

CMP272

‘Aligning Condition C5 and C10 of the CUSC to the licence changes introduced by the Code Governance Review Phase 3’



CUSC Panel – 24 February 2017
John Martin- Code Governance Team

Background

- CMP272 has been raised by National Grid to implement the licence changes to the CUSC arising from Ofgem's Code Governance Review (Phase 3).
- It is proposed that the changes to licence conditions C5 and C10 be implemented in the CUSC. The legal text changes have been developed by National Grid's legal departments following discussions with their Ofgem counterparts.
- It is proposed that CMP272 is implementation by 14 March 2017.

Workgroup Consultation/potential WACMs

- Two responses were received to the Consultation and were considered by the Workgroup
- The Workgroup reviewed all responses to the Workgroup consultation and noted that both responses supported the Original Proposal and the typographical/clarification amendments
- No potential WACMs were proposed

Workgroup Vote

- The three Workgroup members all voted that the updated Original Proposal better facilitated the applicable CUSC objectives than the baseline

Evidence of Terms of Reference

Issue to be addressed by the Workgroup	Evidence
a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission License;	No alternative WACMs proposed
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;	n/a
c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency; and	Considered by the Workgroup and legal text reviewed to ensure compliance
d) Promoting efficiency in the implementation and administration of the system charging methodology.	No alternative WACMs proposed

Proposed CUSC Modification

- This Proposal seeks to amend:
 - Changes to Section 8 – CUSC Modification
 - Changes to Section 11 – Interpretations and Definitions

Code Administrator Conclusions

- **Two** responses were received to the Code Administrator Consultation.
- The **two** respondents supported the amended Original Proposal.

Questions before Panel Vote?



Panel Recommendation Vote – CUSC Applicable Objectives

- (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 under Standard Condition C10, paragraph 1.).

Proposed Timetable

17 February 2017	Draft FMR published for industry comment (2 Working days)
21 February 2017	Deadline for comments
21 February 2017	Draft FMR circulated to Panel
24 February 2017	CUSC Panel Recommendation vote
24 February 2017	FMR circulated for Panel comment (2 Working days)
28 February 2017	Deadline for Panel comment
28 February 2017	Final report sent to Authority for decision
07 March 2017	Indicative Authority Decision due (5 Working days)
14 March 2017	Implementation date (5 Working days later)