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CUSC Alternative Form – Non Charging

CMP434 WACM2: DNO submission requirement

Overview: Inclusion of wording within the proposal and subsequent CUSC legal text requiring DNO/iDNOs to include all applicable Embedded Projects that provide a valid Gate 2 compliance application / submission of evidence within the Gate 2 application window as part of the DNO/iDNOs fully completed Gate 2 Application to the NESO. This would have to be within the codified period of time (currently 5 Business Days as per the Proposal) following closure of the given window.

Proposer: Helen Stack | Centrica (CBS Energy Storage Assets UK Limited)
(Proposal put forward by Renewable UK, representing RUK Members who are CUSC and / or BSC Parties)

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

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What is the proposed alternative solution?

While the Proposal introduces a limit on the time a DNO/iDNO can take to submit a completed Gate 2 application to NESO following the closure of a Gate 2 Application Window, the legal text only requires that the network makes “reasonable endeavours” to include the Relevant Embedded Small or Medium Power Station in their Gate 2 application (Application for Project Progression) in that Gated Application Window to NESO. Similarly, the DNO/transmission connected iDNO will use “reasonable endeavours” to make their Modification Application in the next available Gated Application Window after receiving notification from NESO of a Gate 2 Application for a BEGA or BELLA.

The change would be the replacement of “reasonable endeavours”, with wording within the CUSC legal text requiring DNO/iDNOs to include all applicable Embedded Projects that provide a valid Gate 2 compliance application / submission of evidence within the Gate 2 Application Window (transmission window) as part of the DNO/iDNOs fully completed Gate 2 application to the NESO.

This is necessary to ensure that delays associated with DNO/iDNO internal processes do not lead to embedded customers “missing” a Gate 2 Window. It is noted that currently many DNOs/iDNOs have taken over 12 months to submit project progressions due, in part, to the lack of any guaranteed standard timeframe. The untested processes introduced under CMP434 with uncertain volumes of submissions, particularly within the first couple of windows, introduces further risk to embedded users.

Given the consequential risk to fair and equitable treatment of embedded users, not including such a requirement on the DNO/iDNO and the undefined timeline for incorporating within the License, this Alternative seeks to include within the CUSC.



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This WACM does not intend to alter the timelines for DNO / transmission connected iDNO submissions to NESO. However, given the post Workgroup Consultation changes, Figure 1 has been included to avoid ambiguity.

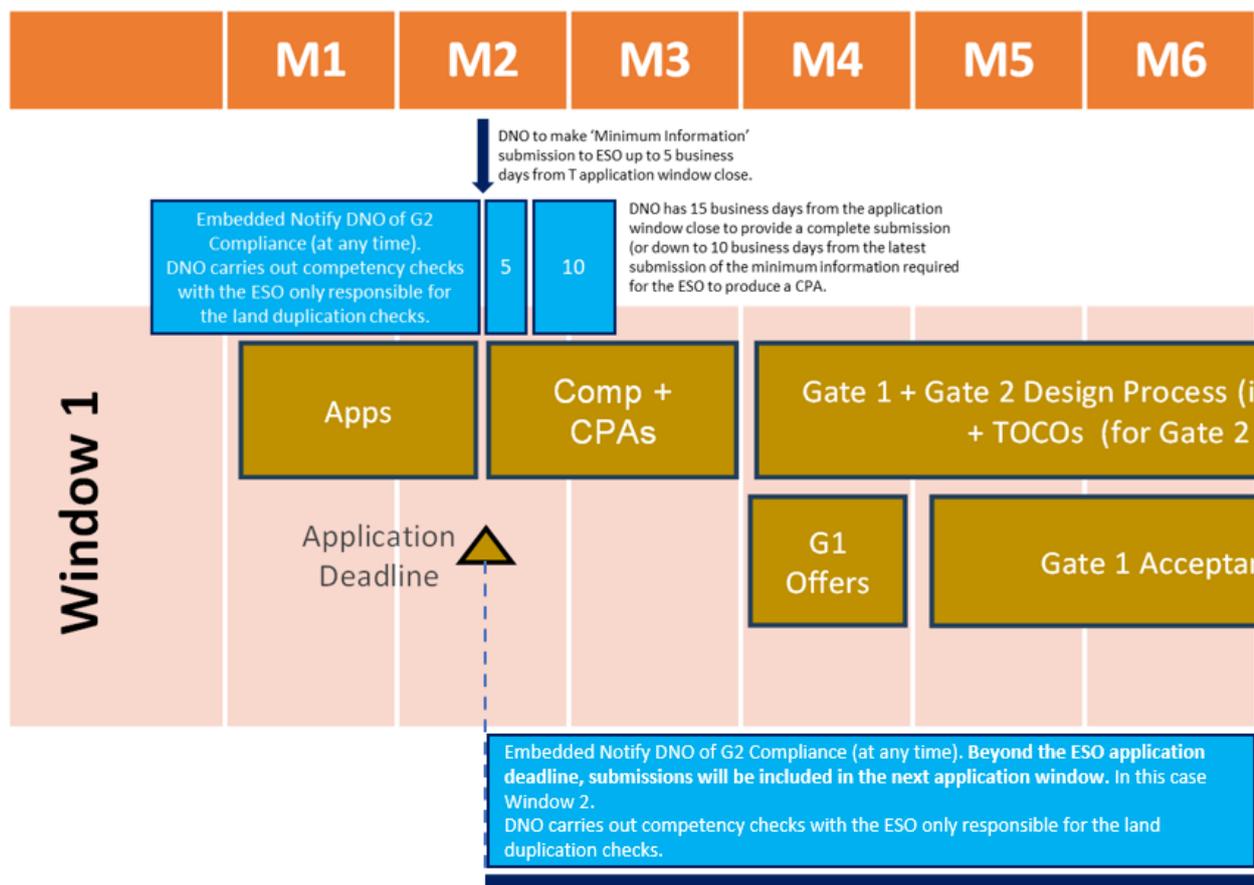


Figure 1: Proposed DNO / transmission connected iDNO submission timeline

What is the difference between this and the Original Proposal?

For members with embedded projects, there are potentially hugely damaging unintended consequences of the Element 18 opening statement: "The process for how DNOs and transmission connected iDNOs notify the NESO of Relevant Embedded Small/Medium Power Stations, which meet the Gate 2 criteria, is largely based around BAU as it is today."

There is also a 5 Business Days allowance for the DNOs and iDNOs to submit minimum information (introduced to the Proposal in late September 2024). Yet, this does not directly link back to the embedded project, thus **there is presently no obligation on the DNO/iDNO to incorporate all projects that have signaled Gate 2 compliance ahead of Gate 2 application window closure**, only that they make "reasonable endeavors", which is very open to interpretation.

Without altering the 5 Business Days requirement (through this Alternative), the change proposed is a replacement of "reasonable endeavours" with wording within the CUSC legal

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text requiring DNO/iDNOs to include all applicable Embedded Projects that provide a valid Gate 2 compliance application / submission of evidence within the Gate 2 Application Window (transmission window) as part of the DNO/iDNOs fully completed Gate 2 application to NESO.

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 The alternative sets a minimum standard for DNO/iDNOs which should allow NESO and TOs to better discharge their obligations.
(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 Facilitates a more equitable connections market for Transmission and Distribution Users.
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *	Neutral No foreseen impact.
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive The alternative promotes efficiency.
*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:

Q2 2025 – At the time of CMP434 implementation.



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Implementation approach:

Noted DNO/iDNOs with support from the ENA may have to consider process changes and the development of guidance to ensure all DNO/iDNOs and their Licence Areas have a robust approach in place CMP434 implementation.

Acronyms, key terms and reference material

Acronym / key term	Meaning
BSC	Balancing and Settlement Code
CUSC	Connection and Use of System Code
DNO	Distribution Network Operator
ENA	Electricity Network Association
iDNO	Independent Distribution Network Operators
NESO	National Energy System Operator
TOCO	Transmission Owner Construction Offer

