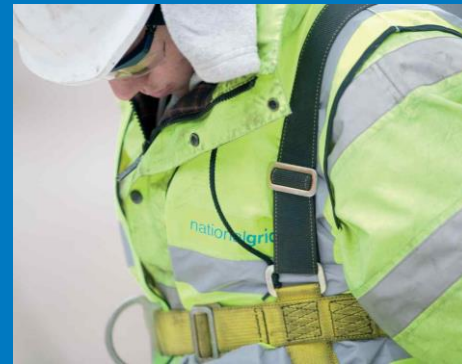


CMP240 'Amending the Cancellation Charge liability within a CMP213 Judicial Review Period'



CUSC Panel – 30 January 2015
Jade Clarke – Code Administrator

Background

- Generator wishing to reduce TEC or submit Notice of Disconnection after station's charging date;
 - Pays a Cancellation Charge if less than one year's notice (Section 15, Para 3.11)
- CMP213 'Project TransmiT TNUoS Developments'
 - To be implemented 1st April 2016
 - Now subject to Judicial Review
- Generators will factor in future transmission charge forecasts when making closure / TEC reduction decisions
- Judicial Review creates uncertainty around TNUoS forecasts for generators from 1st April 2016
- Generators required to make decisions on closure / TEC reduction by end of March 2015 to avoid Cancellation Charge

Proposed CUSC Modification

- On conclusion of a CMP213 Judicial Review;
 - Provide window for generators to give notice to disconnect / reduce TEC effective at the start of the following Financial Year;
 - 20 business days
 - No Cancellation Charge liability

- Change required to paragraph 3.11 of Section 15 of the CUSC

Code Administrator Consultation

- 7 responses received
 - Majority support for Modification
 - Suggested changes to proposed legal text

National Grid Opinion

- CMP240 better facilitate Applicable CUSC Objective (a) as it facilitates the implementation of CMP213 on 1 April 2016. National Grid also believe that CMP240 better facilitates Applicable CUSC Objective (b) by assisting generators in making informed decisions in appropriate timescales and reduces market uncertainty leading to reduced risk premiums.

Questions before Panel Vote?



Panel Determination Vote

- (a) The efficient discharge by the licensee of the obligations imposed upon it under 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.

Proposed timeline

30 January 2015	Panel vote
2 February 2015	Issue FMR for final comment
9 February 2015	Deadline for comments
10 February 2015	Final Report sent to Authority for decision
17 March 2015	Indicative 25 day KPI for decision
1 April 2015	CMP240 implemented (if approved)