

CUSC Alternative Form

CMP392 Alternative Request 1: Obligate the ESO to publish a guidance note on the Generator TNUoS Adjustment Tariff for the purposes of the Limiting Regulation on an annual basis.

Overview: In January 2023, the ESO published [Calculation of the Generator TNUoS Adjustment Tariff for the purposes of the Limiting Regulation – Guidance for 2023/24](#). It is proposed that this will be codified the ESO continue to publish this guidance on an annual basis so Users are aware of the methodology on the calculation of the Generator TNUoS adjustment Tariff for the purposes of the Limiting Regulation.

Proposer: Joseph Henry, ESO

Contents

- **What is the proposed alternative solution?**

The Alternative Proposal will codify the obligation for the ESO to publish a guidance note on an annual basis that will explain the methodology used to calculate TNUoS Adjustment Tariff for the purposes of the Limiting Regulation. The ESO voluntarily published this Guidance for the first time in January 2023 for the 2023/34. We would propose that this information, coupled with information which is already in the public domain, is sufficient for parties to understand how their charge is calculated, and how the ESO maintain a position of compliance.

The guidance note would identify the following:

- Background to the Regulation
- Explanation of the Limiting Regulation
- Explanation of TNUoS Charges
- Physical Assets Required for Connection (PARC)
- Principles used in the ESO's assessment
- Ex Post Compliance checks

- **What is the impact of this change?**

The ESO are compliant with the Limiting Regulation. This Alternate will obligate the ESO to make public the methodology used in the calculation.

- **When will the change take place?**

Implementation timelines would mirror that of the Original Proposal.

- **Acronyms, key terms and reference material**

See Below

What is the proposed alternative solution?

The ESO voluntarily published this Guidance for the first time in January 2023 for the 2023/34. We would proposed that this information, coupled with information which is already in the public domain, is sufficient for parties to understand how their charge is calculated, and how the ESO maintain a postion of compliance.

The guidance note would identify the following:

- Background to the Regulation
- Explanation of the Limiting Regulation
- Explanation of TNUoS Charges
- Physical Assets Required for Connection (PARC)
- Priciples used in the ESO’s assessment
- Ex Post Compliance checks

What is the difference between this and the Original Proposal?

The ESO would be obligated to produce the guidance note annually, whereas the original proposal involves publishing of the calculation on a project by project basis.

What is the impact of this change?

| Proposer’s Assessment against CUSC Charging Objectives | |
|--|--|
| Relevant Objective | Identified impact |
| (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; | Positive – The Alternative solution ensures that the ESO makes clear the methodology undertaken to maintain compliance with the Limiting Regulation |
| (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); | Positive Alternative allows for the publication of the methodology as to how charges are calculated in regards to the limiting regulation |
| (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; | None |

| | |
|--|--|
| <p>(d) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and</p> | <p>Positive: Allows ESO to demonstrate compliance to the Limiting Regulation</p> |
| <p>(e) Promoting efficiency in the implementation and administration of the system charging methodology.</p> | <p>Positive: More efficient use of ESO resources under the alternative, presenting a small saving to ESO and subsequently consumers</p> |
| <p>*The Electricity Regulation referred to in objective (d) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.</p> | |

When will this change take place?

Implementation date:

As Original

Implementation approach:

As Original

Acronyms, key terms and reference material

| Acronym / key term | Meaning |
|-------------------------|--|
| BSC | Balancing and Settlement Code |
| CMP | CUSC Modification Proposal |
| CUSC | Connection and Use of System Code |
| EBR | Electricity Balancing Regulation |
| PARC | Physical Assets Required for Connection |
| STC | System Operator Transmission Owner Code |
| SQSS | Security and Quality of Supply Standards |
| T&Cs | Terms and Conditions |
| The Limiting Regulation | EU Regulation 838/2010 |
| TNUoS | Transmission Network Use of System |

Reference material:

- 1. [2023/24 Guidance Note](#)