

Code Administrator Consultation Response Proforma

CMP392: Transparency and legal certainty as to the calculation of TNUoS in conformance with the Limiting Regulation

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 **04 September 2023**. 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 Teri Puddefoot terri.puddefoot@nationalgrideso.com or cusc.team@nationalgrideso.com.

Respondent details	Please enter your details	
Respondent name:	Ryan Ward	
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Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

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.

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 system charging methodology.*

***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.*

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

Standard Code Administrator Consultation questions		
1	Please provide your assessment for the proposed solution(s) against the Applicable Objectives?	Mark the Objectives which you believe the proposed solution(s) better facilitates:
		Original <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D <input checked="" type="checkbox"/> E
		WACM1 <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E
		WACM2 <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D <input checked="" type="checkbox"/> E
<p><u>Original & WACM2 proposals:</u></p> <p>Objective A: Positive – The additional transparency and legal certainty provided to users will be beneficial when it comes to the ESO executing the CUSC calculation and methodology. This establishes confidence in the process and thus better enables effective competition between users, and assurance that TNUoS charges remain compliant.</p> <p>Objective B: Positive – The Original and WACM2 provides additional clarity that the approach is being carried out in line with the CUSC, thus better ensuring that charges will remain cost reflective.</p> <p>Objective C: Neutral</p> <p>Objective D: Positive – The proposed publications including the input parameters, calculation and outputs will allow users to better ensure the charges remain within the legally binding Limiting Regulation (European Commission Regulation 838/2010).</p> <p>Objective E: Positive – It is crucial that the CUSC correctly reflects the connection exclusion and users can determine if charges fall in or out of scope. The improved clarity provided will prevent any unnecessary confusion and/or disputes that could otherwise be easily avoided.</p> <p><u>WACM1 Proposal:</u></p> <p>WACM1 alone does not offer the additional transparency or legal certainty required to improve upon the status quo.</p>		
2	Do you have a preferred proposed solution?	<input type="checkbox"/> Original <input type="checkbox"/> WACM1 <input checked="" type="checkbox"/> WACM2 <input type="checkbox"/> Baseline <input type="checkbox"/> No preference
		WACM2 is the preferred solution as it builds on the original proposal.

3	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		10 business days after approval seems reasonable.
4	Do you have any other comments?	<p>To ensure for the desired impact of the Original or WACM2, the calculation, input parameters, and outputs are required to be published for industry users.</p> <p>It has been clear throughout the workgroup that there will be no impact on tariffs via this proposal. It will simply provide users more transparency and legal certainty around the CUSC methodology and calculation.</p>