

Delay charges

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Summary

- Transmission Owners (TOs) and consumers face unavoidable, inefficient costs when a contracted customer delays their date of connection to the transmission system.
- Currently Section 14.4 of the CUSC is not explicit that such costs will be recovered from the delaying Customer as an Other Charge.
- Whilst National Grid has provided separate guidance on how & when these charges will be applied, transparency will be further enhanced via a CUSC modification.

Background

- CMP249 was raised previously to address this issue. The workgroup felt the defect did not allow them to develop the proposal in the way they wished.
- Responding to such industry feedback CMP249 was not progressed further.
- We have since been working to deeply understand the defect that exists in the CUSC.

Case for change

- The CUSC is not currently explicit that the cost of delay can be recovered from the relevant party. Transparency could be improved.
- If they were not recovered by an appropriate 'Delay Charge' these costs would either fall directly on TOs or consumers, depending on the nature of the delay.

Proposed solution

- Amend section 14 of the CUSC to modify the Connection Charging Methodology to explicitly describe 'Delay charges'.
- These charges will reflect the full cost incurred by TOs and consumers as a result of transmission investment undertaken earlier than required.
- A license change will be required to enable the SO to return non-TO costs recovered back to consumers.