

CUSC WORKGROUP CONSULTATION ALTERNATIVE REQUEST FORM

Please send your completed form along with your completed Workgroup Consultation Response to cusc.team@nationalgrid.com by 31 January 2019.

Please note that any responses received after the deadline may not receive due consideration by the Workgroup.

Respondent Name and contact details	Tim Collins, tim.collins@simec.com , +44 (0)7718 490977
CMP288 'Explicit charging arrangements for customer delays and backfeeds' and CMP289 'Consequential change to support the introduction of explicit Charging arrangements for customer delays and backfeeds via CMP288'	
Capacity in which the WG Consultation Alternative Request is being raised : (i.e. CUSC Party, BSC Party or "National Consumer Council ")	CUSC Party
Description of the Proposal for the Workgroup to consider <i>(mandatory by proposer):</i> We request that the CMP288/289 Workgroup develops a WACM proposal that CMP288/289 only applies to connection agreements entered into after the [April 2020] implementation date and not to connection agreements entered into prior to the [April 2020] implementation date.	
Description of the difference(s) between your proposal compared to Original / Workgroup Alternative(s) <i>(mandatory by proposer):</i> The CMP288/289 original proposal would seemingly apply to connection agreements that pre-date the [April 2020] implementation date, although we note from Part 9 of the workgroup consultation that a "forward looking only" application of CMP288/289 was discussed. Our WACM proposal would only apply to connection agreements entered into after the [April 2020] implementation date and not to connection agreements entered into prior to the [April 2020] implementation date. In that respect, it differs from the original.	

Justification for the proposal (*including why the Original proposal / Workgroup Alternative(s) does not address the defect*) (mandatory by proposer):

We believe the additional risks on developers arising from CMP 288/289 will have a deterrent effect on new generation projects generally and could increase project hurdle rates. We therefore believe it is contrary to CUSC objective (b), promoting effective competition in generation.

The negative effects of CMP288/289 would be reduced if it only applied to connection agreements entered into after the [April 2020] implementation date. Whilst the additional risks arising from CMP288/289 will still have negative consequences for the uptake of future generation projects and therefore effective competition in generation (CUSC objective (b)), future developers will at least be aware of the risks posed by CMP288/289 and can factor them into their project before deciding whether to proceed. By contrast, developers whose connection agreements pre-dated CMP288/289 would be faced with a sizeable new risk they did not know about and could not have reasonably anticipated when they entered into their agreements. Retrospective application of CMP288/289 would have additional negative consequences for the perceived stability and predictability of the GB connection regime, reinforcing the negative impacts on CUSC objective (b). For this reason, a WACM is needed that ensures CMP288/289 only applies to connection agreements entered into after the [April 2020] implementation date.

Impact on the CUSC (*this should be given where possible*):

Some variation to the CMP288/289 legal text is presumed necessary to reflect the proposed WACM.

Impact on Core Industry Documentation (*this should be given where possible*):

Some variation to any CMP288/289 guidance documents may be necessary to reflect the proposed WACM in the event it was approved by Ofgem.

Impact on Computer Systems and Processes used by CUSC Parties (*this should be given where possible*):

No comment.

Justification for the proposal with Reference to Applicable CUSC Objectives* (*mandatory by proposer*):

The negative effects of CMP288/289 would be reduced if it only applied to connection agreements entered into after the [April 2020] implementation date. Whilst the additional risks arising from CMP288/289 will still have negative consequences for the uptake of future generation projects and therefore effective competition in generation (CUSC objective (b)), future developers will at least be aware of the risks posed by CMP288/289 and can factor them into their project before deciding whether to proceed. By contrast, developers whose connection agreements pre-dated CMP288/289 would be faced with a sizeable new risk they did not know about and could not have reasonably anticipated when they entered into their agreements. Retrospective application of CMP288/289 would have additional negative consequences for the perceived stability and predictability of the GB connection regime, reinforcing the negative impacts on CUSC objective (b). For this reason, a

WACM is needed that ensures CMP288/289 only applies to connection agreements entered into after the [April 2020] implementation date.

Attachments (Yes/No):
If Yes, Title and No. of pages of each
Attachment:

No.

Notes:

1. Applicable CUSC Objectives* - These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1. Reference should be made to this section when considering a proposed Modification.