

Code Administrator Consultation Response Proforma

CMP361 & CMP362: BSUoS Reform: Introduction of an ex ante fixed BSUoS tariff & Consequential Definition Updates

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 7 January 2022**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact Jennifer Groome Jennifer.groome@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Lorna Mallon
Company name:	ScottishPower Energy Retail Ltd
Email address:	Lorna.mallon@scottishpower.com
Phone number:	0141 614 1163

I wish my response to be:

(Please mark the relevant box)

Non-Confidential

Confidential

Note: A confidential response will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

CMP361

For reference the Applicable CUSC (charging) Objectives are:

- 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;*
- 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);*
- 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;*

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- 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).*

CMP362

For reference the Applicable CUSC (non-charging) Objectives are:

- 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 *; and*
- d) *Promoting efficiency in the implementation and administration of the CUSC arrangements.*

**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).*

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

Standard CMP361 Code Administrator Consultation questions		
1	Do you believe that the CMP361 Original Proposal or WACM1, WACM2, WACM3, WACM4, WACM5, WACM6 or WACM7 better facilitates the Applicable Objectives?	<p>We agree with the objectives and justification as set out in the consultation. However, we believe not all of the options meet the objectives equally.</p> <p>The Original Proposal and WACM5 are our preferred option as they are the best options to meet objective A. WACM5 is the preferred option as it reduces the risk for suppliers and their consumers.</p> <p>WACM1, WACM4 and WACM7 struggle to meet objective A as they are only fixed for 3 months, irrespective of the notice period. The timescale has to meet the price cap window as a minimum to avoid unintended impacts on suppliers and their consumers.</p> <p>WACM2, WACM3 and WACM6 do meet the objectives but have increased risk of fluctuations for suppliers and their consumers.</p> <p>The key to whichever option is selected is the accuracy of all forecasts published by the ESO</p>
2	Do you support the proposed implementation approach?	<p>Yes, fully support the implementation approach and date. This has to be implemented either at the same time or before CMP308 to minimise the impact of CMP308 on suppliers and their consumers.</p> <p>We have assumed that Ofgem will not need to carry out a minded to consultation on this proposal and if one is required this has to be communicated quickly, including any impacts on the expected implementation date.</p>
3	Do you have any other comments?	Click or tap here to enter text.

Standard CMP362 Code Administrator Consultation questions		
1	Do you believe that the CMP361 Original Proposal or WACM1, WACM2, WACM3, WACM4, WACM5 or WACM6 better	Comments on CMP361 above apply.

	facilitates the Applicable Objectives?	
2	Do you support the proposed implementation approach?	Yes – noting that dependent on CMP308 and CMP361 implementation date.
3	Do you have any other comments?	Click or tap here to enter text.