

# CMP223 – Arrangements for Relevant Distributed Generators Under the Enduring Generation User Commitment



CUSC Panel – 25 April 2014  
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## Background to the Proposal

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- CUSC 15 user commitment applies security reductions to reflect lower risk situations
  - E.g. may only require 10% liability to be secured
- NGET applies CUSC 15 to distributed generators (DG) via their DNO (excluding BEGA wider liability)
- DG are not benefiting from security reductions in a number of cases
- DNOs have no mechanism to recover any shortfall between security and liability, and would be exposed to full financial risk of bad debt

## Proposed CUSC Modification

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- CMP223 seeks to modify the CUSC such that distribution-connected generators deemed to have an impact on the electricity transmission network receive the same security and liability requirements as transmission-connected generators
- 9 responses received to the Workgroup consultation, all supportive of one or more options identified
  - Majority supportive of the alternative options

## Workgroup Vote

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- 9 Workgroup Members voted
- 4 WACM's proposed
- 7 Workgroup Members voted that CMP223 WACM3 best facilitates the applicable CUSC Objectives
- WACM3 proposes:
  - Including security and liability arrangements into the BELLA and BEGA contracts
  - Using NGET's licence term to back off the DNO financial risk for Statement of Works parties
  - NGET holding financial risk whilst DNO pursue bad debt

## Workgroup Conclusions

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- Terms of Reference have been met:
  - Implications on NGET Licence ✓
  - Can CUSC 15 be mandatory or optional for DG ✓
  - Impact on directly connected users ✓
  - Cost implications of administering additional contracts ✓
  - Check wider implications of CUSC 15 on DG ✓
  - Consider DCuSA proposal ✓
  - Review legal text ✓

## Next Steps

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- The Workgroup proposes that CMP223 should be implemented 10 Working Days after an Authority Decision, however consideration should be given to the timing with regards to the six-monthly securities process
- The Panel is invited to:
  - Accept the Workgroup Report
  - Agree for CMP223 to progress to Code Administrator Consultation.

## Proposed Timetable

<b>30 April</b>		<b>Issue CA Consultation</b>
<b>22 May</b>		<b>CA Consultation closes</b>
<b>28 May</b>		<b>Issue draft FMR for comment</b>
<b>4 June</b>		<b>Deadline for comment</b>
<b>19 June</b>		<b>CUSC Panel Papers Day</b>
<b>27 June</b>		<b>Panel vote</b>
<b>30 June</b>		<b>Issue FMR for final comment</b>
<b>7 July</b>		<b>Deadline for comments</b>
<b>8 July</b>		<b>Final Report sent to Authority for decision</b>
<b>12 August</b>		<b>Indicative 25 day KPI for decision</b>
<b>Before 30 Sept</b>	<b>After 30 Sept</b>	<b>Implementation in CUSC (if approved)</b>
<b>1 April 2015</b>	<b>1 October 2015</b>	<b>CMP223 go-live (if approved)</b>