

CUSC Workgroup Consultation Response Proforma**CMP344 'Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology'**

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 23 November 2020**. 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 Joseph.Henry2@nationalgrideso.com or cusc.team@nationalgrideso.com.

Respondent details	Please enter your details
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For reference the applicable CUSC (charging) 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 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;*
- 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 CUSC arrangements.*

**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).*

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 the CMP344 Original Proposal better facilitates the Applicable Objectives?	<p>Yes.</p> <p>The modification increases transparency by clarifying arrangements cost recovery arrangements for offshore transmission owners to be in line with onshore methodologies.</p> <p>The proposal presents a consistent and level-playing field for transmission owners, and reduces ambiguity in the CUSC. Through clarifying the recovery of costs in unforeseen or unforeseeable events, certainty is also provided to all users.</p> <p>We therefore believe the original proposal meets objectives (a) to facilitate effective competition, (b) to reflect the costs between licensees and (e) to promote efficiency in the implementation and administration of the CUSC arrangements.</p>
2	Do you support the proposed implementation approach?	Yes, we support the proposed implementation approach, and would also support implementation from 1 April 2021 to reflect as part of the new price control.
3	Do you have any other comments?	No
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	No