

Code Administrator Consultation Response Proforma

CMP360: Aligning Section 14 of the CUSC 'Balancing Services Use of System Charging Methodology' to the licence changes introduced by RII0-2 in respect of the 'System Operator Revenue Restriction'

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 **19 February 2021**. 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.j.mullen@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Jason Harkay
Company name:	Utilita Energy Limited
Email address:	jasonharkay@utilita.co.uk
Phone number:	Click or tap here to enter text.

For reference the Applicable CUSC (charging) 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 *; and*
- Promoting efficiency in the implementation and administration of the 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).*

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 CMP360 Original Proposal better facilitates the Applicable Objectives?	Yes, Utilita believes the Original Proposal facilitates the Applicable CUSC Objectives better than the baseline, specifically with regards to objectives (c) and (e) by efficiently updating the charging methodologies to reflect the changes for RIIO-2 arrangements.
2	Do you support the proposed implementation approach?	<p>No. Whilst Utilita supports the Original Proposal better facilitating the Applicable CUSC Objectives, we cannot support the proposed implementation approach at this time without commitment that the Price Cap will reflect the alterations and not have a detrimental effect on Suppliers.</p> <p>We believe CMP360 will disadvantage Suppliers; due to the way we understand BSUoS to be calculated under currently enforced/proposed Price Caps. We'd ask for any amendments to be properly reflected in the Price Cap methodology in line with the implementation date of CMP360.</p> <p>This is of concern given the present trend of increasing BSUoS prices.</p>
3	Do you have any other comments?	No.