

Workgroup Vote – Stage 2

CMP317 and CMP327: Workgroup Vote

Please note: To participate in any votes, Workgroup members need to have attended at least 50% of meetings.

Stage 2 - Workgroup Vote

2a) Assess the original and WACMs (if there are any) against the CUSC objectives compared to the baseline (the current CUSC).

2b) If WACMs exist, vote on whether each WACM better facilitates the Applicable CUSC Objectives better than the Original Modification Proposal.

2c) Vote on which of the options is best.

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;
- 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

Stage 2a – Assessment against objectives

To assess the original and WACMs against the CUSC objectives compared to the baseline (the current CUSC).

You will also be asked to provide a statement to be added to the Workgroup Report alongside your vote to assist the reader in understanding the rationale for your vote.

Y = Yes, N = No, (-) = Neutral

ACO = Applicable CUSC Objective

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)
	Paul Youngman Drax					
Original	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 1	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 2	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 3	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 4	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 5	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 6	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 7	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 8	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 9	<i>Positive</i>	<i>Positive</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 10	<i>Positive</i>	<i>Positive</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 11	<i>Positive</i>	<i>Positive</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 12	<i>Positive</i>	-	-	<i>Negative</i>	-	<i>N</i>
WACM 13	<i>Positive</i>	-	-	<i>Negative</i>	-	<i>N</i>
WACM 14	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 15	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 16	<i>Negative</i>	<i>Positive</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 17	<i>Negative</i>	<i>Positive</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 18	<i>Negative</i>	<i>Positive</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 19	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 20	<i>Negative</i>	<i>Negative</i>	-	<i>Negative</i>	-	<i>N</i>
WACM 21	<i>Negative</i>	<i>Negative</i>	-	<i>Positive</i>	-	<i>N</i>
WACM 22	<i>Negative</i>	<i>Negative</i>	-	<i>Positive</i>	-	<i>N</i>
WACM 23	<i>Negative</i>	<i>Positive</i>	-	<i>Positive</i>	-	<i>Y</i>
WACM 24	<i>Negative</i>	<i>Positive</i>	-	<i>Positive</i>	-	<i>N</i>
WACM 25	<i>Negative</i>	<i>Positive</i>	-	<i>Positive</i>	-	<i>Y</i>
WACM 26	<i>Negative</i>	<i>Negative</i>	-	<i>Positive</i>	-	<i>N</i>
WACM 27	<i>Negative</i>	<i>Negative</i>	-	<i>Positive</i>	-	<i>N</i>

WACM 28	Negative	Negative	-	Positive	-	N
WACM 29	Negative	Negative	-	Positive	-	N
WACM 30	Positive	Positive	-	Positive	-	Y
WACM 31	Positive	Positive	-	Positive	-	Y
WACM 32	Positive	Positive	-	Positive	-	Y
WACM 33	Positive	-	-	Positive	-	Y
WACM 34	Positive	-	-	Positive	-	Y
WACM 35	Negative	Negative	-	Positive	-	N
WACM 36	Negative	Negative	-	Positive	-	N
WACM 37	Negative	Positive	-	Positive	-	Y
WACM 38	Negative	Positive	-	Positive	-	Y
WACM 39	Negative	Positive	-	Positive	-	Y
WACM 40	Negative	-	-	Positive	-	N
WACM 41	Negative	-	-	Positive	-	N
WACM 42	Negative	Negative	-	Positive	-	N
WACM 43	Negative	Negative	-	Positive	-	N
WACM 44	Negative	Negative	-	Positive	-	N
WACM 45	Negative	Negative	-	Positive	-	N
WACM 46	Negative	Negative	-	Positive	-	N
WACM 47	Negative	Negative	-	Positive	-	N
WACM 48	Negative	Negative	-	Positive	-	N
WACM 49	Positive	Negative	-	Positive	-	N
WACM 50	Positive	Negative	-	Positive	-	N
WACM 51	Positive	Positive	-	Positive	-	Y
WACM 52	Positive	Positive	-	Positive	-	Y
WACM 53	Positive	Positive	-	Positive	-	Y
WACM 54	Positive	Positive	-	Positive	-	Y
WACM 55	Positive	Positive	-	Positive	-	Y
WACM 56	Negative	Negative	-	Positive	-	N
WACM 57	Negative	Negative	-	Positive	-	N
WACM 58	Negative	Positive	-	Positive	-	Y
WACM 59	Negative	Positive	-	Positive	-	Y
WACM 60	Negative	Positive	-	Positive	-	Y
WACM 61	Negative	Positive	-	Positive	-	Y
WACM 62	Negative	-	-	Positive	-	Y
WACM 63	Negative	Negative	-	Positive	-	N
WACM 64	Negative	Negative	-	Positive	-	N
WACM 65	Negative	Positive	-	Positive	-	Y
WACM 66	Negative	Positive	-	Positive	-	Y
WACM 67	Negative	Positive	-	Positive	-	Y
WACM 68	Negative	-	-	Positive	-	N
WACM 69	Negative	-	-	Positive	-	N
WACM 70	Negative	Negative	-	Positive	-	N
WACM 71	Negative	Negative	-	Positive	-	N
WACM 72	Positive	Positive	-	Positive	-	Y
WACM 73	Positive	Positive	-	Positive	-	Y
WACM 74	Positive	Positive	-	Positive	-	Y

WACM 75	Positive	-	-	Positive	-	Y
WACM 76	Positive	-	-	Positive	-	Y
WACM 77	Negative	Negative	-	Positive	-	-
WACM 78	Negative	Negative	-	Positive	-	-
WACM 79	Negative	Positive	-	Positive	-	Y
WACM 80	Negative	Positive	-	Positive	-	Y
WACM 81	Negative	Positive	-	Positive	-	Y
WACM 82	Negative	-	-	Positive	-	N
WACM 83	Negative	-	-	Positive	-	Y

Voting Statement:

The first consideration is compliance (objective(d)) with the recast of the electricity directive; the limiting regulation EU838/2010; and the implications of Ofgems conclusions on P396. In this decision BSC costs are identified as ‘charges for access to networks’. Consideration was given to only modifications that consistently applied these rules and decisions Where these were not applied then the outcome could not be considered compliant or implementable.

Consideration of the range to target was also completed in relation to compliance with EU (d) the impacts on competition (a) and to a minor extent cost reflectivity(b). The objective of the EU legislation is to reduce barriers to competition between member state and ensure that there is movement towards common price ranges for network charges applicable between generators. To accomplish this it is more desirable for lower price ranges to apply equally to GB as they do more commonly in the EU. Lower target prices should also be beneficial (*or less harmful*) to competition compared to baseline relevant objective (a) and cost reflectivity relevant objective (b)

For assets that should be excluded from the calculation we considered that alignment with the finding from the CMA would be clear and reduce ongoing uncertainty. In this respect excluding Generator only spurs was the optimum option in that had the clearest legal basis and would reduce the risk of legal challenge (relevant objective (d)). In our view this option combined with a low target value and compliant inclusion of **all** charges for access to networks would have a positive impact on competition (relevant objective (a)) when compared to the current baseline. There are other options highlighted that may demonstrate enhancement respective to the baseline where combined with the full application of the compliance target price and asset exclusion criteria.

Stage 2b – WACM Vote (If required)

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

Workgroup Member Paul Youngman	
WACM	Better than Original Yes/No
WACM 1	Yes – Marginally
WACM 2	Yes – Marginally
WACM 3	Yes – Marginally
WACM 4	Yes – Marginally
WACM 5	Yes – Marginally
WACM 6	Yes – Marginally
WACM 7	Yes – Marginally
WACM 8	Yes – Marginally
WACM 9	Yes – Marginally
WACM 10	Yes – Marginally
WACM 11	Yes – Marginally
WACM 12	Yes – Marginally
WACM 13	Yes – Marginally
WACM 14	Yes – Marginally
WACM 15	Yes – Marginally
WACM 16	Yes – Marginally
WACM 17	Yes – Marginally
WACM 18	Yes – Marginally
WACM 19	Yes – Marginally

WACM 20	Yes – Marginally
WACM 21	Yes – Marginally
WACM 22	Yes – Marginally
WACM 23	YES
WACM 24	Yes – Marginally
WACM 25	YES
WACM 26	Yes – Marginally
WACM 27	Yes – Marginally
WACM 28	Yes – Marginally
WACM 29	Yes – Marginally
WACM 30	YES
WACM 31	YES
WACM 32	YES
WACM 33	YES
WACM 34	YES
WACM 35	Yes – Marginally
WACM 36	Yes – Marginally
WACM 37	YES
WACM 38	YES
WACM 39	YES
WACM 40	Yes – Marginally
WACM 41	Yes – Marginally
WACM 42	Yes – Marginally
WACM 43	Yes – Marginally
WACM 44	Yes – Marginally
WACM 45	Yes – Marginally
WACM 46	Yes – Marginally
WACM 47	Yes – Marginally

WACM 48	Yes – Marginally
WACM 49	Yes – Marginally
WACM 50	Yes – Marginally
WACM 51	YES
WACM 52	YES
WACM 53	YES
WACM 54	YES
WACM 55	YES
WACM 56	Yes – Marginally
WACM 57	Yes – Marginally
WACM 58	YES
WACM 59	YES
WACM 60	YES
WACM 61	YES
WACM 62	YES
WACM 63	Yes – Marginally
WACM 64	Yes – Marginally
WACM 65	YES
WACM 66	YES
WACM 67	YES
WACM 68	Yes – Marginally
WACM 69	Yes – Marginally
WACM 70	Yes – Marginally
WACM 71	Yes – Marginally
WACM 72	YES
WACM 73	YES
WACM 74	YES
WACM 75	YES
WACM 76	YES
WACM 77	Yes – Marginally
WACM 78	Yes – Marginally
WACM 79	YES

WACM 80	YES
WACM 81	YES
WACM 82	Yes – Marginally
WACM 83	Y

Stage 2c – Workgroup Vote

Which option is the best? (Baseline, Proposer solution (Original Proposal), WACM1 or WACM2)

Workgroup Member	Company	BEST Option?	Which objective(s) does the change better facilitate? (if baseline not applicable)
Paul Youngman	Drax	WACM73	(D) (a) (b)