

Annex 7 CUSC Workgroup Vote

CMP333: BSUoS – charging. Supplier Users on gross demand. (TCR)

The Applicable CUSC Objectives (Charging) are:

- (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; Facilitating effective competition in the generation and supply of electricity, and (so far as is consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;
- 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 C26 requirements of a connect and manage connection);
- (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;
- (d) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency. These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1 *; and
- (e) Promoting efficiency in the implementation and administration of the CUSC arrangements.

*Objective (d) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

Workgroup Vote

Vote recording guidelines:

“Y” = Yes

“N” = No

“-“ = Neutral

Stage 1 Does the original or WACMs facilitate the objectives better than the Baseline?

	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
Workgroup Member	Jenny Doherty – National Grid ESO (Proposer)					
Original	Y	-	Y	-	-	Y
Voting Statement: The ESO believes that CMP333 will deliver Ofgem's TCR direction to charge BSUoS to suppliers on a gross basis.						

	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
Workgroup Member	Simon Vicary – EDF Energy					
Original	Y	-	Y	-	-	Y
Voting Statement: The solution delivers the BSUoS change required by the Authority TCR direction.						

	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
Workgroup Member	Paul Jones – Uniper Energy					
Original	Y	-	-	-	-	Y
Voting Statement: It better promotes competition by removing part of the embedded benefit.						

	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
Workgroup Member	Simon Lord - Engie					
Original	Y	-	Y	-	-	Y
Voting Statement: The Original will increase completion and reduce the distortive effect of the BSUoS embedded benefit.						

	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
Workgroup Member	Grace March – Sembcorp					
Original	Y	-	Y	-	-	Y
Voting Statement: The BSUoS Embedded Benefit was found by Ofgem in the TCR to be a market distortion. This modification removes that distortion and therefore improves competition between generators, so facilitates ACO a). National Grid ESO were directed by Ofgem, as a result of the TCR, to raise this modification. The solution fulfils the direction and therefore better facilitates ACO c).						

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
	Robert Longden – Cornwall Insight					
Original	Y	-	Y	-	-	Y
Voting Statement: CMP 333 provides an appropriate mechanism to implement the direction by the Authority to the ESO, to effect to their decision to levy BSUoS to Suppliers on a gross volumetric basis.						

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
	George Moran - Centrica					
Original	Y	-	Y	-	-	Y
Voting Statement: Applicable Objective (a): Positive impact The proposal removes a distortion between transmission and distribution connected generation and therefore has a positive impact on competition. Applicable Objective (c): Positive impact The ESO has been Directed by Ofgem to raise this modification to give effect to its TCR decision.						

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
	Andy Colley – SSE Generation Ltd					
Original	Y	-	Y	-	-	Y
Voting Statement: “The solution delivers the changes required to allow Supplier BSUoS charges to be determined on a gross volumetric basis, as directed by GEMA following the conclusion of its Transmission Charging Review SCR, better fulfilling ACOs (a) and (c).”						

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
	Karl Mayron/Joshua Logan – Haven Power Ltd					
Original	Y	-	Y	-	-	Y
Voting Statement: This modification will implement part of Ofgem’s TCR decision by removing the BSUoS embedded benefit. This will enhance competition by promoting a level playing field between transmission and distribution connected generation.						

Stage 2a – WACM Vote (If required)

Where one or more WACMs exist, does each WACM better facilitates the Applicable CUSC Objectives than the Original Modification Proposal?

Not applicable.

Stage 2b – Workgroup Vote

Which option is the best? (Baseline, Proposer solution (Original Proposal))

Workgroup Member	BEST Option?
Jenny Doherty – National Grid ESO	Original
Simon Vicary – EDF Energy	Original
Paul Jones – Uniper Energy	Original
Simon Lord - Engie	Original
Grace March – Sembcorp	Original
Robert Longden – Cornwall Insight	Original
George Moran - Centrica	Original
Andy Colley – SSE Generation Ltd	Original
Karl Mayron – Haven Power Ltd	Original