

CUSC Code Administrator Consultation Response Proforma

CMP323 – Updating the CUSC governance process to ensure we capture the EBGL change process for Article 18 T and Cs

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 by **8 April 2020** to cusc.team@nationalgrideso.com. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the CUSC Modifications Panel when it makes its final determination.

These responses will be included in the Final CUSC Modification Report which is submitted to the CUSC Modifications Panel.

Respondent:	<i>John Welch</i> john.welch@nationalgrideso.com
Company Name:	NGESO
Do you believe that the proposed original or any of the alternatives better facilitate the Applicable CUSC Objectives? Please include your reasoning.	<p>For reference, the Applicable CUSC objectives are:</p> <p>Standard (Non- Charging) Objectives</p> <ul style="list-style-type: none"> (a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence (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 (c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency*; and (d) Promoting efficiency in the implementation and administration of the CUSC arrangements <p>*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).</p>

	<p>NGESO believes that the proposed original better facilitates CUSC applicable objective c) than the baseline as it allows a minimum compliant process that aligns the CUSC modification procedures with the EBGL Article 18 change process. It also achieves this at minimum disruption to stakeholders, so while it will introduce some minor additional elements within the CUSC modification process to accommodate alignment with EU regulations, it also better facilitates objective d) (than if a more complex process was to take place to enable compliance with the EU regulations).</p> <p>The intention of the EU regulation was not to add complexity to national processes for stakeholders, but to achieve a minimum level of engagement on changes to balancing terms and conditions across all member states. To this end, this solution allows alignment with the EBGL change process without adding unnecessary complexity for stakeholders.</p>
Do you support the proposed implementation approach? If not, please state why and provide an alternative suggestion where possible.	<p>Yes, implementation allows the process to be updated in accordance with Ofgem's direction timeline, as well as providing certainty for stakeholders as soon as possible on all aspects of the updated modification process.</p>
Do you have any other comments?	<p>The legal text was amended to take into account developments in the equivalent BSC and Grid Code modifications. To this end, this modification represents an aligned solution with those codes. There are minor differences with the BSC modification (NGESO made additional delegations to BSCCo and BSC Panel due to the differing arrangements in these codes). As NGESO operates as the CUSC code administrator, and has a standing role on the CUSC panel, these delegations were not required for the CUSC original solution. This approach across all codes (alignment, but recognition of local code structural differences) will ensure that stakeholders will experience no change to code governance structures, as well as minimum change to already understood code modification processes.</p>