

CUSC Alternative Form

CMP330 & CMP374 Alternative Request:

Allowing new Transmission Connected parties to build Connection Assets greater than 2km in Length / Extending contestability for Transmission Connections

Overview:

NGESO have concerns on practicalities of the proposed solution when more than one User is involved.

NGESO are proposing a more simplified solution to remove more than one User, should this occur. If more than one User becomes involved, then the solution should automatically pass to the incumbent TO.

Proposer: Nicky White, NGESO

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What is the proposed alternative solution?

NGESO have concerns on associated practicalities of the proposed solution when more than one User is involved.

NGESO are proposing a more simplified solution to remove more than one User, should this occur. If more than one User becomes involved, then the solution should default automatically to the incumbent TO. For more detail see Implementation Approach below.

All CUSC sections updated by the Original solution will need to be considered.

What is the difference between this and the Original Proposal?

The Original Proposal will allow multiple Users in certain instances which complicates the practicalities of the whole solution. This alternate removes the ambiguity when a 2nd User comes along by providing a default process to progress via the incumbent TO.

What is the impact of this change?

Proposer's Assessment against CUSC Charging Objectives	
Relevant Objective	Identified impact
(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;	Positive The solution increases competition in network development to deliver more cost-effective solutions
(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);	Neutral
(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;	Positive The solution increases competition in network development to deliver more cost-effective solutions

(d) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	Neutral
(e) Promoting efficiency in the implementation and administration of the system charging methodology.	Positive Refinement of the solution for simplicity and the reduced amount of ambiguity, with focus on sole use, provides more confidence on implementation to the market
*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).	

When will this change take place?

Implementation date:

Implementation date will be as the original proposal.

Implementation approach:

The solution is very similar to the original proposal except for the following instances to provide simplicity:

- If a 2nd User signs a connection agreement, then responsibility for delivering any shared assets (assets that are used by both the 1st and 2nd Users) automatically transfers to the incumbent TO. The TO will determine the best way to progress the shared works.
- Assets that are only used by a single User will still be able to be delivered contestably if the User wishes to.
- Dependent upon where in the lifecycle of asset delivery that the 2nd User signs, the TO will determine the best course of delivery. The earlier in delivery, this could be that the TO decides to deliver all shared works 'in house' whilst later in delivery this could be allowing the 1st User to complete works first. The TO will remain responsible for the design for the single and multiple User solutions.
 - o E.g., with 30km Over Head Line, if the 2nd User wished to connect at 20km, then 20km would become shared and delivery determined by the TO. The remaining 10km would remain sole use and could potentially be delivered contestably.
 - o E.g. it does not mean that the 1st User cannot deliver shared works this is to be determined by the TO rather than negotiated between Users and the TO
- This refined solution is more simplistic and avoids complications and uncertainties introduced by the arrival of the 2nd User by defining the default process. This

solution is less ambiguous, and the process can be built without all the additional ‘what ifs’.

Acronyms, key terms and reference material

Acronym / key term	Meaning

Reference material:
None