

CUSC Code Administrator Consultation Response Proforma**CMP343 & CMP340 - Transmission Demand Bandings and allocation (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 **22 September 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 paul.j.mullen@nationalgrideso.com or cusc.team@nationalgrideso.com.

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

CMP343**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 licence 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 Licence under Standard Condition C10, paragraph 1 *; and*
- e. *Promoting efficiency in the implementation and administration of the use of system charging methodology.*

**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).*

CMP340

For reference the applicable CUSC non-charging objectives are:

- 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 in the right-hand side of the table below, including your rationale.

CMP343 - Standard Code Administrator Consultation questions		
1	Do you believe that the CMP343 Original solution, WACM1, WACM2, WACM3, WACM4, WACM5, WACM6, WACM7, WACM8 or WACM9 better facilitates the Applicable CUSC Charging Objectives?	<p>Yes.</p> <p>We believe the CMP343 Original solution better facilitates the Applicable CUSC Charging Objectives compared to any of the Alternates.</p> <p>ACO (a) because it promotes effective competition by ensuring that customers will no longer be able to avoid the costs of residual transmission charges.</p> <p>ACO (b) - that compliance with the use of system charging methodology results in charges which reflect the costs incurred by transmission licensees in their transmission businesses.</p> <p>ACO (c) - the ESO has been directed to raise this modification and implement it by the Authority.</p> <p>In addition, we do not believe that any of the proposed alternative solutions better facilitate the ACOs than the Original.</p> <p>WACM:1/2/7/8/9 – not supportive, potential for distortions and to create an unintended signal to market participants to reconfigure assets to benefit from cheaper Annual Tariffs – not in line with ACO (a) as would not promote effective competition.</p>

		<p>There would be potential benefits with having multiple bands from a cost-reflective perspective but we believe this should be examined in a separate modification.</p> <p>WACM: 3/4/5 - If flooring not applied, there would be an incentive for Demand Users to consume at peak periods which is not the intention of the ongoing Access and Forward Looking Charges Review.</p> <p>WACM 6 – The Original Proposal is better as we believe it to be a robust and less complex solution.</p>
2	Do you support the proposed implementation approach for CMP343?	<p>Whilst we support this approach in general, we do have concerns regarding implementing the TCR in April 2022.</p> <p>Given the unforeseen and ongoing impacts of COVID-19 we know that our business customers will find it difficult to manage TCR implications within these timescales and would therefore strongly recommend a TCR implementation date of April 2023.</p>
3	Do you have any other comments for CMP343?	No.

CMP340 - Standard Code Administrator Consultation questions

1	Do you believe that the CMP340 Original solution, WACM1 or WACM2 better facilitates the Applicable CUSC Objectives?	<p>Yes.</p> <p>We support the CMP340 Original solution.</p> <p>Under this Original solution, Applicable non-charging CUSC Objectives a) and d) are better facilitated as this modification adds/amends the necessary definitions into the CUSC.</p>
2	Do you support the proposed implementation approach for CMP340?	<p>Whilst we support this approach in general, we do have concerns regarding implementing the TCR in April 2022.</p> <p>Given the unforeseen and ongoing impacts of COVID-19 we know that our business customers will find it difficult to manage TCR implications within these timescales and would therefore</p>

		strongly recommend a TCR implementation date of April 2023.
3	Do you have any other comments for CMP340?	No.