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CUSC Modification Proposal Form

CMP449:

Rectifications to pending 01 April 2025

implementation legal text

Overview: This proposal aims to correct legal text errors in modifications which have been approved by the Authority (<u>CMP411</u>, <u>CMP424</u> and <u>CMP430</u>) which are due to be implemented on 01 April 2025.

Modification process & timetable



Status summary: The Proposer has raised a modification and is seeking a decision from the Panel on the governance route to be taken.

This modification is expected to have a: Positive impact on parties to the CUSC and NESO

Proposer's recommendation of governance route	Fast-track Self-Governance modification	
Who can I talk to about the change?	Proposer: Tametha Meek <u>tametha.meek@nationalenergyso.co</u> <u>m</u> 07938 737807	Code Administrator Contact: Catia Gomes <u>catia.gomes@nationalenergyso.co</u> <u>m</u> 07843 816580



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Public What is the issue?

On 06 September 2024, the Authority requested in their <u>decision letter</u> for <u>CMP424</u> that the Proposer of <u>CMP424</u>: <u>Amendments to Scaling Factors used for Year Round TNUoS Charges</u> rectified a minor legal text error in the existing drafting of Section 14 'Charging Methodologies' paragraph 14.15.7 of the CUSC(Connection Use of System Code). The Authority believed that the current drafting had replaced 'total demand level' with 'Generation Plant Type', which is not defined in Section 11 'Interpretation and Definitions' of the CUSC. The Authority suggested the legal text would benefit from some clarification.

Upon further review of the legal text approved by the Authority and due for implementation in April 2025, NESO (National Energy System Operator) highlighted further legal text inaccuracies. This modification proposes to make minor changes to the text which will correct those errors in readiness for 01 April 2025 implementations.

Why change?

These changes will provide clarification on legal text, correct typographical, formatting and cross-referencing errors found in the following approved modifications:

- <u>CMP411</u> 'Introduction of Anticipatory Investment (AI) within the Section 14 charging methodologies'
- <u>CMP424</u> 'Amendments to Scaling Factors used for Year Round TNUoS Charges' and
- <u>CMP430 Adjustments to TNUoS Charging from 2025 to support the Market Wide</u> Half Hourly Settlement (MHHS) Programme.

What is the proposer's solution?

It is intended that this modification will rectify the legal text errors highlighted by the Authority and NESO.

Modification	Why is the change needed?
<u>CMP411</u>	The new pending implementation wording has been renumbered from 14.15.170 to 14.15.156 and subclauses 14.15.170.1 – 14.15.170.8 to 14.15.170.1 – 14.15.170.8 and cross references updated to reflect the new numbering.
<u>CMP424</u>	 The Proposer has provided amended wording which deals with the Authority's request to rectify the current drafting in 14.15.7 due to be implemented which will now read: 14.15.7 Scaling factors for different generation plant types are applied on their aggregated capacity for both Peak Security and Year Round backgrounds. The scaling is either Fixed or Variable (depending on the total demand level gGeneration pPlant tType as referenced in the table below) and based on in line with the factors used in the Security Standard, for example as shown in the table below; which are referenced in the same table.

Please see below table of proposed changes



Public	NESO National Energy System Operator
	 Further pending implementation wording amendments required are: the word 'the' is missing between the words 'in SQSS'; the word SQSS will be bolded in two instances it appears; the words 'ACS (Average Cold Spell)', will be updated to 'ACS (Annual Average Cold Spell Conditions)' as defined in Section 11 and bolded;
<u>CMP430</u>	Clause 14.17.41 begins with '14.25 Reconciliation'. This is amended to make clear to 'Paragraph 14.25 (Reconciliation of Demand Related Transmission Network Use of System Charges)'.

Draft legal text

The approved legal text for pending implementations for modifications CMP411, CMP424 and <u>CMP430</u> can be seen in Annex 1.

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;	Neutral
(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 C11 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 and the *ISOP business;	Neutral
(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



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Improves readability of Section 14 of the CUSC

* See Electricity System Operator Licence (<u>Electricity System Operator: Direction and</u> <u>Licence Terms and Conditions</u>)

**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.

Proposer's assessment against CUSC Connection Charging Objectives

Relevant Objective	Identified impact
(a) means the Use of System Charging Objectives, as if references therein to the Use of System Charging Methodology were to the Connection Charging Methodology and in addition, the objective (where consistent with the other objectives) of facilitating competition in the carrying out of works for connection to the National Electricity Transmission System.	Neutral

When will this change take place?

Implementation date

01 April 2025.

Date decision required by

28 February 2025.

Implementation approach

Unanimous Panel agreement is required from the CUSC Panel on 28 February 2025; otherwise the CUSC Panel will agree a different governance route.

Proposer's justification for governance route

Governance route: Fast-track Self- Governance modification

This is an administrative modification that has minimal materiality and therefore meets the Self-Governance criteria.

Interactions

□Grid Code	□BSC	□STC	□SQSS
□European Network	□ EBR Article 18 T&Cs ¹	☑ Other Modifications	□Other
Codes			



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No interactions have been identified with other codes; this modification has arisen as a result of approved legal text approved by the Authority due for implementation in April 2025 which contains errors highlighted by the Authority and NESO within modifications <u>CMP411</u>, <u>CMP424</u> and <u>CMP430</u>.

Acronyms, key terms and reference material

Acronym / key term	Meaning
BSC	Balancing and Settlement Code
СМР	CUSC Modification Proposal
CUSC	Connection and Use of System Code
EBR	Electricity Balancing Regulation
FT	Fast Track
NESO	National Energy System Operator
SG	Self Governance
STC	System Operator Transmission Owner Code
SQSS	Security and Quality of Supply Standards
T&Cs	Terms and Conditions

Annex	
Annex 1	Approved Legal Text for CMP411, CMP424 and CMP430

Reference material

<u>CMP424: Amendments to Scaling Factors used for Year Round TNUoS ChargesDecision</u>
 <u>Letter</u>