

CUSC Alternative and Workgroup Vote

CMP369: Consequential changes to Section 14 of the CUSC as a result of the updated definitions introduced by CMP368

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

Stage 1 - Alternative Vote

If Workgroup Alternative Requests have been made, vote on whether they should become Workgroup Alternative CUSC Modifications (WACMs).

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.

Terms used in this document

Term	Meaning
Baseline	The current CUSC (if voting for the Baseline, you believe no modification should be made)
Original	The solution which was firstly proposed by the Proposer of the modification
WACM	Workgroup Alternative CUSC Modification (an Alternative Solution which has been developed by the Workgroup)

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 *; and
- e) Promoting efficiency in the implementation and administration of the 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).

Workgroup Vote

Stage 1 – Alternative Vote

Vote on Workgroup Alternative Requests to become Workgroup Alternative CUSC Modifications.

The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.

Should the majority of the Workgroup OR the Chairman believe that the potential alternative solution would better facilitate the CUSC objectives (against Baseline or the Original) then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative CUSC modification (WACM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.

“Y” = Yes

“N” = No

“-“ = Neutral

[Stage not applicable].

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.

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)
Garth Graham – SSE Generation Ltd						
Original	Y	-	-	Y	-	Y
Voting Statement:						

In voting for CMP369 (along with the ‘sister’ Modification CMP368 and its WACMs) I have been mindful of the need, in particular, to ensure compliance with the Limiting Regulation which, in the context of the CUSC Applicable (charging) Objectives is (d).

In my view CMP369 Original; which deals with changes to the process (set out in Section 14) of setting tariffs for TNUoS, based on the definitions that are to be found in Section 11 (which is the subject matter of the CMP368 modification and all its WACMs); does provide an improvement on the legal certainty necessary to ensure that compliance with the Limiting Regulation and as such it is better in terms of Applicable Objective (d). If therefore follows that as it is better in terms of legal compliance (which to me is the primary consideration in this case) it is also better in terms of effective competition (a) whilst being neutral in terms of the other Applicable Objectives (b), (c) and (e).

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)
Grace March – Sembcorp						
Original	-	-	Y	Y	Y	Y

Voting Statement:
 This Modification allows Pre-existing and Non Pre-existing assets to be used in the calculation of Generation TNUoS to be within in the 838/2010 (Limiting Regulation). It is inline with Ofgem’s and the CMA’s view, as expressed in documents relating to CMP317/327, and fulfils the ESO’s obligation and a correct interpretation of 838/2010. It is therefore positive against ACOs c) and d).
 It will align the CUSC with CMP368, whichever WACM should be approved, and is therefore positive against ACO e).

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)
James Stone – National Grid ESO						
Original	-	-	Y	Y	Y	Y

Voting Statement:
 The ESO considers that the Original Proposal is neutral to ACO (a) and ACO (b).
 The ESO considers that the Original Proposal is positive in relation to ACO (c) as it will allow the ESO to take account of developments driven by the Authority’s CMP317/327 decision.
 The ESO considers that the Original Proposal is positive and better facilitates ACO (d) as it updates the CUSC to align with the Authority’s ‘correct interpretation’ of the connection exclusion for the purposes of compliance with the Limiting Regulation as per the terms of the CMP317/327 decision.
 It is also positive in relation to ACO (e) as it will update Section 14 of the CUSC to align with those definitional changes introduced via CMP368.

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)
John Harmer – Waters Wye						
Original	-	-	-	Y	N	Y
Voting Statement: Change is required because of CMP368. By supporting WACM19 in CMP368 I need to support the changes here.						

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)
John Tindal – Keadby Generation Ltd						
Original	Y	-	-	Y	-	Y
Voting Statement: The CMP369 Original is a consequential modification to support the implementation of CMP368. It appears that the Original proposal is appropriate irrespective of whichever CMP368 option is approved, so therefore is Baseline regarding: <ul style="list-style-type: none"> i. ACO “a” Effective competition – By facilitating a reduction in total TNUoS charges paid by GB generators, so better facilitating effective competition compared with generators in other markets ii. ACO “d” Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency – Because it is required to implement a correct interpretation of the Limiting Regulation in the CUSC 						

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)
Lauren Jauss – RWE						
Original	-	-	-	-	Y	Y
Voting Statement: Allows for the relevant definitions to be introduced in CMP368 which is more efficient.						

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 Jones – Uniper						
Original	-	-	-	-	Y	Y
Voting Statement: Enables implementation of associated definition change proposals under CMP368.						

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	-	-	Y	-	-	Y
<p>Voting Statement:</p> <p>CMP369 provides the CUSC charging changes and definitions for the original and alternates of CMP368. As such it is dependent upon the version of CMP 368 that is implemented. Therefore the original and any alternates will better facilitate ACO C to the extent that it/they facilitate implementation of a CMP368 decision.</p>						

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)
Simon Vicary– EDF Energy						
Original	Y	-	-	Y	-	Y
<p>Voting Statement:</p> <p>CMP369 delivers the associated changes required for all of the CMP368 options.</p>						

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?

[Stage not applicable].

Stage 2c – Workgroup Vote

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

Workgroup Member	Company	BEST Option?	Which objective(s) does the change better facilitate? (if baseline not applicable)
Garth Graham	SSE Generation Ltd	Original	a), d)
Grace March	Sembcorp	Original	c), d), e)
James Stone	National Grid ESO	Original	c), d), e)
John Harmer	Waters Wye	Original	d)
John Tindal	Keadby Generation Ltd	Original	a), d)
Lauren Jauss	RWE	Original	e)
Paul Jones	Uniper	Original	e)
Paul Youngman	Drax	Original	c)
Simon Vicary	EDF Energy	Original	a), d)

Of the 9 votes, how many voters said this option was better than the Baseline.

Option	Number of voters that voted this option as better than the Baseline
Original	9