

CUSC Modification Proposal Form

CMP397: Consequential changes required to CUSC Exhibits B&D to reflect CMP316 (Co- located Generation Sites)

Overview: CMP316 makes changes to Section 14 of the CUSC. CMP397 facilitates CMP316 and proposes consequential changes to CUSC Exhibits B & D

Modification process & timetable

1	Proposal Form 15 September 2022
2	Workgroup Consultation N/A
3	Workgroup Report N/A
4	Code Administrator Consultation 04 October 2022 - 25 October 2022
5	Draft Final Modification Report 17 November 2022
6	Final Modification Report 29 November 2022
7	Implementation 01 April 2024

Status summary: The Proposer has raised a modification and is seeking a decision from the Panel on the governance route to be taken.

This modification is expected to have a: Low impact

to Co-located Generators and ESO

Proposer's recommendation of governance route	Standard Governance modification to proceed to Code Administrator Consultation	
Who can I talk to about the change?	Proposer: Nicola White nicola.white@nationalgrideso.com +447977 021708	Code Administrator Contact: Paul Mullen Paul.j.mullen@nationalgrideso.com Phone: 07794537028

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What is the issue?

CMP316 was raised by the ESO on 16 April 2019 to change Section 14 of the CUSC to update the TNUoS charging methodology for co-located generation sites. To facilitate and ensure consistency with the changes proposed by the CMP316 solution, consequential changes to CUSC Exhibits B & D are also required with the changes proposed by CMP316 solution.

Why change?

This modification has been raised to ensure the required changes to the CUSC Exhibits B & D are made, should CMP316 be approved by the Authority.

What is the proposer's solution?

CMP316 proposes to add a new formula, within Section 14 of the CUSC to the TNUoS methodology to calculate wider locational charges proportionally by technology type to the Power Station's Transmission Entry Capacity (TEC) using Maximum Capacity (as defined in the Grid Code) for each technology type Balancing Mechanism Unit (BMU) – the aim being to further improve cost reflectivity in charges.

Should CMP316 be approved, CMP397 has been raised to address the necessary changes, (outside of Section 14 of the CUSC), by requiring a change to the information to be collected (Maximum Capacity by technology/BMU) through the Connection process. Therefore, CMP397 proposes that the request for provision of Maximum Capacity by technology type to be included within CUSC Exhibit B and CUSC Exhibit D.

Legal Text

See Annex 1

What is the impact of this change?

Proposer's assessment against CUSC Non-Charging Objectives

Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;	Neutral
(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;	Positive Implementation of CMP316, and subsequently CMP397, solution is expected to remove perceived distortions in TNUoS charging for generators and so help facilitate

	<p>competition in the generation sector.</p> <p>CMP316 and CMP397 will ensure multi-fuel sites are charged more cost-reflectively, based on their fuel/technology type and network usage; they will be charged consistently with the principles underpinning generator TNUoS charging. The number of multi-fuel sites is expected to increase and accounting for this in Section 14 and Exhibits ensures the network charging methodology reflects developments in the wider industry. The solution removes ambiguity in charging for co-located sites and clarifies the charging methodology within the CUSC</p>
<p>(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and</p>	<p>Neutral</p>
<p>(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.</p>	<p>Positive</p> <p>As (b)</p>
<p>*The Electricity Regulation referred to in objective (c) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.</p>	

<p>Proposer’s assessment of the impact of the modification on the stakeholder / consumer benefit categories</p>	
<p>Stakeholder / consumer benefit categories</p>	<p>Identified impact</p>
<p>Improved safety and reliability of the system</p>	<p>Neutral</p>
<p>Lower bills than would otherwise be the case</p>	<p>Neutral</p>

Benefits for society as a whole	Neutral
Reduced environmental damage	Neutral
Improved quality of service	Neutral

When will this change take place?

Implementation date

1 April 2024 to align with the implementation date proposed for CMP316 – this will only be implemented if CMP316 is approved.

Date decision required by

1 October 2023 to align with the requested decision date for CMP316

Implementation approach

Connection process requires additional information from the provider as shown in CUSC Exhibits B & D – this will only be implemented if CMP316 is approved.

Proposer's justification for governance route

Governance route: Standard Governance modification to proceed to Code Administrator Consultation

Propose standard governance as this is a consequential change to CMP316 that is itself following a standard governance process.

The Workgroup for CMP316 have thoroughly reviewed the solution required for this issue and CMP397 addresses (small) consequential changes required to CUSC Exhibits B & D only and therefore propose that this can proceed straight to Code Administrator Consultation.

Interactions

- | | | | |
|---|---|--|--------------------------------|
| <input type="checkbox"/> Grid Code | <input type="checkbox"/> BSC | <input type="checkbox"/> STC | <input type="checkbox"/> SQSS |
| <input type="checkbox"/> European Network Codes | <input type="checkbox"/> EBR Article 18 T&Cs ¹ | <input type="checkbox"/> Other modifications | <input type="checkbox"/> Other |

None

¹ If your modification amends any of the clauses mapped out in Exhibit Y to the CUSC, it will change the Terms & Conditions relating to Balancing Service Providers. The modification will need to follow the process set out in Article 18 of the Electricity Balancing Guideline (EBR – EU Regulation 2017/2195) – the main aspect of this is that the modification will need to be consulted on for 1 month in the Code Administrator Consultation phase. N.B. This will also satisfy the requirements of the NCER process.

Acronyms, key terms and reference material

Acronym / key term	Meaning
BCA	Bilateral Connection Agreement
BEGA	Bilateral Embedded Generation Agreement
BMU	Balancing Mechanism Unit
BSC	Balancing and Settlement Code
CMP	CUSC Modification Proposal
CUSC	Connection and Use of System Code
EBR	Electricity Balancing Regulation
ESO	Electricity System Operator
STC	System Operator Transmission Owner Code
SQSS	Security and Quality of Supply Standards
T&Cs	Terms and Conditions
TNUoS	Transmission Network Use of System

Reference material

- Annex 1 – CMP397 Legal Text