges paid for physical assets required to connect to the transmission system in GB; and / or (ii) the treatment of congestion management costs paid by generators in GB (in the context of the application of the ancillary services exclusion in GB) therefore fails to better facilities Applicable Objective (d) and, as noted above, therefore does not better facilitate the other Applicable Objectives (a), (b), (c) and (e).

Conversely, any of the 84 proposals that does conform with (i) the 'but for test' / 'generator only spurs' requirement (as the Authority set out to the CMA) concerning charges paid physical assets required to connect to the transmission system in GB; and / or (ii) the treatment of congestion management costs paid by generators in GB (in the context of the application of the ancillary services exclusion in GB) therefore does better facilities Applicable Objective (d) and, as noted above, therefore does better facilitate the other Applicable Objectives (a), (b), (c) and (e).

In conclusion the above has guided my voting as a Panel member in terms of each of the 84 proposals (the Original and the 83 WACMs).

Panel Member: Grace March

	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Better facilitates ACO (d)?	Better facilitates ACO (e)?	Overall (Y/N)
Original	No	Neutral	Yes	Yes	Neutral	No
WACM1	No	Neutral	Yes	Yes	Neutral	No
WACM2	Yes	Neutral	Yes	No	Neutral	Yes
WACM3	Yes	Neutral	Yes	No	Neutral	Yes
WACM4	Yes	Neutral	Yes	No	Neutral	Yes
WACM5	No	Neutral	Yes	No	Neutral	No
WACM6	No	Neutral	Yes	No	No	No
WACM7	No	Neutral	Yes	Yes	Neutral	No
WACM8	No	Neutral	Yes	Yes	Neutral	No
WACM9	Yes	Neutral	Yes	No	Neutral	Yes
WACM10	Yes	Neutral	Yes	No	Neutral	Yes
WACM11	Yes	Neutral	Yes	No	Neutral	Yes
WACM12	No	Neutral	Yes	No	Neutral	No
WACM13	No	Neutral	Yes	No	No	No
WACM14	No	Neutral	Yes	Yes	Neutral	No
WACM15	No	Neutral	Yes	Yes	Neutral	No
WACM16	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM17	Yes	Neutral	Yes	Yes	Neutral	Yes

WACM18	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM19	No	Neutral	Yes	Yes	Neutral	No
WACM20	No	Neutral	Yes	Yes	No	No
WACM21	No	No	Yes	Yes	No	No
WACM22	No	No	Yes	Yes	No	No
WACM23	Yes	Neutral	Yes	No	No	Yes
WACM24	Yes	Neutral	Yes	No	No	Yes
WACM25	Yes	Neutral	Yes	No	No	Yes
WACM26	No	Neutral	Yes	No	No	No
WACM27	No	Neutral	Yes	No	No	No
WACM28	No	No	Yes	Yes	No	No
WACM29	No	No	Yes	Yes	No	No
WACM30	Yes	Neutral	Yes	No	No	Yes
WACM31	Yes	Neutral	Yes	No	No	Yes
WACM32	Yes	Neutral	Yes	No	No	Yes
WACM33	No	Neutral	Yes	No	No	No
WACM34	No	Neutral	Yes	No	No	No
WACM35	No	No	Yes	Yes	No	No
WACM36	No	No	Yes	Yes	No	No
WACM37	Yes	Neutral	Yes	Yes	No	Yes
WACM38	Yes	Neutral	Yes	Yes	No	Yes
WACM39	Yes	Neutral	Yes	Yes	No	Yes
WACM40	No	Neutral	Yes	Yes	No	No
WACM41	No	Neutral	Yes	Yes	No	No
WACM42	No	No	Yes	Yes	Neutral	No
WACM43	No	No	Yes	Yes	Neutral	No
WACM44	Yes	Neutral	Yes	No	Neutral	Yes

WACM45	Yes	Neutral	Yes	No	Neutral	Yes
WACM46	Yes	Neutral	Yes	No	Neutral	Yes
WACM47	No	Neutral	Yes	No	Neutral	No
WACM48	No	Neutral	Yes	No	No	No
WACM49	No	No	Yes	Yes	Neutral	No
WACM50	No	No	Yes	Yes	Neutral	No
WACM51	Yes	Neutral	Yes	No	Neutral	Yes
WACM52	Yes	Neutral	Yes	No	Neutral	Yes
WACM53	Yes	Neutral	Yes	No	Neutral	Yes
WACM54	No	Neutral	Yes	No	Neutral	No
WACM55	No	Neutral	Yes	No	No	No
WACM56	No	No	Yes	Yes	Neutral	No
WACM57	No	No	Yes	Yes	Neutral	No
WACM58	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM59	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM60	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM61	No	Neutral	Yes	Yes	Neutral	No
WACM62	No	Neutral	Yes	Yes	No	No
WACM63	No	No	Yes	Yes	No	No
WACM64	No	No	Yes	No	No	No
WACM65	Yes	Neutral	Yes	No	No	Yes
WACM66	Yes	Neutral	Yes	No	No	Yes
WACM67	Yes	Neutral	Yes	No	No	Yes
WACM68	No	Neutral	Yes	No	No	No
WACM69	No	Neutral	Yes	No	No	No
WACM70	No	No	Yes	Yes	No	No
WACM71	No	No	Yes	Yes	No	No

WACM72	Yes	Neutral	Yes	No	No	Yes
WACM73	Yes	Neutral	Yes	No	No	Yes
WACM74	Yes	Neutral	Yes	No	No	Yes
WACM75	No	Neutral	Yes	No	No	No
WACM76	No	Neutral	Yes	No	No	No
WACM77	No	No	Yes	Yes	No	No
WACM78	No	No	Yes	Yes	No	No
WACM79	Yes	Neutral	Yes	Yes	No	Yes
WACM80	Yes	Neutral	Yes	Yes	No	Yes
WACM81	Yes	Neutral	Yes	Yes	No	Yes
WACM82	No	Neutral	Yes	Yes	No	No
WACM83	No	Neutral	Yes	Yes	No	No

Voting Statement

"The original proposal does not specify a target which, because the way nodal prices are calculated, means generators will be charged at the upper end of the Limiting Regulation. This will have a significant negative effect on international competition and cross-border trade. The distortion between Embedded Generators and Transmission connected generators caused by the negative TGR has a far smaller impact, both in volumes, number of parties and the effect on the wholesale price. Proposals that have no set target, or a target significantly above the upper limits for the rest of Europe are therefore negative against ACO (a).

The definition of assets required for connection that satisfies the Regulation most accurately is "All local circuits & local substations except for pre-existing assets and shared assets". Generator Only Spurs were used in the CMA's decision as a useful and easily understandable example, but is too narrow to be the appropriate definition. All local circuits and substations is the neatest definition, as it uses terms already used and understood within the charging methodology, but is too broad and would result in generators being charged more than the upper limit. WACMs that use these two definitions are therefore negative against ACO (d).

The other charges suggested by the Workgroup as being in scope of the Limiting Regulation have merit, and a serious material impact. Including these charges in the calculation of charges paid by generators would better facilitate ACO (d) than proposals that do not consider them. The proposed 2-step Ex Ante adjustment seems the most practical way to ensure the Limiting Regulation is not breached, without overly affecting TNUoS charges on generators. WACMs that do not use the 2-step Ex Ante adjustment risk creating volatility because of the unpredictable nature of Congestion Management charges, and therefore distort the long term cost reflective signal that GTNUoS is meant to give. These WACMs are therefore negative against ACO (b). As BSC funding

charges are outside the scope of the CUSC, WACMs that incorporate this charge are slightly negative against ACO (e) but the predictable and forecastable nature of this charge means cost reflectivity is preserved and the correct interpretation of the Limiting Regulation will have a positive impact on cross-border trade. In this regard, WACMs that incorporate BSC funding charges are positive against ACO (a) and (d).

I believe WACMs that propose a phased transition for targets of €1.25/MWh are unnecessary, given the lower materiality of the change in costs and therefore are negative against ACO (e). For WACMs that have no set target (so in practice will be closer to the current charges on generators), phasing is definitely appropriate to allow generators to reflect the increase in costs in the wholesale market.

All proposed solutions are in response to the Direction to the ESO to raise CMP327, and therefore are positive against ACO (c).

The best solutions is therefore the ones that use the correct definition of assets required for connection (All local circuits & local substations except for pre-existing assets and shared assets), have a target at or close to €0.5/MWh to facilitate cross-border trade and incorporates BSC and congestion charges. This combination will give the correct interpretation of EU regulation 838/2010, facilitating ACO(d), have a positive effect on competition between domestic and EU generation, facilitating ACO(a), and allow the ESO to minimise risk of a breach of the Limiting Regulation, thus facilitating ACO(c). Whilst incorporating BSC charges gives a negative impact on ACO(e), it is necessary given Ofgem's decision on P396 which explicitly confirmed "the Main Funding Share and SVA (Production) Funding Share charges recovered via BSC Charges [are] network access charges for the purposes of the Electricity Regulation [838/2010]". The best solutions are therefore WACMs 79 to 81. A target of €0/MWh is similar to other member states, so facilitating cross-border trade, and removes the exchange rate risk in the calculation."

Panel Member: Jon Wisdom

	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Better facilitates ACO (d)?	Better facilitates ACO (e)?	Overall (Y/N)
Original	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM1	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM2	No	Neutral	Yes	Yes	Neutral	No
WACM3	No	Neutral	Yes	Yes	Neutral	No
WACM4	No	Neutral	Yes	Yes	Neutral	No
WACM5	No	Neutral	Yes	Yes	Neutral	No
WACM6	No	Neutral	Yes	Yes	Neutral	No
WACM7	Yes	Neutral	Yes	Yes	Neutral	Yes

WACM8	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM9	No	Neutral	Yes	Yes	Neutral	No
WACM10	No	Neutral	Yes	Yes	Neutral	No
WACM11	No	Neutral	Yes	Yes	Neutral	No
WACM12	No	Neutral	Yes	Yes	Neutral	No
WACM13	No	Neutral	Yes	Yes	Neutral	No
WACM14	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM15	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM16	No	Neutral	Yes	Yes	Neutral	No
WACM17	No	Neutral	Yes	Yes	Neutral	No
WACM18	No	Neutral	Yes	Yes	Neutral	No
WACM19	No	Neutral	Yes	Yes	Neutral	No
WACM20	No	Neutral	Yes	Yes	Neutral	No
WACM21	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM22	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM23	No	Neutral	Yes	Yes	Neutral	No
WACM24	No	Neutral	Yes	Yes	Neutral	No
WACM25	No	Neutral	Yes	Yes	Neutral	No
WACM26	No	Neutral	Yes	Yes	Neutral	No
WACM27	No	Neutral	Yes	Yes	Neutral	No
WACM28	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM29	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM30	No	Neutral	Yes	Yes	Neutral	No
WACM31	No	Neutral	Yes	Yes	Neutral	No
WACM32	No	Neutral	Yes	Yes	Neutral	No
WACM33	No	Neutral	Yes	Yes	Neutral	No
WACM34	No	Neutral	Yes	Yes	Neutral	No

WACM35	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM36	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM37	No	Neutral	Yes	Yes	Neutral	No
WACM38	No	Neutral	Yes	Yes	Neutral	No
WACM39	No	Neutral	Yes	Yes	Neutral	No
WACM40	No	Neutral	Yes	Yes	Neutral	No
WACM41	No	Neutral	Yes	Yes	Neutral	No
WACM42	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM43	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM44	No	Neutral	Yes	Yes	Neutral	No
WACM45	No	Neutral	Yes	Yes	Neutral	No
WACM46	No	Neutral	Yes	Yes	Neutral	No
WACM47	No	Neutral	Yes	Yes	Neutral	No
WACM48	No	Neutral	Yes	Yes	Neutral	No
WACM49	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM50	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM51	No	Neutral	Yes	Yes	Neutral	No
WACM52	No	Neutral	Yes	Yes	Neutral	No
WACM53	No	Neutral	Yes	Yes	Neutral	No
WACM54	No	Neutral	Yes	Yes	Neutral	No
WACM55	No	Neutral	Yes	Yes	Neutral	No
WACM56	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM57	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM58	No	Neutral	Yes	Yes	Neutral	No
WACM59	No	Neutral	Yes	Yes	Neutral	No
WACM60	No	Neutral	Yes	Yes	Neutral	No
WACM61	No	Neutral	Yes	Yes	Neutral	No

WACM62	No	Neutral	Yes	Yes	Neutral	No
WACM63	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM64	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM65	No	Neutral	Yes	Yes	Neutral	No
WACM66	No	Neutral	Yes	Yes	Neutral	No
WACM67	No	Neutral	Yes	Yes	Neutral	No
WACM68	No	Neutral	Yes	Yes	Neutral	No
WACM69	No	Neutral	Yes	Yes	Neutral	No
WACM70	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM71	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM72	No	Neutral	Yes	Yes	Neutral	No
WACM73	No	Neutral	Yes	Yes	Neutral	No
WACM74	No	Neutral	Yes	Yes	Neutral	No
WACM75	No	Neutral	Yes	Yes	Neutral	No
WACM76	No	Neutral	Yes	Yes	Neutral	No
WACM77	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM78	Yes	Neutral	Yes	Yes	Neutral	Yes
WACM79	No	Neutral	Yes	Yes	Neutral	No
WACM80	No	Neutral	Yes	Yes	Neutral	No
WACM81	No	Neutral	Yes	Yes	Neutral	No
WACM82	No	Neutral	Yes	Yes	Neutral	No
WACM83	No	Neutral	Yes	Yes	Neutral	No
	Voting Statement					
CMP317/327 supports the aims of Ofgem’s Targeted Charging Review and on balance it is right to address the differences between embedded and transmission connected generators. This satisfies Applicable CUSC Objective (ACO) (a) for all solutions that do not artificially introduce a target rate into the charging methodology to ensure compliance with the Limiting Regulation. All the solutions are neutral to ACO (b).						

All the solutions that do not set a €/MWh target for average annual generator charges are positive when assessed against ACO (c) as they allow the ESO to properly take account of Ofgem's Direction letter following the conclusion of Ofgem's Targeted Charging Review and allow an interpretation of the Limiting Regulation to be applied into the GB charging framework. The others are positive overall as they take into account developments in the licencees business but they are not as positive as the versions with no target due to setting an artificial target for generator cost recovery and not allowing the full locational charges to be paid by generators. Preference for the variants of the original proposal of Charges for Assets Required for Connection comes down to a consideration that this is a simple and straightforward interpretation of the Limiting Regulation. It is also right to be mindful of Ofgem's published opinion on CMP261 where they made it clear that they had not reached a final conclusion on the applicability of all local charges to the Limiting Regulation and had, for the purposes of CMP261, only considered that offshore local circuit charges were appropriate to consider as Charges for Assets Required for Connection. This modification gives them an opportunity to fully consider this definition. It is worth noting though that Generator Only Spurs also provide a potentially suitable interpretation with less ambiguity in relation to the Limiting Regulation. As such they could also be considered positive against the relevant ACO.

All the solutions are potentially positive when assessed against ACO (d) as this will allow the ESO to take account of the Limiting Regulation in the correct manner when setting tariffs. Unless a change is made ahead of tariff setting for the charging year 2021/22 the ESO is at risk of breaching the lower end of the range in the Limiting Regulation. It is not clear that BSC charges should be considered when setting transmission tariffs and a more appropriate approach may be to remove BSC charges from generators within the BSC arrangements. It is not correct, however, to approve an approach to this proposal that may make the ESO non-compliant in terms of the overall charges that are recovered from Generators in GB.

It is not clear to that all costs suggested to be "Congestion Management" costs by the Workgroup report should be assessed as such when considering average annual charges to Generators. The lack of clarity potentially means that a conservative approach should be taken by the ESO when it sets tariffs. The legal text as written in the WACM's that contain allowances for congestion management allows for this approach should the Authority consider that costs not covered by the "Ancillary Services Exclusion" (recovered currently through BSUoS charges) are charges within the scope of the Limiting Regulation and need to be considered in Generator tariff setting. It is not correct to support an approach that may make the ESO non-compliant in terms of the overall charges that are recovered from Generators in GB.

All the options are neutral with respect to ACO (e).

Panel Member: Joseph Dunn

	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Better facilitates ACO (d)?	Better facilitates ACO (e)?	Overall (Y/N)
Original	No	No	No	No	Neutral	No

WACM1	No	No	No	No	Neutral	No
WACM2	No	No	No	No	Neutral	No
WACM3	No	No	No	No	Neutral	No
WACM4	No	No	No	No	Neutral	No
WACM5	No	No	No	No	Neutral	No
WACM6	No	No	No	No	Neutral	No
WACM7	No	No	No	No	Neutral	No
WACM8	No	No	No	No	Neutral	No
WACM9	No	No	No	No	Neutral	No
WACM10	No	No	No	No	Neutral	No
WACM11	No	No	No	No	Neutral	No
WACM12	No	No	No	No	Neutral	No
WACM13	No	No	No	No	Neutral	No
WACM14	No	No	No	No	Neutral	No
WACM15	No	No	No	No	Neutral	No
WACM16	No	No	No	No	Neutral	No
WACM17	No	No	No	No	Neutral	No
WACM18	No	No	No	No	Neutral	No
WACM19	No	No	No	No	Neutral	No
WACM20	No	No	No	No	Neutral	No
WACM21	No	No	No	No	Neutral	No
WACM22	No	No	No	No	Neutral	No
WACM23	No	No	No	No	Neutral	No
WACM24	No	No	No	No	Neutral	No
WACM25	No	No	No	No	Neutral	No
WACM26	No	No	No	No	Neutral	No
WACM27	No	No	No	No	Neutral	No

WACM28	No	No	No	No	Neutral	No
WACM29	No	No	No	No	Neutral	No
WACM30	No	No	No	No	Neutral	No
WACM31	No	No	No	No	Neutral	No
WACM32	No	No	No	No	Neutral	No
WACM33	No	No	No	No	Neutral	No
WACM34	No	No	No	No	Neutral	No
WACM35	No	No	No	No	Neutral	No
WACM36	No	No	No	No	Neutral	No
WACM37	No	No	No	No	Neutral	No
WACM38	No	No	No	No	Neutral	No
WACM39	No	No	No	No	Neutral	No
WACM40	No	No	No	No	Neutral	No
WACM41	No	No	No	No	Neutral	No
WACM42	No	No	No	No	Neutral	No
WACM43	No	No	No	No	Neutral	No
WACM44	No	No	No	No	Neutral	No
WACM45	No	No	No	No	Neutral	No
WACM46	No	No	No	No	Neutral	No
WACM47	No	No	No	No	Neutral	No
WACM48	No	No	No	No	Neutral	No
WACM49	No	Yes	Yes	Yes	Neutral	Yes
WACM50	No	Yes	Yes	Yes	Neutral	Yes
WACM51	Yes	Yes	Yes	Yes	Neutral	Yes
WACM52	Yes	Yes	Yes	Yes	Neutral	Yes
WACM53	Yes	Yes	Yes	Yes	Neutral	Yes
WACM54	Yes	Yes	Yes	Yes	Neutral	Yes

WACM55	Yes	Yes	Yes	Yes	Neutral	Yes
WACM56	No	Yes	Yes	Yes	Neutral	Yes
WACM57	No	Yes	Yes	Yes	Neutral	Yes
WACM58	Yes	Yes	Yes	Yes	Neutral	Yes
WACM59	Yes	Yes	Yes	Yes	Neutral	Yes
WACM60	Yes	Yes	Yes	Yes	Neutral	Yes
WACM61	Yes	Yes	Yes	Yes	Neutral	Yes
WACM62	Yes	Yes	Yes	Yes	Neutral	Yes
WACM63	No	No	No	No	Neutral	No
WACM64	No	No	No	No	Neutral	No
WACM65	No	No	No	No	Neutral	No
WACM66	No	No	No	No	Neutral	No
WACM67	No	No	No	No	Neutral	No
WACM68	No	No	No	No	Neutral	No
WACM69	No	No	No	No	Neutral	No
WACM70	No	Yes	Yes	Yes	Neutral	Yes
WACM71	Yes	Yes	Yes	Yes	Neutral	Yes
WACM72	Yes	Yes	Yes	Yes	Neutral	Yes
WACM73	Yes	Yes	Yes	Yes	Neutral	Yes
WACM74	Yes	Yes	Yes	Yes	Neutral	Yes
WACM75	Yes	Yes	Yes	Yes	Neutral	Yes
WACM76	Yes	Yes	Yes	Yes	Neutral	Yes
WACM77	No	Yes	Yes	Yes	Neutral	Yes
WACM78	No	Yes	Yes	Yes	Neutral	Yes
WACM79	Yes	Yes	Yes	Yes	Neutral	Yes
WACM80	Yes	Yes	Yes	Yes	Neutral	Yes
WACM81	Yes	Yes	Yes	Yes	Neutral	Yes

WACM82	Yes	Yes	Yes	Yes	Neutral	Yes
WACM83	Yes	Yes	Yes	Yes	Neutral	Yes
Voting Statement						

In order to assess the original and 83 alternatives I considered the key features of each of the proposals giving priority to certain features within each of the various combinations.

The proposals that I believe better facilitate the Applicable CUSC Objectives (ACO) have two criteria of primary importance; 1) the definition of assets requirement for connection, and 2) Congestion costs.

Under the three definitions available in 1), namely:

- i) All local circuits and substations,
 - ii) Generator only Spurs, and
 - iii) All local circuits and substations except for pre-existing assets and shared assets,
- i) All circuits and substations is too broad to ensure compliance with EU regulation 838/2010 as certain assets (e.g. shared) such as those not included in (ii) and (iii) could inadvertently.

On the contrary, ii) Generator only Spurs, and ii) All local circuits and substations except for pre-existing assets and shared assets, ensure that shared assets are not included in the definition and therefore not excluded. My appraisal aligns with the argument regarding assets required for connection to the NETS and therefore consistent with the definition of pre-existing system in regard to the CMA's decision (and interpretation) on CMP261.

Regarding 2) Congestion costs (and BSC costs), and the discussion in the Draft Final Modification Report on the changes introduced in the Clean Energy Package, it would appear that BSC costs and congestion costs are indeed transmission charges paid by generators and therefore should not be excluded when determining average annual transmission charges paid by generators. Further, with the materiality of congestion costs, any proposals not taking account of congestion costs would fail to guarantee that generator charges would be set at a level which would comply with Regulation 838/2010.

Consequently, I consider any proposals which include combinations of features of a definition of assets required for connection of 'all local circuits and substations' and/or which have excluded 'congestion costs' to NOT better facilitate ACOs (b) and (d), namely: the original, WACMs 1 to 48 and WACMs 63 to 69.

On the contrary, I consider WACMs 49 to 62 and WACMs 70 to 83 to better facilitate ACOs (b) and (d) based on the discussion above.

Thereafter, regarding ACO (a), I have considered the facilitation of competition in the context of European harmonisation and the 'amount targeted' feature and concur that any proposal which has 'No target within the range' will mean that generators will be charged at the upper end of the Limiting Regulation which will have a significant negative effect on international competition and cross-border trade. Therefore,

proposals with this criteria do NOT better facilitate ACO (a). On the contrary, proposals with target ranges of between €0 and €1.25 DO better facilitate ACO (a).

Wither regards to ACO (c) I consider any proposals that do not better facilitate ACO (a) to be detrimental to the developments on transmission licensees' transmission businesses particularly given the potential impact and the extent to which transmission charges could increase which would significantly impact investment certainty and therefore projects being progressed. Therefore, where I have voted No to ACO (a), I have voted the same for ACO (c).

I am of the view that, given the complexity of the existing TNUoS arrangements, all of the proposals are neutral to ACO (e).

In my choice of the best option proposal (WACM79) I am taking a number of things into account. Initially I am using the above criteria in the same manner and order of priority. Then I have taken into account that Ofgem have retained the 'Reference Node' as part of their scope of the Access SCR and have not progressed any work in this area, therefore my decision must be firmly on the basis that the RN will not provide a complimentary, or alternative method to facilitating compliance with 838/2010. Then I have considered other criteria features and options including when targeting zero, phasing is not required, nor an error margin and effective competition is best met.

Panel Member: Mark Duffield

	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Better facilitates ACO (d)?	Better facilitates ACO (e)?	Overall (Y/N)
Original	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM1	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM2	Neutral	Neutral	Neutral	No	Neutral	No
WACM3	Neutral	Neutral	Neutral	No	Neutral	No
WACM4	Neutral	Neutral	Neutral	No	Neutral	No
WACM5	Neutral	Neutral	Neutral	No	Neutral	No
WACM6	Neutral	Neutral	Neutral	No	Neutral	No
WACM7	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM8	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM9	Neutral	Neutral	Neutral	No	Neutral	No
WACM10	Neutral	Neutral	Neutral	No	Neutral	No
WACM11	Neutral	Neutral	Neutral	No	Neutral	No

WACM12	Neutral	Neutral	Neutral	No	Neutral	No
WACM13	Neutral	Neutral	Neutral	No	Neutral	No
WACM14	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM15	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM16	Neutral	Neutral	Neutral	No	Neutral	No
WACM17	Neutral	Neutral	Neutral	No	Neutral	No
WACM18	Neutral	Neutral	Neutral	No	Neutral	No
WACM19	Neutral	Neutral	Neutral	No	Neutral	No
WACM20	Neutral	Neutral	Neutral	No	Neutral	No
WACM21	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM22	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM23	Neutral	Neutral	Neutral	No	Neutral	No
WACM24	Neutral	Neutral	Neutral	No	Neutral	No
WACM25	Neutral	Neutral	Neutral	No	Neutral	No
WACM26	Neutral	Neutral	Neutral	No	Neutral	No
WACM27	Neutral	Neutral	Neutral	No	Neutral	No
WACM28	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM29	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM30	Neutral	Neutral	Neutral	No	Neutral	No
WACM31	Neutral	Neutral	Neutral	No	Neutral	No
WACM32	Neutral	Neutral	Neutral	No	Neutral	No
WACM33	Neutral	Neutral	Neutral	No	Neutral	No
WACM34	Neutral	Neutral	Neutral	No	Neutral	No
WACM35	Neutral	Neutral	Neutral	Yes	Neutral	Yes
WACM36	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM37	Neutral	Neutral	Neutral	No	Neutral	No
WACM38	Neutral	Neutral	Neutral	No	Neutral	No

WACM39	Neutral	Neutral	Neutral	No	Neutral	No
WACM40	Neutral	Neutral	Neutral	No	Neutral	No
WACM41	Neutral	Neutral	Neutral	No	Neutral	No
WACM42	Neutral	Neutral	Neutral	No	Neutral	No
WACM43	Neutral	Neutral	Neutral	No	Neutral	No
WACM44	Neutral	Neutral	Neutral	No	Neutral	No
WACM45	Neutral	Neutral	Neutral	No	Neutral	No
WACM46	Neutral	Neutral	Neutral	No	Neutral	No
WACM47	Neutral	Neutral	Neutral	No	Neutral	No
WACM48	Neutral	Neutral	Neutral	No	Neutral	No
WACM49	Neutral	Neutral	Neutral	No	Neutral	No
WACM50	Neutral	Neutral	Neutral	No	Neutral	No
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WACM58	Neutral	Neutral	Neutral	No	Neutral	No
WACM59	Neutral	Neutral	Neutral	No	Neutral	No
WACM60	Neutral	Neutral	Neutral	No	Neutral	No
WACM61	Neutral	Neutral	Neutral	No	Neutral	No
WACM62	Neutral	Neutral	Neutral	No	Neutral	No
WACM63	Neutral	Neutral	Neutral	No	Neutral	No
WACM64	Neutral	Neutral	Neutral	No	Neutral	No
WACM65	Neutral	Neutral	Neutral	No	Neutral	No

WACM66	Neutral	Neutral	Neutral	No	Neutral	No
WACM67	Neutral	Neutral	Neutral	No	Neutral	No
WACM68	Neutral	Neutral	Neutral	No	Neutral	No
WACM69	Neutral	Neutral	Neutral	No	Neutral	No
WACM70	Neutral	Neutral	Neutral	No	Neutral	No
WACM71	Neutral	Neutral	Neutral	No	Neutral	No
WACM72	Neutral	Neutral	Neutral	No	Neutral	No
WACM73	Neutral	Neutral	Neutral	No	Neutral	No
WACM74	Neutral	Neutral	Neutral	No	Neutral	No
WACM75	Neutral	Neutral	Neutral	No	Neutral	No
WACM76	Neutral	Neutral	Neutral	No	Neutral	No
WACM77	Neutral	Neutral	Neutral	No	Neutral	No
WACM78	Neutral	Neutral	Neutral	No	Neutral	No
WACM79	Neutral	Neutral	Neutral	No	Neutral	No
WACM80	Neutral	Neutral	Neutral	No	Neutral	No
WACM81	Neutral	Neutral	Neutral	No	Neutral	No
WACM82	Neutral	Neutral	Neutral	No	Neutral	No
WACM83	Neutral	Neutral	Neutral	No	Neutral	No
	Voting Statement					

The wording of the baseline charging methodology (14.14.5) sets Generator TNUoS to on average to equal €2.50/MWh in line with EU Regulation 838/2010. The defect identified by the amendment was to correctly identify the appropriate assets for connection that should be excluded when checking that generator charges are compatible with lying in the range €0-2.50/MWh. Setting a target below €2.50/MWh doesn't address the defect and so notwithstanding the merits or otherwise of such an approach cannot better facilitate the objectives. Only approaches labelled as "No target within range" (though technically incorrect as the existing baseline sets a target of €2.50/MWh) can be considered as potential candidates as being better than baseline.

On the inclusion of "congestion management" costs within the overall cap i do not believe that this is justified. I think it is clear from the context in the EU Regulations in which the term congestion management is used that it relates to the management of congestion between bidding zones and not within a bidding zone. I do not believe that there is any intention within the EU regulations to define the management of internal

constraint costs as a network charge to which the €2.50 limit in 838/2010 applies. For this reason i exclude alternatives that include constraint costs as better facilitating the Applicable Objectives.

On phasing, I believe that this would better facilitate the Applicable Objectives primarily on competition grounds.

On BSC Costs, I am minded to consider that their inclusions within the overall cap given Ofgem's P396 decision would marginally better facilitate the Applicable Objectives.

On the actual definition of the assets to be excluded, I feel that the options use either the definition of a local asset or generator only spur better facilitate the objectives, the complexity of further excluding pre-existing or shared assets counts against that option. Of the two the generator only spur appears to me to be the best option, which in conclusion leads to my selection of WACM29 as my best option

Panel Member: Andrew Enzor

	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Better facilitates ACO (d)?	Better facilitates ACO (e)?	Overall (Y/N)
Original	Yes	Neutral	Neutral	Neutral	Neutral	Yes
WACM1	Yes	Neutral	Neutral	Neutral	Neutral	Yes
WACM2	No	Neutral	Neutral	Neutral	Neutral	No
WACM3	No	Neutral	Neutral	Neutral	Neutral	No
WACM4	No	Neutral	Neutral	Neutral	Neutral	No
WACM5	No	Neutral	Neutral	Neutral	Neutral	No
WACM6	No	Neutral	Neutral	Neutral	Neutral	No
WACM7	Yes	Neutral	Neutral	Neutral	Neutral	Yes
WACM8	Yes	Neutral	Neutral	Neutral	Neutral	Yes
WACM9	No	Neutral	Neutral	Neutral	Neutral	No
WACM10	No	Neutral	Neutral	Neutral	Neutral	No
WACM11	No	Neutral	Neutral	Neutral	Neutral	No
WACM12	No	Neutral	Neutral	Neutral	Neutral	No
WACM13	No	Neutral	Neutral	Neutral	Neutral	No
WACM14	Yes	Neutral	Neutral	Neutral	No	Yes
WACM15	Yes	Neutral	Neutral	Neutral	No	Yes

WACM16	No	Neutral	Neutral	Neutral	No	No
WACM17	No	Neutral	Neutral	Neutral	No	No
WACM18	No	Neutral	Neutral	Neutral	No	No
WACM19	No	Neutral	Neutral	Neutral	No	No
WACM20	No	Neutral	Neutral	Neutral	No	No
WACM21	Yes	Neutral	Neutral	Neutral	No	Yes
WACM22	Yes	Neutral	Neutral	Neutral	No	Yes
WACM23	No	Neutral	Neutral	Neutral	No	No
WACM24	No	Neutral	Neutral	Neutral	No	No
WACM25	No	Neutral	Neutral	Neutral	No	No
WACM26	No	Neutral	Neutral	Neutral	No	No
WACM27	No	Neutral	Neutral	Neutral	No	No
WACM28	Yes	Neutral	Neutral	Neutral	No	Yes
WACM29	Yes	Neutral	Neutral	Neutral	No	Yes
WACM30	No	Neutral	Neutral	Neutral	No	No
WACM31	No	Neutral	Neutral	Neutral	No	No
WACM32	No	Neutral	Neutral	Neutral	No	No
WACM33	No	Neutral	Neutral	Neutral	No	No
WACM34	No	Neutral	Neutral	Neutral	No	No
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WACM36	Yes	Neutral	Neutral	Neutral	No	Yes
WACM37	No	Neutral	Neutral	Neutral	No	No
WACM38	No	Neutral	Neutral	Neutral	No	No
WACM39	No	Neutral	Neutral	Neutral	No	No
WACM40	No	Neutral	Neutral	Neutral	No	No
WACM41	No	Neutral	Neutral	Neutral	No	No
WACM42	Yes	Neutral	Neutral	Neutral	No	Yes

WACM43	Yes	Neutral	Neutral	Neutral	No	Yes
WACM44	No	Neutral	Neutral	Neutral	No	No
WACM45	No	Neutral	Neutral	Neutral	No	No
WACM46	No	Neutral	Neutral	Neutral	No	No
WACM47	No	Neutral	Neutral	Neutral	No	No
WACM48	No	Neutral	Neutral	Neutral	No	No
WACM49	Yes	Neutral	Neutral	Neutral	No	Yes
WACM50	Yes	Neutral	Neutral	Neutral	No	Yes
WACM51	No	Neutral	Neutral	Neutral	No	No
WACM52	No	Neutral	Neutral	Neutral	No	No
WACM53	No	Neutral	Neutral	Neutral	No	No
WACM54	No	Neutral	Neutral	Neutral	No	No
WACM55	No	Neutral	Neutral	Neutral	No	No
WACM56	Yes	Neutral	Neutral	Neutral	No	Yes
WACM57	Yes	Neutral	Neutral	Neutral	No	Yes
WACM58	No	Neutral	Neutral	Neutral	No	No
WACM59	No	Neutral	Neutral	Neutral	No	No
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WACM61	No	Neutral	Neutral	Neutral	No	No
WACM62	No	Neutral	Neutral	Neutral	No	No
WACM63	Yes	Neutral	Neutral	Neutral	No	Yes
WACM64	Yes	Neutral	Neutral	Neutral	No	Yes
WACM65	No	Neutral	Neutral	Neutral	No	No
WACM66	No	Neutral	Neutral	Neutral	No	No
WACM67	No	Neutral	Neutral	Neutral	No	No
WACM68	No	Neutral	Neutral	Neutral	No	No
WACM69	No	Neutral	Neutral	Neutral	No	No

WACM70	Yes	Neutral	Neutral	Neutral	No	Yes
WACM71	Yes	Neutral	Neutral	Neutral	No	Yes
WACM72	No	Neutral	Neutral	Neutral	No	No
WACM73	No	Neutral	Neutral	Neutral	No	No
WACM74	No	Neutral	Neutral	Neutral	No	No
WACM75	No	Neutral	Neutral	Neutral	No	No
WACM76	No	Neutral	Neutral	Neutral	No	No
WACM77	Yes	Neutral	Neutral	Neutral	No	Yes
WACM78	Yes	Neutral	Neutral	Neutral	No	Yes
WACM79	No	Neutral	Neutral	Neutral	No	No
WACM80	No	Neutral	Neutral	Neutral	No	No
WACM81	No	Neutral	Neutral	Neutral	No	No
WACM82	No	Neutral	Neutral	Neutral	No	No
WACM83	No	Neutral	Neutral	Neutral	No	No
	Voting Statement					

ACO(a): Assuming the underlying charges are cost-reflective for all connectees, any adjustment made to those charges distorts competition between transmission and distribution connected generation. Solutions which set a specific target will result in an adjustment to underlying charges of more than necessary for compliance, and so unnecessarily distort competition between transmission and distribution connected generation. As a result, only those solutions which do not set a target better facilitate this objective.

ACO(b): Neutral

ACO(c): Neutral

ACO(d): Neutral

ACO(e): Those solutions which introduce TNUoS adjustments in respect of non-TNUoS charges (i.e. constraint costs and BSC charges) introduce greater complexity and so are detrimental to this objective. However, if the Authority's legal interpretation is that those adjustments are required, then this additional complexity will be necessary. Similarly, options which introduce a complex definition of Assets Required for Connection introduce greater complexity, but which may be necessary if the Authority's legal view is that a complex definition is required.

Panel Member: Paul Mott

	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Better facilitates ACO (d)?	Better facilitates ACO (e)?	Overall (Y/N)
Original	No	Neutral	Neutral	No	Neutral	No
WACM1	No	Neutral	Neutral	No	Neutral	No
WACM2	No	Neutral	Neutral	No	Neutral	No
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WACM12	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM13	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM14	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM15	Yes	Neutral	Neutral	Yes	Neutral	Yes
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WACM17	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM18	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM19	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM20	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM21	No	Neutral	Neutral	No	Neutral	No

WACM22	No	Neutral	Neutral	No	Neutral	No
WACM23	No	Neutral	Neutral	No	Neutral	No
WACM24	No	Neutral	Neutral	No	Neutral	No
WACM25	No	Neutral	Neutral	No	Neutral	No
WACM26	No	Neutral	Neutral	No	Neutral	No
WACM27	No	Neutral	Neutral	No	Neutral	No
WACM28	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM29	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM30	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM31	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM32	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM33	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM34	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM35	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM36	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM37	No	Neutral	Neutral	No	Neutral	No
WACM38	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM39	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM40	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM41	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM42	No	Neutral	Neutral	No	Neutral	No
WACM43	No	Neutral	Neutral	No	Neutral	No
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WACM45	No	Neutral	Neutral	No	Neutral	No
WACM46	No	Neutral	Neutral	No	Neutral	No
WACM47	No	Neutral	Neutral	No	Neutral	No
WACM48	No	Neutral	Neutral	No	Neutral	No

WACM49	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM50	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM51	No	Neutral	Neutral	No	Neutral	No
WACM52	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM53	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM54	Yes	Neutral	Neutral	Yes	Neutral	Yes
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WACM58	No	Neutral	Neutral	No	Neutral	No
WACM59	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM60	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM61	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM62	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM63	No	Neutral	Neutral	No	Neutral	No
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WACM66	No	Neutral	Neutral	No	Neutral	No
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WACM68	No	Neutral	Neutral	No	Neutral	No
WACM69	No	Neutral	Neutral	No	Neutral	No
WACM70	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM71	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM72	No	Neutral	Neutral	No	Neutral	No
WACM73	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM74	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM75	Yes	Neutral	Neutral	Yes	Neutral	Yes

WACM76	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM77	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM78	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM79	No	Neutral	Neutral	No	Neutral	No
WACM80	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM81	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM82	Yes	Neutral	Neutral	Yes	Neutral	Yes
WACM83	Yes	Neutral	Neutral	Yes	Neutral	Yes

Voting Statement

I am unable to exactly give my reasons for each of the 84 packages and combinations on offer. That would be a very long and boring essay. I can offer some general comments:

Reducing the TGR to zero in principle better promotes competition, by removing differences between transmission and distribution connected generators. The review of access and forward looking charges is going to achieve the exact same thing irrespective of CMP327 if it moves to charging generation TNUoS to distribution connected generators of >1 MW, as recently suggested. However, that is not baseline, and neither is the proposal to change to a generation-weighted reference node, which could remove differences between transmission and distribution connected generators in a more sustainable way, as no European adjustment charge, similar to the former TGR, should then ever be needed (it could achieve this operating alongside almost any a variant of CMP327, also). One must properly assess CMP327 against baseline :

Variants based on definitions of 'assets required for connection' that would result in the exclusion of shared and pre-existing local assets from the compliance calculation with respect to the limiting Regulation EC838/2010 are at risk of not giving the correct treatment, considering what was decided in the CMA appeal re: past CUSC mod CMP261. Variants that would exclude all local circuit charges and all local sub-station charges from the compliance calculation with respect to the limiting Regulation EC838/2010 risk being worse than baseline against a and d. Perhaps a better definition of assets required for connection (excluded) is all local circuits & local substations except for pre-existing assets and shared assets.

There is perhaps some merit in targeting €1.25/MWh, as per for example WACM83 which looks as though it may be the best, as then there is no need for a compliance assurance error margin in setting the ex-ante tariffs.

The aim of EC838/2010 was as a harmonising regulation, and CMP327 original risks causing a step increase in generation class TNUoS charges that takes the class average TNUoS charges paid by GB generators further away from the typical/average approach paid by generators on the continent/Eire. Since interconnectors don't pay TNUoS, such a change risks impeding fair competition between British and continental, via-interconnection, generators accessing the GB market. It is for this reason that there

could be said to be merit in targeting €0.25/MWh or €0.50/MWh.

In WACMs targeting €0/MWh, it is hard to see how they can set ex-ante tariffs without a compliance margin.

There is a strong case for having some options with phasing before Ofgem, as phasing has merit in the case of a step change at short notice; it was used for CMP264/5, for instance, to excellent effect

I have read the material around BSC costs, and the citation from a recent Ofgem decision that stated fairly clearly that they are system costs. This is not a very material matter.

I have read with care the material in the report about congestion costs and the inconsistent definitions in a 2009 and 2019 document, and the different interpretations put upon that by different WG members as to where emphasis should now lie given that one was existent at the time of drafting EC838/2010 and one wasn't. I found it hard to decide for sure who is right.

Vote 2 – Which option is the best?

Panel Member	BEST Option?
Andy Pace	WACM7
Cem Suleyman	WACM76
Garth Graham	WACM72
Grace March	WACM79
Jon Wisdom	WACM1
Joseph Dunn	WACM79
Mark Duffield	WACM29
Andrew Enzor	WACM7
Paul Mott	WACM83