

# TNUoS and BSUoS CVA Facility Declarations

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Of Relevance To: Operators facilities with 'non-final' demand

## Background

Since May 2020, Ofgem have approved a number of CUSC modifications (CMP281<sup>1</sup>, CMP319<sup>2</sup> and CMP334<sup>3</sup>) which required the creation of a 'declaration process' to remove certain types of site from BSUoS charges and/or TNUoS residual charges.

The CMP281 solution (in conjunction with CMP319) introduces a methodology into the CUSC to remove BSUoS charges from imported volumes to eligible storage facilities. This is achieved via a self-declaration by the Storage Facility Operator to ensure exemption from paying BSUoS on their imported volumes.

CMP334 was raised after Ofgem's decision on the Targeted Charging Review and was approved in December 2020. This modification created the definition of a 'Final Demand Site' who would be liable for TNUoS demand residual charges; 'Non-Final Demand Sites' were also able to avoid these if they submitted a declaration.

This guidance note explains how to submit a declaration to NGESO and what happens following submission of a declaration.

## What is a 'Non-Final Demand Site', what is 'Final Demand' and why does this matter?

Full definitions can be found in CUSC Section 11<sup>4</sup>, however in summary a 'Non-Final Demand Site' is a facility which either;

- a) undertakes electricity generation and/or storage, or
- b) only provides 'Eligible Services' to National Grid ESO.

This means that Storage is a type of 'Non-Final Demand'. 'Final Demand' is defined as "electricity which is consumed other than for the purposes of generation or export onto the electricity network". If your site contains any Final Demand, it will be liable for TNUoS and BSUoS; it is assumed all sites contain Final Demand (and so liable for charges) unless a declaration is provided.

## My site has a combination of Non-Final and Final Demand, how does this affect things?

A site that has any Final Demand will be liable for TNUoS and BSUoS charges, however a declaration can be provided to remove any Non-Final Demand from these charges. As an example, if a site has 80 units of Final Demand and 20 units of Non-Final Demand, a declaration can be provided so that charges are based on the 80 units of Final Demand only rather than the 100 unit total - if suitable metering exists.

**Commented [A1]:** To be refreshed when CMP308 and CMP363/4 are decided.

**Commented [A2]:** What other questions/info needs to be added?

**Commented [A3R2]:** How are TNUoS charges calculated (inc banding, allocation to bands, calcs of tariffs) – point to separate specific guidance?

**Commented [A4R2]:** How are BSUoS charges calculated? – Point to separate specific guidance

<sup>1</sup> <https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-ol/modifications/cmp280-creation>

<sup>2</sup> <https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-ol/modifications/cmp319>

<sup>3</sup> <https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-ol/modifications/cmp334>

<sup>4</sup> <https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc/code-documents>

For this to apply, the Final Demand and Non-Final Demand must be separately identifiable by metering (any combined Final and Non-Final Demand will be treated as Final Demand and subject to BSUoS and TNUoS) with the declaration clearly showing which meters monitor Final or Non-Final Demand.

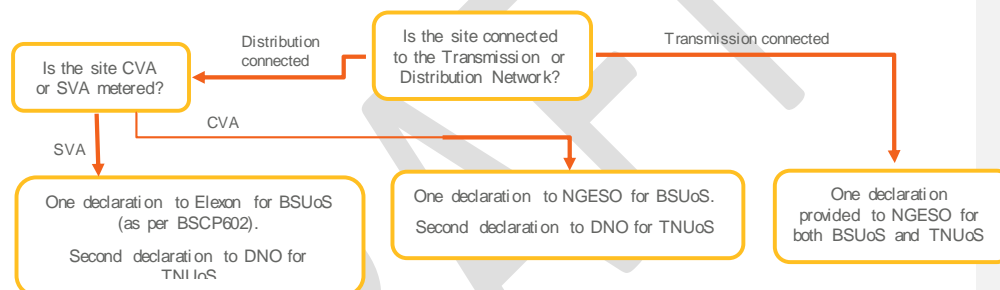
For transmission connected and CVA registered distribution connected sites, the metering specification required will be based upon [Settlement Metering standards as documented in the Balancing and Settlement Code Codes of Practice for metering/Operational Metering standards as documented in Appendix F5 of your Bilateral Connection Agreement](#). For SVA registered distribution connected sites, [update when DCP388 is clearer](#).

## My site is a dedicated generator/storage facility, do I have to provide a declaration?

Whilst provision of a declaration is optional, without one your site will be assumed to contain Final Demand and so be liable for BSUoS and TNUoS charges.

## How do I provide a declaration?

The declarations that need to be provided vary by what network the site is connected to and how it is metered. The below chart provides a summary with detail provided below;



### SVA metered facilities

For Supplier Volume Allocation (SVA) metered facilities, two declarations need to be submitted by you or on your behalf by your Supplier.

For BSUoS, the declaration is submitted to ELEXON under BSCP602. ELEXON then adjusts the volume data to remove import volumes and submits this to the ESO which uses the data to calculate Suppliers' BSUoS charges. More information about how to submit a storage declaration on behalf of an SVA metered storage facility can be found on ELEXON's website [here](#).

For TNUoS, the declaration is submitted to the relevant Distribution Network Operator (DNO). The DNO will then update their systems to reflect this in DUoS billing and the data they submit to National Grid ESO, which is used as the basis for TNUoS billing. More information about how to submit a declaration to a DNO can be found in Section 5 of DCUSA Schedule 32 for existing sites or as part of the connections process for new sites.

### CVA metered facilities

For transmission connected Central Volume Allocation (CVA) metered facilities, a single declaration needs to be submitted directly to the ESO by the site registrant or the site's Supplier. The annex of this document contains a declaration template that can be used to confirm the facility meets the definition of a "Non-Final Demand Site" as defined in Section 11 of the CUSC and must be signed by a company director. A template to submit further information about the Balancing Mechanism Unit/s (BMU) to which the declaration pertains is also in the annex. Completed declarations with associated annexes must be returned to NGESO to the following email addresses [BSUoS.queries@nationalgrideso.com](mailto:BSUoS.queries@nationalgrideso.com) and [TNUoS.Queries@nationalgrideso.com](mailto:TNUoS.Queries@nationalgrideso.com).

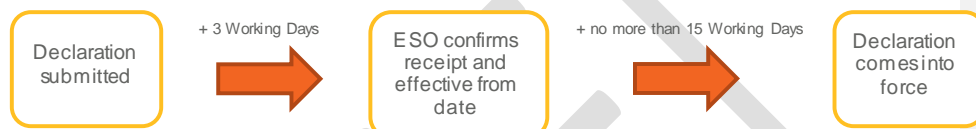
For distribution connected Central Volume Allocation (CVA) metered facilities, two declarations are needed, one for BSUoS and another for TNUoS. For BSUoS, the process described above for transmission connected CVA sites can be followed. For TNUoS, please submit a declaration to the relevant DNO using the same process as SVA sites (described above).

### How long are declarations valid for?

Declarations (once deemed to be effective) are valid in perpetuity, however it is the responsibility of the site to inform parties if the site configuration changes in such a way that the declaration is no longer accurate. If this should happen, a new declaration is to be provided using the same processes described above. Any inaccurate declarations will be deemed to be invalid and TNUoS and/or BSUoS charges will be applied.

### What happens next?

Following receipt of a declaration by the ESO revenue team, they will respond within 3 working days with an acknowledgement of receipt and an effective from date after which the declaration will come into force. Note that NGENSO reserves the right to determine the validity of a CVA Declaration submitted to it in accordance with Section 11 of the CUSC.



## CVA Declaration Template

[Insert company name]

[Insert company address]

For the Attention of: NGESO

[BSUoS.queries@nationalgrideso.com](mailto:BSUoS.queries@nationalgrideso.com)

[TNUoS.queries@nationalgrideso.com](mailto:TNUoS.queries@nationalgrideso.com)

[Insert date]

### **Director's declaration of Non-Final Demand Facility(ies)**

Dear NGESO Revenue Team,

I [insert full name], being a director of [insert your company name] (company number [insert company number]), hereby declare that, having made all due and careful enquiries, the information contained in this declaration is true, complete and accurate in all material respects and is not misleading by reference to the facts and circumstances at the date of this declaration. I acknowledge that any misleading or untrue information contained within the declaration may constitute a breach of the Connection and Use of System Code. Capitalised terms used in this declaration have the meaning given to them in the Balancing and Settlement Code and/or the Connection and Use of System Code unless stated otherwise.

I declare that as of [insert date] the CVA Non-Final Demand Site[s] identified in the annex to this letter [comply with the criteria/will cease to comply with the criteria/ceased to comply with the criteria] in Section 11 and Section 14 of the Connection and Use of System Code. In particular that each CVA Non-Final Demand Site to which this declaration relates:

- i. performs Electricity Generation [and/or] Electricity Storage [and/or] an Eligible Service (as defined in the Connection and Use of System Code);
- ii. is operated by [insert your company name] (Facility Operator);
- iii. has its imports and exports measured only by Half Hourly Metering Systems which are registered in the Central Meter Registration Service (CMRS), and as a BM Unit within the Central Registration Service (CRS); and
- iv. comprises plant and apparatus registered as part of a BM Unit or BM Units which are listed within a Bilateral Connection Agreement or Bilateral Embedded Generation Agreement.
- v. has correctly identified if Final Demand is present at the Site and how to identify this Final Demand with metering.

I declare that any material changes to the operation, configuration or measurement of electricity to or from any CVA Non-Final Demand Site identified in the annex to this letter will be notified to you as soon as reasonably practicable.

This director's declaration is governed by and construed in accordance with English Law.

Yours sincerely,

[Insert Director's Signature]

[Insert full name]

For and on behalf of: [Insert company name]

Annex 1: BMU specific information about your CVA Storage Facility  
[to be completed and returned to NGESO]

Row No.	Site Name	Site Address	BMU IDs and meters registered at address	Tech Type	Transmission connected	Declaration ID (where known)	Does the site contain any Final Demand?
<b>Description</b>	<i>Unique name for the site</i>	<i>Address that identifies the geographical location of the site, rather than its administrative address, if different)</i>	<i>The Balancing Mechanism Unit (BMU) ID(s) for the CVA site (e.g T_XXXX)</i>	<i>Short description of the technology employed at the site</i>	<i>Is the site connected to the National Electricity Transmission System? Delete as appropriate</i>	<i>Unique ID determined by NGESO following the initial declaration of a facility. This field should only be filled in when updating or ceasing an existing declaration</i>	<i>Does the site consume any energy for purposes other than Electricity Storage, Electricity Generation or provision of an Eligible Service. Delete as appropriate. If yes, please also complete Annex 2 for this site;</i>
<b>Example</b>	Acacia Avenue Energy Park	1 Acacia Avenue, Testington, AB12 3CD	T_ACCAV-1 T_ACCAV-2 T_ACCAV-D	Factory with Wind generation and Battery Storage	Yes	ABC123	Yes
<b>1</b>					Yes / No		Yes / No
<b>2</b>					Yes / No		Yes / No
<b>3</b>					Yes / No		Yes / No
<b>...</b>					Yes / No		Yes / No
<b>n</b>					Yes / No		Yes / No

Annex 2: Additional data for sites with Final Demand and Non-Final Demand.  
[to be completed and returned to NGESO]

Row No.	Site Name	Direct or Difference Metering	Final Demand description	Final Demand calculation	Diagram
<b>Description from Annex 1</b>	<i>Unique name for the site</i>	<i>Please confirm if the Final Demand at the site is to be identified with direct metering, difference or a combination of both</i>	<i>Please describe what the Final Demand exists at the site</i>	<i>Please explain how to calculate the volume of Final Demand at the site.</i>	<p><i>Please provide a Single Line Diagram (SLD) that clearly shows;</i></p> <ol style="list-style-type: none"> <li><i>the configuration of the site and the ownership boundary</i></li> <li><i>The location of any Final Demand</i></li> <li><i>The location and name of meters and BMUs.</i></li> </ol> <p><i>This can be drawn below or attached separately.</i></p>
<b>Example</b>	Acacia Avenue Storage Facility	Direct metering only	Connection of a factory located at the site	T_ACCAV-D only. No addition or subtraction of metering is required.	
<b>1</b>					
<b>2</b>					
<b>3</b>					
<b>...</b>					
<b>n</b>					