

## Stage 04 – Code Administrator Consultation

At what stage is this document in the process?

# CMP339: Consequential changes for CMP317/327 (TCR)

|    |                                 |
|----|---------------------------------|
| 01 | Initial Written Assessment      |
| 02 | Workgroup Consultation          |
| 03 | Workgroup Report                |
| 04 | Code Administrator Consultation |
| 05 | Draft CUSC Modification         |
| 06 | Final CUSC Modification Report  |

**Purpose of Modification:** To allow the appropriate development of the CMP317/327 Modification Proposal, alternatives may be required. This Modification Proposal will allow the CMP317/327 Workgroup to develop the appropriate definitions needed for the Original and any alternative Proposals and any other changes outside of Section 14 as appropriate.

The purpose of this document is to consult on CMP339 with CUSC Parties and other interested Industry members. Parties are requested to respond by 5pm on 20 July 2020 to [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com) using the Code Administrator Consultation Response Pro-forma which can be found via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp339>

Published on: 29 June 2020  
Length of Consultation: 15 Working days  
Responses by: 20 July 2020

The Workgroup concluded by majority that no option was best as the solutions fit the CMP317/327 solution selected by the Authority, with other workgroup members selecting options which reflected their choice best option for CMP317/327.

**Published on: 29 June 2020**

**Low Impact:** All CUSC Users as this will amend Sections other than Section 14 for the purposes of CMP317/327.

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| 4                                                          | Workgroup Discussions       | 5  | Rob Marshall                                                                                                         |
| 5                                                          | Workgroup Consultation      | 15 |  rob.marshall@nationalgrideso.com |
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| 10                                                         | Annex 1: Terms of Reference | 23 | Jon Wisdom                                                                                                           |
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| Timetable                                                  |                             |    | National Grid ESO Representative: Jon Wisdom                                                                         |
| The Code Administrator recommends the following timetable: |                             |    |                                                                                                                      |
| Workgroup Report presented to Panel                        | 26 June 2020                |    |                                                                                                                      |
| Code Administrator Consultation issued to the Industry     | 30 June 2020                |    |  jon.wisdom@nationalgrideso.com |
| Draft Final Modification Report presented to Panel         | 23 July 2020                |    |                                                                                                                      |
| Modification Panel decision                                | 31 July 2020                |    |  07929375010                    |
| Final Modification Report issued to Authority (25 WD)      | 13 August 2020              |    |                                                                                                                      |
| Decision implemented in CUSC                               | 1 April 2021                |    |                                                                                                                      |

## 1 About this document

This document is the Code Administrator Consultation document, which contains the discussion of the Workgroup which formed in April 2020 to develop and assess the

CMP339 proposal. This document contains a summary of the workgroup consultation which closed on 04 June 2020, the voting of the Workgroup held on 16 June 2020 and the Workgroup’s final conclusions.

Section 2 (Original Proposal) and Section 3 (Proposer’s solution) are sourced directly from the Proposer and any statements or assertions have not been altered or substantiated/supported or refuted by the Workgroup. Section 4 of the Workgroup Report contains the discussion by the Workgroup on the Proposal and the potential solution. Section 5 details the outcome of the Workgroup consultation. Section 6 details the workgroup’s voting on CMP339.

The CUSC Panel detailed in the Terms of Reference the scope of work for the CMP339 Workgroup and the specific areas that the Workgroup should consider.

The table below details these specific areas and which the Workgroup have covered.

The full Terms of Reference can be found in Annex 1.

Table 1: CMP339 Terms of Reference

| Specific Area                                                                                                    | Location in the report |
|------------------------------------------------------------------------------------------------------------------|------------------------|
| Consider the Authority’s TCR SCR Direction to the Company and any associated implications for this Modification. | Section 4              |
| Consider interactions with the DCUSA and BSC Modifications ensuring alignment on definitions.                    | Section 4              |

## 2 Original Proposal

***Section 2 (Original Proposal) are sourced directly from the Proposer and any statements or assertions have not been altered or substantiated/supported or refuted by the Workgroup. Section 4 of the Workgroup contains the discussion by the Workgroup on the Proposal and the potential solution.***

### Defect

For the ESO to fulfil the requirements of Ofgem’s TCR Direction (The Direction) other Sections of the CUSC may require further update to allow CUSC Modification Proposals CMP317/CMP327 to appropriately define the Original Proposal and any Workgroup Alternative CUSC Modification Proposals.

### What

The Proposer considers that at the least changes will be required to Section 11 to allow the inclusion of new or amended definitions; however, further changes may be necessary depending upon the scope of changes considered by the CMP317/327 Workgroup.

## Why

Under current CUSC governance separate proposals are required to be raised to alter Section 14 and other sections of the CUSC. This proposal will allow Sections of the CUSC other than Section 14 to be amended to support the development of CMP317/327.

## How

Alter and add, at the least, defined terms to Section 11 as necessary for the development of CMP317/CMP327

### 3 Proposer's solution

***Section 3 (Proposer's solution) are sourced directly from the Proposer and any statements or assertions have not been altered or substantiated/supported or refuted by the Workgroup.***

Amend the CUSC where necessary to support the Original Proposal and any Workgroup Alternative CUSC Modification Proposals as raised by the CMP317/327 Workgroup.

The definitions required for the CMP317 Original and WACM1 are:

(Required for All Solutions of CMP317 and CMP327)

| Term                | Definition                                                                                                                                                                               |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Limiting Regulation | European Commission Regulation 838/2010 part B (or any subsequent regulation applicable in UK law specifying such a limit on annual average transmission charges payable by Generators). |
| Adjustment Revenue  | A positive or negative adjustment to overall Generator charges to ensure compliance with the Limiting Regulation.                                                                        |
| Adjustment Tariff   | The tariff that applies Adjustment Revenue equally to generators to ensure compliance with the Limiting Regulation.                                                                      |

|                        |                                                                                                         |
|------------------------|---------------------------------------------------------------------------------------------------------|
| Ex-Post Reconciliation | The charge or credit to Demand and Generator Users in the event of a breach of the Limiting Regulation. |
|------------------------|---------------------------------------------------------------------------------------------------------|

And;

| Term                                       | Definition                                                                                                                                                                                       |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Charges for Assets Required for Connection | Connection Charges, Onshore Local Circuit, Onshore Local Substation, Offshore Local Circuit and Offshore Local Substation for the purposes of assessing compliance with the Limiting Regulation. |

## Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This Modification Proposal supports the Direction given to the ESO to implement the conclusions of Ofgem's Targeted Charging Review

### Consumer Impacts

None, other than those of CMP317/327

## 4 Workgroup Discussions

The Workgroup convened 1 time in April 2020 to discuss the perceived issue, detail the scope of the proposed defect, devise potential solutions and assess the proposal in terms of the Applicable CUSC Objectives. The Workgroup will in due course conclude these tasks after this consultation (taking account of responses to this consultation).

### 1.0 Context of CMP317 and CMP327

CMP317 and CMP327 at the time of publication, are currently at Workgroup Group stage, post Workgroup Consultation. If you wish to familiarise yourself with the consultation which was published in February 2020, it can be found [here](#), and the consultation responses can be found [here](#).

### Context of CMP317

#### Why has this modification been raised?

1.1 The ESO raised CMP317 in June 2019 because its TNUoS forecasts indicated that it would not be in compliance with the Limiting Regulation for the charging year 2021/22 unless it changed the charging formula in the CUSC. The Limiting Regulation requires

that the average annual transmission charge for all generators must be within a range of €0-2.50/MWh in Great Britain.

1.2 In July 2016, Ofgem approved the implementation of CMP224 ‘*Cap on the Total amount of TNUoS to be recovered from Generation users*’<sup>1</sup>. At the time of approving CMP224, there were 2 interpretations for assets required for connection, with the physical assets required for connection considered to be GB “connection charges” only. At that time, Ofgem did not provide a concluded interpretation of the Limiting Regulation. This led to ambiguity in regard to whether the range was breached or not.

1.3 In charging year 2015/16, it was alleged that the ESO had breached the upper value of the Limiting Range, which, if true, would have resulted in an over recovery from Generators of £120m. CUSC modification CMP261 (‘Ensuring the TNUoS paid by Generators in GB in Charging Year 2015/16 is in compliance with the €2.5/MWh annual average limit set in EU Regulation 838/2010 Part B (3)’)<sup>2</sup> was raised by SSE Plc, to remedy this alleged breach. The solutions raised during the Workgroup process for CMP261 concentrated on rebates to generators, for varying amounts and for the alleged overpayment to be returned to those impacted in varying timescales.

1.4 Ofgem decided<sup>2</sup> to reject CMP261 on the grounds that the range of the annual transmission charge for all generators was not breached during this time period. Ofgem concluded “*connection charges*”, as defined by the CUSC, clearly fall within the scope of the connection exclusion in the Regulation. In addition, we take the view that, properly construed, the connection exclusion also covers most, if not all, local charges that pay for local assets required to connect the generator to the MITS. This is on the basis that the latter also amount to “charges paid by producers for physical assets required for connection to the system” within the meaning of the Regulation<sup>3</sup>.

1.5 The CMP261 decision that Ofgem reached was subject to an appeal to the Competition and Markets Authority (CMA) brought about by the proposer of CMP261, and EDF Energy. In February 2018, the CMA upheld Ofgem’s initial decision. The CMA’s decision created the need for an explicit definition of Charges paid by producers for physical assets required for connection to the system (referenced to throughout this document as ‘excluded Charges’) for the purposes of applying the Limiting Regulation.

## **Context of CMP327**

1.6 CMP327 was raised as a result of The Authority’s final decision on the Targeted Charging Review SCR in November 2019<sup>4</sup>. In that decision, The Authority directed The Company to raise a modification to change TNUoS Charging Methodology such that the

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<sup>1</sup> <https://www.nationalgrideso.com/document/6946/download> - Ofgem decision on CMP224

<sup>2</sup> Ofgem decision letter on CMP261, July 2017 - <https://www.nationalgrideso.com/document/98011/download>

<sup>3</sup> Ibid, p1.

<sup>4</sup> Ofgem final decision and impact assessment – Targeted Charging Review: [https://www.ofgem.gov.uk/system/files/docs/2019/12/full\\_decision\\_doc\\_updated.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/12/full_decision_doc_updated.pdf)

Residual element of Generator TNUoS is £0 and ensure that the correct interpretation of 838/2010 is incorporated.

1.7 CMP327 was raised at the CUSC Panel in November 2019. It was decided by the CUSC Panel to apply to have CMP327 amalgamated with CMP317, due to the two modifications dealing with extremely similar subject matter. When the ESO raised the CMP327 modification, it made it clear that it felt that that modification should be assessed by the same Workgroup which had been assessing CMP317, and had by this stage held six Workgroup meetings. This was due to that fact that some of the work required under CMP327 would have already been undertaken by the CMP317 Workgroup. As such, work on CMP327 began with the same Workgroup, with new Workgroup members also afforded the opportunity to join the Workgroup to assess CMP327.

1.8 Ofgem decided to grant the CUSC Panel's request on 29 January 2019, stating that they had "come to the conclusion that the Proposals are sufficiently proximate to justify amalgamation on the grounds of efficiency and are logically dependent on each other"<sup>5</sup>.

## **2.0 Consideration of TCR SCR Authority Decision**

2.1 The workgroup considered the Authority's TCR and SCR decision and impact assessment issued in November 2019<sup>6</sup>. CMP327 was raised as a result of this decision. The workgroup acknowledged that the changes brought about by the CMP339 original solution are required in order to support the modifications raised at the direction of Ofgem.

## **3.0 Consideration of impacts on BSC and DCUSA definitions**

3.1 The workgroup recognise that modifications are underway in the Balancing and Settlement Code, and the Distribution Connection Use of System Agreement to fulfil The Authority's direction outlined in their TCR SCR decision.

3.2 The workgroup considered whether they had to consider DCUSA definitions of generator/producer under the Terms of Reference. The workgroups assumption is that definitions within the DCUSA and the BSC are not required.

3.3 Throughout CMP317/327 discussion, there has been much debate as to whether BSC costs, and Congestion Management Costs, are to be included in calculation of average generation transmission charges, under the Limiting Regulation (838/2010). This debate came about in response to Ofgem's decision on BSC modification, P396<sup>7</sup>, which indicated that Elexon's administrative costs should come under the calculation charges. The proposer highlighted that definition of Congestion Management around BSUoS, if needed would only be implemented as a definition in Section 11 of the

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<sup>5</sup> Ofgem Letter to CUSC Panel, granting permission for the modifications to be amalgamated - <https://www.nationalgrideso.com/document/162076/download>.

<sup>6</sup> [https://www.ofgem.gov.uk/system/files/docs/2019/12/full\\_decision\\_doc\\_updated.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/12/full_decision_doc_updated.pdf)

<sup>7</sup> Ofgem Final Decision on P396 - <https://www.elexon.co.uk/wp-content/uploads/2020/03/P396-Authority-Decision-Letter.pdf>

CUSC, and that the same would apply to BSC charges if they were to be included within the range of the Limiting Regulation.

3.3 The workgroup raised a practical question around the relevance of definitions cross code. The proposer highlighted that as CMP339 a CUSC only change, it doesn't rely on definitions in the BSC or the DCUSA. It was considered that although some of the assets required for connection go via DNO assets, this would not be relevant for developing definitions, as this had been resolved in CMP317/CMP327 discussion.

3.4 The workgroup recognised that any definitions raised are cross referenced with other codes to avoid any duplication or misunderstanding.

3.6 Embedded generation and whether there could be crossover with the DCUSA definitions was also discussed. The proposer stated that it was his understanding that anyone who pays TNUoS are captured in the average annual charges for generation, including users who hold a BEGA, and that this was already clear in CUSC Section 14.

3.7 The workgroup considers the terms "generators" and "producers" to be the equivalent for the purposes of this modification. Some workgroup members expressed that the definition of generators/produces under the Limiting Regulation may be different in other codes. The proposer highlighted that the Limiting Regulation talks about transmission charges from producers. The workgroup were made aware that during the CMA appeal on CMP261, that generator and producer meaning the same were agreed as common ground.

#### 4.0 CMP317 and CMP327 alternatives and associated definitions

4.1 CMP317 and CMP327 resulted in a total of 84 separate solutions, with the original solution and 83 Workgroup Alternative CUSC modifications. Due to the large number of solutions, each separate solution will require a different permutation of the definitions based on which modular aspect the solution needed. These modular solutions are discussed throughout the CMP317 and CMP327 workgroup report<sup>8</sup>.

4.2 Some of the definitions required will need to be implemented into the CUSC, regardless of which solution is selected. These are:

| Term                   | Definition                                                                                                                                                                               |
|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Limiting Regulation    | European Commission Regulation 838/2010 in the context of setting limits on annual average transmission charges payable by Generators (or any subsequent UK law specifying such limits). |
| Adjustment Revenue     | A positive or negative adjustment to overall Generator charges to ensure compliance with the Limiting Regulation.                                                                        |
| Adjustment Tariff      | The non locational £/kW tariff that applies Adjustment Revenue to Generators liable for TNUoS charges to ensure compliance with the Limiting Regulation.                                 |
| Ex-Post Reconciliation | The charge or credit to Demand and Generator Users in respect of TNUoS charges in the event of a breach of the Limiting Regulation.                                                      |

4.3 For any solutions which include the definition of assets required for connection as “All Local Circuits and Substation charges” (namely the CMP317/327 Original and WACM1-6, 21-27, 42-48, 62-69), the following definition will also be required in addition to the aforementioned definitions outlined in 4.2.

| Term                                       | Definition                                                                                                                                                                                                 |
|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Charges for Assets Required for Connection | Charges for Physical Assets Required for Connection: Connection Charges and charges in respect of an Onshore local circuit, Onshore local substation, Offshore local circuit and Offshore local substation |

4.4 For solutions that contain a Generator only Spurs module, namely WACMs 7-13, 28-34, 49-55, 70-76, the following definitions will be required:

| Term                                       | Definition                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Charges for Assets Required for Connection | Connection Charges and charges in respect of an Onshore local circuit and Onshore local substation, where they form part of an Onshore Generator Only Spur and charges in respect of an Offshore local circuit and Offshore local substation where they form part of an Offshore Generator Only Spur.                            |
| Offshore Generator Only Spurs              | These consist of (a) an Offshore substation (the Offshore local substation) where that sub-station is not shared with demand or another Generator; and (b) cable(s), (where those cable(s) are not shared with demand or another Generator) which run from the Offshore local substation to an Onshore substation                |
| Onshore Generator Only Spurs:              | These consist of (a) an Onshore substation (the Onshore local substation) where that sub-station is not shared with demand or another Generator; and (b) underground cable(s), or overhead line(s) (that are not shared with demand or another Generator), which run from the Onshore local substation to an Onshore substation. |

4.5 For any solutions which define a pre-existing and shared system element, namely WACMs 14-20, 35-41, 56-62, 77-83, the following definitions will be required.

| Term                                       | Definition                                   |
|--------------------------------------------|----------------------------------------------|
| Charges for Assets Required for Connection | Connection Charges and charges in respect of |

|                     |                                                                                                                                                                                                                                                                                                                                                 |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                     | an Onshore local circuit, Onshore local Substation, Offshore local circuit and Offshore local substation except for those charges that are for Shared Assets or Pre-Existing Assets                                                                                                                                                             |
| Pre-Existing Assets | In respect of a Generator Onshore local circuit and/or Onshore local substation and/or Offshore local circuit and/or Offshore local substations that existed prior to the connection of that Generator to the NETS..                                                                                                                            |
| Shared Assets       | An Onshore local circuit and/or Onshore local substation and/or Offshore local circuit and/or Offshore local substation that are or could be used without the need for new assets or could be used just by switching, by either (i) more than one Generator or (ii) a single Generator and demand that is not Station Demand for that Generator |

4.6 For any solutions which require a target within the range of the limiting regulation namely CMP317/327 WACM2-6, 9-13, 16-20, 23-27, 30-34, 37-41, 44-48, 51-55, 58-62, 65-69, 72-76, 79-83 the following definition will also be required.

| Term                                     | Definition                                                                                                     |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Target Rate for recovery from Generators | The targeted value to be collected from Generators for the purpose of setting TNUoS tariffs expressed in €/MWh |

4.7 For solutions which include a Relevant BSC charges element, namely WACMS20-41 and 62-83, the following definitions will be required.

| Term                           | Definition                                                                                                                                                                                                                      |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Relevant BSC Charges           | The sum of the main funding share element of the Annual BSC Charges forecast to be paid by Transmission connected Generators in the relevant Charging Year as per Section D of and defined in the Balancing and Settlement Code |
| Additional Adjustments Revenue | The additional adjustment to TNUoS Revenue expected to be recovered from Generators as provided for at CUSC Section 14 Paragraph 14.5.                                                                                          |

4.8 For any solutions with contain a Congestion Costs (Ancillary Services Exclusion) element namely CMP317/327 WACMs 41-83, the following definitions will also be required:

Costs outside Ancillary Services Exclusion

| Term                           | Definition                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ancillary Services Exclusion   | Costs recovered through BSUoS charges that fall within scope of “charges related to ancillary services” as per the Limiting Regulation. Ancillary Services shall be construed (as implemented by UK Law) by reference of the definition of Ancillary Services in Directive EU 2019/944 and European Regulation 2019/943 which for the avoidance of doubt does not include congestion management costs. |
| Additional Adjustments Revenue | The additional adjustment to TNUoS Revenue expected to be recovered from Generators as provided for at CUSC Section 14 Paragraph 14.5.                                                                                                                                                                                                                                                                 |

4.9 Please see below full Matrix of CMP339 alternatives and to which solution for CMP317/327 they apply.

| CMP317/327 solution | All | Local circuits | GOS | Pre-existing | €Target | BSC Costs | Congestion Costs | Relevant CMP339 WACM |
|---------------------|-----|----------------|-----|--------------|---------|-----------|------------------|----------------------|
| Original            | Y   | Y              |     |              |         |           |                  | Original             |
| WACM1               | Y   | Y              |     |              |         |           |                  | Original             |
| WACM2               | Y   | Y              |     |              | Y       |           |                  | 1                    |
| WACM3               | Y   | Y              |     |              | Y       |           |                  | 1                    |
| WACM4               | Y   | Y              |     |              | Y       |           |                  | 1                    |
| WACM5               | Y   | Y              |     |              | Y       |           |                  | 1                    |
| WACM6               | Y   | Y              |     |              | Y       |           |                  | 1                    |
| WACM7               | Y   |                | Y   |              |         |           |                  | 2                    |
| WACM8               | Y   |                | Y   |              |         |           |                  | 2                    |
| WACM9               | Y   |                | Y   |              | Y       |           |                  | 3                    |
| WACM10              | Y   |                | Y   |              | Y       |           |                  | 3                    |

|        |   |   |   |   |   |   |  |    |
|--------|---|---|---|---|---|---|--|----|
| WACM11 | Y |   | Y |   | Y |   |  | 3  |
| WACM12 | Y |   | Y |   | Y |   |  | 3  |
| WACM13 | Y |   | Y |   | Y |   |  | 3  |
| WACM14 | Y |   |   | Y |   |   |  | 4  |
| WACM15 | Y |   |   | Y |   |   |  | 4  |
| WACM16 | Y |   |   | Y | Y |   |  | 5  |
| WACM17 | Y |   |   | Y | Y |   |  | 5  |
| WACM18 | Y |   |   | Y | Y |   |  | 5  |
| WACM19 | Y |   |   | Y | Y |   |  | 5  |
| WACM20 | Y |   |   | Y | Y |   |  | 5  |
| WACM21 | Y | Y |   |   |   | Y |  | 6  |
| WACM22 | Y | Y |   |   |   | Y |  | 6  |
| WACM23 | Y | Y |   |   | Y | Y |  | 7  |
| WACM24 | Y | Y |   |   | Y | Y |  | 7  |
| WACM25 | Y | Y |   |   | Y | Y |  | 7  |
| WACM26 | Y | Y |   |   | Y | Y |  | 7  |
| WACM27 | Y | Y |   |   | Y | Y |  | 7  |
| WACM28 | Y |   | Y |   |   | Y |  | 8  |
| WACM29 | Y |   | Y |   |   | Y |  | 8  |
| WACM30 | Y |   | Y |   | Y | Y |  | 9  |
| WACM31 | Y |   | Y |   | Y | Y |  | 9  |
| WACM32 | Y |   | Y |   | Y | Y |  | 9  |
| WACM33 | Y |   | Y |   | Y | Y |  | 9  |
| WACM34 | Y |   | Y |   | Y | Y |  | 9  |
| WACM35 | Y |   |   | Y |   | Y |  | 10 |

|        |   |   |   |   |   |   |   |    |
|--------|---|---|---|---|---|---|---|----|
| WACM36 | Y |   |   | Y |   | Y |   | 10 |
| WACM37 | Y |   |   | Y | Y | Y |   | 11 |
| WACM38 | Y |   |   | Y | Y | Y |   | 11 |
| WACM39 | Y |   |   | Y | Y | Y |   | 11 |
| WACM40 | Y |   |   | Y | Y | Y |   | 11 |
| WACM41 | Y |   |   | Y | Y | Y |   | 11 |
| WACM42 | Y | Y |   |   |   |   | Y | 12 |
| WACM43 | Y | Y |   |   |   |   | Y | 12 |
| WACM44 | Y | Y |   |   | Y |   | Y | 13 |
| WACM45 | Y | Y |   |   | Y |   | Y | 13 |
| WACM46 | Y | Y |   |   | Y |   | Y | 13 |
| WACM47 | Y | Y |   |   | Y |   | Y | 13 |
| WACM48 | Y | Y |   |   | Y |   | Y | 13 |
| WACM49 | Y |   | Y |   |   |   | Y | 14 |
| WACM50 | Y |   | Y |   |   |   | Y | 14 |
| WACM51 | Y |   | Y |   | Y |   | Y | 15 |
| WACM52 | Y |   | Y |   | Y |   | Y | 15 |
| WACM53 | Y |   | Y |   | Y |   | Y | 15 |
| WACM54 | Y |   | Y |   | Y |   | Y | 15 |
| WACM55 | Y |   | Y |   | Y |   | Y | 15 |
| WACM56 | Y |   |   | Y |   |   | Y | 16 |
| WACM57 | Y |   |   | Y |   |   | Y | 16 |
| WACM58 | Y |   |   | Y | Y |   | Y | 17 |
| WACM59 | Y |   |   | Y | Y |   | Y | 17 |
| WACM60 | Y |   |   | Y | Y |   | Y | 17 |

|        |   |   |   |   |   |   |   |    |
|--------|---|---|---|---|---|---|---|----|
| WACM61 | Y |   |   | Y | Y |   | Y | 17 |
| WACM62 | Y |   |   | Y | Y |   | Y | 17 |
| WACM63 | Y | Y |   |   |   | Y | Y | 18 |
| WACM64 | Y | Y |   |   |   | Y | Y | 18 |
| WACM65 | Y | Y |   |   | Y | Y | Y | 19 |
| WACM66 | Y | Y |   |   | Y | Y | Y | 19 |
| WACM67 | Y | Y |   |   | Y | Y | Y | 19 |
| WACM68 | Y | Y |   |   | Y | Y | Y | 19 |
| WACM69 | Y | Y |   |   | Y | Y | Y | 19 |
| WACM70 | Y |   | Y |   |   | Y | Y | 20 |
| WACM71 | Y |   | Y |   |   | Y | Y | 20 |
| WACM72 | Y |   | Y |   | Y | Y | Y | 21 |
| WACM73 | Y |   | Y |   | Y | Y | Y | 21 |
| WACM74 | Y |   | Y |   | Y | Y | Y | 21 |
| WACM75 | Y |   | Y |   | Y | Y | Y | 21 |
| WACM76 | Y |   | Y |   | Y | Y | Y | 21 |
| WACM77 | Y |   |   | Y |   | Y | Y | 22 |
| WACM78 | Y |   |   | Y |   | Y | Y | 22 |
| WACM79 | Y |   |   | Y | Y | Y | Y | 23 |
| WACM80 | Y |   |   | Y | Y | Y | Y | 23 |
| WACM81 | Y |   |   | Y | Y | Y | Y | 23 |
| WACM82 | Y |   |   | Y | Y | Y | Y | 23 |
| WACM83 | Y |   |   | Y | Y | Y | Y | 23 |

## 5 Workgroup Consultation

The CMP339 Workgroup published its consultation on 13 May 2020, and it closed on 4 June 2020.

The workgroup asked the below questions.

### Standard Workgroup Consultation questions:

- 1: Do you believe that CMP339 Original proposal better facilitates the Applicable CUSC Objectives?
- 2: Do you support the proposed implementation approach?
- 3: Do you have any other comments?
- 4: Do you wish to raise a Workgroup Consultation Alternative request for the Workgroup to consider?

### Additional Workgroup Questions:

- 5: The workgroup's assumption is that definitions within the DCUSA and the BSC are not required for the purpose of this modification and do not relate to it. Do you agree?
- 6: The workgroup considers the terms "generators" and "producers" to be the equivalent for the purposes of this modification. Do you agree? If not, could you please explain why.
- 7: Do you feel these draft definitions are sufficiently clear and unambiguous and discharge the purpose of this modification?

**No responses were received from industry.**

## 6 Workgroup Vote

The workgroup held their vote on 16/06/2020. 13 Workgroup members voted. Full voting statements can be found in Annex 4 of this report.

### Vote 1 – Should Alternative become a WACM?

| Alternative Number | Number of votes for? | WACM? |
|--------------------|----------------------|-------|
| 1                  | 10                   | Yes   |

|    |    |     |
|----|----|-----|
| 2  | 11 | Yes |
| 3  | 11 | Yes |
| 4  | 11 | Yes |
| 5  | 11 | Yes |
| 6  | 10 | Yes |
| 7  | 10 | Yes |
| 8  | 11 | Yes |
| 9  | 11 | Yes |
| 10 | 11 | Yes |
| 11 | 11 | Yes |
| 12 | 10 | Yes |
| 13 | 10 | Yes |
| 14 | 13 | Yes |
| 15 | 13 | Yes |
| 16 | 13 | Yes |
| 17 | 13 | Yes |
| 18 | 10 | Yes |
| 19 | 10 | Yes |
| 20 | 13 | Yes |
| 21 | 13 | Yes |
| 22 | 13 | Yes |
| 23 | 13 | Yes |

**Vote 2a – To assess the original and WACMs against the CUSC objectives compared to the baseline (the current CUSC).**

| Original/WACM | Number of votes for? |
|---------------|----------------------|
|---------------|----------------------|

|                 |          |
|-----------------|----------|
| <b>Original</b> | <b>8</b> |
| <b>1</b>        | <b>8</b> |
| <b>2</b>        | <b>9</b> |
| <b>3</b>        | <b>9</b> |
| <b>4</b>        | <b>9</b> |
| <b>5</b>        | <b>9</b> |
| <b>6</b>        | <b>8</b> |
| <b>7</b>        | <b>8</b> |
| <b>8</b>        | <b>9</b> |
| <b>9</b>        | <b>9</b> |
| <b>10</b>       | <b>9</b> |
| <b>11</b>       | <b>9</b> |
| <b>12</b>       | <b>8</b> |
| <b>13</b>       | <b>8</b> |
| <b>14</b>       | <b>9</b> |
| <b>15</b>       | <b>9</b> |
| <b>16</b>       | <b>9</b> |
| <b>17</b>       | <b>9</b> |
| <b>18</b>       | <b>8</b> |
| <b>19</b>       | <b>8</b> |
| <b>20</b>       | <b>9</b> |
| <b>21</b>       | <b>9</b> |
| <b>22</b>       | <b>9</b> |
| <b>23</b>       | <b>9</b> |

**Vote 2b – Are the WACMs better than the Original Solution?**

| Original/WACM | Number of votes for? |
|---------------|----------------------|
| 1             | 5                    |
| 2             | 5                    |
| 3             | 6                    |
| 4             | 5                    |
| 5             | 6                    |
| 6             | 5                    |
| 7             | 5                    |
| 8             | 6                    |
| 9             | 6                    |
| 10            | 6                    |
| 11            | 6                    |
| 12            | 5                    |
| 13            | 4                    |
| 14            | 6                    |
| 15            | 5                    |
| 16            | 6                    |
| 17            | 5                    |
| 18            | 5                    |
| 19            | 4                    |
| 20            | 6                    |
| 21            | 5                    |
| 22            | 6                    |
| 23            | 5                    |

**Vote 2c – Which Option is best?**

| <b>Workgroup Member</b> | <b>Company</b>                     | <b>BEST Option?</b>                                                                      | <b>Which objective(s) does the change better facilitate? (if baseline not applicable)</b> |
|-------------------------|------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>Alan Currie</b>      | <b>Ventient Energy</b>             | <b>WACM21</b>                                                                            | <b>d</b>                                                                                  |
| <b>Jon Wisdom</b>       | <b>National Grid ESO</b>           | <b>No option is best as they all facilitate the changes that they are affiliated to.</b> | <b>(a) and (d)</b>                                                                        |
| <b>Grace March</b>      | <b>Sembcorp Energy UK</b>          | <b>No option is best as they all facilitate the changes that they are affiliated to.</b> | <b>(a) and (d)</b>                                                                        |
| <b>Paul Youngman</b>    | <b>Drax</b>                        | <b>All options are equally valid depending on the decision made on CMP317/327</b>        | <b>d</b>                                                                                  |
| <b>Paul Jones</b>       | <b>Uniper</b>                      | <b>No option is best as they all facilitate the changes that they are affiliated to.</b> | <b>d</b>                                                                                  |
| <b>John Tindal</b>      | <b>Keadby Generation Ltd</b>       | <b>WACM 23</b>                                                                           | <b>a, b and c</b>                                                                         |
| <b>Dennis Gowland</b>   | <b>Neven Point Wind (for EMEC)</b> | <b>WACM23</b>                                                                            | <b>d</b>                                                                                  |

|                       |                                     |                                                                                   |                   |
|-----------------------|-------------------------------------|-----------------------------------------------------------------------------------|-------------------|
| <b>Robert Longden</b> | <b>Enenco</b>                       | <b>All options are equally valid depending on the decision made on CMP317/327</b> | <b>d</b>          |
| <b>Garth Graham</b>   | <b>SSE Plc</b>                      | <b>WACM 21</b>                                                                    | <b>a, b and c</b> |
| <b>Simon Vicary</b>   | <b>EDF Energy Customers Limited</b> | <b>WACM23</b>                                                                     | <b>a,d</b>        |
| <b>Bill Reed</b>      | <b>RWE Supply and Trading</b>       | <b>Neutral</b>                                                                    | <b>d</b>          |
| <b>Dan Hickman</b>    | <b>Npower</b>                       | <b>All options are equally valid depending on the decision made on CMP317/327</b> | <b>A and D</b>    |
| <b>John Harmer</b>    | <b>Waters Wye Assoc.</b>            | <b>Neutral</b>                                                                    | <b>d</b>          |

## 7 CMP339 Relevant Objectives

Impact of the modification on the Applicable CUSC Objectives (Standard):

| 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          |
| (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; | None              |
| (c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and                                                                  | None              |
| (d) Promoting efficiency in the implementation and administration of the CUSC arrangements.                                                                                                                   | Positive          |

\*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).

This modification is expected to have a positive impact against CUSC applicable objectives A and D as this proposal will ensure that the CUSC remains fit for purpose with the implementation of the Authority's TCR decision. The rationale for the Decision(s) made by the Authority in respect of the Targeted Charging Review SCR can be found in the Authority/GEMA publications relating to that SCR. There is no expected impact upon CUSC applicable objective B and C.

## 8 Implementation

This modification should be implemented alongside CMP317 and CMP327

## 9 Legal Text

Legal text will be formulated alongside that of CMP317 and CMP327.

## 10 Code Administrator Consultation – How to Respond

If you wish to respond to this Code Administrator Consultation, please use the response pro-forma which can be found under the “Code Administrator Consultation” Tab [here](#).

Responses are invited to the following questions;

1. Do you believe that CMP281 better facilitates the Applicable CUSC Charging Objectives? Please include your reasoning.
2. Do you support the proposed implementation approach?
3. Do you have any other comments?

Views are invited on the proposals outlined in this consultation, which should be received by 5pm on 20 July 2020. Please email your formal response to [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com)

If you wish to submit a confidential response, please note the following; Information provided in response to this consultation will be published on National Grid ESO website unless the response is clearly marked ‘Private & Confidential’, we will contact you to establish the extent of this confidentiality. A response marked ‘Private & Confidential’ will be disclosed to the Authority in full by, unless agreed otherwise, will not be shared with the CUSC Modifications Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

Please note an automatic confidentiality disclaimer generated by your IT System will not in itself, mean that your response is treated as if it had been marked ‘Private & Confidential’

## 11 Annex 1: Terms of Reference

Annex can be found at:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/consequential>

## 12 Annex 2: Legal Text

Legal text will be formulated alongside CMP317/327

## 13 Annex 3: CMP339 WACM Forms

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/consequential>

## 14 Annex 4: Voting Statements

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/consequential>