

## Second Code Administrator Consultation Response Proforma

### CMP316: TNUoS Arrangements for Co-located Generation Sites

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](mailto:cusc.team@nationalgrideso.com) [deborah](#) by **5pm on 24 April 2024**. 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 [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com)

Respondent details	Please enter your details	
<b>Respondent name:</b>	Lauren Jauss	
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<b>Phone number:</b>	07825 995497	
<b>Which best describes your organisation?</b>	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network <input type="checkbox"/> Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input checked="" type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

#### I wish my response to be:

(Please mark the relevant box)

☒ **Non-Confidential** (this will be shared with industry and the Panel for further consideration)

☐ **Confidential** (this will be disclosed to the Authority in full but, unless specified, will not be shared with the Panel or the industry for further consideration)

*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:

- 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;*
- 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		
2	Do you believe that the legal text updates to CMP316 WACM1 and updates to Annex 8 now reflect the intent of CMP316 WACM1?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  <p>We agree the legal text reflects the intent of WACM1, including the approach for sites or technologies with negative tariffs.</p>
2	Do you have any other comments?	<p>We support this modification because we believe it is better than the Baseline and the Original.</p> <p>Now that we fully understand the proposal, we consider the approach taken to derive Peak Tariffs in WACM1 (whereby the total installed capacity qualifying for Peak Tariffs, capped by TEC, is chargeable) to be a good approach.</p> <p>However, we think this approach should be extended to Year Round Not Shared Tariffs. This is because WACM1 would result in charges or credits lower than they should be where a conventional carbon generator (e.g. a battery) is installed on a site and co-utilises TEC with Intermittent or Conventional Low Carbon technologies. In that scenario, a proportion of the TEC which is used to export Intermittent or Conventional Low Carbon generation will be subject to scaling by ALF, which we do not believe to be cost-reflective. Should Ofgem decide to implement this</p>

		modification, this further improvement could be subsequently considered.
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