

CUSC Alternative Form – Non Charging**CMP434 Alternative Request 4:**

Overview: Clarifying the definition of embedded schemes that will follow the Primary Process (Elements 3 and 5)

Proposer: Steffan Jones, Electricity North West Limited

I/We confirm that this Alternative Request proposes to modify the non - charging section of the CUSC only

What is the proposed alternative solution?

In line with the Original Proposal, except for the following:

To change the definition of embedded schemes that are covered by the Primary Process, as defined in Element 3 and subsequently Element 5 to be clearly defined by capacity rather than referencing Small, Medium and Large scale generators.

Replace “Relevant Small and Medium Embedded” with Category 1 Embedded and replace “Large” with Category 2 Embedded.

Define Category 1 and Category 2 within Element 3 of the CUSC modification as such.

	Category 1 Embedded Generator	Category 2 Embedded Generator
England and Wales	1MW up to 100MW	100MW and larger
Southern Scotland	200kW up to 30MW	30MW and larger
Northern Scotland	50kW up to 10MW	10MW and larger

What is the difference between this and the Original Proposal?

The scope of inclusion within the Primary Process is set out in Element 3 and, for embedded generators connecting to a DNO or iDNO network, refers to “Relevant Small and Medium Embedded Generators” and “Large Embedded Generators”.

These terms are defined outside of the CUSC, within the Grid Code.

These threshold limits which define how TMO4+ will work and will operate across the different customer segments could therefore be changed without modification of this CUSC process and without the due review and governance that such a change should follow.

The use of such terminology, especially where it is subject to regional differences could also cause potential confusion and lack of understanding of the process.

To the point where a footnote on the threshold values has been deemed necessary to support / provide clarification.

This proposal would remove the definitions and insert clearly defined threshold values making the position clearer, adding clarity to the process and ensuring long-term governance of the scope and inclusion of the reform.

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;	Positive: Defining by capacity will ensure easier administration, implementation and more importantly longer-term structure / understanding and governance for the wider stakeholder group.
(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: simplicity in the understanding of scope should widen understanding / appreciation across the wider stakeholder group.
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	None
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive: simpler definition that allows for greater understanding, reducing the risk of challenge or complaint.
*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.	

When will this change take place?

Implementation date:

Aligned with the Original Proposal (CMP434)

Implementation approach:

Aligned with the Original Proposal (CMP434)

Acronyms, key terms and reference material

Acronym / key term	Meaning
DNO	Distribution Network Operator
iDNO	Transmission Connected Independent Distribution Network Operator
TMO4+	ESO's (Transmission) Connection Reform Proposal as covered by CMP434