

Workgroup Consultation Response Proforma

CMP308: Removal of BSUoS charges from Generation

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 **26 April 2021**. 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 Kavita Patel Kavita.Patel@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Dan Parry
Company name:	Shell Energy UK
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For reference the Applicable CUSC Objectives 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 subparagraphs (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*

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

Standard Workgroup Consultation questions		
1	Do you believe that CMP308 Original proposal better	No response

	facilitates the Applicable Objectives?	
2	Do you support the proposed implementation approach?	No, whilst we are generally supportive of the approach, we are unable to support on the basis of the proposed timescales. It is our preference that these changes are introduced on or after 01 April 2024.
3	Do you have any other comments?	<p>The proposal assumes minimal impact resulting from a 2-year implementation time. This appears to be very domestic customer centric thinking. In the non-domestic market standard product offerings are 12, 24 and 36-month contracts. This includes fixed price contracts and flex. A 2-year implementation could potentially reduce the depth of product offerings and cause consumer detriment.</p> <p>We also note that the proposal was released after 01 April 2021, which is an established contractual start date between suppliers and non-domestic customers, so not affording either of these parties the opportunity to review and revalue the 36-month offerings from that date.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	We would like to propose that the implementation date is delayed until at least 1 st April 2024. This is to reflect the nature of non-domestic contracts as outlined above.
Modification Specific Workgroup Consultation questions		
5	Please provide your thoughts on the Workgroup's discussions post reconvening after the outcome of the Second Balancing Services Charges Task Force. Is there anything else that the Workgroup may need to consider?	n/a
6	What are your thoughts on the workgroup's discussions in regard to final demand data? Do you think the suggested solutions	No response

	are appropriate? Please provide your rationale	
7	What are your thoughts on the draft legal text outlined in Annex 3? Please provide any comments you may have.	No response