

Code Administrator Consultation Response Proforma**CMP354: Capacity Allocation and Congestion Management Regulation (CACM) cost sharing consequential changes**

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 **23 December 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 Paul Mullen Paul.j.mullen@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Garth Graham
Company name:	SSE Generation
Email address:	Garth.graham@sse.com
Phone number:	01738 456000

For reference the Applicable CUSC (non-charging) Objectives are:

- The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;*
- 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;*
- Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and*
- 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 CMP354 Original Proposal better facilitates the Applicable Objectives?	<p>Yes, we do believe that CMP354 better facilitates the Applicable Objectives, for the following reasons:</p> <p>(a) Positive impact - the proposed changes enable the efficient discharge by the ESO of their new transmission licence obligation (as of 11 December 2020) to allow interconnectors to recover pass-through costs (positive and negative), where approved by Ofgem, through the existing interconnector adjustment payments process.</p> <p>(b) Neutral impact on competition.</p> <p>(c) Positive impact – the proposed changes support the implementation of European Regulation 2019/943, as set out in Ofgem’s decision letter of October 2020.</p> <p>(d) Positive impact - the proposed changes promote efficiency in the implementation and administration of the CUSC arrangements, as they act as an enabler of the license changes Ofgem approved in October 2020.</p>
2	Do you support the proposed implementation approach?	<p>Yes, we support the proposed implementation approach, set out on page 5 of the Code Administrator Consultation document, in line with Ofgem’s request for implementation as soon as reasonably practicable, to allow interconnector CACM payments to be made in 2021, the CMP354’s changes need to be made before April 2021.</p>
3	Do you have any other comments?	We have no further comments.