

CUSC Code Administrator Consultation Response Proforma**CMP333: BSUoS – charging Supplier Users on gross demand (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 May 2020**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Panel.

If you have any queries on the content of this consultation, please contact Christine.brown1@nationalgrideso.com or cusc.team@nationalgrideso.com.

Respondent details	Please enter your details
Respondent name:	Lindsay Biginton
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For reference the applicable CUSC objectives are:

- 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;*
- 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 licence condition C26 requirements of a connect and manage connection);*
- 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;*
- 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 Licence under Standard Condition C10, paragraph 1 *; and*
- Promoting efficiency in the implementation and administration of the CUSC arrangements.*

**Objective (d) 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 in the right-hand side of the table below, including your rationale.

Standard Workgroup Consultation questions		
1	Do you believe that the CMP333 Original Proposal better facilitates the Applicable CUSC Objectives?	Yes, we believe the Original Proposal to better facilitate the applicable CUSC objectives.
2	Do you support the proposed implementation approach?	We cannot support the proposed implementation approach at this time without commitment that the Price Cap will be amended to not result in a detriment to Suppliers.
3	Do you have any other comments?	<p>Whilst we believe the Original Proposal to better facilitate the applicable CUSC objectives, we understand that this Modification would disadvantage Suppliers, due to the way BSUoS is calculated under the currently enforced Price Caps. To correct this, the energy losses used for the BSUoS charge in the methodology for the (three) Price Caps should be corrected (increased) to reflect the change in units of energy on which we shall be charged BSUoS.</p> <p>The Price Caps are regularly reviewed and new levels implemented each April and October, Without an amendment to the Price Cap methodology in advance if the implementation date of this Modification, then there would be a period whereby the allowance for BSUoS decreases by more than any decrease in costs to Suppliers; the BSUoS rate will be indexed down, but the increased number of units on which it is charged will not be accounted for.</p>