

**CUSC Code Administrator Consultation Response Proforma****CMP350 'Changes to support the BSUoS Covid Support Scheme'**

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 to [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com) by **5pm** on **4 August 2020**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Panel.

If you have any queries on the content of this consultation, please contact Paul Mullen [paul.j.mullen@nationalgrideso.com](mailto:paul.j.mullen@nationalgrideso.com) or [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com).

Respondent details	Please enter your details
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**For reference the applicable CUSC objectives 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 use of system charging methodology.*

*\*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).*

Please express your views in the right-hand side of the table below, including your rationale.

Standard Code Administrator Consultation questions		
1	Do you believe that the CMP350 Original solution, WACM1, WACM2, WACM3, WACM4, WACM5, WACM6 or WACM7 better facilitates the Applicable CUSC Objectives?	<p>Yes, in different measures (to a greater or lesser degree) all of the proposals will improve the impact on consumers by addressing the exceptional frequency of higher BSUoS rates across a broader range of BSUoS price levels which the existing 'Covid BSUoS Support Scheme' (as result of CMP345) did not.</p> <p>Each of the alternatives are made up of two input options; the period of deferment and the £/MWh cap and our initial views are covered below under those headings:</p> <p><u>The period of deferment (30<sup>th</sup> Sep/ 25<sup>th</sup> October)</u></p> <p>The original and WACMs 1, 2 and 3 fail to take into account an appropriate period of deferment whereas WACMs 4, 5, 6 and 7 all run to 25<sup>th</sup> October which aligns sensibly with ODFM and GC0143 which were implemented in order to deal with Covid related low demand.</p> <p><u>The £/MWh cap</u></p> <p>According to the analysis provided by the proposer and other workgroup members WACMs 2, 3, 6 and 7 have £/MWh caps that are too high, whereas the original and WACMs 1, 4 and 5 have £/MWh caps at appropriate levels justified by the analysis provided.</p> <p>Taking the above into account, and the assessment regarding the level of expected deferment given analysis provided by NGESO on the frequency of when an array of caps were breached over time, the following proposals would seem appropriate: The original and WACMs 1, 4, 5 and 6.</p> <p>In terms of best meeting the ACOs, and thereafter according the forecast analysis provided by the ESO, the Original and WACMs 4 and 5 are all of a similar par differing only by how quickly the overall limit of £100m is approached.</p>
2	Do you support the proposed	Yes

	implementation approach?	
3	Do you have any other comments?	No