

Code Administrator Consultation Response Proforma**CMP425: Billing Demand Transmission Residual By Site**

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 29 November 2023**. 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 Ren Walker lurrentia.walker@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Edda Dirks	
Company name:	SSE Generation	
Email address:	Edda.dirks@sse.com	
Phone number:	n/a	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input checked="" type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input checked="" type="checkbox"/> Other

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 (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.*

***The Electricity Regulation referred to in objective (d) 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.*

Please express your views in the right-hand side of the table below, including your rationale.

Standard Code Administrator Consultation questions						
1	Please provide your assessment for the proposed solution against the Applicable Objectives?	Mark the Objectives which you believe the proposed solution better facilitates:				
		<table border="1"> <tr> <td>Original</td> <td><input checked="" type="checkbox"/>A</td> <td><input checked="" type="checkbox"/>B</td> <td><input checked="" type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> <td><input checked="" type="checkbox"/>E</td> </tr> </table> <p>We concur with the Proposer that the Original Proposal better facilitates ACOs (b), (c) and (e), for the reasoning set out in the Code Administrator Consultation (whilst being neutral in terms of (d)).</p> <p>With regards to ACO (a), we accept that this proposal could facilitate effective competition in the supply of electricity but only if suppliers are made fully aware of the customer's arrangements in terms of their private network connection, including the customer's consumption share at the Connection Site, especially at the quoting stage.</p> <p>We note that the Code Administrator Consultation considered that the existing processes of transmission-connected customers tendering for supply contracts provide sufficient transparency to existing and prospective suppliers. On that basis, we consider that ACO (a) is also better facilitated by the Proposal.</p>	Original	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input checked="" type="checkbox"/> C
Original	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input checked="" type="checkbox"/> C	<input type="checkbox"/> D	<input checked="" type="checkbox"/> E	
2	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
		We support the proposed implementation approach and we have no further comments.				

3	Do you have any other comments?	<p>We note the Proposer's rationale underlying their proposal, as per their Workgroup voting statement:</p> <p><i>"It's essential for the UK's economic and sustainability agenda to allow companies such as Nissan to be competitive in their own global markets. The investment as set out in Nissan's EV36Zero announcement, with the addition of a gigafactories to produce EV manufacturing Hub is testament to this."</i></p> <p>We are also mindful that this is relevant in the context of the recent recommendations by the House of Commons Business & Trade Select Committee and their warning:</p> <p><i>"...that the UK faces a huge 'gigafactory gap', with less battery production capacity than needed for the nation's future needs. If not addressed, this could see automotive production in the UK decline, potentially putting hundreds of thousands of associated jobs at risk".</i></p> <p>CMP425, in our view, positively corresponds with both of these points.</p>
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