

# CMP254 'Addressing discrepancies in disconnection/de-energisation remedies'



CUSC Panel – 8<sup>th</sup> February 2016  
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## Background

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- CMP254 was raised by EDF Energy and was submitted to the CUSC Modifications Panel for their consideration on 30<sup>th</sup> October 2015.
- Seeks to bring the CUSC in line with the DCUSA in regards to Supplier's rights under their Supply Contract and the Electricity Act 1989 to disconnect an indebted customer.
- The Panel agreed with the Proposers request that the Proposal be developed and assessed against the CUSC Applicable Objectives in accordance with an urgent timetable. This request for 'urgency' was however rejected by Ofgem who instead recommended that the Workgroup follow an accelerated timetable.

## Proposed options

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- **Original Proposal:** Aims to bring the CUSC in line with the DCUSA in regards to Supplier's rights under their Supply Contract and the Electricity Act 1989 to disconnect an indebted customer.
- **WACM1:** De-energisation/re-energisation text with additional National Grid's proposed indemnity wording allowing Grid to not proceed with de-energisation for technical or other reasons. The indemnity from the SO to the Supplier in the Original is removed.
- **WACM2:** De-energisation/re-energisation text modified to limit the circumstances that the SO can reject or delay a de-energisation instruction to technical matters, with indemnity text in both directions (SO to Supplier, Supplier to SO), but with indemnities between Supplier and National Grid capped at £5m each way.
- **WACM3:** The Original with an additional process of up to about a week to identify and liaise with Downstream Customers, where there are any, prior to de-energisation to consider possible alternative solutions.
- **WACM4:** WACM1 with the Downstream Customer process.
- **WACM5:** WACM2 with the Downstream Customer process.

# Code Administrator Consultation

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- 3 responses
- The responses favored the Original Proposal over the five proposed WACMs as
  - it provided inter-code consistency with the DCUSA.
  - the WACMs increased risk to the Supplier
  - it did not seem appropriate to delay the de-energisation of a Non-Embedded customers due to reasons that relied significantly on the discretion of National Grid.

## National Grids view

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- National Grid believes that CMP254 WACM4 should be implemented as it;
  - Takes technical, safety and environmental points of view into account prior to de-energisation and considers the potential impact on downstream customers;
  - Aligns indemnities to reflect that it is the commercial decision of the Supplier to initiate the de-energisation process and that the Supplier should therefore fully consider the risks of potential consequences of this being carried out.

## Questions before Panel Vote?



## Panel Recommendation Vote

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- (a) the efficient discharge by the Licensee of the obligations imposed on it by 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.

## Voting guidelines

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- Vote 1: whether each proposal better facilitates the Applicable CUSC Objectives
- Vote 2: which option is considered to BEST facilitate achievement of the Applicable CUSC Objectives. For the avoidance of doubt, this vote should include the existing CUSC baseline as an option.



# Proposed Timetable

19 <sup>th</sup> January 2016	Issue CA Consultation (10 Working days)
2 <sup>nd</sup> February 2016	CA Consultation closes
3 <sup>rd</sup> February 2016	Issue draft FMR to industry for comment
4 <sup>th</sup> February 2016	Deadline for comment
5 <sup>th</sup> February 2016	Draft FMR issued to CUSC Panel
<b>8<sup>th</sup> February 2016</b>	<b>CUSC Panel Recommendation vote</b>
<b>9<sup>th</sup> February 2016</b>	<b>Deadline for Panel comment</b>
<b>10<sup>th</sup> February 2016</b>	<b>Final report to Authority for decision</b>
<b>16<sup>th</sup> March 2016</b>	<b>Indicative Authority Decision due</b>
<b>30<sup>th</sup> March 2016</b>	<b>Implementation Date</b>