

Code Administrator Consultation Response Proforma**CMP351: Financial Securities – Timescales for Provision of Cash Deposit into Escrow**

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 by **5pm** on **12 November 2020**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Workgroup.

If you have any queries on the content of this consultation, please contact Ren Walker lurrentia.walker@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Ronald Shanks
Company name:	Ron Shanks Development Projects Ltd
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For reference the Applicable CUSC (non-charging) Objectives are:

- 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.*

**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).*

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

Standard Workgroup Consultation questions		
1	Do you believe that the CMP351 Original Proposal better facilitates the Applicable Objectives?	Yes. The provision of a cash Deposit into Escrow 45 days before it is required is an unnecessary burden on the party providing the security. It effectively means that the entire security has to be in place 45 days before it is actually required simply to allow NGESO a timeline to process compliance or not. The security should simply be required to be in place by the due date as would be the case in any normal financial security situation. It is my view that the 45 days is discriminatory against parties wishing to use the cash deposit option.
2	Do you support the proposed implementation approach?	I fully support the implementation approach which is low risk to NGESO but would be a big benefit to smaller independent power providers.
3	Do you have any other comments?	I would prefer to see the securitisation being required by the stated date and for action to be taken by NGESO if there is a failure to provide timely. However, I accept that there is a need for vigilance in the system which the 21 days proposed provides.