

CUSC Alternative Form**CMP362 WACM1:**

Overview: This alternative is as per the Original Proposal with the following exceptions:

- The Fixed Price Period is set to 3 months

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What is the proposed alternative solution?

As per the Original, however in line with CMP361 WACM1, the Fixed Price Period is updated to 3 months.

What is the difference between this and the Original Proposal?

As per original, but with the following differences:

- Fixed Price Period updated to 3 months

What is the impact of this change?

| Proposer's Assessment against CUSC Non-Charging Objectives | |
|---|---|
| Relevant Objective | Identified impact |
| (a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence; | None |
| (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; | None |
| (c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and | None |
| (d) Promoting efficiency in the implementation and administration of the CUSC arrangements. | Positive Aligns the non-charging sections of the CUSC with the Section 14 changes should Ofgem approve CMP361 WACM1 |
| *Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER). | |

When will this change take place?

Implementation date:

April 2023.

Implementation approach:

As per the original.

Acronyms, key terms and reference material

| Acronym / key term | Meaning |
|--------------------|--|
| BSC | Balancing and Settlement Code |
| BSUoS | Balancing Services Use of System |
| BSUoS Fund | The Original proposal is to place a cap on the ESO's total support via its working capital facility (WCF) and form an industry funded BSUoS Fund to ensure an agreed probability of tariffs being reset is covered. This would be collected as part of the BSUoS tariff. |
| CMP | CUSC Modification Proposal |
| CUSC | Connection and Use of System Code |
| LCCC | Low Carbon Contracts Company |
| SCR | Significant Code Review |
| CVA | Central Volume Allocation |
| DNO | Distribution Network Operator |
| DUoS | Distribution Network Use of System |
| EBR | Electricity Balancing Regulation |
| ESO | Electricity System Operator |
| Ex ante | "before the event" (Latin) |
| LCCC | Low Carbon Contracts Company |
| RCRC | Residual Cashflow Reallocation Cashflow |
| RIIO2 | Price Control Period |
| SCR | Significant Code Review |
| SQSS | Security and Quality of Supply Standards |
| STC | System Operator Transmission Owner Code |
| SVA | Supplier Volume Allocation |
| T&Cs | Terms and Conditions |
| TCR | Targeted Charging Review |
| TNUoS | Transmission Network Use of System |

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| WCF | Working Capital Facility |
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Reference material:

None.