

Workgroup Consultation Response Proforma**CMP288/289: Explicit charging arrangements for customer delays and backfeeds (CMP288) and consequential change (CMP289)**

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 27 April 2022**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact Jennie Groome Jennifer.Groome@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Dan Thomas
Company name:	Banks Renewables Limited
Email address:	Dan.thomas@banksgroup.co.uk
Phone number:	07720348078

I wish my response to be:

(Please mark the relevant box)

☒ Non-Confidential☐ Confidential

Note: A confidential response will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

For reference the Applicable CUSC (non-charging) Objectives are:

- The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;*
- 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;*
- 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 CUSC arrangements.*

**Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).*

For reference the Applicable CUSC (charging) Objectives are:

- a. *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;*
- b. *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);*
- c. *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;*
- d. *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and*
- e. *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 - CMP288		
1	Do you believe that the Original Proposal better facilitates the Applicable Objectives?	Mark the Objectives which you believe the Original solution better facilitates: Original <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E We are not convinced it better facilitates any of the objectives. Please see my entries below.
2	Do you support the proposed implementation approach?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 10 days seems very soon, I think this should be planned in.
3	Do you have any other comments?	See comments below that may be more relevant here.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input type="checkbox"/> Yes <input type="checkbox"/> No Is there room to consider a balanced approach ?

Specific Workgroup Consultation questions – CMP288/289

1	<p>Are there other supporting commercial processes (either codified or not) which could impact successfully applying delay charges/backfeed charges which the Workgroup have not considered? Please explain how CMP288 may impact them.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Transmission connected generation projects are often delayed by TO works being delayed due to consenting, planning or other issues just as the generation projects can also be delayed. Development is not easy There is no comeback for transmission connecting parties for TO delivery delays so this arrangement is imbalanced and unfair. We would much prefer to see a balanced approach.</p> <p>We have found getting detail on costs from TOs very difficult so we must ensure any methodology is transparent properly auditable and justifiable.</p> <p>In relation to the types of costs that should be recovered it should be limited to point i) only from the list in the consultation document, the others are business risks that the TO should hold and should not be able to be recovered.</p> <p>i Incremental project capital or non-capital costs: additional one-off costs that occur as a direct result of the customer request (e.g. site demobilisation and remobilisation costs);</p> <p>ii ii) Financing costs – additional costs required in financing spend for additional years due to works being undertaken earlier than they would, should the request not be made.</p> <p>iii iii) Onshore TO price control performance costs (e.g. business plan deviations for any delays to delivering planned outputs).</p>
2	<p>Do you have any comments in respect of the options set out for Shared Works?</p>	<p>We need to be really careful here. Delay risks on large reinforcements could be significant for smaller projects. The MW portion approach seems appropriate as per the SIF.</p>
3	<p>Do you think the CMP289 modification is required? If so, please provide your justification.</p> <p><i>If you think CMP289 is required, please continue to answer the CMP289 Workgroup</i></p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>No comment</p>

	<i>consultation questions.</i>	
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Standard Workgroup Consultation questions – CMP289								
1	Do you believe that the Original Proposal and WACM1/WAGCM1 better facilitates the Applicable Objectives?	Mark the Objectives which you believe the Original solution better facilitates: <table border="1"> <tr> <td>Original</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> <td><input type="checkbox"/>E</td> </tr> </table> No comment	Original	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	<input type="checkbox"/> E
Original	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	<input type="checkbox"/> E			
2	Do you support the proposed implementation approach?	<input type="checkbox"/> Yes <input type="checkbox"/> No As above						
3	Do you have any other comments?	See above						
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Click or tap here to enter text.						