Code Administrator Consultation Response Proforma

CMP411: Introduction of Anticipatory Investment (AI) within the Section 14 charging methodologies.

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 **27 November 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 cusc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Ryan Ward	
Company name:	ScottishPower Renewables	
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Phone number:	+44 7818 538595	
Which best describes your organisation?	☐Consumer body ☐Demand ☐Distribution Network Operator ☒Generator ☐Industry body ☐Interconnector	☐Storage ☐Supplier ☐System Operator ☐Transmission Owner ☐Virtual Lead Party ☐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 CMP411 solution against the Applicable Objectives?	Mark the Objectives which you believe the proposed solution better facilitates:	
		Original	☒A ☐B ☒C ☐D ☒E
		Objective A – **Positive** CMP411 benefits competition by reducing additional risk and uncertainty for the initial generator. The initial generator risks receiving higher TNUoS charges, than if the anticipatory investment was not made. This is currently a disincentive for the initial generator under the existing methodology. Objective B & D – **Neutral** Objective C – **Positive** The proposal is in alignment with Ofgem's policy decision on Anticipatory Investment & Implementation of Policy Changes. It aims to address the current barrier to entry & better enable project co-ordination. Objective E – **Positive** CMP411 codifies the AI principle within Section 14 of the Charging Methodologies. Codifying the principles provides clarity and mitigates any risk of confusion on the treatment of cost recovery.	

2	Do you have a preferred proposed solution?	☒Original ☐Baseline ☐No preference
		On the basis of the Objectives set out above, the original proposal better meets the CUSC charging objectives and is our preferred solution.
3	Do you support the proposed implementation approach?	☒Yes ☐No
		April 2025 should allow sufficient time for implementation.
4	Do you have any other comments?	For consistency, we believe that CMP411 and CMP402 should progress in parallel (*as far as reasonably possible*). This will ensure alignment across the charging and user commitment approaches.