

Annex 7 – CMP331 Legal Text
Changes shown in red text (to Section 14.15.114 only)

CUSC - SECTION 14

CHARGING METHODOLOGIES

CONTENTS

14.1 Introduction

Part I -The Statement of the Connection Charging Methodology

14.2 Principles

14.3 The Calculation of the Basic Annual Connection Charge for an Asset

14.4 Other Charges

14.5 Connection Agreements

14.6 Termination Charges

14.7 Contestability

14.8 Asset Replacement

14.9 Data Requirements

14.10 Applications

14.11 Illustrative Connection Charges

14.12 Examples of Connection Charge Calculations

14.13 Nominally Over Equipped Connection Sites

Part 2 -The Statement of the Use of System Charging Methodology

Section 1 – The Statement of the Transmission Use of System Charging Methodology;

14.14 Principles

14.15 Derivation of Transmission Network Use of System Tariff

14.16 Derivation of the Transmission Network Use of System Energy Consumption Tariff and Short Term Capacity Tariffs

Annex 7 – CMP331 Legal Text

Changes shown in red text (to Section 14.15.114 only)

14.17 Demand Charges

14.18 Generation Charges

14.19 Data Requirements

14.20 Applications

14.21 Transport Model Example

14.22 Illustrative Calculation of Boundary Sharing Factors (BSFs) and Shared / Not-Shared incremental km

14.23 Example: Calculation of Zonal Generation Tariffs and Charges

14.24 Example: Calculation of Zonal Demand Tariff

14.25 Reconciliation of Demand Related Transmission Network Use of System Charges

14.26 Classification of parties for charging purposes

14.27 Transmission Network Use of System Charging Flowcharts

14.28 Example: Determination of The Company's Forecast for Demand Charge Purposes

14.29 Stability & Predictability of TNUoS tariffs

Section 2 – The Statement of the Balancing Services Use of System Charging Methodology

14.30 Principles

14.31 Calculation of the Daily Balancing Services Use of System Charges

14.32 Settlement of BSUoS

Annex 7 – CMP331 Legal Text

Changes shown in red text (to Section 14.15.114 only)

Derivation of Generic ALFs

14.15.111 The generic ALF is derived from the average annual output of the ten most recently commissioned GB generation of a particular generation plant type that have at least five **Financial Years**’ data, using an identical methodology to that used for the Power Station specific calculation described above. Where less than ten GB generators of a particular generation plant type exist, then data from all existing generators of that particular generation plant type will be used. Example generation plant type categories are listed below;

Fuel Type
Biomass
Coal
Gas
Hydro
Nuclear (by reactor type)
Oil & OCGTs
Pumped Storage
Onshore Wind
Offshore Wind
CHP

14.15.112 **The Company** will keep these categories under review and update as necessary. Where within a category there is a significant locational difference consideration will be given to zonal generic factors. The factors used will be published in the Statement of Use of System Charges and will be reviewed annually.

14.15.113 If a User can demonstrate that the generation plant type of a Power Station has changed, consideration will be given to the use of relevant generic ALF information in the calculation of their charges until sufficient specific data is available.

14.15.114 For new and emerging generation plant types, where insufficient data is available to allow a generic ALF to be developed, **The Company** will use the best information available e.g. from manufacturers and data from use of similar technologies outside GB. The factor will be agreed with the relevant Generator. In the event of a disagreement the standard provisions for dispute in the CUSC will apply.

14.15.114 a A User can submit a user-provided ALF to be used instead of the generic ALF. The user-provided ALF must be submitted to **The Company** no later than 30 September of the **Financial Year** (t-1) for the **Financial Year** (t) except for the **Financial Year** commencing 1 April 2024, when the user-provided ALF must be submitted by 31 October 2023. The submission of a user-provided ALF should be accompanied by evidence why the user-provided ALF would be a more accurate representation of the operating regime of the **Power Station** than the generic value that would otherwise apply. **The Company** will assess the evidence and if it deems it to be sufficient it will use the ALF provided by the **User** in substitution of the generic ALF.

Annex 7 – CMP331 Legal Text

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14.15.114 b When assessing whether the generic ALF can be substituted with a user-provided ALF, **The Company** will examine the evidence provided to determine whether:

- The ALF has been determined from a report that has been produced independently from the **User**
- The report provides a fair assessment of the expected output of the power station that takes account of the variables that are likely to impact the annual output and load factor

The **User** will notify **The Company**, at the earliest opportunity and providing accompanying evidence, as soon as it becomes aware of any issues that could impact the value of the user-provided ALF or **The Company's** assessment of it.

14.15.114 c Where **The Company** rejects the submission of a user-provided ALF by a **User** and the **User** believes that **The Company** has not given sufficient reason to reject the evidence provided, the **User** can dispute the decision via the disputes process set out in CUSC.