

CUSC Alternative and Workgroup Vote

CMP331: Option to replace generic Annual Load Factors (ALFs) with site specific ALFs

Please note: To participate in any votes, Workgroup members need to have attended at least 50% of meetings.

Stage 1 - Alternative Vote

If Workgroup Alternative Requests have been made, vote on whether they should become Workgroup Alternative CUSC Modifications (WACMs).

Stage 2 - Workgroup Vote

2a) Assess the original and WACMs (if there are any) against the CUSC objectives compared to the baseline (the current CUSC).

2b) Vote on which of the options is best.

Terms used in this document

Term	Meaning
Baseline	The current CUSC (if voting for the Baseline, you believe no modification should be made)
Original	The solution which was firstly proposed by the Proposer of the modification
WACM	Workgroup Alternative CUSC Modification (an Alternative Solution which has been developed by the Workgroup)

The applicable CUSC 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 system charging methodology.

Workgroup Vote

Stage 1 – Alternative Vote

Vote on Workgroup Alternative Requests to become Workgroup Alternative CUSC Modifications.

The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.

Should the majority of the Workgroup OR the Chair believe that the potential alternative solution may better facilitate the CUSC objectives than the Original proposal then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative CUSC modification (WACM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.

“Y” = Yes

“N” = No

“-“ = Neutral (Stage 2 only)

“Abstain”

No Workgroup Alternatives proposed.

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Stage 2a – Assessment against objectives

To assess the original and WACMs against the CUSC objectives compared to the baseline (the current CUSC).

You will also be asked to provide a statement to be added to the Workgroup Report alongside your vote to assist the reader in understanding the rationale for your vote.

ACO = Applicable CUSC Objective

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
	Andy Pace - Energy Potential					
Original	Y	Y	-	-	-	Y
Voting Statement:						
<p>This mod will allow new connectees to request the ESO to substitute the generic ALF with a user specified ALF that more closely reflects the running regime of the power station. The user requested ALF needs to be justified with evidence to the ESO demonstrating why the user specified ALF is more reflective of the expected running regime than the generic values. This will result in TNUoS charges that are more representative of the enduring TNUoS charges that the power station can expect to incur. We therefore rate this mod as better meeting applicable objectives (a) and (b) by improving competition in the generation and supply of electricity by setting TNUoS charges on a more cost reflective basis. We believe this mod will particularly help the roll out of renewable generation in GB and assist in the journey towards net zero.</p>						

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
	Rein de Loor – National Grid ESO					
Original	N	N	-	-	N	N
Voting Statement:						
<p>In the ESO's view, the CMP331 solution facilitates objectives a), b) and e) less well than the baseline. In summary, this proposal does not better facilitate the relevant objectives for the following reasons.</p> <p>Using the same method for calculating ALFs for all generators is the best way to facilitate effective competition, rather than allowing new users to adopt their own methodology to forecast and calculate their ALF, which would lead to less transparency and different pricing calculations for new generators of the same technology type in the same generation zones.</p>						

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Further, whilst costs may arguably be more reflective for some generators if their forecast is accurate, it may equally be less reflective for others if the forecast is not accurate and there is no way of guaranteeing that forecasts will be accurate. Therefore, the existing procedure of using generic ALFs based on actual data (with the option of breaking it down into zonal data should there be a need to) is the most cost-reflective option available where no actual ALF data exists.

Finally, allowing generators to submit user-provided ALFs will make the TNUoS process more lengthy and complicated, opening up the potential for disputes between the ESO and generators/developers if the decision to adopt/reject a user-provided ALF is appealed.

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
Paul Youngman - Drax						
Original	-	Y	-	-	Y	Y

Voting Statement:

The proposal enables developers to better reflect the expected capability of new plant than the current process of applying generic ALF's. This should better facilitate ACO (b) by improving the cost reflectivity of charges for newly connecting plant. More generally the process described should lead to the ESO and others monitoring the suitability of load factors more closely and should, over time, lead to more efficient development and administration of the charging methodology satisfying ACO (e).

Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
Andy Colley – SSE Generation						
Original	-	Y	-	-	Y	Y

Voting Statement:

No Voting Statement provided.

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Workgroup Member	Better facilitates ACO (a)	Better facilitates ACO (b)	Better facilitates ACO (c)	Better facilitates ACO (d)	Better facilitates ACO (e)	Overall (Y/N)
	Ryan Ward – Scottish Power Renewables					
Original	Y	Y	-	-	-	Y
<p>Voting Statement:</p> <p>Objectives A&B – Positive</p> <p>Site specific ALFs could result in generators receiving more cost reflective TNUoS charges for the first 3 years of operation. Site specific ALFs will provide a more cost reflective charge, improve against the Charging Principles within the Consumer Use of System Code 4.4.2.2</p> <p><i>CUSC 4.4.2.2 - “charges shall be “cost reflective” i.e. Based and founded upon the actual or estimated costs directly incurred or to be uncured by the user for the purpose of providing the service or capability concerned.”</i></p> <p>Objectives C, D, E – Neutral</p>						

Of the 5 votes, how many voters said this option was better than the Baseline.

Option	Number of voters that voted this option as better than the Baseline
Original	4

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Stage 2b – Workgroup Vote

Which option is the best? (Baseline or Proposer solution (Original Proposal))

Workgroup Member	Company	BEST Option?	Which objective(s) does the change better facilitate? (if baseline not applicable)
Andy Pace	Energy Potential	Original	a, b
Rein de Loor	National Grid ESO	Baseline	n/a
Paul Youngman	Drax	Original	b, e
Andy Colley	SSE Generation	Original	b, e
Ryan Ward	Scottish Power Renewables	Original	a, b