

CUSC Panel

Thursday 10 March 2022

Online Meeting via Teams

WELCOME



nationalgridESO

Draft Final Modification Reports

CMP383: Updating recovery of CMP381 deferred costs from 1 April 2022

Paul Mullen

CMP383 Background

- To enable the ESO to recover the costs deferred under CMP381, a licence change is required. This will not be in place for 1 April 2022. Therefore **CMP383** seeks to change the recovery of CMP381 costs, to when the new licence comes into effect until 31 March 2023.
- The Panel met on 9 February 2022 and agreed that **CMP383** goes straight to Code Administrator Consultation. They also considered the associated request for urgency. The unanimous view of the CUSC Panel was that CMP383 met Ofgem's Urgency criteria and Ofgem granted Urgency on 11 February 2022.
- Code Administrator Consultation ran from 14 February 2022 to 5pm on 28 February 2022
 - 3 non-confidential responses received, which all supported the change and implementation approach.

CMP383 Timeline

Milestone	Date
Final Modification Report issued to Panel to check votes recorded correctly	11 March 2022
Final Modification Report issued to Ofgem	14 March 2022
Ofgem decision	By 31 March 2022
Implementation Date	The working day following the ESO licence change coming into effect, allowing recovery of CMP381

CMP383 - the asks of Panel

- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?
- **VOTE** whether or not to recommend implementation
 - *Does the CMP381 Original proposal better facilitate the objectives than the current CUSC arrangements?*
- **NOTE** next steps

EBR Article 3 Objectives

For reference, the Electricity Balancing Regulation (EBR) Article 3 (Objectives and regulatory aspects) are:

1. This Regulation aims at:
 - (a) Fostering effective competition, non-discrimination and transparency in balancing markets;
 - (b) enhancing efficiency of balancing as well as efficiency of national balancing markets;
 - (c) integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;
 - (d) contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;
 - (e) ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;
 - (f) facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;
 - (g) facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.

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